On page 1 of the printed bill, line 2, after “requirements;” insert “creating new provisions;”.
On page 7, delete lines 1 through 24 and insert:

“SECTION 1. ORS 279C.533 is amended to read:

“279C.533. (1) As used in this section:

“(a) ‘Apprentice’ has the meaning given that term in ORS 660.010.
“(b) ‘Apprenticeable occupation’ has the meaning given that term in ORS 660.010.
“(c) ‘Apprenticeship agreement’ has the meaning given that term in ORS 660.010.
“(d) ‘Apprenticeship training program’ means the total system of apprenticeship that a particular local joint committee, as defined in ORS 660.010, operates, including the local joint committee's registered standards and all other terms and conditions for qualifying, recruiting, selecting, employing and training apprentices in an apprenticeable occupation.
“(e) ‘Minority individual’ has the meaning given that term in ORS 200.005.
“(f) ‘Qualifying agency’ means:
“(A) A state contracting agency; and
“(B) The Higher Education Coordinating Commission, a public university listed in ORS 352.002 and a community college district, as defined in ORS 341.005, to the extent that the commission, the university or the district uses funds paid directly or indirectly from the State Treasury for all or a portion of the construction costs of a public improvement.
“(g) ‘Veteran’ has the meaning given that term in ORS 408.225.
“(h) ‘Woman’ has the meaning given that term in ORS 200.005.
“(2) A [state contracting] qualifying agency shall provide in each public improvement contract for which the contract price exceeds $3 million that the contractor shall:
“(a) Employ apprentices to perform 12 percent or more of the work hours that workers in apprenticeable occupations perform for each contract on the public improvement; and
“(b) Require in each subcontract [for which the contract price exceeds the lesser of $1 million or 25 percent of the price of the contract] with a contract price of $750,000 or more that the subcontractor employ apprentices to perform 12 percent or more of the work hours that workers in apprenticeable occupations perform on the subcontract.
“(3) A contractor or subcontractor shall pay an apprentice for work on the public improvement at the hourly rate to which the apprentice is entitled under an apprenticeship agreement or that the apprenticeship training program specifies.
“(4) Subject to the terms of the public improvement contract, a contractor on a public improvement may decide the locations in which, the types of work for which and other details concerning how the contractor employs apprentices for work on the public improvement. The contractor may meet the re-
requirement set forth in subsection (2) of this section by requiring one or more subcontractors to employ apprentices for work on the public improvement."

“(4)(a) A qualifying agency shall require as a material provision of a public improvement contract that the contractor establish and implement a plan for outreach to and recruitment and retention of women, minority individuals and veterans to perform work under the public improvement contract, with an aspirational target of having individuals in one or more of these groups to compose at least 15 percent of the total number of workers who perform work under the public improvement contract. A contractor's plan for outreach, recruitment and retention must require the contractor to, at a minimum:

“(A) Advertise employment opportunities available under the public improvement contract in general circulation publications, trade association publications and publications that serve an audience or readership that consists primarily of minority individuals, women or veterans;

“(B) Follow up on the contractor's initial solicitations of interest by contacting minority individuals, women or veterans who expressed interest in or responded to the initial solicitation to determine with certainty whether the minority individual, woman or veteran is interested in the opportunities described in subparagraph (A) of this paragraph;

“(C) Provide all persons who express continued interest with adequate information about hiring qualifications, pay rates, benefits, the expected duration of employment, work hours and other conditions of employment under the public improvement contract;

“(D) Make efforts to encourage minority individuals, women and veterans to seek employment under the public improvement contract that the contractor may reasonably expect will produce a level of participation that meets the aspirational target described in this paragraph; and

“(E) Use the services of minority community organizations, local, state, federal and tribal governments or other organizations that have recruiting, training and otherwise assisting minority individuals, women and veterans as the organization's primary purpose or mission to assist the contractor with outreach, recruitment and retention.

“(b) A contractor shall demonstrate adequate good faith efforts to comply with the requirements of paragraph (a) of this subsection.

“(c) A contractor shall require any subcontractor with which the contractor has a subcontract with a contract price of $750,000 or more to comply with the requirements set forth for the contractor in paragraph (a) of this subsection.

“(5)(a) A contractor shall report the extent of the contractor's compliance with this section and the compliance of a subcontractor described in subsection (4)(c) of this section to the [state contracting] qualifying agency on forms, in a format and with contents the [state contracting agency] Commissioner of the Bureau of Labor and Industries specifies by rule, and at regular intervals that the [state contracting] qualifying agency specifies in the public improvement contract. [The forms and the contents that the state contracting agency specifies must include, at a minimum, a report in which the contractor provides a detailed accounting of the total number of work hours each month and the cumulative total number of work hours since the public improvement contract term began in which:]

“[(a) Workers in apprenticeable occupations performed work on the public improvement; and]

“[(b) Apprentices performed work on the public improvement.]

“(b) A qualifying agency shall require the contractor to submit for each contract and
subcontract the report described in paragraph (a) of this subsection as part of, or as a sup-
plement to, certified statements required under ORS 279C.845, shall require contractors to
preserve the reports as provided for certified statements in ORS 279C.845 (5), may disclose
the reports as provided in ORS 279C.845 (6) and may enforce a failure to submit a report as
provided in ORS 279C.845 (7). The reports described in this subsection must include, at a
minimum, for each contract or subcontract related to the public improvement contract:

“(A) The name of or other identification for the public improvement project;
“(B) The city or county in which the public improvement project is located;
“(C) A detailed accounting of:
“(i) The total number of hours of work that workers performed under each contract and
subcontract;
“(ii) The total number of hours of work that workers performed in each apprenticeable
trade or craft for each contract and subcontract on the public improvement;
“(iii) The total number of hours of work that apprentices performed for each contract
and subcontract on the public improvement; and
“(iv) The total number of hours of work that apprentices in each trade or craft per-
formed for each contract and subcontract on the public improvement; and
“(D) The total number of workers who performed construction work and the total num-
bers of minority individuals, women and veterans who performed construction work under
the public improvement contract. A report under this subparagraph must separately list for
each worker the worker’s race, ethnicity, gender, veteran status and, as applicable, trade,
craft or job category. The Commissioner of the Bureau of Labor and Industries by rule may
specify a method for identifying, collecting and reporting the information required under this
subparagraph, which may consist of methods the United States Equal Employment Opportu-
nity Commission prescribes in regulations the United States Equal Employment Opportu-

“(6) At least 30 days before making any final payment to a contractor under a public improve-
ment contract, a [state contracting] qualifying agency shall determine the extent of the contractor’s
compliance with the [requirement] requirements in [subsection (2)] subsections (2) and (3) of this
section. The [state contracting] qualifying agency shall base the determination on the ratio between
the actual number of work hours that workers in apprenticeable occupations performed for each
contract and subcontract on the public improvement and the actual number of work hours that
apprentices performed for each contract and subcontract on the public improvement, as shown
in reports the [state contracting] qualifying agency receives under subsection (5) of this section.

“(7)(a) Not later than 30 days after making a final payment to a contractor under a public
improvement contract, a qualifying agency shall report to the Bureau of Labor and Industries
the information the qualifying agency collected from the contractor under subsection
(5) of this section, together with the qualifying agency’s determination under subsection (6)
of this section as to whether the contractor and any subcontractor met the requirements for
employing and paying apprentices set forth in subsections (2) and (3) of this section. The
bureau may specify the form and contents of a report under this paragraph and may require
the qualifying agency to also report aggregated data.

“(b) Not later than January 2 of each odd-numbered year, the bureau shall report to a
committee of the Legislative Assembly that considers matters related to apprenticeship and
apprenticeship utilization on public improvement contracts the following data concerning
each public improvement contract and subcontract that each qualifying agency completed within the previous two years:

“(A) The total number of hours of work that workers performed for each contract or subcontract on all public improvement projects;

“(B) The total number of hours of work that workers performed in each apprenticeable trade and craft for each contract and subcontract on all public improvement projects;

“(C) The total number of hours of work that apprentices performed for each contract and subcontract on all public improvement projects;

“(D) The total number of hours of work that apprentices in each apprenticeable trade or craft performed for each contract and subcontract on all public improvement projects;

“(E) The total number of minority individuals, women and veterans who performed work on the public improvement projects; and

“(F) Any additional information the bureau determines is necessary to carry out the purposes of this section.

“(8)(a) A qualifying agency shall reduce the payment due under a public improvement contract to a contractor that does not meet the requirements set forth under subsections (2) and (3) of this section. The amount of the reduction must be equivalent to the difference between the total number of work hours that apprentices in apprenticeable occupations should have performed on the public improvement project to meet the requirement set forth in subsection (2) of this section less the total number of work hours that apprentices in apprenticeable occupations actually performed on the public improvement project, multiplied by $15 per hour.

“(b) The qualifying agency shall pay the amount of the reduction under paragraph (a) of this subsection to the State Treasury to the credit of the Bureau of Labor and Industries Account established under ORS 651.160. The bureau shall use the amount deposited to fund expansions of apprenticeship training programs, with a focus on programs in areas of this state where contractors did not meet the targets specified in subsection (2) of this section.

“(c) A contractor, in a subcontract related to the contractor's public improvement contract, may provide to the same extent described in paragraph (a) of this subsection for a reduction in the amount due to the subcontractor if the subcontractor fails to perform the subcontract in accordance with the contractor's requirements under subsections (2) and (3) of this section. The contractor may also provide in the contract for a reduction in the amount due a subcontractor that fails to comply with subsection (4)(c) of this section.

“(7) (9) This section does not apply to:

“(a) The Department of Transportation or a public improvement contract that a contractor enters into with the department; or

“(b) A public contract that a [state contracting] qualifying agency enters into under ORS 279B.080.

“SECTION 2. ORS 279C.533, as amended by section 1 of this 2023 Act, is amended to read:

“279C.533. (1) As used in this section:

“(a) ‘Apprentice’ has the meaning given that term in ORS 660.010.

“(b) ‘Apprenticeable occupation’ has the meaning given that term in ORS 660.010.

“(c) ‘Apprenticeship agreement’ has the meaning given that term in ORS 660.010.

“(d) ‘Apprenticeship training program’ means the total system of apprenticeship that a particular local joint committee, as defined in ORS 660.010, operates, including the local joint committee’s
registered standards and all other terms and conditions for qualifying, recruiting, selecting, em-
ploying and training apprentices in an apprenticeable occupation.

“(e) ‘Minority individual’ has the meaning given that term in ORS 200.005.

“(f) ‘Qualifying agency’ means:

“(A) A state contracting agency; and

“(B) The Higher Education Coordinating Commission, a public university listed in ORS 352.002
and a community college district, as defined in ORS 341.005, to the extent that the commission, the
university or the district uses funds paid directly or indirectly from the State Treasury for all or a
portion of the construction costs of a public improvement.

“(g) ‘Veteran’ has the meaning given that term in ORS 408.225.

“(h) ‘Woman’ has the meaning given that term in ORS 200.005.

“(2) A qualifying agency shall provide in each public improvement contract for which the con-
tract price exceeds $3 million that the contractor shall:

“(a) Employ apprentices to perform [12] 15 percent or more of the work hours that workers in
apprenticeable occupations perform for each contract on the public improvement; and

“(b) Require in each subcontract with a contract price of $750,000 or more that the subcon-
tractor employ apprentices to perform [12] 15 percent or more of the work hours that workers in
apprenticeable occupations perform on the subcontract;

“(3) A contractor or subcontractor shall pay an apprentice for work on the public improvement
at the hourly rate to which the apprentice is entitled under an apprenticeship agreement or that the
apprenticeship training program specifies.

“(4)(a) A qualifying agency shall require as a material provision of a public improvement con-
tract that the contractor establish and implement a plan for outreach to and recruitment and re-
tention of women, minority individuals and veterans to perform work under the public improvement
contract, with an aspirational target of having individuals in one or more of these groups to com-
pose at least 15 percent of the total number of workers who perform work under the public im-
provement contract. A contractor’s plan for outreach, recruitment and retention must require the
contractor to, at a minimum:

“(A) Advertise employment opportunities available under the public improvement contract in
general circulation publications, trade association publications and publications that serve an audi-
ence or readership that consists primarily of minority individuals, women or veterans;

“(B) Follow up on the contractor's initial solicitations of interest by contacting minority indi-
viduals, women or veterans who expressed interest in or responded to the initial solicitation to de-
terminate with certainty whether the minority individual, woman or veteran is interested in the
opportunities described in subparagraph (A) of this paragraph;

“(C) Provide all persons who express continued interest with adequate information about hiring
qualifications, pay rates, benefits, the expected duration of employment, work hours and other con-
ditions of employment under the public improvement contract;

“(D) Make efforts to encourage minority individuals, women and veterans to seek employment
under the public improvement contract that the contractor may reasonably expect will produce a
level of participation that meets the aspirational target described in this paragraph; and

“(E) Use the services of minority community organizations, local, state, federal and tribal gov-
ernments or other organizations that have recruiting, training and otherwise assisting minority in-
dividuals, women and veterans as the organization’s primary purpose or mission to assist the
contractor with outreach, recruitment and retention.
“(b) A contractor shall demonstrate adequate good faith efforts to comply with the requirements of paragraph (a) of this subsection.

“(c) A contractor shall require any subcontractor with which the contractor has a subcontract with a contract price of $750,000 or more to comply with the requirements set forth for the contractor in paragraph (a) of this subsection.

“(5)(a) A contractor shall report the extent of the contractor's compliance with this section and the compliance of a subcontractor described in subsection (4)(c) of this section to the qualifying agency on forms, in a format and with contents the Commissioner of the Bureau of Labor and Industries specifies by rule, and at regular intervals that the qualifying agency specifies in the public improvement contract.

“(b) A qualifying agency shall require the contractor to submit for each contract and subcontract the report described in paragraph (a) of this subsection as part of, or as a supplement to, certified statements required under ORS 279C.845, shall require contractors to preserve the reports as provided for certified statements in ORS 279C.845 (5), may disclose the reports as provided in ORS 279C.845 (6) and may enforce a failure to submit a report as provided in ORS 279C.845 (7). The reports described in this subsection must include, at a minimum, for each contract or subcontract related to the public improvement contract:

“(A) The name of or other identification for the public improvement project;

“(B) The city or county in which the public improvement project is located;

“(C) A detailed accounting of:

“(i) The total number of hours of work that workers performed under each contract and subcontract;

“(ii) The total number of hours of work that workers performed in each apprenticeable trade or craft for each contract and subcontract on the public improvement;

“(iii) The total number of hours of work that apprentices performed for each contract and subcontract on the public improvement; and

“(iv) The total number of hours of work that apprentices in each trade or craft performed for each contract and subcontract on the public improvement; and

“(D) The total number of workers who performed construction work and the total numbers of minority individuals, women and veterans who performed construction work under the public improvement contract. A report under this subparagraph must separately list for each worker the worker's race, ethnicity, gender, veteran status and, as applicable, trade, craft or job category. The Commissioner of the Bureau of Labor and Industries by rule may specify a method for identifying, collecting and reporting the information required under this subparagraph, which may consist of methods the United States Equal Employment Opportunity Commission prescribes in regulations the United States Equal Employment Opportunity Commission adopts under Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000e et seq.

“(6) At least 30 days before making any final payment to a contractor under a public improvement contract, a qualifying agency shall determine the extent of the contractor's compliance with the requirements in subsections (2) and (3) of this section. The qualifying agency shall base the determination on the ratio between the actual number of work hours that workers in apprenticeable occupations performed for each contract and subcontract on the public improvement and the actual number of work hours that apprentices performed for each contract and subcontract on the public improvement, as shown in reports the qualifying agency receives under subsection (5) of this section.

“(7)(a) Not later than 30 days after making a final payment to a contractor under a public im-
provement contract, a qualifying agency shall report to the Bureau of Labor and Industries the in-
formation the qualifying agency collected from the contractor under subsection (5) of this section,
together with the qualifying agency’s determination under subsection (6) of this section as to
whether the contractor and any subcontractor met the requirements for employing and paying appren-
tices set forth in subsections (2) and (3) of this section. The bureau may specify the form and
contents of a report under this paragraph and may require the qualifying agency to also report ag-
gregated data.

“(b) Not later than January 2 of each odd-numbered year, the bureau shall report to a committee
of the Legislative Assembly that considers matters related to apprenticeship and apprenticeship
utilization on public improvement contracts the following data concerning each public improvement
contract and subcontract that each qualifying agency completed within the previous two years:

“(A) The total number of hours of work that workers performed for each contract or subcontract
on all public improvement projects;

“(B) The total number of hours of work that workers performed in each apprenticeable trade
or craft for each contract and subcontract on all public improvement projects;

“(C) The total number of hours of work that apprentices performed for each contract and sub-
contract on all public improvement projects;

“(D) The total number of hours of work that apprentices in each apprenticeable trade or craft
performed for each contract and subcontract on all public improvement projects;

“(E) The total number of minority individuals, women and veterans who performed work on the
public improvement projects; and

“(F) Any additional information the bureau determines is necessary to carry out the purposes
of this section.

“(8)(a) A qualifying agency shall reduce the payment due under a public improvement contract
to a contractor that does not meet the requirements set forth under subsections (2) and (3) of this
section. The amount of the reduction must be equivalent to the difference between the total number
of work hours that apprentices in apprenticeable occupations should have performed on the public
improvement project to meet the requirement set forth in subsection (2) of this section less the total
number of work hours that apprentices in apprenticeable occupations actually performed on the
public improvement project, multiplied by $15 per hour.

“(b) The qualifying agency shall pay the amount of the reduction under paragraph (a) of this
subsection to the State Treasury to the credit of the Bureau of Labor and Industries Account es-
ablished under ORS 651.160. The bureau shall use the amount deposited to fund expansions of ap-
prenticeship training programs, with a focus on programs in areas of this state where contractors
did not meet the targets specified in subsection (2) of this section.

“(c) A contractor, in a subcontract related to the contractor’s public improvement contract, may
provide to the same extent described in paragraph (a) of this subsection for a reduction in the
amount due to the subcontractor if the subcontractor fails to perform the subcontract in accordance
with the contractor’s requirements under subsections (2) and (3) of this section. The contractor may
also provide in the contract for a reduction in the amount due a subcontractor that fails to comply
with subsection (4)(c) of this section.

“(9) This section does not apply to a public contract that a qualifying agency enters into under
ORS 279B.080.”.

In line 33, delete “2025” and insert “2027”.
In line 34, after “General,” insert “the Commissioner of the Bureau of Labor and Industries,”.
In line 39, after “General,” insert “the commissioner,”.

In line 41, after “General,” insert “the commissioner,”.