

TRAINING AND EMPLOYMENT NOTICE	NO. 21-19
	DATE April 2, 2020

TO: STATE GOVERNORS
STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE APPRENTICESHIP AGENCIES
STATE DIRECTORS, OFFICE OF APPRENTICESHIP
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
STATE EDUCATION AGENCIES

FROM: JOHN PALLASCH /s/
Assistant Secretary

SUBJECT: Announcing the Publication of Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations Final Rule

1. **Purpose.** To announce the publication of the *Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations Final Rule* in the *Federal Register* on Wednesday, March 11, 2020.
2. **Action Requested.** Please disseminate this information to appropriate staff.
3. **Summary and Background.**
 - a. Summary – To address America’s skills gap and to increase rapidly the availability of high-quality apprenticeship programs in sectors where apprenticeship opportunities are not widespread, the U.S. Department of Labor (DOL or the Department) has issued a final rule under the authority of the National Apprenticeship Act (NAA). To read the final rule, visit www.apprenticeship.gov.

The final rule establishes a process for the DOL’s Office of Apprenticeship (OA) Administrator, or designee, to recognize qualified third-party entities, known as Standards Recognition Entities (SREs), which will, in turn, evaluate and recognize Industry-Recognized Apprenticeship Programs (IRAPs). IRAPs are high-quality apprenticeship programs that provide individuals with opportunities to obtain workplace-relevant knowledge and progressively advancing skills. IRAPs include a paid-work component and an educational component and result in an industry-recognized credential. An IRAP is developed or delivered by entities such as trade and industry groups, corporations, non-profit organizations, educational institutions, unions, and joint labor-management organizations. The final rule describes what entities may become recognized SREs; outlines the responsibilities and requirements for SREs, as well as the

standards of the high-quality IRAPs the SREs will recognize; and sets forth how the Administrator will oversee SREs.

- b. Background – On June 25, 2019, the Department published a Notice of Proposed Rulemaking (NPRM) in the *Federal Register* (84 FR 29970), proposing to amend 29 CFR part 29 (Labor Standards for the Registration of Apprenticeship Programs) by authorizing the OA Administrator to recognize SREs who meet the criteria outlined herein. These SREs would, in turn, evaluate and recognize IRAPs that satisfied the standards and guidelines for program quality described in the NPRM. The NPRM invited written comments from the public concerning this proposed rulemaking. These comments may be viewed at <http://www.regulations.gov> by entering docket number ETA–2019–0005.

After careful consideration of the comments received, the Department is adopting this final rule, which supplements the existing system of registered apprenticeships with a flexible, industry-led model—one that will be capable of rapidly increasing the availability of apprenticeships in emerging, high-growth sectors.

4. Implementing IRAPs.

State and local Workforce Development Boards can combine IRAPs and WIOA services as they would in the case of any other training provider. Although IRAPs are not mentioned specifically in the WIOA Final Rule, IRAPs do fall under the umbrella of training services under WIOA sec. 134(c)(3)(D). In terms of supporting the related training component of an IRAP using a WIOA Individual Training Account (ITA), these programs would still have to apply for status as an ETP on the state’s list of eligible training providers (ETP list). Once on the ETP list, local American Job Centers (AJCs) can refer WIOA participants to an IRAP and use ITAs to pay for the training costs of a participant who enrolls in those IRAPs that are taking applications (i.e., openings are or will become available).

In addition to ITAs, the local AJC may fund portions of the work-based learning component of the IRAP using contracts, based on local policies. WIOA allows for on-the-job training (OJT), customized training, and incumbent worker training to be paid for with contracts, which can be made with providers that are not on the ETP list. WIOA OJT contracts may be used to fund OJT for one or more eligible participants and may be used to reimburse employers for the extraordinary costs of training at a level of up to 75 percent of the participants’ wages in certain circumstances.

WIOA-funded supportive services may also be provided, in accordance with TEGL 19-16, Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules, to enable WIOA participants to participate in career and training services.

ETA strongly encourages the WIOA workforce system to coordinate services with IRAPs.

a. To prepare, the Workforce System can:

- Consider how IRAPs can strengthen your work-based learning model.
- Continue to learn more and serve as an advocate for increasing the adoption and expansion of apprenticeships.
- Leverage public-private partnerships to demonstrate your role in creating strong apprenticeship programs.
- Participate in National Apprenticeship Week by hosting or attending an event to learn more about apprenticeship and the current opportunities that exist.

b. To learn more about IRAPs and SREs:

- Visit the U.S. Department of Labor's one-stop source for all things apprenticeship, www.apprenticeship.gov, to review the IRAP Final Rule, register for an upcoming webinar at <https://www.workforcegps.org/events/2020/03/06/18/22/Industry-Recognized-Apprenticeship-Programs-General-Overview-Webinar>), and access resources at <https://www.apprenticeship.gov/industry-recognized-apprenticeship-program> to become familiar with IRAPs and the roles and responsibilities of SREs.
- Sign up for our Apprenticeship Newsletter at <https://public.govdelivery.com/accounts/USDOL/subscriber/new> to receive the latest apprenticeship-related news from the USDOL.

5. **Inquiries.** For further information, please contact the Office of Apprenticeship at apprenticeship@dol.gov.

6. **References.** Not Applicable.

7. **Attachments.** Not Applicable.