

## **SB 850 -2 STAFF MEASURE SUMMARY**

### **Senate Committee On Labor and Business**

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**Meeting Dates:** 3/7, 3/21

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#### **WHAT THE MEASURE DOES:**

Expands definition of "qualified project" to include public improvement projects that have an estimated cost of at least one million and use at least \$750,000 in funds of a public agency or moneys made available to Oregon under the American Rescue Plan Act of 2021. Requires public body that is procuring construction services for specified qualified projects enter into project labor agreement that provides payment at the prevailing rate of wage, uses apprentices to perform at least 15 percent of work hours that workers in apprenticeable occupations perform, and establish plan for outreach, recruitment, and retention of women, minority, and veteran persons to perform work on the project. Removes exception limitation for qualified projects primarily located in nonmetropolitan county. Applies to procurements that a public body advertises or solicits or, if there is no advertisement or solicitation, enters on or after operative date. Operative on January 1, 2024. Takes effect on 91st day following adjournment sine die.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

-2 Modifies requirements of contractor in contract with public body that is procuring construction services for specified qualified projects. Creates exception to requirements of contractor in contract with public body for specified qualified projects.

##### **BACKGROUND:**

The American Rescue Plan Act (Act) was passed by Congress in 2021 to address a variety of issues raised by the pandemic. In part, the Act provided resources to state, local, and tribal governments to invest in infrastructure and address revenue losses caused by the pandemic. House Bill 5006 (2021) and House Bill 5202 (2022) addressed the use of Act resources within Oregon.

In addition, in 2021 the Legislative Assembly enacted House Bill 3011, requiring public bodies that contract for specified capital construction qualified projects financed with moneys from Act enter into labor agreements that provide payment at the prevailing rate of wage, uses apprentices to perform 15 percent of work hours that workers in apprenticeable occupations perform, and establish a plan for outreach, recruitment, and retention of women, minority, and veteran persons to perform work on the project. Senate Bill 850 expands the qualified projects that must comply with these requirements and modifies the related exception.