

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Without Recommendation as to Passage and Be Referred to the Committee on Rules
Vote:	6 - 3 - 0
Yeas:	Gallegos, Gilliam, Gorsek, Greenlick, Harker, Dembrow
Nays:	Huffman, Johnson, Whisnant
Exc.:	0
Prepared By:	Victoria Cox, Administrator
Meeting Dates:	5/29, 5/31

WHAT THE MEASURE DOES: Requires state contracting agencies, with exception of Department of Transportation, that award public improvement contracts with contract price of more than \$5 million, to use apprentices to perform 10 percent of work hours on public improvements that workers with apprenticeable occupations perform. Provides that contracting agency pay contractor for imputed costs incurred in complying with requirement. Specifies reporting requirements for contractors and requires contractors to repay amounts that agency pays in excess of amount due contractor. Becomes operative January 1, 2014. Increases percentage to 12 percent of work hours effective January 1, 2018. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Aging workforce in construction trades
- Need for apprentices to fill pipeline
- Difficulty in attracting and placing apprentices
- Investment in apprenticeship program by union versus non-union contractors
- Impact of incentives/disincentives on contractors

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Apprenticeship is occupational training that combines on-the-job experience with classroom instruction. Industry and individual employers design and control the training programs and pay apprentices' wages. There are 116 different occupations in Oregon that include apprenticeships to train workers. The Bureau of Labor and Industries' Apprenticeship and Training Division promotes apprenticeship in a variety of occupations and trades and works with business, labor, government and educational institutions to increase training and employment opportunities in apprenticeship occupations.

Senate Bill 782-A establishes requirements for apprentice utilization on public improvement projects.