

# FINAL BILL REPORT

## EHB 1898

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C 437 L 07

Synopsis as Enacted

**Brief Description:** Providing apprenticeship utilization requirements for school district public works projects.

**Sponsors:** By Representatives Quall, Conway, Haler, Santos, Appleton, McDermott, Haigh, P. Sullivan, Chase, Green, Fromhold, Moeller, Wood, Simpson, Linville, Hunt, Barlow, Sells, Hasegawa, Kenney, Hudgins, Morrell and Ormsby.

**House Committee on Commerce & Labor**

**Senate Committee on Labor, Commerce, Research & Development**

### **Background:**

State agencies under the Governor's authority must require that apprentices enrolled in state-approved apprenticeship training programs participate in public works projects. This requirement was originally established in an executive order issued in 2000 and codified by legislation enacted in 2005.

For public works estimated to cost \$1 million or more, contract specifications must require that no less than 15 percent of the labor hours be performed by apprentices enrolled in state-approved apprenticeship training programs.

Awarding agencies may adjust this apprenticeship utilization requirement 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 apprenticeship utilization requirement; or
- other criteria the agency director deems appropriate, subject to prior review by the Office of the Governor.

These apprenticeship utilization provisions apply to public works contracts awarded by state agencies, but not the state Department of Transportation, state four-year institutions of higher education, or state agencies headed by a separately elected public official. (Public works by the state Department of Transportation are subject to slightly different apprenticeship utilization requirements.)

### **Summary:**

Apprenticeship utilization requirements are created for public works by a school district, but projects funded by bond issues approved before July 1, 2007, are exempt.

For contracts advertised for bid on or after January 1, 2008, for public works by school districts that are estimated to cost \$3 million or more, contract specifications must require that no less than 10 percent of the labor hours be performed by apprentices enrolled in state-approved apprenticeship training programs. For contracts advertised for bid on or after January 1, 2009, for public works by a school district estimated to cost \$2 million or more, contract specifications must require that no less than 12 percent of the labor hours be performed by apprentices enrolled in state-approved apprenticeship training programs. For contracts advertised for bid on or after January 1, 2010, for public works by a school district estimated to cost \$1 million or more, contract specifications must require that no less than 15 percent of the labor hours be performed by apprentices enrolled in state-approved apprenticeship training programs.

School districts may adjust this apprenticeship utilization requirement for specific projects for the same reasons awarding agencies do under current law. The reasons are:

- 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 apprenticeship utilization requirement; or
- other criteria the agency director deems appropriate, subject to prior review by the Office of the Governor.

**Votes on Final Passage:**

House	65	33	
Senate	34	14	(Senate amended)
House	69	25	(House concurred)

**Effective:** July 22, 2007