

HB 2649-3  
(LC 2200)  
3/28/23 (TSB/ps)

Requested by HOUSE COMMITTEE ON BUSINESS AND LABOR (at the request of Representative Paul Holvey)

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2649**

1 On page 1 of the printed bill, line 2, after “requirements;” insert “creating  
2 new provisions;”.

3 Delete lines 4 through 21 and delete pages 2 through 6.

4 On page 7, delete lines 1 through 24 and insert:

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

6 **“279C.533. (1) As used in this section:**

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

8 **“(b) ‘Apprenticeable occupation’ has the meaning given that term in ORS  
9 660.010.**

10 **“(c) ‘Apprenticeship agreement’ has the meaning given that term in ORS  
11 660.010.**

12 **“(d) ‘Apprenticeship training program’ means the total system of appren-  
13 ticeship that a particular local joint committee, as defined in ORS 660.010,  
14 operates, including the local joint committee’s registered standards and all  
15 other terms and conditions for qualifying, recruiting, selecting, employing  
16 and training apprentices in an apprenticeable occupation.**

17 **“(e) ‘Minority individual’ has the meaning given that term in ORS  
18 200.005.**

19 **“(f) ‘Qualifying agency’ means:**

20 **“(A) A state contracting agency; and**

21 **“(B) The Higher Education Coordinating Commission, a public uni-**

1 **versity listed in ORS 352.002 and a community college district, as de-**  
2 **fin ed in ORS 341.005, to the extent that the commission, the university**  
3 **or the district uses funds paid directly or indirectly from the State**  
4 **Treasury for all or a portion of the construction costs of a public im-**  
5 **provement.**

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

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

8 **“(2) A [state contracting] qualifying agency shall provide in each public**  
9 **improvement contract for which the contract price exceeds \$3 million that**  
10 **the contractor shall:**

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

14 **“(b) Require in each subcontract [for which the contract price exceeds the**  
15 **lesser of \$1 million or 25 percent of the price of the contract] with a contract**  
16 **price of \$750,000 or more that the subcontractor employ apprentices to**  
17 **perform 12 percent or more of the work hours that workers in**  
18 **apprenticeable occupations perform on the subcontract.**

19 **“(3) A contractor or subcontractor shall pay an apprentice for work on**  
20 **the public improvement at the hourly rate to which the apprentice is entitled**  
21 **under an apprenticeship agreement or that the apprenticeship training pro-**  
22 **gram specifies.**

23 **“[(4) Subject to the terms of the public improvement contract, a contractor**  
24 **on a public improvement may decide the locations in which, the types of work**  
25 **for which and other details concerning how the contractor employs apprentices**  
26 **for work on the public improvement. The contractor may meet the requirement**  
27 **set forth in subsection (2) of this section by requiring one or more subcon-**  
28 **tractors to employ apprentices for work on the public improvement.]**

29 **“(4)(a) A qualifying agency shall require as a material provision of**  
30 **a public improvement contract that the contractor establish and im-**

1 **plement a plan for outreach to and recruitment and retention of**  
2 **women, minority individuals and veterans to perform work under the**  
3 **public improvement contract, with an aspirational target of having**  
4 **individuals in one or more of these groups to compose at least 15 per-**  
5 **cent of the total number of workers who perform work under the**  
6 **public improvement contract. A contractor’s plan for outreach,**  
7 **recruitment and retention must require the contractor to, at a mini-**  
8 **mum:**

9 **“(A) Advertise employment opportunities available under the public**  
10 **improvement contract in general circulation publications, trade asso-**  
11 **ciation publications and publications that serve an audience or**  
12 **readership that consists primarily of minority individuals, women or**  
13 **veterans;**

14 **“(B) Follow up on the contractor’s initial solicitations of interest**  
15 **by contacting minority individuals, women or veterans who expressed**  
16 **interest in or responded to the initial solicitation to determine with**  
17 **certainty whether the minority individual, woman or veteran is inter-**  
18 **ested in the opportunities described in subparagraph (A) of this para-**  
19 **graph;**

20 **“(C) Provide all persons who express continued interest with ade-**  
21 **quate information about hiring qualifications, pay rates, benefits, the**  
22 **expected duration of employment, work hours and other conditions of**  
23 **employment under the public improvement contract;**

24 **“(D) Make efforts to encourage minority individuals, women and**  
25 **veterans to seek employment under the public improvement contract**  
26 **that the contractor may reasonably expect will produce a level of**  
27 **participation that meets the aspirational target described in this par-**  
28 **agraph; and**

29 **“(E) Use the services of minority community organizations, local,**  
30 **state, federal and tribal governments or other organizations that have**

1 **recruiting, training and otherwise assisting minority individuals,**  
2 **women and veterans as the organization’s primary purpose or mission**  
3 **to assist the contractor with outreach, recruitment and retention.**

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

6 **“(c) A contractor shall require any subcontractor with which the**  
7 **contractor has a subcontract with a contract price of \$750,000 or more**  
8 **to comply with the requirements set forth for the contractor in para-**  
9 **graph (a) of this subsection.**

10 **“[(5)] (5)(a) A contractor shall report the extent of the contractor’s com-**  
11 **pliance with this section and the compliance of a subcontractor de-**  
12 **scribed in subsection (4)(c) of this section to the [state contracting]**  
13 **qualifying agency on forms, in a format and with contents the [state con-**  
14 **tracting agency] Commissioner of the Bureau of Labor and Industries**  
15 **specifies by rule, and at regular intervals that the [state contracting] quali-**  
16 **fying agency specifies in the public improvement contract. [The forms and**  
17 **the contents that the state contracting agency specifies must include, at a**  
18 **minimum, a report in which the contractor provides a detailed accounting of**  
19 **the total number of work hours each month and the cumulative total number**  
20 **of work hours since the public improvement contract term began in which:]**

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

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

24 **“(b) A qualifying agency shall require the contractor to submit for**  
25 **each contract and subcontract the report described in paragraph (a)**  
26 **of this subsection as part of, or as a supplement to, certified state-**  
27 **ments required under ORS 279C.845, shall require contractors to pre-**  
28 **serve the reports as provided for certified statements in ORS 279C.845**  
29 **(5), may disclose the reports as provided in ORS 279C.845 (6) and may**  
30 **enforce a failure to submit a report as provided in ORS 279C.845 (7).**

1 The reports described in this subsection must include, at a minimum,  
2 for each contract or subcontract related to the public improvement  
3 contract:

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

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

8 “(C) A detailed accounting of:

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

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

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

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

19 “(D) The total number of workers who performed construction work  
20 and the total numbers of minority individuals, women and veterans  
21 who performed construction work under the public improvement con-  
22 tract. A report under this subparagraph must separately list for each  
23 worker the worker’s race, ethnicity, gender, veteran status and, as  
24 applicable, trade, craft or job category. The Commissioner of the Bu-  
25 reau of Labor and Industries by rule may specify a method for identi-  
26 fying, collecting and reporting the information required under this  
27 subparagraph, which may consist of methods the United States Equal  
28 Employment Opportunity Commission prescribes in regulations the  
29 United States Equal Employment Opportunity Commission adopts un-  
30 der Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000e et seq.

1       “(6) At least 30 days before making any final payment to a contractor  
2 under a public improvement contract, a [*state contracting*] **qualifying** agency  
3 shall determine the extent of the contractor’s compliance with the [*require-*  
4 *ment*] **requirements** in [*subsection (2)*] **subsections (2) and (3)** of this sec-  
5 tion. The [*state contracting*] **qualifying** agency shall base the determination  
6 on the ratio between the actual number of work hours that workers in  
7 apprenticeable occupations performed **for each contract and subcontract**  
8 on the public improvement and the actual number of work hours that ap-  
9 prentices performed **for each contract and subcontract** on the public im-  
10 provement, as shown in reports the [*state contracting*] **qualifying** agency  
11 receives under subsection (5) of this section.

12       “(7)(a) **Not later than 30 days after making a final payment to a**  
13 **contractor under a public improvement contract, a qualifying agency**  
14 **shall report to the Bureau of Labor and Industries the information the**  
15 **qualifying agency collected from the contractor under subsection (5)**  
16 **of this section, together with the qualifying agency’s determination**  
17 **under subsection (6) of this section as to whether the contractor and**  
18 **any subcontractor met the requirements for employing and paying**  
19 **apprentices set forth in subsections (2) and (3) of this section. The**  
20 **bureau may specify the form and contents of a report under this par-**  
21 **agraph and may require the qualifying agency to also report aggreg-**  
22 **ated data.**

23       “(b) **Not later than January 2 of each odd-numbered year, the bu-**  
24 **reau shall report to a committee of the Legislative Assembly that**  
25 **considers matters related to apprenticeship and apprenticeship utili-**  
26 **zation on public improvement contracts the following data concerning**  
27 **each public improvement contract and subcontract that each qualify-**  
28 **ing agency completed within the previous two years:**

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

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

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

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

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

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

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

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

30       **“(c) A contractor, in a subcontract related to the contractor’s pub-**

1 **lic improvement contract, may provide to the same extent described**  
2 **in paragraph (a) of this subsection for a reduction in the amount due**  
3 **to the subcontractor if the subcontractor fails to perform the subcon-**  
4 **tract in accordance with the contractor’s requirements under sub-**  
5 **sections (2) and (3) of this section. The contractor may also provide in**  
6 **the contract for a reduction in the amount due a subcontractor that**  
7 **fails to comply with subsection (4)(c) of this section.**

8 “[7] (9) This section does not apply to[:]

9 “[a) *The Department of Transportation or a public improvement contract*  
10 *that a contractor enters into with the department; or]*

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

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

15 “279C.533. (1) As used in this section:

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

17 “(b) ‘Apprenticeable occupation’ has the meaning given that term in ORS  
18 660.010.

19 “(c) ‘Apprenticeship agreement’ has the meaning given that term in ORS  
20 660.010.

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

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

27 “(f) ‘Qualifying agency’ means:

28 “(A) A state contracting agency; and

29 “(B) The Higher Education Coordinating Commission, a public university  
30 listed in ORS 352.002 and a community college district, as defined in ORS

1 341.005, to the extent that the commission, the university or the district uses  
2 funds paid directly or indirectly from the State Treasury for all or a portion  
3 of the construction costs of a public improvement.

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

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

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

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

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

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

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

29 “(A) Advertise employment opportunities available under the public im-  
30 provement contract in general circulation publications, trade association

1 publications and publications that serve an audience or readership that  
2 consists primarily of minority individuals, women or veterans;

3 “(B) Follow up on the contractor’s initial solicitations of interest by  
4 contacting minority individuals, women or veterans who expressed interest  
5 in or responded to the initial solicitation to determine with certainty  
6 whether the minority individual, woman or veteran is interested in the op-  
7 portunities described in subparagraph (A) of this paragraph;

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

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

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

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

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

27 “(5)(a) A contractor shall report the extent of the contractor’s compliance  
28 with this section and the compliance of a subcontractor described in sub-  
29 section (4)(c) of this section to the qualifying agency on forms, in a format  
30 and with contents the Commissioner of the Bureau of Labor and Industries

1 specifies by rule, and at regular intervals that the qualifying agency specifies  
2 in the public improvement contract.

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

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

14 “(B) The city or county in which the public improvement project is lo-  
15 cated;

16 “(C) A detailed accounting of:

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

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

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

24 “(iv) The total number of hours of work that apprentices in each trade  
25 or craft performed for each contract and subcontract on the public improve-  
26 ment; and

27 “(D) The total number of workers who performed construction work and  
28 the total numbers of minority individuals, women and veterans who per-  
29 formed construction work under the public improvement contract. A report  
30 under this subparagraph must separately list for each worker the worker’s

1 race, ethnicity, gender, veteran status and, as applicable, trade, craft or job  
2 category. The Commissioner of the Bureau of Labor and Industries by rule  
3 may specify a method for identifying, collecting and reporting the informa-  
4 tion required under this subparagraph, which may consist of methods the  
5 United States Equal Employment Opportunity Commission prescribes in  
6 regulations the United States Equal Employment Opportunity Commission  
7 adopts under Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000e et seq.

8 “(6) At least 30 days before making any final payment to a contractor  
9 under a public improvement contract, a qualifying agency shall determine  
10 the extent of the contractor’s compliance with the requirements in sub-  
11 sections (2) and (3) of this section. The qualifying agency shall base the  
12 determination on the ratio between the actual number of work hours that  
13 workers in apprenticeable occupations performed for each contract and sub-  
14 contract on the public improvement and the actual number of work hours  
15 that apprentices performed for each contract and subcontract on the public  
16 improvement, as shown in reports the qualifying agency receives under sub-  
17 section (5) of this section.

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

28 “(b) Not later than January 2 of each odd-numbered year, the bureau shall  
29 report to a committee of the Legislative Assembly that considers matters  
30 related to apprenticeship and apprenticeship utilization on public improve-

1 ment contracts the following data concerning each public improvement con-  
2 tract and subcontract that each qualifying agency completed within the  
3 previous two years:

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

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

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

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

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

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

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

27 “(b) The qualifying agency shall pay the amount of the reduction under  
28 paragraph (a) of this subsection to the State Treasury to the credit of the  
29 Bureau of Labor and Industries Account established under ORS 651.160. The  
30 bureau shall use the amount deposited to fund expansions of apprenticeship

1 training programs, with a focus on programs in areas of this state where  
2 contractors did not meet the targets specified in subsection (2) of this sec-  
3 tion.

4 “(c) A contractor, in a subcontract related to the contractor’s public im-  
5 provement contract, may provide to the same extent described in paragraph  
6 (a) of this subsection for a reduction in the amount due to the subcontractor  
7 if the subcontractor fails to perform the subcontract in accordance with the  
8 contractor’s requirements under subsections (2) and (3) of this section. The  
9 contractor may also provide in the contract for a reduction in the amount  
10 due a subcontractor that fails to comply with subsection (4)(c) of this sec-  
11 tion.

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

14 In line 33, delete “2025” and insert “2027”.

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