


<b>TRAINING AND EMPLOYMENT NOTICE</b>	<b>NO.</b> 3-18
	<b>DATE</b> July 27, 2018

**TO:** STATE GOVERNORS  
 ALL STATE LABOR COMMISSIONERS  
 ALL STATE APPRENTICESHIP AGENCIES  
 ALL STATE WORKFORCE AGENCIES  
 STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS

**FROM:** ROSEMARY LAHASKY  
 Deputy Assistant Secretary 

**SUBJECT:** Creating Industry-Recognized Apprenticeship Programs to Expand Opportunity in America

**1. Purpose**

In June 2017, President Trump signed an Executive Order (E.O.) on Expanding Apprenticeships in America, which lays out an expanded vision for apprenticeship in America. This Training and Employment Notice provides a framework for an important part of this expanded approach: industry-recognized apprenticeship programs. This new initiative encourages trade and professional associations, employers, educational institutions, unions, labor-management organizations, states, and other third parties to collaborate to create new, industry-driven apprenticeship solutions.

Certifiers of industry-recognized apprenticeship programs will be a critical part of the new initiative. They will certify high-quality apprenticeship programs administered by individual sponsors such as trade and industry groups, companies, non-profit organizations, educational institutions, unions, and joint labor-management organizations, and develop off-the-shelf apprenticeship products for their use. **This information notice sets out, at a high level, the policies and procedures that certifiers will be expected to have in place to establish standards, establish certification intervals determined by those industries, evaluate and certify programs focused on outcomes and process, report results, and maintain records.** Organizations will be able to seek a determination from the Department of Labor (DOL or the Department) that their apprenticeship certification practices meet these criteria and in so doing, ensure that programs they certify provide apprentices with a pathway to a family-sustaining career. In reviewing requests for such a determination, the Department will assess quality while recognizing the fact that quality apprenticeship programs may take different forms in different industry sectors, and thus will not seek to dictate directly what those standards should be. This structure means that employers, unions, labor-management organizations, and other stakeholders involved in each industry will have the freedom to design apprenticeship programs that best fit their needs, bringing innovation to apprenticeship.

The Department will soon announce an opportunity for accepting submissions from organizations interested in serving as third-party certifiers. We encourage prospective certifiers to begin now to develop the plans, structures, and key partnerships that will form the basis for a successful submission.

## 2. **References.**

National Apprenticeship Act of 1937 (29 U.S.C. § 50); and Executive Order 13801, “Expanding Apprenticeships in America,” June 15, 2017 (82 FR 28229).

## 3. **Overview and Introduction**

Apprenticeship is a proven pathway to great careers in the United States.<sup>1</sup> Apprenticeship is an arrangement that includes a paid-work component and an educational or instructional component, wherein an individual obtains workplace-relevant knowledge and skills.<sup>2</sup>

Apprenticeship programs in industries such as construction are registered under 29 CFR part 29, and have embraced the earn-as-you-learn approach for decades. However, the American workforce is changing, and there has been a surge of opportunities in emerging sectors such as information technology, advanced manufacturing, health care, and financial services without the corresponding growth in the skilled workforce to fill job vacancies.<sup>3</sup> There are approximately 6.6 million job openings that the American workforce cannot immediately fill, and for the first time ever, there are more job openings than unemployed persons (6.6 million).<sup>4</sup> Especially in light of the rising cost of higher education and the swelling debt that burdens many college graduates, apprenticeship is an efficient and economical solution both to give workers the skills they need for the jobs of today and the future, and to meet employers’ needs for skilled labor.

This Training and Employment Notice (TEN) is an important step toward advancing the new, high-quality apprenticeship programs needed to support a new American economy and current labor market needs. It carries out the directive in E.O. 13801, *Expanding Apprenticeships in America*, by providing information on the policies and procedures third-party certifiers should have in place to identify high-quality programs that meet standards required by the private sector, focusing on industry sectors where existing registered programs are insufficient. This TEN is guided by, and largely based on, relevant recommendations offered in the *Final Report* of the President’s Task Force on Apprenticeship Expansion (the *Final Report*). A proposed Industry-Recognized Apprenticeship Application for certifiers will be available shortly and will include all the expectations contained herein and certain shared aspects of the registered apprenticeship program’s formal application, which can be referenced at [www.dol.gov/apprenticeship](http://www.dol.gov/apprenticeship). The public will also have the opportunity to provide input on the proposed application.

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<sup>1</sup> See A. Elejalde-Ruiz, *Apprenticeship Programs Enjoy New Life as a Workplace Solution*, Chicago Tribune (Oct. 26, 2017), available at <http://www.chicagotribune.com/business/ct-biz-apprenticeship-expansion-1029-story.html> (last accessed May 3, 2018); N. Wyman, *Why Investing in Apprenticeship Makes Good Dollars and Sense*, Forbes (Nov. 1, 2016), available at <https://www.forbes.com/sites/nicholaswyman/2016/11/01/why-investing-in-apprenticeship-makes-good-dollars-and-sense/#7bb320915de0> (last accessed May 3, 2018).

<sup>2</sup> Task Force on Apprenticeship Expansion, *Final Report to: The President of the United States*, p. 40, available at <https://www.dol.gov/apprenticeship/docs/task-force-apprenticeship-expansion-report.pdf> (“*Final Report*”).

<sup>3</sup> U.S. Department of Labor, Bureau of Labor Statistics, *Occupational Outlook Handbook*, available at <https://www.bls.gov/ooh/>.

<sup>4</sup> U.S. Department of Labor, Bureau of Labor Statistics, “News Release: Job Openings and Labor Turnover – May 2018,” issued on July 10, 2018, and “News Release: Employment Situation June 2018,” issued on July 6, 2018, both of which may be viewed at: [www.bls.gov](http://www.bls.gov).

### Executive Order to Expand Apprenticeships

On June 15, 2017, the President issued E.O. 13801<sup>5</sup>, instructing the Department and agencies across the Federal government to take actions necessary “to provide more affordable pathways to secure high-paying jobs by promoting apprenticeships and effective workforce development programs, while easing the regulatory burden on such programs.” The E.O. and this notice further the National Apprenticeship Act’s broad instruction to bring together employers and labor to form apprenticeship programs. (29 U.S.C. § 50).

The E.O. required the establishment of a Task Force on Apprenticeship Expansion to identify strategies and recommendations to promote apprenticeships, especially in sectors where apprenticeship programs are insufficient. The Task Force, comprised of 20 highly experienced members representing a balanced range of perspectives, met multiple times from November 2017 to May 2018. The Task Force’s subcommittees presented their recommendations and rationale to the full Task Force, which deliberated and voted to send the recommendations to the President in its *Final Report*. The Department has been informed by, and incorporated herein, many of the recommendations of the Task Force into this TEN as appropriate.

The *Final Report*’s Recommendation 1 suggested that industry-recognized apprenticeship programs serve as a vehicle to “expand more traditional work-and-learn models to incorporate the criteria of modern apprenticeship.”<sup>6</sup> The Department agrees with, and supports the recommendation, consistent with the directives of the E.O. Workers and employers in many areas of the economy may benefit from greater use of apprenticeship programs, particularly, where apprenticeships have traditionally been rare.

### What Are Industry-Recognized Apprenticeship Programs?

Industry-Recognized Apprenticeship programs are high-quality apprenticeship programs that include a paid-work component and an educational or instructional component, wherein an individual obtains workplace-relevant knowledge and skills.<sup>7</sup> An Industry-Recognized Apprenticeship program is developed or delivered by third parties, may include trade and industry groups, companies, non-profit organizations, educational institutions, unions, and joint labor-management organizations, and is one that has been certified as a high-quality program by a third-party certifier that has received a favorable determination from DOL.<sup>8</sup>

The Department does not limit the types of entities that may seek to become certifiers. Certifiers may include industry associations, employer groups, labor-management organizations, educational organizations, and/or broad consortia of these and other organizations. Certifiers may be pre-existing organizations or may be created for the express purpose of certifying Industry-Recognized Apprenticeship programs. DOL anticipates that sector-wide consortia, bringing together expertise and services across an industry or industries, are likely to be successful as certifiers, and meet the broad technical assistance needs of industry-recognized apprenticeship programs.

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<sup>5</sup> The full text of E.O. 13801 is available at <https://www.whitehouse.gov/the-press-office/2017/06/15/presidential-executive-order-expanding-apprenticeships-america>.

<sup>6</sup> *Final Report*, Recommendation 1, p. 21.

<sup>7</sup> *Final Report*, Glossary, p. 40.

<sup>8</sup> *Final Report*, Glossary, p. 40.

As described below, and as suggested in *Final Report* Recommendations 4 and 16, DOL will issue a determination concerning whether the entity's program meets certain criteria of quality.<sup>9</sup> These criteria, set out below, are the pillars supporting the high-quality apprenticeship programs that promote a skilled workforce and open more pathways to great careers through the expansion of traditional apprenticeship models to other industries<sup>10</sup> and through the development of innovative means of making apprenticeship programs, or components of such programs, affordable through the use of virtual learning, public availability of core foundational elements shared between programs, and greater efficiency in consolidating redundancies.<sup>11</sup>

### Getting Started

In the coming months DOL will announce an opportunity for prospective certifiers to submit to the Department a description of their policies and procedures for developing and validating standards and certifying high-quality, industry-recognized apprenticeship programs—a submission that the Department will evaluate for consistency with the criteria set out in this notice. Until then, prospective certifiers who intend to take advantage of this opportunity should develop plans, structures and processes that assume impartiality, confidentiality and objectivity, and key partnerships that will lead to the development of quality apprenticeship programs.

A potential certifier will receive a favorable determination that its standards meet the criteria of quality set out in this notice if it demonstrates that its policies and procedures meet the following criteria:

- 1. Validity in Setting Sector Standards.** The certifier must show that it is qualified to establish, through a consensus-based process involving industry experts, the classroom and workplace education requirements, structure, and curricula for an apprenticeship program in a given industrial sector. A certifier should demonstrate sufficient support and input from sector participants to give confidence in the certifier's expertise.<sup>12</sup> The *Final Report's* Recommendation 19 suggested that the Department solicit proposals for industry-sector oversight bodies to avoid the problem of multiple groups within a sector promulgating conflicting or inconsistent standards. Likewise, the *Final Report's* Recommendation 20 suggested that these same bodies be responsible for developing the credentialing standards. The Department has concerns about the appropriateness of designating a single industry oversight body or requiring agreement and uniformity of standards as a condition of becoming a certifier. Although the Department believes that sector-wide consortia with uniform standards will have broad appeal to potential apprentices and employers, the Department believes that the criteria set forth herein that require apprenticeship credentials to be industry-recognized, competency-based, and nationally portable,<sup>13</sup> sufficiently protect the quality of programs and do not unnecessarily restrict access to apprenticeship programs.

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<sup>9</sup> *Final Report*, Recommendations 4 and 16, pp. 24, 35.

<sup>10</sup> *Final Report*, Recommendations 4 and 16, pp. 24, 35.

<sup>11</sup> *Final Report*, Recommendation 5, p. 24.

<sup>12</sup> Although DOL anticipates that most certifiers will certify programs developed in specific sectors, some occupations within developed programs may exist across sectors. Identical standards may be appropriate for such cross-industry occupations. In such circumstances, a certifier with support across a number of industries, and that establishes standards on a cross-sector basis, could be appropriate. Cross-sector certification that includes aspects of programs that are part of a registered apprenticeship program, however, should meet the requirements of the registered program.

<sup>13</sup> *Final Report*, Recommendation 3, p. 23.

2. **Clear Policies and Procedures for Certifying Industry-Recognized Apprenticeship Programs.** A certifier’s policy and procedures for certifying high-quality apprenticeship programs must be sufficiently detailed that trade and industry groups, companies, non-profit organizations, educational institutions, unions, and joint-labor management organizations will be assured of equitable treatment, and will be evaluated based on the merits of their programs. This approach was endorsed by the *Final Report’s* Recommendation 4, which suggested that those implementing industry-recognized apprenticeship programs “articulate the requirements” for credentials.<sup>14</sup>
  
3. **Transparency and Accountability.** Certifiers must demonstrate that programs are transparent and accountable. The following factors increase the likelihood of DOL’s determination that a certifier’s processes meet criteria of transparency and accountability. First, certifiers expect to make publicly available up-to-date contact information for all of the industry-recognized apprenticeship programs it has certified. Second, each certifier will be expected to publish for each program the number of individuals who completed the apprenticeship annually, and among those completers, average pre- and post-program earnings,<sup>15</sup> the average time to completion,<sup>16</sup> and the post-apprenticeship employment rate. In accordance with the *Final Report’s* Recommendation 8, certifiers should keep and report consistent data on program metrics that the Department establishes in order to showcase proof of concept to enable industry expansion. The Workforce Innovation and Opportunity Act (WIOA) and the Registered Apprenticeship program may be instructive of the metrics for certifiers to consider.<sup>17</sup>
  
4. **Impartiality, Confidentiality, Objectivity, and Independence.** As suggested in *Final Report* Recommendation 12, certifiers must ensure that decisions and plans are based on objective criteria, not benefit one population over another, are confidential, and be independent in their partnerships.<sup>18</sup>
  
5. **High Quality.** A certifier must ensure that apprenticeship programs it certifies adhere to hallmarks of the highest quality:
  - **Paid Work Component.** A certifier must require that apprenticeship programs pay apprentices at least the applicable Federal, state, or local minimum wage or a Federally-approved stipend under Federal wage requirements if otherwise applicable.<sup>19</sup> The *Final Report’s* Recommendation 18 suggested that, although industry-recognized apprenticeship programs are not required to follow specific wage progression rules, they should “make clear to apprentices what wages they will be paid and under what circumstances wages will increase.”<sup>20</sup> Industry-recognized apprenticeship programs must describe the wages to be paid during the apprenticeship and under what circumstances those wages will increase. Additionally, each certifier must address how the programs it

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<sup>14</sup> *Final Report*, Recommendation 4, p. 24.

<sup>15</sup> *Final Report*, Recommendation 24, p. 38.

<sup>16</sup> *Final Report*, Recommendation 25, p. 38.

<sup>17</sup> See *Final Report*, p. 38; 29 CFR part 29

<sup>18</sup> *Final Report*, Recommendation 12, p. 32.

<sup>19</sup> The Department recognizes that stipends are commonly used in discrete areas, such as training for certain medical professions. All apprenticeship programs must comply with applicable Federal, state, and local minimum wage laws.

<sup>20</sup> *Final Report*, Recommendation 18 p. 35.



certifies will provide participants the opportunity to gain upward mobility in the industry.<sup>21</sup>

- **Work-Based Learning.** A certifier must demonstrate or document that apprenticeship programs they certify have documented, well-designed and highly structured work experiences for apprentices, as endorsed by the *Final Report*'s Recommendations 2(D) and 16. As the *Final Report* notes, and the Department agrees, these requirements are “[f]undamental to the success of apprenticeship.”<sup>22</sup>
- **Mentorship.** Certifiers should ensure that apprenticeship programs they certify have mentorship opportunities for apprentices, as endorsed by the *Final Report*'s Recommendation 2(D). Such mentorship opportunities should support individuals during their work-based learning experiences, and can provide guidance on industry or company culture, specific position functions, and industry or workplace policies and procedures.<sup>23</sup>
- **Educational and Instructional Component.** As suggested in *Final Report* Recommendations 2 and 3, a certifier must explain how it will ensure that the apprenticeship programs it certifies will provide or arrange for classroom or related instruction that is high-quality and adequate to help apprentices achieve their proficiency goals or earn credentials or certifications.<sup>24</sup> If a certifier does not itself provide such instruction, it must identify specific potential educational partners, such as community colleges, occupational schools, or any other entities qualified to provide the instruction, or provide suggestions to help employers, unions, and other individual apprenticeship program sponsors find educational providers. Apprenticeship programs that extend across geographical regions may identify categories of potential educational partners, such as accredited community colleges, instead of individual institutions or providers. Assuring that apprentices receive college credit for classroom or related instruction increases the likelihood of DOL's determination that a certifier's processes meets the criteria of quality.<sup>25</sup> Lastly, certifiers should encourage the provision of credit for prior knowledge and experience for apprentices in the programs they certify, as endorsed by the *Final Report*'s Recommendations 2(B) and 11(D). The Department believes that the recognition of prior knowledge and experience will have many economic benefits. Workers with the appropriate prior knowledge and experience, and who can pass the necessary exams or other processes for credentialing, should receive appropriate credit, without unnecessary prerequisites such as a certain number of hours of “seat time” or perfunctory classes.<sup>26</sup> Fast-tracking such workers allows them to immediately work fully and be paid fully, frees them from unnecessary training and arbitrary requirements, and directs employers and workers to the productive activities of their firms.<sup>27</sup> The Department notes that *Final Report*'s Recommendation 20 encourages certifiers to take an active role in pursuing options for apprentices to obtain college credit through the ability to “influence or negotiate with employers and colleges to partner on transfer or credit agreements before verification of the credentialing standard.” The Department

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<sup>21</sup> *Final Report*, Recommendation 2, p. 22.

<sup>22</sup> *Final Report*, Recommendation 16, p. 35.

<sup>23</sup> *Final Report*, Glossary, p. 41.

<sup>24</sup> *Final Report*, Recommendations 2 and 3, pp. 22, 23; Glossary, p. 41.

<sup>25</sup> *Final Report*, Recommendation 8, p. 29.

<sup>26</sup> *Final Report*, Recommendations 5 and 11(D), pp. 24, 32.

<sup>27</sup> *Final Report*, Recommendations 5, p. 24.

supports the ability of entities to freely enter into such agreements, and recognizes such agreements may make programs that adopt them more attractive to potential apprentices. The Department, however, does not believe that such a condition is in the best interest of broad adoption of Industry-Recognized Apprenticeship Programs.

- **Industry Credentials Earned.** A certifier must disclose the industry credential(s) that apprentices will earn upon completing a certified apprenticeship program. As discussed by the *Final Report* in Recommendation 2, these credentials should be portable, industry recognized credentials, program certificates, certifications, and/or degrees that have demonstrable consumer and labor market value. These credentials may consist of a certificate of completion or a certification issued by the certifier of an Industry-Recognized Apprenticeship.<sup>28</sup> In sectors in which generally accepted credentials already exist, or will be issued by industry organizations or credentialing bodies, certifiers must demonstrate how programs they certify will result in receipt of one or more of these existing credentials or qualify a program participant to sit for relevant certification exams. In sectors which have existing credentials, incorporating them into the certifier's requirements increases the likelihood of DOL's determination that a certifier's processes meet criteria of validity and quality. In sectors where independent credentials exist and are not issued by the apprenticeship program, the certifier must identify the alternative credential it issues. Potential certifiers must ensure that a portable industry credential or credentials will be provided by apprenticeship programs they certify, and describe the portability benefits that such credentials are expected to confer.<sup>29</sup> As endorsed by the *Final Report's* Recommendation 3, certifiers should ensure that classroom instruction and work-based learning outcomes are aligned, so that apprentices are adequately prepared to earn a portable, industry-recognized credential. The *Final Report's* Recommendation 4 further elaborated on what the Task Force viewed as useful criteria for credentials, including that credentials have "a foundation in industry-developed standards" and "are tied to competency models." *Final Report* Recommendation 11(B) also suggested that the federal government examine and reduce "barriers that exist around reciprocity of industry-recognized credentials." And *Final Report* Recommendation 5 suggests that "apprenticeship programs should focus on mastery and competency, not just seat-time or training hours." Credentials must not only be industry-recognized, but also have a close relationship to the actual skills apprentices must learn to do their jobs well.<sup>30</sup> In contrast, credentials based on an arbitrary number of hours, that have little connection to real-world work, or that serve predominantly as a means to collect fees, raise barriers to entry, or simply to perpetuate the credentialing body are less likely to meet the Department's criteria of validity and quality.<sup>31</sup>
- **Safety and Supervision.** As endorsed by *Final Report* Recommendation 16, certifiers must describe the policies and procedures in place to ensure that sponsors provide a safe working environment that adheres to all applicable Federal, state and local safety laws and regulations.<sup>32</sup> The Department notes that the E.O. instructs the Department to promote apprenticeships in new industry sectors,<sup>33</sup> and the *Final Report's*

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<sup>28</sup> *Final Report*, Recommendation 2, p. 22.

<sup>29</sup> *Final Report*, Recommendation 3, p. 23.

<sup>30</sup> *Final Report*, Recommendation 3, p. 23.

<sup>31</sup> *Final Report*, Recommendation 5, p. 24.

<sup>32</sup> *Final Report*, Recommendation 16, p. 35.

<sup>33</sup> See E.O. § 6.

Recommendation 1 suggests expanding more employer training into the apprenticeship model. Certifiers, including those outside the traditional trades, should be prepared to address the unique safety issues that arise in their industry.<sup>34</sup>

- **Equal Employment Opportunity.** A certifier must require a sponsor to ensure that their outreach to, and recruitment of, apprentices extend to all persons without regard to race, sex, ethnicity, or disability (as endorsed by the *Final Report* in recommendation 12).<sup>35</sup> Certifiers must ensure sponsors:
  - Develop comprehensive outreach strategies to reach diverse populations, thereby enabling widespread access to industry-recognized apprenticeship programs, including providing notices about apprenticeship openings to community- and faith-based organizations, schools, and other groups that represent diverse populations and who can help increase apprenticeship applications from those populations;<sup>36</sup>
  - Take affirmative steps to keep the workplace free from harassment, intimidation, and retaliation, which includes anti-harassment training and maintaining procedures for handling and resolving complaints; and
  - Assign responsibility to an individual to oversee equal employment opportunity efforts and adhere to all Federal, state, and local laws and regulations.

#### What Happens After I Request a Determination from DOL?

Upon receiving a submission by an organization seeking to serve as a certifier, DOL will determine whether a proposed certifier meets the criteria set forth above. Although there is no appeal process for a negative determination, an applicant may resubmit its application with a letter explaining any changes made since its last submission. A certifier must request an updated determination from the Department upon making substantive changes to its process or five years after receipt of its most recent favorable determination, whichever is sooner. There is no guarantee that an initial favorable determination will be renewed indefinitely. At the Department's sole discretion, a certifier found not meeting its responsibilities can be re-evaluated at any time.

#### What Are the Differences Between Industry-Recognized Apprenticeships and Registered Apprenticeships?

Industry-Recognized Apprenticeship programs are distinct from Registered Apprenticeship programs established under regulations at 29 CFR part 29. Such programs have been a successful fixture among traditional trades for eighty years. The Registered Apprenticeship system will continue, and current and prospective sponsors and apprentices will continue to enjoy its benefits. Registered Apprenticeships are automatically eligible for inclusion on state Eligible Training Provider lists under the Workforce Innovation and Opportunity Act (WIOA) and are eligible for other statutory benefits, whereas Industry-Recognized Apprenticeship Programs are not. Industry-Recognized Apprenticeship program participants cannot be considered as apprentices for the purpose of meeting the Davis-Bacon Act wage requirements (as stated in *Final Report* Recommendation 17).<sup>37</sup> An Industry-Recognized Apprenticeship program may choose to become a Registered Apprenticeship program as long as it meets

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<sup>34</sup> *Final Report*, Recommendation 16, p. 35.

<sup>35</sup> *Final Report*, Recommendation 12, p. 32.

<sup>36</sup> *Final Report*, Recommendation 12, p. 32.

<sup>37</sup> *Final Report*, Recommendation 17, p. 35.



the standards and requirements in 29 CFR part 29, and an existing Registered Apprenticeship program may also seek industry recognition through a certifier.

It is important to note, however, that the goal of the Executive Order and this guidance is to create an additional pathway to encourage expansion of apprenticeships beyond those industries where apprenticeships already are effective and substantially widespread, and so the Department does not expect to have many if any dual apprenticeship programs.

#### Will the Industry-Recognized Apprenticeship Program begin as a Pilot Program?

The *Final Report*, in Recommendation 14, suggested that “[T]he Industry-Recognized Apprenticeship program should begin implementation with a pilot project in an industry without well-established Registered Apprenticeship programs. This would test the process for reviewing certifiers and would help the Federal Government better understand how to support industry groups working to develop standards and materials for Industry-Recognized Apprenticeship programs.”

The Department has reviewed this recommendation, and agrees in part and disagrees in part. Available job openings recently outnumbered individuals looking for jobs (as measured by U3) for the first time since the data was measured. The large skills gap requires a more immediate response. Yet there is a value to a program that tests how to proceed without undermining pre-existing successful efforts. The President’s Executive Order, in fact, charged the Task Force to “identify strategies and proposals to promote apprenticeship, especially in sectors where apprenticeship programs are insufficient.” In Fiscal Year 2017, apprenticeships offered by the U.S. Military (USMAP) and in the construction industry accounted for approximately 25% and 50% of Federal Registered Apprenticeships, respectively. Based on the President’s Executive Order and the existing high concentration in these two areas, the Industry-Recognized Apprenticeship Program shall initially be available to sectors other than these two in accord with the *Final Report’s* recommendation.

#### Will the Department of Labor Issue Regulations?

As stated above, the large skills gap requires an immediate response. The Department is issuing this TEN to provide guidance for those organizations wishing to begin the process of establishing Industry-Recognized Apprenticeship programs. This TEN is an initial training and employment notice pending rulemaking. Having received the recommendations from the President’s Task Force, the Department will proceed with rulemaking in accordance with Executive Order 13801, which directed the Department to consider proposing regulations on Industry-Recognized Apprenticeships, and particularly to:

- (i) determine how qualified third parties may provide recognition to high-quality apprenticeship programs (industry-recognized apprenticeship programs);
- (ii) establish guidelines or requirements that qualified third parties should or must follow to ensure that apprenticeship programs they recognize meet quality standards;
- (iii) provide that any industry-recognized apprenticeship program may be considered for expedited and streamlined registration under the registered apprenticeship program the Department of Labor administers;
- (iv) retain the existing processes for registering apprenticeship programs for employers who continue using this system; and
- (v) establish review processes, consistent with applicable law, for considering whether to:
  - (A) deny the expedited and streamlined registration under the Department of Labor’s

registered apprenticeship program, referred to in subsection (a)(iii) of this section, in any sector in which Department of Labor registered apprenticeship programs are already effective and substantially widespread; and (B) terminate the registration of an industry-recognized apprenticeship program recognized by a qualified third party, as appropriate.

Accordingly, a Notice of Proposed Rulemaking has been placed on the Department's semi-annual regulatory agenda and the Department looks forward to receiving input from the public on this TEN and the proposed rule implementing the Executive Order as part of that process.

### *Why Get Involved with Industry-Recognized Apprenticeship Programs?*

Benefits of involvement with the new industry-recognized apprenticeship initiative include:

- **Build a Pipeline of Skilled Talent to Meet the Needs of Your Industry.** Many industries today face workforce challenges due to a skills gap. By participating as an Industry-Recognized Apprenticeship program, you are serving as a leader for your industry, creating economic benefits for your organization, and helping the country and industry become more economically competitive and dynamic. By assisting in the establishment of a third-party certifier, you can help obtain a consistent pipeline of talented workers for your sector—including for your business or union.
- **Sector-Driven Standards.** As explained above, to receive a favorable determination from DOL, certifiers must establish their standards based on broad input and consensus within the sector. Each sector should determine the skills required of its workforce and how best to teach those skills in apprenticeship programs. If you believe your organization has insight into what skills an apprentice in your field should have, you should consider becoming or establishing a third-party certifier—thus ensuring that the standards that are eventually adopted create a pipeline of apprentices that have the particular skills that your organization needs.
- **Build the Future of Apprenticeship.** Pursuant to the President's Executive Order, DOL is taking a close look at what needs to be done to expand apprenticeship as a valued and high-quality entryway into the skilled workforce. The ideas and concepts introduced by the first certifiers and industry-recognized apprenticeship programs will influence how DOL shapes new initiatives.

### *How the Effectiveness of Industry Recognized Apprenticeships May be Assessed?*

Certifiers will play a critical role in gathering data from sector employers that provide Industry-Recognized Apprenticeship programs. As a means of evaluating effectiveness and broadening awareness, certifiers could produce sector-wide case studies to help companies quantify the return on investment for apprenticeship programs.

To allow widespread adoption of apprenticeship, certifiers of Industry-Recognized Apprenticeship programs shall demonstrate metrics and specific data sets on apprentices to indicate their program success as well as showcase proof of concept to enable industry expansion (as endorsed by the *Final Report* in recommendation 8). The Department of Labor Industry-Recognized Apprenticeship application will set out metrics.<sup>38</sup> The Department will make the Applications publicly available (subject to redactions for privacy and/or other protected information) to ensure transparency and the

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<sup>38</sup> *Final Report*, Recommendation 8, p. 28.

implementation of appropriate policies and procedures that ensure the quality and effectiveness of certified programs.

*What Assistance Will Certifiers Offer Apprenticeship Programs and Sponsors?*

Certifiers are expected to offer Apprenticeship programs and sponsors uniform standards that promote quality and portability, in addition to other benefits. The Department encourages certifiers to develop off-the-shelf products to reduce the burden and expense for sponsors to quickly develop and start apprenticeship programs. For instance, a certifier may develop its own online instruction modules that apprenticeship programs may use, a framework of recommended courses and curricula for apprentices to take, or a network of educational providers to which apprentices may be directed for the classroom component of an apprenticeship program. These products will reduce the burden and expense of starting a new apprenticeship program, particularly for small sponsors that may lack the resources to develop a new program from the ground up.

*Next Steps and Inquiries*

DOL looks forward to the experimentation and innovation that its new private partners will bring to the expansion of apprenticeship as an entryway to rewarding careers. In addition to the rulemaking discussed above and listed on the Department's regulatory agenda, the Department will publish additional information and materials as necessary to continue the development of this initiative. The Department will begin accepting submissions from organizations seeking to serve as certifiers under the process set out here shortly. In the interim, interested parties may submit comments or information (including statements of interest) to [apprenticeship@dol.gov](mailto:apprenticeship@dol.gov).