

Date of Hearing: June 24, 2026

ASSEMBLY COMMITTEE ON LABOR AND EMPLOYMENT

Liz Ortega, Chair

SB 1227 (Durazo) – As Amended April 16, 2026

SENATE VOTE: 38-0

SUBJECT: Department of Industrial Relations: apprenticeship pilot program

SUMMARY: Requires on or before January 1, 2028, the Department of Industrial Relations (DIR) and the Department of Human Resources (CalHR) to partner with the bargaining units representing employees of DIR to design and develop, through a meet and confer process, an apprenticeship program that addresses DIR's staffing challenges for filling positions in civil service classifications. Specifically, **this bill:**

- 1) Makes findings and declarations regarding the high vacancy rates at the Division of Occupational Safety and Health (Cal/OSHA) and the Office of the Labor Commissioner (LC) within the DIR.
- 2) Requires on or before January 1, 2028, DIR and CalHR to partner with the bargaining units representing employees of DIR to design and develop an apprenticeship program that addresses DIR's staffing challenges for filling positions in civil service classifications.
- 3) Requires the design, development, and administration of the apprenticeship program to meet all of the following requirements:
 - a) Use the meet and confer process, collective bargaining, and joint apprenticeship committees in a manner that is consistent with the requirements of the Ralph C. Dills Act (Dills Act) and the Shelley-Maloney Apprenticeship Labor Standards Act of 1939 and the provisions of the labor code governing apprenticeship.
 - b) Be consistent with the state constitutional merit principle, including, but not limited to, both of the following:
 - i) Selection for participation in an apprenticeship.
 - ii) Completion of an apprenticeship under the program.
 - c) Notwithstanding the provision under the Dills Act allowing for the continued effect of an Memorandum of Understanding, be implemented subject to an agreement between the parties consistent with the Dills Act.
 - d) Notwithstanding any other law or regulation, a joint apprenticeship committee operating under these provisions shall have all powers afforded to it by the labor code and the regulations pertaining to joint apprenticeship committees arising from the labor code.

- e) Consistent with the selection requirements of 3) b) i. above, apprenticeship program candidates may include incumbent state employees and prospective state employees not yet employed in the civil service.
- f) The apprenticeship program shall meet all of the following requirements:
 - i) Apprenticeship program classification pay scales shall be determined by the collective bargaining process.
 - ii) Apprenticeship program participants hired into a civil service apprenticeship classification consistent with the merit requirements of 3) b) i. above, shall accrue state service for purposes of seniority credit pursuant to applicable bargaining agreements and shall accrue service credit for retirement benefits pursuant to the Public Employees' Retirement Law, as specified, for time employed in a civil service apprenticeship classification.
 - iii) Apprenticeship program participants who successfully complete an apprenticeship program pursuant to the merit requirements of 3) b) ii. above, shall be considered as qualified and eligible for appointment to the journey classification by way of an apprentice transfer.
- g) The apprenticeship program is intended to augment state capacity and improve recruitment and retention efforts for hard-to-fill job classifications and shall not displace incumbent workers employed in state service.
- h) The above provisions shall not be construed to limit the jurisdiction or authority of the State Personnel Board with respect to the powers and authorities granted to it under the California Constitution.

EXISTING LAW:

- 1) Provides for apprenticeship programs within the Division of Apprenticeship Standards (DAS) within the DIR, sponsored by specific entities and employers, and requires the Chief of the DAS to perform various functions with respect to apprenticeship programs and the welfare of apprentices. Labor Code § 3070 et seq.
- 2) Establishes the Interagency Advisory Committee on Apprenticeship to provide advice and guidance to the Administrator of Apprenticeship and the Chief of the DAS on apprenticeship programs, and agreements that are not within the jurisdiction of the California Apprenticeship Council and on the development and administration of standards governing preapprenticeship, certification, and on-the-job training and retraining programs outside the building and construction trades and firefighters. Labor Code § 3071.5.
- 3) Requires the DAS to evaluate apprenticeship programs to ensure standards compliance, proper supervision, required classroom instruction is provided, work processes in the

standards are covered, graduates have completed program requirements, and funds were properly obtained and appropriately expended. Labor Code § 3073.1.

- 4) Provides that an apprenticeship program may be administered by a joint apprenticeship committee, unilateral management or labor apprenticeship committee, or an individual employer; that programs may be approved by the Chief of the DAS in any trade or area of the state; and that, where a collective bargaining agreement exists, requires a program to be jointly sponsored, as specified. Labor Code § 3075(a).
- 5) Establishes the Shelley Maloney Labor Apprenticeship Standards Act of 1939 to encourage the utilization of apprenticeship as a form of on-the-job training, when training is cost-effective in developing skills needed to perform public services; requires state and local public agencies to make a diligent effort to establish apprenticeship programs for apprenticeable occupations in their respective workforces; in furtherance of this policy, requires public agencies to take into consideration, a) the extent to which a continuous supply of trained personnel is readily available to public agencies to meet their skills requirements in the various occupations which are determined to be apprenticeable, and (b) the application of established programs in the private sector, where appropriate; and provides that public sector apprenticeship programs should be fully compatible with affirmative action goals for the participation of minorities and women in apprenticeship programs. Labor Code § 3075.1.
- 6) Requires apprenticeship program sponsors to establish selection procedures and make them available to applicants and the Chief of the DAS, as specified. Labor Code § 3076.3.
- 7) Defines the term “apprentice” to mean a person at least 16 years of age who has entered into an apprentice agreement with an employer or program sponsor and requires the term of apprenticeship for each apprenticeable occupation to be approved by the Chief of the DAS. Labor Code § 3077.
- 8) Requires apprentice agreements to be approved by the local joint apprenticeship committee or the parties to a collective bargaining agreement, or by the administrator where there is no collective bargaining agreement or joint committee, and be signed by the employer, or his or her agent, or by a program sponsor, as specified, and by the apprentice, as specified. Labor Code § 3079.
- 9) Establishes the Dills Act to promote full communication between the state and its employees by providing a reasonable method of resolving disputes regarding wages, hours, and other terms and conditions of employment between the state and public employee organizations. Government Code § 3512.
- 10) Establishes the Public Employees Retirement Law to effect economy and efficiency in the public service by providing a means whereby employees who become superannuated or

otherwise incapacitated may, without hardship or prejudice, be replaced by more capable employees, and to that end provide a retirement system consisting of retirement compensation and death benefits. Government Code § 20000-20001.

FISCAL EFFECT: According to the Senate Appropriations Committee,

- DIR would incur administrative costs to work with specified entities to design and develop the apprenticeship program (special fund). The department has yet to identify the magnitude, but costs minimally would reach the hundreds of thousands of dollars (special fund).
- CalHR would incur first-year costs of \$173,000, and \$166,000 annually thereafter, to implement the provisions of the bill (General Fund).

COMMENTS: Cal/OSHA continues to suffer from significant understaffing and high turnover, particularly in its enforcement division. The Compliance Safety and Health Officer (CSHO) position (made up of Sanitary Engineers and Industrial Hygienists)—critical for conducting field investigations of worker complaints of health and safety violations-- has one of the highest vacancy rates across the division. As of February 2026, Cal/OSHA had 91 vacant CSHO positions, a 32% vacancy rate. Among seven compliance offices in the state, this rate was even higher, at 50%. Even more troubling is the ratio of CSHO to worker in California—1 inspector to every 98,000 workers. This ratio is much higher than in the neighboring states of Washington and Oregon, which have ratios of 1 to 32,000 workers and 1 to 23,000 workers, respectively. To put it another way, perhaps more starkly, California employs 10 CSHOs *per million workers*.

Cal/OSHA's staffing crisis has affected its ability to conduct inspections and effectively enforce the health and safety laws designed to protect workers. A 2022 annual evaluation of Cal/OSHA's programs, conducted by federal OSHA, found that the division is failing to proactively inspect workplaces and prevent work-related accidents. According to the evaluation, "Cal/OSHA cannot conduct planned inspections of high hazard employers at the national average¹" due to short staffing. Only 18.5 percent of Cal/OSHA's inspections are programmed compared to a national average of 40 percent.² The lack of proactive inspections can contribute to dire outcomes for workers—from preventable injuries to death. In fact, over 500 workers in California were killed on the job in 2022.³

A 2025 state audit of Cal/OSHA found numerous operational issues at the division, stemming largely from understaffing. Among the audit's findings were:

- 82 percent of complaints were inspected via letter, without real consequences for uncompliant employers.
- When Cal/OSHA did conduct on-site inspections, its inspectors did not consistently document effective reviews of employers' injury and illness prevention programs.

¹ Miller, Maya. "Overworked and Underprotected: Cal/OSHA is experiencing a staffing crisis. Here's how that endangers California workers." Sacramento Bee, February 22, 2024, updated January 7, 2025.

² *Ibid.*

³ U.S. Bureau of Labor Statistics, Fatal Work Injuries in California- 2022.

- When Cal/OSHA identified hazards and cited employers, it did not always document whether those employers had abated the hazards.
- Cal/OSHA often assessed employers less than the violations warranted, and often did not document a clear rationale for further reducing fines in post-citation negotiations with employers.

The Office of the LC is another division within the DIR that suffers from high vacancy rates in key positions and delays in enforcing workers' rights. Due to chronic understaffing and other issues, the process for the LC to resolve a worker's wage claim is long and arduous. Wage claims can cover a number of issues, including, unpaid overtime, missed meal and rest periods, or the failure to pay wages. The LC is statutorily required to determine whether a wage claim needs a hearing within 30 days of receiving the claim. In addition, the LC has 90 days to hold a hearing from making that determination and 15 days from the hearing to issue a decision.

Unfortunately, the reality is that workers' claims generally take two years or longer to go through the adjudicatory process.⁴ In addition, there is an enormous backlog of cases (47,000 in 2023-2024).⁵ Due to this significant lag in resolution, workers who prevail in their cases are receiving pennies on the dollar compared to their claim amount. In fact, only 12 percent of workers using the LC's enforcement process receive their full award.⁶

According to the author, "The Department of Industrial Relations (DIR) has faced persistent challenges staffing its labor law enforcement operations, particularly within the Division of Labor Standards Enforcement and the Division of Occupational Safety and Health. High vacancy rates have hindered DIR's ability to timely resolve retaliation and wage claims and investigate workplace health and safety hazards.

In recent years, DIR has experienced department-wide vacancy rates exceeding 25 percent, with hundreds of budget-authorized positions remaining vacant. Vacancy rates in some divisions and offices have exceeded 30 percent. Classifications facing particularly acute shortages include Industrial Hygienists, Sanitary Engineers, Deputy Labor Commissioners, and Industrial Relations Representatives—positions critical to enforcing California's labor and workplace safety laws.

These staff shortages have significant consequences for workers and employers alike. For many low-wage workers, DIR enforcement is the only practical avenue for vindicating workplace rights, as private legal representation is often inaccessible or economically impractical. Delays in enforcement can therefore effectively deny workers access to remedies under California law.

Employers also benefit from a well-staffed enforcement system. Timely investigation and resolution of claims provide certainty, reduces prolonged disputes, and helps resolve issues before they escalate into more costly proceedings.

⁴ California State Auditor Report, "The California Labor Commissioner's Office: Inadequate Staffing and Poor Oversight Have Weakened Protections for Workers." Report #2023-104, May 29, 2024.

⁵ *Ibid.*

⁶ *Ibid.*

SB 1227 addresses these long-standing staffing challenges by requiring DIR to partner with state worker unions to develop apprenticeship pathways into key DIR enforcement roles. By strengthening the pipeline of qualified enforcement personnel, SB 1227 will help ensure that California's labor laws are enforced effectively, workers have meaningful access to justice, and employers receive timely resolution of workplace disputes.”

Arguments in Support

A coalition of labor advocacy organizations, including the California Rural Legal Assistance Foundation, are in support and state, “SB 1227 offers a forward-looking, proven solution by leveraging registered apprenticeship to build a strong, qualified pipeline into these essential enforcement roles. Apprenticeship is a time-tested, skills-based training model that combines hands-on, on-the-job learning with structured instruction. It allows workers to progressively demonstrate competency through real world application—an approach that aligns squarely with California’s merit based civil service system.

The Legislature has clear authority to establish such pathways. Courts have consistently affirmed that the merit principle permits a range of evaluation methods, including demonstrated job performance, and have granted the Legislature broad discretion to design personnel systems that serve the best interests of the state. Apprenticeship programs provide a rigorous and equitable mechanism for evaluating candidates while expanding access to public service careers. California has a strong track record of successfully using apprenticeship within state government, including at the Department of Forestry and Fire Protection, the Department of Water Resources, the Department of Corrections and Rehabilitation, and the Department of Transportation. SB 1227 builds on this success by extending the model to labor law enforcement—where the need for a stable, skilled workforce is especially urgent.

In addition to addressing staffing shortages, SB 1227 advances equity and economic opportunity. Registered apprenticeship programs have long provided accessible pathways into middle-class careers for workers from historically marginalized communities, offering family-sustaining wages, benefits, and retirement security. Expanding these pathways into public sector enforcement roles will strengthen both the workforce and the communities these agencies serve.”

Arguments in Opposition

None on file.

Related and Prior Legislation

AB 1904 (Gipson) of 2026 establishes the Credentialed Educator Apprenticeships Act and creates a framework for the approval, oversight, and operation of credentialed educator apprenticeship programs in California. The bill requires the Commission on Teacher Credentialing (CTC) and the Division of Apprenticeship Standards (DAS) to jointly oversee educator apprenticeship programs, authorizes the CTC to issue apprenticeship certificates or permits to participating educator candidates, and establishes minimum requirements for apprenticeship programs seeking state approval. This bill is pending in the Senate Labor, Public Employment and Retirement Committee.

AB 2488 (Schiavo) of 2026 would require the DIR to contract with the University of California, Berkeley Labor Occupational Health Program and the University of California, Los Angeles

Labor Occupational Safety and Health Program to conduct a study, within 18 months, to evaluate the understaffing and vacancies within the Cal/OSHA, and make recommendations to specified departments and the Legislature on policies the state shall use for the consideration and establishment of career pathways to the CSHO classification. This bill was held in the Assembly Appropriations Committee.

AB 694 (McKinnor) of 2025 would require DIR to contract with specified academic institutions to conduct a study to evaluate the understaffing and vacancies within Cal/OSHA and require the academic institutions to convene an advisory committee to advise on the study and provide findings and recommendations to Cal/OSHA. This bill was held in the Senate Appropriations Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

Asian Pacific Environmental Network
California Association of Professional Scientists, UAW Local 1115
California Attorneys Administrative Law Judges and Hearing Officers in State Employment
California Chamber of Commerce
California Federation of Labor Unions, AFL-CIO
California Nurses Association
California Rural Legal Assistance
Inland Empire Labor Council, AFL-CIO
International Longshore and Warehouse Union Local 26
National Council for Occupational Safety and Health
Professional Engineers in California Government
Service Employees International Union, California
Service Employees International Union, Local 1000
Smart - Transportation Division
Southern California in Occupational Safety & Health
Sunflower Alliance
United Steelworkers District 12
United Steelworkers Local 675
Worksafe

Opposition

None on file.

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