

HOUSE BILL REPORT

SHB 2673

As Amended by the Senate

Title: An act relating to transportation workforce development.

Brief Description: Addressing transportation workforce development.

Sponsors: House Committee on Transportation (originally sponsored by Representatives Clibborn, Hunt, Lias, Kenney, Lytton, Green, Probst, Goodman, Dickerson, Ryu, Seaquist, Darneille, Cody, Carlyle, Sullivan, Kirby, Ormsby, Ladenburg, Moscoso, Springer, Hasegawa, Maxwell, Wylie, Tharinger and Pollet).

Brief History:

Committee Activity:

Transportation: 1/31/12, 2/6/12 [DPS].

Floor Activity:

Passed House: 2/13/12, 56-40.

Senate Amended.

Passed Senate: 3/1/12, 40-9.

Brief Summary of Substitute Bill

- Requires the Department of Transportation (Department) to expend one-half of 1 percent of the funds apportioned to the state under the federal Surface Transportation Program and the Highway Bridge Replacement and Rehabilitation Program to provide services to increase diversity in the highway construction workforce and prepare individuals interested in entering the highway construction workforce.
- Requires the Department to coordinate with the Washington State Apprenticeship and Training Council (Council) in providing these services.
- Requires the Department, in coordination with the Council, to report to the Legislature on these activities.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass.
Signed by 16 members: Representatives Clibborn, Chair; Billig, Vice Chair; Lias, Vice

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.

Chair; Eddy, Finn, Fitzgibbon, Hansen, Jinkins, Ladenburg, Moeller, Morris, Moscoso, Reykdal, Ryu, Takko and Upthegrove.

Minority Report: Do not pass. Signed by 13 members: Representatives Armstrong, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Angel, Asay, Johnson, Klippert, Kristiansen, McCune, Overstreet, Rivers, Rodne, Shea and Zeiger.

Staff: Alison Hellberg (786-7152).

Background:

On-the-Job Training Programs.

The Federal Highway Administration On-the-Job Training (OJT) program is established in federal law. It requires that state transportation agencies receiving certain federal funds establish apprenticeship and training programs aimed at increasing the number of women, minorities, and disadvantaged individuals in journey-level highway construction positions. The stated goal is to ensure a competent workforce to meet highway construction hiring needs and to address the historical under-representation of these groups in highway construction skilled crafts.

The OJT/Supportive Services program was created in federal regulation to supplement the OJT program by providing services to highway construction contractors and assistance to highway construction apprentices and trainees. Under federal law, the federal Secretary of Transportation may fund the OJT/Supportive Services in an amount not to exceed \$10 million annually. Some of these funds are distributed through a competitive grant process. State transportation agencies may also use up to one-half of 1 percent of funds apportioned to the state under the federal Surface Transportation Program and the Highway Bridge Replacement and Rehabilitation Program for the OJT/Supportive Services. The OJT/Supportive Services may fund recruitment, skills training, job placement, child care, outreach, transportation to work sites, post-graduation follow-up, and job-site mentoring.

In Washington the OJT/Support Services Unit is within the Office of Equal Opportunity at the Washington State Department of Transportation (Department). The OJT/Supportive Services Unit's stated goal is to provide support services to increase the number of minorities and women participating in the federal-aid highway construction industry.

Washington State Apprenticeship and Training Council.

The Washington State Apprenticeship and Training Council (Council) is a division within the Department of Labor and Industries (L&I). The Council and the L&I establish apprenticeship program standards, approve apprenticeship training programs, and otherwise govern apprenticeship programs.

Summary of Substitute Bill:

The Department must expend one-half of 1 percent of federal funds apportioned to the state, up to \$1.8 million, under the Surface Transportation Program and the Highway Bridge Replacement and Rehabilitation Program to increase diversity in the highway construction workforce and prepare individuals interested in entering the highway construction workforce

by providing certain OJT/Supportive Services. The Department must coordinate with the Council to provide any portion of these OJT/Supportive Services:

- preapprenticeship programs;
- preemployment counseling;
- orientations on the highway construction industry, including outreach to women, minorities, and other disadvantaged individuals;
- basic skills improvement classes;
- career counseling;
- remedial training;
- entry requirements for training programs;
- supportive services and assistance with transportation;
- child care and special needs;
- job-site mentoring and retention services; and
- assistance with tools, protective clothing, and other related support for employment costs.

The Department must, in coordination with the Council, expend moneys from other sources to provide these activities.

The Department, in coordination with the Council, must submit a report to the Transportation committees of the Legislature by December 1 of each year, beginning in 2012. The report must contain:

- an analysis of the results of providing these services;
- the amount available to the Department from federal funds for the services and the amount expended for those services; and
- the performance outcomes achieved from each activity, including the number of persons receiving services, training, and employment.

EFFECT OF SENATE AMENDMENT(S):

The Senate amendment (1) removes requirement that the Department expend one-half of 1 percent of certain federal funds apportioned to the state to provide services to increase diversity in the highway construction workforce and prepare individuals interested in entering the highway construction workforce; (2) requires the Department to expend funds that may be available to provide these services and, to the extent practicable, to expend funds from other sources; and (3) provides that requirements for the Department related to providing these services do not apply to or reduce federal funds that would otherwise be allocated to local governments.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill creates a much needed partnership between the Department and the L&I. The Council already has extensive experience and expertise in providing these services and it makes sense that the two agencies coordinate.

It is very important to involve more minorities and women in the trades and the only way to do this is through apprenticeship. The OJT/Supportive Services play an integral role in getting women and minorities into high wage careers and providing services they need to stay in them. This bill creates a special opportunity for improving access to the trades. Retention is another issue. Women and minority apprentices have lower retention rates. As the face of the construction industry changes, contractors need assistance in recruiting and retaining women and minorities in highway construction.

This program would model the very successful partnership in Oregon. They have a program that provides services that make a difference, but that also creates efficiencies. Other states are also finding success with this type of program. Washington was a pioneer in opening up apprenticeship to women and minorities, but the data shows the state is now falling behind other states. In fact, the number of women in the trades has declined.

While this bill does a lot to create a partnership, it does not go far enough. Federal law allows the state to set aside a certain amount of federal funds to provide the OJT/Supportive Services. The bill should be amended to require this because the program can accomplish so much more with a steady stream of revenue.

The Department is supportive of the bill as written. There are two ways that federal funds can be used to support these types of programs. The Department has been very successful in receiving competitive grants when only 14 states in the country are able to do this. The Department has been receiving around \$300,000 through this. The Department also has a very strong and active apprenticeship program. The other mechanism is by diverting federal funds that are currently being used to repave and repair roads and bridges.

(Opposed) None.

Persons Testifying: Representative Clibborn, prime sponsor; David Myers, Washington State Building and Construction Trades Council; Heather Winfrey, Apprenticeship and Nontraditional Employment for Women; Halene Sigmund, Construction Industry Training Council; Susan Crane, Washington State Apprenticeship Council; Peter Guzman, City of Tacoma; Randy Loomans, International Union of Operating Engineers Local 302; Pete Lahmann, Washington State Apprenticeship Coordinators Association; and Steve Reinmuth, Washington State Department of Transportation.

Persons Signed In To Testify But Not Testifying: None.