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January 12, 2022

Sen. Karen Keiser, chair  
Washington State Senate  
Labor, Commerce & Tribal Affairs Committee  
Post Office Box 40433  
Olympia, WA 98504

Sen. Curtis King, ranking member  
Washington State Senate  
Labor, Commerce & Tribal Affairs Committee  
Post Office Box 40414  
Olympia, WA 98504

RE: **SB 5600, Concerning the sustainability and expansion of state registered apprenticeship programs.**

Dear Chair Keiser and Sen. King:

Due to competing public hearings, NFIB is unlikely to have the opportunity to testify in person about our concerns with SB 5600 during tomorrow's committee meeting.

On behalf of our more than 7,000 members in Washington, NFIB, the state's and nation's leading small business advocacy organization, asks the committee to consider the workforce needs and particular concerns of small businesses as it deliberates on this legislation.

While we are generally supportive of apprenticeship programs, and the opportunity they afford workers to "earn while they learn," we've often found that employees of small businesses are either excluded from program eligibility, or that significant barriers make participation all but impossible. As you know, small businesses are our state's leading job creators, employing 1.4 million workers, or just more than half of Washington's workforce, according to 2021 US Small Business Administration [data](#). Denying them reasonable access to apprenticeship programs, particularly the new programs envisioned in this bill, would be a disservice to the majority of workers in our state.

Accordingly, NFIB asks sponsors and stakeholders consider the following:

- Small businesses in the construction sector are overwhelmingly non-union, open-shop employers. This frequently excludes them from eligibility to participate in state-approved apprenticeship programs. Moreover, those small contractors choosing to enter into one or more collective bargaining agreements, or that sign a project labor agreement, are often unable to meet apprenticeship program (and public works apprentice utilization) staffing requirements of two or three journey-level workers per apprentice. At a minimum, the



Department of Labor & Industries should **identify obstacles to open-shop, small-contractor employee participation in existing training programs**, and **recommend changes to eliminate those obstacles**, as well as establish processes to **ensure access to and enrollment of small-business employees in new programs launched under this legislation**, aside from the proposed state agency training initiative.

- SB 5600 creates a framework for state funds to be used to help launch new apprenticeship programs. **Union membership, dues, or representation fees should not be a requirement for participation in any new training program supported by taxpayer dollars.**
- Sec. 10 requires the Department to develop an incentives list for private-sector apprenticeship utilization, particularly in non-traditional industries. The report would be due December 1, 2022, giving the Department six months at most to complete this work. Based on our experience working with the Department on these types of endeavors, we believe the report deadline is unrealistic. **We suggest the report due date be changed to June 30, 2023, or September 30, 2023**, so that adequate time is available to convene stakeholders and develop thoughtful recommendations for incentivizing apprenticeship utilization in non-traditional industries. The sunset date for this section should be changed accordingly.
- **NFIB also requests the report discussed in Sec. 10 include recommendations specific to incentivizing small business participation in apprenticeship programs and utilization.**

Thank you for the opportunity to submit these comments. We look forward to engaging with you and with other stakeholders as this bill moves forward.

Respectfully submitted,

A handwritten signature in black ink that reads "Patrick L. Connor". The signature is fluid and cursive, with a stylized "C" at the end.

Patrick Connor  
NFIB Washington State Director

cc: Senate Labor, Commerce & Tribal Affairs Committee members