

SENATE BILL REPORT

SB 5097

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, January 27, 2005

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

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

Sponsors: Senators Kohl-Welles, Kline, Rasmussen, Franklin, Roach and Pridemore; by request of Governor Locke.

Brief History:

Committee Activity: Labor, Commerce, Research & Development: 1/20/05, 1/27/05 [DPS, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5097 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Brown, Keiser and Prentice.

Minority Report: Do not pass.

Signed by Senators Hewitt, Honeyford and Parlette.

Staff: John Dziedzic (786-7784)

Background: Executive Order 00-01 required that apprentices in programs approved by the Apprenticeship and Training Council should make up at least 10 percent of the total labor hours on public works projects of more than \$2 million awarded after July 1, 2000. The percentage was set to increase over time; currently, apprentices must account for 15 percent of the total labor hours on projects of more than \$1 million.

The Executive Order applies to state agencies under the authority of the Governor, which excludes the Transportation Commission, four-year institutions of higher education, and agencies headed by a separately elected public official. The Executive Order allows agency directors to adjust the apprenticeship utilization percentage, with prior review by the Governor, under certain conditions, such as a shortage of apprentices in a specific geographic area.

Summary of Substitute Bill: The current requirements of Executive Order 00-01, including the authority to adjust the utilization level, are codified. The Department of General Administration (GA) must collect certain data, while the GA and the Department of Labor and Industries (L&I) must provide information and technical assistance to affected agencies. If requested by designated legislative committees, GA, L&I, and the Governor must submit a

joint report, including: (1) data on shortages in each trade or craft; and (2) recommendations on how to improve the program.

Substitute Bill Compared to Original Bill: The substitute corrects a reference to a Senate committee name and adds an emergency clause.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Testimony For: Apprenticeship is a proven, efficient, and cost-effective way to train the next generation of skilled workers in the construction industry, as well as other fields. Projects subject to the Executive Order have not had difficulty meeting the utilization requirement. Current apprentices testified that the program has provided them with viable career development options, which include health insurance, retirement, and other benefits.

Testimony Against: The current application process to obtain approval for a new apprentice program presents cost-prohibitive legal and other barriers. Apprentice utilization goals should be voluntary, not mandatory. Mandatory utilization goals can interfere with collective bargaining negotiations and result in the loss of jobs for current, more senior employees.

Who Testified: PRO: Mykal Taylor, Ironworker 86; Sherry Barry, Laborers Local 252; Jibril Leigh, John Turkelson, Carpenters 1797; Chad Brahs, Ironworker 86; Micah Lohmeyer, Apprentice; Cyndi Kraft, Operating Engineer 612; Taegan Hill, Operating Apprentice; Paul Bramsman, Spokane Alliance; Dave Johnson, WA State Building & Construction Trades Council (WSBCTC); Randy Loomans, WA State Labor Council; John Aultman, New Market Skills Center.

CON: Rick Slunaker, Associated General Contractors and WA Construction Industry Council; Sandra Olson, Construction Industry Training Council; Kathleen Garrity, Assoc. Builders & Contractors.

A total of 51 additional people signed in as favoring the bill, and three additional people signed in as opposing the bill. Three others signed in as available for questions. Copies of the sign-in sheets are available from committee staff.