



U.S. Department of Transportation
Federal Highway Administration

#RoadsToYourFuture

For Ways to Use Section 504(e)

Funds, Look to Oregon

As the construction industry faces a nationwide labor shortage, many States turn to Section 504(e) funds to help increase the workforce.

One such State is Oregon, where the Oregon Department of Transportation (ODOT) and the State's Bureau of Labor and Industries (BOLI) support apprenticeship programs using Section 504(e) funds to add more diversity in hiring, increase apprenticeship numbers, and provide resources for training. "The focus is very much on getting people into the apprenticeship programs and then getting them through it," says Larry Williams, operations and policy analyst with BOLI. ODOT concentrates on outreach and recruitment, while BOLI manages the partnership's apprenticeship programs, which includes retention.

Childcare subsidies

The Oregon Department of Early Learning and Care operates Employment Related Day Care (ERDC), which helps working parents throughout the State with incomes below 200 percent of the Federal poverty level.

"What we found is for our apprentices, about 10 percent to 20 percent qualify for ERDC, particularly early in their apprenticeship programs, based on their family composition and household income," Williams explains. "Others make more than would qualify them for ERDC, but they still don't make enough to actually support themselves and provide childcare for their kids."

For more resources on building a workforce development program, visit the Strategic Workforce Development Toolkit.



In these cases, BOLI supplements the ERDC in two ways: “One is that we cover copays and any overages, and then, if they exceed the income level for ERDC, we provide subsidies directly through what we informally call ‘apprenticeship-related childcare’ to keep their childcare costs at or below 7 percent of the household income,” Williams says. An important note about ERDC is that Oregon has a process for approving unlicensed childcare providers, known informally as “family, friends, and neighbors.” This is essential in construction, because the industry’s working hours, with its early start times and late finish times, are often not conducive to a center-based environment.

Hardship assistance

BOLI provides two forms of hardship assistance. The first is individual assistance that helps with personal destabilizing events (such as divorce, medical issues, or vehicle breakdowns) that may cause apprentices to miss work or put housing at risk. The second form of hardship assistance is State Emergency Assistance for community destabilizing events in which the governor of Oregon declares a state of emergency. This was the case during the pandemic and often occurs with natural disasters such as wildfires.

Ensuring respectful workplaces

As part of the Respectful Workplace Initiative (RWI), the Oregon Institute of Occupational Health Sciences’ Safety Climate Lab and BOLI are developing a respectful workplace climate scale that will be a scientifically validated measurement tool that gauges workplace culture through employees’ perspectives. RWI seeks to strengthen and stabilize the construction labor force through recruiting and retaining diverse apprentices and journey workers. Retaining women and people of color is key to diversifying the construction workforce. However, doing so has proven to be challenging due to discrimination, bullying, and harassment on construction job sites.

Discover more about Oregon’s workforce development program and explore guidance on the use of funds.

To get information about how you can utilize Section 504(e) funds and place qualified individuals into highway construction jobs that will help address workforce shortages in your region, contact:

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For guidance on Title 23, Section 504(e): Federal-aid Funds for Training & Workforce Development, visit:



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