

HB 4143 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 2/5, 2/10

WHAT THE MEASURE DOES:

Prohibits State of Oregon or any public body in Oregon to spend public moneys on or for the benefit of an industry-recognized apprenticeship program as described in 84 Federal Register 29970. Takes effect 91st day after adjournment *sine die*.

REVENUE: No revenue impact.

FISCAL: Minimal fiscal impact.

ISSUES DISCUSSED:

- Focus on safety in existing state-registered apprenticeship programs
- Industries' financial support of apprenticeship programs
- Training for a career in industry compared to training to work for specific employer
- Completion and retention rate of existing apprenticeship programs
- Ability for any company to join state-approved apprenticeship program
- Credentials and college credit associated with certain apprenticeship programs

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon State Apprenticeship and Training Council (OSATC) has the authority to develop, administer, and enforce apprenticeship program standards for the operation and success of an apprenticeship or on-the-job-training program in Oregon. Members of the Council are appointed by the Governor and subject to confirmation by the Senate. The Council is under the direction of the Apprenticeship and Training Division (ATD) of the Bureau of Labor and Industries. ATD registers programs and apprenticeship agreements and conducts audits to ensure compliance with state and federal requirements. Local committees are registered joint or trades apprenticeship or training committees that have been approved by the Council to operate apprenticeship programs. The standards of apprenticeship are contained in a written agreement that a local committee submits for approval by the Council. The agreement on standards contains the terms and conditions for the qualification, employment, compensation, and training of apprentices or trainees. A training agent is an employer or organization that has been approved by the local committee to employ and train apprentices or trainees. The training agent has to be registered with both the local joint committee and BOLI. An apprentice signs a written agreement with the program sponsor or the local joint committee. This agreement is registered with the Council.

The U.S. Department of Labor (DOL) has proposed a rule to formally establish a process for organizations to apply to become DOL-recognized Standards Recognition Entities of Industry Programs. 84 Federal Register 29970. These industry-recognized apprenticeship programs may be referred to as IRAPs. Once recognized, Standards Recognition Entities would work with employers and other entities to establish, recognize, and monitor IRAPs that provide apprentices industry-recognized credentials. The proposed rule includes measures and guidelines to facilitate the recognition of these IRAPs. The proposed rule would operate in parallel with the existing registered apprenticeship system. DOL states that a market-driven approach provides the flexibility necessary to scale the apprenticeship model where it is needed most and helps address America's skills gap.