

AMENDED IN SENATE AUGUST 4, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1870**

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**Introduced by Assembly Member Alejo**

February 19, 2014

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An act to amend Section 1777.5 of the Labor Code, relating to public works.

LEGISLATIVE COUNSEL'S DIGEST

AB 1870, as amended, Alejo. Public works: prevailing wage: multiemployer apprenticeship program grants.

Existing law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Under existing law, an apprentice employed upon public works is required to be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and to be employed only at the work of the craft or trade to which he or she is registered, as specified.

Under existing law a contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade is required to contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. Existing law requires the California Apprenticeship Council to distribute the training contributions by making a grant to an approved multiemployer apprenticeship program serving the same craft or trade and geographical area for which the training contributions were made to the council, for

the purpose of training apprentices. Under existing law, if there are 2 or more approved multiemployer apprenticeship programs serving the same craft or trade and geographical area for which the training contributions were made to the council, the grant is required to be divided among all those programs based on the number of apprentices registered in each program.

This bill would, if there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and ~~geographical area~~ *county* for which the training contributions were made to the council, require the grant to be divided among ~~all the approved multiemployer apprenticeship programs serving the same craft or trade in California~~ *those programs* based on the number of apprentices *from that county* registered in each program.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 1777.5 of the Labor Code is amended to
- 2 read:
- 3 1777.5. (a) Nothing in this chapter shall prevent the
- 4 employment of properly registered apprentices upon public works.
- 5 (b) Every apprentice employed upon public works shall be paid
- 6 the prevailing rate of per diem wages for apprentices in the trade
- 7 to which he or she is registered and shall be employed only at the
- 8 work of the craft or trade to which he or she is registered.
- 9 (c) Only apprentices, as defined in Section 3077, who are in
- 10 training under apprenticeship standards that have been approved
- 11 by the Chief of the Division of Apprenticeship Standards and who
- 12 are parties to written apprentice agreements under Chapter 4
- 13 (commencing with Section 3070) of Division 3 are eligible to be
- 14 employed at the apprentice wage rate on public works. The
- 15 employment and training of each apprentice shall be in accordance
- 16 with either of the following:
- 17 (1) The apprenticeship standards and apprentice agreements
- 18 under which he or she is training.
- 19 (2) The rules and regulations of the California Apprenticeship
- 20 Council.
- 21 (d) When the contractor to whom the contract is awarded by
- 22 the state or any political subdivision, in performing any of the

1 work under the contract, employs workers in any apprenticeable  
2 craft or trade, the contractor shall employ apprentices in at least  
3 the ratio set forth in this section and may apply to any  
4 apprenticeship program in the craft or trade that can provide  
5 apprentices to the site of the public work for a certificate approving  
6 the contractor under the apprenticeship standards for the  
7 employment and training of apprentices in the area or industry  
8 affected. However, the decision of the apprenticeship program to  
9 approve or deny a certificate shall be subject to review by the  
10 Administrator of Apprenticeship. The apprenticeship program or  
11 programs, upon approving the contractor, shall arrange for the  
12 dispatch of apprentices to the contractor. A contractor covered by  
13 an apprenticeship program's standards shall not be required to  
14 submit any additional application in order to include additional  
15 public works contracts under that program. "Apprenticeable craft  
16 or trade," as used in this section, means a craft or trade determined  
17 as an apprenticeable occupation in accordance with rules and  
18 regulations prescribed by the California Apprenticeship Council.  
19 As used in this section, "contractor" includes any subcontractor  
20 under a contractor who performs any public works not excluded  
21 by subdivision (o).

22 (e) Prior to commencing work on a contract for public works,  
23 every contractor shall submit contract award information to an  
24 applicable apprenticeship program that can supply apprentices to  
25 the site of the public work. The information submitted shall include  
26 an estimate of journeyman hours to be performed under the  
27 contract, the number of apprentices proposed to be employed, and  
28 the approximate dates the apprentices would be employed. A copy  
29 of this information shall also be submitted to the awarding body  
30 if requested by the awarding body. Within 60 days after concluding  
31 work on the contract, each contractor and subcontractor shall  
32 submit to the awarding body, if requested, and to the apprenticeship  
33 program a verified statement of the journeyman and apprentice  
34 hours performed on the contract. The information under this  
35 subdivision shall be public. The apprenticeship programs shall  
36 retain this information for 12 months.

37 (f) The apprenticeship program that can supply apprentices to  
38 the area of the site of the public work shall ensure equal  
39 employment and affirmative action in apprenticeship for women  
40 and minorities.

1 (g) The ratio of work performed by apprentices to journeymen  
2 employed in a particular craft or trade on the public work may be  
3 no higher than the ratio stipulated in the apprenticeship standards  
4 under which the apprenticeship program operates where the  
5 contractor agrees to be bound by those standards, but, except as  
6 otherwise provided in this section, in no case shall the ratio be less  
7 than one hour of apprentice work for every five hours of  
8 journeyman work.

9 (h) This ratio of apprentice work to journeyman work shall  
10 apply during any day or portion of a day when any journeyman is  
11 employed at the jobsite and shall be computed on the basis of the  
12 hours worked during the day by journeymen so employed. Any  
13 work performed by a journeyman in excess of eight hours per day  
14 or 40 hours per week shall not be used to calculate the ratio. The  
15 contractor shall employ apprentices for the number of hours  
16 computed as above before the end of the contract or, in the case  
17 of a subcontractor, before the end of the subcontract. However,  
18 the contractor shall endeavor, to the greatest extent possible, to  
19 employ apprentices during the same time period that the  
20 journeymen in the same craft or trade are employed at the jobsite.  
21 Where an hourly apprenticeship ratio is not feasible for a particular  
22 craft or trade, the Administrator of Apprenticeship, upon  
23 application of an apprenticeship program, may order a minimum  
24 ratio of not less than one apprentice for each five journeymen in  
25 a craft or trade classification.

26 (i) A contractor covered by this section ~~that~~ *who* has agreed to  
27 be covered by an apprenticeship program's standards upon the  
28 issuance of the approval certificate, or ~~that~~ *who* has been previously  
29 approved for an apprenticeship program in the craft or trade, shall  
30 employ the number of apprentices or the ratio of apprentices to  
31 journeymen stipulated in the applicable apprenticeship standards,  
32 but in no event less than the ~~1-to-5~~ *1 to 5* ratio required by  
33 subdivision (g).

34 (j) Upon proper showing by a contractor that he or she employs  
35 apprentices in a particular craft or trade in the state on all of his  
36 or her contracts on an annual average of not less than one hour of  
37 apprentice work for every five hours of labor performed by  
38 journeymen, the Administrator of Apprenticeship may grant a  
39 certificate exempting the contractor from the ~~1-to-5~~ *1 to 5* hourly  
40 ratio, as set forth in this section for that craft or trade.

1 (k) An apprenticeship program has the discretion to grant to a  
2 participating contractor or contractor association a certificate,  
3 which shall be subject to the approval of the Administrator of  
4 Apprenticeship, exempting the contractor from the ~~1 to 5~~ 1 to 5  
5 ratio set forth in this section when it finds that any one of the  
6 following conditions is met:

7 (1) Unemployment for the previous three-month period in the  
8 area exceeds an average of 15 percent.

9 (2) The number of apprentices in training in the area exceeds a  
10 ratio of 1 to 5.

11 (3) There is a showing that the apprenticeable craft or trade is  
12 replacing at least one-thirtieth of its journeymen annually through  
13 apprenticeship training, either on a statewide basis or on a local  
14 basis.

15 (4) Assignment of an apprentice to any work performed under  
16 a public works contract would create a condition that would  
17 jeopardize his or her life or the life, safety, or property of fellow  
18 employees or the public at large, or the specific task to which the  
19 apprentice is to be assigned is of a nature that training cannot be  
20 provided by a journeyman.

21 (l) When an exemption is granted pursuant to subdivision (k)  
22 to an organization that represents contractors in a specific trade  
23 from the ~~1 to 5~~ 1 to 5 ratio on a local or statewide basis, the  
24 member contractors shall not be required to submit individual  
25 applications for approval to local joint apprenticeship committees,  
26 if they are already covered by the local apprenticeship standards.

27 (m) (1) A contractor to whom a contract is awarded, who, in  
28 performing any of the work under the contract, employs  
29 journeymen or apprentices in any apprenticeable craft or trade  
30 shall contribute to the California Apprenticeship Council the same  
31 amount that the director determines is the prevailing amount of  
32 apprenticeship training contributions in the area of the public works  
33 site. A contractor may take as a credit for payments to the council  
34 any amounts paid by the contractor to an approved apprenticeship  
35 program that can supply apprentices to the site of the public works  
36 project. The contractor may add the amount of the contributions  
37 in computing his or her bid for the contract.

38 (2) At the conclusion of the 2002–03 fiscal year and each fiscal  
39 year thereafter, the California Apprenticeship Council shall  
40 distribute training contributions received by the council under this

1 subdivision, less the expenses of the Department of Industrial  
2 Relations for administering this subdivision, by making grants to  
3 approved apprenticeship programs for the purpose of training  
4 apprentices. The funds shall be distributed as follows:

5 (A) If there is an approved multiemployer apprenticeship  
6 program serving the same craft or trade and geographic area for  
7 which the training contributions were made to the council, a grant  
8 to that program shall be made.

9 (B) If there are two or more approved multiemployer  
10 apprenticeship programs serving the same craft or trade and  
11 ~~geographic area~~ *county* for which the training contributions were  
12 made to the council, the grant shall be divided among ~~all the~~  
13 ~~approved multiemployer apprenticeship programs serving the same~~  
14 ~~craft or trade in California~~ *those programs* based on the number  
15 of apprentices *from that county* registered in each program.

16 (C) All training contributions not distributed under  
17 subparagraphs (A) and (B) shall be used to defray the future  
18 expenses of the Department of Industrial Relations for the  
19 administration and enforcement of apprenticeship standards and  
20 requirements under this code.

21 (3) All training contributions received pursuant to this  
22 subdivision shall be deposited in the Apprenticeship Training  
23 Contribution Fund, which is hereby created in the State Treasury.  
24 Upon appropriation by the Legislature, all moneys in the  
25 Apprenticeship Training Contribution Fund shall be used for the  
26 purpose of carrying out this subdivision and to pay the expenses  
27 of the Department of Industrial Relations.

28 (n) The body awarding the contract shall cause to be inserted  
29 in the contract stipulations to effectuate this section. The  
30 stipulations shall fix the responsibility of compliance with this  
31 section for all apprenticeable occupations with the prime contractor.

32 (o) This section does not apply to contracts of general  
33 contractors or to contracts of specialty contractors not bidding for  
34 work through a general or prime contractor when the contracts of  
35 general contractors or those specialty contractors involve less than  
36 thirty thousand dollars (\$30,000).

37 (p) An awarding body that implements an approved labor  
38 compliance program in accordance with subdivision (b) of Section  
39 1771.5 may, with the approval of the director, assist in the

- 1 enforcement of this section under the terms and conditions
- 2 prescribed by the director.

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