



OJT/Apprentice Program Update

HB 2649/ORS 279C.533

Office of Equity and Civil Rights

House Bill 2649

Contracts that exceed contract price of \$3 million, primes perform at least 12 percent (15% by January 1, 2027) of total work hours that workers perform in apprenticeable trades.

Prime must establish and implement an outreach plan for the recruitment and retention of women, minority individuals and veterans to perform work under the contract and Outreach Plan.

- Contractor shall submit Outreach Plan ten (10) days prior to preconstruction conference.
- Contractor shall demonstrate adequate good faith efforts to comply with its Outreach Plan.

House Bill 2649

Subcontracts

Prime shall require any first tier subcontractor, with a contract price of \$750,000 or more at time of ODOT subcontract consent, to comply with the requirements of the 12% (15% by January 1, 2025) OJT/Apprentice goal.

First tier subcontractor must also establish and implement an outreach plan for the recruitment and retention of women, minority individuals and veterans to perform work under the contract and Outreach Plan.

HB Non-Compliance

Reduction will be equivalent to

- Prime's workforce, the difference between the total number of work hours that apprentices or trainees in apprenticeable trades should have performed less the total number of work hours that apprentices in apprenticeable trades actually performed on the project, multiplied by \$15 per hour, and
- For Subcontractors subject to the Training Goal, the difference between the total number of work hours that apprentices or trainees in apprenticeable trades should have performed for the Subcontractors subject to the Training Goal less the total number of work hours that apprentices in apprenticeable trades actually performed on the project, multiplied by \$15 per hour.

2024 Snapshot

- For 2024, 35 projects had a house bill applied.
- Apprenticable achievement was roughly 4.92% under house bill conditions. (These contracts are still ongoing and in the early stages).
- For 2023, achievement was roughly at 10.28%.

HB 2649 Outreach Plan

Examples of Outreach Plan requirements include

- Advertise employment opportunities in general circulation publications, trade association publications and publications that serve an audience or readership that consists primarily of minority individuals, women or veterans;
- Follow up on initial solicitations;
- Provide 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;

HB 2649 Outreach Plan

Examples of Outreach Plan requirements (continued)

- Make efforts to encourage minority individuals, women and veterans to seek employment under the public improvement contract that will produce a level of participation;
- 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 (Prime) with outreach, recruitment and retention.

HB 2649 Support



Oregon
Tina Kotite, Governor

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**Amendments to ORS 279C.533 (HB 2649):
Frequently Asked Questions on Requirements in Public
Improvement Contracts for Apprentices and Outreach**

General

1. What are the changes in the law?

In 2023 the Legislature passed [House Bill \(HB\) 2649](#) to amend [ORS 279C.533](#) to require apprenticeship utilization on certain public improvement contracts with qualifying agencies. The bill also aims to increase the workforce participation on public improvement projects of women, veterans, and individuals that identify as American Indians or Alaska Natives, Asian, Black or African American, Hispanic or Latino, Native Hawaiians or Pacific Islanders, and Portuguese or Brazilian.

2. What are public improvement contracts?

Per ORS 279A.010(1)(cc), a public improvement project is a project for construction, reconstruction or major renovation on real property by or for a contracting agency. ORS 279C.533 will apply to contracts involving those projects. It does not apply to certain projects involving emergency work, minor alteration, ordinary repair or maintenance necessary to preserve a public improvement. As a general matter, contracts for architectural and engineering services and other related services are not public improvement contracts.

3. Which contractors are subject to the new requirements in ORS 279C.533?

Contractors who enter into public improvement contracts with a contract price that exceeds \$3 million at the time of the contract award will be subject to the requirements of ORS 279C.533.

These Contractors must also require that each subcontractor with a subcontract of an estimated value of \$750,000 or more at the time of Agency's consent to the subcontract ("Covered Subcontractors") comply with the ORS 279C.533 requirements. Covered Subcontractors must comply with the Outreach, Recruitment and Retention requirements; however, if they are not performing any work in Apprenticeship Occupations (see question 4), there will not be an Apprenticeship Goal.

4. What is the Apprenticeship Goal for contracts subject to ORS 279C.533?

Contractor shall employ Apprentices to perform 12 percent of the Work hours that Contractor's employees in Apprenticeship Occupations perform under this Contract.

Contractor shall also require that each of its Covered Subcontractors employ Apprentices to perform

OUTREACH PLAN

[ORGANIZATION NAME]

PROJECT NUMBER – PROJECT NAME

Contact Name:

Contact E-Mail:

Date:

Advertisements of Employment Opportunities

Veterans

Community Resource or Publication	Resource Contact

Minorities

Community Resource or Publication	Resource Contact

Women

Community Resource or Publication	Resource Contact

OUTREACH PLAN

Contracting Specialists Incorporated

98051 - Creek Road at Creek Pass

Contact Name: Alonna Loveland

Contact E-Mail: Loveland.Alonna@csi.com

Date: October 29, 2024

Advertisements of Employment Opportunities

Contracting Specialists Incorporated is committed to hiring veterans, minorities, and women. To ensure our employment opportunities reach them, we have partnered with these community resources to advertise our job openings. Below is our targeted approach to reaching these individuals.

Veterans

Community Resource or Publication	Resource Contact
Veterans Labor Department	John Smith (john.smith@veteranslabordept.org)
Oregon Corrections and Parole	Newsletter Mary Johnson (503-123-4567)
Work Source or Employment Department	Website Steve Daniels (www.worksource.gov)

Minorities

Community Resource or Publication	Resource Contact
Portland Opportunities Industrial Center (POIC)	Website Chris Walker (chris.walker@poic.org)
Job Corps	Website Alice Brown (503-234-7890)
CAWS: Construction Apprenticeship & Workforce Solutions, Inc.	Job Board Kevin Lee (kevin.lee@caws.org)



Small Business Development Program

ORS 184.906

ODOT Office of Equity and Civil Rights

Small Business Development Program

- Establishes a small business development program that aids qualified small businesses in competing for public improvement contracts.
- Program approved by FHWA (May 2024)
- Rules approved by OTC (Dec 2024)



Small Business Development Program



Award up to \$25 million annually

- Construction prime contracts
- State and Federal funded public improvement projects
- Federal projects come from the Statewide Transportation Improvement Program (STIP)

Small Business Development Program IDENTIFYING PROJECTS FOR 2025

Criteria

- State and Federal projects
- Project size up to \$2.5 million
- Anticipated bid date May 1 or after
- Single function
- Simple project work type (requires minimal specialized expertise)



Small Business Development Program

TWO PATHS TO QUALIFYING

- Solely for qualified small businesses
- A Business may qualify to participate in the SBDP through either:
 - A. Proof of valid SBA registration or Certification from COBID

OR

 - B. Self-Qualification



QUALIFIED SMALL BUSINESS

B. SELF-QUALIFICATION

A small business may self-qualify if it meets **ALL the following criteria:**

- (a) The Business is for-profit
- (b) The Business is in the construction industry
- (c) The Business is independently owned and operated
- (d) The Business is not a subsidiary of another business
- (e) The Business is registered with the Secretary of State
- (f) The Business has employed an average of fewer than 500 employees annually, over the past 2 calendar years
- (g) The gross receipts of the Business do not exceed an average of \$45 million annually, over the past 2 calendar years.

Small Business Development Program BENEFITS

- *Expand capacity and increase competition.*
- Increase the ability, experience, and number of construction contractors doing business with ODOT.
- Increase success rates for historically underutilized small businesses.



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Questions?



Small Business Development Program

REQUIREMENTS

- (a) Identify public improvements that are suitable for a qualified small business;
- (b) Provide a directory or repository of resources to assist a qualified small business in preparing competitive bids;
- (c) State in the department's solicitation materials...that the department will receive bids solely from qualified small businesses;
- (d) Designate department employees who have experience with challenges that qualified small businesses face...to provide support...;
- (e) Evaluate bids...and award public improvement contracts to, qualified small businesses.

QUALIFIED SMALL BUSINESS *(per ORS 184.906)*

The Department of Transportation shall establish a small business development program that aids qualified small businesses to compete for public improvement contracts that the department procures.

A qualified small business is one that:

- (a) Has registered with the United States Small Business Administration, or a successor agency, as a small disadvantaged business;
- (b) Is certified as an emerging small business under ORS 200.055; **or**
- (c) Meets other criteria the department establishes by rule.***

QUALIFIED SMALL BUSINESS

A. Proof of valid SBA registration or Certification from COBID

Any of the following are qualifiers

1. Registered with the SBA, or a successor agency, as a small disadvantaged business;
2. Certified as an emerging small business under ORS 200.055;
3. Registered with the SBA, or a successor agency, and is eligible to participate in any SBA small business contracting assistance program; or
4. Certified by COBID as a Minority Business Enterprise (MBE), a Woman Business Enterprise (WBE), a Disadvantaged Business Enterprise (DBE), a Veteran Business Enterprise (VBE), or an Emerging Small Business (ESB).

REPORTING

By December 31 annually report to the Legislative Assembly

- # of public improvement contracts the department identifies
- # of public improvement contracts the department awards to qualified small businesses
- # of qualified small businesses the department aids under the program
- Type and size of the qualified small businesses that participate in the program
- Total value of public improvement contracts the department awards through the program
- Such other information about the program that the department deems relevant to report