

Requested by Representative BOWMAN

**PROPOSED AMENDMENTS TO
HOUSE BILL 3881**

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

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

4 “279C.533. (1) As used in this section:

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

6 “(b) ‘Apprenticeable occupation’ has the meaning given that term in ORS
7 660.010.

8 “(c) ‘Apprenticeship agreement’ has the meaning given that term in ORS
9 660.010.

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

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

16 “(f)(A) ‘Qualifying agency’ means:

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

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

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

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

21 **“(v) A school district, as defined in ORS 330.003, that applies for a**

1 **matching fund grant from the Department of Education under ORS**
2 **286A.801;**

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

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

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

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

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

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

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

24 “(4)(a) A qualifying agency shall require as a material provision of a
25 public improvement contract that the contractor establish and implement a
26 plan for outreach to and recruitment and retention of women, minority in-
27 dividuals and veterans to perform work under the public improvement con-
28 tract, with an aspirational target of having individuals in one or more of
29 these groups to compose at least 15 percent of the total number of workers
30 who perform work under the public improvement contract. A contractor’s

1 plan for outreach, recruitment and retention must require the contractor to,
2 at a minimum:

3 “(A) Advertise employment opportunities available under the public im-
4 provement contract in general circulation publications, trade association
5 publications and publications that serve an audience or readership that
6 consists primarily of minority individuals, women or veterans;

7 “(B) Follow up on the contractor’s initial solicitations of interest by
8 contacting minority individuals, women or veterans who expressed interest
9 in or responded to the initial solicitation to determine with certainty
10 whether the minority individual, woman or veteran is interested in the op-
11 portunities described in subparagraph (A) of this paragraph;

12 “(C) Provide all persons who express continued interest with adequate
13 information about hiring qualifications, pay rates, benefits, the expected du-
14 ration of employment, work hours and other conditions of employment under
15 the public improvement contract;

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

20 “(E) Use the services of minority community organizations, local, state,
21 federal and tribal governments or other organizations that have recruiting,
22 training and otherwise assisting minority individuals, women and veterans
23 as the organization’s primary purpose or mission to assist the contractor
24 with outreach, recruitment and retention.

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

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

1 “(5)(a) A contractor shall report the extent of the contractor’s compliance
2 with this section and the compliance of a subcontractor described in sub-
3 section (4)(c) of this section to the qualifying agency on forms, in a format
4 and with contents the Commissioner of the Bureau of Labor and Industries
5 specifies by rule, and at regular intervals that the qualifying agency specifies
6 in the public improvement contract.

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

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

18 “(B) The city or county in which the public improvement project is lo-
19 cated;

20 “(C) A detailed accounting of:

21 “(i) The total number of hours of work that workers performed under each
22 contract and subcontract;

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

26 “(iii) The total number of hours of work that apprentices performed for
27 each contract and subcontract on the public improvement; and

28 “(iv) The total number of hours of work that apprentices in each trade
29 or craft performed for each contract and subcontract on the public improve-
30 ment; and

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

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

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

1 report aggregated data.

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

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

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

13 “(C) The total number of hours of work that apprentices performed for
14 each contract and subcontract on all public improvement projects;

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

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

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

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

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

8 “(B) **If the qualifying agency is a school district described in sub-**
9 **section (1)(f)(A)(v) of this section, the qualifying agency shall retain**
10 **the amount of the reduction described in paragraph (a) of this sub-**
11 **section and deposit the amount in the school district general fund.**

12 “(c) A contractor, in a subcontract related to the contractor’s public im-
13 provement contract, may provide to the same extent described in paragraph
14 (a) of this subsection for a reduction in the amount due to the subcontractor
15 if the subcontractor fails to perform the subcontract in accordance with the
16 contractor’s requirements under subsections (2) and (3) of this section. The
17 contractor may also provide in the contract for a reduction in the amount
18 due a subcontractor that fails to comply with subsection (4)(c) of this sec-
19 tion.

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

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

24 “279C.533. (1) As used in this section:

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

26 “(b) ‘Apprenticeable occupation’ has the meaning given that term in ORS
27 660.010.

28 “(c) ‘Apprenticeship agreement’ has the meaning given that term in ORS
29 660.010.

30 “(d) ‘Apprenticeship training program’ means the total system of appren-

1 ticeship that a particular local joint committee, as defined in ORS 660.010,
2 operates, including the local joint committee's registered standards and all
3 other terms and conditions for qualifying, recruiting, selecting, employing
4 and training apprentices in an apprenticeable occupation.

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

6 “(f)(A) ‘Qualifying agency’ means:

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

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

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

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

11 “(v) **A school district, as defined in ORS 330.003, that applies for a**
12 **matching fund grant from the Department of Education under ORS**
13 **286A.801;**

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

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

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

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

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

27 “(b) Require in each subcontract with a contract price of \$750,000 or more
28 that the subcontractor employ apprentices to perform 15 percent or more of
29 the work hours that workers in apprenticeable occupations perform on the
30 subcontract.

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

5 “(4)(a) A qualifying agency shall require as a material provision of a
6 public improvement contract that the contractor establish and implement a
7 plan for outreach to and recruitment and retention of women, minority in-
8 dividuals and veterans to perform work under the public improvement con-
9 tract, with an aspirational target of having individuals in one or more of
10 these groups to compose at least 15 percent of the total number of workers
11 who perform work under the public improvement contract. A contractor’s
12 plan for outreach, recruitment and retention must require the contractor to,
13 at a minimum:

14 “(A) Advertise employment opportunities available under the public im-
15 provement contract in general circulation publications, trade association
16 publications and publications that serve an audience or readership that
17 consists primarily of minority individuals, women or veterans;

18 “(B) Follow up on the contractor’s initial solicitations of interest by
19 contacting minority individuals, women or veterans who expressed interest
20 in or responded to the initial solicitation to determine with certainty
21 whether the minority individual, woman or veteran is interested in the op-
22 portunities described in subparagraph (A) of this paragraph;

23 “(C) Provide all persons who express continued interest with adequate
24 information about hiring qualifications, pay rates, benefits, the expected du-
25 ration of employment, work hours and other conditions of employment under
26 the public improvement contract;

27 “(D) Make efforts to encourage minority individuals, women and veterans
28 to seek employment under the public improvement contract that the con-
29 tractor may reasonably expect will produce a level of participation that
30 meets the aspirational target described in this paragraph; and

1 “(E) Use the services of minority community organizations, local, state,
2 federal and tribal governments or other organizations that have recruiting,
3 training and otherwise assisting minority individuals, women and veterans
4 as the organization’s primary purpose or mission to assist the contractor
5 with outreach, recruitment and retention.

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

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

12 “(5)(a) A contractor shall report the extent of the contractor’s compliance
13 with this section and the compliance of a subcontractor described in sub-
14 section (4)(c) of this section to the qualifying agency on forms, in a format
15 and with contents the Commissioner of the Bureau of Labor and Industries
16 specifies by rule, and at regular intervals that the qualifying agency specifies
17 in the public improvement contract.

18 “(b) A qualifying agency shall require the contractor to submit for each
19 contract and subcontract the report described in paragraph (a) of this sub-
20 section as part of, or as a supplement to, certified statements required under
21 ORS 279C.845, shall require [*contractors*] **the contractor** to preserve the re-
22 ports as provided for certified statements in ORS 279C.845 (5), may disclose
23 the reports as provided in ORS 279C.845 (6) and may enforce a failure to
24 submit a report as provided in ORS 279C.845 (7). The reports described in
25 this subsection must include, at a minimum, for each contract or subcontract
26 related to the public improvement contract:

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

29 “(B) The city or county in which the public improvement project is lo-
30 cated;

1 “(C) A detailed accounting of:

2 “(i) The total number of hours of work that workers performed under each
3 contract and subcontract;

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

7 “(iii) The total number of hours of work that apprentices performed for
8 each contract and subcontract on the public improvement; and

9 “(iv) The total number of hours of work that apprentices in each trade
10 or craft performed for each contract and subcontract on the public improve-
11 ment; and

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

23 “(6) At least 30 days before making any final payment to a contractor
24 under a public improvement contract, a qualifying agency shall determine
25 the extent of the contractor’s compliance with the requirements in sub-
26 sections (2) and (3) of this section. The qualifying agency shall base the
27 determination on the ratio between the actual number of work hours that
28 workers in apprenticeable occupations performed for each contract and sub-
29 contract on the public improvement and the actual number of work hours
30 that apprentices performed for each contract and subcontract on the public

1 improvement, as shown in reports the qualifying agency receives under sub-
2 section (5) of this section.

3 “(7)(a) Not later than 30 days after making a final payment to a con-
4 tractor under a public improvement contract, a qualifying agency shall re-
5 port to the Bureau of Labor and Industries the information the qualifying
6 agency collected from the contractor under subsection (5) of this section,
7 together with the qualifying agency’s determination under subsection (6) of
8 this section as to whether the contractor and any subcontractor met the re-
9 quirements for employing and paying apprentices set forth in subsections (2)
10 and (3) of this section. The bureau may specify the form and contents of a
11 report under this paragraph and may require the qualifying agency to also
12 report aggregated data.

13 “(b) Not later than January 2 of each odd-numbered year, the bureau shall
14 report to a committee of the Legislative Assembly that considers matters
15 related to apprenticeship and apprenticeship utilization on public improve-
16 ment contracts the following data concerning each public improvement con-
17 tract and subcontract that each qualifying agency completed within the
18 previous two years:

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

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

24 “(C) The total number of hours of work that apprentices performed for
25 each contract and subcontract on all public improvement projects;

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

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

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

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

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

19 “(B) **If the qualifying agency is a school district described in sub-**
20 **section (1)(f)(A)(v) of this section, the qualifying agency shall retain**
21 **the amount of the reduction described in paragraph (a) of this sub-**
22 **section and deposit the amount in the school district general fund.**

23 “(c) A contractor, in a subcontract related to the contractor’s public im-
24 provement contract, may provide to the same extent described in paragraph
25 (a) of this subsection for a reduction in the amount due to the subcontractor
26 if the subcontractor fails to perform the subcontract in accordance with the
27 contractor’s requirements under subsections (2) and (3) of this section. The
28 contractor may also provide in the contract for a reduction in the amount
29 due a subcontractor that fails to comply with subsection (4)(c) of this sec-
30 tion.

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

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

9 **“SECTION 4. (1) The amendments to ORS 279C.533 by sections 1 and
10 2 of this 2025 Act become operative on January 1, 2026.**

11 **“(2) The Attorney General, the Commissioner of the Bureau of La-
12 bor and Industries, the Director of the Oregon Department of Admin-
13 istrative Services, the Director of Transportation and a qualifying
14 agency, as defined in ORS 279C.533, as amended by sections 1 and 2 of
15 this 2025 Act, that adopts rules under ORS 279A.065 or 279A.070, or
16 under another provision of law that provides for adopting rules related
17 to public contracting, may adopt rules and take any other action be-
18 fore the operative date specified in subsection (1) of this section that
19 is necessary to enable the Attorney General, the commissioner, the
20 directors or the qualifying agency, on and after the operative date
21 specified in subsection (1) of this section, to undertake and exercise
22 all of the duties, functions and powers conferred on the Attorney
23 General, the commissioner, the directors or the qualifying agency un-
24 der the amendments to ORS 279C.533 by sections 1 and 2 of this 2025
25 Act.**

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

29