



SPONSOR: Rep. Longhurst & Sen. Townsend & Sen. Mantzavinos
Reps. K. Johnson, Osienski; Sen. Sokola

HOUSE OF REPRESENTATIVES
151st GENERAL ASSEMBLY

HOUSE BILL NO. 487

AND ACT TO AMEND TITLES 19 AND TITLE 29 OF THE DELAWARE CODE RELATED TO CRAFT TRAINING REQUIREMENTS IN PUBLIC WORKS CONTRACTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 204, Title 19 of the Delaware Code by making deletions as shown by strike through and
2 insertions as shown by underline as follows:

3 § 204. Training and apprenticeship programs.

4 (a) The State Department of Labor shall develop and conduct employee training and registered apprenticeship
5 programs, in cooperation with participating appointing authorities and the Department of Human Resources. The
6 Department of Human Resources shall assist appointing authorities in utilizing such programs, and in developing the
7 apprenticeships which are established pursuant to this section.

8 (b) (1) The Secretary of the Department of Human Resources, in cooperation with the Department of Labor and
9 other participating appointing authorities, shall develop and annually revise a list of employment classifications in the
10 classified service which are appropriate for apprenticeship training by December 31.

11 (2) For purposes of the craft training requirement under § 6960A of Title 29, the Department of Labor shall
12 maintain a list of crafts for which there are approved and registered craft training programs in this State as follows:

13 a. An updated list must be published by January 31 each year.

14 b. At the time of the annual January update, the list must include all of the ~~following:~~ crafts that had 1 or
15 more active Delaware registered apprentices complete their apprenticeship during the previous 2 years.

16 ~~1. All of the crafts that had 1 or more active Delaware registered apprentices complete their~~
17 ~~apprenticeship during the previous 2 years.~~

18 ~~2. The amount of the payment that satisfies the craft training requirement under § 6960A of Title 29~~
19 ~~for each craft. The Secretary of Labor, with the concurrence of the Director of the Office of Management and~~
20 ~~Budget and the Controller General, shall establish the amount of the payment which shall be the average~~
21 ~~annual related technical instruction cost. The annual related technical instruction cost is calculated using the~~

~~cost or tuition for 1 person to attend training for each craft in each adult education division vocational-technical school district offering training for the craft.~~

~~(3) The list of approved programs under paragraph (b)(2) of this section may be updated during the year to add craft training programs after a program is approved and registered.~~

~~(4) The amount of the payment under paragraph (b)(2)b.2. of this section must be reviewed at least once every 3 years and the review must consider all of the following:~~

~~a. The amount of moneys collected.~~

~~b. The number of additional programs created.~~

~~c. Changes in the cost or tuition for related technical instruction.~~

~~d. The number of contractors who have complied with the craft training requirement by making payments.~~

(c) The Apprenticeship and Training Section of the Department of Labor shall establish procedures for the coordination of programs developed under this section, in cooperation with the Secretary of the Department of Human Resources.

Section 2. Amend § 6906A, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 6960A. Craft training requirement.

(a) (1) A contract relating to a public works project under § 6962 of this title must include a craft training program for each craft in the project if at the time the contractor executes a public works contract, all of the following apply:

a. A project meets the prevailing wage requirement under § 6960 of this title.

b. The contractor employs 10 or more total employees.

c. The project is not a federal highway project, except for the project under § 6962(c)(11) of this title.

d. There is an apprenticeship program for a craft in the project on the list of crafts under § 204(b)(2) of Title 19.

(2) A contractor must commit that all subcontractors provide craft training if paragraph (a)(1) of this section apply to the subcontractor.

(b) (1) If a contract requires a craft training program under subsection (a) of this section, the contractor must satisfy the craft training requirement before the contract is executed. A contractor or subcontractor may satisfy the craft training requirement under this section by doing any of the following for each craft under subsection (a) of this section:

a. Having at least 1 active apprentice in a craft training program for the craft.

b. Having at least 1 active apprentice who completes a craft training program for the craft within the 6 months before the date the contract was executed.

c. Being a member of a consortium that provides craft training for the craft and all of the following apply to the craft training program for the craft:

1. The consortium requires a regular financial contribution.

2. The contractor or subcontractor has access to the craft training program.

3. There is at least 1 active apprentice in the craft training program.

~~d. Making a payment under subsection (c) of this section.~~

(2) The craft training program under paragraphs (b)(1)a. through (b)(1)b. of this section may be provided by the contractor or subcontractor or through agreement with another entity.

(3) The active apprentice under paragraphs (b)(1)a. through (b)(1)b. of this section does not have to work on the contract being executed under paragraph (b)(1) of this section.

~~(c) (1) For contracts executed after [the implementation date under 83 Del. Laws, c. 129, § 6], a contractor or subcontractor may satisfy the craft training requirement under this section by making a payment in the amount established under § 204(b)(2)b.2. of Title 19, for the craft into the Apprenticeship and Training Fund of the Department Labor.~~

~~(2) For each calendar year, a contractor or subcontractor satisfies the craft training requirement for all contracts executed during that year when payments made under paragraph (c)(1) of this section after January 1 equal the following amounts:~~

~~a. For employers with 10 through 25 employees, payments that total \$10,000.~~

~~b. For employers with more than 25 employees, payments that total \$20,000.~~

~~(d)(1) All contracts that require a craft training program under subsection (a) of this section must contain a penalty provision against the successful bidder for the failure to comply with the requirements under this section. The penalty provision must require all of the following:~~

~~a. The contractor must pay the amount of the payment required under subsection (c) of this section to the Apprenticeship and Training Fund.~~

~~b. An amount that does not exceed 10 percent of the payment under paragraph (d)(1)a. of this section.~~

~~(2) A penalty assessed under paragraph (d)(1) of this section may be fully or partially remitted or refunded by the agency awarding the contract only if the contractor establishes compliance within 60 days of the notice of the penalty. A claim for remission or refund of a penalty may only be granted if an application for the remission or refund is filed within 1 year of the notice of the penalty.~~

82 (3) ~~All money received from penalties under paragraph (d)(1)b. of this section, that is not remitted or~~
83 ~~refunded, reverts to the government entity under the contract for which the penalty was imposed.~~

SYNOPSIS

Apprenticeship and workplace-based training are an “earn while you learn” systems that offer young people the chance to learn from the best trained construction workers in Delaware. Skilled craft apprenticeship programs offer the necessary capacities, resources, and flexibility needed to help low-income, minority, and female workers achieve and retain construction careers, while simultaneously assisting local construction employers obtain the skilled workforce they need to help drive growth in their local labor markets. This bill removes the “buy-out” for contractors to avoid participating in apprentice programs by paying into the Apprenticeship and Training Fund created in 2021. This “buy-out” benefits bad actors or those businesses only coming into Delaware to work on state taxpayer-funded projects whereas most Delaware merit shops and 100 percent of union shops have apprentice and training programs. The “buy out” also incentivizes contractors or never create training because the maximum cost of the buy-out is less than the cost to operate, fund, or participate in an apprentice program.