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HOUSE BILL 1308

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State of Washington

67th Legislature

2021 Regular Session

By Representatives Riccelli, Ramel, Bateman, Fitzgibbon, Valdez, Hackney, Bergquist, Ormsby, Pollet, and Slatter

Read first time 01/19/21. Referred to Committee on Capital Budget.

1 AN ACT Relating to expanding apprenticeship utilization  
2 requirements; amending RCW 39.04.320; and providing an effective  
3 date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 39.04.320 and 2018 c 244 s 1 are each amended to  
6 read as follows:

7 (1) (a) (i) Except as provided in (b) through (d) of this  
8 subsection, from January 1, 2005, and thereafter, for all public  
9 works estimated to cost one million dollars or more, all  
10 specifications shall require that no less than fifteen percent of the  
11 labor hours be performed by apprentices.

12 (ii) As of the effective date of this section, for all public  
13 works contracts awarded by a municipality estimated to cost  
14 \$1,000,000 or more, all specifications shall require that no less  
15 than 15 percent of the labor hours be performed by apprentices.

16 (iii) As of the effective date of this section, for all public  
17 works estimated to cost \$200,000 or more for subcontractors, all  
18 specifications shall require that no less than 15 percent of the  
19 labor hours be performed by apprentices.

1 (b) (i) This section does not apply to contracts advertised for  
2 bid before July 1, 2007, for any public works by the department of  
3 transportation.

4 (ii) For contracts advertised for bid on or after July 1, 2007,  
5 and before July 1, 2008, for all public works by the department of  
6 transportation estimated to cost five million dollars or more, all  
7 specifications shall require that no less than ten percent of the  
8 labor hours be performed by apprentices.

9 (iii) For contracts advertised for bid on or after July 1, 2008,  
10 and before July 1, 2009, for all public works by the department of  
11 transportation estimated to cost three million dollars or more, all  
12 specifications shall require that no less than twelve percent of the  
13 labor hours be performed by apprentices.

14 (iv) For contracts advertised for bid on or after July 1, 2015,  
15 and before July 1, 2020, for all public works by the department of  
16 transportation estimated to cost three million dollars or more, all  
17 specifications shall require that no less than fifteen percent of the  
18 labor hours be performed by apprentices.

19 (v) For contracts advertised for bid on or after July 1, 2020,  
20 for all public works by the department of transportation estimated to  
21 cost two million dollars or more, all specifications shall require  
22 that no less than fifteen percent of the labor hours be performed by  
23 apprentices. As of the effective date of this section, for all public  
24 works by the department of transportation estimated to cost \$200,000  
25 or more for subcontractors, all specifications shall require that no  
26 less than 15 percent of the labor hours be performed by apprentices.

27 (c) (i) This section does not apply to contracts advertised for  
28 bid before January 1, 2008, for any public works by a school  
29 district, or to any project funded in whole or in part by bond issues  
30 approved before July 1, 2007.

31 (ii) For contracts advertised for bid on or after January 1,  
32 2008, for all public works by a school district estimated to cost  
33 three million dollars or more, all specifications shall require that  
34 no less than ten percent of the labor hours be performed by  
35 apprentices.

36 (iii) For contracts advertised for bid on or after January 1,  
37 2009, for all public works by a school district estimated to cost two  
38 million dollars or more, all specifications shall require that no  
39 less than twelve percent of the labor hours be performed by  
40 apprentices.

1 (iv) For contracts advertised for bid on or after January 1,  
2 2010, for all public works by a school district estimated to cost one  
3 million dollars or more, all specifications shall require that no  
4 less than fifteen percent of the labor hours be performed by  
5 apprentices. For contracts advertised for bid on or after the  
6 effective date of this section, for all public works by a school  
7 district estimated to cost \$200,000 or more for subcontractors, all  
8 specifications shall require that no less than 15 percent of the  
9 labor hours be performed by apprentices.

10 (d) (i) For contracts advertised for bid on or after January 1,  
11 2010, for all public works by a four-year institution of higher  
12 education estimated to cost three million dollars or more, all  
13 specifications must require that no less than ten percent of the  
14 labor hours be performed by apprentices.

15 (ii) For contracts advertised for bid on or after January 1,  
16 2011, for all public works by a four-year institution of higher  
17 education estimated to cost two million dollars or more, all  
18 specifications must require that no less than twelve percent of the  
19 labor hours be performed by apprentices.

20 (iii) For contracts advertised for bid on or after January 1,  
21 2012, for all public works by a four-year institution of higher  
22 education estimated to cost one million dollars or more, all  
23 specifications must require that no less than fifteen percent of the  
24 labor hours be performed by apprentices. For contracts advertised for  
25 bid on or after the effective date of this section, for all public  
26 works by a four-year institution of higher education estimated to  
27 cost \$200,000 or more for subcontractors, all specifications must  
28 require that no less than 15 percent of the labor hours be performed  
29 by apprentices.

30 (2) Awarding entities may adjust the requirements of this section  
31 for a specific project for the following reasons:

32 (a) The demonstrated lack of availability of apprentices in  
33 specific geographic areas;

34 (b) A disproportionately high ratio of material costs to labor  
35 hours, which does not make feasible the required minimum levels of  
36 apprentice participation;

37 (c) Participating contractors have demonstrated a good faith  
38 effort to comply with the requirements of RCW 39.04.300 and 39.04.310  
39 and this section; or

1 (d) Other criteria the awarding entity deems appropriate, which  
2 are subject to review by the office of the governor.

3 (3) The secretary of the department of transportation shall  
4 adjust the requirements of this section for a specific project for  
5 the following reasons:

6 (a) The demonstrated lack of availability of apprentices in  
7 specific geographic areas; or

8 (b) A disproportionately high ratio of material costs to labor  
9 hours, which does not make feasible the required minimum levels of  
10 apprentice participation.

11 (4)(a) This section applies to public works contracts awarded by  
12 the state, to public works contracts awarded by school districts,  
13 (~~and~~) to public works contracts awarded by state four-year  
14 institutions of higher education, and to public works contracts  
15 awarded by a municipality. However, this section does not apply to  
16 contracts awarded by state agencies headed by a separately elected  
17 public official.

18 (b) Within existing resources, awarding agencies and  
19 municipalities are responsible for monitoring apprenticeship  
20 utilization hours by contractor. There must be a specific line item  
21 in the contract specifying that apprenticeship utilization goals  
22 should be met, monetary incentives for meeting the goals, monetary  
23 penalties for not meeting the goals, and an expected cost value to be  
24 included in the bid associated with meeting the goals. The awarding  
25 agency and municipality must report the apprenticeship utilization by  
26 contractor and subcontractor to the supervisor of apprenticeship at  
27 the department of labor and industries by final project acceptance.  
28 The electronic reporting system that is being developed by the  
29 department of labor and industries may be used for either or both  
30 monitoring and reporting apprenticeship utilization hours.

31 (c) In lieu of the monetary penalty and incentive requirements  
32 specified in (b) of this subsection, the Washington state department  
33 of transportation may use its three strike system for ensuring  
34 compliance including the allowance for a good faith effort.

35 (5)(a) The department of enterprise services must provide  
36 information and technical assistance to affected agencies and  
37 municipalities, and collect the following data from affected agencies  
38 and municipalities for each project covered by this section:

39 (i) The name of each apprentice and apprentice registration  
40 number;

- 1 (ii) The name of each project;  
2 (iii) The dollar value of each project;  
3 (iv) The date of the contractor's notice to proceed;  
4 (v) The number of apprentices and labor hours worked by them,  
5 categorized by trade or craft;  
6 (vi) The number of journey level workers and labor hours worked  
7 by them, categorized by trade or craft; and  
8 (vii) The number, type, and rationale for the exceptions granted  
9 under subsection (2) of this section.

10 (b) The department of labor and industries shall assist the  
11 department of enterprise services in providing information and  
12 technical assistance.

13 (6) The secretary of transportation shall establish an  
14 apprenticeship utilization advisory committee, which shall include  
15 statewide geographic representation and consist of equal numbers of  
16 representatives of contractors and labor. The committee must include  
17 at least one member representing contractor businesses with less than  
18 thirty-five employees. The advisory committee shall meet regularly  
19 with the secretary of transportation to discuss implementation of  
20 this section by the department of transportation, including  
21 development of the process to be used to adjust the requirements of  
22 this section for a specific project.

23 (7) At the request of the senate labor, commerce, research and  
24 development committee, the house of representatives commerce and  
25 labor committee, or their successor committees, and the governor, the  
26 department of enterprise services and the department of labor and  
27 industries shall compile and summarize the agency and municipality  
28 data and provide a joint report to both committees. The report shall  
29 include recommendations on modifications or improvements to the  
30 apprentice utilization program and information on skill shortages in  
31 each trade or craft.

32 (8) All contracts subject to this section must include  
33 specifications that a contractor or subcontractor may not be required  
34 to exceed the apprenticeship utilization requirements of this  
35 section.

36 (9) This section establishes the minimum apprenticeship  
37 utilization requirements on public works contracts awarded by a  
38 municipality. Any standards or requirements relating to  
39 apprenticeship utilization established by any applicable local law or  
40 ordinance that are more favorable to apprentices than the minimum

1 requirements under this section, shall not be affected by this  
2 section and those more favorable laws shall be in full force and  
3 effect and may be enforced as provided by law.

4 NEW SECTION. **Sec. 2.** Section 1 of this act takes effect July 1,  
5 2022.

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