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# Disadvantaged Business Enterprise Program

Office of Equity and Civil Rights

# Overall Annual DBE Goal

**The current statewide annual goal for FFY 2023-25 is 23.43%**

**Race Neutral 6.10% - Race Conscious 17.33%**

- Triennial Goal—a goal is presented to FHWA for approval every three years.
- DBE commitments on federally funded contracts are counted towards the overall goal.
- This goal has recently been approved by FHWA.

# ODOT's Overall DBE Goal Performance

FFY	DBE Goal	DBE Commitment	Overage/ Shortfall on goal
2023	23.43% (RN 6.10%, RC 17.33%)	15.34% (RN 7.74%, RC 7.59%)	-8.09%
2022	15.37% (RN 4.73%, RC 10.64%)	21.85% (RN 10.59%, RC 11.26%)	6.48%

# 2022 ODOT Disparity Study

## Recommendations for Next Steps:

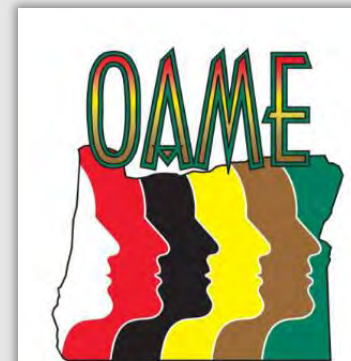
- Assign higher contract goals
- Additional race-and gender-neutral efforts and measures needed to
  - Increase certified DBE firms, connect DBEs to prime contractors, and increase DBE primes
  - Encourage DBE participation in new sub-industries and build capacity
  - Address other barriers to Doing Business with ODOT

# Overcoming Challenges and Barriers

- DBE Advisory Committee
  - Cohort 1 was completed in 2023
  - Cohort 2 is ongoing to address six barriers prioritized in Cohort 1
- DBE Supportive Services
  - Hiring Consultant and New OECR Positions
  - Technical Training / Financial and Bonding Assistance
  - Mentor-Protégé Program – Project Specific
- DBE numbers in Oregon
  - Increased from 708 to 728 during FFY 2022-23

# DBE Initiatives – Present and Future

- Partnerships (OAME, NAMC, PBDG, etc.)
- Outreach and Networking
- DBE Program Update
  - Flexibility on DBE participation in Design-Build projects
  - Simplification of out-of-state DBE certification
  - Scope expansion of DBE work areas







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# OJT/Apprentice Program HB 2649

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, 2025) 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.

# HB 2649 REQUIREMENTS

## 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;
- Providing 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;
- 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 REQUIREMENTS

## EEO Aspirational Targets

- Region 1: Women/Veteran = 15%    Minority = 20%
- All other regions: Women/Minority/Veterans = 15%

## Monthly Reporting

- MEURs
- ATARs
- TPARs
- MPRs

# HB 2649 REQUIREMENTS

## Final Report:

As a requirement of issuance of Third Notification, Contractor shall provide ODOT with Final Report regarding its employment of apprentices/trainees which shall contain:

- Total amount of apprenticeable/OJT hours (12% goal)
- Total amount of hours performed by apprentices/trainees
- Number of hours subject to calculation of reduction in payment/withholding
- Statement regarding whether Subcontractor met Training Goal
  - Number of hours subject to calculation of reduction in payment/withholding
  - Whether Contractor reduced payment to subcontractor for failure to meet Training Goal, and if so, by how much.



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# Small Business Development Program SB 1048

Office of Equity and Civil Rights



# SB 1048

**Establish a small business development program that aids qualified small businesses to compete for public improvement contracts.**

# SB 1048 ODOT REQUIREMENTS

- Effective January 1, 2024
- Identify public improvement contracts that are suitable for a qualified small business to undertake as a prime.
- Provide a directory of resources to assist qualified small businesses in preparing to bid.
- Designate staff who have experience with challenges that qualified small businesses face in competing for contracts.

# SB 1048 ODOT REQUIREMENTS

- ODOT may enter into contracts with qualified small businesses under this program for a total value not more than \$25 million annually.
- Determine definition of a qualified small business
  - COBID Certified
  - SBA Registered
  - Other criteria established by rule

# NEXT STEP

- Program Manager: Ailsa Kellam
- Advisory Taskforce
- Program Guidelines
- Identify Public Improvement Contracts
- Rule-Making
- Engagement/Training
- Success Plan Evaluation Matrix
- Legislative Reporting – December 31 annually



# Thank you!

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