

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 782 - A

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Matt Stayner

Reviewed by: Steve Bender, Linda Ames, John Borden, Monica Brown, Laurie Byerly, Michelle Deister, Linda Gilbert, Paul Siebert, Doug Wilson

Date: 4/22/13

Measure Description:

Requires a state contracting agency that awards public improvement contract with contract price of more than \$5 million to utilize apprentices to perform 10 percent of work hours on public improvement that workers in apprenticeable occupations perform; clarifies apprentices may be employed by one or more subcontractors; specifies notification to contractor regarding repayment of excess must be in writing; increases required percentage of work by apprentices from 10 percent to 12 percent effective January 1, 2018; exempts Oregon Department of Transportation from measure’s provisions.

Government Unit(s) Affected:

Housing and Community Services Department, Secretary of State, Department of Administrative Services (DAS), Department of Aviation, Department of Corrections, Department of Education, Department of Human Services (DHS), Department of Veterans' Affairs, Oregon Department of Fish and Wildlife (ODFW), Oregon Department of Transportation (ODOT), Oregon Health Authority (OHA), Oregon Military Department, Oregon Parks and Recreation Department (OPRD), Oregon Youth Authority (OYA)

Summary of Expenditure Impact:

Please see analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The measure specifies that state contracting agencies, other than the Oregon Department of Transportation, require a minimum amount of work to be performed by apprentices, as expressed as a percentage of hours to the total number of hours, in a public improvement contract totaling at least \$5 million. The measure also requires contracting agencies to pay a contractor an imputed rate of \$20 per hour for each hour worked by apprentices under the contract.

The measure has an indeterminate fiscal impact to state contracting agencies due to the unknowable number of hours for which a contracting agency would be required to pay the imputed rate to the contractor. The other provisions of the bill generally have a minimal fiscal impact.