



ADDRESS REPLY TO:
California Apprenticeship Council
P. O. Box 420603
San Francisco, CA 94142-0603

LEGISLATION COMMITTEE MEETING MINUTES

Tuesday –April 28, 2009 2:00 p.m.

I. Call To Order/ Roll Call

CAC Chairperson Dina Kimble called the meeting to order at 2:08 p.m.

Members present: Dina Kimble, Carl Goff, Julia Dozier, and Acting Chief Glen Forman

A quorum was met.

Members absent: Cedric Porter Richard Harris, Marvin Kropke, Frank Secret

Review/Approval of the minutes of January 28, 2009

A motion to accept the minutes was made by Commissioner Goff and seconded by Commissioner Dozier. The minutes were approved.

II. Update on Pending Bills

- Chairperson Dina Kimble gave an update on Pending Bills. (SB45, AB 3 and AB 35)
- SB45: Public Works Payment of Prevailing Wage Violations. Status: this bill is still in the Senate Appropriations Committee. It was amended during the last quarter. Originally it was going to collect fees on bonds to be used for enforcement of prevailing wage and apprenticeship and would take affect by January 2010. It was amended in March. It eliminated the proposed fee assessed by the DIR and instead it used the existing language in 1777.1, which will debar a contractor. It took out the period of three years of debarment. Effectively what it does, is, if a contractor is in violation of prevailing wage, a willful violation they could be debarred, indefinitely. It no longer has any fees. It also took out anything having to do with Apprenticeship.
- AB3: Workforce Development, Renewable Energy Workforce Readiness Initiative. It passed the House Committee of Labor and employment and was re referred to Appropriations. This bill was amended. Originally this bill would require the Public Utilities Commission to establish a Workforce Readiness Program to ensure green collar career placement within manufacturing, construction installation maintenance and operation. It will award training grants to implement this green collar training and education. It was amended in April it moved the bill away from the Public Utilities Code and into the Unemployment Insurance Code. It makes the program the responsibility of the California Workforce Investment Board. Some of the specifics are; who will be eligible to receive these funds; what program would be eligible to receive these funds; who the program should target as candidates for this Workforce

Development. It sets an implementation date of January 2011. The Public Utilities Commission would have to report back to the Legislature in 2012. State approved Apprenticeship Programs are candidates.

Commissioner Dozier reported that this is now in place on the Federal level and there is a movement of the Workforce Investment Boards working proactively with apprenticeship programs. Ms. Dozier encouraged everyone to call the Executive Director of Workforce Investment Board for possible funding opportunities to expand training programs.

- AB35: Education Workforce Preparation. This bill has been referred to Committee on Higher Education. This bill originally declared the intent of the Legislature to enact legislation to develop a strategic plan in education systems for workforce preparation. As amended it will also require the California Post Secondary Education Commission, the State Department of Education, and the California Workforce Investment Board to meet and develop strategic plan recommendation and to report these to the Legislature.

III. New Bills

- AB395: Employment Apprenticeship Program: Author is Fuentes. This bill would allow State approved LCPs to enforce 1777.5 for the DAS. If no litigation was resulted in the DAS, then the fines that they collect can go to the general fund of the sponsor of the LCP. Commissioner Kimble reported that a discussion that the DAS was estimating approximately a \$200,000 – \$300,000 fiscal affects per year, because they would need to maintain two full time positions to review the assessments of the LCPs.
- SB725: Regional Occupational Centers or Programs, California Apprenticeship Preparation Program, authored by Hancock. This would enact the California Apprenticeship Preparation Program Act of 2009, which would allow ROCs to partner with State approved Apprenticeship Programs. The programs would help develop the curriculum following certain guidelines and in exchange, students graduating are getting through these programs would receive credits or preferential consideration for entry into the partner of Apprenticeship programs.

IV. Action Items

- Exploration of tax credit for employers to utilize more apprentices on Public Works projects.
 - Previously it was discussed that proposing a language on tax cuts at this time would not be welcomed. The Committee would continue discussion and develop ideas, so when things do turn around, the jobs begin to show up, things should be set in place. It was noted that this idea would include both Public AND Private works projects to encourage use of STATE REGISTERED apprentices on both. Ms. Kimble spoke about the State of South Carolina Department of Revenue Apprenticeship Credit Form. She reported that the employer gets a \$1,000 tax credit for each apprentice that is employed for over 7 months of that year. There are certain qualifications; you can only claim the apprentice for 4 years. Discussion was had that the credit could be based on total apprenticeship hours per year by an employer in case apprentices are only employed seasonally and not for seven full months. Ms. Kimble stated that if this is something be pursued, she asked what

steps were needed. Acting Chief Glen Forman said that it is something that would need to be researched. There were numerous comments on how it could apply to California and the language that could be used. Commissioner Kimble asked the attendees to e-mail her or Mr. Forman with suggestions on a proposed language.

- Increasing fines for non compliance with State Prevailing wage laws
 - A few options were discussed but it was generally felt that adding language to 1777.1; that allows some sort of fee or fine and that language will be further explored and discussed at the next quarterly meeting. Acting Chief Forman is going to research the language on what needs to be done to get the language passed. Mr. Forman will submit his recommendations to the Committee and they will draft a language for two options.
- Bid Credit to Contractors who participate in employment of apprentices
 - Commissioner Kimble asked for suggestions on how to implement. David Rowan spoke on the communications with the awarding bodies and why it is to their advantage to get involved and to truly understand their obligations under the laws and to ensure that they uphold the law. DIR is also going to educate them on the concept of pre-qualifications. No other suggestions were made. This item will be kept on the agenda for the next meeting in July.

V. Adjournment

A motion to adjourn was made seconded. The meeting adjourned at 3:00 p.m.