H-2643.1			

## SUBSTITUTE HOUSE BILL 1919

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State of Washington 60th Legislature 2007 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Conway, Darneille, Morrell, Seaquist, Upthegrove, Schual-Berke, Kenney, Hudgins, Hasegawa, Ormsby and Santos)

READ FIRST TIME 2/28/07.

- 1 AN ACT Relating to apprenticeship utilization requirements on port
- 2 district public works projects; and amending RCW 39.04.310 and
- 3 39.04.320.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 Sec. 1. RCW 39.04.310 and 2005 c 3 s 2 are each amended to read as 6 follows:
- 7 The definitions in this section apply throughout this section and 8 RCW 39.04.300 and 39.04.320 unless the context clearly requires
- 9 otherwise.
- 10 (1) "Apprentice" means an apprentice enrolled in a state-approved 11 apprenticeship training program.
- 12 (2) "Apprentice utilization requirement" means the requirement that 13 the appropriate percentage of labor hours be performed by apprentices.
- 14 (3) "Labor hours" means the total hours of workers receiving an 15 hourly wage who are directly employed on the site of the public works
- 16 project. "Labor hours" includes hours performed by workers employed by
- 17 the contractor and all subcontractors working on the project. "Labor
- 18 hours does not include hours worked by foremen, superintendents,

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- 1 owners, and workers who are not subject to prevailing wage 2 requirements.
- 3 (4) "Port district" means a port district created under Title 53
  4 RCW that has gross operating revenue of seventy-five million dollars or
  5 more per year.
- 6 <u>(5)</u> "State-approved apprenticeship training program" means an 7 apprenticeship training program approved by the Washington state 8 apprenticeship council.
- 9 **Sec. 2.** RCW 39.04.320 and 2006 c 321 s 2 are each amended to read 10 as follows:
- 11 (1)(a) Except as provided in (b) and (c) of this subsection, from 12 January 1, 2005, and thereafter, for all public works estimated to cost 13 one million dollars or more, all specifications shall require that no 14 less than fifteen percent of the labor hours be performed by 15 apprentices.
- (b)(i) This section does not apply to contracts advertised for bid before July 1, 2007, for any public works by the department of transportation.
  - (ii) For contracts advertised for bid on or after July 1, 2007, and before July 1, 2008, for all public works by the department of transportation estimated to cost five million dollars or more, all specifications shall require that no less than ten percent of the labor hours be performed by apprentices.
  - (iii) For contracts advertised for bid on or after July 1, 2008, and before July 1, 2009, for all public works by the department of transportation estimated to cost three million dollars or more, all specifications shall require that no less than twelve percent of the labor hours be performed by apprentices.
  - (iv) For contracts advertised for bid on or after July 1, 2009, for all public works by the department of transportation estimated to cost two million dollars or more, all specifications shall require that no less than fifteen percent of the labor hours be performed by apprentices.
- 34 (c)(i) This section does not apply to contracts advertised for bid 35 before January 1, 2008, for any public works by a port district.
- 36 (ii) This section does not apply to port districts that have

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established apprenticeship utilization programs on the effective date of this act.

- (iii) For contracts advertised for bid on or after January 1, 2008, for all public works by a port district estimated to cost one million dollars or more, all specifications shall require that no less than fifteen percent of the labor hours be performed by apprentices.
- (2) Awarding agency directors may adjust the requirements of this section for a specific project for the following reasons:
- (a) The demonstrated lack of availability of apprentices in specific geographic areas;
- (b) A disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum levels of apprentice participation;
- (c) Participating contractors have demonstrated a good faith effort to comply with the requirements of RCW 39.04.300 and 39.04.310 and this section; or
- (d) Other criteria the awarding agency director deems appropriate, which are subject to review by the office of the governor.
  - (3) The secretary of the department of transportation shall adjust the requirements of this section for a specific project for the following reasons:
- (a) The demonstrated lack of availability of apprentices in specific geographic areas; or
- (b) A disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum levels of apprentice participation.
- (4) This section applies ((only)) to public works contracts awarded by the state and to public works contracts awarded by port districts. However, this section does not apply to contracts awarded by state four-year institutions of higher education or state agencies headed by a separately elected public official.
- 32 (5)(a) The department of general administration must provide 33 information and technical assistance to affected agencies and collect 34 the following data from affected agencies for each project covered by 35 this section:
- 36 (i) The name of each apprentice and apprentice registration number;
- 37 (ii) The name of each project;

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(iii) The dollar value of each project;

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

- 2 (v) The number of apprentices and labor hours worked by them, 3 categorized by trade or craft;
  - (vi) The number of journey level workers and labor hours worked by them, categorized by trade or craft; and
  - (vii) The number, type, and rationale for the exceptions granted under subsection (2) of this section.
  - (b) The department of labor and industries shall assist the department of general administration in providing information and technical assistance.
  - (6) The secretary of transportation shall establish an apprenticeship utilization advisory committee, which shall include statewide geographic representation and consist of equal numbers of representatives of contractors and labor. The committee must include at least one member representing contractor businesses with less than thirty-five employees. The advisory committee shall meet regularly with the secretary of transportation to discuss implementation of this section by the department of transportation, including development of the process to be used to adjust the requirements of this section for a specific project. The committee shall provide a report to the legislature by January 1, 2008, on the effects of the apprentice labor requirement on transportation projects and on the availability of apprentice labor and programs statewide.
  - (7) At the request of the senate labor, commerce, research and development committee, the house of representatives commerce and labor committee, or their successor committees, and the governor, the department of general administration and the department of labor and industries shall compile and summarize the agency data and provide a joint report to both committees. The report shall include recommendations on modifications or improvements to the apprentice utilization program and information on skill shortages in each trade or craft.

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