
Commerce & Labor Committee

E2SSB 6480

Brief Description: Modifying public works apprenticeship utilization requirements.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Kohl-Welles, Haugen, Brown and Keiser; by request of Department of Transportation).

<p style="text-align: center;">Brief Summary of Engrossed Second Substitute Bill</p> <ul style="list-style-type: none">• Extends apprenticeship utilization requirements to public works contracts awarded by the Department of Transportation.
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Hearing Date: 2/22/06

Staff: Jill Reinmuth (786-7134).

Background:

State agencies under the Governor's authority must require that apprentices enrolled in state-approved apprenticeship training programs participate in public works projects. This requirement was originally established in an executive order issued in 2000, and later codified in legislation enacted in 2005.

For public works estimated to cost \$1 million or more, the specifications must require that no less than 15 percent of the labor hours be performed by apprentices enrolled in state-approved apprenticeship training programs. This apprenticeship utilization requirement applies to public works contracts awarded by state agencies, but not state four-year institutions of higher education, state agencies headed by a separately elected public official, or the Department of Transportation.

Awarding agencies may adjust this apprenticeship utilization requirement for specific projects for the following reasons:

1. a demonstrated lack of availability of apprentices in specific geographic areas;
2. a disproportionately high ratio of material costs to labor hours;
3. a demonstrated good faith effort by participating contractors to comply with the apprenticeship utilization requirement; or
4. other criteria the agency director deems appropriate, subject to prior review by the office of the Governor.

Summary of Bill:

The Legislature expresses its intent to assist returning veterans. The apprenticeship utilization requirement for other public works projects by the state is made applicable to Department of Transportation projects.

Legislative Statement and Intent

The Legislature intends to assist returning veterans through programs such as "Helmets to Hardhats," and with apprenticeship placement career opportunities. ("Helmets to Hardhats" is a program sponsored by building and construction trades organizations and their employer associations. It is administered by a not-for-profit trust directed by a joint labor-management construction industry committee.)

Apprenticeship Utilization

All specifications for public works by the Department of Transportation must require that apprentices enrolled in state-approved apprenticeship training programs participate in the projects as follows:

1. no less than 10 percent of total labor hours for contracts estimated to cost more than \$5 million advertised for bid on or after July 1, 2007, and before July 1, 2008;
2. no less than 12 percent of total labor hours for contracts estimated to cost more than \$3 million advertised for bid on or after July 1, 2008, and before July 1, 2009; and
3. no less than 15 percent of total labor hours for contracts estimated to cost more than \$2 million advertised for bid on or after July 1, 2009.

The Department of Transportation must adjust this apprenticeship utilization requirement for specific projects for the following reasons:

1. a demonstrated lack of availability of apprentices in specific geographic areas; or
2. a disproportionately high ratio of material costs to labor hours, which makes the minimum apprentice participation requirement not feasible.

Advisory Committee

The Secretary of Transportation must establish an apprenticeship utilization advisory committee. The committee must consist of equal numbers of contractor and labor representatives. The committee also must include statewide geographic representation and at least one contractor representative with less than 35 employees. The committee must meet regularly to discuss implementation of the apprenticeship utilization requirements, including the process used to adjust the requirements. The committee must report to the Legislature by January 1, 2008, on the effects of the apprentice labor requirement on transportation projects and the availability of apprentice labor and programs statewide.

Outreach Effort

The Apprenticeship and Training Council (Council) must coordinate an outreach effort to educate returning veterans about apprenticeship and career opportunities in the construction industry. The

Council is directed to coordinate the effort with apprenticeship programs, other state agencies, and contractor and labor representatives.

Rules Authority: The bill does not contain provisions addressing the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Available on Senate Bill 6480.

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