

ESHB 1050 - S AMD 259

By Senator King

ADOPTED 03/31/2023

1 On page 1, at the beginning of line 15, strike "\$1,000,000" and
2 insert "\$2,000,000"

3 On page 1, line 16, after "apprentices." insert "For contracts
4 advertised for bid on or after July 1, 2026, for all public works
5 contracts awarded by a municipality estimated to cost \$1,500,000 or
6 more, all specifications must require that no less than 15 percent of
7 the labor hours be performed by apprentices. For contracts advertised
8 for bid on or after July 1, 2028, for all public works contracts
9 awarded by a municipality estimated to cost \$1,000,000 or more, all
10 specifications must require that no less than 15 percent of the labor
11 hours be performed by apprentices."

12 On page 4, line 36, after "(b)" insert "The department of labor
13 and industries and the municipal research and services center shall
14 provide training, information, and ongoing technical assistance to
15 municipalities in order to comply with apprenticeship utilization
16 requirements. Training must include, but not be limited to,
17 department of labor and industries reporting requirements, contract
18 administration including sample contract language, and best practices
19 on how a municipality's governing authority must adopt apprenticeship
20 guidelines, including procedures, rules, and instructions to ensure
21 compliance relating to a contractor that seeks a good faith waiver of
22 apprenticeship utilization requirements.

23 (c)"

24 On page 5, after line 33, insert the following:

25 "NEW SECTION. Sec. 2. (1) It is the intent of the legislature
26 that apprenticeship utilization requirements lead to increased on-
27 the-job training placements for construction apprentices and a
28 growing and diversified pool of labor in Washington. Beginning July
29 1, 2024, the department of labor and industries must study and report
30 on public works project outcomes related to apprenticeship
31 utilization requirements, access to apprentices, and participation by

1 women, minority, and veteran-owned businesses. The study and report
2 must include projects completed between July 1, 2020, and June 30,
3 2025, as well as projects in progress as of June 30, 2025, for in
4 progress projects that have available data. At a minimum, the study
5 and report must:

6 (a) Delineate by project size and type of awarding entity,
7 including the department of transportation, school districts, four-
8 year institutions of higher education, and municipalities. Project
9 outcomes for municipalities must be delineated by type of
10 municipality;

11 (b) Include total project cost, the ratio of material to labor
12 costs, apprentice hours worked by craft and percent of total hours
13 worked, cost savings or increases from utilizing apprentices, number
14 of projects achieving and not achieving apprentice utilization
15 requirements, number of projects waiving apprentice utilization
16 requirements for good faith efforts or other criteria deemed
17 appropriate by the awarding agency with the reasons for the waivers,
18 and the number and percentages of women, minority, and veteran-owned
19 businesses as prime contractors or subcontractors and whether they
20 were able to utilize apprentices;

21 (c) Include, by craft, the number and service area of
22 construction apprenticeship programs, the number of training agents,
23 and the number of construction apprentices;

24 (d) Analyze women, minority, and veteran-owned businesses' access
25 to public works projects as a prime contractor or subcontractor, and
26 access to apprentices. The analysis should include project data and
27 consultation with the office of minority and women's business
28 enterprises and women, minority, and veteran-owned businesses;

29 (e) Identify and analyze existing applications of apprenticeship
30 utilization requirements by municipalities and for subcontractors
31 beyond requirements specified in RCW 39.04.320;

32 (f) Include recommendations and best practices for increasing
33 apprenticeship utilization and supporting women, minority, and
34 veteran-owned businesses in accessing apprentices; and

35 (g) Include recommendations and best practices for extending
36 apprenticeship utilization requirements to subcontractors.

37 (2) The report must be submitted to the office of financial
38 management, the senate labor and commerce committee, the house labor
39 and workplace standards committee, the house capital budget
40 committee, the house local government committee, the senate state

1 government and elections committee, and the senate local government,
2 land use, and tribal affairs committee, or their successor
3 committees, no later than December 1, 2025.

4 (3) This section expires December 1, 2026."

5 Renumber the remaining section consecutively and correct any
6 internal references accordingly.

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7 On page 1, line 2 of the title, after "39.04.320;" strike "and
8 providing an effective date" and insert "creating a new section;
9 providing an effective date; and providing an expiration date"

EFFECT: (1) Phases-in the apprenticeship utilization requirements for municipalities, with the requirements applying to contracts of more than \$2 million until July 1, 2026, contracts of more than \$1.5 million from July 1, 2026, until July 1, 2028, and contracts of more than \$1 million after July 1, 2028.

(2) Requires L&I and the Municipal Research and Services Center to provide training and technical assistance to municipalities to comply with apprenticeship utilization requirements. Requires the training to include reporting requirements, contract administration, and best practices regarding adopting apprenticeship guidelines.

(3) Requires L&I to conduct a study on public works project outcomes related to apprenticeship utilization requirements, access to apprentices, and participation by women, minority, and veteran-owned businesses. Specifies the types of data, analyses, and recommendations the study must include. Requires the report to be submitted to the Office of Financial Management and the Legislature by December 1, 2025.

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