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**AB-235 Apprenticeship and preapprenticeship.** (2017-2018)

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Date Published: 09/24/2018 09:00 PM

**Assembly Bill No. 235**

**CHAPTER 704**

An act to amend Sections 8151, 45263, 51766, 79140, 79144, 79146, 79148, 79149, 79149.2, 81703, 88083, and 88600 of, and to amend the heading of Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of, the Education Code, to amend Section 12813 of, and to repeal Section 6531 of, the Government Code, to amend Section 25536.7 of the Health and Safety Code, and to amend Sections 1777.5, 2699.5, 3070, 3071, 3073, 3073.1, 3073.3, 3073.5, 3074, 3075, 3076, 3076.3, 3077, 3078, 3079, 3080, 3081, 3082, 3083, 3084, 3085, 3086, 3089, and 3093 of, to amend the heading of Chapter 4 (commencing with Section 3070) of Division 3 of, to add Sections 3071.5, 3073.6, 3073.7, 3078.5, 3080.5, and 3100 to, to add the heading of Article 1 (commencing with Section 3070), the heading of Article 2 (commencing with Section 3075), the heading of Article 3 (commencing with Section 3093), and the heading of Article 4 (commencing with Section 3100) to Chapter 4 of Division 3 of, and to repeal Sections 3095, 3097, and 3098 of, the Labor Code, relating to apprenticeship, and declaring the urgency thereof, to take effect immediately.

[ Approved by Governor September 22, 2018. Filed with Secretary of State September 22, 2018. ]

**LEGISLATIVE COUNSEL'S DIGEST**

AB 235, O'Donnell. Apprenticeship and preapprenticeship.

(1) Existing law provides for apprenticeship programs within the Division of Apprenticeship Standards within the Department of Industrial Relations, sponsored by specific entities and employers, and requires the Chief of the Division of Apprenticeship Standards to perform various functions with respect to apprenticeship programs and the welfare of apprentices.

Existing law also establishes the California Apprenticeship Council within the Division of Apprenticeship Standards (division), and requires the council to aid the Director of Industrial Relations (director) in formulating policies with respect to apprentice regulation. Existing law requires the membership of the council to be composed of specified persons, and requires the council to meet at the call of the director. Existing law authorizes the council to issue rules and regulations to establish apprenticeship standards. Existing law provides that any person who willfully discriminates in any recruitment or apprenticeship program, as specified, is guilty of a misdemeanor.

The bill would establish the Interagency Advisory Committee on Apprenticeship (committee) within the division, and would require that committee to provide advice and guidance to the Administrator of Apprenticeship and the chief on apprenticeship programs, standards, and agreements, as well as preapprenticeship, certification, and on-the-job training and retraining programs, in nonbuilding trades industries. The bill would require the membership of the committee to be composed of specified ex officio members of various departments and 6 persons appointed by the Secretary of Labor and Workforce Development who are familiar with specified apprenticeable occupations that meet specified requirements. The bill would require the Secretary of Labor



and Workforce Development to designate a chair of the committee, and would establish rules and procedures for meetings of the committee.

The bill would revise the provisions relating to the California Apprenticeship Council (council) by increasing the membership of the council to include the Chairperson of the California Firefighter Joint Apprenticeship Committee, and removing the requirement that the council meet at the call of the director and aid the director in the formulation of policies with respect to apprentice regulation. The bill would specifically remove the authority of the council over apprenticeship programs in nonbuilding and nonfirefighter trades and would transfer that authority to the chief, but would continue to authorize the council to issue rules and regulations that establish standards for apprenticeship agreements in the building and construction trades and for firefighter occupations, subject to certain standards. The bill would authorize the chief, in consultation with the committee, to issue rules and regulations that establish minimum wages, maximum hours, and working conditions for apprenticeship agreements in nonbuilding and nonfirefighter trades subject to certain standards, and would provide that specified regulations remain in effect until new regulations are issued by the chief.

This bill would require the division, by January 1, 2019, to establish a preapprenticeship program for the purpose of establishing eligibility for any state programs, and would establish standards and procedures for the approval of a preapprenticeship program, such as requiring the program to include specified elements.

This bill would modify a process whereby decisions of the chief and the council relating to apprenticeship programs are posted, can be appealed, and become final. The bill would also establish standards governing how the term of apprenticeship may be measured.

The bill would also revise and reorganize provisions relating to apprenticeship programs, and would make conforming changes in various codes.

This bill would expand the scope of an existing crime with respect to willful violations of provisions of the law related to discrimination in apprenticeship and preapprenticeship programs, and would thereby impose a state-mandated local program.

(2) Existing law authorizes the Board of Governors of the California Community Colleges, to the extent that funds are available, to establish certain internship training programs and to actively support apprenticeship training programs in collaboration with the Division of Apprenticeship Standards of the Department of Industrial Relations. Existing law requires the Chancellor of the California Community Colleges to allocate funds for approved apprenticeship programs in good standing and, upon appropriation by the Legislature, to allocate funds solely for the purposes of reimbursing community colleges.

The bill would revise those provisions to include approved preapprenticeship training programs and the development of approved preapprenticeship training demonstration projects. This bill would require that any funding allocated pursuant to those provisions be exclusively used for approved apprenticeship training programs, and would prohibit those funds to be used for the purposes of preapprenticeship.

(3) Existing law requires the Chief of the Division of Apprenticeship Standards and the California Apprenticeship Council to report annually through the Director of Industrial Relations on the activities of the division and the council, and further requires that the report include specified information with respect to apprenticeship programs in this state.

This bill would require the chief to include within that annual report specified information related to apprenticeship programs that were allocated funds by the Chancellor of the California Community Colleges in accordance with the process described above.

(4) Existing law authorizes specific governmental entities in San Diego to enter into a joint powers agreement to create and operate a joint powers agency known as the San Diego Model School Development Agency for the development and construction of a specified model school project. Existing law requires construction workers employed as apprentices by contractors and subcontractors on contracts awarded by the agency to be enrolled in a registered apprenticeship program, approved by the council, that has graduated apprentices in the same craft in each of the preceding five years.

This bill would delete these joint powers agency provisions.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

(6) This bill would incorporate additional changes to Section 3073.5 of the Labor Code proposed by AB 3231 to be operative only if this bill and AB 3231 are enacted and this bill is enacted last.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3 Appropriation: no Fiscal Committee: yes Local Program: yes

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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 8151 of the Education Code is amended to read:

**8151.** An apprentice or preapprentice attending a local educational agency in classes of instruction pursuant to approved standards, as provided under Section 3074 of the Labor Code and in accordance with the requirements of subdivision (d) of Section 3078 of the Labor Code, or as authorized under Section 3100 of the Labor Code, shall be exempt from the requirements of any interdistrict attendance agreement for those classes.

**SEC. 2.** Section 45263 of the Education Code is amended to read:

**45263.** The commission may classify as apprentice positions certain positions where the principal requirement is that of learning to perform efficiently, by study and practice, specific duties concerning which a definite plan of systematic instruction and special supervision has been approved by the California Apprenticeship Council for a designated trade in the building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other designated trades.

The apprenticeship training plan adopted by the governing board of the school district must be approved by the California Apprenticeship Council for building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other trades.

No assignment to any position classified as an apprentice position shall be allowed to continue beyond the predetermined apprenticeship period approved by the California Apprenticeship Council for the designated trade, except that the school district's joint apprenticeship committee may approve retention of an employee as an apprentice up to six months beyond the predetermined apprentice period.

Selection of eligibles shall be made in accordance with their position on employment lists established by competitive or qualifying examinations.

The provisions of Section 45134 shall be applicable to apprentice positions, provided that relative age may be considered as a factor in the ranking of candidates for apprentice positions.

Credit for prior training in a regularly indentured apprenticeship program shall be given to qualified candidates.

In all cases of apprenticeship probationary periods, the standards of duration and qualifications shall be fixed by the commission insofar as they do not exceed the maximum standards set up by the California Apprenticeship Council for building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other trades. Termination for cause may be prescribed for any apprentice who fails to attain the predetermined standards of apprenticeship or for causes as prescribed by the rules of the commission.

The commission shall recommend to the governing board a graduated scale of compensation rates for the various levels of apprentices, taking into consideration the percentage relationship to the districts' journeyman wage of the trade as provided in the statement of policies of the California Apprenticeship Council for building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other trades.

The commission may determine that promotional examinations shall be held for entrance into various levels of apprentice positions and entrance into journeyman positions in a skilled trade.

**SEC. 3.** Section 51766 of the Education Code is amended to read:

**51766.** Work experience education involving apprenticeable occupations shall be consistent with the purposes of Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code and with standards established by the California Apprenticeship Council for programs in the building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other programs.

**SEC. 4.** The heading of Article 3 (commencing with Section 79140) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code is amended to read:

**Article 3. Industry, Internship, Apprenticeship, and Preapprenticeship Programs**

**SEC. 5.** Section 79140 of the Education Code is amended to read:

**79140.** The Legislature hereby finds and declares as follows:



(a) A consensus exists among employment training professionals, economists, and industry experts concerning the serious mismatch that has developed between labor force skills and the needs of employers.

(b) Workplace skills training is most effective within a real workplace environment.

(c) Private sector industry internship, apprenticeship, and preapprenticeship models successfully focus employment training on a specific job or set of skills, thereby meeting the precise needs of the labor market.

(d) Many high-growth industries, such as new media and biotechnology, are particularly suited to worksite-based learning because skills required by those industries involve the use of costly equipment and require continual upgrading.

**SEC. 6.** Section 79144 of the Education Code is amended to read:

**79144.** For the purposes of this article, the following definitions shall apply:

(a) "Apprenticeship program standards" means the written document containing, among other things, all the terms and conditions for the qualification, recruitment, selection, employment and training, working conditions, wages, employee benefits, and other compensation for apprentices and all other provisions and statements, including attachments, as required by the Labor Code and by Chapter 2 (commencing with Section 200) of Division 1 of Title 8 of the California Code of Regulations, which, when approved by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations, shall constitute registration of these standards and authority to conduct that program of apprenticeship in this state.

(b) "Apprenticeship training program" means a comprehensive plan containing, among other things, apprenticeship program standards, program regulations, related and supplemental instruction course outlines, and policy statements for the effective administration of that apprenticeship training program, in accordance with Chapter 2 (commencing with Section 200) of Division 1 of Title 8 of the California Code of Regulations.

(c) "Internship training program" means a planned series of educational training activities, paid or unpaid, in a specific or general occupational field.

(d) "Preapprenticeship program" means a structured plan of training and studies based on industry standards that is designed to prepare individuals with the skills and competencies needed to enter an apprenticeship training program that has been approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code.

**SEC. 7.** Section 79146 of the Education Code is amended to read:

**79146.** (a) To the extent sufficient resources exist, the board of governors may establish internship training programs and actively support apprenticeship and preapprenticeship training programs in collaboration with the Division of Apprenticeship Standards of the Department of Industrial Relations. The board of governors may establish internship training programs pursuant to this section for only those occupations not covered by an apprenticeship training program approved by the Division of Apprenticeship Standards of the Department of Industrial Relations before January 1, 1998.

(b) Funding allocated pursuant to Sections 79149, 79149.1, and 79149.3 shall exclusively be used for approved apprenticeship training programs and shall not be allocated for the purposes of preapprenticeship.

**SEC. 8.** Section 79148 of the Education Code is amended to read:

**79148.** To the extent that sufficient federal funds and other resources are available, the Division of Apprenticeship Standards of the Department of Industrial Relations, in partnership with the California Community Colleges Chancellor's Office, shall develop and implement innovative apprenticeship and preapprenticeship training demonstration projects in high-growth industries in emerging and transitioning occupations that meet local labor market needs and that are validated by current labor market data.

**SEC. 9.** Section 79149 of the Education Code is amended to read:

**79149.** (a) The Chancellor of the California Community Colleges shall be responsible for allocating funds for apprenticeship and preapprenticeship programs in good standing and approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code for the community colleges.

(b) Upon appropriation by the Legislature, the Chancellor of the California Community Colleges shall allocate funds solely for the purposes of reimbursing community colleges pursuant to Section 79149.3.

**SEC. 10.** Section 79149.2 of the Education Code is amended to read:



**79149.2.** (a) An apprentice or preapprentice attending community college in classes of instruction pursuant to approved standards as provided pursuant to Section 3074 of the Labor Code and in accordance with subdivision (d) of Section 3078 of the Labor Code or as authorized under Section 3100 of the Labor Code, shall be exempt from the requirements of any interdistrict attendance agreement for those classes.

(b) A community college shall be exempt from Section 55301 of Title 5 of the California Code of Regulations when establishing an apprenticeship course or program outside the territory of its community college district for nonresidents of that district when the participants in the class are indentured apprentices and the apprenticeship course or program is approved by the Division of Apprenticeship Standards of the Department of Industrial Relations.

**SEC. 11.** Section 81703 of the Education Code is amended to read:

**81703.** Design-build projects shall progress as follows:

(a) (1) The community college district governing board shall prepare a request for proposal setting forth the scope of the project that may include, but is not limited to, the size, type, and desired design character of the buildings and site, performance specifications covering the quality of materials, equipment, and workmanship, preliminary plans or building layouts, or any other information deemed necessary to describe adequately the community college district's needs. The performance specifications and any plans shall be prepared by a design professional duly licensed or registered in this state to perform the services required by the Field Act, as defined in Section 17281. The request for proposal shall not include a design-build-operate contract for educational facilities pursuant to this chapter.

(2) Each request for proposal shall do all of the following:

(A) Identify the basic scope and needs of the project or contract, the expected cost range, and other information deemed necessary by the community college district to inform interested parties of the contracting opportunity.

(B) Invite interested parties to submit competitive sealed proposals in the manner prescribed by the community college district.

(C) Include a section identifying and describing the following:

(i) All significant factors and subfactors that the community college district reasonably expects to consider in evaluating proposals, including cost or price and all nonprice related factors and subfactors.

(ii) The methodology and rating or weighting scheme that will be used by the community college district governing board in evaluating competitive proposals and specifically whether proposals will be rated according to numeric or qualitative values.

(iii) The relative importance or weight assigned to each of the factors identified in the request for proposal.

(iv) As an alternative to clause (iii), the governing board of a community college district shall specifically disclose whether all evaluation factors other than cost or price, when combined, are any of the following:

(I) Significantly more important than cost or price.

(II) Approximately equal in importance to cost or price.

(III) Significantly less important than cost or price.

(v) If the community college district governing board wishes to reserve the right to hold discussions or negotiations with responsive bidders, it shall so specify in the request for proposal and shall publish separately or incorporate into the request for proposal applicable rules and procedures to be observed by the community college district to ensure that any discussions or negotiations are conducted in a fair and impartial manner.

(3) Notwithstanding Section 4-315 of Title 24 of the California Code of Regulations, an architect or structural engineer who is party to a design-build entity may perform the services set forth in Section 81138.

(b) The community college district shall establish a procedure to prequalify design-build entities based on the requirements specified in subdivision (b) of Section 17250.25.

(c) The community college district shall establish a procedure for final selection of the design-build entity. Selection shall be based on either of the following criteria:

(1) A competitive bidding process resulting in lump-sum bids by the prequalified design-build entities. Award shall be made on the basis of the lowest responsible bid.



(2) Notwithstanding any other provision of this code or of Section 20650 of the Public Contract Code, a community college district may use a design-build competition based upon performance and other criteria set forth by the governing board of the community college district in the solicitation of proposals. Criteria used in this evaluation of proposals may include, but need not be limited to, the proposed design approach, life cycle costs, project features, and project functions. However, competitive proposals shall be evaluated by using the criteria and source selection procedures specifically identified in the request for proposal. Once the evaluation is complete, all responsive bidders shall be ranked from the most advantageous to least advantageous to the community college district. A community college district that limits the number of responsible bidders participating in the design-build competition, at any time after a request for a proposal has been issued, shall use the source selection procedures and minimum factors set forth in subparagraph (C).

(A) An architectural firm, engineering firm, construction manager, contractor, subcontractor, consultant, or individual retained by the governing board of the community college district directly or indirectly before the award of the project to assist in the planning of the project, including, but not necessarily limited to, the development criteria or preparation of the request for proposal, shall not be eligible to participate in the competition with the design-build entity or to perform work on the project as a subcontractor.

(B) The award of the contract shall be made to the responsible bidder whose proposal is determined, in writing by the community college district, to be the best value to the community college district.

(C) Proposals shall be evaluated and scored solely on the basis of the factors and source selection procedures identified in the request for proposal. However, the following minimum factors shall each represent at least 10 percent of the total weight or consideration given to all criteria factors: price, technical expertise, life cycle costs over 15 years or more, skilled labor force availability, and acceptable safety record.

(D) The community college district governing board shall issue a written decision supporting its contract award and stating in detail the basis of the award. The decision and the contract file must be sufficient to satisfy an external audit.

(E) Notwithstanding any provision of the Public Contract Code, upon issuance of a contract award, the community college district governing board shall publicly announce its awards identifying the contractor to whom the award is made, the winning contractor's price proposal and its overall combined rating on the request for proposal evaluation factors. The notice of award shall also include the agency's ranking in relation to all other responsive bidders and their respective price proposals and a summary of the community college district's rationale for the contract award.

(F) For purposes of this chapter, "skilled labor force availability" means that an agreement exists with a registered apprenticeship program that has been approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code and has graduated apprentices in each of the immediately preceding five years. This graduation requirement shall not apply to programs providing apprenticeship training for any craft that has not been deemed by the Department of Labor and the Department of Industrial Relations to be an apprenticeable craft in the five years before enactment of the act adding this section.

(G) For purposes of this chapter, a bidder's "safety record" shall be deemed "acceptable" if its experience modification rate for the most recent three-year period is an average of 1.00 or less, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period does not exceed the applicable statistical standards for its business category, or if the bidder is a party to an alternative dispute resolution system as provided for in Section 3201.5 of the Labor Code.

(H) For purposes of this chapter, when a community college district determines a design-build entity's "experience," the community college district shall give credit only to design-build experience and to California school design and construction experience.

**SEC. 12.** Section 88083 of the Education Code is amended to read:

**88083.** The commission may classify as apprentice positions certain positions where the principal requirement is that of learning to perform efficiently, by study and practice, specific duties concerning which a definite plan of systematic instruction and special supervision has been approved pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code for the designated trade.

The apprenticeship training plan adopted by the governing board of the community college district shall be approved by the California Apprenticeship Council for building and construction trades or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other trades.

No assignment to any position classified as an apprentice position shall be allowed to continue beyond the predetermined apprenticeship period approved by the California Apprenticeship Council for building and construction trades and for firefighters or



by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other trades, except that the community college district's joint apprenticeship committee may approve retention of an employee as an apprentice up to six months beyond the predetermined apprentice period.

The selection of eligible persons shall be made in accordance with their position on employment lists established by competitive or qualifying examinations.

Section 88033 shall be applicable to apprentice positions. However, relative age may be considered as a factor in the ranking of candidates for apprentice positions.

Credit for prior training in a regularly indentured apprenticeship program shall be given to qualified candidates.

In all cases of apprenticeship probationary periods, the standards of duration and qualifications shall be fixed by the commission insofar as they do not exceed the maximum standards set up by the California Apprenticeship Council for building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other trades. Termination for cause may be prescribed for any apprentice who fails to attain the predetermined standards of apprenticeship or for causes as prescribed by the rules of the commission.

The commission shall recommend to the governing board a graduated scale of compensation rates for the various levels of apprentices, taking into consideration the percentage relationship to the districts' journeyman wage of the trade as provided in the statement of policies of the California Apprenticeship Council.

The commission may determine that promotional examinations shall be held for entrance into various levels of apprentice positions and entrance into journeyman positions in a skilled trade.

**SEC. 13.** Section 88600 of the Education Code is amended to read:

**88600.** (a) The economic and workforce development program shall operate according to all of the following principles:

- (1) The program shall be responsive to the needs of employers, workers, and students.
- (2) The program shall collaborate with other public institutions, aligning resources to foster cooperation across workforce education and service delivery systems, and building well-articulated career pathways.
- (3) Program decisions shall be data driven and evidence based, investing resources and adopting practices on the basis of what works.
- (4) The program shall develop strong partnerships with the private sector, ensuring industry involvement in needs assessment, planning, and program evaluation.
- (5) The program shall be outcome oriented and accountable, measuring results for program participants, including students, employers, and workers.
- (6) The program shall be accessible to employers, workers, and students who may benefit from its operation.
- (7) The program shall provide guidance to local educational agencies on the allocation and oversight of apprenticeship training funds, consistent with the rules set by the California Apprenticeship Council for building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations for other trades.

(b) The mission of the economic and workforce development program is to do all of the following:

- (1) To advance California's economic growth and global competitiveness through education, training, and services that contribute to continuous workforce improvement.
- (2) To advance California's economic and jobs recovery and sustain economic growth through labor market-aligned education workforce training services, and sector strategies focusing on continuous workforce improvement, technology deployment, and business development, to meet the needs of California's competitive and emerging industry sectors and industry clusters.
- (3) To use labor market information to advise the chancellor's office and regional community college bodies on the workforce needs of California's competitive and emerging industry sectors and industry clusters, in accordance with both of the following:
  - (A) To the extent possible, the economic and workforce development program shall work with, share information with, and consider the labor market analyses produced by, the Employment Development Department's Labor Market Information Division and the California Workforce Development Board.



(B) The economic and workforce development program may also use its own resources to bolster and refine these labor market and industry sector and industry cluster analyses to fulfill its mission.

(4) To provide technical assistance and logistical, technical, and communications infrastructure support that engenders alignment between the career technical education programs of the community college system and the needs of California's competitive and emerging industry sectors and industry clusters.

(5) To collaborate and coordinate investment with other state, regional, or local agencies involved in education and workforce training in California, including, but not necessarily limited to, the California Workforce Development Board, local workforce investment boards, the Employment Training Panel, the State Department of Education, and the Employment Development Department.

(6) To identify, acquire, and leverage community college and other financial and in-kind public and private resources to support economic and workforce development and the career technical education programs of the state's community colleges.

(7) To work with representatives of business, labor, and professional trade associations to explore and develop alternatives for assisting incumbent workers in the state's competitive and emerging industry sectors. A key objective is to enable incumbent workers to become more competitive in their region's labor market, increase competency, and identify career pathways to economic self-sufficiency, economic security, and lifelong access to good-paying jobs.

**SEC. 14.** Section 6531 of the Government Code is repealed.

**SEC. 15.** Section 12813 of the Government Code is amended to read:

**12813.** The Labor and Workforce Development Agency consists of the following:

(a) Office of the Secretary of Labor and Workforce Development.

(b) Agricultural Labor Relations Board.

(c) California Workforce Development Board.

(d) Department of Industrial Relations, including the California Apprenticeship Council, California Occupational Safety and Health Appeals Board, California Occupational Safety and Health Standards Board, Commission on Health and Safety and Workers' Compensation, Industrial Welfare Commission, Interagency Advisory Committee on Apprenticeship, State Compensation Insurance Fund, and Workers' Compensation Appeals Board.

(e) Employment Development Department, including the California Unemployment Insurance Appeals Board, and the Employment Training Panel.

**SEC. 16.** Section 25536.7 of the Health and Safety Code is amended to read:

**25536.7.** (a) (1) An owner or operator of a stationary source that is engaged in activities described in Code 324110 or 325110 of the North American Industry Classification System (NAICS), as that code read on January 1, 2014, and with one or more covered processes that is required to prepare and submit an RMP pursuant to this article, when contracting for the performance of construction, alteration, demolition, installation, repair, or maintenance work at the stationary source, shall require that its contractors and any subcontractors use a skilled and trained workforce to perform all onsite work within an apprenticeable occupation in the building and construction trades. This section shall not apply to oil and gas extraction operations.

(2) The Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations may approve a curriculum of in-person classroom and laboratory instruction for approved advanced safety training for workers at high hazard facilities. That safety training may be provided by an apprenticeship program approved by the chief or by instruction provided by the Chancellor of the California Community Colleges. The chief shall approve a curriculum in accordance with this paragraph by January 1, 2016, and shall periodically revise the curriculum to reflect current best practices. Upon receipt of certification from the apprenticeship program or community college, the chief shall issue a certificate to a worker who completes the approved curriculum.

(3) For purposes of paragraph (2) of subdivision (b) of Section 3075 of the Labor Code, a stationary source covered by this section shall be considered in determining whether existing apprenticeship programs do not have the capacity, or have neglected or refused, to dispatch sufficient apprentices to qualified employers who are willing to abide by the applicable apprenticeship standards.

(4) This section shall not apply to contracts awarded before January 1, 2014, unless the contract is extended or renewed after that date.



(5) (A) This section shall not apply to the employees of the owner or operator of the stationary source or prevent the owner or operator of the stationary source from using its own employees to perform any work that has not been assigned to contractors while the employees of the contractor are present and working.

(B) An apprenticeship program approved by the chief may enroll, with advanced standing, applicants with relevant prior work experience at a stationary source that is subject to this section, in accordance with the approved apprenticeship standards of the program.

(6) The criteria of subparagraph (A) of paragraph (10) of subdivision (b), subparagraph (C) of paragraph (10) of subdivision (b), and subparagraph (B) of paragraph (11) of subdivision (b) shall not apply to either of the following:

(A) To the extent that the contractor has requested qualified workers from the local hiring halls that dispatch workers in the apprenticeable occupation and, due to workforce shortages, the contractor is unable to obtain sufficient qualified workers within 48 hours of the request, Saturdays, Sundays, and holidays excepted. This section shall not prevent contractors from obtaining workers from any source.

(B) To the extent that compliance is impracticable because an emergency requires immediate action to prevent harm to public health or safety or to the environment, but the criteria shall apply as soon as the emergency is over or it becomes practicable for contractors to obtain a qualified workforce.

(7) The requirement specified in paragraph (1) for a skilled and trained workforce, as defined in paragraph (11) of subdivision (b), shall apply to each individual contractor's and subcontractor's onsite workforce.

(8) This section does not make the construction, alteration, demolition, installation, repair, or maintenance work at a stationary source that is subject to this section a public work, within the meaning of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code. This section does not preclude the use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(b) As used in this section:

(1) "Apprenticeable occupation" means an occupation for which the chief has approved an apprenticeship program pursuant to Section 3075 of the Labor Code.

(2) "Approved advanced safety training for workers at high hazard facilities" means a curriculum approved by the chief pursuant to paragraph (2) of subdivision (a).

(3) "Building and construction trades" has the same meaning as in Section 3075.5 of the Labor Code.

(4) "Chief" means the Chief of the Division of the Apprenticeship Standards of the Department of Industrial Relations.

(5) "Construction," "alteration," "demolition," "installation," "repair," and "maintenance" have the same meanings as in Sections 1720 and 1771 of the Labor Code.

(6) "Graduate of an apprenticeship program" means either of the following:

(A) An individual that has been issued a certificate of completion under the authority of the California Apprenticeship Council or the chief for completing an apprenticeship program approved by the chief pursuant to Section 3075 of the Labor Code.

(B) An individual that has completed an apprenticeship program located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.

(7) "Onsite work" shall not include catalyst handling and loading, chemical cleaning, or inspection and testing that was not within the scope of a prevailing wage determination issued by the Director of Industrial Relations as of January 1, 2013.

(8) "Prevailing hourly wage rate" means the general prevailing rate of per diem wages, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, but does not include shift differentials, travel and subsistence, or holiday pay. Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker.

(9) "Registered apprentice" means an apprentice registered in an apprenticeship program approved by the chief pursuant to Section 3075 of the Labor Code who is performing work covered by the standards of that apprenticeship program and receiving the supervision required by the standards of that apprenticeship program.

(10) "Skilled journeyperson" means a worker who meets all of the following criteria:



(A) The worker either graduated from an apprenticeship program for the applicable occupation that was approved by the chief, or has at least as many hours of on-the-job experience in the applicable occupation that would be required to graduate from an apprenticeship program for the applicable occupation that is approved by the chief.

(B) The worker is being paid at least a rate equivalent to the prevailing hourly wage rate for a journeyperson in the applicable occupation and geographic area.

(C) The worker has completed within the prior three calendar years at least 20 hours of approved advanced safety training for workers at high hazard facilities. This requirement applies only to work performed on or after July 1, 2018.

(11) "Skilled and trained workforce" means a workforce that meets both of the following criteria:

(A) All the workers are either registered apprentices or skilled journeypersons.

(B) (i) As of January 1, 2014, at least 30 percent of the skilled journeypersons are graduates of an apprenticeship program for the applicable occupation.

(ii) As of January 1, 2015, at least 45 percent of the skilled journeypersons are graduates of an apprenticeship program for the applicable occupation.

(iii) As of January 1, 2016, at least 60 percent of the skilled journeypersons are graduates of an apprenticeship program for the applicable occupation.

**SEC. 17.** Section 1777.5 of the Labor Code is amended to read:

**1777.5.** (a) (1) This chapter does not prevent the employment upon public works of properly registered apprentices who are active participants in an approved apprenticeship program.

(2) For purposes of this chapter, "apprenticeship program" means a program under the jurisdiction of the California Apprenticeship Council established pursuant to Section 3070.

(b) (1) Every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.

(2) Unless otherwise provided by a collective bargaining agreement, when a contractor requests the dispatch of an apprentice pursuant to this section to perform work on a public works project and requires the apprentice to fill out an application or undergo testing, training, an examination, or other preemployment process as a condition of employment, the apprentice shall be paid for the time spent on the required preemployment activity, including travel time to and from the required activity, if any, at the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered. Unless otherwise provided by a collective bargaining agreement, a contractor is not required to compensate an apprentice for the time spent on preemployment activities if the apprentice is required to take a preemployment drug or alcohol test and he or she fails to pass that test.

(c) Only apprentices, as defined in Section 3077, who are in training under apprenticeship standards that have been approved by the Chief of the Division of Apprenticeship Standards and who are parties to written apprentice agreements under Chapter 4 (commencing with Section 3070) of Division 3 are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:

(1) The apprenticeship standards and apprentice agreements under which he or she is training.

(2) The rules and regulations of the California Apprenticeship Council.

(d) If the contractor to whom the contract is awarded by the state or any political subdivision, in performing any of the work under the contract, employs workers in any apprenticeable craft or trade, the contractor shall employ apprentices in at least the ratio set forth in this section and may apply to any apprenticeship program in the craft or trade that can provide apprentices to the site of the public work for a certificate approving the contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, the decision of the apprenticeship program to approve or deny a certificate shall be subject to review by the Administrator of Apprenticeship. The apprenticeship program or programs, upon approving the contractor, shall arrange for the dispatch of apprentices to the contractor. A contractor covered by an apprenticeship program's standards shall not be required to submit any additional application in order to include additional public works contracts under that program. "Apprenticeable craft or trade," as used in this section, means a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the California Apprenticeship Council. As used in this section, "contractor" includes any subcontractor under a contractor who performs any public works not excluded by subdivision (o).



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

(f) The apprenticeship program supplying apprentices to the area of the site of the public work shall ensure equal employment and affirmative action in apprenticeship for women and minorities.

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

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

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

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

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

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

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

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

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

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

(m) (1) 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 shall 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. A contractor may take as a credit for payments to the council any amounts paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. The contractor may add the amount of the contributions in computing his or her bid for the contract.



(2) (A) At the conclusion of the 2002–03 fiscal year and each fiscal year thereafter, the California Apprenticeship Council shall distribute training contributions received by the council under this subdivision, less the expenses of the Department of Industrial Relations for administering this subdivision, by making grants to approved apprenticeship programs for the purpose of training apprentices. The grant funds shall be distributed as follows:

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

(ii) If there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which the training contributions were made to the council, the grant shall be divided among those programs based on the number of apprentices from that county registered in each program.

(iii) All training contributions not distributed under clauses (i) and (ii) shall be used to defray the future expenses of the Department of Industrial Relations for the administration and enforcement of apprenticeship and preapprenticeship standards and requirements under this code.

(B) An apprenticeship program shall only be eligible to receive grant funds pursuant to this subdivision if the apprenticeship program agrees, prior to the receipt of any grant funds, to keep adequate records that document the expenditure of grant funds and to make all records available to the Department of Industrial Relations so that the Department of Industrial Relations is able to verify that grant funds were used solely for training apprentices. For purposes of this subparagraph, adequate records include, but are not limited to, invoices, receipts, and canceled checks that account for the expenditure of grant funds. This subparagraph shall not be deemed to require an apprenticeship program to provide the Department of Industrial Relations with more documentation than is necessary to verify the appropriate expenditure of grant funds made pursuant to this subdivision.

(C) The Department of Industrial Relations shall verify that grants made pursuant to this subdivision are used solely to fund training apprentices. If an apprenticeship program is unable to demonstrate how grant funds are expended or if an apprenticeship program is found to be using grant funds for purposes other than training apprentices, then the apprenticeship program shall not be eligible to receive any future grant pursuant to this subdivision and the Department of Industrial Relations may initiate the process to rescind the registration of the apprenticeship program.

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

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

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

(p) An awarding body that implements an approved labor compliance program in accordance with subdivision (b) of Section 1771.5 may, with the approval of the director, assist in the enforcement of this section under the terms and conditions prescribed by the director.

**SEC. 18.** Section 2699.5 of the Labor Code is amended to read:

**2699.5.** The provisions of subdivision (a) of Section 2699.3 apply to any alleged violation of the following provisions: subdivision (k) of Section 96, Sections 98.6, 201, 201.3, 201.5, 201.7, 202, 203, 203.1, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206, 206.5, 208, 209, and 212, subdivision (d) of Section 213, Sections 221, 222, 222.5, 223, and 224, paragraphs (1) to (5), inclusive, (7), and (9) of subdivision (a) of Section 226, Sections 226.7, 227, 227.3, 230, 230.1, 230.2, 230.3, 230.4, 230.7, 230.8, and 231, subdivision (c) of Section 232, subdivision (c) of Section 232.5, Sections 233, 234, 351, 353, and 403, subdivision (b) of Section 404, Sections 432.2, 432.5, 432.7, 435, 450, 510, 511, 512, 513, 551, 552, 601, 602, 603, 604, 750, 751.8, 800, 850, 851, 851.5, 852, 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1025, 1026, 1101, 1102, 1102.5, and 1153, subdivisions (c) and (d) of Section 1174, Sections 1194, 1197, 1197.1, 1197.5, and 1198, subdivision (b) of Section 1198.3, Sections 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294, 1294.1, 1294.5, 1296, 1297, 1298, 1301, 1308, 1308.1, 1308.7, 1309, 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695, subdivision (a) of Section 1695.5, Sections 1695.55, 1695.6, 1695.7, 1695.8, 1695.9, 1696, 1696.5, 1696.6, 1697.1, 1700.25, 1700.26, 1700.31, 1700.32, 1700.40, and 1700.47, Sections 1735, 1771, 1774, 1776, 1777.5, 1811, 1815, 2651, and 2673, subdivision (a) of Section 2673.1, Sections 2695.2, 2800, 2801, 2802, 2806, and 2810, subdivision (b) of Section 2929, and Sections 3073.4, 6310, 6311, and 6399.7.



**SEC. 19.** The heading of Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code is amended to read:

**CHAPTER 4. Apprenticeship and Preapprenticeship**

**SEC. 20.** The heading of Article 1 (commencing with Section 3070) is added to Chapter 4 of Division 3 of the Labor Code, to read:

**Article 1. Administration**

**SEC. 21.** Section 3070 of the Labor Code is amended to read:

**3070.** There is in the Division of Apprenticeship Standards the California Apprenticeship Council, which shall be appointed by the Governor, composed of six representatives each from employers or employer organizations and employee organizations, that sponsor apprenticeship programs under Section 3071, respectively, geographically selected, and of two representatives of the general public. The Director of Industrial Relations, or his or her permanent and best qualified designee, and the Superintendent of Public Instruction, or his or her permanent and best qualified designee, and the Chancellor of the California Community Colleges, or his or her permanent and best qualified designee, and the Chairperson of the California Firefighter Joint Apprenticeship Committee (Cal-JAC), or his or her permanent and best qualified designee, shall also be members of the California Apprenticeship Council. The chairperson shall be elected by vote of the California Apprenticeship Council. Beginning with appointments in 1985, three representatives each of employers and employees, and one public representative shall serve until January 15, 1989. In 1987, three representatives each of the employers and employees, and one public representative shall serve until January 15, 1991. Any member whose term expires on January 15, 1986, shall continue to serve until January 15, 1987. Thereafter each member shall serve for a term of four years. Any member appointed to fill a vacancy occurring prior to the expiration of the term of his or her predecessor shall be appointed for the remainder of that term. Each member of the council shall receive the sum of one hundred dollars (\$100) for each day of actual attendance at meetings of the council, for each day of actual attendance at hearings by the council or a committee thereof pursuant to Section 3082, and for each day of actual attendance at meetings of other committees established by the council and approved by the Director of Industrial Relations, together with his or her actual and necessary traveling expenses incurred in connection therewith.

**SEC. 22.** Section 3071 of the Labor Code is amended to read:

**3071.** (a) The California Apprenticeship Council shall meet quarterly at a designated date and special meetings may be held at the call of the chair. The council shall issue rules and regulations which establish standards for minimum wages, maximum hours, and working conditions for apprentice agreements in the building and construction trades and for firefighter occupations, hereinafter in this chapter referred to as apprenticeship standards, which in no case shall be lower than those prescribed by this chapter; and shall issue rules and regulations governing equal opportunities in apprenticeship, affirmative action programs which include women and minorities in apprenticeship, and other on-the-job training, and criteria for selection procedures with a view particularly toward eliminating criteria not relevant to qualification for training employment or more stringent than is reasonably necessary.

(b) For purposes of this section, "firefighter occupations" means those occupations submitted by the California Firefighter Joint Apprenticeship Committee and approved by the Chief of the Division of Apprenticeship Standards.

(c) Notwithstanding the standards established pursuant to subdivision (a), if the minimum wages, maximum hours, and working conditions for apprentices in the California Firefighter Joint Apprenticeship Program are in conflict with the provisions of a collective bargaining agreement with a public employer, the provisions of the collective bargaining agreement shall prevail.

**SEC. 23.** Section 3071.5 is added to the Labor Code, to read:

**3071.5.** There is also in the Division of Apprenticeship Standards the Interagency Advisory Committee on Apprenticeship. The membership and duties of this committee shall be as follows:

(a) The following officials or their designees shall serve as ex officio members of this committee:

- (1) The Secretary of Labor and Workforce Development.
- (2) The Executive Director of the California Workforce Development Board.
- (3) The Director of Industrial Relations.
- (4) The Executive Director of the Employment Training Panel, Superintendent of Public Instruction.
- (5) The Chancellor of the California Community Colleges.



(b) The membership of this committee shall also include six persons appointed by the Secretary of Labor and Workforce Development who are familiar with apprenticeable occupations not within the jurisdiction of the council established pursuant to Section 3070. Two persons shall be representatives of employers or employer organizations, two persons shall be representatives of employee organizations, and two persons shall be public representatives who are neither employers nor affiliated with any employer or employee organization. Upon the operative date of this section, the secretary shall appoint one representative of each group appointed to two-year terms and one representative of each group to four-year terms. Thereafter, members appointed by the secretary pursuant to this subdivision shall serve for a term of four years, and any member appointed to fill a vacancy occurring before the expiration of the term of his or her predecessor shall be appointed for the remainder of that term. Members appointed by the secretary pursuant to this subdivision shall receive the sum of one hundred dollars (\$100) for each day of actual attendance at meetings of the committee and for each day of actual attendance at hearings by the committee or a subcommittee thereof, together with actual and necessary traveling expenses incurred in connection therewith.

(c) The Secretary of Labor and Workforce Development shall designate one of the members as the committee's chair. The committee shall meet quarterly at a designated date, and special meetings may be held at the call of the chair. The committee shall provide advice and guidance to the Administrator of Apprenticeship and Chief of the Division of Apprenticeship Standards on apprenticeship programs, standards, and agreements that are not within the jurisdiction of the council established pursuant to Section 3070, and on the development and administration of standards governing preapprenticeship, certification, and on-the-job training and retraining programs outside the building and construction trades and firefighters.

(d) The committee may create subcommittees as needed to address specific industry sectors or projects.

**SEC. 24.** Section 3073 of the Labor Code is amended to read:

**3073.** (a) The Chief of the Division of Apprenticeship Standards, or his or her duly authorized representative, shall administer the provisions of this chapter; act as secretary of the California Apprenticeship Council and the Interagency Advisory Committee on Apprenticeship; shall foster, promote, and develop the welfare of the apprentice and industry, improve the working conditions of apprentices, and advance their opportunities for profitable employment; shall ensure that selection procedures are impartially administered to all applicants for apprenticeship; shall gather and promptly disseminate information through apprenticeship and training information centers; shall maintain on public file in all high schools and field offices of the Employment Development Department the name and location of the local area apprenticeship committees, the filing date, and minimum requirements for application of all registered apprenticeship programs; shall cooperate in the development of apprenticeship programs and may advise with them on problems affecting apprenticeship standards; shall audit all selection and disciplinary proceedings of apprentices or prospective apprentices; may enter joint agreements with the Employment Development Department outreach education and employment programs, and educational institutions on the operation of apprenticeship information centers, including positive efforts to achieve information on equal opportunity and affirmative action programs for women and minorities; and shall supervise and recommend apprenticeship agreements as to these standards and perform such other duties associated therewith as the California Apprenticeship Council may recommend. The chief shall coordinate the exchange, by the California Apprenticeship Council, the Interagency Advisory Committee on Apprenticeship, apprenticeship program sponsors, the Fair Employment and Housing Council, community organizations, and other interested persons, of information on available minorities and women who may serve as apprentices.

(b) The chief, in consultation with the Interagency Advisory Committee on Apprenticeship, shall issue rules and regulations that establish standards for minimum wages, maximum hours, and working conditions for apprentice agreements in all industries other than the building and construction trades and firefighter occupations, as well as standards governing preapprenticeship, certification, and other on-the-job training and retraining programs and agreements that are certified pursuant to this chapter. Pending the issuance of new rules and regulations pursuant to this subdivision, the following regulations in Title 8 of the California Code of Regulations shall apply to programs in all industries other than the building and construction trades and firefighting: Sections 200 to 202, inclusive, Sections 205 to 224, inclusive, Sections 235 to 263, inclusive, and Sections 281 to 282, inclusive, with the exception of any filing requirements, appeal rights, or other procedures pertaining to the California Apprenticeship Council.

(c) Any determination or decision made by the California Apprenticeship Council before the operative date of the act adding subdivision (b) to this section shall be deemed a decision or determination of the chief with respect to any program, trade, or standard that does not remain under the jurisdiction of the California Apprenticeship Council.

**SEC. 25.** Section 3073.1 of the Labor Code is amended to read:

**3073.1.** (a) The division shall evaluate apprenticeship and preapprenticeship programs to ensure that the program evaluated is complying with its standards, that all on-the-job training is supervised by journeymen, that all classroom instruction required by the apprenticeship or preapprenticeship standards is being provided, that all work processes in the standards are being covered, and that graduates have completed the program's requirements. The division shall examine each apprenticeship program to



determine whether apprentices are graduating from or completing the program on schedule or dropping out and to determine whether graduates of the apprenticeship program have obtained employment as journeymen. During the evaluation, the division shall attempt to contact a statistically valid sample of apprentices who have dropped out of the program prior to completion to determine their reasons for leaving the program. Every apprenticeship program sponsor shall have a duty to cooperate with the division in conducting an evaluation.

(b) Evaluation reports for building and construction trade and firefighting programs shall be presented to the California Apprenticeship Council and reports concerning any other program shall be presented to the Interagency Advisory Committee on Apprenticeship. The division shall make reports public, except that the division shall not make public information that would infringe on the privacy of individual apprentices. The division shall recommend remedial action to correct deficiencies recognized in the audit report, and the failure to follow division recommendations or to correct deficiencies within a reasonable period of time shall be grounds for withdrawing state approval of a program. Nothing shall prevent the division from conducting more frequent or random evaluations of programs where deficiencies have been identified.

(c) The division shall give priority in conducting evaluations to programs that have been identified as having deficiencies. The division may conduct simplified evaluations for programs with fewer than five registered participants.

(d) One year following the creation of a new program or substantial expansion of an existing program, the division shall evaluate the program for quality and conformity with the requirements of this section.

(e) If the division finds evidence that information provided to it by a building and construction trades or firefighter apprenticeship program has been purposefully misstated, the division shall immediately investigate and determine whether an evaluation of the program is necessary. The division shall report its investigatory findings to the California Apprenticeship Council and make them available to the public, except that the division shall not make public information that would infringe upon the privacy of individual apprentices.

(f) If the division determines that a building and construction trades or firefighter apprenticeship program has been the subject of two or more meritorious complaints that concern the recruitment, training, or education of apprentices within a five-year period, the division shall schedule the program for an evaluation within three months of the determination.

(g) If the division determines that a building and construction trades apprenticeship program that has had at least two graduating classes has an annual apprentice completion rate below 50 percent of the average completion rate for the applicable trade, the division shall schedule the program for an evaluation within three months of the determination.

**SEC. 26.** Section 3073.3 of the Labor Code is amended to read:

**3073.3.** It is the intent of the Legislature that the Department of Industrial Relations will encourage greater participation for women and ethnic minorities in programs administered pursuant to this chapter.

**SEC. 27.** Section 3073.5 of the Labor Code is amended to read:

**3073.5.** The Chief of the Division of Apprenticeship Standards, the California Apprenticeship Council, and the Interagency Advisory Committee on Apprenticeship shall annually report separately through the Director of Industrial Relations to the Legislature and the public on their activities. The report shall contain information including, but not limited to, analyses of the following:

(a) (1) The number of individuals, including numbers of women and minorities, registered in apprenticeship, preapprenticeship, and other programs administered pursuant to this chapter in the state for the current year and in each of the previous five years.

(2) For construction trade and firefighter apprenticeship programs, the report shall include demographic data detailing the racial, ethnic, and gender makeup of those participants for the annual reporting period.

(b) The number and percentage of participants, including numbers and percentages of minorities and women, registered in each program having five or more participants, and the percentage of those participants who have completed their programs successfully in the current year and in each of the previous five years.

(c) Remedial actions taken by the division to assist those programs having difficulty in achieving affirmative action goals or having very low completion rates.

(d) The number of disputed issues with respect to individual apprenticeship or other agreements submitted to the Administrator of Apprenticeship for determination and the number of those issues resolved by the administrator or the council on appeal.

(e) The number of apprenticeship and other program applications received by the division, the number approved, the number denied and the reason for those denials, the number being reviewed, and deficiencies, if any, with respect to those program



applications being reviewed.

(f) The number of apprenticeship programs, approved by the Division of Apprenticeship Standards, that are disapproved by the California Apprenticeship Council, and the reasons for those disapprovals.

(g) The number of apprenticeship programs receiving reimbursement for related and supplemental instruction pursuant to Section 8152 or 79149.3 of the Education Code including the amounts reimbursed to each program, as reported to the Division of Apprenticeship Standards by the California Community College Chancellor's Office.

(h) The number of apprenticeship programs receiving reimbursement as part of the budget formula developed pursuant to paragraph (2) of subdivision (d) of Section 84750.5 of the Education Code or its successor section, as described in Section 79149.1 of the Education Code including the amounts reimbursed to each program, as reported to the Division of Apprenticeship Standards by the California Community College Chancellor's Office.

**SEC. 27.5.** Section 3073.5 of the Labor Code is amended to read:

**3073.5.** The Chief of the Division of Apprenticeship Standards, the California Apprenticeship Council, and the Interagency Advisory Committee on Apprenticeship shall annually report separately through the Director of Industrial Relations to the Legislature and the public on their activities. The report shall contain information including, but not limited to, analyses of the following:

(a) (1) The number of individuals, including numbers of women and minorities, registered in apprenticeship, preapprenticeship, and other programs administered pursuant to this chapter in the state for the current year and in each of the previous five years.

(2) For construction trade and firefighter apprenticeship programs, the report shall include demographic data detailing the racial, ethnic, and gender makeup of those participants for the annual reporting period.

(b) The number and percentage of participants, including numbers and percentages of minorities and women, registered in each program having five or more participants, and the percentage of those participants who have completed their programs successfully in the current year and in each of the previous five years.

(c) Remedial actions taken by the division to assist those programs having difficulty in achieving affirmative action goals or having very low completion rates.

(d) The number of disputed issues with respect to individual apprenticeship or other agreements submitted to the Administrator of Apprenticeship for determination and the number of those issues resolved by the administrator or the council on appeal.

(e) The number of apprenticeship and other program applications received by the division, the number approved, the number denied and the reason for those denials, the number being reviewed, and deficiencies, if any, with respect to those program applications being reviewed.

(f) The number of apprenticeship programs, approved by the Division of Apprenticeship Standards, that are disapproved by the California Apprenticeship Council, and the reasons for those disapprovals.

(g) The number of apprenticeship programs receiving reimbursement for related and supplemental instruction pursuant to Section 8152 or 79149.3 of the Education Code including the amounts reimbursed to each program, as reported to the Division of Apprenticeship Standards by the California Community Colleges Chancellor's Office.

(h) The number of apprenticeship programs receiving reimbursement as part of the budget formula developed pursuant to paragraph (2) of subdivision (d) of Section 84750.5 of the Education Code or its successor section, as described in Section 79149.1 of the Education Code including the amounts reimbursed to each program, as reported to the Division of Apprenticeship Standards by the California Community Colleges Chancellor's Office.

(i) Any apprenticeship standards or regulations that were proposed or adopted in the previous year.

**SEC. 28.** Section 3073.6 is added to the Labor Code, to read:

**3073.6.** Every person who willfully discriminates in any recruitment or apprenticeship program on any basis listed in subdivision

(a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code, is guilty of a misdemeanor punishable by a fine of not more than one thousand dollars (\$1,000) or by imprisonment for not more than six months, or both.

**SEC. 29.** Section 3073.7 is added to the Labor Code, to read:



**3073.7.** (a) The Division of Apprenticeship Standards may cooperate in the provision of, or provide, services to the Employment Development Department, and to service delivery areas, as designated pursuant to the federal Workforce Innovation and Opportunity Act (Public Law 113-128), and Division 7 (commencing with Section 14000) of the Unemployment Insurance Code. The Division of Apprenticeship Standards may enter into any agreements as may be necessary for this purpose.

(b) The Division of Apprenticeship Standards shall exert maximum effort to persuade sponsors of its registered, nonfederally funded, voluntary apprenticeship and on-the-job training programs to accept to the maximum possible extent the eligible persons as described in the federal Workforce and Opportunity Act (Public Law 113-128), and Division 7 (commencing with Section 14000) of the Unemployment Insurance Code.

**SEC. 30.** Section 3074 of the Labor Code is amended to read:

**3074.** The preparation of trade analyses and development of curriculum for instruction, and the administration and supervision of related and supplemental instruction for apprentices, coordination of instruction with job experiences, and the selection and training of teachers and coordinators for this instruction shall be the responsibility of, and shall be provided by, state and local boards responsible for vocational education upon agreement with the program sponsor. This responsibility shall not preclude the establishment of off-campus related and supplemental instruction when approved, developed, and operated in cooperation with state and local school boards responsible for vocational education, and when the instruction meets all other requirements of this chapter. It is the intent of this chapter that the instruction shall be made available to apprentices through classroom instruction, correspondence courses, self-study, or other means of instruction approved by state and local public education agencies authorized to provide vocational education.

Pursuant to this chapter all excess costs incurred by local public education agencies exceeding state apportionments and local revenue earned by the attendance of apprentices shall be payable by the program sponsor, upon joint agreement between the sponsor and the local education agency. The State Board of Education and the Board of Governors of the California Community Colleges, and the Division of Apprenticeship Standards shall jointly issue regulations regarding calculation and payment provisions of excess costs to be borne by the program sponsors. All funds accrued by local education agencies from attendance in apprenticeship classes authorized by this section shall be expended or allocated for all such classes offered by the local education agency before excess costs may be claimed.

The Department of Education and the Board of Governors of the California Community Colleges may provide related and supplemental instruction to isolated apprentices as a direct instructional service, on a contractual basis with local school districts, by correspondence, or by a combination of these means. For the purpose of this section, an isolated apprentice is an apprentice registered with the Division of Apprenticeship Standards in the Department of Industrial Relations who cannot be enrolled in a class of related and supplementary instruction for apprentices because of the small number of apprentices available for an appropriate class or because there is no existing apprenticeship program within a reasonable travel distance.

Interested parties may file a complaint in accordance with Section 201 of Title 8 of the California Administrative Code, when a community college or secondary education district is unable to reach agreement with program sponsors in providing related and supplemental instruction. In the process of securing an amicable adjustment, the administrator, or his or her representative, shall meet with the parties involved, including, but not limited to, the chancellor, or his or her representative, or the Superintendent of Public Instruction, or his or her representative.

Community colleges, and other public school districts, shall refuse to provide related and supplemental instruction to an apprenticeship program when it is determined by the Administrator of Apprenticeship that the program sponsor has been found to be in noncompliance with the State of California Plan for Equal Opportunity in Apprenticeship.

**SEC. 31.** The heading of Article 2 (commencing with Section 3075) is added to Chapter 4 of Division 3 of the Labor Code, to read:

**Article 2. Apprenticeship Programs**

**SEC. 32.** Section 3075 of the Labor Code is amended to read:

**3075.** (a) An apprenticeship program may be administered by a joint apprenticeship committee, unilateral management or labor apprenticeship committee, or an individual employer. Programs may be approved by the chief in any trade in the state or in a city or trade area, whenever the apprentice training needs justify the establishment. Where a collective bargaining agreement exists, a program shall be jointly sponsored unless either party to the agreement waives its right to representation in writing. Joint apprenticeship committees shall be composed of an equal number of employer and employee representatives.

(b) For purposes of subdivision (a), the apprentice training needs in the building and construction trades and firefighter programs shall be deemed to justify the approval of a new apprenticeship program only if any of the following conditions are met:



(1) There is no existing apprenticeship program approved under this chapter serving the same craft or trade and geographic area.

(2) Existing apprenticeship programs approved under this chapter that serve the same craft or trade and geographic area do not have the capacity, or neglect or refuse, to dispatch sufficient apprentices to qualified employers at a public works site who have requested apprentices and are willing to abide by the applicable apprenticeship standards, as shown by a sustained pattern of unfilled requests.

(3) Existing apprenticeship programs approved under this chapter that serve the same trade and geographic area have been identified by the California Apprenticeship Council as deficient in meeting their obligations under this chapter.

(c) For purposes of subdivision (b), an existing apprenticeship program serves the "same craft or trade" as a proposed apprenticeship program when there would be substantial overlap in the work processes covered by the programs or when graduates of the existing program would be qualified to perform a substantial portion of the work that would be performed by graduates of the new program.

(d) The chief's decisions regarding applications for new apprenticeship programs in the building and construction trades and firefighters may be appealed by any interested party to the California Apprenticeship Council. For purposes of this section, an application for expansion of an existing program to include an additional occupation shall be considered an application for a "new apprenticeship program."

(e) The chief's decisions regarding applications for new apprenticeship programs outside the building and construction trades and firefighters are final and not subject to administrative appeal, except as otherwise provided in this section.

(f) The chief's decisions regarding applications for new apprenticeship programs shall be posted to the division's Internet Web site, which shall constitute the only form of notice and service. Appeals to the California Apprenticeship Council under this section must be filed within 30 days after notice of the chief's decision.

(g) The chief shall not approve a new apprenticeship program that includes a substantial number of work processes covered by a program in the building and construction trades or firefighters, or approve the amendment of apprenticeship standards to include those work processes, unless either of the following applies:

(1) The program is in the building and construction trades or a firefighter program and subject to the rules and regulations of the California Apprenticeship Council.

(2) The California Apprenticeship Council has granted consent to the approval of the program or the amendment to the apprenticeship standards. If no party files an objection with the chief to the approval of the proposed program or amendment alleging overlap of work processes under this subdivision, the chief shall not be required to seek the consent of the California Apprenticeship Council prior to approving the program or amendment.

(h) At least 30 days before approval of a new apprenticeship program, or of an amendment to the apprenticeship standards to include new work processes, the division shall post on its Internet Web site a copy of the proposed apprenticeship standards, which shall constitute the only form of notice and service that an application on the proposed program or amendment is pending. Notwithstanding subdivision (e), the chief's decision regarding any new apprenticeship program or amendment of the apprenticeship standards to include new work processes may be appealed to the California Apprenticeship Council if notice under this subdivision is not provided.

(i) The division shall create a method on its Internet Web site for members of the public to subscribe to receive email updates when new decisions or proposed apprenticeship standards are posted pursuant to this section.

(j) Only the following programs may dispatch apprentices to projects subject to prevailing wage or skilled and trained workforce requirements:

(1) Programs in the building and construction trades approved before July 1, 2018.

(2) Programs in the building and construction trades approved under the standard in subdivision (b).

**SEC. 33.** Section 3076 of the Labor Code is amended to read:

**3076.** The function of a joint apprenticeship committee, when specific written authority is delegated by the parent organizations represented, shall be to establish work processes, wage rates, working conditions for apprentices, the number of apprentices which shall be employed in the trade under apprentice agreements, and aid in the adjustment of apprenticeship disputes in accordance with standards for apprenticeship set up by the California Apprenticeship Council for programs in the building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards for other programs. Disciplinary proceedings resulting from disputes shall be duly noticed to the involved individuals.



**SEC. 34.** Section 3076.3 of the Labor Code is amended to read:

**3076.3.** Program sponsors shall establish selection procedures which specify minimum requirements for formal education or equivalency, physical examination, if any, subject matter of written tests and oral interviews, and any other criteria pertinent to the selection process; shall specify the relative weights of all factors which determine selection to an apprenticeship program; shall submit in writing to the chief an official statement of each selection procedure including the filing date and location of the program sponsor; shall make a copy of the selection procedures available to each applicant; shall provide in writing to each applicant not selected an official explanation setting forth the reason or reasons for the nonselection, copies of which shall be retained as a public record in the files of the program sponsor for a period of five years; and shall implement affirmative action programs for minorities and women in accordance with the rules, regulations, and guidelines of the California Apprenticeship Council for programs in the building and construction trades and for firefighters or of the Chief of the Division of Apprenticeship Standards for other programs.

**SEC. 35.** Section 3077 of the Labor Code is amended to read:

**3077.** The term "apprentice" as used in this chapter, means a person at least 16 years of age who has entered into a written agreement, in this chapter called an "apprentice agreement," with an employer or program sponsor. The term of apprenticeship for each apprenticeable occupation shall be approved by the chief in accordance with the standards set forth in Section 3078.5.

**SEC. 36.** Section 3078 of the Labor Code is amended to read:

**3078.** Every apprentice agreement entered into under this chapter shall directly, or by reference, contain:

(a) The names of the contracting parties.

(b) The date of birth of the apprentice.

(c) A statement of the trade, craft, or business which the apprentice is to be taught, and the time at which the apprenticeship will begin and end.

(d) A statement showing the number of hours to be spent by the apprentice in work and the learning objectives to be accomplished through related and supplemental instruction, except as otherwise provided under Section 3074. In no case shall the combined weekly hours of work and required related and supplemental instruction of the apprentice exceed the maximum number of hours of work prescribed by law for a person of the age of the apprentice.

(e) A statement setting forth a schedule of the processes in the trade or industry divisions in which the apprentice is to be taught and the approximate time to be spent at each process.

(f) A statement of the graduated scale of wages to be paid the apprentice and whether the required schooltime shall be compensated.

(g) A statement providing for a period of probation during which time the apprentice agreement may be terminated by the program sponsor at the request in writing of either party, and providing that after the probationary period the apprentice agreement may be terminated by the administrator by mutual agreement of all parties thereto, or canceled by the administrator for good and sufficient reason. The period of probation shall be reasonable in relation to the full apprenticeship term, with full credit given for such period toward completion of the apprenticeship, and in no event shall exceed the shorter of 25 percent of the length of the program or one year.

(h) A provision that all controversies or differences concerning the apprentice agreement which cannot be adjusted locally, or which are not covered by collective bargaining agreement, shall be submitted to the administrator for determination as provided for in Section 3081.

(i) A provision that an employer who is unable to fulfill his or her obligation under the apprentice agreement may, with approval of the administrator, transfer the contract to any other employer if the apprentice consents and the other employer agrees to assume the obligation of the apprentice agreement.

(j) Such additional terms and conditions as may be prescribed or approved by the California Apprenticeship Council or by the Chief of the Division of Apprenticeship Standards, in consultation with the Interagency Apprenticeship Advisory Committee, not inconsistent with the provisions of this chapter.

(k) A clause providing that there shall be no liability on the part of the other contracting party for an injury sustained by an apprentice engaged in schoolwork at a time when the employment of the apprentice has been temporarily or permanently terminated.



**SEC. 37.** Section 3078.5 is added to the Labor Code, to read:

**3078.5.** (a) The term of apprenticeship may be measured either through the completion of the industry standard for hours of on-the-job learning and related and supplemental instruction, attainment of competency, or a hybrid blend of the time-based and competency-based approaches. However, programs in the building and construction trades and for firefighters shall use the time-based approach.

(1) The time-based approach measures skill acquisition through the individual apprentice's completion of at least 144 hours of related and supplemental instruction and 2,000 hours of on-the-job learning as described in a work process schedule.

(2) The competency-based approach measures skill acquisition through the individual apprentice's successful demonstration of acquired skills and knowledge, as verified by the program sponsor. Programs utilizing this approach shall require apprentices to complete no less than six months of an on-the-job learning component of registered apprenticeship. The program standards shall address how on-the-job learning will be integrated into the program, describe competencies, meet industry-recognized standards or certifications, and identify an appropriate means of testing and evaluation for such competencies.

(3) The hybrid approach measures the individual apprentice's skill acquisition through a combination of specified minimum number of hours of on-the-job learning and the successful demonstration of competency as described in a work process schedule. Programs utilizing this approach shall require apprentices to complete no less than six months of an on-the-job learning component of registered apprenticeship.

(4) Term measures shall be set forth in the program standards and shall be subject to approval by the Division of Apprenticeship Standards based on the appropriateness of the measures for the apprenticeable occupations to which they apply.

(b) Programs utilizing the competency-based or hybrid approach and that issue interim credentials must identify each type or stage for issuing an interim credential, demonstrate how the credentials link to the components of the apprenticeable occupation, and establish a process for assessing an apprentice's demonstration of competency associated with the particular interim credential. Interim credentials may only be issued for recognized components of an apprenticeable occupation and specifically link the credentials to the knowledge, skills, and abilities associated with those components.

**SEC. 38.** Section 3079 of the Labor Code is amended to read:

**3079.** Every apprentice agreement under this chapter shall be approved by the local joint apprenticeship committee or the parties to a collective bargaining agreement, or by the administrator where there is no collective bargaining agreement or joint committee, a copy of which shall be filed with the Division of Apprenticeship Standards. Every apprentice agreement shall be signed by the employer, or his or her agent, or by a program sponsor, as provided in Section 3080, and by the apprentice, and if the apprentice is a minor, by the minor's parent or guardian. Where a minor enters into an apprentice agreement under this chapter for a period of training extending into his or her majority, the apprentice agreement shall likewise be binding for such a period as may be covered during the apprentice's majority.

**SEC. 39.** Section 3080 of the Labor Code is amended to read:

**3080.** (a) For the purpose of providing greater diversity of training or continuity of employment, any apprentice agreement made under this chapter may in the discretion of the California Apprenticeship Council for programs in the building and construction trades and for firefighters or of the Chief of the Division of Apprenticeship Standards for other programs, be signed by an association of employers or an organization of employees instead of by an individual employer. In that case, the apprentice agreement shall expressly provide that the association of employers or organization of employees does not assume the obligation of an employer but agrees to use its best endeavors to procure employment and training for an apprentice with one or more employers who will accept full responsibility, as herein provided, for all the terms and conditions of employment and training set forth in the agreement between the apprentice and employer association or employee organization during the period of the apprentice's employment. The apprentice agreement shall also expressly provide for the transfer of the apprentice, subject to the approval of the California Apprenticeship Council for programs in the building and construction trades and for firefighters or of the Chief of the Division of Apprenticeship Standards for other programs, to an employer or employers who shall sign a written agreement with the apprentice, and if the apprentice is a minor, with the apprentice's parent or guardian, as specified in Section 3079, contracting to employ the apprentice for the whole or a definite part of the total period of apprenticeship under the terms and conditions of employment and training set forth in the apprentice agreement.

(b) All apprenticeship programs with more than one employer or an association of employers shall include provisions sufficient to ensure meaningful representation of the interests of apprentices in the management of the program.



**SEC. 40.** Section 3080.5 is added to the Labor Code, to read:

**3080.5.** An apprentice registered in an approved apprenticeship program in any of the building and construction trades shall be employed only as an apprentice when performing any construction work for an employer that is a party, individually or through an employer association, to any apprenticeship agreement or standards covering that individual.

**SEC. 41.** Section 3081 of the Labor Code is amended to read:

**3081.** Upon the complaint of any interested person or upon his or her own initiative, the administrator may investigate to determine if there has been a violation of the terms of an apprentice agreement, made under this chapter, and he or she may hold hearings, inquiries, and other proceedings necessary to such investigations and determinations. The parties to such agreement shall be given a fair and impartial hearing, after reasonable notice thereof. All such hearings, investigations, and determinations shall be made under authority of reasonable rules and procedures prescribed by the California Apprenticeship Council for programs in the building and construction trades and for firefighters or by the Chief of the Division of Apprenticeship Standards for other programs.

**SEC. 42.** Section 3082 of the Labor Code is amended to read:

**3082.** (a) The determination of the administrator shall be in writing and sent by regular mail to the parties' last known addresses, with proof of service in accordance with Sections 1013a and 2015.5 of the Code of Civil Procedure.

(b) For complaints involving programs in the building and construction trades and for firefighters, the determination shall be filed with the California Apprenticeship Council. Any person aggrieved by the determination or action of the administrator may appeal therefrom to the council, which shall review the entire record and may hold a hearing thereon after due notice to the interested parties. If no appeal is filed with the council within 10 days from the date the parties are given notification of the determination, in accordance with subdivision (a), the determination shall become the final order of the council.

(c) For complaints involving any other program, the determination of the administrator shall be final.

**SEC. 43.** Section 3083 of the Labor Code is amended to read:

**3083.** All findings of fact in a final determination or decision issued pursuant to Section 3082 shall be conclusive if supported by substantial evidence, and all orders and decisions shall be prima facie lawful and reasonable.

**SEC. 44.** Section 3084 of the Labor Code is amended to read:

**3084.** Any party to an apprentice agreement aggrieved by final order, determination, or decision of the council issued pursuant to Section 3082, may maintain appropriate proceedings in the courts on questions of law. The final order, determination, or decision shall be conclusive if the proceeding is not filed within 30 days after the date the aggrieved party is given notification of the order, determination, or decision.

**SEC. 45.** Section 3085 of the Labor Code is amended to read:

**3085.** No person shall institute any action for the enforcement of any apprentice agreement, or damages for the breach of any apprentice agreement, made under this chapter, unless all administrative remedies provided by this chapter have first been exhausted.

**SEC. 46.** Section 3086 of the Labor Code is amended to read:

**3086.** Nothing in this chapter or in any apprentice agreement approved under this chapter shall operate to invalidate any apprenticeship provision in any collective bargaining agreement between employers and employees setting up higher apprenticeship standards.

**SEC. 47.** Section 3089 of the Labor Code is amended to read:

**3089.** This chapter shall be known and may be cited as the Shelley-Maloney Apprentice Labor Standards Act of 1939, as amended.

**SEC. 48.** The heading of Article 3 (commencing with Section 3093) is added to Chapter 4 of Division 3 of the Labor Code, to read:



### **Article 3. Other On-The-Job Training Programs**

**SEC. 49.** Section 3093 of the Labor Code is amended to read:

**3093.** (a) This section applies only when voluntarily requested by the parties to a collective bargaining agreement or by an employer, his or her association, or a union, or its representative where there is no collective bargaining agreement.

(b) Nothing in this section may be construed in any way so as to compel, regulate, interfere with, or duplicate the provisions of any established training programs which are operated under the terms of any collective bargaining agreements or unilaterally by any employer or bona fide labor union.

(c) Services contemplated under this section may be provided only when voluntarily requested and shall be denied when it is found that existing prevailing conditions in the area and industry would in any way be lowered or adversely affected.

(d) The California Apprenticeship Council and the Division of Apprenticeship Standards, in cooperation with the Department of Education, the Labor and Workforce Development Agency, and the Board of Governors of the California Community Colleges, may foster and promote on-the-job training programs other than apprenticeship as follows: (1) programs for journeymen in the apprenticeable occupations to keep them abreast of current techniques, methods, and materials and opportunities for advancement in their industries; (2) programs in other than apprenticeable occupations for workers entering the labor market for the first time or workers entering new occupations by reason of having been displaced from former occupations by reason of economic, industrial, technological scientific changes, or developments; (3) the programs shall be in accord with and agreed to by the parties to any applicable collective bargaining agreements and where appropriate will include joint employer-employee cooperation in the programs.

(e) The Division of Apprenticeship Standards when requested may foster and promote voluntary on-the-job training programs in accordance with this section, and assist employers, employees and other interested persons and agencies in the development and carrying out of the programs. The Division of Apprenticeship Standards shall cooperate in these functions with the Department of Education, the Labor and Workforce Development Agency, and the Board of Governors of the California Community Colleges and other governmental agencies. The Division of Apprenticeship Standards may cooperate with the Department of Corrections and Rehabilitation and the Department of the Youth Authority in the development of training programs for inmates and ex-offenders released from correctional institutions.

(f) Apprenticeship programs, where appropriate, may include related and supplemental classroom instruction offered and administered by state and local boards responsible for vocational education.

(g) The activities and services of the Division of Apprenticeship Standards in training programs under this section shall be performed without curtailing or in any way interfering with the division's activities and services in apprenticeship.

(h) The Division of Apprenticeship Standards may contract with, and receive reimbursements from, appropriate federal, state, and other governmental agencies.

(i) The career technical education activities and services of the Department of Education, the Board of Governors of the California Community Colleges, and local public school districts shall not be abridged or abrogated through implementation of this section.

(j) "On-the-job training" as used in this section refers exclusively to training confined to the needs of a specific occupation and conducted at the jobsite for employed workers.

(k) "Journeyman," as used in this section, means a person who has either (1) completed an accredited apprenticeship in his or her craft, or (2) who has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the apprenticeship standards for the craft which has workers classified as journeymen in an apprenticeable occupation.

(l) Nothing in this section shall be construed to require prior approval, ratification, or reference of any training program to the Division of Apprenticeship Standards or the Department of Industrial Relations.

**SEC. 50.** Section 3095 of the Labor Code is repealed.

**SEC. 51.** Section 3097 of the Labor Code is repealed.

**SEC. 52.** Section 3098 of the Labor Code is repealed.

**SEC. 53.** The heading of Article 4 (commencing with Section 3100) is added to Chapter 4 of Division 3 of the Labor Code, to read:

### **Article 4. Preapprenticeship Programs**

**SEC. 54.** Section 3100 is added to the Labor Code, to read:



**3100.** (a) On or before January 1, 2019, the Division of Apprenticeship Standards shall develop a process to approve preapprenticeship programs for purposes of establishing eligibility for any state programs.

(b) (1) A program seeking approval as a preapprenticeship program shall submit to the Division of Apprenticeship Standards a request for approval, on a form developed by the division.

(2) The request for approval shall include documentation evidencing that the program's preapprenticeship training activities are conducted in partnership with one or more apprenticeship programs approved by the Division of Apprenticeship Standards. Valid documentation for purposes of this section shall include a copy of a memorandum of understanding or other formal written agreement that does all the following:

(A) Verifies the apprenticeship program's support for the preapprenticeship program

(B) Gives priority but not a guarantee to preapprenticeship graduates for acceptance into the apprenticeship program.

(C) Makes a commitment as to the number of preapprenticeship graduates that may be accepted into the apprenticeship program.

(c) To qualify for approval, a preapprenticeship program shall include the following elements:

(1) Training and curriculum based on industry standards and approved by the documented registered apprenticeship program partner or partners that will prepare individuals with the skills and competencies needed to enter one or more registered apprenticeship programs.

(2) Strategies that increase registered apprenticeship opportunities for underrepresented disadvantaged, or low-skilled individuals, such that, upon completion, those individuals will meet the entry requirements, gain consideration, and be prepared for success in one or more registered apprenticeship programs. These strategies include any of the following:

(A) Strong recruitment efforts focused on outreach to populations underrepresented in local, state, and national registered apprenticeship programs.

(B) Educational and prevocational services that prepare individuals to meet the entry requisites of one or more registered apprenticeship programs, such as specific career and industry awareness workshops, job readiness courses, English for speakers of other languages, adult basic education, financial literacy seminars, and mathematics tutoring.

(C) Exposing participants to local, state, and national registered apprenticeship programs and providing direct assistance to participants applying to those programs.

(D) Facilitating access to appropriate support services during both the preapprenticeship program and a significant portion of the registered apprenticeship program.

(E) Efforts to sustain the ongoing partnership between the preapprenticeship program and registered apprenticeship program partner or partners, including collaborative efforts that promote alignment with the California Workforce Innovation and Opportunity Act (WIOA) Unified Strategic Workforce Development Plan and use of the registered apprenticeship program as a preferred means for employers to develop a skilled workforce and create career opportunities for individuals.

(F) Providing physical preparedness training for jobs where physical ability and endurance are key elements of success.

(G) Providing training on safe working practices where applicable to the job.

(H) Providing hands-on training to individuals in a simulated lab experience or through volunteer opportunities that accurately simulate industry and occupational conditions while observing proper supervision and safety protocols, provided that such experience and opportunities do not supplant or reduce the compensable work of paid employees.

(I) Providing for automatic acceptance or priority credits for acceptance into apprenticeship programs of individuals who have successfully completed the preapprenticeship program, and when applicable, giving advance credit in the apprenticeship program for skills and competencies already acquired in the preapprenticeship program.

(d) Preapprenticeship programs shall be evaluated and approved based on a determination of the strengths of the elements described in subdivision (c), as demonstrated in the application.

(e) Approval of a preapprenticeship program shall expire in three years unless the program requests and obtains renewal of its approval by the division. Renewed approval shall be based on the program's success in implementing the elements described in subdivision (c).



**SEC. 55.** Section 27.5 of this bill incorporates amendments to Section 3073.5 of the Labor Code proposed by both this bill and Assembly Bill 3231. That section shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2019, but this bill becomes operative first, (2) each bill amends Section 3073.5 of the Labor Code, and (3) this bill is enacted after Assembly Bill 3231, in which case Section 27 of the Labor Code, as amended by Section 3231 of this bill, shall remain operative only until the operative date of January 1, 2019, at which time Section 27 of this bill shall become operative.

**SEC. 56.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

**SEC. 57.** This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure the health, safety, and welfare of apprentices within the state and to include new industries into the program, it is necessary that this bill go into immediate effect.