



National Apprenticeship Act Reauthorization

Background

The Registered Apprenticeship (RAs) system is America's most successful federally authorized workforce development program. According to the Department of Labor, [94 percent of people](#) who complete RAs are employed upon completion, earning an average starting wage of above [\\$70,000 annually](#). Yet, according to the most recent data, only [0.3 percent of the overall workforce in America have completed an apprenticeship](#).

Investments in apprenticeships not only pay off for workers and employers, they also benefit taxpayers. Increased spending on apprenticeship programs is more than offset by higher tax revenues and reduced spending on public-assistance programs and unemployment insurance.

About the *National Apprenticeship Act of 2020*

During a time of record unemployment, the *National Apprenticeship Act of 2020* invests more than \$3.5 billion over 5 years in expanding opportunities and access to Registered Apprenticeships, youth apprenticeships, and pre-apprenticeships. The proposal would create **nearly 1 million new apprenticeship opportunities** on top of the current expected growth of the apprenticeship system. It would also yield **\$10.6 billion in net benefits** to U.S. taxpayers in the form of increased workers productivity and decreased spending on public-assistance programs and unemployment insurance.

By increasing investments in the national apprenticeship system, the *National Apprenticeship Act of 2020* will begin to bring America's investments in apprenticeship more in line with countries around the world. The U.S. spends only about 0.1 percent of gross domestic product (GDP) on workforce training and employment programs, while our peer industrialized nations spend roughly six times as much as a share of GDP.

This legislation is critical to expanding the nation's workforce development system during our nation's deepest economic decline since the Great Depression.

The *National Apprenticeship Act of 2020*:

- Authorizes \$400 million for fiscal year (FY) 2021, increasing by \$100 million annually to \$800 million for FY 2025, to:
 - Support the creation or expansion of registered apprenticeships, youth apprenticeships and pre-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
 - Support national industry and equity intermediaries, and intermediaries at the regional or local level
 - Establish or expand educational alignment with programs under the national apprenticeship system

- Codifies and streamlines standards for registered apprenticeships, youth apprenticeship and pre-apprenticeship programs, including requirements for apprenticeship agreements and program registration to ensure consistency in quality standards and worker protections.
- Codifies existing regulations and practices to ensure that all individuals have an equal opportunity to participate in programs under the national apprenticeship system, and to increase diversity in the occupations offered and the individuals participating in programs, especially in high-skill, high-wage, and in-demand industry sectors and occupations.
- Codifies the Department of Labor’s (DOL) Office of Apprenticeship, including roles and responsibilities such as:
 - Increasing participation in programs under the national apprenticeship system through technical assistance and program recognition activities
 - 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 to expand apprenticeships to new occupations and sectors
 - Improving the data infrastructure to improve reporting and publicly disseminating information about apprenticeship programs
 - Codifying the National Advisory Committee on Apprenticeships
 - Establishing the evaluation system for the national apprenticeship system to bring performance metrics in line with those of the *Workforce Innovation and Opportunity Act*
- Codifies the roles and responsibilities of the State Apprenticeship Agencies (SAAs) to include:
 - Authorizing annual funding for State Apprenticeship Offices and SAAs at \$75 million for fiscal year (FY) 2021, increasing by \$10 million annually to reach \$115 million for FY 2025, with one-third of funds equally distributed to all States and outlying areas, and two-thirds of funds distributed via formula to SAAs
 - Requiring SAAs 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.