# A-Engrossed House Bill 2425

Ordered by the House April 15 Including House Amendments dated April 15

Sponsored by Representative DIEHL, Senator SMITH DB, Representative RESCHKE; Representatives BOSHART DAVIS, ELMER (Presession filed.)

### SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Sets up a task force to look at who is supplying the goods and services that public bodies in this state buy and to make sure that the products don't involve forced labor or child labor. (Flesch Readability Score: 66.8).

[Digest: Tells a public body that buys electric cars or solar panels that it needs proof from the vendor that no forced labor was used in producing the car or panel. Specifies penalties for lying about the proof. (Flesch Readability Score: 66.8).]

[Requires public bodies that procure electric vehicles and solar photovoltaic energy systems to receive before entering a contract for the electric vehicle or solar photovoltaic energy system a certification from the manufacturer, distributor, vendor or supplier that the production, assembly, transportation or sale of the electric vehicle or solar photovoltaic energy system did not use or involve forced labor or oppressive child labor. Requires probative evidence to accompany the certification.]

[Provides that a person that supplies a certification that is false, materially misleading, illegitimate, untruthful, forged or substantially inaccurate is liable for a civil penalty of not more than \$10,000 or half of the price the public body paid for the electric vehicle or solar photovoltaic energy system. Subjects the public body to similar penalties for knowingly or intentionally accepting a certification that the public body knows is false, materially misleading, illegitimate, untruthful, forged or substantially inaccurate.]

[Takes effect on the 91st day following adjournment sine die.]

Establishes the Task Force on Ethical Procurement with 11 members appointed by the President of the Senate, the Speaker of the House of Representatives and the Governor. Requires the task force to devise methods for verifying the identities of manufacturers, distributors, vendors or suppliers of products that public bodies procure in this state and ensuring that the public bodies do not procure products for which production, assembly, transportation or sale used or involved forced labor or oppressive child labor. Specifies methods by which the task force may carry out the task force's purpose.

Sunsets on December 31, 2026.

Declares an emergency, effective on passage.

#### A BILL FOR AN ACT

- 2 Relating to ensuring that forced labor is not used for electric products that public bodies procure;
- 3 and declaring an emergency.
- 4 Be It Enacted by the People of the State of Oregon:
- 5 SECTION 1. (1) The Task Force on Ethical Procurement is established.
- 6 (2) The task force consists of 11 members appointed as follows:
- 7 (a) The President of the Senate shall appoint two nonvoting members from among 8 members of the Senate.
- 9 (b) The Speaker of the House of Representatives shall appoint two nonvoting members
- 10 from among members of the House of Representatives.
- 11 (c) The Governor shall appoint seven members as follows:
- 12 (A) A representative from the office of the Governor;
- 13 (B) The Director of the Oregon Department of Administrative Services, or a designee;

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(C) The Director of Transportation, or a designee; 1 2 (D) The State Parks and Recreation Director, or a designee; (E) The State Forester, or a designee; 3 (F) The Director of the State Department of Energy, or a designee; and 4 (G) The Director of the Department of Corrections, or a designee. 5 (3)(a) The task force shall devise methods for: 6 (A) Verifying the identities of manufacturers, distributors, vendors or suppliers of pro-7 ducts that public bodies procure in this state, with particular emphasis on electric vehicles, 8 9 solar photovoltaic energy systems and other electric products; and (B) Ensuring that public bodies in this state do not procure products, including electric 10 vehicles, solar photovoltaic energy systems or other electric products, whether completely 11 12 assembled and finished or as new or replacement parts or components, in which production, including the mining of constituent materials and sourcing of parts, assembly, transportation 13 or sale of the products used or involved forced labor or oppressive child labor. 14 15 (b) As used in paragraph (a) of this subsection: 16 (A) "Electric products" means products that use electricity to function and that, in the determination of the task force, require an assessment of whether the production, assembly, 17 18 transportation or sale of the products involved forced labor or oppressive child labor. 19 (B) "Electric vehicle" means a motor vehicle that uses for propulsion electricity drawn 20from a battery that may be recharged from an external source of electricity. 21(C) "Forced labor" means work or service that an individual does involuntarily and: 22(i) Under compulsion from: (I) Force, fraud or coercion, including by a threat of serious harm to, or physical re-23straint of, the individual or a threat of serious harm to, or physical restraint of, another 24 25person; or (II) An abuse or threatened abuse of the law or legal process; 2627(ii) That constitutes oppressive child labor; (iii) That is uncompensated or extremely low paying, involves excessively long hours or 28is unusually risky or hazardous; or 2930 (iv) That is assigned to or required from the individual on the basis of the individual's 31 race, color, religion, sex, sexual orientation, national origin, disability or membership in another class that is recognized and protected by law. 32(D) "Oppressive child labor" means work that employs a child that is 14 years of age or 33 34 younger and is hazardous for children. (E) "Public body" means the state government, as defined in ORS 174.111, local govern-35 ment, as defined in ORS 174.116, a special government body, as defined in ORS 174.117, the 36 37 Oregon State Bar, the Oregon Health and Science University and any intergovernmental 38 entity formed between or among any of the entities listed in this subparagraph. (F) "Solar photovoltaic energy system" has the meaning given that term in ORS 757.360. 39 40 (4)(a) In carrying out the purposes identified in subsection (3) of this section, the task force shall: 41 (A) Review solutions and best practices that are available from public and private entities 42 and devise other solutions if necessary; 43 (B) Identify obstacles and challenges and recommend methods for overcoming the ob-44 stacles and challenges; 45

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1 (C) Evaluate evidence of the effectiveness of existing solutions and best practices and 2 recommend the most effective solutions or practices;

3 (D) Devise criteria for testing the effectiveness of new solutions;

(E) Identify needed technologies, processes or other resources; and

5 (F) Investigate, evaluate and predict how implementing the solutions and best practices 6 that the task force recommends will affect the procurement practices of public bodies and 7 the availability of goods and services for public procurement, including electric vehicles, so-8 lar photovoltaic energy systems and other electric products.

9 (b) The task force may take testimony, conduct studies, consult experts, require public 10 bodies in this state to produce reports or other materials to aid in the task force's investi-11 gations and otherwise engage in activities needed to carry out the purposes described in 12 subsection (3) of this section.

(5) A majority of the voting members of the task force constitutes a quorum for the
 transaction of business.

(6) Official action by the task force requires the approval of a majority of the voting
 members of the task force.

(7)(a) The Governor shall select one member of the task force to serve as chairperson and another to serve as vice chairperson, for the terms and with the duties and powers necessary for the performance of the functions of the offices as the Governor determines.

(b) A majority of the voting members of the task force, with the approval of the Governor, may appoint additional members to the task force as needed to carry out the work of
the task force.

(8) If there is a vacancy for any cause, the appointing authority shall make an appoint ment to become immediately effective.

(9) The task force shall meet at times and places specified by the call of the chairperson
or of a majority of the voting members of the task force, but shall meet at least once each
month during the period in which the task force is active.

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(10) The task force may adopt rules necessary for the operation of the task force.

(11) The task force shall submit a report in the manner provided by ORS 192.245, and
 may include recommendations for legislation, to an interim committee of the Legislative
 Assembly related to public procurement no later than December 15, 2026.

(12) The Oregon Department of Administrative Services shall provide staff support to the
 task force.

(13) Members of the Legislative Assembly appointed to the task force are nonvoting
 members of the task force and may act in an advisory capacity only.

(14) Members of the task force who are not members of the Legislative Assembly serve
as volunteers on the task force and, unless they are qualified members, as defined in ORS
292.495, are not entitled to compensation or reimbursement for expenses.

(15) All agencies of state government, as defined in ORS 174.111, are directed to assist
the task force in the performance of the duties of the task force and, to the extent permitted
by laws relating to confidentiality, to furnish information and advice the members of the task
force consider necessary to perform their duties.

(16) All appointments to the task force made under subsection (2) of this section must
be completed by the later of 90 days after adjournment sine die of the 2025 regular session
of the Eighty-third Legislative Assembly or September 30, 2025.

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1 (17) The task force shall have its first meeting on or before the later of 91 days after

2 adjournment sine die of the 2025 regular session of the Eighty-third Legislative Assembly or

3 October 15, 2025.

4 <u>SECTION 2.</u> Section 1 of this 2025 Act is repealed on December 31, 2026.

5 <u>SECTION 3.</u> This 2025 Act being necessary for the immediate preservation of the public

peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect
on its passage.

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