

Enrolled
Senate Bill 782

Sponsored by COMMITTEE ON BUSINESS AND TRANSPORTATION

CHAPTER

AN ACT

Relating to incentives for increasing apprentice utilization on public improvements for state contracting agencies; and declaring an emergency.

The Legislative Assembly finds that:

(1) Apprenticeship is an important component of post-secondary education and workforce development in Oregon.

(2) The State of Oregon has a strong interest in encouraging apprenticeship on public construction projects.

(3) Many states, including Washington and California, have adopted apprenticeship utilization standards for public construction projects.

(4) Oregon may have an interest in initiating apprenticeship utilization standards for state agency construction projects and, eventually, for all construction projects that use significant state or other public funds.

(5) Questions remain concerning:

(a) The economic impact of minimum apprenticeship utilization standards on state agencies and other public entities and how best to minimize potential negative economic impacts;

(b) The use of incentives and disincentives to encourage compliance with apprenticeship utilization standards;

(c) Oversight of contractor compliance with apprenticeship utilization standards;

(d) Whether apprenticeship utilization standards should apply only to general contractors or also to subcontractors and individual crafts;

(e) How best to create incentives to develop a more diverse workforce; and

(f) The appropriateness of a single statewide apprenticeship utilization standard instead of a range of standards for each location or type of construction project.

(6) The best way to answer the questions that remain is to convene a task force under the direction of the Legislative Assembly, with a goal of recommending legislation for the 2014 or 2015 regular session.

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

SECTION 1. (1) The Task Force on Apprenticeship in State Contracting is established, consisting of 14 members appointed as follows:

(a) The President of the Senate shall appoint two members from among members of the Senate, ensuring that the appointment includes one member from each caucus, and shall designate one of the members as a co-chair of the task force.

(b) The Speaker of the House of Representatives shall appoint two members from among members of the House of Representatives, ensuring that the appointment includes one

member from each caucus, and shall designate one of the members as a co-chair of the task force.

(c) The President of the Senate and the Speaker of the House of Representatives, by mutual agreement, shall appoint eight members as follows:

(A) One member representing a general contractor that has performed public contracts for a public agency in this state and that has a collective bargaining agreement with the contractor's employees;

(B) One member representing a general contractor that has performed public contracts for a public agency in this state and that does not have a collective bargaining agreement with the contractor's employees;

(C) One member representing a subcontractor that has performed work for a contractor under a public contract in this state and that has a collective bargaining agreement with the contractor's employees;

(D) One member representing a subcontractor that has performed work for a contractor under a public contract in this state and that does not have a collective bargaining agreement with the subcontractor's employees; and

(E) Four members who are representatives of labor organizations or other representatives of persons who are engaged in apprenticeable occupations.

(d) The Governor shall appoint two members as follows:

(A) One member who is an employee of a state contracting agency; and

(B) One member who is an employee of a local contracting agency.

(2) The task force shall:

(a) Evaluate and make recommendations concerning apprenticeship utilization standards for state contracting agencies, in the course of which the task force shall consider:

(A) The economic impact of an apprenticeship utilization standard on contractors, the fiscal impact on state contracting agencies and potential strategies to minimize the economic and fiscal impacts;

(B) Incentives and disincentives that would lead contractors to comply with an apprenticeship utilization standard;

(C) Lowering, over a period of time, the contract price at which the apprenticeship utilization standard would apply to a public contract;

(D) Increasing, over a period of time, the percentage of the total work hours that workers in apprenticeable occupations perform on a public improvement that apprentices must perform;

(E) Strategies for creating more diversity within the apprenticeship workforce;

(F) Methods for monitoring compliance with the apprenticeship utilization standard;

(G) Identifying projects that may be exempted from the apprenticeship utilization standard, and the circumstances in which the project may be exempted, which may include the location or nature of the project; and

(H) Whether and how the apprenticeship utilization standard may be extended to other public agencies.

(b) Review and evaluate apprenticeship utilization standards and programs that are in use by the Department of Transportation and in the State of Washington.

(3)(a) The task force may consult with experts, hear testimony from affected persons and otherwise collect data and information necessary to carry out the task force's duties.

(b) The co-chairs of the task force may expand the task force's membership if the co-chairs deem an expansion necessary.

(4) A majority of the members of the task force constitutes a quorum for the transaction of business.

(5) Official action by the task force requires the approval of a majority of the members of the task force.

(6) If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective.

(7) The task force shall meet at times and places specified by the call of the co-chairs or of a majority of the members of the task force.

(8) The task force may adopt rules necessary for the operation of the task force.

(9)(a) The task force shall submit an initial report in the manner provided by ORS 192.245, and may include recommendations for legislation, to an interim committee of the Legislative Assembly related to workforce development or public contracting no later than December 1, 2013.

(b) The task force shall submit a final report in the manner provided by ORS 192.245, and may include additional recommendations for legislation, to an interim committee of the Legislative Assembly related to workforce development or public contracting no later than November 1, 2014.

(10) Members of the task force who are not members of the Legislative Assembly are not entitled to compensation or reimbursement for expenses the members incur in performing the members' official duties. Members of the task force who are members of the Legislative Assembly shall receive compensation and expenses as provided in ORS 171.072.

(11) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish such information and advice as the members of the task force consider necessary to perform their duties.

SECTION 2. Section 1 of this 2013 Act is repealed on the date of the convening of the 2015 regular session of the Legislative Assembly as specified in ORS 171.010.

SECTION 3. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.

Passed by Senate May 1, 2013

Received by Governor:

Repassed by Senate June 24, 2013

.....M.,....., 2013

Approved:

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Robert Taylor, Secretary of Senate

.....M.,....., 2013

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Peter Courtney, President of Senate

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John Kitzhaber, Governor

Passed by House June 20, 2013

Filed in Office of Secretary of State:

.....M.,....., 2013

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Tina Kotek, Speaker of House

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Kate Brown, Secretary of State