

# Apprenticeship & Workforce Standards for K-12 School Construction

## BACKGROUND & PROBLEM

- Oregon law requires contractors bidding on state level, community college and higher-education public improvement projects at certain cost thresholds to employ registered apprentices for a minimum number of hours on covered projects and to establish plans for outreach and recruitment of historically underrepresented workers in the construction industry, to support the advancement of equitable workforce goals:
  - ORS 279C.533 provides that a total of 12% of the total hours on covered state agency and public higher education and community college public works construction projects that exceed a cost of \$3 million be performed by registered apprentices, increasing to 15% in 2027.
  - The statute also specifies an aspirational goal that 15% of total covered project employment be comprised of women, minority individuals and/or veterans.
- State Registered Apprenticeship training programs are the construction industry's "gold standard" for developing a skilled workforce. With a core focus on providing extensive hands-on training and mentorship from experienced workers in the field, these programs are a proven method for cultivating the next generation of our construction workforce with a debt-free, through an earn while you learn approach. Apprenticeship programs are vital to providing Oregonians with a viable career pathway into the construction industry, enabling workers to build a stable family-supporting career that is not dependent on a college degree - all resulting in much needed recruitment and retention of skilled workers to meet workforce demands in construction.
- Across the nation, the construction industry is experiencing continued employment growth and apprenticeship program enrollment in Oregon has risen 62% over the past decade<sup>1</sup>, *while construction jobs in our state are projected to increase 13% by 2033*<sup>2</sup>. Apprenticeship programs play a pivotal role in addressing the continuing demand for a steady pool of new skilled construction workers and ensuring a stable skilled workforce for years to come, all requiring significant hours of on-the-job experience that apprentices must complete to advance in their careers and thereby remain in the industry.
- From 2016-2024, communities throughout the state have passed over 100 Community Bond measures, totaling more than \$8 Billion in total volume for new school construction and facility improvement projects. These investments provide a crucial public policy opportunity to reliably support training of the next generation of skilled construction workers. Community-funded bonds should ensure that our public-school construction investments actively aid in cultivating the construction workforce pipeline and promoting living-wage career opportunities for ALL who wish to pursue them.
- In recent years, our public education system has brought an increased focus on expanding access to construction trades careers as a viable pathway for students. There has been an encouraging renewed emphasis on high school construction-related CTE programs and pre-apprenticeship supports. Implementing a minimum set of registered apprenticeship utilization standards and diverse workforce recruitment goals for K-12 school construction aligns well with this core value proposition and further reinforces the educational continuum for Oregonians pursuing careers in construction.

<sup>1</sup> Source: Bend Bulletin. [https://www.bendbulletin.com/business/oregon-construction-jobs-hit-record-high-and-are-poised-to-keep-growing/article\\_877f2e3c-bec6-11ee-9469-7be7fefa2cd0.html](https://www.bendbulletin.com/business/oregon-construction-jobs-hit-record-high-and-are-poised-to-keep-growing/article_877f2e3c-bec6-11ee-9469-7be7fefa2cd0.html). Accessed Mar. 6, 2025

<sup>2</sup> Source: State of Oregon Employment Department, <https://www.qualityinfo.org/-/oregon-jobs-projected-to-increase-8%25-by-2033>, accessed Feb. 15, 2025

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## POLICY SOLUTION: HB 3881

- **HB 3881** would incorporate K-12 school districts and public charter schools within the definition of “qualifying agency”, under 279C.533, which specifies minimum registered apprentice utilization standards and diverse workforce recruitment goals for bidders on certain public works projects. This would align public school construction projects with current statutory requirements covering state agencies, public higher-education and community college construction projects:
  - 12% of the total hours worked on public K-12 school construction and facility improvement projects with a contract price exceeding \$3 million that use funds directly or indirectly from the State Treasury for all or a portion of the costs of the public improvement be performed by apprentices, effective Jan 1, 2026, and increasing to 15% in 2027.
  - Bidders must establish a plan for recruitment of women, minority individuals and veterans with an aspirational goal of at least 15% of the covered project being composed of workers from one or more of these groups.
  - A contractor that enters into a project labor agreement on a covered school project can be exempted from the minimum compliance requirements as a condition of the public improvement contract for the school district.
  - Contractors must demonstrate a history of material compliance with wage & hour and occupational safety/health laws in the previous three years before being awarded a contract.

