A-Engrossed House Bill 2261

Ordered by the House April 30 Including House Amendments dated April 30

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Modifies membership of State Apprenticeship and Training Council. Establishes qualifications for council members. Modifies terms of apprenticeship agreement. Eliminates certain recordkeeping requirements of local joint committees. Defines "training agent" and alphabetizes definitions.

A BILL FOR AN ACT

2 Relating to apprenticeship program; amending ORS 660.002, 660.010, 660.020, 660.060, 660.110,

3 660.126, 660.135, 660.137, 660.142, 660.145, 660.155 and 660.190.

4 Be It Enacted by the People of the State of Oregon:

5 **SECTION 1.** ORS 660.002 is amended to read:

6 660.002. It is the policy of the State of Oregon:

7 (1) To encourage the development of an apprenticeship and training system through the volun-

8 tary cooperation of management, labor and interested state agencies, and in cooperation with other
9 states and the federal government.

10 (2) To provide for the establishment and [*furtherance*] **promotion** of standards of apprenticeship 11 and training to safeguard the welfare of apprentices and trainees and [*assure*] **ensure** proper train-

12 ing of an adequate, skilled labor force.

13 (3) To encourage the preparation of persons with skills that will enable them to find gainful 14 employment in an ever-changing society and [*insure*] **ensure** the continued growth and development 15 of the economy of Oregon by contributing to the maintenance of an adequate supply of skilled 16 workers.

17 **SECTION 2.** ORS 660.010 is amended to read:

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660.010. As used in ORS 660.002 to 660.210, unless the context requires otherwise:

19 (1) "Apprentice" means a worker **who is** at least 16 years of age, except [*where*] **when** a higher 20 minimum age is otherwise required by law, **and** who is employed to learn an apprenticeable occu-

21 pation under standards of apprenticeship approved by the State Apprenticeship and Training Council

22 and under an apprenticeship agreement recognized by the council.

23 [(2) "Apprenticeship agreement" means a written agreement between an apprentice and either the 24 employer or the local joint committee which shall contain the minimum terms and conditions of the 25 employment and training of the apprentice.]

26 [(3)] (2) "Apprenticeable occupation" means a skilled trade [which] that:

27 (a) Is customarily learned in a practical way through a structured, systematic program of on-

the-job supervised training; 1 2 (b) Is clearly identified and commonly recognized throughout an industry; (c) Involves manual, mechanical or technical skills and knowledge [which] that require a mini-3 mum of 2,000 hours of on-the-job supervised training; and 4 $\mathbf{5}$ (d) Requires related instruction to supplement the on-the-job training. (3) "Apprenticeship agreement" means a written agreement between an apprentice and 6 either the training agent or the local joint committee that contains the minimum terms and 7 conditions of the employment and training of the apprentice. 8 9 [(4) "Commissioner" means the Commissioner of the Bureau of Labor and Industries.] [(5) "Council" means the State Apprenticeship and Training Council.] 10 [(6)] (4) "Course of study" means a course of study for the instruction of apprentices or trainees 11 12 established in accordance with ORS 660.157. [(7) "Director" means the State Director of Apprenticeship and Training.] 13

14 [(8)] (5) "District school board" includes the boards of community college service districts, edu-15 cation service districts, common school districts and community college districts.

16 [(9)] (6) "Employer" means any person employing the services of an apprentice, regardless of 17 whether [such] the person is a party to an apprenticeship agreement with [that] the apprentice.

[(10)] (7) "Local joint committee" includes local joint apprenticeship committees, local joint
 training committees and trade committees.

[(11)] (8) "Program" means the total system of apprenticeship as operated by a particular local joint committee, including the committee's registered standards and all other terms and conditions for the qualification, recruitment, selection, employment and training of apprentices in that apprenticeable occupation.

[(12)] (9) "Trainee" means a worker **who is** at least 16 years of age, except [*where*] **when** a higher minimum age is otherwise required by law, **and** who is to receive, in part consideration for services, complete instruction in an occupation [*which*] **that** meets all the requirements of an apprenticeable occupation, except that such occupation requires, in the opinion of the council, less than 2,000 but not less than 1,000 hours of on-the-job supervised training.

(10) "Training agent" means an employer that is registered with a local joint committee
 and the Apprenticeship and Training Division of the Bureau of Labor and Industries.

SECTION 3. ORS 660.020 is amended to read:

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660.020. (1) Every apprentice and **either** the apprentice's [employer or the agent of the apprentice's employer,] **training agent or the** local joint committee shall sign a written apprenticeship agreement on a form approved by the State Apprenticeship and Training Council or on a form to which the council chairperson may grant interim approval. The agreement shall be signed and registered with the council as soon as practicable, but [within a period of time not to exceed] **not later than** 90 days after the start of the apprenticeship.

(2) When [the original employer has been] a training agent is unable or unwilling to fulfill its obligations under [the] an apprenticeship agreement, the local joint committee may approve the transfer of the [employer's] training agent's obligation under the program standards to a subsequent approved [employer or employers] training agent under the same program, with the consent of the apprentice. In such cases, it [will not be] is not necessary to sign and register a new apprenticeship agreement, notwithstanding the requirements of subsection (1) of this section.

44 **SECTION 4.** ORS 660.060 is amended to read:

45 660.060. [In order] To be registered with the State Apprenticeship and Training Council,

1 every apprenticeship or training agreement [made after November 1, 1981,] shall contain:

2 (1) The names and signatures of the [parties] **apprentice or trainee** and of a parent or [a] 3 guardian if the apprentice or trainee is a minor;

4 (2) The names and addresses of the appropriate local joint committee and of the [State Appren-5 ticeship and Training] council;

(3) The date of birth of the apprentice or trainee;

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(4) The beginning date and duration of the apprenticeship or training and the apprenticeable or
trainable occupation in which the apprentice or trainee is to be trained;

9 (5) A statement that the parties [*thereto*] **to the agreement** shall abide by the applicable stan-10 dards existing as of the date of the agreement, and as amended during the duration of the agree-11 ment, and a provision incorporating the standards[,] explicitly or by reference as part of the 12 agreement;

(6) A statement that there is a probationary period during which the apprenticeship agreement
 may be terminated by either party to the agreement upon written notice to the Apprenticeship and
 Training Division of the Bureau of Labor and Industries;

(7) A statement that after the probationary period the apprenticeship agreement may be canceled at the request of the apprentice or may be suspended, canceled or terminated by the committee for good cause, which includes but is not limited to failure to report to work, nonattendance at related training, failure to submit work progress reports and lack of response to committee citations, with [due] **prior written** notice to the apprentice, [and a reasonable opportunity for correction] and with written notice to the apprentice and to the Apprenticeship **and Training** Division of the Bureau of Labor and Industries of the final action taken by the committee;

(8) Such additional provisions as the council may deem necessary or advisable to effectuate the
 policies and duties prescribed and imposed by ORS 660.002 to 660.210, provided such provisions are
 customarily subject to agreement between [*employers*] training agents and apprentices or trainees;
 and

(9) A waiver by the apprentice granting permission for the release of related training school
 records to the appropriate joint apprenticeship committee for the purpose of evaluation.

SECTION 5. ORS 660.110 is amended to read:

660.110. (1) The State Apprenticeship and Training Council shall consist of [11] nine members,
 including the Commissioner of the Bureau of Labor and Industries[,] and [10] eight members appointed by the Governor[,] as follows:

[(a) Two members representing employees from the apprenticeable crafts or trades for which pro grams are approved and registered with the council;]

35 [(b) Two members representing employees from the industrial occupations for which programs are 36 approved and registered with the council;]

[(c) Two members representing industrial employers whose programs are approved and registered
 with the council;]

[(d) Two members representing employers from the apprenticeable crafts or trades whose programs
 are approved and registered with the council; and]

41 [(e) Two members representing the public.]

42 (a) Four members from apprenticeable building and construction crafts or trades that
 43 have programs approved and registered with the council, including two members represent 44 ing employers and two members representing employees;

45 (b) Two members from other apprenticeable occupations that have programs approved

1 and registered with the council, including one member representing employers and one

2 member representing employees; and

3 (c) Two members representing the public.

4 (2) To qualify to be a member of the council, an individual shall provide the Governor 5 with documentation showing that the individual meets at least one of the following require-6 ments:

7 (a) Active participation on an apprenticeship governing body for a minimum of four
 8 years; or

9 (b) A minimum of four years of experience in workforce development or investment ac 10 tivities, vocational training or education, apprenticeship program administration or a related
 11 discipline.

[(2)] (3)(a) Each member shall be appointed for a term of four years and shall hold office until a successor has been appointed and has qualified. When the term of a member expires, the Governor shall appoint a successor within 90 days [of] **after** the term expiration date. A member [*shall*] **may** not automatically be removed from the council in midterm should the member's industry withdraw from the program for economic reasons.

[(3)] (b) Any vacancy occurring among the appointed members shall be filled by appointment,
 as provided in this section, for the unexpired portion of the term.

[(4)] (c) All appointments of members of the council by the Governor are subject to confirmation
 by the Senate pursuant to section 4, Article III, Oregon Constitution.

[(5)] (4) The Commissioner of the Bureau of Labor and Industries shall serve as the chairperson of the council with the power to cast the deciding vote in case of a tie. The council shall choose from among its members a vice chairperson to preside at meetings and perform other functions of the chairperson when the commissioner is absent.

[(6)] (5) Each member of the council is entitled to compensation and expenses as provided in
 ORS 292.495.

27 SECTION 6. ORS 660.126 is amended to read:

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660.126. (1) Apprenticeship standards shall contain statements of:

(a) The apprenticeable occupation to be taught and a designation of the geographical area or
 areas in which the standards [shall be applicable] will apply;

(b) The qualifications required of apprentice applicants and the minimum eligible starting age,
which [shall be] is at least 16 years unless a higher age is required by law;

(c) The outline of work processes in which the apprentice will receive supervised work experi ence and training on the job, and the allocation of the approximate time to be spent in each major
 process;

(d) The term required for completion of apprenticeship, which shall be consistent with requirements established by industry practice for the development of requisite skills, but in no event shall
be less than 2,000 hours of reasonably continuous work experience;

(e) The approximate number of hours to be spent by the apprentice at work and the approximate
 number of hours to be spent in related and supplemental instruction;

(f) The minimum numeric ratio of journeymen to apprentices consistent with proper supervision,
training, safety and continuity of employment, which shall be specifically and clearly stated as to
application in terms of job site, workforce, department or plant;

(g) A probationary period reasonable in relation to the full apprenticeship term, with full credit
 given for [such] the probationary period toward completion of apprenticeship and with provision

1 that during the probationary period, the apprenticeship agreement may be terminated without cause;

2 (h) A progressively increasing schedule, showing the percentages of the journeyman hourly wage 3 to be paid the apprentice at each level of apprenticeship achieved;

4 (i) Such additional provisions as the State Apprenticeship and Training Council may, by rule, 5 deem necessary or advisable to effectuate the policies and duties prescribed and imposed by ORS 6 660.002 to 660.210; and

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(j) The content of related training with training objectives.

8 (2) Notwithstanding subsection (1) of this section, the council may approve the inclusion of 9 standards of additional provisions, or of provisions that depart from the requirements of subsection 10 (1) of this section, when such standards or provisions have been submitted by joint employer and 11 employee groups, or may be part of legitimate bargaining agreements between an employer and 12 employees. [*The council*,] In making its decision, [*shall take into consideration*] **the council shall** 13 **consider** the following factors:

(a) The possibility that the provision might result in curtailment of opportunities for apprentices
 to receive training or continuity of employment;

(b) The possibility that the provision might result in the diversion of needed qualified applicants
for apprenticeship, and particularly of qualified applicants of protected classes, into unskilled or
semiskilled jobs for which an adequate supply of labor already exists;

(c) The possibility that the provision might result in disputes among the participants in the
programs [such as] that might curtail the cooperation necessary to build an adequate, skilled labor
force in the State of Oregon;

(d) The need to safeguard the health, safety, continuity of employment and welfare of the ap prentices and to ensure the public welfare;

(e) The need to raise the level of skill in each apprenticeable occupation to provide to the public
quality goods and services at a fair price and an adequate and skilled workforce for the defense of
the nation; and

(f) The need [for providing] to provide training in the licensed occupations for the protection
of the apprentices and of the general public.

(3) The council shall adopt rules to allow a local committee to determine the circumstances under which an apprentice **electrician**, **who is** working under ORS 479.510 to 479.945 [*who*] **and** has completed 6,500 hours of apprenticeship training, may work without direct supervision during the remainder of the apprenticeship.

33 SECTION 7. ORS 660.135 is amended to read:

660.135. (1) In each locality where apprentices are employed, [*there shall be formed*] **the State** Apprenticeship and Training Council may approve as many local joint committees as are necessary to serve the needs of the various apprenticeable occupations. Local joint committees in building and construction trades occupations may be approved by the council only as group programs serving multiple employers.

(2) Each local joint committee shall have no more than eight **principal** members, all actively participating in apprenticeship programs, and shall consist of an equal number of representatives of employers and employees. [*The principal*] **One alternate member may be selected for each principal committee member. Committee** members and the alternate members[, *one alternate for each of the principal members*,] shall be selected pursuant to procedures established by the [*State Apprenticeship and Training*] council. The alternate members may attend all committee meetings, participate in discussions and perform such duties as may be delegated to them by the committee,

1 but may not vote at committee meetings except when actually [serving to substitute] substituting

2 for an absent principal committee member for their respective employer or employee.

3 (3) To qualify as a local joint committee member representing employees, a prospective 4 employee representative must be a member of the collective bargaining unit if a collective 5 bargaining agreement exists for the trade or occupation that is the subject of the appren-6 ticeship or training program administered by the committee. If no collective bargaining 7 agreement exists, the prospective employee representative must be, or have been, a skilled 8 practitioner of the particular trade or occupation that is the subject of the apprenticeship 9 or training program administered by the committee.

10 [(3)] (4) Each local joint committee shall select a chairperson and a secretary, for such terms and with such powers and duties necessary for the performance of the functions of [such] those of-11 12 fices as the committee determines. [The secretary shall maintain an accurate record of all proceedings of the committee, which shall be made available for public inspection at any reasonable time upon re-13 quest. A copy of the minutes of each meeting shall be sent to the Commissioner of the Bureau of Labor 14 15 and Industries.] A quorum for the transaction of committee business [shall consist] consists of two 16representatives of employers and two representatives of employees. Each local joint committee shall meet as often as is necessary to transact business. Meetings may be called by the chairperson[,] or 17 18 at the request of the majority of the members of the committee.

19 [(4)] (5) When an individual is employed by a joint industry group, association or trust to assist 20 local joint apprenticeship or training committees, trade committees or state joint committees in the 21 performance of their statutory duties, [such] the individual is authorized to perform any clerical, 22 ministerial or other functions as the committees may direct.

[(5) For purposes of membership as an employee representative on a local joint committee the prospective employee representative must be a member of the collective bargaining unit when a collective bargaining agreement exists which covers the trade or occupation that is the subject of the apprenticeship or training program administered by the local joint committee. When no collective bargaining agreement exists, the prospective employee representative must be, or have been, a skilled practitioner of the particular trade or occupation that is the subject of the apprenticeship or training program administered by the local joint committee.]

30 SECTION 8. ORS 660.137 is amended to read:

660.137. Every local apprenticeship or training program administered by a local joint committee,
 or by a trade committee functioning as a local joint committee, shall:

(1) Propose to the State Apprenticeship and Training Council standards for the local program
[which] that are in substantial conformity with ORS 660.126 and with the uniform standards, if any,
adopted by the state joint committee for that occupation, and recommend to the council modifications of the standards.

(2) Administer its program in conformity with its approved standards, with the provisions of ORS
660.002 to 660.210, and with the rules and policies of the council. Particularly, the local joint committee shall:

(a) Maintain records of all apprentices in its program, with respect to work experience, instruction on the job, attendance at related instruction and progress, and such other records as may
be appropriate or required, and shall submit such reports as the council or appropriate governmental agencies may require;

(b) Submit to the state joint committee appropriate requests for changes in courses of study forthe instruction of apprentices; and

1 (c) Be responsible for apprentices receiving necessary on-the-job and related instruction, and for 2 all apprenticeship agreements being promptly registered with the council.

3 (3) Be responsible for the recruitment, qualification, selection, approval and registration of ap-4 prentices entering the program, including the evaluation of previous creditable work experience, 5 education and training for which advanced credit must be given[;], provided[, *however*,] that ad-6 vanced credit may be given for such creditable experience, education and training.

(4) Review and evaluate, at least semiannually, the progress of each apprentice, as to job per-7 formance and related instruction, and consistent with the skill acquired, accordingly advance the 8 9 apprentice to the next level of apprenticeship or hold the apprentice at the same level for a reasonable period, and with reasonable opportunity for corrective action, or terminate the apprentice 10 from the program for serious or continued inadequate progress and notify the Apprenticeship and 11 12 Training Division of the Bureau of Labor and Industries of the action taken. The council and the 13 appropriate [employer or employers] training agent shall also be notified of each rerating and of the apprentice's new level on the wage schedule. Recognition for successful completion of apprenticeship 14 15 shall be evidenced by an appropriate certificate issued by the council.

(5)(a) Determine the qualifications, minimum facilities and training conditions required of an
 employer to serve as an approved training agent, and approve training agents accordingly;

(b) Make periodic checks of approved training agents to [*assure*] **ensure** that there are qualified training personnel and that there is adequate supervision on the job, adequate and safe equipment and facilities for training and supervision, and safety training for apprentices on the job and in related instruction; and

(c) Withdraw approval of training agents when the qualifications are no longer met or when it appears to the committee that the [*employer*] **training agent** is in violation of the terms of an apprenticeship agreement, standards, provisions of ORS 660.002 to 660.210 or the rules and policies of the council.

(6) Determine and redetermine at least annually the average journeyman hourly rate of wage for 2627the purposes of ORS 660.142 and submit [such] the rate to the State Director of Apprenticeship and Training, along with a statement explaining how [such] the determination was made. [Employers 28who] Training agents that fail or refuse to provide their [committee] committees with information 2930 shall be terminated as approved training agents. The council may withhold approval of a new pro-31 gram or terminate an existing program for failure or refusal by the committee or its [employers] training agents to keep the established journeyman hourly rate of wage current and correct. The 32committee shall retain all records from which a wage determination was made for inspection by the 33 34 council, as required by law.

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SECTION 9. ORS 660.142 is amended to read:

36 660.142. (1) [No employer shall pay a registered] A training agent may not pay an apprentice 37 at a rate less than that obtained by applying the schedule, set forth in the applicable standards, at 38 the apprentice's level of apprenticeship, to the journeyman hourly rate of wage currently in effect 39 for journeymen in the occupation for which the apprentice is being trained, as determined by the 40 appropriate local joint committee.

(2) The journeyman hourly wage rate shall be the average hourly wage currently being paid by the [employers] training agents participating in a program to their skilled workers, that is, to those employees with demonstrated knowledge, experience and proficiency in that trade or occupation who are currently performing the type of work for which the apprentice is to be trained. Upon receipt of a committee's determination of its current journeyman hourly rate of wage, the State Director

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of Apprenticeship and Training shall cause notice [thereof] of the determination to be promptly mailed to all apprentices and [employers] training agents participating in the program. [Such] The determination shall be in effect from the date set forth [therein] in the determination or, lacking such date, from the first of the month following the mailing [thereof; provided, however, that no such] of the determination. However, neither the wage determination [or] nor the effective date [shall alter] alters the terms or effect of an existing collective bargaining agreement.

7 (3) If a higher journeyman hourly wage rate [*shall be*] **is** prescribed by federal or state law for 8 work on a particular project, the higher rate so established [*shall be*] **is** controlling for purposes of 9 determining apprentice wages applicable to that particular project.

(4) Nothing stated in ORS 660.002 to 660.210 shall be construed to supersede the minimum wage
or overtime provisions of ORS chapters 652 and 653, or the rules adopted under ORS chapter 652
or 653. Anything to the contrary notwithstanding, the entry wage (that wage derived by applying
the lowest percentage on the schedule to the current journeyman hourly wage rate) [*shall*] may not
be less than the federal or state minimum wage rate, whichever is higher.

(5) The State Apprenticeship and Training Council may make such exceptions to the apprentice wage schedule or journeyman hourly wage rate, and to the minimum numeric ratio of journeymen to apprentices, as it deems necessary or advisable to further the operation of apprenticeship and training programs in Department of Corrections institutions.

SECTION 10. ORS 660.145 is amended to read:

20660.145. In an area where it is not practicable to establish a local joint apprenticeship committee or a local joint training committee, a trade committee for apprenticeship and training may be 2122formed to administer the standards of various separate programs approved by the State Appren-23ticeship and Training Council. Members shall consist of one [employer] training agent and one employee representing each occupation affected, who shall be selected pursuant to the procedures 2425established by the council. A trade committee for apprenticeship or training shall function in the manner prescribed for a local joint committee as to all occupations affected, except that recom-2627mendations to the council for amendments or modifications to the standards of a particular occupation may be made only by the members from that occupation. 28

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SECTION 11. ORS 660.155 is amended to read:

660.155. (1) State joint apprenticeship committees may be formed in each apprenticeable occupation for the purpose of promoting and coordinating the apprenticeship goals of that occupation and of developing statewide standards and related instructional material for a course of study in that occupation. If only one joint committee exists for a particular occupation, that local joint committee has the same duties and powers as a state joint committee formed pursuant to this section. This subsection does not apply to training programs.

(2) State joint committees shall be composed of one member representing [employers] training 36 37 agents and one member representing employees from each local joint committee for that occupation. 38 [Employer] Training agent members of a local joint committee shall choose the [employer] training agent representative to the state joint committee, and employee members shall choose the employee 39 40 representative. The [employer] training agent and employee members of trade committees shall be 41 members of the state joint committee for their respective occupations, but shall be counted in [de-42terminating] determining a quorum for the state joint committee only if present. An alternate member for each principal member from a local joint committee shall also be selected in the same 43 manner as the principal members are selected. Each alternate member has full authority to exercise 44 the powers of the principal member for whom the alternate was selected when that principal member 45

1 is unable to perform as a committee member.

2 (3) Each state joint committee shall elect a chairperson and a vice chairperson, one of whom 3 shall represent [*employers*] **training agents**, the other of whom shall represent employees. The 4 committee may also elect such other officers as it determines appropriate. All officers elected pur-5 suant to this subsection shall serve such terms and have such duties and powers as the committee 6 determines appropriate for the performance of their functions.

7 (4) Meetings may be called by the chairperson or at the request of the majority of the members
8 of the committee. Each state joint committee may also formulate such rules as it deems necessary
9 for the time, place and orderly conduct of its meetings. Each committee shall transmit to the State
10 Apprenticeship and Training Council a written record of each such meeting.

11 SECTION 12. ORS 660.190 is amended to read:

12 660.190. Each community college operating a preemployment or trade extension training pro-13 gram in an apprenticeable occupation shall appoint at least one employee member and one 14 [*employer*] **training agent** member of an appropriate local joint committee to the advisory committee 15 for that training program.

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