

HOUSE BILL REPORT

ESSB 6486

As Reported by House Committee On:
Higher Education
Appropriations

Title: An act relating to expanding registered apprenticeship programs.

Brief Description: Expanding registered apprenticeship programs.

Sponsors: Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Ranker, Zeiger, Palumbo, Hasegawa, Wellman, Miloscia, Keiser, Conway, Darneille, O'Ban, Sheldon, Chase, Frockt, Kuderer and Saldaña).

Brief History:

Committee Activity:

Higher Education: 2/20/18, 2/23/18 [DPA];

Appropriations: 2/24/18, 2/26/18 [DPA(APP w/o HE)].

**Brief Summary of Engrossed Substitute Bill
(As Amended by Committee)**

- Requires the Workforce Training and Education Coordinating Board and the Washington State Apprenticeship and Training Council to develop an apprenticeship strategic plan.
- Convenes an apprenticeship work group to review existing registered apprenticeships, analyze opportunities for expanding apprenticeships, and make recommendations to increase youth and adult apprenticeships.
- Establishes the Complete Washington program to connect prior learning through apprenticeships with post secondary completion.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended. Signed by 7 members: Representatives Hansen, Chair; Pollet, Vice Chair; Haler, Orwall, Sells, Stambaugh and Tarleton.

Minority Report: Do not pass. Signed by 1 member: Representative Van Werven, Assistant Ranking Minority Member.

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.

Minority Report: Without recommendation. Signed by 1 member: Representative Holy, Ranking Minority Member.

Staff: Megan Mulvihill (786-7304).

Background:

Washington State Apprenticeship and Training Council.

Apprenticeship programs enable individuals to learn trades and occupations through a combination of on-the-job training and related supplemental instruction. Programs are sponsored by joint employer and labor groups, individual employers, and employer associations. The sponsor of an apprenticeship program plans, administers, and pays for the program. The Washington State Apprenticeship and Training Council (Council) is the administrative arm of the apprenticeship section of the Department of Labor and Industries (L&I).

The Council has the authority to, among other things, establish standards for apprenticeship programs and assist sponsors with local administration of training programs. The Council must consider recommendations from the State Board for Community and Technical Colleges (State Board) on matters of apprentice-related and supplemental instruction, coordination of instruction with job experiences, and instructor qualifications.

Apprenticeship Supervisor.

The apprenticeship supervisor is appointed by the Director of L&I and is responsible for promoting apprenticeships, acting as secretary at Council meetings, registering apprenticeship agreements, keeping a record of apprenticeship agreements, and conducting reviews for compliance.

Workforce Training and Education Coordinating Board.

The purpose of the Workforce Training and Education Coordinating Board (Workforce Board) is to provide planning, coordination, evaluation, monitoring, and policy analysis for the state training system as a whole; and to provide advice to the Governor and Legislature concerning the state training system, in cooperation with the state training system and the Washington Student Achievement Council (WSAC). The state training system includes the entities that provide programs and courses to prepare a person for a certain job or career.

Academic Credit for Prior Learning Work Group.

Prior learning means knowledge and skills gained through any of the following:

- work and life experience;
- military training and experience;
- formal and informal education; and
- training from in-state, out-of-state, or foreign schools.

In 2012 the Legislature directed the WSAC to convene an Academic Credit for Prior Learning Work Group (ACPL Work Group) and give an annual report on progress towards providing opportunities for students to receive academic credit for prior learning experiences. All public colleges in Washington assess and award academic credit for prior learning. The ACPL Work Group consists of the following members:

- one representative from the Council;
- one representative from the State Board;
- one representative from the Council of Presidents;
- two representatives each from faculty from two- and four-year institutions of higher education;
- two representatives from private career schools;
- two representatives from business; and
- two representatives from labor.

Washington Fund for Innovation and Quality in Higher Education.

The Washington Fund for Innovation and Quality in Higher Education (Innovation Fund) was established in 1991 as the Washington Fund for Excellence in Higher Education. The purpose of the Innovation Fund is to encourage higher education institutions, through the use of competitive grants, to develop innovative and collaborative solutions to educational challenges facing the state. The Innovation Fund is not currently funded.

Summary of Amended Bill:

Apprenticeship Strategic Plan.

The Council and the Workforce Board must develop an apprenticeship strategic plan. The L&I, the Council, and the Workforce Board, in consultation with the Governor's Office, must collaborate with the State Board, the Employment Security Department (ESD), and the Office of the Superintendent of Public Instruction (OSPI) to:

- review existing registered apprenticeship programs;
- analyze opportunities for statewide expansion of registered apprenticeship and preapprenticeship programs; and
- recommend policies to implement strategies that increase registered youth and adult apprenticeships.

The Council and the Workforce Board must consult with individuals from public and private sectors with apprenticeship expertise, including labor unions, professional technical organizations, and business and industry in developing the recommendations.

Apprenticeship Work Group.

The Apprenticeship Work Group is established to review the work on the apprenticeship strategic plan, study the policy recommendations, and advise the Legislature on a future statewide cross-sector registered apprenticeship system. The work group must choose two co-chairs, one from among the business membership and one from state government. The work group is required to meet at least three times before October 15, 2018, and must consolidate its finding and recommendations into one report delivered to the Governor and to the higher education and labor committees of the Legislature by October 15, 2018.

The work group consists of the following members:

- four senators, two each from the two largest caucuses, to be appointed by the President of the Senate;

- four members of the House of Representatives, two each from the two largest caucuses, to be appointed by the Speaker of the House of Representatives;
- one representative from each of the following agencies: the Council, the Workforce Board, the L&I, State Board, the ESD, and the OSPI;
- two representatives from the Governor's Office;
- six business representatives from different industry sectors; and
- two representatives with subject matter expertise in apprenticeship models.

The Complete Washington Program.

Within existing resources, the Complete Washington program is created to connect prior learning, including registered apprenticeships and other skills-based work experience, with post secondary degree completion. The Office of the Lieutenant Governor, with consultation from the WSAC and the ACPL Work Group, must coordinate the program. The WSAC may award incentive grants to organizations consistent with the goals of the Innovation Fund. The incentive grants may be awarded from the Innovation Fund. The WSAC and the Office of the Lieutenant Governor must establish guidelines for the program consistent with the Innovation Fund. The Office of the Lieutenant Governor is added as a collaborator with the WSAC for the Innovation Fund. In addition, registered apprenticeships, workforce development, and expanding pathways to post secondary degrees that recognize learning from registered apprenticeships are included in the Innovation Fund.

Amended Bill Compared to Engrossed Substitute Bill:

The requirement for L&I to employ a coordinator through the apprenticeship supervisor was struck. The legislative membership of the apprenticeship work group was changed so that legislative representation is appointed by the Speaker of the House of Representatives and the President of the Senate, rather than requiring the chair and ranking members of the respective higher education and labor committees to serve. In addition, the Complete Washington program and the changes to the Innovation Fund are to be done within existing resources.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The opportunity for apprenticeships is great and needed. The state needs to explore ways to grow apprenticeship opportunities for young students and for those returning to the workforce. There is not just one path for going to college. The state's current education system has pipelines, but it needs to be an articulated pipeline that does not exclude people or create dead ends. The community and technical colleges are an active partner in the apprenticeship community. On-the-job training is supplemented with

classroom instruction. The Legislature should be a participant in this dialogue moving forward. The work group can examine what industries should have apprenticeships. Washington has an incredible outdoor industry and there should be apprenticeships in that area as well.

There are incredible apprenticeship models from around the globe. The United States created the idea of apprenticeships, but other countries have taken the idea and flourished with it. Switzerland has a robust apprenticeship model that Washington can learn from. Apprenticeship is addressed systematically and is business led. Businesses want more talent, and are creators, not just consumers. In Switzerland, the business community funds 60 percent of the cost of the apprenticeship system. Due to innovation, business is required to revamp and revitalize competencies every five years, but there is a return on their investment. The apprenticeships end up being break-even. It was asked how the Swiss can afford to have manufacturing apprenticeships in a country where it is most expensive, and their response was "how can we not." In Switzerland, every seven out of 10 students become apprentices at age 15 rather than attending high school. All students are exposed to career fairs and many do mini-internships to try different jobs. There are 238 different apprenticeship pathways, apprenticeships last three or four years, and apprentices get paid and do real work. Apprentices are at the company three or four days a week and at school the other one or two days where they take classes tailored to their apprenticeship. Also in Switzerland, there is permeability that allows an apprentice to go onto college after their apprenticeship ends so they are not locked into an occupation. There are no dead ends, and the amazing end result is a country that has both youth and overall unemployment in lockstep at around 3 percent.

As for the Complete Washington program, if someone is doing an apprenticeship for six years, they should get college credit for some of that.

(Opposed) None.

Persons Testifying: Senator Ranker, prime sponsor; Peter Guzman, State Board for Community and Technical Colleges; Eric LeVine, Career Connect Washington Taskforce; Suzan LeVine, Former United States Ambassador to Swizerland and Lichtenstein; and Antonio Sanchez, Central Washington University.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Appropriations and without amendment by Committee on Higher Education. Signed by 19 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Bergquist, Cody, Fitzgibbon, Haler, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Pettigrew, Pollet, Sawyer, Senn, Springer, Stanford and Tharinger.

Minority Report: Do not pass. Signed by 13 members: Representatives Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Buys, Caldier, Condotta, Graves, Schmick, Sullivan, Taylor, Vick, Volz and Wilcox.

Minority Report: Without recommendation. Signed by 1 member: Representative Manweller.

Staff: Lily Sobolik (786-7157).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Higher Education:

The Appropriations Committee recommended adding six representatives of the labor community to the membership of the apprenticeship work group.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) None.

(Opposed) None.

(Other) Labor is a proponent of apprenticeships, which provide marketable skills without crippling debt. There is concern that labor representatives are not adequately included in this bill. Labor representatives need to be included in equal number to the business representatives.

Persons Testifying: Graciela Nunez, Washington State Labor Council-American Federation of Labor and Congress of Industrial Organizations.

Persons Signed In To Testify But Not Testifying: None.