LC 222 2022 Regular Session 12/29/21 (CPA/ps)

## DRAFT

## **SUMMARY**

Redefines "large-scale project" for purposes of contractor labor standards. Clarifies application of labor standards based on project's capacity rating. Clarifies good faith exception to required total work hours performed by apprentices.

Exempts contracts and subcontracts with tribal government, agent or instrumentality of Oregon Indian tribe for large-scale project on tribal lands from contractor labor standards.

Requires request for proposals by electric company for resource procurement subject to competitive bidding requirements and contractor labor standards to include reference to and information regarding labor standards and to require successful bidder to verify provision of attestation, declaration or project labor agreement.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

- 2 Relating to large-scale project labor standards; creating new provisions;
- amending ORS 757.306; and declaring an emergency.
- 4 Be It Enacted by the People of the State of Oregon:
- 5 **SECTION 1.** ORS 757.306 is amended to read:
- 6 757.306. (1) As used in this section:
- 7 (a) "Apprentice" and "apprenticeable occupation" have the meanings
- 8 given those terms in ORS 660.010.

- 9 (b) "Apprenticeship training program" means the total system of appren-
- 10 ticeship that a particular local joint committee, as defined in ORS 660.010,
- 11 operates, including the local joint committee's registered standards and all
- 12 other terms and conditions for qualifying, recruiting, selecting, employing
- 13 and training apprentices in an apprenticeable occupation.

- 1 (c) "Construction" includes on-site and off-site construction and fabri-2 cation and covers 30 days after project completion.
- 3 (d) "Large-scale project" means:

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- 4 **(A) Except as provided in subparagraph (B) of this paragraph,** a renewable energy generation, sequestration or storage facility with a capacity rating of [10] **two** megawatts or greater.
  - (B) A community solar facility with a capacity rating of three megawatts or greater.
- 9 (e) "Minority individual" and "woman" have the meanings given those terms in ORS 200.005.
  - (f) "Repower" means replacement of enough of the original generation equipment or components to make an original energy generation facility equivalent to a new facility, such that at least 80 percent of the fair market value of the facility derives from new generation equipment or components installed as part of the replacement project.
- 16 (g) "Veteran" has the meaning given that term in ORS 408.225.
  - (2) A person who constructs or repowers a large-scale project sited in this state shall, at the time of contract finalization for development of the project or execution of a contract for delivery of energy from the project, provide a signed attestation or declaration stating to the best of their knowledge and belief, subject to penalty of perjury as described in ORS 162.065, that during all periods of construction all contractors and subcontractors working on the construction or repowering project will:
- (a)(A)(i) Except as provided in sub-subparagraph (ii) of this subparagraph, participate in an apprenticeship program registered with the State Apprenticeship and Training Council and with graduation rates equal to or higher than the national average for each respective trade in a manner consistent with the respective apprenticeship training programs, such that 15 percent of the total work hours on a given large-scale project is performed by [workers] apprentices in apprenticeable occupations; or
  - (ii) If less than 15 percent of total work hours on a given large-scale

- 1 project is performed by apprentices in apprenticeable occupations,
- 2 demonstrate good faith with meeting the requirement described in
- 3 sub-subparagraph (i) of this subparagraph by providing documented
- 4 and verifiable information including:

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- 5 (I) Internet addresses of employment advertisements or job an-6 nouncements;
- (II) Dates, times, Internet addresses and attendance lists of a prejob conference with apprenticeship, preapprenticeship and workforce providers in construction;
- (III) Contacts requesting apprentices with an apprenticeship program approved by the Bureau of Labor and Industries including the date, time, telephone contact, electronic mail contact and whether a response was provided within 48 hours of the request;
  - (IV) Contacts requesting apprentices from a union hall including the date, time, telephone contact, electronic mail contact and whether a response was provided within 48 hours of the request; and
- 17 **(V)** Documentation of job offers and number of job offers made to apprentices;
- [(b)] (B) Establish and execute a plan for outreach, recruitment and retention of women, minority individuals, veterans and people with disabilities to perform work under the contract, with the aspirational target of having at least 15 percent of total work hours performed by individuals in one or more of those groups;
- [(c)] (C) Have policies in place that are designed to limit or prevent workplace harassment and discrimination and that promote workplace diversity, equity and inclusion for communities who have been underrepresented in the clean energy sector, including women, veterans and Black, Indigenous and People of Color;
- [(d) Demonstrate good faith with meeting the requirements described in paragraphs (a) to (c) of this subsection by providing documented and verifiable information including:]

- 1 [(A) Internet addresses of employment advertisements or job announce-2 ments;]
- 3 [(B) Dates, times, Internet addresses and attendance lists of a prejob con-
- 4 ference with apprenticeship, preapprenticeship and workforce providers in
- 5 construction;]
- 6 [(C) Contacts requesting workers with an apprenticeship program approved
- 7 by the Bureau of Labor and Industries including the date, time, telephone
- 8 contact, email contact and whether a response was provided within 48 hours
- 9 of the request; and]
- 10 [(D) Contacts requesting workers from a union hall including the date,
- 11 time, telephone contact, email contact and whether a response was provided
- 12 within 48 hours of the request;]
- [(e)] (D) Maintain a license and good standing to perform the work and
- 14 remain eligible to receive a contract or subcontract for public works under
- 15 ORS 279C.860;
- 16 [(f)] (E) Materially demonstrate a history of material compliance in the
- 17 previous seven years, or provide available history for new businesses, with
- 18 the rules and other requirements of state agencies with oversight regarding
- 19 workers' compensation, building codes and occupational safety and health;
- 20 [(g)] (**F**) Materially demonstrate a history of compliance, in the previous
- 21 seven years, or provide available history for new businesses, with federal and
- 22 state wage and hour laws; and
- 23 [(h)] (G) Provide quarterly reporting and recordkeeping to the project
- owner or electric utility and respond to records requests and verification[.];
- 25 **and**
- 26 [(3) In addition to the requirements in subsection (2) of this section, a per-
- 27 son constructing or repowering a large-scale project shall require all contrac-
- 28 tors and subcontractors working on the construction or repowering project
- 29 *to:*]
- 30 (b) If the large-scale project has a capacity rating of 10 megawatts
- 31 or greater:

- [(a)] (A) Pay the [area] **prevailing** wage [standard] **rate** for an hour's work in the same trade or occupation in the locality where the labor is performed. [Area] **Prevailing** wage [standard] **rate** includes the calculation of wages and fringe benefits per trade and locality and will be treated as standards defined in ORS 279C.800 [et seq] **to 279C.870**.
- 6 [(b)] (B) Offer health care and retirement benefits to the employees per-7 forming the labor on the project.
- 8 [(c)] (C) Provide quarterly reporting and recordkeeping to the project 9 owner or electric utility and respond to records requests and verification.
- [(4)] (3) [A] The person [constructing or repowering a large-scale project] 10 shall provide the attestation or declaration and any good faith effort doc-11 umentation described in subsection (2) of this section to the State Depart-12 ment of Energy within 30 days from the date construction begins and provide 13 notice of such delivery to the purchaser of the project or of the energy from 14 the project. In addition to the requirements described in subsection (2) of this 15 section, [an] the attestation or declaration must include the following in-16 formation: 17
- 18 (a) The megawatt capacity and physical footprint in acres of the project;
- 19 (b) The geographic location of the project;
- 20 (c) The estimated workforce requirements of the project;
- 21 (d) A collated list of good faith effort documentation; and
- 22 (e) A description of any policies in place for ensuring the person meets 23 the requirements in this section.
- [(5)(a)] (4)(a) In lieu of providing an attestation or declaration described in subsection (2) of this section, [a] the person may provide a copy of a project labor agreement, if a project labor agreement is used on the large-scale project and shall be exempted from the requirements described in subsection (2) of this section.
- 29 (b) As used in this subsection, "project labor agreement" means a prehire 30 collective bargaining agreement as described in 29 U.S.C. 158(f) that estab-31 lishes the terms and conditions of employment for a specific construction

- 1 project or contract.
- 2 (c) A project labor agreement may include additional provisions that:
- 3 (A) Prohibit discrimination based on race, national origin, religion,
- 4 gender, sexual orientation, political affiliation or membership in a labor or-
- 5 ganization in hiring and dispatching workers for the project.
- 6 (B) Permit qualified contractors and subcontractors to bid for and be
- 7 awarded work on the project without regard to whether they are otherwise
- 8 parties to a collective bargaining agreement.
- 9 (C) Permit and promote qualified business enterprises owned by women,
- 10 minorities, veterans and disadvantaged individuals without regard to
- 11 whether the individuals are otherwise parties to a collective bargaining
- 12 agreement.
- 13 (D) Guarantee against work stoppages, strikes, lockouts and similar dis-
- 14 ruptions of the project.
- 15 [(6)(a)] (5)(a) The department shall retain an attestation or declaration
- 16 filed with the department in a manner consistent with the department's re-
- 17 cord retention policies.
- 18 (b) Notwithstanding any provisions of ORS 192.345 or 192.355, an
- 19 attestation or declaration provided to the department pursuant to this sub-
- 20 section is subject to public records disclosure and the department shall pro-
- 21 vide a copy of the attestation or declaration upon request.
- 22 (c) An attestation or declaration filed under this section is for reporting
- 23 purposes only and the department may not use an attestation or declaration
- 24 to investigate, regulate or enforce matters addressed in the attestation or
- 25 declaration.

- (6)(a) Nothing in this section:
- 27 (A) Applies to a contract or subcontract with a tribal government,
- 28 agent or instrumentality of an Oregon Indian tribe for a large-scale
- 29 project located in whole or in part on the tribe's reservation or on land
- 30 held in trust by the United States for the benefit of the tribe, unless
- 31 the tribal government elects to adopt the standards in this section for

- 1 the contract or subcontract; or
- 2 (B) Affects the wage rates overseen by a tribal government, agent 3 or instrumentality of an Oregon Indian tribe.
  - (b) As used in this subsection, "Oregon Indian tribe" and "tribal government" have the meanings given those terms in ORS 294.805.
  - SECTION 2. (1) A request for proposals submitted by an electric company, as defined in ORS 757.600, for resource procurement that is subject to competitive bidding requirements adopted by the Public Utility Commission and the requirements in ORS 757.306 must:
- 10 (a) Include a reference to and information regarding the require-11 ments in ORS 757.306; and
  - (b) Require that a successful bidder verify within 30 days of contract finalization for development of a project or execution of a contract for delivery of energy from a project that the bidder has provided an attestation or declaration or executed a project labor agreement as required under ORS 757.306.
  - (2) The State Department of Energy shall, upon request from the commission, provide a copy of the attestation or declaration or project labor agreement to the commission.
- 20 (3) The commission shall adopt rules to implement the provisions 21 of this section.
- SECTION 3. This 2022 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect on its passage.

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