

SENATE BILL REPORT

SB 5873

As of February 16, 2009

Title: An act relating to apprentice utilization.

Brief Description: Regarding apprenticeship utilization.

Sponsors: Senators Kline, Keiser, Hobbs, Marr, Fairley, McAuliffe, Kohl-Welles and Shin.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 2/17/09.

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Staff: Mac Nicholson (786-7445)

Background: On state and school district public works projects estimated to cost \$1 million or more, at least 15 percent of the labor hours must be performed by apprentices. Public works contracts awarded by state four-year institutions of higher education and state agencies headed by separately elected officials are exempt from apprentice utilization requirements. Apprentice utilization requirements can be adjusted on projects if there is a demonstrated lack of availability of apprentices in the geographic area, if there is a disproportionately high ratio of material costs to labor hours which does not make utilization requirements feasible, or if participating contractors have demonstrated a good faith effort to comply with utilization requirements.

Contractors bidding on public works contracts must meet responsibility criteria in order to be considered a responsible bidder and qualified to be awarded a public works project. Bidders must be registered as a contractor; have a current state unified business identifier number; have industrial insurance, unemployment insurance, and a state excise tax registration number; and not be disqualified from bidding for prevailing wage or contractor registration violations.

Contractors are barred from bidding on public works contracts for one year if the contractor has committed any combination of two of the following violations in a five year period: knowingly misrepresenting payroll or employee hours upon which the industrial insurance premium is based; or engaging in business without having obtained a certificate of industrial insurance coverage.

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.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): Apprentices must be used for at least 15 percent of the labor hours of each trade or craft on public works projects with apprentice utilization requirements, instead of 15 percent of the total labor hours.

Public works contracts awarded by state four-year institutions of higher education must include apprentice utilization provisions. The apprentice utilization requirements are phased in over a three-year period.

A bidder on a public works project subject to apprenticeship utilization requirements will be disqualified if the bidder was found out of compliance in the one-year period preceding the date of the bid solicitation for working apprentices out of ratio, unsupervised, or outside their approved work processes.

An additional violation is added to the list of violations for which a contractor can be barred from bidding on a public works contract if the contractor commits any combination of two violations in a five-year period. The additional violation is being found out of compliance for working apprentices out of ratio, unsupervised, or outside their approved work processes.

Appropriation: None.

Fiscal Note: Requested on February 12, 2009.

Committee/Commission/Task Force Created: No.

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