



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

MINUTES

Standards, Rules, Regulations & Operating Procedures Standing Committee Meeting

Thursday - July 26, 2007 9:00 – 11:00

I. Call to Order/ Roll Call

Chairperson Aram Hodess called the meeting to order at 9:05am. The following Commissioners were present: Aram Hodess, Anne Quick, Cedric Porter, Pat McGinn Leo Garcia, Chief Dave Rowan, Richard Harris, John Rea, Acting Director DIR. Absent were Frank Seccret and Marvin Kropke. A quorum was met.

II. Review/Approval of the May 3, 2007 Meeting Minutes.

It was moved and seconded that the minutes of the May 3, 2007 meeting be approved as written. None opposed; the motion carried.

III. Continued Discussion from the May 3, 2007 Rule & Regulation meeting:
Ways in which to increase Apprenticeship Employment Opportunities

Chairperson Hodess noted while labor code section 1775.5 required the employment of apprentices on Public Works Projects, CAC regulation 230.1 only obligates an employer to request dispatch of an apprentice from a single program of the craft or trade of employee required. If one program refuses to dispatch the employer has satisfied his obligation under 230.1 and is relieved of his obligation to employ an apprentice.

There was general agreement that many employers both California based and from out-of-state performing Public Works in California do not want to employ apprentices and are currently able to avoid this by requesting dispatch of an apprentice from a program that they know is unable to dispatch. Various participants expressed the opinion that employers who do not employ apprentices should not be allowed to do Public Works.

Sandra Benson presented a proposed draft revision to 230.1 that would require an employer to request apprentices from each committee in a craft or trade in the geographic area of the site of the Public Works, before an employer would be relieved of his or her obligation to request or employ apprentices. Ms. Benson's proposal would also amend 230.1 to allow apprentices to direct employers to send their health and welfare, pension and vacation fringe monies into the plan in which the apprentices are currently enrolled. This would allow apprentices to continue receiving health and welfare benefits and accruing retirement credits in the Plan(s) in which they are currently enrolled.

Dick Freeman said he wasn't prepared to comment on Ms. Benson proposal to amend 230.1 as it had just been presented to him for review. He did raise questions about how this might impact contractors traveling their current apprentice workforce to areas outside of their programs approved geographic boundaries.

A letter from Oscar Meier from the Division of Adult Education, dated May 21, 2007, was placed in the record discussing his observations and suggestions on how to increase apprentice employment opportunities.

A letter from Diane Sidd-Champion, dated July 25, 2007, was also entered into the record presenting her suggestions on making changes that would increase apprentice opportunities.

Jack Davis noted that state law currently permits employers to "travel" apprentices who are currently indentured and employed in that employer's home area and that the proposed changes in 230.1 would not affect that. Mr. Davis also spoke in support of Ms. Benson's proposal.

There was a detailed discussion as to whether the remittance of trust monies to an apprentice's fund could be simplified and done in a way that would not create unintended contractual obligations for employers. It was suggested that Ms. Benson, Mr. Freeman, and attorneys with ERISA experience meet to discuss this prior to the next meeting.

Glen Forman, Deputy Chief, DAS, introduced a template for a website that would better accommodate requests for apprentice dispatch by employers. The template will be posted on the DAS website and any suggestions for improvement would be appreciated.

There was a consensus that Box 3 on the DAS 140 form is confusing. It is unclear what it means to, "train to the standards of the CAC".

At the next meeting discussions will continue on

- Modifying 230.1 to insure employers exhaust the available avenues to request to employ apprentices
- Discussing legal methods to provide for employers to make trust fund contributions by employers on behalf of apprentices to the plan in which an apprentice currently participates
- Ways to avoid undue employer burdens and obligations on employers when making Trust Fund contributions on behalf of an apprentice
- Clarify what it means to train to the CAC's standards as opposed to the standards of the program in which the apprentice is enrolled
- Review of the DAS apprentice dispatch template will continue

Submission of public comments regarding these issues would be appreciated prior to the next meeting.

The meeting adjourned at 11:00 a.m.

Respectfully submitted
Aram Hodess