



GOV. MSG. NO. 1114

EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

April 10, 2012

The Honorable Shan Tsutsui, President  
and Members of the Senate  
Twenty-Sixth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

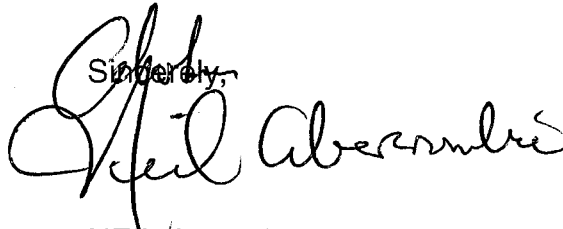
The Honorable Calvin Say, Speaker  
and Members of the House  
Twenty-Sixth State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on April 10, 2012, the following bill was signed into law:

HB2573 HD1

RELATING TO APPRENTICESHIP.  
**Act 014 (12)**

Sincerely,  


NEIL ABERCROMBIE  
Governor, State of Hawaii

Approved by the Governor

on APR 10 2012

HOUSE OF REPRESENTATIVES  
TWENTY-SIXTH LEGISLATURE, 2012  
STATE OF HAWAII

ACT 014

H.B. NO. 2573  
H.D. 1

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# A BILL FOR AN ACT

RELATING TO APPRENTICESHIP.

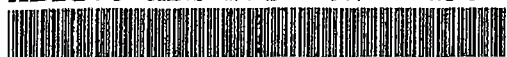
**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. Section 26-20, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "§26-20 Department of labor and industrial relations. The  
4 department of labor and industrial relations shall be headed by  
5 a single executive to be known as the director of labor and  
6 industrial relations.

7 The department shall administer programs designed to  
8 increase the economic security, physical and economic well-  
9 being, and productivity of workers, and to achieve good labor-  
10 management relations, including the administration of workers'  
11 compensation, employment security, apprenticeship training, wage  
12 and hour, and industrial relations laws. The department shall  
13 also have the function of developing, preparing, and  
14 disseminating information on employment, unemployment, and  
15 general labor market conditions.

16 The labor and industrial relations appeals board provided  
17 for in chapters 371 and 386 is placed within the department of  
18 labor and industrial relations for administrative purposes. The



1 respective functions, duties, and powers, subject to the  
2 administrative control of the director of labor and industrial  
3 relations, and the composition of the board shall be as  
4 heretofore provided by law.

5       There shall be within the department of labor and  
6 industrial relations a board to be known as the Hawaii labor  
7 relations board as provided for in section 89-5, which shall  
8 exercise powers and duties in accordance with chapters 89, 377,  
9 and 396. The director shall have general administrative  
10 supervision over the board, but shall not have the power to  
11 supervise or control the board in the exercise of its powers or  
12 duties.

13       The functions of mediation heretofore exercised by the  
14 commission of labor and industrial relations existing  
15 immediately prior to November 25, 1959, as provided in section  
16 371-10, shall be exercised by the governor or the governor's  
17 designated agent.

18       The director may establish within the department of labor  
19 and industrial relations a committee to be known as the state  
20 apprenticeship council which shall sit in an advisory capacity  
21 to the director of labor and industrial relations on matters  
22 within the jurisdiction of the department of labor and



1 industrial relations relating to apprenticeship programs. The  
2 membership and organization of the council shall be determined  
3 by the director."

4 SECTION 2. Section 372-1, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 "**§372-1 Application of chapter.** This chapter shall apply  
7 to a person, [~~firm, corporation, or craft~~] employer,  
8 association, committee, or organization only after such person,  
9 [~~firm, corporation, or craft~~] employer, association, committee,  
10 or organization has voluntarily elected to conform with its  
11 provisions."

12 SECTION 3. Section 372-2, Hawaii Revised Statutes, is  
13 amended to read as follows:

14 "**§372-2 Definitions.** As used in this chapter:

15 "Apprentice" means a [~~person participating, through~~  
16 ~~employment, in an approved schedule of work experience~~  
17 ~~supplemented by related instruction and who is a party to an~~  
18 ~~apprenticeship agreement registered with the department in~~  
19 ~~accordance with this chapter.] worker at least sixteen years of  
20 age, except where a higher minimum age standard is otherwise  
21 fixed by law, who is employed to learn an apprenticeable~~



1 occupation in accordance with the standards of apprenticeship  
2 established by this chapter.

3 "Apprenticeship agreement" [means] is a written agreement  
4 [~~which conforms to standards established under this chapter and~~  
5 ~~is entered into]~~ between an apprentice and [~~(1) an employer, (2)~~  
6 ~~an association of employers, (3) an organization of employees,~~  
7 ~~or (4) a joint committee representing employers and employees.]~~  
8 either the apprentice's program sponsors or an apprenticeship  
9 committee acting as agent for the program sponsors. The  
10 apprenticeship agreement shall be approved by the director.

11 "Apprenticeship committee" means a group of persons  
12 designated by the sponsors to administer an apprenticeship  
13 program. An apprenticeship committee may either be a joint  
14 committee comprising an equal number of representatives of the  
15 employers and employees represented by bona fide collective  
16 bargaining agents, or a non-joint committee, known as a  
17 unilateral or group non-joint committee, that has employer  
18 representatives and may include employees, but does not have a  
19 bona fide collective bargaining agent as a participant.

20 "Department" means the department of labor and industrial  
21 relations.



1 "Director" means the director of labor and industrial  
2 relations.

3 "Sponsor" means any person, employer, association,  
4 committee, or organization operating an apprenticeship program  
5 and in whose name the program is, or is to be, registered and  
6 approved."

7 SECTION 4. Section 372-3, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 **"§372-3 Standards [~~for agreements.~~] of apprenticeship.**

10 [~~"Standards for apprenticeship agreements" are as follows:~~

11 ~~(1) A statement of the trade or craft to be taught and the~~  
12 ~~required months or hours for completion of~~  
13 ~~apprenticeship which shall not be less than twelve~~  
14 ~~months or two thousand hours of reasonably continuous~~  
15 ~~employment;~~

16 ~~(2) A statement of the processes in the trade or craft~~  
17 ~~divisions in which the apprentice is to be taught and~~  
18 ~~the approximate amount of time to be spent at each~~  
19 ~~process;~~

20 ~~(3) A statement of the number of hours to be spent in~~  
21 ~~related instruction which shall not be less than one~~  
22 ~~hundred and forty four hours per year; provided that~~



- 1 ~~the department of labor and industrial relations may,~~  
2 ~~in the best interest of apprenticeship, reduce the~~  
3 ~~hours of related instruction;~~
- 4 (4) ~~A statement that apprentices shall be not less than~~  
5 ~~sixteen years of age;~~
- 6 (5) ~~A statement of the progressively increasing scale of~~  
7 ~~wages to be paid the apprentice;~~
- 8 (6) ~~Provision for a period of probation during which the~~  
9 ~~director of labor and industrial relations shall be~~  
10 ~~directed to terminate an apprenticeship agreement at~~  
11 ~~the request in writing of any party thereto;~~
- 12 (7) ~~Provision that after the probationary period the~~  
13 ~~director may terminate an apprenticeship agreement~~  
14 ~~upon agreement of the parties thereto;~~
- 15 (8) ~~Provision that the services of the department may be~~  
16 ~~utilized for consultation regarding the settlement of~~  
17 ~~differences arising out of the apprenticeship~~  
18 ~~agreement where the differences cannot be adjusted~~  
19 ~~locally or in accordance with the established trade~~  
20 ~~procedure;~~
- 21 (9) ~~Provision to specify the ratio of apprentice to~~  
22 ~~journey worker;~~



1       ~~(10) Provision that if an employer is unable to fulfill the~~  
2           ~~employer's obligation under the apprenticeship~~  
3           ~~agreement, the employer may transfer the obligation to~~  
4           ~~another employer;~~

5       ~~(11) Such additional standards as may be prescribed in~~  
6           ~~accordance with this chapter.~~

7           ~~An apprentice who, prior to entering an agreement, has had~~  
8       ~~training or experience or both in the trade or craft in which~~  
9       ~~the apprentice is employed as an apprentice may be granted full~~  
10       ~~or partial credit for the training or experience on the~~  
11       ~~recommendation of the employer or the joint apprenticeship~~  
12       ~~committee with the approval of the director.]~~   Standards of

13       apprenticeship that conform to the federal regulations shall be  
14       established by the director. Apprenticeship program sponsors  
15       that meet the standards of apprenticeship may seek approval and  
16       registration by the director."

17           SECTION 5. Section 372-4, Hawaii Revised Statutes, is  
18       amended to read as follows:

19           "**§372-4**   [Apprenticeship] State apprenticeship council.

20       The director [~~of labor and industrial relations may~~] shall  
21       establish within the department [~~of labor and industrial~~  
22       ~~relations a committee to be known as~~] the state apprenticeship



1 council which shall ~~[sit]~~ serve in an advisory capacity to the  
2 director on matters within the jurisdiction of the department  
3 relating to apprenticeship programs. The membership and  
4 organization of the council shall be determined by the director.  
5 The council shall be composed of persons familiar with  
6 apprenticeable occupations, and shall include an equal number of  
7 representatives of employers and employee organizations, and  
8 shall include public members who shall not number in excess of  
9 the number named to represent either employers or employee  
10 organizations. The members of the council shall be appointed  
11 and removed at the pleasure of the director. ~~[The director or~~  
12 ~~the director's subordinate officer in charge of the~~  
13 ~~apprenticeship program shall act as secretary of the council.]"~~

14 SECTION 6. Section 372-5, Hawaii Revised Statutes, is  
15 amended to read as follows:

16 "**§372-5 Powers and duties of director.** The director ~~[of~~  
17 ~~labor and industrial relations]~~ shall:

- 18 (1) Establish standards of apprenticeship and for  
19 apprenticeship agreements in conformity with this  
20 chapter;
- 21 (2) Provide assistance for the development of on-the-job  
22 training programs in nonapprenticeable occupations;



- 1           (3) Encourage and promote [~~the making of~~] apprenticeship  
2                    [~~agreements conforming to the standards established by~~  
3                    ~~this chapter,~~] in apprenticeable occupations,  
4                    including occupations in high growth and high demand  
5                    industries;
- 6           (4) [~~Register such apprenticeship agreements as are in the~~  
7                    ~~best interest of apprenticeship and~~] Approve and  
8                    register apprenticeship programs and apprenticeship  
9                    agreements which conform to the standards established  
10                   by this chapter;
- 11           (5) Keep [~~a record~~] records of apprenticeship agreements  
12                   and upon performance thereof issue certificates of  
13                   completion of apprenticeship;
- 14           (6) Terminate or cancel [~~any~~] apprenticeship agreements in  
15                   accordance with the agreements[+], and deregister  
16                   apprenticeship programs;
- 17           (7) Bring about the settlement of differences arising out  
18                   of the apprenticeship agreement where the differences  
19                   cannot be otherwise adjusted locally;
- 20           (8) Issue such rules and regulations as may be necessary  
21                   to carry out the intent and purpose of this chapter;



- 1 (9) Appoint personnel as are necessary in the execution of  
2 the functions required under this chapter; [and]
- 3 (10) Perform other duties as are necessary to carry out the  
4 intent and purpose of this chapter[-] or rules  
5 pertaining to apprenticeship; and
- 6 (11) Accord reciprocal approval to apprenticeship programs  
7 and agreements that are registered in other states by  
8 the federal Office of Apprenticeship or a recognized  
9 agency of a state if such reciprocity is requested by  
10 the apprenticeship program sponsor. Program sponsors  
11 seeking reciprocal approval shall meet the wage and  
12 hour provisions and apprentice ratio standards of this  
13 state."

14 SECTION 7. Section 372-6, Hawaii Revised Statutes, is  
15 amended to read as follows:

16 "~~§372-6 Related instruction [and coordination of~~  
17 ~~instruction]~~. Related instruction for apprentices[~~r~~  
18 ~~coordination of instruction with job experiences, and the~~  
19 ~~selection]~~ and training of teachers and coordinators for the  
20 instruction shall be the responsibility of the community  
21 [~~college division]~~ colleges of the University of Hawaii[-]  
22 system."



1 SECTION 8. Section 372-7, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "§372-7 [~~Joint apprenticeship committees.~~] Apprenticeship  
4 committee. [~~Local joint apprenticeship committees may be~~  
5 ~~approved by the director of labor and industrial relations in~~  
6 ~~any trade, group of trades, or in trade areas, whenever the~~  
7 ~~apprentice training needs of the trade or group of trades~~  
8 ~~justifies the establishment of the committees. The joint~~  
9 ~~apprenticeship committees shall be composed of an equal number~~  
10 ~~of persons known to represent the interest of the employers and~~  
11 ~~employees, respectively.] Subject to the review of the director~~  
12 ~~and in accordance with the standards established by this chapter~~  
13 ~~and rules adopted by the director, [the] apprenticeship~~  
14 ~~committees shall [~~devise standards for apprenticeship agreements~~~~  
15 ~~and] give assistance to the operation and further development of~~  
16 ~~apprenticeship in their respective [~~trade~~] occupation and~~  
17 ~~localities."~~

18 SECTION 9. Section 372-8, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "§372-8 **State-federal cooperation.** The department [of  
21 ~~labor and industrial relations~~] may promote the administration  
22 of this chapter by accepting and utilizing information,



1 services, and facilities made available to it by the federal  
 2 [~~committee on apprenticeship;~~] Advisory Committee on  
 3 Apprenticeship; and the department shall cooperate with the  
 4 federal [~~committee on apprenticeship~~] Advisory Committee on  
 5 Apprenticeship to the fullest extent consistent with this  
 6 chapter."

7 SECTION 10. Statutory material to be repealed is bracketed  
 8 and stricken. New statutory material is underscored.

9 SECTION 11. This Act shall take effect upon its approval.

APPROVED this 10 day of APR , 2012



GOVERNOR OF THE STATE OF HAWAII

