



Section-by-Section

COMMITTEE ON EDUCATION & LABOR

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

The National Apprenticeship Act of 2020

Section 1. Short Title: The title of this bill is the “*National Apprenticeship Act of 2020.*”

Section 2. Effective Date: This Act and amendments made by it will take effect July 1, 2021.

Section 3. Amendment: This section provides amendments to the *Act of August 16, 1937* (commonly referred to as the “National Apprenticeship Act”), and all contents hereafter until Section 4 at the end of the section by section contain the amendments made to the *Act of August 16, 1937*.

Section 1. Short Title and Table of Contents: This section specifies that the Act may be cited as the “*National Apprenticeship Act.*”

Section 2. Definitions: This section defines key terms, including:

- “Nontraditional apprenticeship populations” which include any group of individuals the members of which comprise fewer than 25 percent of the individuals participating in an apprenticeable occupation.
- “Nontraditional apprenticeship occupations” which includes any occupation which represents fewer than 10 percent of programs under the national apprenticeship system.
- “Programs under the national apprenticeship system” means apprenticeships, youth apprenticeships, and pre-apprenticeships that meet the standards of this Act and are registered.
- “Program participants” mean apprentices, youth apprentices, or pre-apprentices
- “Recognized postsecondary credentials” has the same meaning as the *Workforce Innovation and Opportunity Act* (WIOA), except that the certificate of completion of an apprenticeship program is not included.
- “Registration agency” means a State apprenticeship agency, the Office of Apprenticeship, or the State office of apprenticeship established by the Secretary in which a program is registered.

Section 3. Transition Provisions: This section provides for an orderly transition between the existing law and the amendments made by the National Apprenticeship Act of 2020.

Section 4. Disaggregation of Data: This section ensures data disaggregation will not occur when such disaggregation would result in the release of personally identifiable information.

Section 5. Relation to Other Laws: This section provides that nothing in this Act invalidates or limits the remedies, rights, and procedures under any Federal law or the law of any State or political subdivision of any State or jurisdiction that provides greater or equal protection for individuals based on race, color, religion, national origin, sex, sexual orientation, age, genetic information, or disability than are afforded by this Act.

Title I: Promoting Programs Under the National Apprenticeship System

Subtitle A: The Office of Apprenticeship, State Registration Agency Approval Process, and Interagency Agreement

Section 111. The Office of Apprenticeship

This section codifies the Office of Apprenticeship within the Employment and Training Administration of the Department of Labor, specifies that it is to be headed by an Administrator, and outlines the responsibilities of the Office, which include:

- Promotional and awareness activities with stakeholders to expand programs under the national apprenticeship system.
- Providing technical assistance to State Apprenticeship Agencies and programs for compliance, complaints, program development, grant delivery and execution, and sharing of best practices.
- Cooperating with the Secretary of Education by providing technical assistance to States and supporting the stackability and portability of academic credit and credentials earned as part of such programs, including through articulation agreements and career pathways.
- Establishing and overseeing a State office of apprenticeship in states without a state apprenticeship agency.
- Reviewing the standards for the registration process for programs under the national apprenticeship system, including apprenticeable occupations and the establishment and oversight of industry-recognized apprenticeable occupation standards which can be considered apprenticeable occupations that could be used by any sponsors across the country (to clarify, this does *not* include “industry-recognized apprenticeship programs” (IRAPs) which have been promoted by the DOL).
- Ensuring diversity of apprenticeship programs and equal opportunity for participation in programs under the national apprenticeship system, including through supporting the recruitment of nontraditional apprenticeship populations like women, people of color, and individuals with barriers to employment.
- Consult with the National Advisory Committee on Apprenticeships.

This section also requires the Office of Apprenticeship to establish a single data collection system to support the collection of performance data, and to provide a publicly accessible website with information on programs under the national apprenticeship system, including available program offerings, program performance, and program credentials.

Section 112. National Advisory Committee on Apprenticeships

This section codifies the National Advisory Committee on Apprenticeships within the Department of Labor to advise the Secretary on policies, regulations, improving efficiencies, and the establishment of non-traditional apprenticeable occupations. The Committee has 27 members appointed by the Secretary of Labor and designates as ex officio representatives from several federal agencies. This section delineates the categories of participants, establishes staggered 4-year terms, and sets the frequency of meetings.

Section 113. State Apprenticeship Agencies and State Offices of Apprenticeship

This section codifies the requirements to approve State Apprenticeship Agencies (SAAs), authorizes SAAs to approve apprenticeship programs within their state, and authorizes SAA to establish and use a state

apprenticeship council. This section requires SAAs and state offices of apprenticeship to submit a State plan to the Secretary that describes how the agency will provide:

- Technical assistance to sponsors, employers, program participants, and relevant stakeholders;
- Reciprocity of programs under the national apprenticeship system within 30 days;
- Promotion of diversity and equal opportunity in programs under the national apprenticeship system within their state;
- Resolution of complaints from program participants, employers, sponsors, or other interested parties;
- Establishment of State apprenticeship hubs to act as regional centers for best practices and program expansion;
- Establishing State performance goals, including goals on diversity within apprenticeship programs and occupations and support the recruitment of nontraditional apprenticeship populations;
- A description of alignment of workforce activities, including the State’s strategic vision for an educated and skilled workforce, and a strategy for joint planning, alignment, coordination and leveraging of funds, as is done in WIOA and the Perkins Career and Technical Education Act.

This section also establishes a dedicated funding stream to SAAs and directs how funds provided through formula to SAAs should be used, including for program administration, educational alignment (10 percent), workforce alignment (10 percent), and State leadership activities (15 percent) which includes increasing diversity within the programs offered and populations participating in the State. The funding for SAAs and State offices of apprenticeship is authorized at \$75 million for fiscal year (FY) 2021, and increases by \$10 million annually to reach \$115 million for FY 2025, with 1/3 of funds equally distributed to all States and outlying areas, and 2/3 of funds will be distributed via formula to SAAs.

Sec. 114. Interagency Agreement with Department of Education

This section requires the Secretaries of Labor and Education to enter into an interagency agreement to promote and support integration and alignment among secondary, postsecondary, and adult education and programs under the national apprenticeship system. The section also sets out the activities this interagency agreement must include:

- Aligning youth apprenticeship programs and high school graduation requirements.
- Creating an apprenticeship college consortium or network of higher education institutions, apprenticeship program instructors, sponsors, qualified intermediaries, and employers to promote stronger connections between programs under the national apprenticeship system and participating 2- and 4-year postsecondary education institutions.
- Developing and disseminating best practices.
- Establishing a data sharing agreement.

Subtitle B: Process and Standards for the National Apprenticeship System

Section 121. Apprenticeable Occupations Standards

This section codifies the requirements for apprenticeable occupation qualifications while also authorizing the industry-recognized apprenticeable occupations overseen by the Secretary.

Section 122. Quality Standards of Programs Under the National Apprenticeship System

This section sets the standards for apprenticeship programs, pre-apprenticeship programs, and youth apprenticeship programs. The standards require that all programs under the national apprenticeship system:

- Provide organized and clearly written plans for related instruction, alignment of the program to high-skill, high-wage or in-demand industry sectors and occupations, mentoring, and recognized postsecondary credentials.
- Meet required safety standards and training, including providing necessary accommodations, and is free from discrimination, including harassment and retaliation.
- Maintain all necessary records, including for veterans and eligible individuals to use educational benefits for programs under the national apprenticeship system.
- Provide all individuals with equal opportunity to participate in apprenticeships under the program.
- Provide a certificate of completion and an apprenticeship agreement for each program participant.
- Provide the ratio of program participants to supervisors based on best practices, supervision, safety, relative hazards of the occupation, and employment continuity.

The standards specific to apprenticeship programs include:

- An organized and clearly written plan addressing the on-the-job learning and related instruction the apprentices will receive, including whether the program will be time-based, competency-based, or a hybrid of the two models.
- A schedule of progressively increasing wages to be paid to apprentices, the program's term of apprenticeship.
- Provision of ongoing evaluation of skill and competency development, including expected timeline for evaluations.
- Award of advanced standing or credit for eligible individuals, including veterans' service-acquired skills and competencies.
- Minimum qualifications for participants.
- Any interim credentials awarded.

The standards for pre-apprenticeship programs, which prepare individuals who do not meet the qualifications to enter an apprenticeship program, or continue on to postsecondary education or employment, include:

- A formal agreement with at least one apprenticeship program to inform the training and education needed as part of the pre-apprenticeship program.
- Career exposure, career planning and career awareness activities.

The standards for youth apprenticeship programs for work-based learning while preparing for high school graduation for youth and prepares them for placement in further education, employment or an apprenticeship program, include:

- Classroom-based instruction, which can be fulfilled through dual or concurrent enrollment, that is to the extent practicable, aligned to high school diploma requirements.
- Awarding advanced standing or credit for eligible individuals, including veterans' service-acquired skills and competencies.
- Minimum qualifications for participants.
- Any interim credentials awarded.

Section 124. Registration of Programs Under the National Apprenticeship System

This section codifies the process for registering programs under the national apprenticeship system, including the information that is required of the registration agency, the registration approval process, and the process for modifications or changes to programs once registered.

Subtitle C: Evaluations and Research

Sec. 131. Apprenticeship Program Evaluations

This section requires that the registration agencies annually collect data on performance accountability indicators for all programs they have registered, which include the core performance accountability indicators required under WIOA and program completion rates. Each SAA or State office of apprenticeship must annually submit a performance report to the Secretary, which contains the following information, disaggregated by program type (apprenticeship, pre-apprenticeship, youth apprenticeship) and by the disaggregated fields as required in the WIOA, including:

- The levels of performance for programs in the State as compared to the State performance goals.
- The sponsor's performance on ensuring diversity and equal opportunity as compared to the working age population in the recruitment area of the program.
- The percentage of program participants that obtain unsubsidized employment in a field related to the apprenticeable occupation; the average time to completion; the average cost per participant; the percentage of program participants that received supportive services; and information on State uses of funds.

This section codifies the existing requirement that registration agencies conduct reviews of each program they have registered at least once every 5 years. Registration agencies can provide technical assistance to program sponsors who need assistance in:

- Meeting the State goals for diversity and equal opportunity.
- Developing a program improvement plan if their program is not in operation, complying with the requirements of the Act.
- Not achieving the State goals for levels of performance.

The registration agency can take corrective action and may deregister a program if:

- The sponsor consistently fails to register at least 1 apprentice;
- The program shows a pattern of poor results on indicators over a period of three years;
- The program does not improve in the areas set out by the registration agency in a performance plan; or
- The sponsor does not administer the program in a manner that complies with the program's registration or with this Act's requirements.

Sec. 132. National Apprenticeship System Research

This section establishes requirements of the Secretary to conduct research on the programs and activities related to programs under the national apprenticeship system through an independent entity. The research must address:

- Programs' general effectiveness related to its cost, including through the improvement of skills and competencies, employment, recognized postsecondary credentials, and responsiveness to the labor market.
- The impact of the changes made by the National Apprenticeship Act of 2020.
- Best practices for increasing nontraditional apprenticeship populations' participation.
- Opportunities to scale effective program models.

Subtitle D: General Provisions

Sec. 141. Authorization of Appropriations

This section authorizes appropriations for the Office of Apprenticeship at \$50 million for FY 2021 (an increase of \$14 million from the existing \$36 million appropriation), increasing by \$10 million annually to \$90 million for FY 2025. This authorizes appropriations for the Interagency Agreement at \$10 million for FY 2021, increasing \$2 million annually to \$18 million for FY 2025.

Title II: Modernizing the National Apprenticeship System for the 21st Century Grants

Sec. 201. Grant Requirements

This section authorizes the Secretary to award grants to eligible entities for the purpose of:

- Creating and expanding activities, including to create new apprenticeships in nontraditional apprenticeship industries or occupations or expand existing programs for apprenticeships, pre-apprenticeships, and youth apprenticeship.
- Encouraging employer participation in the national apprenticeship system, including:
 - Targeting individuals with barriers to employment for participation, prioritizing nontraditional apprenticeship populations such as women, minorities, long-term unemployed, individuals with a disability, individuals with substance abuse issues, veterans, military spouses, individuals experiencing homelessness, individuals impacted by the criminal or juvenile justice system, and foster and former foster youth.
 - Providing opportunities in high-need social service-related industries, sectors, or occupations, such as direct care workers and early childhood educators.
 - Targeting individuals currently or recently incarcerated.
 - Supporting small- and medium-sized employers.
- Supporting intermediaries, including:
 - National industry intermediaries to expand programs under the national apprenticeship system in key sectors such as manufacturing, information technology, cyber security, health care, insurance and finance, energy, hospitality, retail, construction, and other sectors identified by the Secretary and the Advisory Committee.
 - Equity intermediaries to support nontraditional apprenticeship populations, women, minorities, individuals with disabilities, and individuals impacted by the criminal or juvenile justice system.
 - Local or regional intermediaries to promote and expand programs through training or related instruction, engagement with local education providers to align with apprenticeship programs, providing participants with access to supporting services, and providing technical assistances for sponsors.
- Strengthening alignment between apprenticeship programs and education and training providers at the secondary and postsecondary level.

This section establishes the duration of grants, the requirements for grantees to match no less than 25 percent of the funds from the grant, which may be done directly or through donations from non-federal, public, or private organizations, in cash or in kind (though a waiver is provided for exceptional circumstances or if the eligible entity proposes to serve a high proportion of individuals with barriers to employment), the requirements for priority and distribution, and the requirements for demonstration of partnerships with stakeholders to be eligible for a grant, including an industry or sector partnership to the extent practicable.

This section also establishes the grant application requirements, including a description of:

- The ability of the eligible entity to carry out the grant requirements.
- Labor market analysis for the geographic area that is being served by the grant.
- A description of potential program participants and strategies to support recruitment, retention and completion, including for nontraditional apprenticeship populations and individuals with barriers to employment and strategies to recruit and support employers.
- A plan to:
 - Comply with evaluation requirements.
 - Coordinate activities across various federal programs including the *Carl D. Perkins Career and Technical Education Act of 2006*, the *Elementary and Secondary Education Act of 1965*, the *Higher Education Act of 1965*, and WIOA t.
 - Use funds for this grant and continue the program after the grant period ends.
 - Recruit and retain program participants, including from nontraditional populations, and how this plan will support the eligible entity in meeting the equal opportunity requirements of this Act.
- Additional requirements based on the activities being carried out by the eligible entity.

Section 202. Uses of Funds

This section establishes grant uses of funds based on activities being carried out by the eligible entity, and requires that at least 5 percent of all grant funds awarded be reserved for providing emergency grants to program participants to support their financial needs to enter, remain enrolled in, and complete such program, such as support for the related costs of supplies and equipment, courses, transportation, child care, and housing.

Section 203. Grant Evaluations

This section establishes that each grant recipient must conduct an annual independent evaluation of the activities conducted under the grant and submit it to the registration agency and Secretary. The annual report mirrors evaluation requirements from Title I and includes a description of how grant funds were used and how many program participants were served by the grant.

Section 204. Grant Appropriations

This section authorizes appropriations to carry out the grant activities at \$400 million for FY 2021 increasing by \$100 million annually to \$800 million for FY 2025.

Section 4. Conforming Amendments: This section modifies a current provision of the Immigration and Nationality Act which directs 50 percent of H-1B visa fees collected by the U.S. Government and directed to the Department of Labor for job training programs to be used for the Modernizing the National Apprenticeship System for the 21st Century Grants.

PROPOSED AUTHORIZATIONS						
SECTION	FY2021	FY2022	FY2023	FY2024	FY2025	5-YEAR TOTAL
Office of Apprenticeship & National Advisory Committee	\$50,000,000	\$60,000,000	\$70,000,000	\$80,000,000	\$90,000,000	\$350,000,000
State Apprenticeship Agency and State Offices	\$75,000,000	\$85,000,000	\$95,000,000	\$105,000,000	\$115,000,000	\$475,000,000
Interagency Agreement	\$10,000,000	\$12,000,000	\$14,000,000	\$16,000,000	\$18,000,000	\$70,000,000
Apprenticeship Grants*	\$400,000,000	\$500,000,000	\$600,000,000	\$700,000,000	\$800,000,000	\$3,000,000,000
Appropriated Funds	\$200,000,000	\$300,000,000	\$400,000,000	\$500,000,000	\$600,000,000	\$2,000,000,000
Estimated H-1B Funds	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$1,000,000,000
TOTAL	\$535,000,000	\$657,000,000	\$779,000,000	\$901,000,000	\$1,023,000,000	\$3,895,000,000

Note: This is all proposed appropriations, meaning it includes existing (baseline) appropriations of \$175 million for Registered Apprenticeship grant and \$36 million for the Office of Apprenticeship per year.

**Apprenticeship grants amounts are a combination of appropriated and the estimated level of annual funds available to the Department of Labor H-1B visa program.*