

Apprenticeship Utilization

Public Works

Public works projects are work, construction, alteration, repair, or improvements, other than regular maintenance, that are done for state agencies or local governments. Depending on a number of factors, public works projects may be performed by public employees or contracted out to be performed.

Apprenticeship Training Programs

A six-member apprenticeship council is appointed by the director of the Department of Labor and Industries, composed of three members from employer organizations and three members from labor organizations. Members serve three-year staggered terms of office. The apprenticeship council establishes standards for apprenticeship training programs, adopts rules related to the programs, and approves the programs.

Apprentice Utilization Legislation

Under Executive Order 00-01, Governor Locke directed state agencies under his authority to require that apprentices enrolled in state-approved apprenticeship training programs participate in public works projects. Subsequent to the issuance of this executive order, efforts were made by Governor Locke and other Democrat legislators to codify the requirements set forth in the order. See HB 1065 (2003 Session and HB 2539 (2004 Session). During the 2005 Legislative Session, House and Senate Democrats were successful in passing HB 1028 which mandates apprenticeship requirements for businesses seeking to participate in public works projects. Specifically, HB 1028 requires no less than fifteen percent of total labor hours for contracts of more than \$1 million be performed by apprentices. Awarding agencies may adjust the requirements under the following, narrow circumstances.

- A demonstrated lack of availability of apprentices in specific geographic areas;
- A disproportionately high ratio of material costs to labor hours;
- A demonstrated good faith effort by participating contractors to comply with the apprenticeship requirements; or
- Other criteria the agency director deems appropriate, subject to prior review by the Office of the Governor.

HB 1028 was placed on the Legislative “Fast-Track” by Democrats. It was the first bill signed into law by Governor Gregoire in the 2005 Legislative Session.

In 2006, E2SSB 6480 extended these requirements to the state DOT, and in 2007, EHB 1898 extended them to school districts.

Why is Apprenticeship Utilization Controversial?

Apprenticeship mandates assume that there is a shortage of skilled laborers in Washington. This assertion is subject to much debate considering that Washington State’s relatively high unemployment rate coupled with a slow economic recovery would equate to a surplus of skilled laborers. As a result, it is often stated that mandated apprenticeship utilization may force employers to lay-off of journeymen in order to hire the number of apprentices the law would require.

Moreover, mandated apprenticeship utilization rates could potentially reduce administrative and logistical flexibility, resulting in an overall increase in costs to public works projects. Competition for public works projects may also be reduced because many businesses will not be able to bid on these projects under these apprenticeship requirements. A lack of competitive bidders for public works projects will increase the likelihood of inflated costs to taxpayers.