



PROPOSED RULE MAKING

CR-102 (July 2022)
(Implements RCW 34.05.320)
Do **NOT** use for expedited rule making

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STATE OF WASHINGTON
FILED

DATE: February 28, 2023
TIME: 8:20 AM

WSR 23-06-060

Agency: Department of Labor & Industries (L&I)

Original Notice
 Supplemental Notice to WSR _____
 Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 22-10-067 ; or
 Expedited Rule Making--Proposed notice was filed as WSR _____; or
 Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or
 Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) Chapter 296-05 WAC, Apprenticeship Rules

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
April 6, 2023	1pm	Virtual and telephonic hearing. Join electronically: https://lni-wa-gov.zoom.us/j/81802286237?pwd=QIBqNVpmdXNlNnJDNzhhaGZqK1hJZz09 Passcode: Hearing6! Or Join by phone (audio only): 1-360-209-5623 Meeting ID: 818 0228 6237 Passcode: 610462506 Find your local number here: https://lni-wa-gov.zoom.us/u/kjdMAYS3E	The virtual hearing will begin at 1pm, and will continue until all oral comments are received.

Date of intended adoption: May 23, 2023 (Note: This is **NOT** the effective date)

Submit written comments to: Name: Erik Sackstein Address: Department of Labor & Industries Fraud Prevention & Labor Standards / Apprenticeship PO Box 44530 Olympia, WA 98504-4530 Email: ApprenticeshipRules@lni.wa.gov Fax: Other: By (date) <u>April 6, 2023 at 5pm</u>	Assistance for persons with disabilities: Contact <u>Erik Sackstein</u> Phone: 360-485-3313 Fax: TTY: Email: ApprenticeshipRules@lni.wa.gov Other: By (date) <u>April 1, 2023</u>
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Purpose of the proposal and its anticipated effects, including any changes in existing rules: The purpose of this proposal is to update the rules regarding timelines, procedures and content for new apprenticeship program applications as detailed in chapter 296-05 WAC. The Washington State Legislature passed Engrossed Second Substitute Senate Bill 5600 (E2SSB 5600) during the 2022 legislative session, which adds a sustainability assessment requirement to all new apprenticeship program applications. The Washington State Apprenticeship and Training Council (WSATC) now must also consider living wage, presence of a career ladder, and other non-wage benefits for graduating apprentices when considering

a new program for approval. To ensure transparency in the approval process, these items need to be included and defined in the rule.

E2SSB 5600 also requires the WSATC to establish economic or industry sector-based platforms, which is a new aspect in the apprenticeship system. The bill highlights the industry sectors for which the platforms may be established, that each must consist of an equal number of employer and employee representatives, and outlines the tasks that the platforms must complete. Rulemaking is required to define how platform members will be selected, the detailed make-up of the platforms (including minimum/maximum number of members, qualifications of platform members, electing a chair and secretary), and further clarify the role of the platforms.

Reasons supporting proposal: Rulemaking is required to implement the requirements of E2SSB 5600 (Chapter 156, Laws of 2022). This includes defining terms, outlining the roles and responsibilities of economic or industry sector-based platforms, and adding the new WSATC review requirements in rule.

Statutory authority for adoption: Chapter 49.04 RCW

Statute being implemented: RCW 49.04.240 and 49.04.050

Is rule necessary because of a:

Federal Law? Yes No
Federal Court Decision? Yes No
State Court Decision? Yes No

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: Requested FTEs were funded in full. Draft rule language was thoroughly stakeholdered and approved by the Washington State Apprenticeship and Training Council.

Type of proponent: Private Public Governmental

Name of proponent: (person or organization) Department of Labor & Industries

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting:	Erik Sackstein	Tumwater, WA	360-485-3313
Implementation:	Peter Guzman	Tumwater, WA	360-584-3706
Enforcement:	Peter Guzman	Tumwater, WA	360-584-3706

Is a school district fiscal impact statement required under [RCW 28A.305.135](#)? Yes No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Is a cost-benefit analysis required under [RCW 34.05.328](#)?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

No: Please explain: This rulemaking is exempt from conducting a cost-benefit analysis per RCW 34.05.328(5)(b)(ii) as the amendments are related to internal governmental operations that are not subject to a violation by a nongovernment party, RCW 34.05.328(5)(b)(iii) as the amendments adopt state statutes without material change, RCW 34.05.328(5)(b)(iv) make housekeeping changes that clarify the intent of the rule without changing the effect, are

procedural rules under RCW 34.05.328(5)(c)(i) or are interpretive under RCW 34.05.328(5)(c)(ii) and do not independently impose a penalty or sanction on a person or entity.

Regulatory Fairness Act and Small Business Economic Impact Statement

Note: The [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#) provides support in completing this part.

(1) Identification of exemptions:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see [chapter 19.85 RCW](#)). For additional information on exemptions, consult the [exemption guide published by ORIA](#). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.061](#) because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by [RCW 34.05.313](#) before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of [RCW 15.65.570\(2\)](#) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(3\)](#). Check all that apply:

- | | |
|--|--|
| <input checked="" type="checkbox"/> RCW 34.05.310 (4)(b)
(Internal government operations) | <input type="checkbox"/> RCW 34.05.310 (4)(e)
(Dictated by statute) |
| <input checked="" type="checkbox"/> RCW 34.05.310 (4)(c)
(Incorporation by reference) | <input type="checkbox"/> RCW 34.05.310 (4)(f)
(Set or adjust fees) |
| <input checked="" type="checkbox"/> RCW 34.05.310 (4)(d)
(Correct or clarify language) | <input type="checkbox"/> RCW 34.05.310 (4)(g)
((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(4\)](#) (does not affect small businesses).

This rule proposal, or portions of the proposal, is exempt under RCW _____.

Explanation of how the above exemption(s) applies to the proposed rule: This rule proposal is exempt under RCW 19.85.025 because the requirements of the rules apply to the WSATC which is not a small business. Additionally, the proposed amendments are exempt under RCW 34.05.310(4)(b)-(d) because the rule adopts state statutes without material change, housekeeping changes that clarify the rule without changing the effect, and deal with internal governmental operations and procedures that are not subject to a violation by a nongovernment party.

(2) Scope of exemptions: Check one.

The rule proposal is fully exempt (*skip section 3*). Exemptions identified above apply to all portions of the rule proposal.

The rule proposal is partially exempt (*complete section 3*). The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):

The rule proposal is not exempt (*complete section 3*). No exemptions were identified above.

(3) Small business economic impact statement: Complete this section if any portion is not exempt.

If any portion of the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs. _____
- Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

- Name:
- Address:
- Phone:
- Fax:
- TTY:
- Email:
- Other:

Date: February 28, 2023

Name: Joel Sacks

Title: Director

Signature:

A handwritten signature in black ink that reads "Joel Sacks". The signature is written in a cursive style with a large initial 'J' and 'S'.