SB 455 -5 STAFF MEASURE SUMMARY

Senate Committee On Rules

Prepared By: Josh Nasbe, Counsel

Meeting Dates: 5/13, 5/20

WHAT THE MEASURE DOES:

Requires public universities and community colleges to require contractors to employ apprentices and to establish and execute a plan for outreach, recruitment, and retention of women and minorities for contracts involving real property improvements with an estimated cost of \$200,000 or greater. Requires public universities and community colleges with ongoing qualified contracts to report annually to the legislature. Applies to contracts that are advertised, solicited, or entered into on or after the effective date of the act.

ISSUES DISCUSSED:

- Lack of minorities and women in the building trades
- Average age of current building trade members
- Oregon's apprenticeship model
- Project-specific apprenticeship ratios
- Career and technical education
- Measure 98 funding
- Number of applicants for apprenticeship programs
- Supply of qualified contractors
- Cost drivers
- Rural colleges
- Lack of training centers in rural Oregon

EFFECT OF AMENDMENT:

-5 Replaces measure. Requires universities and community colleges to award specified contracts to contractor who is registered with certain apprenticeship-related entities. Requires contractor to award specified subcontracts to subcontractor who is registered with certain apprenticeship-related entities. Exempts universities and community colleges from requirements when would cause unreasonable expense or delay or result in less than three bidders. Applies to Portland State University, Oregon State University, University of Oregon and Oregon Health and Science University, beginning January 1, 2020. Applies to other institutions of higher education beginning January 1, 2021.

BACKGROUND:

Current law requires University of Oregon to employ apprentices for 15 percent of work hours and to enact plans to employ female and minority contractors under specific, qualified contracts. Senate Bill 455 expands qualified contracting requirements to all Oregon public universities and community colleges. The bill defines qualified contracts as contracts for real property improvements with a cost of \$200,000 or greater.