

TRAINING AND EMPLOYMENT NOTICE	NO.
	3-18, Change 1
	DATE
	June 25, 2019

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

FROM: MOLLY CONWAY /s/
 Acting Assistant Secretary

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

1. Purpose.

In June 2017, President Donald J. Trump signed an Executive Order (EO) on *Expanding Apprenticeships in America*, which lays out an expanded vision for apprenticeship in America. This revised Training and Employment Notice (TEN) provides additional information on a framework for an important part of this expanded approach: Industry-Recognized Apprenticeship Programs.¹ The TEN has been revised to provide additional information concerning high-quality apprenticeships and what is necessary to support them. This revised TEN will subsequently be accompanied by a revised and finalized application form, which the Department of Labor (Department or DOL) will announce as available through www.apprenticeship.gov. The Department will accept submissions through this form from entities interested in receiving a favorable determination that their characteristics, policies, and procedures align with the features this TEN describes.² The Department encourages entities to continue to develop plans, structures, and key partnerships that will form the basis for a successful submission.

The Administration’s initiative encourages entities such as trade, industry, and employer groups and associations; companies; certification bodies; educational institutions (such as universities or community colleges); state and local government agencies or entities; non-profit organizations; unions; joint labor-management organizations; or a consortium or partnership of entities such as those listed above to collaborate to create new, industry-driven apprenticeship solutions. Standards

¹ The TEN was initially issued in July 2018.

² This revised TEN’s form is consistent with the separate, proposed application form the Department has published in connection with the Department’s recent Notice of Proposed Rulemaking (NPRM). To the extent the application form for the final rule differs from the TEN’s form, the final rule may provide that entities that have received a favorable determination under the TEN should provide updated application information to the Department.

Recognition Entities³ (SREs) of Industry-Recognized Apprenticeship Programs will be a critical part of the initiative. They will evaluate, recognize, and ensure the high quality of apprenticeship programs administered by entities such as companies, trade and industry groups, non-profit organizations, educational institutions, unions, and joint-labor management organizations. SREs may also develop off-the-shelf apprenticeship products for apprenticeship programs to use. **This revised TEN sets out, at a high level, the policies and procedures that SREs are expected to have in place to establish their standards-setting and recognition processes and to evaluate and recognize apprenticeship programs as high quality.**⁴ Organizations will be able to seek a favorable determination from the Department that their standards-setting and apprenticeship recognition practices are consistent with this TEN's criteria and, in so doing, help ensure that programs they recognize are high-quality programs. In reviewing requests for such a determination, the Department will assess each SRE's quality while accounting for the fact that high-quality apprenticeship programs may take different forms in different industry sectors and occupational areas. Thus, the Department will not seek to dictate directly what each SRE's industry- or occupation-specific standards should be. This approach means that employers, non-profit associations, unions, labor-management organizations, and other stakeholders involved in each industry and occupational area will have the freedom to design apprenticeship programs that best fit their needs, bringing flexibility and innovation to the apprenticeship model. At the same time, the Department will provide a favorable determination only to entities that have the features outlined below, including what is needed for apprenticeship programs characterized by the hallmarks of high quality.

2. **References.**

National Apprenticeship Act (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.⁵

Apprenticeship is an arrangement that includes a paid-work component and an

³ The Department uses the term "Standards Recognition Entities" (SREs) to refer to entities that have the characteristics outlined in this revised TEN, entities that in turn recognize Industry-Recognized Apprenticeship Programs as having the hallmarks of high-quality apprenticeship programs. "Standards Recognition Entity" replaces the terms "certifier" and "accreditor" that the Department used previously.

⁴ This TEN does not create any rights, responsibilities, or benefits for SREs that receive favorable determinations from the Department under this TEN. The Department's recent NPRM separately proposes rules for the Department's formal recognition of SREs, and the responsibilities of Department-recognized SREs. Given the skills gap and the need for action, this revised TEN and the form associated with it are intended to encourage continued development of SREs and Industry-Recognized Apprenticeship Programs, and to permit entities interested in applying to the upcoming program to engage with DOL about their standards-setting and recognition processes. The Department will use the form as a mechanism to enable entities to seek a favorable determination about whether the information provided is consistent with the criteria outlined in this TEN.

⁵ 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>; 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/#13c040d85de0>.

educational or instructional component, wherein an individual obtains workplace-relevant knowledge and skills.⁶

Apprenticeship programs in some industries, such as construction, are registered under 29 CFR part 29, and certain occupations 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, healthcare, and financial services, without the corresponding growth in the skilled workforce to fill job vacancies.⁷ 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 a skilled labor force.

This revised 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. This revised TEN carries out the directive in EO 13801, *Expanding Apprenticeships in America*, by providing additional information on the policies and procedures SREs should have in place to set standards for and recognize the high quality of apprenticeship programs, focusing on industries without significant Registered Apprenticeship opportunities. 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 (*Final Report*).

Executive Order to Expand Apprenticeships

On June 15, 2017, the President issued EO 13801,⁸ 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 EO 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 EO required the establishment of a Task Force on Apprenticeship Expansion (Task Force) 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 industries, occupations, and perspectives, met multiple times from November 2017 to May 2018. The Task Force's subcommittees presented their recommendations and rationales to the full Task Force, which deliberated and voted to send the recommendations to the President in its *Final Report*. The Department has been

⁶ 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*").

⁷ See generally U.S. Department of Labor, BLS, Occupational Outlook Handbook, available at <https://www.bls.gov/ooh/>.

⁸ The full text of EO 13801 is available at <https://www.whitehouse.gov/the-press-office/2017/06/15/presidential-executive-order-expanding-apprenticeships-america>.

informed by, and incorporated herein, many of the recommendations of the Task Force.

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.”⁹ The Department agrees with and supports the recommendation, consistent with the directives of the EO. Workers and employers in many areas of the economy may benefit from greater use of high-quality apprenticeship programs, particularly where apprenticeships have traditionally been rare.

What Are Industry-Recognized Apprenticeship Programs and Standards Recognition Entities?

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 progressively advancing skills, and that result in an industry-recognized credential. An Industry-Recognized Apprenticeship Program is developed or delivered by entities such as trade and industry groups, companies, non-profit organizations, educational institutions, unions, and joint labor-management organizations, and is one that has the hallmarks of a high-quality program outlined below.

Such programs conform with the standards for training, structure, and curricula that SREs have established and are subject to SREs’ monitoring and quality assurance processes. The Department does not limit the types of entities that may seek a favorable determination under this TEN and believes that many different types of entities can and should function as SREs. SREs may include but are not limited to: trade, industry, and employer groups and associations; companies; certification bodies; educational institutions (such as universities or community colleges); state and local government agencies or entities; non-profit organizations; unions; joint labor-management organizations; or a consortium or partnership of entities such as those listed above. SREs may be pre-existing organizations or may be created for the express purpose of recognizing Industry-Recognized Apprenticeship Programs as having the hallmarks of high quality.

DOL will issue a letter indicating whether SREs meet certain criteria of quality. These criteria, set out below, are the pillars supporting the high-quality apprenticeship programs that will promote a skilled workforce and open more pathways to great careers through the expansion of traditional apprenticeship models to new industries and occupations. In addition, the Department believes these types of SREs could enhance the development of innovative means of making apprenticeship programs, or components of such programs, more affordable for employers through the use of virtual learning, public availability of core foundational elements shared between programs, and greater efficiency in consolidating redundancies.¹⁰

⁹ *Final Report*, Recommendation 1, p. 21.

¹⁰ *Final Report*, Recommendation 5, p. 24-25.

Getting Started

SREs will be able to submit to the Department a description of their approach to developing and validating standards for and then recognizing and monitoring Industry-Recognized Apprenticeship Programs—a submission that the Department will evaluate for consistency with the criteria set out in this revised TEN and reflected in the revised application form to be posted on www.apprenticeship.gov. SREs that intend to take advantage of this opportunity to receive a favorable determination should continue to develop plans, structures, and processes that assume impartiality, confidentiality and objectivity, and key partnerships that will lead to the development of high-quality apprenticeship programs.

An SRE will receive a favorable determination if it demonstrates that it meets the following criteria:

- 1. Expertise in Setting Standards.** The SRE must show that it has the expertise to set standards, through a consensus-based process involving industry experts, for requisite training, structure, and curricula for apprenticeship programs in the industry(ies) or occupational area(s) in which it will recognize Industry-Recognized Apprenticeship Programs. An SRE should demonstrate sufficient support and input from industry experts to give confidence in the SRE's expertise, given where its programs will operate.¹¹ The Department anticipates that this process will result in clear standards reflecting the competencies needed for proficiency in any given industry or occupational area. The Department notes and appreciates that some SREs already have standards-setting processes that reflect well-established industry-, occupation-, and employer-specific needs and skills. Rather than requiring those SREs to alter their approaches to setting standards, the Department seeks to clarify here the expectation that such entities' processes for setting standards may already have the characteristics this TEN describes. 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 credentialing standards. The Department has concerns about the propriety of designating a single industry oversight body or requiring agreement and uniformity of standards as a condition of receiving a favorable determination as an SRE. Though 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 will result in effective competency-based standards and high-quality programs.

¹¹ Although DOL anticipates that most SREs will recognize programs developed in specific industries, some occupations within programs may exist across industries. Identical standards may be appropriate for such cross-industry occupations.

2. **Clear Policies and Procedures for Recognizing Industry-Recognized Apprenticeship Programs.** An SRE’s policies and procedures for recognizing apprenticeship programs as high-quality programs should be sufficiently detailed so that entities seeking to establish Industry-Recognized Apprenticeship Programs will be assured of equitable treatment and will be evaluated based on the merits of their programs. An SRE should recognize or reject a program seeking recognition in a timely manner; should not provide recognition for longer than five years unless a program seeks re-recognition; and should not place barriers on a program’s receiving recognition from another SRE. An SRE should also have an ongoing quality-control relationship with programs it has recognized. The Department will have detailed questions concerning the nature of an SRE’s recognition processes in the revised application form associated with this TEN.
3. **Transparency and Accountability.** An SRE should be transparent and accountable, and should ensure those characteristics in the programs it recognizes as high quality. An applicant’s explanation of its approach to meeting the following expectations will inform DOL’s assessment on this point. First, an SRE should expect to make publicly available up-to-date contact information for all of the Industry-Recognized Apprenticeship Programs it has recognized. Second, each SRE should publish for each program the number of individuals who began the program annually and completed the program annually, as well as the annual completion rate, median length of time for program completion, and the post-apprenticeship employment rate of apprentices at completion.¹² This information is important for providing employers and prospective apprentices with details necessary to assess and make informed decisions about Industry-Recognized Apprenticeship Programs.
4. **Impartiality, Confidentiality, Objectivity, and Independence.** SREs must ensure that recognition decisions are impartial, based on objective criteria, and are confidential. SREs must also be independent in their partnerships or otherwise take steps to mitigate any potential conflicts of interest via specific policies, processes, procedures, and/or structures. These requirements ensure the quality of the standards-setting and recognition processes that lead to high-quality Industry-Recognized Apprenticeship Programs.
5. **High-Quality Apprenticeship Programs.** An SRE should ensure that apprenticeship programs it recognizes adhere to hallmarks of the highest quality. As part of this showing, an SRE should demonstrate that it has the capacity and quality assurance processes and procedures needed to recognize and monitor its programs for high quality, given their scope. These hallmarks of high quality include the following elements:
 - **Paid Work Component.** An SRE should require that Industry-Recognized Apprenticeship Programs ensure apprentices are paid at least the applicable

¹² *Final Report*, Recommendation 8, pp. 28-29.

Federal, State, or local minimum wage. The *Final Report* 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.”¹³ Accordingly, Industry-Recognized Apprenticeship Programs should describe the wages to be paid during the apprenticeship and under what circumstances those wages will increase. Programs should also disclose any ancillary costs or expenses that apprentices may be charged so that apprentices can accurately calculate their anticipated earnings.

- **Work-Based Learning.** An SRE should explain its policies and practices for ensuring the apprenticeship programs it recognizes will have structured work experiences for apprentices, as endorsed by the *Final Report’s* Recommendation 16. This requirement is “[f]undamental to the success of apprenticeship.”¹⁴ Such experiences help apprentices master industry-essential skills in the context of an employment relationship, and equip them for jobs that require specialized knowledge and experience and involve the performance of complex tasks.
- **Mentorship.** An SRE should ensure that apprenticeship programs it recognizes as high-quality programs have structured mentorship opportunities for apprentices, as endorsed by the *Final Report’s* Recommendation 2(D). Such mentorship opportunities should support apprentices 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.¹⁵
- **Educational and Instructional Component.** As suggested in the *Final Report*, an SRE must explain how it will ensure that the apprenticeship programs it recognizes will provide or arrange for classroom or related instruction that is appropriate and adequate to help apprentices achieve proficiency and earn credentials.¹⁶ If an apprenticeship program does not itself provide such instruction, the SRE should explain how it will require programs to identify the specific potential educational partners, such as community colleges, vocational and occupational schools, or any other entities qualified to provide the instruction, and provide related information about such entities and the education they would provide. SREs should encourage the provision of credit for prior knowledge and experience for apprentices in the apprenticeship programs they recognize, 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

¹³ *Final Report*, Recommendation 18, p. 35.

¹⁴ *Final Report*, Recommendation 16, p. 35.

¹⁵ *Final Report*, p. 41.

¹⁶ *Final Report*, Recommendations 2 and 3, pp. 22-23; *see also* p. 41.

appropriate prior knowledge and experience and who can pass the necessary skills assessments, certification 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.¹⁷ Fast-tracking such workers allows them to immediately work fully, frees them from unnecessary training and arbitrary requirements, and directs employers and workers to the productive activities of their firms.¹⁸ The Department notes that the *Final Report*’s Recommendation 20 encourages SREs 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 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.** An SRE should disclose the industry-recognized credential(s) that apprentices will earn during or upon successfully completing an Industry-Recognized Apprenticeship Program. A credential can be a certificate, certification, degree, electronic badge, or other indicator that attests to an individual’s acquisition of skills or knowledge. An industry-recognized credential is one that is created by the industry that will use the credential, based on the particular competencies required within the specific industry. These credentials may consist of a certificate of completion or a certification issued by the SRE of an Industry-Recognized Apprenticeship Program, for example. In industries in which generally accepted credentials already exist or will be issued by industry organizations or personnel certification bodies, SREs should demonstrate their policies and procedures for ensuring that programs they recognize will lead to receipt of one or more of these existing credentials or qualify a program participant to sit for relevant certification exams. As endorsed by the *Final Report*’s Recommendation 3, SREs should ensure that instruction and work-based learning outcomes align so that apprentices are adequately prepared to earn an 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. And *Final Report* Recommendation 15 suggests that “apprenticeship programs should focus on mastery and competency, not just seat-time or training hours.” Again, credentials that are industry-recognized are developed based on the competencies or skills apprentices must learn to do their jobs well.¹⁹ By contrast, credentials based on an arbitrary number of

¹⁷ *Final Report*, Recommendations 5 and 11(D), pp. 24, 32.

¹⁸ *Final Report*, Recommendation 5, p. 24.

¹⁹ *Final Report*, Recommendation 3, p. 23. Note that the Department anticipates that Industry-Recognized Apprenticeship Programs will generally provide credentials that are portable. A program may require apprentices to

hours, which 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 a credentialing body are less likely to meet the Department's criteria of validity and quality.²⁰

- **Safety and Supervision.** As suggested by the *Final Report*, SREs must describe in detail the policies and procedures in place to ensure that programs provide a safe working environment that adheres to all applicable Federal, State and local safety laws and regulations.²¹ The Department notes that the EO instructs the Department to promote apprenticeships in additional industry sectors,²² and the *Final Report's* Recommendation 1 suggests expanding more employer training into the apprenticeship model. SREs should be prepared to address any unique safety issues that arise in their programs' industries or occupations.²³

- **Equal Employment Opportunity Obligations.** An SRE should have policies and procedures that would require Industry-Recognized Apprenticeship Programs to protect apprentices from discrimination, and should assist in recruiting for and maximizing participation in apprenticeships. An SRE accordingly should:
 - Have policies and procedures that require Industry-Recognized Apprenticeship Programs' adherence to applicable Federal, State, and local laws pertaining to Equal Employment Opportunity;
 - Facilitate such adherence by Industry-Recognized Apprenticeship Programs through the SRE's policies and procedures regarding potential harassment, intimidation, and retaliation;
 - Have policies and procedures that reflect comprehensive outreach strategies to reach diverse populations that may participate in Industry-Recognized Apprenticeship Programs; and
 - Assign responsibility to an individual to assist Industry-Recognized Apprenticeship Programs with matters relating to Equal Employment Opportunity.

What Happens After I Request a Favorable Determination from DOL?

Upon receiving a submission seeking a favorable determination, DOL will assess whether that entity has made a showing consistent with the criteria set forth above, including whether the SRE has the capacity and quality assurance processes and

pass a nationally-recognized exam that measures competencies necessary for the apprentice's occupation. That exam would enhance the apprentice's mobility, and enhancing workforce mobility is a vital part of effectively addressing the skills gap. At the same time, the Department recognizes that providing a credential that is "portable" in the broadest sense may not always be possible. As a general matter, though, by requiring that credentials reflect the specific competencies needed for any given occupation, the Department anticipates that programs will enhance apprentices' mobility.

²⁰ *Final Report*, Recommendation 5, p. 24.

²¹ *Final Report*, Recommendation 16, p. 35.

²² E.O. § 6.

²³ *Final Report*, Recommendation 16, p. 35.

procedures necessary to ensure the apprenticeship programs it recognizes have the hallmarks of high quality. Although there is no appeal process for a negative determination issued pursuant to this TEN, the applicant may resubmit its application with an explanation of any changes made since its last submission. An SRE should seek an updated determination from the Department upon making substantive changes to its recognition process (including seeking to recognize programs in additional industries or occupational areas), or within five years after receipt of a favorable determination, whichever is sooner. At the Department’s discretion, if it becomes apparent that an SRE no longer fits within the framework this TEN outlines—including that it lacks the policies and procedures necessary for the SRE to recognize only apprenticeship programs with the hallmarks of high quality—the Department may issue a subsequent determination describing where the SRE is misaligned with the requirements of this TEN and reflected in its application form.

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

Industry-Recognized Apprenticeship Programs are distinct from Registered Apprenticeship Programs established under current regulations at 29 CFR part 29. Such programs have been a successful fixture among traditional trades for decades. 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*).²⁴

An Industry-Recognized Apprenticeship Program may choose to become a Registered Apprenticeship Program as long as it meets the necessary standards and requirements, and an existing Registered Apprenticeship Program may seek industry recognition through an SRE. It is important to note, however, that the goal of the EO and this guidance is to create an additional pathway to encourage the 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 Project?

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 [SREs] and would help the Federal Government better understand

²⁴ *Final Report*, Recommendation 17, p. 35.

how to support industry groups working to develop standards and materials for Industry-Recognized Apprenticeship Programs.”

As explained in the initial TEN, the Department has reviewed this recommendation and agrees in part and disagrees in part. The large skills gap requires a more immediate response than a pilot project would permit, yet there is a value to a parallel apprenticeship system that proceeds without undermining pre-existing successful efforts. The President’s EO, in fact, charged the Task Force to “identify strategies and proposals to promote apprenticeships, especially in sectors where apprenticeship programs are insufficient.” Registered Apprenticeships in the U.S. Military and in the construction industry continue to account for the majority of federally registered apprenticeships. Because these two contexts already have significant Registered Apprenticeship opportunities, the Department will not accept applications from SREs seeking to recognize apprenticeship programs in construction or the Military.²⁵ This will be reflected in the Department’s revised application form.

Regulations.

As stated above, the skills gap requires action. The Department has issued this revised TEN to provide additional guidance for those organizations wishing to seek a favorable determination from the Department concerning whether their policies and procedures align with what this TEN delineates.

At the same time, the Department recently published a Notice of Proposed Rulemaking (NPRM) and a proposed application form for the NPRM, both aligned with the types of considerations and requirements this TEN delineates. Until that rule and its proposed application form are finalized, the Department will proceed to receive submissions from entities interested in seeking favorable determinations under this revised TEN and its associated form. As explained above, to the extent the application form approved for the final rule differs from the form associated with this TEN, the final rule may provide that entities that have received a favorable determination under this TEN provide updated application information to the Department. In the interim, the Department believes this revised TEN provides valuable guidance to entities that seek to act now.

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 assisting in the establishment of an SRE, you can help obtain a consistent pipeline of talented workers for your industry or occupation. Likewise, by helping establish an Industry-

²⁵ An apprenticeship program is in the construction industry if it equips apprentices to provide labor whereby materials and constituent parts may be combined on a building site to form, make, or build a structure. *See Union Asphalts & Road oils, Inc. v. MO-KAN Teamsters Pension Fund*, 857 F.2d 1230, 1234 (8th Cir. 1988). An apprenticeship program is in the U.S. Military if it provides a credential to members of the U.S. Military based on their military training and experience.

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.

- **Help Develop Sector-Driven Standards.** To receive a favorable determination under this TEN, SREs should draw from expertise within the relevant industry or occupation. Experts and employers familiar with each industry or occupation should determine the competencies required of their future 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 an SRE.
- **Build the Future of Apprenticeship.** Pursuant to the President’s EO, DOL continues to take a close look at what needs to be done to expand apprenticeship as a valued and high-quality pathway into the skilled workforce. To succeed, this program must be industry-led and market-driven. Your organization’s involvement will help expand the apprenticeship model to new industries and occupations.

How Can the Effectiveness of Industry-Recognized Apprenticeships Be Assessed?

SREs will play an important role in gathering and publishing data concerning Industry-Recognized Apprenticeship Programs, as explained above. Such information about programs will provide valuable information to apprentices and employers. In addition, as a means of evaluating effectiveness and broadening awareness of the benefits of the apprenticeship model, SREs could produce industry-wide case studies to help companies quantify the return on investment for apprenticeship programs and encourage expansion of the apprenticeship model. SREs could demonstrate metrics and specific data sets to indicate their programs’ success, as well as showcase proof of concept (as suggested by the *Final Report* in recommendation 8).²⁶

What Assistance Will Standards Recognition Entities Offer Apprenticeship Programs and Employers?

SREs are expected to offer apprenticeship programs and employers competency-based standards for training, structure, and curricula that result in high-quality programs and equip apprentices with the skills needed for long-term career success. The Department encourages SREs to continue developing off-the-shelf products to reduce the burden and expense for employers that seek to quickly develop and start such programs. For instance, an SRE may develop its own online instruction modules that apprenticeship programs may use; a framework of recommended courses and curricula for apprentices; or a network of educational providers to which employers and apprentices may be directed for the instructional component of an apprenticeship program. These products and services will enhance the high quality of Industry-Recognized Apprenticeship Programs and, ultimately, reduce the burden and expense of starting a new apprenticeship program, particularly for smaller companies and other entities that may need workers but lack the resources to develop a new program from the ground up. At the same time, the Department anticipates that its application’s rigorous disclosure requirements will ensure that SREs offering such services

²⁶ *Final Report*, p. 28-29.

and products mitigate any conflicts of interest and ensure the high quality of apprenticeship programs.

4. Next Steps and Inquiries.

The Department believes the features of SREs outlined above—and the hallmarks of the high-quality programs they would recognize—provide a strong framework for expanding high-quality apprenticeships to new industries and occupations. The Department also looks forward to the experimentation and innovation that SREs will bring as apprenticeship increasingly becomes a well-trod pathway to rewarding careers.

The Department will be accepting applications from organizations seeking to receive a favorable determination from the Department under the process set out in this TEN and will announce the availability of that application form on www.apprenticeship.gov. Interested parties may also submit comments or information (including statements of interest) to apprenticeship@dol.gov.