

Fact Sheet

COMMITTEE ON EDUCATION & LABOR

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The Hon. Robert C. "Bobby" Scott ● Chairman

National Apprenticeship Act Reauthorization

Background

Registered Apprenticeships (RAs) are America's most successful federally authorized workforce development program. According to the Department of Labor, <u>94 percent of people</u> who complete RAs are employed upon completion, earning an average starting wage of above <u>\$70,000 annually</u>.

The success of the registered apprenticeship system is a product of the strict quality standards, close engagement with industry, and strong worker protections that the programs are required to uphold.

All RAs must combine on-the-job learning with related instruction to provide workers a *nationally recognized credential* from the Department of Labor (DOL) that they can present to potential employers anywhere in the country. And all RAs must ensure apprentices earn increasingly higher wages throughout the program as they build their skills.

As a result of their success, interest and demand for RAs is growing:

- The U.S. has added over 640,000 new registered apprentices since January 1, 2017.
- State expansion grants helped create an additional 133,428 positions for registered apprentices, and
- Industry and Equity Intermediary Partnerships have helped create opportunities for another 20,406 registered apprentices to date.

There are now over <u>1,200 apprenticeable occupations</u> from the traditional construction and military occupations to newer sectors such as information technology, finance, and health care.

Yet, according to the most recent data, apprenticeships make up only <u>0.3 percent of the overall workforce in America</u>, and variations occur across the country in what is considered a pre-apprenticeship or youth apprenticeship, making these newer efforts difficult to scale.

Apprenticeships have been demonstrated to be a worthwhile state and federal investment. The reauthorization of the *National Apprenticeship Act*, which governs the RA system in the United States, now includes new investments to expand opportunities and access to registered apprenticeships, youth apprenticeships and preapprenticeships to more people and more diverse occupations across the country.

About the National Apprenticeship Act of 2020

The reauthorization of the *National Apprenticeship Act* invests in increasing access to RAs. It codifies and streamlines existing standards that are vital to support RAs and expands the successful RA model to youth apprenticeship and pre-apprenticeship programs. Based on Committee estimates, this bill will create over 1 million apprenticeship opportunities over the next 5 years.

The National Apprenticeship Act reauthorization:

- Authorizes a grant program to:
 - Support the creation or expansion of registered pre-apprenticeships, youth apprenticeships and apprenticeship programs, including in non-traditional apprenticeship occupations and for nontraditional populations.
 - Encourage employer participation and recruitment for individuals with barriers to employment, including individuals impacted by the criminal justice system.
 - o Support national industry and equity intermediaries, and intermediaries at the regional or local level
 - o Establish or expand educational alignment with programs under the national apprenticeship system
- Codifies and streamlines standards for registered youth apprenticeships, pre-apprenticeship and apprenticeship programs, including requirements for apprenticeship agreements and program registration to ensure consistency in quality standards and worker protections.
- Codifies the Office of Apprenticeship, including roles and responsibilities such as:
 - Increasing promotion and awareness of programs under the national apprenticeship assistance, including through technical assistance, program recognition activities, and increasing diversity in apprenticeable occupations and participants
 - Bringing together industry sector leaders and experts, including employers, industry associations, joint labor-management organizations, labor organizations, education and training providers, credential providers, and apprentices to establish national frameworks for industry-recognized apprenticeable occupations
 - Improving the data infrastructure to improve reporting and publicly disseminating information about apprenticeship programs
- Establishes the National Advisory Committee on Apprenticeships
- Codifies the roles and responsibilities of the State Apprenticeship Agencies (SAAs) to include:
 - o Authorizing annual funding for State Apprenticeship Offices and State Apprenticeship Agencies, and
 - Requiring SAA to submit plans for registered apprenticeship activities, which generally mirror existing state requirements under the Workforce Innovation and Opportunity Act and the Carl D. Perkins Career and Technical Education Act
- Strengthens the connections between the Department of Education and Department of Labor through an interagency agreement to support the creation and expansion of youth apprenticeships, college consortiums, and data sharing agreements.

Read the full draft text of the National Apprenticeship Act of 2020 here.