

# SENATE BILL REPORT

## EHB 1898

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As Reported By Senate Committee On:  
Labor, Commerce, Research & Development, March 27, 2007

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

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

**Sponsors:** 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.

**Brief History:** Passed House: 3/12/07, 65-33.

**Committee Activity:** Labor, Commerce, Research & Development: 3/26/07, 3/27/07 [DPA-WM, DNP].

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### SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

**Majority Report:** Do pass as amended and be referred to Committee on Ways & Means.

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

**Minority Report:** Do not pass.

Signed by Senators Clements, Ranking Minority Member; Hewitt and Holmquist.

**Staff:** Sherry McNamara (786-7402)

**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 in legislation enacted in 2005.

For public works estimated to cost \$1 million or more, the specifications must require that not 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;

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*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.*

- 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 state four-year institutions of higher education, or state agencies headed by a separately elected public official. The state Department of Transportation is exempt from these provisions until July 1, 2007.

**Summary of Engrossed Bill:** For contracts advertised for bid on or after January 1, 2008, for public works by a school district estimated to cost \$3 million or more, the specifications must require that not 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, the specifications must require that not 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, all specifications must require that not 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.

**EFFECT OF CHANGES MADE BY RECOMMENDED AMENDMENT(S) AS PASSED COMMITTEE (Labor, Commerce, Research & Development):** School districts are not required to meet the specified amount of apprentice labor hours if the school projects were funded by bond issues approved before July 1, 2007.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: School Districts public work projects provide the perfect opportunity to bring students and schools together. This bill provides a pathway for students to begin early in their careers to look beyond the traditional academic programs and consider apprenticeship training. This will encourage students to use their skills in the trades, and it also allows them to get involved in their community. Some school districts are already doing this. For some young people, there aren't clear job prospects to allow them to stay and work in their community; this bill provides one more tool to assist in keeping kids in schools and in their communities. Washington lacks skilled workers. There is also a lack of individuals entering into the trades. This bill provides for the workforce this state will need in the future.

CON: This bill micro-manages people who have apprenticeship programs. School districts are already doing this voluntarily and this bill could interfere with their efforts. There are rural areas where the workforce does not exist. Contractors will need more apprentices and if they are not available in the project area they will need to bring them from outside the area. This legislation hampers access to alternatives and increases the difficulty for school districts in meeting the apprenticeship requirements.

OTHER: The bill needs an amendment to exempt current school district projects that are funded by bonds.

**Persons Testifying:** PRO: Representative Quall, prime sponsor; Lucinda Young, Washington Education Association; Rockey Marshall, Citizens Alliance of Central Washington; Kyle Tanner, Citizens Alliance of Central Washington; Stephanie Gilmore, Carpenters Local 770; Bob Abbott, Laborers District Council; David Johnson, Washington State Building and Construction Trades.

CON: Larry Stevens, National Electrical Contractors Association, Mechanical Contractors Association; Rick Slunaker, Associated General Contractors.

OTHER: Charlie Brown, Puget Sound School Coalition.