

House Bill 3017

Sponsored by Representative HOLVEY

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 **as introduced**.

Requires contractors on public improvement contracts to pay each month into State Apprenticeship and Training Education Fund amount equivalent to five cents for every hour that contractor, contractor's employees, contractor's subcontractors and subcontractors' employees work on public improvement contract.

Creates State Apprenticeship and Training Education Fund and continuously appropriates monies in fund to State Apprenticeship and Training Council for specified purposes.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to apprenticeship; creating new provisions; amending ORS 279C.505; appropriating money;
3 and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 279C.505 is amended to read:

6 279C.505. (1) Every public improvement contract shall contain a condition that the contractor
7 [shall]:

8 (a) [*Make payment promptly, as due, to all*] **Shall promptly pay** persons [*supplying*] **that supply**
9 [*to the contractor*] labor or material for the **contractor's** performance of the work provided for in
10 the contract.

11 (b) **Shall** pay all contributions or amounts due [*the Industrial Accident Fund*] from the contrac-
12 tor or subcontractor **to the Industrial Accident Fund that are** incurred in the performance of the
13 contract.

14 (c) **May** not permit [*any*] **a** lien or claim to be filed or prosecuted against the state or a county,
15 school district, municipality, municipal corporation or subdivision [*thereof*] **of the state, county,**
16 **school district, municipality or municipal corporation,** on account of any labor or material fur-
17 nished.

18 (d) **Shall** pay to the Department of Revenue [*all*] sums withheld from employees under ORS
19 316.167.

20 (e) **Shall pay each month into the State Apprenticeship and Training Education Fund**
21 **described in section 3 of this 2009 Act an amount equivalent to five cents per hour for all**
22 **hours the contractor, the contractor's employees, the contractor's subcontractors and the**
23 **subcontractors' employees worked on the public improvement contract during the previous**
24 **month.**

25 (2) **The contracting agency by rule or in the terms and conditions of the public im-**
26 **provement contract shall provide for the contractor's documentation of the hours of work**
27 **subject to the payment set forth in subsection (1)(e) of this section and the contractor's**
28 **submission of the documentation to the State Apprenticeship and Training Council.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 [(2)] (3) In addition to the conditions specified in subsection (1) of this section, every public
 2 improvement contract shall contain a condition that the contractor shall demonstrate that an em-
 3 ployee drug testing program is in place.

4 (4) **The Oregon Department of Administrative Services or the contracting agency by rule**
 5 **shall provide for enforcement of the conditions set forth in this section as a material term**
 6 **or condition of the public improvement contract.**

7 **SECTION 2.** Section 3 of this 2009 Act is added to and made a part of ORS chapter 279C.

8 **SECTION 3.** (1)(a) **There is created within the State Treasury the State Apprenticeship**
 9 **and Training Education Fund, separate and distinct from the General Fund. The moneys in**
 10 **the State Apprenticeship and Training Education Fund shall consist of amounts collected**
 11 **each month, under a contract condition specified under ORS 279C.505 (1)(e), from contractors**
 12 **on public improvement contracts. The amounts shall be equivalent to five cents per hour for**
 13 **all hours the contractor, the contractor’s employees, the contractor’s subcontractors and**
 14 **the subcontractors’ employees worked on the public improvement contract during the pre-**
 15 **vious month.**

16 (b) **Notwithstanding ORS 279A.010 (1)(cc)(A), for purposes of paragraph (a) of this sub-**
 17 **section and ORS 279C.505 (1)(e), “public improvement” includes a project for construction,**
 18 **reconstruction or major renovation on real property by or for a contracting agency in which**
 19 **the contractor does not receive funds of the contracting agency but does receive a tax**
 20 **abatement, funds from the Administrative Services Economic Development Fund, the Oregon**
 21 **Business Development Fund or another economic development fund or other funds or in-**
 22 **centives from a public body, as defined in ORS 174.109.**

23 (2) **Moneys in the State Apprenticeship and Training Education Fund may be invested as**
 24 **provided in ORS 293.701 to 293.820. Interest from any source derived from the investment**
 25 **of the moneys in the fund shall be credited to the fund.**

26 (3) **The moneys in the State Apprenticeship and Training Education Fund are contin-**
 27 **uously appropriated to the State Apprenticeship and Training Council for the purposes of:**

28 (a) **Making grants on a competitive basis, in consultation with the Department of Edu-**
 29 **cation and in conformance with a plan adopted under ORS 279C.807, to programs that directly**
 30 **provide career technical education for occupations prevalent in the construction and manu-**
 31 **facturing industries; and**

32 (b) **Overseeing and monitoring apprenticeship and training programs, including programs**
 33 **identified in paragraph (a) of this subsection, for compliance with applicable rules, standards**
 34 **and laws.**

35 (4) **The State Apprenticeship and Training Council may make grants from the State Ap-**
 36 **prenticeship and Training Education Fund for the purposes described in subsection (3)(a) of**
 37 **this section to:**

38 (a) **Apprenticeship and training programs, direct entry programs and preapprenticeship**
 39 **and youth apprenticeship programs that are registered with the council;**

40 (b) **Public school districts and educational service districts; or**

41 (c) **Public post-secondary educational institutions.**

42 **SECTION 4.** Section 3 of this 2009 Act and the amendments to ORS 279C.505 by section
 43 **1 of this 2009 Act apply to public improvement contracts first advertised or otherwise solic-**
 44 **ited or, if not advertised or solicited, first entered into on or after the effective date of this**
 45 **2009 Act.**

1 **SECTION 5.** (1) Section 3 of this 2009 Act and the amendments to ORS 279C.505 by section
2 1 of this 2009 Act become operative January 1, 2010.

3 (2) The Oregon Department of Administrative Services, the Attorney General and a
4 contracting agency that has adopted rules under ORS 279A.065 may adopt rules and take
5 related actions before January 1, 2010, that are necessary to enable the department, the At-
6 torney General and the contracting agency to exercise, on and after January 1, 2010, all the
7 duties, functions and powers conferred on the department, the Attorney General and the
8 contracting agency by section 3 of this 2009 Act and the amendments to ORS 279C.505 by
9 section 1 of this 2009 Act.

10 **SECTION 6.** This 2009 Act being necessary for the immediate preservation of the public
11 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect
12 on its passage.
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