

SENATE BILL REPORT

SB 6486

As Reported by Senate Committee On:
Higher Education & Workforce Development, January 31, 2018

Title: An act relating to expanding registered apprenticeship programs.

Brief Description: Expanding registered apprenticeship programs.

Sponsors: Senators Ranker, Zeiger, Palumbo, Hasegawa, Wellman, Miloscia, Keiser, Conway, Darneille, O'Ban, Sheldon, Chase, Frockt, Kuderer and Saldaña.

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/23/18, 1/31/18 [DPS-WM, w/oRec].

Brief Summary of First Substitute Bill

- Requires the Workforce Training and Education Coordinating Board and the Washington State Apprenticeship and Training Council to develop a strategic plan focused on apprenticeship.
- Convenes a workgroup comprised of legislative members, industry representatives, apprenticeship model experts, and agency representatives to review existing registered apprenticeship programs, analyze opportunities to expand existing apprentices programs, and recommend policies to increase youth and adult apprenticeships.
- Establishes a coordinator at the Department of Labor and Industries to provide outreach to the private sector and assist industries in establishing apprenticeships where none exist.
- Establishes the Complete Washington program, coordinated by the Lieutenant Governor, to connect prior learning, including registered apprenticeships and other skills-based work experiences, with postsecondary degree completion.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE
DEVELOPMENT

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.

Majority Report: That Substitute Senate Bill No. 6486 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Ranker, Chair; Palumbo, Vice Chair; Carlyle, Lias, Miloscia and Nelson.

Minority Report: That it be referred without recommendation.

Signed by Senators Hawkins, Ranking Member; Short.

Staff: Kellee Gunn (786-7429)

Background: Washington State Apprenticeship and Training Council (WSATC). 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 WSATC is the administrative arm of the apprenticeship section of the Department of Labor and Industries (L&I).

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

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

Workforce Training and Education Coordinating Board (WTECB). The purpose of WTECB is to provide planning, coordination, evaluation, monitoring, and policy analysis for the state training system as a whole; and 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 Workgroup (ACPL workgroup). 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 WSAC to convene an ACPL workgroup 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 State assess and award academic credit for prior learning. The ACPL workgroup consists of the following members:

- one representative from WSATC;

- one representative from SBCTC;
- 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.

The report is due each year by December 31.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (First Substitute): Apprenticeship Workgroup. WSATC and WTECB must develop a strategic plan focused on apprenticeship through consultation with the Governor's Office and L&I, and collaboration with the SBCTC, Employment Security Department, and the Office of the Superintendent of Public Instruction.

WSATC and WTECB must convene an apprenticeship workgroup to:

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

WSATC and WTECB must consult with individuals from the public and private sectors with expertise in apprenticeships, including representatives from labor unions, professional technical organizations, and business and industry to develop recommendations..

The apprenticeship workgroup shall meet at least three times and must consist of:

- the chairs and ranking members of the respective higher education committees and labor committees of the Senate and the House of Representatives;
- appointed representatives from each of the six agencies collaborating and consulting on the strategic plan;
- two representatives from the Governor's office;
- six business representatives from different industry sectors; and
- two representatives with subject matter expertise in apprenticeship models.

A report consolidating the findings and recommendations of the apprenticeship workgroup are due to the Governor and the higher education and labor committees of the legislature by October 15, 2018.

Apprenticeship Coordinator. Subject to appropriations, L&I must employ a coordinator to provide outreach to the private sector and assist industries in establishing registered apprenticeship and training programs where they do not exist. Outreach should include, but not be limited to, the technology, agriculture, aerospace, and outdoor recreation manufacturing industries.

Complete Washington program. The Complete Washington program (program) is established and coordinated by the Office of the Lieutenant Governor, in consultation with the Academic Credit for Prior Learning workgroup and the WSAC. The program's purpose is to connect prior learning, including registered apprenticeships and other skills-based work experiences, with postsecondary degree completion. As part of the program, the Office of the Lieutenant Governor and WSAC shall offer competitive grants to institutions and other entities to encourage the development of innovative, collaborative, and cost-effective solutions to issues of critical statewide need. Grants must go to state public or private nonprofit institutions of higher education, or a consortia of institutions, and be awarded no later than September 1 in years when funding is available by June 30. The Lieutenant Governor and WSAC may solicit and receive gifts, grants, and endowments from public or private sources and deposit those funds into the Washington Fund for Innovation and Quality in Higher Education. The program is an authorized use of the Washington Fund for Innovation and Quality in Higher Education.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (First Substitute):

- Establishes the Complete Washington program, coordinated by the Office of the Lieutenant Governor and in consultation with the Academic Credit for Prior Learning workgroup and WSAC, to offer competitive grants to higher education institutions and other entities.
- Includes the Complete Washington program as an authorized use of the Washington Fund for Innovation and Quality in Higher Education Program funds.

Appropriation: None.

Fiscal Note: Requested on January 16, 2018.

Creates Committee/Commission/Task Force that includes Legislative members: Yes.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony on Proposed Substitute: *The committee recommended a different version of the bill than what was heard.* PRO: There are many routes to getting a career. We need to recognize apprenticeships are an incredible opportunity for many in our communities to move forward, gain skills, and have a family wage job.

As a state, and a nation, we need more pathways for young people to succeed regardless of their background. Switzerland has an established, prestigious, apprenticeship system that is geared towards careers. In the Swiss system, starting as early as the seventh grade, youth have internships and by ninth grade are applying to jobs as apprentices. Everyone gets an opportunity for work experience with an industry. This system, a public private partnership, is led by industry and made possible through the Swiss government. The most important part of the Swiss system is that businesses are the creators, not the consumers, of talent. The businesses fund 60 percent of the total system cost. This is 1 percent of Swiss GDP. Small, medium, and large industries work together from white-collar to blue-collar positions. The industries define the curricula needed for over 200 occupations and keep the curricula

updated to keep pace with innovation. In the end, industries get 7 to 10 percent return on investment for these apprentices and get loyal, homegrown talent.

Expanding access and interest for apprenticeship programs is important. The Workforce Board provides independent evaluation for registered apprenticeships. The average wage of someone who leaves an apprenticeship program is \$55,400 a year and for those who complete an apprenticeship program it is \$85,000 a year. Apprenticeship is a perfect pathway to careers for youth and adults. The Aerospace Joint Apprenticeship Committee and the partnership with the Tacoma Public School District has been a successful model. Consulting with business and labor is important. Apprenticeship starts with a job.

Persons Testifying: PRO: Senator Kevin Ranker, Prime Sponsor; Peter Guzman, State Board for Community and Technical Colleges; Nova Gattman, Workforce Board; Eric LeVine, citizen; Suzi LeVine, ambassador.

Persons Signed In To Testify But Not Testifying: No one.