

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Workforce

REVENUE: No revenue impact**FISCAL: May have fiscal impact, statement not yet issued****SUBSEQUENT REFERRAL TO:****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Matthew Germer, Administrator**Meeting Dates:** 3/11, 3/23, 4/8, 4/20

WHAT THE MEASURE DOES: Requires public contract bidders, for contracts \$1 million or more, to demonstrate responsibility by employing apprentices for 10 percent or more of the contract hours during the previous calendar year or by belonging to a local joint committee whose training agents employed apprentices for 10 percent or more of hours that training agents' employees worked on contracts in the previous calendar year. Grants the Commissioner of Bureau and Labor Industries discretion in the percentage at which a public agency may determine public contract bidder responsibility. Requires contracting agency to base responsibility determination on bidder's status as approved training agent or on local joint committee training agents. Requires contractors and subcontractors to submit compliance statements and appropriates money to the Bureau to enforce verification. Requires local joint training committee to report to Bureau hours worked by apprentices and journeyworkers, and requires Bureau to publish hours on Bureau's website. Becomes operative January 1, 2017. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Purpose of the measure
- 10 percent apprenticeship threshold
- \$1 million contract threshold
- Need for CTE investment
- Relationship between general contractors and sub-contractors relating to apprenticeship

EFFECT OF COMMITTEE AMENDMENT:

(-4) Applies only to contractors with public contracts \$3 million or greater. Requires Commissioner of Bureau and Labor Industries to recommend to the Legislative Assembly by December 31, 2022 any reductions in the estimated contract price at which this measure should apply.

BACKGROUND: Apprenticeships are occupational career training that combines supervised on-the-job training experience with classroom instruction. Apprentices usually begin at half the salary of certified "journey" workers. Apprenticeship committees, made up of employee and employer representatives, operate apprenticeship programs. The waiting period for apprenticeships may last up to two years and is a highly competitive process. If a candidate is qualified, the candidate is added to a pool of eligible. As apprenticeship vacancies become available, candidates are selected from the pool. Typically, apprenticeships last two to five years, depending on industry requirements. The Apprenticeship and Training Division, a division of the Bureau of Labor and Industries, registers apprentices, works with industry to establish apprenticeship programs, and monitors apprenticeship committee compliance.

Senate Bill 809 requires public contract bidders, for contracts \$1 million or more, to demonstrate responsibility by employing apprentices for 10 percent or more of the contract hours during the previous calendar year or by belonging to a local joint committee whose training agents employed apprentices for 10 percent or more of hours that training agents' employees worked on contracts in the previous calendar year.

4/16/2015 9:19:00 AM *

This summary has not been adopted or officially endorsed by action of the committee.