



Thursday, March 14th, 2024

Chair Nelson and House Labor & Industry Committee Members –

On behalf of the Associated Builders and Contractors of Minnesota, a statewide organization that represents 340 merit shop construction industry members and their 20,000+ employees, we appreciate the opportunity to provide comments on HF 3980. Our local contractor members, and the men and women that they employ, are part of the 75% of the construction industry in Minnesota that choose to be merit shop craft professionals. Our members are located throughout Minnesota and build our schools, multi-family housing, retail and commercial spaces, medical facilities, energy, and other critical infrastructure, and much more.

ABC advocates for an all-of-the-above workforce development strategy that includes industry-driven and government-registered apprenticeship programs, so that workers and employers have the freedom to choose the best way to provide value. We are supportive of efforts to make registered apprenticeship more accessible and inclusive, and we want to thank the Department of Labor for being a valued partner and resource as it relates to ABC's registered apprenticeship program.

While we are not opposed to the underlying bill, we are extremely disappointed that it fails to include one of our key recommendations regarding the modification of ratios for apprentices in the construction industry. When we talk to our members about registered apprenticeship, this is one of the biggest barriers to participation. Although the bill strikes the 3:1 journeywork to apprenticeship ratio for other industries, it maintains this restrictive and antiquated requirement for the building and construction trades, particularly for employers who do not have collective bargaining agreements. If a 1:1 ratio is deemed safe for the first apprentice, it should also be considered to be safe for each additional apprentice. These are the ratios permitted under the federal apprenticeship program, and we've seen that it can be done safely. Having to hire and place three journeymen just to bring on one additional apprentice is inefficient, inhibits job creation, and makes it more counterproductive for a merit shop contract to participate in a registered apprenticeship program.

If the registered apprenticeship model is to be considered the gold standard of training, the State should be finding ways to encourage voluntary participation in these programs – not maintaining barriers that make it more difficult for the vast majority of the construction industry to participate. Thank you again for the opportunity to submit comments. We respectfully request that the committee consider our recommendations, and amend HF 3980 to develop a structure that is truly inclusive and applies fairly across the board.

Sincerely,

Jon Boesche
Director of Government & Public Affairs
Associated Builders and Contractors MN/ND Chapter