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July 2008

Apprenticeship Utilization Fact Sheet

Summary

This document was prepared by the Washington Department of Labor and Industries, Office of Apprenticeship in response to requests for information on the topic. This information is intended to address the most frequently asked questions and provide regional resources for those in need of further assistance. While the Department does not play a direct role with regard to Apprenticeship Utilization Requirement (AUR) implementation, we are the registration agency for program sponsors and apprentices in the State.

What are Apprentice Utilization Requirements (AURs)?

Apprenticeship Utilization Requirements (AURs) require a certain percentage of labor hours for a given construction project be performed by Washington State registered and/or approved apprentices.* The first state-wide AUR initiative came through an executive order under the Locke administration in February 2000. Since that time, AURs have become widespread in Washington encompassing cities, counties, private and public development entities, department of transportation and K-12 school construction.

Driving these efforts is a compelling industry need for skilled workers best captured by the following excerpt from the codification of Gov. Locke's executive order in 2005 (RCW 39.04.320):

"A well-trained construction trade's work force is critical to the ability of the state of Washington to construct public works. Studies of the state's work force highlight population trends that, without a concerted effort to offset them, will lead to an inadequate supply of skilled workers in the construction industry. State government regularly constructs public works. The efficient and economical construction of public works projects will be harmed if there is not an ample supply of trained construction workers. Apprenticeship training programs are particularly effective in providing training and experience to individuals seeking to enter or advance in the work force. By providing for apprenticeship utilization on public works projects, state government can create opportunities for training and experience that will help assure that a trained work force will be available in sufficient numbers in the future for the construction of public works."

^{*}The Washington State Apprenticeship and Training Council (WSATC) has a reciprocity agreement with Oregon and Montana. Therefore, bona fide registered apprentices from Oregon and Montana are considered to be "WSATC approved" and are allowed to work on Prevailing Wage projects as registered apprentices in Washington State. Registered apprentices from Idaho were allowed until July 2006, when Idaho was removed from the WSATC reciprocity agreement. Currently Idaho apprentices may not work for reduced or "apprentice" wages in Washington on Public Works projects.

Examples of Apprenticeship Utilization Requirements

Private and public entities are requiring that a specified percentage of labor hours on a given project be performed by Washington State Apprenticeship & Training Council registered and/or approved apprentices. Typically, the percentage requirement is 15% though this may vary.

- Statewide AURs include:
 - State public works estimated to cost one million dollars or more, all specifications shall require that no less than fifteen percent of the labor hours be performed by apprentices.
 - Department of Transportation apprenticeship provision: starting at 10% of the total labor hours on projects estimated to cost \$5 million or more in 2007, 12% on projects estimated at \$3 million or more in 2008, and finally 15% on projects estimated at \$2 million or more in 2009.
 - All school district public works contracts beginning January 1, 2008. The legislation allows for a phase-in of the requirement over a two-year period:

Construction Bid Advertisement Date	Estimated Construction Cost	Apprentice Requirement
January 1, 2008 – December 31, 2008	\$3 M or greater	No less than 10%
January 1, 2009 – December 31, 2009	\$2 M or greater	No less than 12%
January 1, 2010 - Forward	\$1 M or greater	No less than 15%

Additional sponsors of AURs include but are not limited to: Vulcan Construction, Immunix/Hajum, Harbor Properties, Pine Street Associates, City of Seattle, Sound Transit, King County, Thurston County, City of Tacoma, Safeco Field, the Stadium Commission, Chelan County, Port of Seattle, City of Hoquiam, and Port of Wenatchee.

Each sponsoring jurisdiction/entity for an apprenticeship utilization requirement may take a slightly different approach. For specifics regarding a particular AUR, refer back to the project bid specifications or contract documents.

The Easiest Way to Start Training Registered Apprentices

Join an existing program! The easiest way to comply with an AUR is to become what is referred to as a "training agent" employer participating in an existing, approved State Apprenticeship program. This process can be relatively quick but relies solely on the program sponsor and interested business to carry it through. To join an existing program:

- First identify the occupations for which you have the capability and desire to train.
- Use L & I's <u>Apprenticeship Registration and Tracking System (ARTS)</u> to run a "Report" for "<u>Program by County</u>" for the location of the project. In addition to selecting the county, select 'construction and extraction occupations' for the 'SOC Category' (this eliminates other than construction occupations). The resulting report lists apprenticeship program sponsors in alphabetical order by occupation for the county selected.
- Click on "View" for the program you wish to contact.

Website: www.apprenticeship.lni.wa.gov

- Call or email the contact person listed for information on program participation.
 Program Sponsors in the state of Washington must (WAC 296-05-303 [4]):
 - 1. Provide training at a cost equivalent to that incurred by currently participating employers and apprentices;
 - 2. Grant equal treatment and opportunity for all apprentices;
 - 3. Offer reasonable working and training conditions and apply those conditions to all apprentices uniformly and equally:
 - 4. Not require an employer to sign a collective bargaining agreement as a condition of participation in an apprenticeship program;
 - 5. Require all employers requesting 'approved training agent' status to comply with a WSATC approved agreement and all federal and state apprenticeship rules and the appropriate apprenticeship standards. (The training agent shall employ only registered apprentices when training for that occupation or trade);
 - 6. Require sponsors, who approve 'approved training agent' agreements, to furnish the department with a copy of the agreement and/or the list of approved training agents within thirty days of committee approval; and
 - 7. Require sponsors who rescind 'approved training agent' agreements and/or the list of approved training agents to notify the department that they have done so within thirty days of said action."

For any program you may be interested in, study the "Standards of Apprenticeship" document carefully and then sign a "*training agent agreement*" form with the program sponsor. Program sponsors may require fees for participation to cover administrative and training costs.

Responsibilities When Employing Registered Apprentices

Employers that train apprentices are required to follow certain rules:

- Provide paid on-the-job training to the apprentice in the right occupation and setting (e.g., residential vs. commercial)
- Pay the apprentice the right wages (Apprentices are paid a specified percentage of the Journey rate for the occupation. Program sponsors report Journey rates annually to L & I.)
- Monitor ratio of journey level to apprentice workers
- Ensure proper supervision of apprentices
- Employ only registered apprentices and journeymen when training for an occupation

Starting Your Own Apprenticeship Program

For businesses that do not want to join an existing program and have the desire, capacity and resources to start their own program, help is available:

- 1. Contact the regional L & I consultant in your area for assistance.
- 2. Approval process typically takes six months.
- 3. Potential program sponsors must have the will and resources to complete the approval process and then administer and maintain a registered apprenticeship program including but not limited to:
 - a. New apprenticeship standards for Building Trades occupations proposals must be substantially similar (e.g., term, work processes, related training) to any existing standards for the occupation in question.
 - b. Administrative capacity to oversee day to day operations of the apprenticeship program.
 - c. Ability to comply with federal equal employment opportunity guidelines in selection of apprentices (programs with more than 4 apprentices)
 - d. Ability to negotiate with an educational institution to provide or make available a minimum of 144 hours per year of Related Supplemental Instruction (RSI) to the apprentice.

L & I Regional Apprenticeship Consultants

Island County, San Juan County, Skagit County, Snohomish County, Whatcom County Everett Office: 425-290-1321

King County

Seattle Office: 206-515-2842 Tukwila Office: 206-835-1028

Pierce County

Tacoma Office: 360-902-5324 or 253-596-3930

Grays Harbor County, Lewis County, Mason County, Pacific County, Thurston County, Clallam County, Jefferson County, Kitsap County

Tumwater Office: 360-902-5320

Clark County, Cowlitz County, Klickitat County, Skamania County, Wahkiakum County Longview Office: 360-575-6927

Benton County, Chelan County, Columbia County, Douglas County, Franklin County, Grant County, Kittitas County, Okanogan County, Yakima County, Walla Walla County Kennewick Office: 509-735-0119

Adams County, Asotin County, Ferry County, Garfield County, Lincoln County, Pend Oreille County, Stevens County, Spokane County, Whitman County
Spokane Office: 509-324-2590

Website: www.apprenticeship.lni.wa.gov