

HOUSE BILL REPORT

SSB 5097

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to apprenticeship utilization requirements on public works projects.

Brief Description: Providing for apprenticeship utilization requirements on public works projects.

Sponsors: Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Kohl-Welles, Kline, Rasmussen, Franklin, Roach and Pridemore; by request of Governor Locke).

Brief History:

Committee Activity:

Commerce & Labor: 2/7/05 [DP].

Brief Summary of Substitute Bill

- Requires that no less than 15 percent of total labor hours on state public works projects that are estimated to cost \$1 million or more be performed by apprentices.
- Permits awarding agencies to adjust apprentice utilization requirements for specified reasons.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 4 members: Representatives Conway, Chair; Wood, Vice Chair; Hudgins and McCoy.

Minority Report: Do not pass. Signed by 3 members: Representatives Condotta, Ranking Minority Member; Sump, Assistant Ranking Minority Member; and Crouse.

Staff: Jill Reinmuth (786-7134).

Background:

Under Executive Order 00-01, state agencies under the Governor's authority must require that apprentices enrolled in state-approved apprenticeship training programs participate in public works projects.

Requirements for Apprentice Utilization

The requirements for apprentice utilization are as follows:

- 10 percent of total labor hours for contracts of more than \$2 million awarded from July 1, 2000, through December 31, 2002;
- 12 percent of total labor hours for contracts of more than \$2 million awarded from January 1, 2003, through December 31, 2003; and
- 15 percent of total labor hours for contracts of more than \$1 million awarded from January 1, 2004, forward.

Adjustments to Utilization Requirements

Agency directors are permitted to adjust these requirements for specific projects for the following reasons:

- a demonstrated lack of availability of apprentices in specific geographic areas;
- a disproportionately high ratio of material costs to labor hours;
- a demonstrated good faith effort by participating contractors to comply with the requirements of Executive Order 00-01; or
- other criteria the agency director deems appropriate, subject to prior review by the Office of the Governor.

Summary of Bill:

The requirement for apprentice utilization in public works projects and reasons for adjusting the requirement, as set forth in Executive Order 00-01, are codified.

Requirement for Apprentice Utilization

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 apprentice utilization requirement applies to public works contracts awarded by state agencies except for state four-year institutions of higher education, state agencies headed by a separately elected public official, and the Department of Transportation. This apprentice utilization requirement is consistent with the requirement in Executive Order 00-01.

Adjustments to Utilization Requirement

Awarding agencies may adjust this apprentice utilization requirement for specific projects for the same reasons as specified in Executive Order 00-01.

Reporting Requirements

The Department of General Administration, with the assistance of the Department of Labor & Industries, must provide information and technical assistance to affected agencies. The Department of General Administration also must collect certain data on covered projects from affected agencies.

At the request of the Senate Labor, Commerce, Research, & Development Committee, the House Commerce & Labor Committee, or their successors, and the Governor, the Department of General Administration and the Department of Labor & Industries must compile and summarize the data and provide a joint report to both committees. The report must include recommendations on modifications or improvements to the apprentice utilization program, and information on skill shortages in each trade or craft.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: None.

Testimony Against: None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.