

Approved by the Standards, Rules, Regulations & Operating Procedures sub-committee meeting March 3, 2021, to be submitted to the California Apprenticeship Council April 28, 2021

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## **Proposed changes to Title 8**

### **Chapter 2. California Apprenticeship Council**

#### **Subchapter 1. Apprenticeship**

##### **Article 10. Section 230.2 Payment of Apprenticeship Training Contributions to the Council**

(d) Training fund contribution paid to the CAC and deposited by the last day of a fiscal year into the Apprenticeship Training Contribution Fund shall be distributed in accordance with Labor Code section 1777.5, subdivision (m)(2)(A) ~~accordance with this subdivision~~ within 90 days of the end of that fiscal year. Only apprenticeship programs that have had approval under Labor Code section 3075 for the entire fiscal year and are in existence at the time of the distribution of funds shall be entitled to receive a share of the distributed contributions. ~~Contributions shall be distributed as follows: (i) payment shall first be made to the Division of Apprenticeship Standards for its budgeted expenses to administer this subdivision in the fiscal year in which the distribution is made; (ii) where there is only one applicable apprenticeship program in the same occupation for which contributions were made whose geographic area of operation as defined in 8 C.C.R. section 205(n) includes the county in which the work was performed, those contributions will be distributed to that program less the pro rata share of expenses paid by DAS; and (iii) where there are two or more applicable apprenticeship programs in the same occupation for which contributions were made whose geographic area of operation as defined in 8 C.C.R. section 205(n) includes the county in which the work was performed, those contributions will be distributed to each such program in proportion to the total number of registered apprentices that DAS has recorded in that program on June 30 of the fiscal year for which contributions were received less the pro rata share of expenses paid by DAS. "Pro rata share of expenses" means the share of DAS expenses that bears the same ratio to the contributions to be distributed as the total DAS expenses bear to the total contributions received in the fiscal year.~~

## Reference

### Labor Code 1777.5 (m)(2) (current)

(2) 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 funds shall be distributed as follows:

(A) 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.

(B) 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.

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