CALIFORNIA APPRENTICESHIP COUNCIL (CAC)
RULES AND REGULATIONS (R&R) STANDING COMMITTEE MEETING
MINUTES OF THE MEETING

JULY 27, 2006

Chairman Aram Hodess called the meeting to order at 9:30 a.m.

Members Present:	Aram Hodess	Absent:	William Callahan
	Anne Quick		Dick Zampa
	Leo Garcia		Marvin Kropke
	David Rowan		

There was a quorum.

APPROVAL OF MINUTES OF JUNE 14, 2006 MEETING:

Correction on Tom Hooper's name. With this correction, the minutes were approved with no opposition.

ITEM #1 – CCR 212.01 – CONSIDERING REVISED LANGUAGE AND RECOMMENDATION TO THE CAC.

Discussion: The proposed language revision was attached to the agenda showing red lines on the revisions. Mr. Hodess provided a little history on this proposed revision to 212.01. This is to modify the statewide minimum training criteria process, define what is a quorum, the length of time in which a committee has an opportunity to come up with minimum training criteria to bring to the CAC to approve or reject and through the CAC, recommend to the Office of Administrative Law (OLA) for rule making.

DAS Legal representative Fred Lonsdale expressed a concern that OLA might not approve the proposed language because it includes the language, "otherwise determine" which exists in the current 212.01. The current 212.01 allows the CAC to adopt or reject minimum industry training criteria proposed by the industry training committee. Mr. Lonsdale expressed concern whether OLA would allow the CAC to "otherwise determine" minimum industry training criteria in the event a committee failed to meet a deadline for proposing such criteria.

The R&R Subcommittee unanimously voted to recommend the revised 212.01 and recommend it to the CAC for submission to the OLA for rule-making.

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ITEM #2 – CCR 212.2 SECTION G – ADDRESSES THE NOTICE TO EXISTING PROGRAM SPONSORS WHERE A PROPOSED NEW PROGRAM SPONSOR HAS SUBMITTED AN APPLICATION FOR APPROVAL.

DISCUSSION: Chief Rowan clarified that, in the current regulation, DAS is to notify the existing programs with apprentices in an area where a proposed new program is being submitted for approval. It is the position of DAS that other entities may comment on proposed new programs but DAS is not required by law to notify them or respond to their comments.

There has been confusion on who had the right to comment and appeal a decision by DAS. In a 2005 case, representatives of a statewide committee asked CAC to require DAS to include them in the notification process and allow them time to comment. CAC ultimately extended the comment period but CAC's position on notification of statewide committees was unclear. The Rules and Regulations Committee was subsequently asked to review this issue.

Chief Rowan explained that DAS recognizes that there are two levels of right to comment: (1) the existing program with indentured apprentices in the market area of the proposed new program. DAS is required to acknowledge these comments and respond to them; and (2) everybody else's comments. DAS encourages the public to respond and comment. Chief Rowan stated that DAS' intention was to try to respond to them as a courtesy but that DAS was not obligated by law to respond to each of them individually. To provide additional clarification, DAS will do a forum at an upcoming CAC meeting on issues related to new or expanded program approvals. Information in this regard will also be posted on the DAS website. DAS is committed to minimize delays in program approvals.

It was discussed and determined that there is no need to change the regulation. It is DAS' position that the regulations only obligate them to notify existing program sponsors with registered apprentices when a proposed new program sponsor submits an application for approval.

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ITEM #3 – CCR 212.2(A)(1-5) – ELIGIBILITY PROCEDURES ON APPRENTICESHIP PROGRAMS.

In the previous meetings, the Sub-committee had discussed the following in regards to CCR 212.2: (1) responsibilities of DAS vs. the LEAs; (2) how and whether the qualifications of field and classroom instructors and journeymen would be qualified per Section 205 (a) and (b); and (3) developing a standardized program application.

DISCUSSION: Having standardized requirements, along with a checklist would assist potential sponsors in developing their program proposal. Some were not in favor of one standardized application form for everyone. Requiring the submission of a budget will bring home the reality for whoever is getting a program started of what they have to accomplish. LEA agreements and MOUs are important so that there is a written commitment that a LEA is on board.

Concerns were raised about requiring a program sponsor to financially invest in a training facility until the sponsor had confidence that the other requirements of 212.2 had been approved by DAS. Commissioner Garcia expressed the belief that the discussions of 212.2 were intended to further obstruct unilateral program approvals. Commissioner Hodess expressed the belief that standardized applications were intended to clarify minimum program standards for all and should eliminate approval delays.

The R&R Subcommittee was not proposing to revise 212.2. It was trying to look at what it can do to make it easier for program sponsors to know what is expected and to make DAS evaluations of proposed programs consistent.

Further, it is unclear if new program sponsors understand the obligations and true costs in running a program. Chief Rowan established a background on this. DAS has not been able to do quality program audits, assist program sponsor applicants or approve programs in a timely manner due mainly to staff shortages. Since 1990, DAS staff has been drastically reduced. The regulations do not have to be changed; but DAS can do some things to execute the implementation of this:

- DAS currently has a four-page checklist that is used to make sure program applications are complete. DAS is endeavoring to have language added to the Labor Code which would require that new program proposals use a form and format specified by DAS. A bill currently in the

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legislative process, AB 2929, has added some wording to this effect. DAS would also seek to create an on-line form and provide information so the whole process goes smoother.

- DAS has worked to clean up records. So far this year approximately 1,000 of the 1,650 programs in the DAS files have been closed because they have not had active apprentices for two years or more. DAS will now review statewide organizations to ensure that only those who are active remain on the books.
- DAS will require the 20 field consultants to complete formal "visit logs" and focus on specific goals when visiting programs. DAS will focus on those programs with low graduation rates by trades and help them get better.
- Future programs may be approved contingent upon an audit at the end of the first year. Consultants may be required to participate in committee meetings throughout the first year.
- Chief Rowan emphasized that portions of 212.2 require programs to "show evidence of their commitment," as opposed to proof.

  Chief Rowan shared a draft of a proforma / budget that might be used to "show evidence of commitment" required in 212.2(a)(5). The draft required the applicant to forecast for the first five years:
  1. Number of apprentices. The cost, facility, number of journey people needed to support the apprentices.
  2. Classroom space – a typical requirement for educational facilities is 20 square feet per student.
  3. Number of instructors required – 20 students per instructor was used for discussion.
  4. Sources of income to support the apprenticeship program.

  Chief Rowan clarified that the example was for discussion only and was shared to solicit further input and suggestions.

Ultimately, every program should go through the same process. Mergers are treated differently. There was also some discussion about lesser requirements for existing programs that wanted to expand. DAS supports a simpler process for these programs although it has not been defined.

Programs do not have to wait for the form or format to be finalized. They can go ahead and submit their application.

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NEW BUSINESS:

Don Simonich requested that DAS respond within 60 days to those existing programs solely seeking approval of updated standards and within 90-days for new programs in new areas of employment where there had formally not been apprenticeship training.

There being no further business, the meeting adjourned at 11:30 a.m.

Respectfully Submitted:

Aurea Galang
Staff Aide

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