
Capital Budget Committee

HB 1308

Brief Description: Expanding apprenticeship utilization requirements.

Sponsors: Representatives Riccelli, Ramel, Bateman, Fitzgibbon, Valdez, Hackney, Bergquist, Ormsby, Pollet and Slatter.

Brief Summary of Bill

- Requires public works contracts awarded by a municipality that cost more than \$1 million to include specifications that no less than 15 percent of the labor hours be performed by apprentices.
- Requires public works contracts that cost \$200,000 or more for subcontractors to include specifications that no less than 15 percent of the labor hours be performed by apprentices.
- Requires municipalities to monitor and report their apprentice utilization hours by contractor.

Hearing Date: 2/2/21

Staff: Kelci Karl-Robinson (786-7116).

Background:

The Washington State Apprenticeship and Training Council, which is part of the Department of Labor and Industries, establishes apprenticeship program standards, approves apprenticeship training programs, and otherwise governs the programs.

Public works that are estimated to cost \$1 million or more must require that at least 15 percent of the labor hours be performed by apprentices enrolled in approved apprenticeship training programs. This requirement applies to public works contracts awarded by the state, school

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districts, and four-year institutions of higher education. It does not apply to agencies that are headed by a separately elected official. For public works by the Department of Transportation, the requirement applies only to public works estimated to cost \$2 million or more.

Awarding entities may adjust the apprentice utilization requirement for specific projects for the following reasons:

- a demonstrated lack of availability of apprentices in specific geographic areas;
- a disproportionately high ratio of material costs to labor hours;
- a demonstrated good faith effort by participating contractors to comply with the apprentice utilization requirement; or
- other criteria the entity deems appropriate, subject to review by the Office of the Governor.

The awarding entity of the public work contract, within existing resources, must monitor contractor and subcontractor apprenticeship hours. Contracts must specify that apprenticeship utilization goals should be met, monetary incentives for meeting the goals, monetary penalties for not meeting the goals, and an expected cost value included in the bid associated with meeting the goal. The contractor must report any noncompliance no later than the final project acceptance to the Department of Labor and Industries. The Department of Enterprise Services collects data on apprenticeship utilization.

Contractors may be disqualified from bidding on public works if they have been found to be out of compliance with certain apprentice utilization requirements.

A public work means all work, construction, alteration, repair, or improvement that is executed at the cost of the state or a local public agency.

A municipality includes every city, county, town, port district, district, or other public agency authorized by law to require the execution of public work, except districts associated with drainage, diking, irrigation, or reclamation of undeveloped land.

Summary of Bill:

Public works contracts awarded by a municipality that cost more than \$1 million must require no less than 15 percent of the hours be performed by apprentices. The contracts must include goals and monetary incentives and penalties for meeting the goals. Municipalities, within existing resources, must monitor and report apprentice utilization hours by contractor and subcontractor. Any local laws or ordinances that are more favorable to apprentices than the new requirements shall remain in effect.

Public works contracts costing \$200,000 or more for subcontractors shall require that no less than 15 percent of the labor hours be performed by apprentices.

Appropriation: None.

Fiscal Note: Requested on January 20, 2021.

Effective Date: The bill takes effect on July 1, 2022.