

SENATE BILL REPORT

E2SSB 5764

As Amended by House, March 3, 2022

Title: An act relating to apprenticeships and higher education.

Brief Description: Concerning apprenticeships and higher education.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Randall, Sheldon, Conway, Das, Hasegawa, Keiser, Kuderer, Lias, Nguyen, Nobles, Saldaña, Wellman, Wilson, C. and Wilson, J.).

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/13/22, 1/25/22 [DPS-WM].

Ways & Means: 2/04/22, 2/07/22 [DP2S, w/oRec].

Floor Activity: Passed Senate: 2/10/22, 48-0.

Passed House: 3/3/22, 94-2.

Brief Summary of Engrossed Second Substitute Bill

- Aligns the maximum Washington College Grant for full-time apprentices (WCG-A) to the maximum award for full-time students attending two-year institutions.
- Requires the William D. Ruckelshaus Center to study, consult stakeholders, and report on further developing and improving opportunities for apprentices to receive credit towards degrees.
- Requires access to the financial aid offices at the community and technical colleges, or verification of access to the WCG-A by the Washington Student Achievement Council, for apprentices by the 2025-26 school year.
- Requires credits to be established for registered apprenticeship programs by the 2028-29 school year.

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

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5764 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Randall, Chair; Nobles, Vice Chair; Holy, Ranking Member; Liias and Sefzik.

Staff: Kellee Gunn (786-7429)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5764 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Capital; Robinson, Vice Chair, Operating & Revenue; Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Billig, Carlyle, Conway, Dhingra, Hasegawa, Hunt, Keiser, Mullet, Pedersen, Van De Wege, Wagoner and Wellman.

Minority Report: That it be referred without recommendation.

Signed by Senators Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital; Braun, Gildon, Muzzall, Rivers and Warnick.

Staff: Michele Alishahi (786-7433)

Background: Registered Apprenticeships in Washington. Apprenticeships combine classroom studies—also known as related supplemental instruction (RSI)—with paid on-the-job training supervised by a journey-level craft person or trade professional. Apprenticeships may be registered with the Washington State Apprenticeship and Training Council (WSATC). WSATC approves and promotes apprenticeship programs and establishes program standards for Washington State, including requirements for RSI, coordination of job experience instruction, and instructor qualifications.

Apprenticeships and Higher Education in Washington. Apprenticeships may provide their own RSI, or contract with a community and technical college (CTC) for the RSI space or instruction, or both. CTCs may charge tuition rates for ungraded courses that differ from standard rates. For apprenticeship courses, the State Board For Community and Technical Colleges (SBCTC) has set a rate equal to one-half the standard per credit amount for tuition and services and activities fees.

Apprenticeships that do not contract with CTCs may offer RSI, but still go through CTCs for academic and course credit. Depending on the institution, apprentices may receive course credit towards a degree. One degree offered by several institutions, the Multi-Occupational Trades (MOT) associate degree, is currently available through South Seattle

College, Spokane Community College, Renton Technical College, Skagit Valley College, Everett Community College, Wenatchee Valley College, and Columbia Basin College.

Washington College Grant for Apprenticeship. In 2019, the Washington College Grant (WCG) was expanded to registered apprenticeship programs. The Washington Student Achievement Council (WSAC) has set the current maximum award for a full-time registered apprentice at \$3,000, by rule.

Summary of Engrossed Second Substitute Bill: Washington College Grant for Apprenticeships. By the 2025-26 academic year, the SBCTC must provide eligible apprentices access to the Washington College Grant for Apprenticeships (WCG-A) through the financial aid office at the college where the apprentice receives RSI. WSAC shall verify access to the WCG-A for apprentices who receive RSI outside of the CTC system. To implement this, the SBCTC must collaborate with WSAC's Office of Financial Assistance to create a student information technology interface to simplify the application, verification of registration, eligibility, and award for students. Data-sharing agreements must be established with other state agencies to verify student data.

The maximum WCG award for students in approved registered apprenticeship programs is aligned with the maximum WCG award for students attending two-year institutions.

Developing Opportunities for Apprentices to Earn Degrees. WSAC must contract with the William D. Ruckelshaus Center (Ruckelshaus) to research, evaluate, consult with certain stakeholders, and report on further developing opportunities for registered apprentices to receive credit towards degrees.

Specifically, Ruckelshaus must:

- evaluate paths to credentials for apprentices with a focus on the MOT degree and an exploration of other credentials for transferability;
- examine national best practices in delivery and of educational credentials to apprentices;
- research apprentices' demand for degrees;
- review the current funding model for apprentices within the CTC system with consideration on the use of state funds for apprenticeships and national funding structures that could be applied to Washington State, while consulting certain stakeholders, to develop recommendations for the Legislature;
- identify and remove barriers to access the WCG-A; and
- report annually to the appropriate legislative committees, by December 1st, on its progress, findings, and recommendations.

WSAC must report annually by December 1, beginning in 2023, on Ruckelshaus's progress, findings, and recommendations. The December 1, 2026 report must include viable policy options for degree pathways for individuals who complete state registered apprenticeship programs.

Credits for State Registered Apprenticeship Programs. Policies for granting as many credits as possible and appropriate for an apprenticeship's related supplemental instruction for active state registered apprenticeship programs registered on or before July 1, 2022, must be established by the 2028-29 academic year.

Public institutions of higher education must establish a policy for granting as many credits as possible and appropriate for an apprenticeship's related supplemental instruction within six years of the date of the program's registration for all registered apprenticeship programs approved after July 1, 2022. Credits are at the sole discretion of each institution and must be determined in consultation with their faculty representatives. Credits are not intended to impact an approved registered apprenticeship program's RSI.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill (Higher Education & Workforce Development): *The committee recommended a different version of the bill than what was heard.* PRO: Registered apprenticeships are pathways to living wage jobs. There have been many conversations with journey-card holders, and others, over interim about access to financial aid and continuing education. The economy and the jobs that serve the economy are changing so rapidly, many workers must make a pivot in their career. There are challenges with the financial aid structure for apprentices, and for people who later want or need to pivot careers.

We are encouraged by the investment in apprenticeships. Colleges with large apprenticeship programs have concerns with the resources needed to meet the requirements in this bill. Removing barriers for apprentices to access aid is supported, but we are concerned about the impact on financial aid officers. There is concern that the creation of a centralized program for apprentices would negatively impact the current system. Establishing credit and course equivalencies for all apprenticeships also gives the SBCTC pause. The ability to provide credit to apprenticeships is a big endeavor. This bill enhances the fabric of our transfer system to the baccalaureates, and we support it.

Apprenti leverages the apprenticeship model to the tech industry. The bill should allow for partnerships outside the state. The credit and course equivalency requirement puts undue pressure on apprenticeships. Permeability is so important in changing the public's view of apprenticeships. The return on investment is over \$7 per \$1 spent, a great deal. This is a worthy cause. Apprenticeships in the healthcare sector are new and are a much-needed

pathway for people to elevate themselves through their healthcare careers. We have some comments to improve this bill for the healthcare sector specifically but will follow up with the sponsor and staff

During the pandemic, grocery workers have been essential. It is important to motivate workers to stick around. Workers deserve dignity, respect, and opportunities for advancement. This bill focuses on these workers, and small apprenticeships, who do not have the same resources as others. Apprenticeships have the power to lift people out of poverty and change lives. This bill, along with Senator Keiser's and Senator Holy's bill, will help the recruitment and retention of jobs across state service. Entry level positions in the state start with a certain level of educational attainment but, to move up through state service, a worker needs to get additional credentials which often requires taking on a lot of debt. This bill will allow us to build the state workforce from within. This bill is an exciting way of thinking about, and meeting, our workforce needs.

OTHER: We appreciate the changes made in the substitute bill. The substitute clarifies that the curriculum in RSI is industry driven. The study should be done by a neutral party. The increase in the WCG to apprentices is appreciated. This puts the state in a position to recognize the skills and knowledge that apprentices have and give access to grants funds commensurate with other students. This bill will empower apprentices and journey people to advance their careers and give recognition to their experience. We appreciate the intensive stakeholdering in the development of this bill.

The Joint Apprenticeship and Training Committee (JATC) Association and a JATC should be consulted in the study. There are several laws that impact the training of apprenticeship programs, most importantly from the federal government, that need to be considered in this bill. We are in support of the substitute bill but would like clarification on the funding sources. It is critically important for Washingtonians to have access to skilled training. Providing funding for apprenticeship programs will help industries, such as childcare, that are in critical demand.

Persons Testifying (Higher Education & Workforce Development): PRO: Senator Emily Randall, Prime Sponsor; Genevieve Howard, State Board for Community and Technical Colleges; Ruben Flores, Council of Presidents; Molly Jones; Joe Kendo, Washington State Labor Council, AFL-CIO; Shana Peschek, Machinists Institute; Laura Hopkins, Health Care Apprenticeship Consortium; Evan Woods, WeTrain Washington; Matt Zuvich, Washington Federation of State Employees.

OTHER: Erin Frasier, WA State Building & Construction Trades Council; Jerry VanderWood, AGC of Washington; Michael Transue, Mechanical Contractors Ass'n of Western Washington; Heather Winfrey, Assistant Training Coordinator, Seattle Area Pipe Trades Apprenticeship; Neil Hartman, United Association of the Plumbing and Pipefitting; Amy Anderson, Association of Washington Business.

Persons Signed In To Testify But Not Testifying (Higher Education & Workforce Development): No one.

Staff Summary of Public Testimony on First Substitute (Ways & Means): *The committee recommended a different version of the bill than what was heard.* PRO: Washington is a national leader in the completion of degrees for transfer students. The ability to provide credit for apprenticeship programs is a monumental effort. Washingtonians should be able to meet their career and academic goals. We have concerns in Section 4, but the new language, worked with the Sponsor, would alleviate these concerns. We are seeking one amendment, to expand the research of the Ruckelshaus Center to look at national work done in this. We are in support of the study. We will better understand the ability to offer credit and the current condition of college and apprenticeship partnerships. We support the increasing of WCG award levels for apprentices, and providing access to that financial aid at CTCs. Washington State businesses are finding it hard to hire a skilled and trained workforce. In an economy that is rapidly changing, the business sector is becoming increasingly reliant on our higher education system for its workforce.

Persons Testifying (Ways & Means): PRO: Ruben Flores, Council of Presidents; Arlen Harris, SBCTC; Erin Frasier, WA State Building and Construction Trades Council; Amy Anderson, Association of Washington Business.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.

EFFECT OF HOUSE AMENDMENT(S):

- Adds a null and void clause, making the bill null and void unless funded in the budget.