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April 11, 2022

**TO:** Signatory Employers, Painters District Councils 14, 30, and 58

**FROM:** Joseph Rinehart, Business Manager/Secretary-Treasurer, PDC 14  
Ryan Anderson, Business Manager/Secretary-Treasurer, PDC 30  
Carl Farrell, Business Manager/Secretary-Treasurer, PDC 58

**RE: Workforce Development and Apprentices**

Recently we were very pleased to learn that a grant proposal to support workforce development in the union finishing trades, submitted by the Tri-Council Development Fund (TCDF), has been awarded funding. In this memorandum, we briefly describe this win for our industry and offer important clarification about how apprenticeship across District Council jurisdictional lines should operate.

#### **The Infrastructure Investment and Jobs Act and Apprenticeship**

The bipartisan \$1.2 trillion Infrastructure Investment and Jobs Act, signed into law on Nov. 15, 2021, aims to rebuild America's roads, bridges, and rails; expand access to clean drinking water; and address many other challenges facing communities across the Nation. An expressed goal of the Infrastructure Deal is *also* to drive the creation of good-paying union jobs and grow the economy sustainably and equitably so that everyone gets ahead for decades to come. In anticipation of this once-in-a-generation influx of significant infrastructure dollars, our Councils and affiliated employer associations through the TCDF sought resources to support workforce development efforts we could pursue as an industry. U.S. Congressman Bill Foster (11<sup>th</sup> Congressional District) responded, offering the TCDF an opportunity to submit a community project proposal for funding in some form. Many months later, we learned that our proposal – \$975,000 to fund an **Industrial Painting Pre-apprenticeship (IPP)** – was included in H.R. 2471, the Consolidated Appropriations Act, 2022 (signed into law by President Biden on March 15, 2022).

We are enthusiastically behind the objectives of the Infrastructure Deal and believe the additional funding of the IPP is a watershed moment for our Councils to lay the ground for a sustainable and profitable future for the Illinois finishing trades industry. If you have not already learned about the good work of the TCDF and the Corrosion Illinois Network, we invite you to learn more at [www.tcdfillinois.org](http://www.tcdfillinois.org). TCDF will provide more details of the IPP as funding is received and we learn more about the type of programming that is permissible under community project funding. Based on our detailed proposal, our union-sponsored apprenticeship programs in Chicago, Aurora, and Southern Illinois will collaborate on a pre-apprenticeship that provides essential skills and knowledge needed to find employment and become an effective apprentice in the industrial painting trade. The pre-apprenticeship will also function as a fitting introduction to other aspects of the finishing industry as well, an

excellent opportunity to cultivate ideal recruits for careers in our industry. Importantly also, we envisioned almost half of the total grant dollars would be spent on student support services that directly address the barriers to continual participation in the IPP and an initial year of apprenticeship placement (supplemental support in the form of stipends for training and program support to assist with transportation, housing, child care, and other expenses that function as barriers to effective participation). We plan to use these resources also to provide the same support services to female and minority apprentices deemed "at risk" of dropping out of an *existing* apprenticeship due to addressable barriers.

The Infrastructure Deal and IPP notwithstanding, it is imperative that employers of IUPAT journey workers in Illinois appropriately support the preparation of a sufficient number of individuals to meet the long-term workforce needs of the industry, and understand that this occurs primarily through the indenture and retention of apprentices. We want all three of our Councils to experience growth in apprenticeship numbers and to be able to offer qualified job seekers long-term career opportunities – the ability to thrive in reasonably continuous employment toward the timely achievement of journey worker status in the unionized finishing trades. The future sustainability of our trades and way of life require this shared commitment.

### **Working Apprentices Across District Council Jurisdictions**

Each District Council has its own CBA provisions concerning the employment of apprentices. It can sometimes be confusing to determine when an apprentice affiliated with one District Council can perform work inside the jurisdiction of another District Council, and what obligations a signatory employer is assuming when they employ an apprentice outside of that apprentice's home District Council. While we realize disagreements may arise on a case-by-case basis, we can attempt to provide clear guidance and pledge to respond in a timely manner to any questions and concerns that arise.

Signatory employers who bid and perform work inside more than one District Council jurisdiction already understand that they may employ their regular, existing employees on those jobs provided not less than fifty percent (50%) of the workers employed on such work belong to the Council in whose jurisdiction the work is located. This is generally referred to as the "**50/50 rule**" (see Sec. 223 of the *IUPAT Constitution*). On a practical level, this rule means that, if you are performing work in PDC 14's jurisdiction, a majority of employees working on such projects should be PDC 14 members; if performing work in PDC 30's jurisdiction, a majority of employees working on such projects should be PDC 30 members; and the same is true for work in PDC 58's jurisdiction.

When employers have sought more detailed interpretations of the 50/50 rule, the Councils have agreed that the first person (employee) on the job can be any of your existing employees regardless of which District Council that employee belongs to. The second person on the job, if needed, must belong to the District Council where work is performed; the third person may be your regular employees regardless of which District Council that employee belongs to; and so on, alternating between one of your regular employees and a person who belongs to the District Council where the work is being performed. If you have run out of regular employees, you must hire members belonging to the District Council where the work is being performed.

***In terms of employing apprentices, our Councils agree that:***

- 1) You may employ existing apprentices regardless of where the work is being performed, provided:
  - a. You comply with the journey worker-to-apprentice ratio used by the District Council where the work is being performed, and
  - b. You comply with the 50/50 rule (that is, each apprentice will count as one employee in determining your compliance with the 50/50 rule).
- 2) Any new apprentices needed for a job should be members of the District Council where the work is being performed. If one of our Council's CBA requires apprentices to be bound to the employer by an agreement of indenture for the full term of apprenticeship (as long as required to reach journey worker status), our Councils agree that new apprentices hired to conform with the 50/50 rules can be considered temporarily hired for that particular job from the apprenticeship program affiliated with the District Council where the work is being performed (i.e., and not be permanent employees).

We outline the above guidance with the earnest hope that signatory contractors working within our three Council jurisdictions can confidently indenture apprentices. As we prepare as an industry to meet today's demands on all our industry sectors, we trust you share with us a commitment to adequately prepare the next generation of journey workers while offering our existing workforce rewarding and reliable careers, family-sustaining income, and competitive employment benefits.