

MEMORANDUM

To: Nevada State Apprenticeship Council Members
From: Richard Williams, State Apprenticeship Director
Subject: Annual Review of Apprentice Minimum Wage for the Construction Industry
Date: January 12, 2022

In accordance with NAC 610.490, attached is the computation used to determine the apprentice minimum wage. Please note that the computation does include an increased amount from \$14.63 to \$15.42 per hour.

For your review the regulation has been inserted below.

NAC 610.490 Adjustments to minimum reasonable and profitable wage for apprentice in construction industry on certain projects. (NRS 610.090, 610.144)

1. The Council will determine whether to adjust the minimum reasonable and profitable wage for apprentices in the construction industry who work on projects other than public works at the first regularly scheduled meeting after February 1 of each year.

2. The Council will determine the amount of an adjustment to the minimum reasonable and profitable wage for apprentices in the construction industry who work on projects other than public works by multiplying that wage as determined on March 1 of the year immediately preceding the year for which the adjustment is being calculated by one plus the average of the percentage change in the Consumer Price Index for All Urban Consumers: U.S. City Average calculated for:

- (a) Los Angeles/Anaheim/Riverside; and
- (b) San Francisco/Oakland/San Jose,

as compiled by the Bureau of Labor Statistics of the United States Department of Labor, for the month of December of each of the 2 years immediately preceding the year for which the adjustment is being calculated.

3. In adjusting the minimum reasonable and profitable wage pursuant to subsection 2, the Council may:

- (a) Accept the results of the computation as the minimum reasonable and profitable wage; or
- (b) Adjust the wage if the Council determines that the results of the computation do not reflect a fair, reasonable and profitable minimum wage.

4. The Director shall notify all existing programs of apprenticeship in the construction industry not later than March 1 of each year if the Council adjusts the minimum reasonable and profitable wage pursuant to subsection 2 or 3.

5. A program must pay its apprentices not less than the adjusted minimum reasonable and profitable wage:

- (a) Not later than August 1 of each year; or
- (b) Not later than the renewal of or execution of a new collective bargaining agreement, if the wage for apprentices is set by or in conjunction with a collective bargaining agreement.

6. Any adjustment to the minimum reasonable and profitable wage is applicable immediately to any program which is approved after the adjustment is made by the Council.

(Added to NAC by Apprenticeship Council, eff. 11-14-97)

COMPUTATION OF MINIMUM REASONABLE AND PROFITABLE WAGE FOR APPRENTICES IN
 THE CONSTRUCTION INDUSTRY PURSUANT TO NEVADA ADMINISTRATIVE CODE 610.490

| CURRENT YEAR CPI | PRIOR YEAR CPI | DIFFERENCE | CHANGE RATE FACTORS | CHANGE RATE | PREVIOUS YR RATE CHANGE | PROPOSED RATE |
|-----------------------|----------------|---------------------------------|--|-------------|-------------------------|---------------|
| SAN FRANCISCO 315.805 | 302.948 | 12.857 | 0.04244 | | | |
| LOS ANGELES 297.925 | 279.56 | 18.365 | 0.065693 | 0.054066 | 14.63 | 0.790986629 |
| | | Current CPI less prior year CPI | (Difference divided by prior year CPI) | | | |

Sum of change rate factors divided by 2

PROPOSED INCREASE \$15.42