

HOUSE AMENDMENTS TO HOUSE BILL 3881

By COMMITTEE ON RULES

May 27

On page 1 of the printed bill, delete lines 5 through 26 and delete pages 2 through 9 and insert:

SECTION 1. ORS 279C.533 is amended to read:

“279C.533. (1) As used in this section:

“(a) ‘Apprentice’ has the meaning given that term in ORS 660.010.

“(b) ‘Apprenticeable occupation’ has the meaning given that term in ORS 660.010.

“(c) ‘Apprenticeship agreement’ has the meaning given that term in ORS 660.010.

“(d) ‘Apprenticeship training program’ means the total system of apprenticeship that a particular local joint committee, as defined in ORS 660.010, operates, including the local joint committee’s registered standards and all other terms and conditions for qualifying, recruiting, selecting, employing and training apprentices in an apprenticeable occupation.

“(e) ‘Minority individual’ has the meaning given that term in ORS 200.005.

“(f)(A) ‘Qualifying agency’ means:

“[(A)] (i) A state contracting agency; [and]

“[(B)] (ii) The Higher Education Coordinating Commission[.];

“(iii) A public university listed in ORS 352.002; [and]

“(iv) A community college district, as defined in ORS 341.005[.]; and

“(v) A school district, as defined in ORS 330.003, that applies for and receives a matching fund grant from the Department of Education under ORS 286A.801.

“(B) A commission, university, school or district listed in subparagraph (A) of this paragraph is a qualifying agency only to the extent that the commission, [the] university, school or [the] district uses funds paid directly or indirectly from the State Treasury for all or a portion of the construction costs of a public improvement.

“(g) ‘Veteran’ has the meaning given that term in ORS 408.225.

“(h) ‘Woman’ has the meaning given that term in ORS 200.005.

“(2) A qualifying agency shall provide in each public improvement contract for which the contract price exceeds \$3 million that the contractor shall:

“(a) Employ apprentices to perform 12 percent or more of the work hours that workers in apprenticeable occupations perform for each contract on the public improvement; and

“(b) Require in each subcontract with a contract price of \$750,000 or more that the subcontractor employ apprentices to perform 12 percent or more of the work hours that workers in apprenticeable occupations perform on the subcontract.

“(3) A contractor or subcontractor shall pay an apprentice for work on the public improvement at the hourly rate to which the apprentice is entitled under an apprenticeship agreement or that the apprenticeship training program specifies.

“(4)(a) A qualifying agency shall require as a material provision of a public improvement con-

1 tract that the contractor establish and implement a plan for outreach to and recruitment and re-
2 tention of women, minority individuals and veterans to perform work under the public improvement
3 contract, with an aspirational target of having individuals in one or more of these groups to com-
4 pose at least 15 percent of the total number of workers who perform work under the public im-
5 provement contract. A contractor's plan for outreach, recruitment and retention must require the
6 contractor to, at a minimum:

7 "(A) Advertise employment opportunities available under the public improvement contract in
8 general circulation publications, trade association publications and publications that serve an audi-
9 ence or readership that consists primarily of minority individuals, women or veterans;

10 "(B) Follow up on the contractor's initial solicitations of interest by contacting minority indi-
11 viduals, women or veterans who expressed interest in or responded to the initial solicitation to de-
12 termine with certainty whether the minority individual, woman or veteran is interested in the
13 opportunities described in subparagraph (A) of this paragraph;

14 "(C) Provide all persons who express continued interest with adequate information about hiring
15 qualifications, pay rates, benefits, the expected duration of employment, work hours and other con-
16 ditions of employment under the public improvement contract;

17 "(D) Make efforts to encourage minority individuals, women and veterans to seek employment
18 under the public improvement contract that the contractor may reasonably expect will produce a
19 level of participation that meets the aspirational target described in this paragraph; and

20 "(E) Use the services of minority community organizations, local, state, federal and tribal gov-
21 ernments or other organizations that have recruiting, training and otherwise assisting minority in-
22 dividuals, women and veterans as the organization's primary purpose or mission to assist the
23 contractor with outreach, recruitment and retention.

24 "(b) A contractor shall demonstrate adequate good faith efforts to comply with the requirements
25 of paragraph (a)(A) to (E) of this subsection.

26 "(c) A contractor shall require any subcontractor with which the contractor has a subcontract
27 with a contract price of \$750,000 or more to comply with the requirements set forth for the con-
28 tractor in paragraph (a) of this subsection.

29 "(5)(a) A contractor shall report the extent of the contractor's compliance with this section and
30 the compliance of a subcontractor described in subsection (4)(c) of this section to the qualifying
31 agency on forms, in a format and with contents the Commissioner of the Bureau of Labor and In-
32 dustries specifies by rule, and at regular intervals that the qualifying agency specifies in the public
33 improvement contract.

34 "(b) A qualifying agency shall require the contractor to submit for each contract and subcon-
35 tract the report described in paragraph (a) of this subsection as part of, or as a supplement to,
36 certified statements required under ORS 279C.845, shall require [contractors] **the contractor** to
37 preserve the reports as provided for certified statements in ORS 279C.845 (5), may disclose the re-
38 ports as provided in ORS 279C.845 (6) and may enforce a failure to submit a report as provided in
39 ORS 279C.845 (7). The reports described in this subsection must include, at a minimum, for each
40 contract or subcontract related to the public improvement contract:

41 "(A) The name of or other identification for the public improvement project;

42 "(B) The city or county in which the public improvement project is located;

43 "(C) A detailed accounting of:

44 "(i) The total number of hours of work that workers performed under each contract and sub-
45 contract;

1 “(ii) The total number of hours of work that workers performed in each apprenticeable trade
2 or craft for each contract and subcontract on the public improvement;

3 “(iii) The total number of hours of work that apprentices performed for each contract and sub-
4 contract on the public improvement; and

5 “(iv) The total number of hours of work that apprentices in each trade or craft performed for
6 each contract and subcontract on the public improvement; and

7 “(D) The total number of workers who performed construction work and the total numbers of
8 minority individuals, women and veterans who performed construction work under the public im-
9 provement contract. A report under this subparagraph must separately list for each worker the
10 worker’s race, ethnicity, gender, veteran status and, as applicable, trade, craft or job category. The
11 Commissioner of the Bureau of Labor and Industries by rule may specify a method for identifying,
12 collecting and reporting the information required under this subparagraph, which may consist of
13 methods the United States Equal Employment Opportunity Commission prescribes in regulations the
14 United States Equal Employment Opportunity Commission adopts under Title VII of the Civil Rights
15 Act of 1964, 42 U.S.C. 2000e et seq.

16 “(6) At least 30 days before making any final payment to a contractor under a public improve-
17 ment contract, a qualifying agency shall determine the extent of the contractor’s compliance with
18 the requirements in subsections (2) and (3) of this section. The qualifying agency shall base the
19 determination on the ratio between the actual number of work hours that workers in apprenticeable
20 occupations performed for each contract and subcontract on the public improvement and the actual
21 number of work hours that apprentices performed for each contract and subcontract on the public
22 improvement, as shown in reports the qualifying agency receives under subsection (5) of this section.

23 “(7)(a) Not later than 30 days after making a final payment to a contractor under a public im-
24 provement contract, a qualifying agency shall report to the Bureau of Labor and Industries the in-
25 formation the qualifying agency collected from the contractor under subsection (5) of this section,
26 together with the qualifying agency’s determination under subsection (6) of this section as to
27 whether the contractor and any subcontractor met the requirements for employing and paying ap-
28 prentices set forth in subsections (2) and (3) of this section. The bureau may specify the form and
29 contents of a report under this paragraph and may require the qualifying agency to also report ag-
30 gregated data.

31 “(b) Not later than January 2 of each odd-numbered year, the bureau shall report to a committee
32 of the Legislative Assembly that considers matters related to apprenticeship and apprenticeship
33 utilization on public improvement contracts the following data concerning each public improvement
34 contract and subcontract that each qualifying agency completed within the previous two years:

35 “(A) The total number of hours of work that workers performed for each contract or subcontract
36 on all public improvement projects;

37 “(B) The total number of hours of work that workers performed in each apprenticeable trade
38 and craft for each contract and subcontract on all public improvement projects;

39 “(C) The total number of hours of work that apprentices performed for each contract and sub-
40 contract on all public improvement projects;

41 “(D) The total number of hours of work that apprentices in each apprenticeable trade or craft
42 performed for each contract and subcontract on all public improvement projects;

43 “(E) The total number of minority individuals, women and veterans who performed work on the
44 public improvement projects; and

45 “(F) Any additional information the bureau determines is necessary to carry out the purposes

1 of this section.

2 “(8)(a) A qualifying agency shall reduce the payment due under a public improvement contract
3 to a contractor that does not meet the requirements set forth under subsections (2) and (3) of this
4 section. The amount of the reduction must be equivalent to the difference between the total number
5 of work hours that apprentices in apprenticeable occupations should have performed on the public
6 improvement project to meet the requirement set forth in subsection (2) of this section less the total
7 number of work hours that apprentices in apprenticeable occupations actually performed on the
8 public improvement project, multiplied by \$15 per hour.

9 “(b)(A) **Except as provided in subparagraph (B) of this paragraph**, the qualifying agency
10 shall pay the amount of the reduction under paragraph (a) of this subsection to the State Treasury
11 to the credit of the Bureau of Labor and Industries Account established under ORS 651.160. The
12 bureau shall use the amount deposited to fund expansions of apprenticeship training programs, with
13 a focus on programs in areas of this state where contractors did not meet the targets specified in
14 subsection (2) of this section.

15 “(B) **If the qualifying agency is a school district described in subsection (1)(f)(A)(v) of this**
16 **section, the qualifying agency shall retain the amount of the reduction described in para-**
17 **graph (a) of this subsection and deposit the amount in the school district general fund.**

18 “(c) A contractor, in a subcontract related to the contractor’s public improvement contract, may
19 provide to the same extent described in paragraph (a) of this subsection for a reduction in the
20 amount due to the subcontractor if the subcontractor fails to perform the subcontract in accordance
21 with the contractor’s requirements under subsections (2) and (3) of this section. The contractor may
22 also provide in the contract for a reduction in the amount due a subcontractor that fails to comply
23 with subsection (4)(c) of this section.

24 “(9) This section does not apply to a public contract that a qualifying agency enters into under
25 ORS 279B.080.

26 “**SECTION 2.** ORS 279C.533, as amended by section 2, chapter 504, Oregon Laws 2023, is
27 amended to read:

28 “279C.533. (1) As used in this section:

29 “(a) ‘Apprentice’ has the meaning given that term in ORS 660.010.

30 “(b) ‘Apprenticeable occupation’ has the meaning given that term in ORS 660.010.

31 “(c) ‘Apprenticeship agreement’ has the meaning given that term in ORS 660.010.

32 “(d) ‘Apprenticeship training program’ means the total system of apprenticeship that a particular
33 local joint committee, as defined in ORS 660.010, operates, including the local joint committee’s
34 registered standards and all other terms and conditions for qualifying, recruiting, selecting, em-
35 ploying and training apprentices in an apprenticeable occupation.

36 “(e) ‘Minority individual’ has the meaning given that term in ORS 200.005.

37 “(f)(A) ‘Qualifying agency’ means:

38 “[A)] (i) A state contracting agency; [and]

39 “[B)] (ii) The Higher Education Coordinating Commission[.];

40 “(iii) A public university listed in ORS 352.002; [and]

41 “(iv) A community college district, as defined in ORS 341.005[.]; and

42 “(v) **A school district, as defined in ORS 330.003, that applies for and receives a matching**
43 **fund grant from the Department of Education under ORS 286A.801.**

44 “(B) **A commission, university, school or district listed in subparagraph (A) of this par-**
45 **agraph is a qualifying agency only** to the extent that the commission, [the] university, school or

1 [the] district uses funds paid directly or indirectly from the State Treasury for all or a portion of the
2 construction costs of a public improvement.

3 “(g) ‘Veteran’ has the meaning given that term in ORS 408.225.

4 “(h) ‘Woman’ has the meaning given that term in ORS 200.005.

5 “(2) A qualifying agency shall provide in each public improvement contract for which the con-
6 tract price exceeds \$3 million that the contractor shall:

7 “(a) Employ apprentices to perform 15 percent or more of the work hours that workers in
8 apprenticeable occupations perform for each contract on the public improvement; and

9 “(b) Require in each subcontract with a contract price of \$750,000 or more that the subcon-
10 tractor employ apprentices to perform 15 percent or more of the work hours that workers in
11 apprenticeable occupations perform on the subcontract.

12 “(3) A contractor or subcontractor shall pay an apprentice for work on the public improvement
13 at the hourly rate to which the apprentice is entitled under an apprenticeship agreement or that the
14 apprenticeship training program specifies.

15 “(4)(a) A qualifying agency shall require as a material provision of a public improvement con-
16 tract that the contractor establish and implement a plan for outreach to and recruitment and re-
17 tention of women, minority individuals and veterans to perform work under the public improvement
18 contract, with an aspirational target of having individuals in one or more of these groups to com-
19 pose at least 15 percent of the total number of workers who perform work under the public im-
20 provement contract. A contractor’s plan for outreach, recruitment and retention must require the
21 contractor to, at a minimum:

22 “(A) Advertise employment opportunities available under the public improvement contract in
23 general circulation publications, trade association publications and publications that serve an audi-
24 ence or readership that consists primarily of minority individuals, women or veterans;

25 “(B) Follow up on the contractor’s initial solicitations of interest by contacting minority indi-
26 viduals, women or veterans who expressed interest in or responded to the initial solicitation to de-
27 termine with certainty whether the minority individual, woman or veteran is interested in the
28 opportunities described in subparagraph (A) of this paragraph;

29 “(C) Provide all persons who express continued interest with adequate information about hiring
30 qualifications, pay rates, benefits, the expected duration of employment, work hours and other con-
31 ditions of employment under the public improvement contract;

32 “(D) Make efforts to encourage minority individuals, women and veterans to seek employment
33 under the public improvement contract that the contractor may reasonably expect will produce a
34 level of participation that meets the aspirational target described in this paragraph; and

35 “(E) Use the services of minority community organizations, local, state, federal and tribal gov-
36 ernments or other organizations that have recruiting, training and otherwise assisting minority in-
37 dividuals, women and veterans as the organization’s primary purpose or mission to assist the
38 contractor with outreach, recruitment and retention.

39 “(b) A contractor shall demonstrate adequate good faith efforts to comply with the requirements
40 of paragraph (a)(A) to (E) of this subsection.

41 “(c) A contractor shall require any subcontractor with which the contractor has a subcontract
42 with a contract price of \$750,000 or more to comply with the requirements set forth for the con-
43 tractor in paragraph (a) of this subsection.

44 “(5)(a) A contractor shall report the extent of the contractor’s compliance with this section and
45 the compliance of a subcontractor described in subsection (4)(c) of this section to the qualifying

1 agency on forms, in a format and with contents the Commissioner of the Bureau of Labor and In-
2 dustries specifies by rule, and at regular intervals that the qualifying agency specifies in the public
3 improvement contract.

4 “(b) A qualifying agency shall require the contractor to submit for each contract and subcon-
5 tract the report described in paragraph (a) of this subsection as part of, or as a supplement to,
6 certified statements required under ORS 279C.845, shall require *[contractors]* **the contractor** to
7 preserve the reports as provided for certified statements in ORS 279C.845 (5), may disclose the re-
8 ports as provided in ORS 279C.845 (6) and may enforce a failure to submit a report as provided in
9 ORS 279C.845 (7). The reports described in this subsection must include, at a minimum, for each
10 contract or subcontract related to the public improvement contract:

11 “(A) The name of or other identification for the public improvement project;

12 “(B) The city or county in which the public improvement project is located;

13 “(C) A detailed accounting of:

14 “(i) The total number of hours of work that workers performed under each contract and sub-
15 contract;

16 “(ii) The total number of hours of work that workers performed in each apprenticeable trade
17 or craft for each contract and subcontract on the public improvement;

18 “(iii) The total number of hours of work that apprentices performed for each contract and sub-
19 contract on the public improvement; and

20 “(iv) The total number of hours of work that apprentices in each trade or craft performed for
21 each contract and subcontract on the public improvement; and

22 “(D) The total number of workers who performed construction work and the total numbers of
23 minority individuals, women and veterans who performed construction work under the public im-
24 provement contract. A report under this subparagraph must separately list for each worker the
25 worker’s race, ethnicity, gender, veteran status and, as applicable, trade, craft or job category. The
26 Commissioner of the Bureau of Labor and Industries by rule may specify a method for identifying,
27 collecting and reporting the information required under this subparagraph, which may consist of
28 methods the United States Equal Employment Opportunity Commission prescribes in regulations the
29 United States Equal Employment Opportunity Commission adopts under Title VII of the Civil Rights
30 Act of 1964, 42 U.S.C. 2000e et seq.

31 “(6) At least 30 days before making any final payment to a contractor under a public improve-
32 ment contract, a qualifying agency shall determine the extent of the contractor’s compliance with
33 the requirements in subsections (2) and (3) of this section. The qualifying agency shall base the
34 determination on the ratio between the actual number of work hours that workers in apprenticeable
35 occupations performed for each contract and subcontract on the public improvement and the actual
36 number of work hours that apprentices performed for each contract and subcontract on the public
37 improvement, as shown in reports the qualifying agency receives under subsection (5) of this section.

38 “(7)(a) Not later than 30 days after making a final payment to a contractor under a public im-
39 provement contract, a qualifying agency shall report to the Bureau of Labor and Industries the in-
40 formation the qualifying agency collected from the contractor under subsection (5) of this section,
41 together with the qualifying agency’s determination under subsection (6) of this section as to
42 whether the contractor and any subcontractor met the requirements for employing and paying ap-
43 prentices set forth in subsections (2) and (3) of this section. The bureau may specify the form and
44 contents of a report under this paragraph and may require the qualifying agency to also report ag-
45 gregated data.

1 “(b) Not later than January 2 of each odd-numbered year, the bureau shall report to a committee
2 of the Legislative Assembly that considers matters related to apprenticeship and apprenticeship
3 utilization on public improvement contracts the following data concerning each public improvement
4 contract and subcontract that each qualifying agency completed within the previous two years:

5 “(A) The total number of hours of work that workers performed for each contract or subcontract
6 on all public improvement projects;

7 “(B) The total number of hours of work that workers performed in each apprenticeable trade
8 or craft for each contract and subcontract on all public improvement projects;

9 “(C) The total number of hours of work that apprentices performed for each contract and sub-
10 contract on all public improvement projects;

11 “(D) The total number of hours of work that apprentices in each apprenticeable trade or craft
12 performed for each contract and subcontract on all public improvement projects;

13 “(E) The total number of minority individuals, women and veterans who performed work on the
14 public improvement projects; and

15 “(F) Any additional information the bureau determines is necessary to carry out the purposes
16 of this section.

17 “(8)(a) A qualifying agency shall reduce the payment due under a public improvement contract
18 to a contractor that does not meet the requirements set forth under subsections (2) and (3) of this
19 section. The amount of the reduction must be equivalent to the difference between the total number
20 of work hours that apprentices in apprenticeable occupations should have performed on the public
21 improvement project to meet the requirement set forth in subsection (2) of this section less the total
22 number of work hours that apprentices in apprenticeable occupations actually performed on the
23 public improvement project, multiplied by \$15 per hour.

24 “(b)(A) **Except as provided in subparagraph (B) of this paragraph**, the qualifying agency
25 shall pay the amount of the reduction under paragraph (a) of this subsection to the State Treasury
26 to the credit of the Bureau of Labor and Industries Account established under ORS 651.160. The
27 bureau shall use the amount deposited to fund expansions of apprenticeship training programs, with
28 a focus on programs in areas of this state where contractors did not meet the targets specified in
29 subsection (2) of this section.

30 “(B) **If the qualifying agency is a school district described in subsection (1)(f)(A)(v) of this**
31 **section, the qualifying agency shall retain the amount of the reduction described in para-**
32 **graph (a) of this subsection and deposit the amount in the school district general fund.**

33 “(c) A contractor, in a subcontract related to the contractor’s public improvement contract, may
34 provide to the same extent described in paragraph (a) of this subsection for a reduction in the
35 amount due to the subcontractor if the subcontractor fails to perform the subcontract in accordance
36 with the contractor’s requirements under subsections (2) and (3) of this section. The contractor may
37 also provide in the contract for a reduction in the amount due a subcontractor that fails to comply
38 with subsection (4)(c) of this section.

39 “(9) This section does not apply to a public contract that a qualifying agency enters into under
40 ORS 279B.080.

41 “**SECTION 3. The amendments to ORS 279C.533 by sections 1 and 2 of this 2025 Act apply**
42 **to a procurement for a public improvement that a qualifying agency solicits, or, if the qual-**
43 **ifying agency does not solicit the procurement, to a public improvement contract into which**
44 **the qualifying agency enters on or after the operative date specified in section 4 of this 2025**
45 **Act.**

1 **“SECTION 4.** (1) The amendments to ORS 279C.533 by sections 1 and 2 of this 2025 Act
2 become operative on January 1, 2026.

3 **“(2)** The Attorney General, the Commissioner of the Bureau of Labor and Industries, the
4 Director of the Oregon Department of Administrative Services, the Director of Transporta-
5 tion and a qualifying agency, as defined in ORS 279C.533, as amended by sections 1 and 2 of
6 this 2025 Act, that adopts rules under ORS 279A.065 or 279A.070, or under another provision
7 of law that provides for adopting rules related to public contracting, may adopt rules and
8 take any other action before the operative date specified in subsection (1) of this section that
9 is necessary to enable the Attorney General, the commissioner, the directors or the quali-
10 fying agency, on and after the operative date specified in subsection (1) of this section, to
11 undertake and exercise all of the duties, functions and powers conferred on the Attorney
12 General, the commissioner, the directors or the qualifying agency under the amendments to
13 ORS 279C.533 by sections 1 and 2 of this 2025 Act.

14 **“SECTION 5.** This 2025 Act takes effect on the 91st day after the date on which the 2025
15 regular session of the Eighty-third Legislative Assembly adjourns sine die.”.
16
