
ENGROSSED SUBSTITUTE HOUSE BILL 1050

State of Washington

68th Legislature

2023 Regular Session

By House Capital Budget (originally sponsored by Representatives Riccelli, Berry, Simmons, Ryu, Goodman, Reed, Ramel, Lekanoff, Pollet, Street, Doglio, Donaghy, Wylie, Santos, Ormsby, and Fosse)

READ FIRST TIME 02/22/23.

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))~~ \$1,000,000 or more,
10 all specifications ~~((shall))~~ must require that no less than
11 ~~((fifteen))~~ 15 percent of the labor hours be performed by
12 apprentices.

13 (ii) As of the effective date of this section, for all public
14 works contracts awarded by a municipality estimated to cost
15 \$1,000,000 or more, all specifications must require that no less than
16 15 percent of the labor hours be performed by apprentices.

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

20 ~~(ii) For contracts advertised for bid on or after July 1, 2007,~~
21 ~~and before July 1, 2008, for all public works by the department of~~

1 ~~transportation estimated to cost five million dollars or more, all~~
2 ~~specifications shall require that no less than ten percent of the~~
3 ~~labor hours be performed by apprentices.~~

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

9 ~~(iv) For contracts advertised for bid on or after July 1, 2015,~~
10 ~~and before July 1, 2020, 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 fifteen percent of the~~
13 ~~labor hours be performed by apprentices.~~

14 ~~(v)) For contracts advertised for bid on or after July 1, 2020,~~
15 ~~for all public works by the department of transportation estimated to~~
16 ~~cost ((two million dollars)) \$2,000,000 or more, all specifications~~
17 ~~((shall)) must require that no less than ((fifteen)) 15 percent of~~
18 ~~the labor hours be performed by apprentices.~~

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

23 ~~(ii) For contracts advertised for bid on or after January 1,~~
24 ~~2008, for all public works by a school district estimated to cost~~
25 ~~three million dollars or more, all specifications shall require that~~
26 ~~no less than ten percent of the labor hours be performed by~~
27 ~~apprentices.~~

28 ~~(iii) For contracts advertised for bid on or after January 1,~~
29 ~~2009, for all public works by a school district estimated to cost two~~
30 ~~million dollars or more, all specifications shall require that no~~
31 ~~less than twelve percent of the labor hours be performed by~~
32 ~~apprentices.~~

33 ~~(iv)) For contracts advertised for bid on or after January 1,~~
34 ~~2010, for all public works by a school district estimated to cost~~
35 ~~((one million dollars)) \$1,000,000 or more, all specifications~~
36 ~~((shall)) must require that no less than ((fifteen)) 15 percent of~~
37 ~~the labor hours be performed by apprentices.~~

38 ~~(d) ((i) For contracts advertised for bid on or after January 1,~~
39 ~~2010, for all public works by a four-year institution of higher~~
40 ~~education estimated to cost three million dollars or more, all~~

1 ~~specifications must require that no less than ten percent of the~~
2 ~~labor hours be performed by apprentices.~~

3 ~~(ii) For contracts advertised for bid on or after January 1,~~
4 ~~2011, for all public works by a four-year institution of higher~~
5 ~~education estimated to cost two million dollars or more, all~~
6 ~~specifications must require that no less than twelve percent of the~~
7 ~~labor hours be performed by apprentices.~~

8 ~~(iii))~~ For contracts advertised for bid on or after January 1,
9 2012, for all public works by a four-year institution of higher
10 education estimated to cost ~~((one million dollars))~~ \$1,000,000 or
11 more, all specifications must require that no less than ~~((fifteen))~~
12 15 percent of the labor hours be performed by apprentices.

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

15 (a) The demonstrated lack of availability of apprentices in
16 specific geographic areas;

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

20 (c) Participating contractors have demonstrated a good faith
21 effort to comply with the requirements of ~~((RCW 39.04.300 and~~
22 ~~39.04.310 and))~~ this section; or

23 (d) Other criteria the awarding entity deems appropriate, which
24 are subject to review by the office of the governor or the
25 municipality's legislative authority if the awarding entity is a
26 municipality.

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

30 (a) The demonstrated lack of availability of apprentices in
31 specific geographic areas; or

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

35 (4) (a) This section applies to public works contracts awarded by
36 the state, to public works contracts awarded by school districts,
37 ~~((and))~~ to public works contracts awarded by state four-year
38 institutions of higher education, and to public works contracts
39 awarded by a municipality. However, this section does not apply to

1 contracts awarded by state agencies headed by a separately elected
2 public official or housing authorities as defined in RCW 35.82.020.

3 (b) Within existing resources, awarding agencies and
4 municipalities are responsible for monitoring apprenticeship
5 utilization hours by contractor. There must be a specific line item
6 in the contract specifying that apprenticeship utilization goals
7 should be met, monetary incentives for meeting the goals, monetary
8 penalties for not meeting the goals, and an expected cost value to be
9 included in the bid associated with meeting the goals. The awarding
10 agency and municipality must report the apprenticeship utilization by
11 contractor and subcontractor to the supervisor of apprenticeship at
12 the department of labor and industries by final project acceptance.
13 The electronic reporting system that is being developed by the
14 department of labor and industries may be used for either or both
15 monitoring and reporting apprenticeship utilization hours.

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

20 (5) (a) The department of (~~enterprise services~~) labor and
21 industries must provide information and technical assistance to
22 affected agencies and municipalities, and collect the following data
23 from affected agencies and municipalities for each project covered by
24 this section:

25 (i) The name of each apprentice and apprentice registration
26 number;

27 (ii) The name of each project;

28 (iii) The dollar value of each project;

29 (iv) The date of the contractor's notice to proceed;

30 (v) The number of apprentices and labor hours worked by them,
31 categorized by trade or craft;

32 (vi) The number of journey level workers and labor hours worked
33 by them, categorized by trade or craft; and

34 (vii) The number, type, and rationale for the exceptions granted
35 under subsection (2) of this section.

36 (b) The department of labor and industries shall (~~assist the~~
37 ~~department of enterprise services in providing~~) provide information
38 and technical assistance with apprenticeship utilization reporting.
39 The department of enterprise services shall make available sample

1 contract language and provide contract administration advice
2 pertaining to apprenticeship requirements.

3 (6) The secretary of transportation shall establish an
4 apprenticeship utilization advisory committee, which (~~shall~~) must
5 include statewide geographic representation and consist of equal
6 numbers of representatives of contractors and labor. The committee
7 must include at least one member representing contractor businesses
8 with less than (~~thirty-five~~) 35 employees. The advisory committee
9 shall meet regularly with the secretary of transportation to discuss
10 implementation of this section by the department of transportation,
11 including development of the process to be used to adjust the
12 requirements of this section for a specific project.

13 (7) At the request of the senate labor, commerce, research and
14 development committee, the house of representatives commerce and
15 labor committee, or their successor committees, and the governor, the
16 department of enterprise services and the department of labor and
17 industries shall compile and summarize the agency and municipality
18 data and provide a joint report to both committees. The report
19 (~~shall~~) must include recommendations on modifications or
20 improvements to the apprentice utilization program and information on
21 skill shortages in each trade or craft.

22 (8) All contracts subject to this section must include
23 specifications that a contractor or subcontractor may not be required
24 to exceed the apprenticeship utilization requirements of this
25 section.

26 (9) This section establishes the minimum apprenticeship
27 utilization requirements on public works contracts awarded by a
28 municipality. Any standards or requirements relating to
29 apprenticeship utilization established by any applicable local law or
30 ordinance that are more favorable to apprentices than the minimum
31 requirements under this section are not affected by this section and
32 those more favorable laws apply and may be enforced as provided by
33 law.

34 NEW SECTION. Sec. 2. Section 1 of this act takes effect July 1,
35 2024.

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