

BEFORE THE DEPARTMENT OF LABOR AND INDUSTRY
OF THE STATE OF MONTANA

In the matter of the amendment of ARM) NOTICE OF PUBLIC HEARING ON
24.21.1003 and repeal of 24.21.415) PROPOSED AMENDMENT AND
pertaining to apprenticeship ratios) REPEAL

TO: All Concerned Persons

1. On December 8, 2021, at 9:00 a.m., the Department of Labor and Industry (department) will hold a public hearing via remote conferencing to consider the proposed amendment and repeal of the above-stated rules. There will be no in-person hearing. Interested parties may access the remote conferencing platform in the following ways:

- a. Join Zoom Meeting, <https://mt-gov.zoom.us/j/82542141727>, Meeting ID: 825 4214 1727, Passcode: 408068; or
- b. Dial by telephone, +1 406 444 9999 or +1 646 558 8656, Meeting ID: 825 4214 1727, Passcode: 408068.

The hearing will begin with a brief introduction by department staff to explain the use of the videoconference and telephonic platform. All participants will be muted except when it is their time to speak.

2. The department will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or need an alternative accessible format of this notice. If you require an accommodation, contact the department no later than 5:00 p.m., on December 1, 2021, to advise us of the nature of the accommodation that you need. Please contact Jay Reardon, Workforce Services Division, P.O. Box 1728, Helena, Montana 59624-1728; facsimile (406) 444-3037; or e-mail DLIRatioComments@mt.gov.

3. The rule as proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

24.21.1003 APPRENTICE-TO-JOURNEYMAN RATIO (1) The apprentice-to-journeyman ratio may not exceed two apprentices supervised by one journeyman.
~~the following criteria:~~

~~(a) The first journeyman employed by a sponsor may supervise one apprentice.~~

~~(b) Two additional journeymen employed by the sponsor are required to supervise each additional apprentice.~~

(2) through (4) remain the same.

AUTH: 39-6-101, MCA

IMP: 39-6-102, 39-6-106, MCA

REASON: The department operates Montana's state apprenticeship agency and state office for apprenticeship pursuant to 29 CFR § 29, subpart A. Federal rules do not define the numeric ratio of journeyworkers to apprentices under 29 CFR § 29.5(a)(7), and the department is required to establish this ratio pursuant to 39-6-106(1)(i), MCA.

There is a reasonable necessity to amend this rule to allow for more individuals to enter registered apprenticeship programs while acknowledging that Montana currently has a lack of journeyworkers across many occupations. This apprenticeship-to-journeyman ratio will continue to ensure safety and quality training.

4. The rule proposed to be repealed is as follows:

24.21.415 RATIO WAIVER PROCESS

AUTH: 39-6-101, MCA

IMP: 39-6-101, 39-6-106, MCA

REASON: There is reasonable necessity to repeal this rule based on the amendments proposed to ARM 24.21.1003. Because of the expansion of apprentices to journeyworkers, further waiver is no longer necessary.

5. Concerned persons may present their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to Jay Reardon, Workforce Services Division, P.O. Box 1728, Helena, Montana 59624-1728; facsimile (406) 444-3037; or e-mail DLIRatioComments@mt.gov, and must be received no later than 5:00 p.m., December 8, 2021.

6. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request, which includes the name and e-mail or mailing address of the person to receive notices and specifies the particular subject matter or matters regarding which the person wishes to receive notices. Such written request may be mailed or delivered to the contact person in paragraph 2 above or may be made by completing a request form at any rules hearing held by the agency.

7. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

8. Pursuant to 2-4-111, MCA, the department has determined that the rule changes proposed in this notice will have a significant and direct impact upon small businesses. The department has determined that the proposed amendment to the apprentice-to-journeyman ratio will have a positive impact on small-business employers that sponsor registered apprentices because a greater number of individuals will be able to enter apprenticeships.

The amendment to the apprentice-to-journeyman ratio is significant for small businesses because the majority of sponsor employers are small-business employers with fewer than five apprentices. Many of these small employers operate in rural areas of the state where it is difficult to recruit journeyworkers to supervise apprentices.

The amendments will allow employers to directly hire a greater number of apprentices, without hiring more journeymen, while still maintaining effective and safe training and supervision. The current ratio of one apprentice to one journeyworker and an additional two journeyworkers required to add an additional apprentice has made it difficult for smaller employers to employ a second apprentice. Small employers, particularly in rural areas, struggle to recruit the required journeyworkers to meet the current ratio requirement. For example, many small employers employ two licensed workers. Under the current rules, employers with two licensed workers can only employ one apprentice because many small employers struggle to recruit and hire a third journeyworker to meet the current ratio requirement. Changing the current ratio to a 2:1 ratio will allow these small employers to hire additional apprentices.

The ratio will ensure new apprentices will continue to get the safe and quality training needed. The new ratio will also ensure a balance between the number of journeyworker mentors employed and required to supervise additional apprentices. As more individuals enter and successfully complete registered apprenticeship programs, Montana will eventually have a greater number of journeyworkers to meet the changing and growing demands of Montana's economy and communities.

9. Department staff has been designated to preside over and conduct this hearing.

/s/ QUINLAN L. O'CONNOR
Quinlan L. O'Connor
Alternate Rule Reviewer

/s/ LAURIE ESAU
Laurie Esau, Commissioner
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State October 26, 2021.