

FINAL BILL REPORT

ESSB 5873

C 197 L 09
Synopsis as Enacted

Brief Description: Regarding apprenticeship utilization.

Sponsors: Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Kline, Keiser, Hobbs, Marr, Fairley, McAuliffe, Kohl-Welles and Shin).

Senate Committee on Labor, Commerce & Consumer Protection
House Committee on Commerce & Labor
House Committee on Capital Budget

Background: On state and school district public works projects estimated to cost \$1 million or more, at least 15 percent of the labor hours must be performed by apprentices. Public works contracts awarded by state four-year institutions of higher education and state agencies headed by separately elected officials are exempt from apprentice utilization requirements. Apprentice utilization requirements can be adjusted on projects if there is a demonstrated lack of availability of apprentices in the geographic area, if there is a disproportionately high ratio of material costs to labor hours which does not make utilization requirements feasible, or if participating contractors have demonstrated a good faith effort to comply with utilization requirements.

Contractors bidding on public works contracts must meet responsibility criteria in order to be considered a responsible bidder and qualified to be awarded a public works project. Bidders must be registered as a contractor; have a current state unified business identifier number; have industrial insurance, unemployment insurance, and a state excise tax registration number; and not be disqualified from bidding for prevailing wage or contractor registration violations.

Contractors are barred from bidding on public works contracts for one year if the contractor has committed any combination of two of the following violations in a five year period: knowingly misrepresenting payroll or employee hours upon which the industrial insurance premium is based; or engaging in business without having obtained a certificate of industrial insurance coverage.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary: Public works contracts awarded by state four-year institutions of higher education must include apprentice utilization provisions. The apprentice utilization requirements are phased in over a three-year period.

A bidder on a public works project subject to apprenticeship utilization requirements will be disqualified if the bidder was found out of compliance in the one-year period preceding the date of the bid solicitation for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes.

An additional violation is added to the list of violations for which a contractor can be barred from bidding on a public works contract if the contractor commits any combination of two violations in a five-year period. The additional violation is being found out of compliance for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes.

The Washington State Apprenticeship and Training Council must adopt rules that address due process protections for all parties and strengthen the accountability for apprenticeship committees approved under chapter 49.04 RCW in enforcing the apprenticeship program standards adopted by the council.

Votes on Final Passage:

Senate	28	18
House	63	34

Effective: July 26, 2009