

# Union Calendar No. 465

116TH CONGRESS }  
2d Session } HOUSE OF REPRESENTATIVES { REPT. 116-567  
Part 1

## NATIONAL APPRENTICESHIP ACT OF 2020

NOVEMBER 9, 2020.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. SCOTT of Virginia, from the Committee on Education and Labor, submitted the following

### R E P O R T

together with

### MINORITY VIEWS

[To accompany H.R. 8294]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 8294) to amend the National Apprenticeship Act and expand the national apprenticeship system to include apprenticeships, youth apprenticeships, and pre-apprenticeship registered under such Act, to promote the furtherance of labor standards necessary to safeguard the welfare of apprentices, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “National Apprenticeship Act of 2020”.

**SEC. 2. EFFECTIVE DATE.**

This Act, and the amendments made by this Act, shall take effect beginning on July 1, 2021.

**SEC. 3. AMENDMENT.**

The Act of August 16, 1937 (commonly referred to as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.), is amended to read as follows:

**“SEC. 1. SHORT TITLE; TABLE OF CONTENTS.**

“(a) **SHORT TITLE.**—This Act may be cited as the ‘National Apprenticeship Act’.

“(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- “Sec. 1. Short title; table of contents.
- “Sec. 2. Definitions.
- “Sec. 3. Programs under the national apprenticeship system.
- “Sec. 4. Transition provisions.
- “Sec. 5. Disaggregation of data.
- “Sec. 6. Relation to other laws.

**“TITLE I—PROMOTING PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM**

**“Subtitle A—The Office of Apprenticeship, State Registration Agency Approval Process, and Interagency Agreement**

- “Sec. 111. The Office of Apprenticeship.
- “Sec. 112. National Advisory Committee on Apprenticeships.
- “Sec. 113. State apprenticeship agencies and State Offices of Apprenticeship.
- “Sec. 114. Interagency agreement with Department of Education.

**“Subtitle B—Process and Standards for the National Apprenticeship System**

- “Sec. 121. Apprenticeable occupations standards.
- “Sec. 122. Quality standards of programs under the national apprenticeship system.
- “Sec. 123. Apprenticeship agreements.
- “Sec. 124. Registration of programs under the national apprenticeship system.

**“Subtitle C—Evaluations and Research**

- “Sec. 131. Program evaluations.
- “Sec. 132. National apprenticeship system research.

**“Subtitle D—General Provisions**

- “Sec. 141. Authorization of appropriations.

**“TITLE II—MODERNIZING THE NATIONAL APPRENTICESHIP SYSTEM FOR THE 21<sup>ST</sup> CENTURY GRANTS**

- “Sec. 201. Grant requirements.
- “Sec. 202. Uses of Funds.
- “Sec. 203. Grant evaluations.
- “Sec. 204. Grant appropriations.

**“SEC. 2. DEFINITIONS.**

“In this Act:

“(1) **ADMINISTRATOR.**—The term ‘Administrator’ means the Administrator of the Office of Apprenticeship established under section 111(a).

“(2) **ADVISORY COMMITTEE.**—The term ‘Advisory Committee’ means the National Advisory Committee on Apprenticeships established under section 112.

“(3) **APPRENTICE.**—The term ‘apprentice’ means a program participant in an apprenticeship program.

“(4) **APPRENTICESHIP AGREEMENT.**—The term ‘apprenticeship agreement’ means a written agreement under section 123 between—

“(A) an apprentice, a youth apprentice, or a pre-apprentice; and

“(B) a sponsor.

“(5) **APPRENTICESHIP HUB.**—The term ‘apprenticeship hub’ means a regional or sectoral qualified intermediary recognized by a State apprenticeship agency or a State Office of Apprenticeship as organizing and providing activities and

services related to the development of programs under the national apprenticeship system.

“(6) APPRENTICEABLE OCCUPATION.—The term ‘apprenticeable occupation’ means an occupation that the Administrator has determined meets the requirements of section 121.

“(7) APPRENTICESHIP PROGRAM.—The term ‘apprenticeship program’ means a program that meets the standards described in section 122(b) and is registered under this Act.

“(8) COMPETENCY.—The term ‘competency’ means the attainment of knowledge, skills, and abilities in a subject area, as specified by an occupational skill standard and demonstrated by an appropriate written or hands-on proficiency measurement.

“(9) DEPARTMENT.—The term ‘Department’ means the Department of Labor.

“(10) EDUCATION AND TRAINING PROVIDER.—The term ‘education and training provider’ means—

- “(A) an area career and technical education school;
- “(B) an early college high school;
- “(C) an educational service agency;
- “(D) a high school;
- “(E) a local educational agency or State educational agency;
- “(F) a Tribal educational agency, Tribally controlled college or university, or Tribally controlled postsecondary career and technical institution;
- “(G) a postsecondary educational institution;
- “(H) a minority-serving institution (as described in any of paragraphs (1) through (7) of section 371(a) of the Higher Education Act of 1965 (20 U.S.C. 1067q(a)));
- “(I) a provider of adult education and literacy activities under the Adult Education and Family Literacy Act (29 U.S.C. 3271 et seq.);
- “(J) a local agency administering plans under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741);
- “(K) a related instruction provider, including a qualified intermediary acting as a related instruction provider as approved by a registration agency; or
- “(L) a consortium of entities described in any of subparagraphs (A) through (K).

“(11) ELIGIBLE ENTITY.—

- “(A) IN GENERAL.—The term ‘eligible entity’ means—
  - “(i) a program sponsor;
  - “(ii) a State workforce development board or State workforce agency, or a local workforce development board or local workforce development agency;
  - “(iii) an education and training provider, or a consortium thereof;
  - “(iv) if the applicant is in a State with a State apprenticeship agency, such State apprenticeship agency;
  - “(v) an Indian Tribe or Tribal organization;
  - “(vi) an industry or sector partnership, a group of employers, a trade association, or a professional association that sponsors or participates in a program under the national apprenticeship system;
  - “(vii) a Governor;
  - “(viii) a labor organization or joint-labor management organization; or
  - “(ix) a qualified intermediary.

“(B) SPONSOR REQUIREMENT.—Not fewer than one entity under subparagraph (A) shall be the sponsor of a program under the national apprenticeship system.

“(12) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms ‘Indian Tribe’ and ‘Tribal organization’ have the meaning given the terms (without regard to capitalization) in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

“(13) INTERIM CREDENTIAL.—The term ‘interim credential’ means a credential issued by a registration agency, upon request of the appropriate sponsor, as certification of competency attainment by a program participant during participation in a program under the national apprenticeship system.

“(14) JOURNEYWORKER.—The term ‘journeyworker’ means a worker who has attained a level of skill, abilities, and competencies recognized within an industry as having mastered the skills and competencies required for the occupation.

“(15) NATIONAL APPRENTICESHIP SYSTEM.—The term ‘national apprenticeship system’ means the apprenticeship programs, youth apprenticeship programs, and pre-apprenticeship programs that meet the requirements of this Act.

“(16) NONTRADITIONAL APPRENTICESHIP POPULATION.—The term ‘nontraditional apprenticeship population’ means a group of individuals (such as a group of individuals from the same gender or race), the members of which comprise fewer than 25 percent of the program participants in an apprenticeable occupation under the national apprenticeship system.

“(17) NONTRADITIONAL APPRENTICESHIP INDUSTRY OR OCCUPATION.—The term ‘nontraditional apprenticeship industry or occupation’ refers to an industry sector or occupation that represents fewer than 10 percent of apprenticeable occupations or the programs under the national apprenticeship system.

“(18) PRE-APPRENTICE.—The term ‘pre-apprentice’ means a program participant in a pre-apprenticeship program.

“(19) PRE-APPRENTICESHIP PROGRAM.—The term ‘pre-apprenticeship program’ means a training model or program that—

“(A) prepares individuals for acceptance into an apprenticeship program;

“(B) meets the standards described in section 122(c); and

“(C) is registered under this Act.

“(20) PROGRAM PARTICIPANT.—The term ‘program participant’ means an apprentice, a pre-apprentice, or a youth apprentice.

“(21) QUALIFIED INTERMEDIARY.—

“(A) IN GENERAL.—The term ‘qualified intermediary’ means an entity that demonstrates expertise in building, connecting, sustaining, and measuring the performance of partnerships described in subparagraph (B) and serves program participants and employers by—

“(i) connecting employers to programs under the national apprenticeship system;

“(ii) assisting in the design and implementation of such programs, including curriculum development and delivery for related instruction;

“(iii) supporting entities, sponsors, or program administrators in meeting the registration and reporting requirements of this Act;

“(iv) providing professional development activities such as training to mentors;

“(v) connecting students or workers to programs under the national apprenticeship system;

“(vi) developing and providing personalized program participant supports, including by partnering with organizations to provide access to or referrals for supportive services and financial advising;

“(vii) providing services, resources, and supports for development, delivery, expansion, or improvement of programs under the national apprenticeship system; or

“(viii) serving as a program sponsor.

“(B) PARTNERSHIPS.—The ‘partnerships described in subparagraph (A)’ means partnerships among entities involved in programs under the national apprenticeship system, including—

“(i) industry or sector partnerships;

“(ii) partnerships among employers, joint labor-management organizations, labor organizations, community-based organizations, industry associations, State or local workforce development boards, education and training providers, social service organizations, economic development organizations, Indian Tribes or Tribal organizations, one-stop operators, or one-stop partners, in the State workforce development system; or

“(iii) partnerships among one or more of the entities described in clauses (i) and (ii).

“(22) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term ‘recognized postsecondary credential’ has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102), except that such term does not include a certificate of completion of an apprenticeship.

“(23) REGISTRATION AGENCY.—The term ‘registration agency’ means the State Office of Apprenticeship or State apprenticeship agency in a State that is responsible for—

“(A) approving or denying applications from sponsors for registration of programs under the national apprenticeship system in the State or area covered by the registration agency; and

“(B) carrying out the responsibilities of supporting the youth apprenticeship, pre-apprenticeship, or apprenticeship programs registered by the registration agency.

“(24) RELATED INSTRUCTION.—The term ‘related instruction’ means an organized and systematic form of instruction that meets the requirements of section 122(b)(1)(C).

“(25) RELATED FEDERAL PROGRAMS.—The term ‘related Federal programs’ means programs or activities under the following:

“(A) The Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.), including adult education and literacy activities under such Act.

“(B) The Wagner-Peyser Act (29 U.S.C. 49 et seq.).

“(C) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

“(D) The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

“(E) The Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

“(F) Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

“(G) Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

“(H) Career and technical education programs at the postsecondary level under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

“(I) Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.).

“(J) Chapter 41 of title 38, United States Code.

“(K) Employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

“(L) Employment and training activities carried out by the Department of Housing and Urban Development.

“(M) State unemployment compensation laws (in accordance with applicable Federal law).

“(N) Section 231 of the Second Chance Act of 2007 (34 U.S.C. 60541).

“(O) Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

“(P) Employment and training programs carried out by the Small Business Administration.

“(Q) Section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)).

“(R) Educational assistance programs under chapters 30 through 36 of title 38, United States Code.

“(26) SECRETARY.—The term ‘Secretary’ means the Secretary of Labor.

“(27) SPONSOR.—The term ‘sponsor’ means an employer, joint labor-management organization, trade association, professional association, labor organization, education and training provider, or qualified intermediary that is applying to administer and operate a program under the national apprenticeship system.

“(28) STATE APPRENTICESHIP AGENCY.—The term ‘State apprenticeship agency’ means a State agency recognized as a State apprenticeship agency under section 113.

“(29) STATE APPRENTICESHIP COUNCIL.—The term ‘State apprenticeship council’ means an entity established under section 113(b)(3) to assist the State apprenticeship agency.

“(30) STATE OFFICE OF APPRENTICESHIP.—The term ‘State office of apprenticeship’ means the office designated by the Administrator to administer programs under the national apprenticeship system in such State and meets the requirements of section 111(b)(3).

“(31) STATE OR LOCAL WORKFORCE DEVELOPMENT BOARDS.—The terms ‘State workforce development board’ and ‘local workforce development board’ have the meanings given the terms ‘State board’ and ‘local board’, respectively, in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

“(32) STATE WORKFORCE AGENCY.—The term ‘State workforce agency’ means the State agency with responsibility for workforce investment activities under chapters 2 and 3 of subtitle B of title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3121 et seq., 3131 et seq.).

“(33) CTE TERMS.—The terms ‘area career and technical education school’, ‘articulation agreement’, ‘credit transfer agreement’, ‘postsecondary educational institution’, ‘Trially controlled college or university’, ‘Trially controlled postsecondary career and technical institution’, and ‘work-based learning’ have the meanings given in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

“(34) ESEA TERMS.—The terms ‘dual or concurrent enrollment program’, ‘early college high school’, ‘education service agency’, ‘high school’, ‘local educational agency’, ‘paraprofessional’, and ‘State educational agency’ have the meanings given in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

“(35) TRIBAL EDUCATIONAL AGENCY.—The term ‘Tribal educational agency’ has the meaning given the term in section 6132 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7452).

“(36) WIOA TERMS.—The terms ‘career pathway’, ‘in-demand industry sector or occupation’, ‘individual with a barrier to employment’, ‘industry or sector partnership’, ‘labor market area’, ‘local area’, ‘one-stop center’, ‘one-stop operator’, ‘one-stop partner’, ‘State’, ‘supportive services’ and ‘workforce development system’ have the meanings given in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

“(37) YOUTH APPRENTICE.—The term ‘youth apprentice’ means a participant in a youth apprenticeship program.

“(38) YOUTH APPRENTICESHIP PROGRAM.—The term ‘youth apprenticeship program’ means a model or program that meets the standards described in section 122(d) and is registered under this Act.

**“SEC. 3. PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM.**

“Any funds appropriated under this Act shall only be used for, or provided to, programs under the national apprenticeship system, including any funds awarded for the purposes of grants, contracts, or cooperative agreements, or the development, implementation, or administration, of program under the national apprenticeship system.

**“SEC. 4. TRANSITION PROVISIONS.**

“The Secretary shall take such steps as are necessary to provide for the orderly transition to the authority of this Act (as amended by the National Apprenticeship Act of 2020) from any authority under the Act of August 16, 1937 (commonly referred to as the ‘National Apprenticeship Act’; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.), as in effect on the day before the date of enactment of the National Apprenticeship Act of 2020.

**“SEC. 5. DISAGGREGATION OF DATA.**

“The disaggregation of data under this Act shall not be required when the number of program participants in a category is insufficient to yield statistically reliable information or when the results would reveal personally identifiable information about a program participant or would reveal such information when combined with other released information.

**“SEC. 6. RELATION TO OTHER LAWS.**

“Nothing in this Act shall invalidate or limit 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**

**“SEC. 111. THE OFFICE OF APPRENTICESHIP.**

“(a) ESTABLISHMENT OF THE OFFICE OF APPRENTICESHIP.—There is established, in the Employment and Training Administration of the Department of Labor, an Office of Apprenticeship (referred to in this section as the ‘Office’), which shall be directed by an Administrator who has demonstrated knowledge of the national apprenticeship system necessary to head the Office.

“(b) RESPONSIBILITIES.—The Administrator shall be responsible for the administration of this Act, including:

“(1) PROMOTION AND AWARENESS ACTIVITIES.—The Administrator shall carry out promotion and awareness activities, including the following:

“(A) Supporting the development or scaling of apprenticeship models nationally, promoting the effectiveness of youth apprenticeship, pre-apprenticeship, and apprenticeship programs, and providing promotional materials to State apprenticeship agencies, State workforce development systems or local workforce development systems, State educational agencies or local educational agencies, employers, trade associations, professional associa-

tions, industry groups, labor organizations, joint labor-management organizations, education and training providers, Federal and State correctional facilities, and prospective apprentices in such programs.

“(B) Promoting greater diversity in the national apprenticeship system including by—

“(i)(I) promoting outreach to nontraditional apprenticeship populations;

“(II) engaging minority-serving institutions and employers from nontraditional apprenticeship industries or occupations; and

“(III) engaging small, medium-size, women-owned, and minority-owned businesses, and employers in high-skill, high-wage, and in-demand industry sectors and occupations that are nontraditional apprenticeship industries or occupations; and

“(ii) supporting the participation and retention of apprentices and employers described in clause (i) in the national apprenticeship system.

“(2) TECHNICAL ASSISTANCE ACTIVITIES.—The Administrator shall carry out technical assistance activities, including the following:

“(A) Providing technical assistance to—

“(i) assist State apprenticeship agencies and sponsors in complying with the requirements of this Act, including the process and standards described in subtitle B and the evaluation and research requirements described in subtitle C;

“(ii) receive and resolve comments or complaints from youth apprentices, pre-apprentices, or apprentices, sponsors, employers, State apprenticeship agencies, State local workforce agencies or local workforce agencies, State educational agencies or local educational agencies, qualified intermediaries, labor organizations, joint labor-management organizations, or other stakeholders;

“(iii) assist sponsors, employers, qualified intermediaries, and education and training or related instruction providers, or other entities interested in becoming sponsors, or seeking support for developing programs under the national apprenticeship system or effectively carrying out such programs, including providing assistance for remote or virtual learning or training, as necessary;

“(iv) assist those applying for or carrying out grants under title II; and

“(v) share, through a national apprenticeship system clearinghouse, high-quality materials for programs under the national apprenticeship system, such as related instruction or training materials.

“(B) Cooperating with the—

“(i) Secretary of Education in—

“(I) providing technical assistance for the development and implementation of related instruction under the national apprenticeship system that is aligned with State education systems and education and training providers; and

“(II) supporting the stackability and portability of academic credit and credentials earned as part of such programs, including through articulation agreements and career pathways; and

“(ii) State workforce development systems to promote awareness of opportunities under the national apprenticeship system.

“(3) STATE OFFICES OF APPRENTICESHIP.—

“(A) ESTABLISHMENT OF OFFICES.—

“(i) IN GENERAL.—The Administrator shall establish and operate a State Office of Apprenticeship in a State described in clause (ii) to serve as the registration agency for such State.

“(ii) APPLICABLE STATES.—A State described in this clause is a State—

“(I) in which, as of the day before the date of enactment of the National Apprenticeship Act of 2020, there is no State Office of Apprenticeship; and

“(II) that has not applied for recognition as a State apprenticeship agency under section 113, or for which such recognition has not provided or has been withdrawn by the Administrator under such section.

“(B) STATE PLAN REQUIREMENT.—Each State Office of Apprenticeship shall be administered by a State Director who shall prepare and submit a State plan that meets the requirements of section 113(c).

“(C) VACANCIES.—Subject to the availability of appropriations, in the case of a State Office of Apprenticeship with a vacant position, the Administrator shall—

“(i) make information on such vacancy available on a publicly accessible website; and

“(ii) report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, on the status and length of such vacancy if such vacancy is not filled not later than 90 days after such position has become vacant.

“(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit any State described in subparagraph (A)(ii) from establishing an agency or entity to promote programs under the national apprenticeship system in such State, in coordination with the State Office of Apprenticeship operating in the State, so long as such agency or entity does not act as the registration agency in such State.

“(4) QUALITY STANDARDS, APPRENTICESHIP AGREEMENT, AND REGISTRATION REVIEW.—In order for the Secretary, acting through the Administrator, to support the formulation and furtherance of labor standards necessary to safeguard the welfare of program participants, and to extend the application of such standards in apprenticeship agreements, not later than 1 year after the effective date of the National Apprenticeship Act of 2020, and at least every 3 years thereafter, the Administrator shall review, and where appropriate, update the process for meeting the requirements of subtitle B, including applicable regulations and subregulatory guidance to ensure that such process is easily accessible and efficient to bring together employers and labor as sponsors or potential sponsors of programs under the national apprenticeship system.

“(5) APPRENTICEABLE OCCUPATIONS.—

“(A) EXISTING APPRENTICEABLE OCCUPATIONS.—The Administrator shall regularly review and update the requirements for each apprenticeable occupation to ensure that such requirements are in compliance with requirements under this Act.

“(B) NEW APPRENTICEABLE OCCUPATION.—

“(i) IN GENERAL.—The Administrator shall review and make a determination on whether to approve an occupation as an apprenticeable occupation not later than 45 days after receiving an application from a person seeking such approval from the Administrator.

“(ii) ESTIMATED TIMELINE.—If such determination is not made within 45 days, the Administrator shall provide the applicant with a written explanation for the delay and offer an estimated timeline for a determination that does not to exceed 90 days after the date of such written explanation.

“(C) INDUSTRY RECOGNIZED OCCUPATIONAL STANDARDS.—

“(i) IN GENERAL.—From the funds appropriated under section 141(a), the Administrator shall convene, on an ongoing basis and taking into consideration recommendations of the Advisory Committee under section 112(d)(4), the industry sector leaders and experts described in clause (ii) for the purposes of establishing or updating specific frameworks of industry recognized occupational standards for apprenticeable occupations (including potential apprenticeable occupations) that—

“(I) meet the requirements of this Act; and

“(II) describe program scope and length, related instruction, on-the-job training, recognized postsecondary credentials, and competencies, and relevant timelines for review of such frameworks.

“(ii) INDUSTRY SECTOR LEADERS AND EXPERTS.—The industry sector leaders and experts are employers, industry associations, joint labor-management organizations, labor organizations, education and training providers, credential providers, program participants, and other stakeholders relevant to the sector or occupation for which the frameworks are being established or updated, as determined by the Administrator.

“(iii) PRIORITY INDUSTRY RECOGNIZED APPRENTICEABLE OCCUPATIONS.—In establishing frameworks under clause (i) for the first time after the effective date of the National Apprenticeship Act of 2020, the Administrator shall prioritize the establishment of such standards in high-skill, high-wage, or in-demand industry sectors and occupations.

“(D) REGULATIONS.—Not later than one year after the date of the enactment of the National Apprenticeship Act of 2020, the Secretary shall issue regulations that outline a process for proactively establishing and approving standards and requirements for apprenticeable occupations in consultation

with the industry sector leaders and experts described in subparagraph (C)(ii).

“(6) PROGRAM OVERSIGHT AND EVALUATION.—The Administrator shall—

“(A) monitor State apprenticeship agencies, State Offices of Apprenticeship, grantees, and sponsors of programs under the national apprenticeship system to ensure compliance with the requirements of this Act;

“(B) provide technical assistance to assist such entities with such compliance or program performance; and

“(C) conduct research and evaluation in accordance with subtitle C.

“(7) PROMOTING DIVERSITY IN THE NATIONAL APPRENTICESHIP SYSTEM.—The Administrator shall promote diversity and ensure equal opportunity to participate in programs for apprentices, youth apprentices, and pre-apprentices, including—

“(A) taking steps necessary to promote diversity in apprenticeable occupations under the national apprenticeship system, especially in high-skill, high-wage, or in-demand industry sectors and occupations in areas with high percentages of low-income individuals;

“(B) ensuring programs under the national apprenticeship system—

“(i) adopt and implement policies to provide for equal opportunity in such programs, as described in section 30.3 of title 29, Code of Federal Regulations (as in effect on January 31, 2020);

“(ii) do not engage in intimidation or retaliation as prohibited under section 30.17 of title 29, Code of Federal Regulations (as in effect on January 31, 2020); and

“(iii) are subject, for any violation of clauses (i) or (ii), to enforcement action under this Act; and

“(C) supporting the recruitment, employment, and retention of nontraditional apprenticeship populations in programs under the national apprenticeship system in high-skill, high-wage, and in-demand industry sectors and occupations, including women, people of color, individuals with disabilities, individuals impacted by the criminal and juvenile justice system, and individuals with barriers to employment, as applicable.

“(8) GRANT AWARDS.—The Administrator shall award grants under title II.

“(9) NATIONAL ADVISORY COMMITTEE.—The Administrator shall—

“(A) regularly consult with the National Advisory Committee on Apprenticeships under section 112; and

“(B) ensure that the required recommendations and other reports of the Advisory Committee are submitted to the Secretary and transmitted to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

“(10) COORDINATION.—The Administrator shall coordinate and align programs under the national apprenticeship system with related Federal programs.

“(c) INFORMATION COLLECTION AND DISSEMINATION.—The Administrator shall provide for data collection and dissemination of information regarding programs under the national apprenticeship system, including—

“(1) not later than 1 year after the date of the enactment of the National Apprenticeship Act of 2020, establishing and supporting a single information technology infrastructure to support data collection and reporting from State apprenticeship agencies, State Offices of Apprenticeship, grantees under title II, program sponsors, and program administrators under the national apprenticeship system by providing for a data infrastructure that—

“(A) is developed and maintained by the Administrator, with input from national data and privacy experts, is informed by best practices on public provision of credential information, and to the extent practicable, aligns with the technology infrastructure for related Federal programs, such as the technology infrastructure used under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.);

“(B) best meets the needs of the national apprenticeship system stakeholders reporting data to the Administrator or State apprenticeship agencies, including through the provision of technical assistance and financial assistance as necessary to ensure reporting systems are equipped to report into a single information technology infrastructure; and

“(C) is aligned with data from the performance reviews under section 131(b)(1)(A);

“(2) providing for data sharing that includes making nonpersonally identifiable apprenticeship data available on a publicly accessible website that is searchable and comparable, through the use of common, linked, open-data description language, such as the credential transparency description language or a substantially similar resource, so that interested parties can become aware of

apprenticeship opportunities and of program outcomes that best meets the needs of youth apprentices, pre-apprentices, and apprentices, employers, education and training providers, program sponsors, and relevant stakeholders, including—

“(A) information on program offerings under the national apprenticeship system based on geographical location and apprenticeable occupation;

“(B) information on education and training providers providing opportunities under such system, including whether programs under such system offer dual or concurrent enrollment programs, articulation agreements, and recognized postsecondary credentials as part of the program offerings;

“(C) information about the educational and occupational credentials and related competencies of programs under such system; and

“(D) information based on the most recent data available to the Office that is consistent with national standards and practices.

**“SEC. 112. NATIONAL ADVISORY COMMITTEE ON APPRENTICESHIPS.**

“(a) ESTABLISHMENT.—

“(1) IN GENERAL.—There is established, in the Department of Labor, a National Advisory Committee on Apprenticeships.

“(2) COMPOSITION.—

“(A) APPOINTMENTS.—The Advisory Committee shall consist of 27 voting members described in subparagraph (B) appointed by the Secretary.

“(B) LIST OF INDIVIDUALS.—The individuals described in this subparagraph are—

“(i) 9 representatives of employers or industry associations who participate in an apprenticeship program, including representatives of employers representing nontraditional apprenticeship industries or occupations, and other high-skill, high-wage, or in-demand industry sectors or occupations, as applicable;

“(ii) 9 representatives of labor organizations or joint labor-management organizations who have responsibility for the administration of an apprenticeship program (including those sponsored by a joint labor-management organization and from nontraditional apprenticeship industries or occupations), at least 1 of which represent employees primarily in the building trades and construction industry;

“(iii) 1 representative of each from—

“(I) a State apprenticeship agency;

“(II) a State or local workforce development board with significant expertise in supporting a program under the national apprenticeship system;

“(III) a community organization with significant expertise supporting such a program;

“(IV) an area career and technical education school or local educational agency;

“(V) a State apprenticeship council;

“(VI) a State or local postsecondary education and training providers that administers, or has not less than 1 articulation agreement with an entity administering, a program under the national apprenticeship system;

“(VII) a provider of an industry-recognized credential;

“(VIII) a national qualified intermediary; and

“(IX) an apprentice.

“(C) EX OFFICIO NONVOTING MEMBERS.—The Advisory Committee shall consist of ex officio nonvoting members from each of the following departments, selected by the applicable Secretary—

“(i) the Department of Labor;

“(ii) the Department of Commerce;

“(iii) the Department of Education;

“(iv) the Department of Energy;

“(v) the Department of Housing and Urban Development;

“(vi) the Department of Transportation;

“(vii) the Department of Veterans Affairs;

“(viii) the Department of Health and Human Services;

“(ix) the Department of Justice; and

“(x) the Department of Defense.

“(D) RECOMMENDATIONS.—The Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, and the Minority Leader of the Senate may each recommend to the Secretary an individual described in clause (i) or (ii) of subparagraph

(B) for appointment under subparagraph (A) who shall be subject to the requirements of paragraph (3).

“(3) QUALIFICATIONS.—An individual shall be selected under paragraph (1) on the basis of the experience and competence of such individual with respect to programs under the national apprenticeship system.

“(4) TERMS.—

“(A) IN GENERAL.—Each voting member of the Advisory Committee shall be appointed for a term of 4 years, except as provided in subparagraphs (B) through (D).

“(B) TERMS OF INITIAL APPOINTEES.—

“(i) IN GENERAL.—The appointments of the initial members of the Advisory Committee shall be made not later than 90 days after the effective date of the National Apprenticeship Act of 2020.

“(ii) STAGGERING OF TERMS.—As designated by the Secretary at the time of the appointment, of the members first appointed—

“(I) half of such members shall serve a 2-year term; and

“(II) half of such members shall serve a 4-year term.

“(C) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member’s predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member’s term until a successor has taken office. A vacancy in the Advisory Committee shall be filled in the manner in which the original appointment was made, except that such appointment shall be made not later than 90 days after the date of the vacancy. A member who fulfilled a partial term as the result of a vacancy may, at the end that term, be appointed to a full term.

“(D) MULTIPLE TERMS.—A voting member of the Advisory Committee may serve not more than 2 full terms on the Advisory Committee.

“(b) CHAIRPERSON.—The Advisory Committee members shall designate by vote one of the voting members described in subsection (a)(2)(A) of the Advisory Committee to serve as Chairperson of the Advisory Committee.

“(c) MEETINGS.—

“(1) IN GENERAL.—The Advisory Committee shall meet at the call of the Chairperson and hold not fewer than 4 meetings during each calendar year.

“(2) OPEN ACCESS.—All meetings of the Advisory Committee shall be open to the public. A transcript shall be kept of each meeting and made available for public inspection within 30 days of the meeting.

“(d) DUTIES.—The Advisory Committee shall, at a minimum—

“(1) advise, consult with, and make recommendations to the Administrator on matters relating to the administration of this Act, including recommendations on regulations and policies related to the administration of this Act;

“(2) annually prepare a set of recommendations for the Administrator, to be shared with the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate, to improve the registration process under subtitle B to make the process easily accessible and efficient for use by sponsors while maintaining the requirements under subtitle B;

“(3) make recommendations on expanding participation of nontraditional apprenticeship populations in programs under the national apprenticeship system; and

“(4) review apprenticeable occupations and, based on reviews of labor market trends and changes, make recommendations to the Administrator on whether to—

“(A) make updates to apprenticeable occupations under section 111(b)(5)(A); or

“(B) convene sector leaders and experts under section 111(b)(5)(C) for the establishing specific frameworks of industry recognized occupational standards.

“(e) PERSONNEL.—

“(1) COMPENSATION OF MEMBERS.—

“(A) IN GENERAL.—A member of the Advisory Committee who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Advisory Committee.

“(B) OFFICERS OR EMPLOYEES OF THE UNITED STATES.—Members of the Advisory Committee who are officers or employees of the United States may

not receive additional pay, allowances, or benefits by reason of their service on the Advisory Committee.

“(2) STAFF.—The Secretary shall supply the Advisory Committee with an executive Secretary and provide such secretarial, clerical, and other services as the Secretary determines to be necessary to enable the Advisory Committee to carry out the duties described in subsection (d).

“(3) DATA REQUESTS.—The Advisory Committee through its Chairperson may request data from the Secretary as determined necessary by the Advisory Committee to carry out its functions as described in this section.

“(f) PERMANENT COMMITTEE.—The Federal Advisory Committee Act (5 U.S.C. App.) (other than section 14 of such Act) shall apply to the Advisory Committee.

**“SEC. 113. STATE APPRENTICESHIP AGENCIES AND STATE OFFICES OF APPRENTICESHIP.**

“(a) RECOGNITION OF STATE APPRENTICESHIP AGENCIES.—

“(1) IN GENERAL.—The Administrator shall recognize a State agency as a State apprenticeship agency in accordance with this section and cooperate with such State apprenticeship agency regarding the formulation and promotion of standards of apprenticeship under subtitle B.

“(2) APPLICATION.—A State desiring to have a State agency recognized as a State apprenticeship agency under this section shall submit an application at such time, in such manner, and containing such information as the Administrator may require, including—

“(A) the initial State plan described in subsection (c)(2)(A)(i);

“(B) a description of how the State apprenticeship agency will meet the State plan requirements of subsection (c); and

“(C) a description of the linkages and coordination of the State’s proposed standards, criteria, and requirements with the State’s economic development strategies and workforce development system and the State’s secondary, postsecondary, and adult education systems.

“(3) REVIEW AND RECOGNITION.—

“(A) IN GENERAL.—Not later than 90 days after the date on which a State submits an application under paragraph (2), the Secretary shall notify the State regarding whether the agency of the State is recognized as a State apprenticeship agency under this section.

“(B) DURATION OF RECOGNITION.—

“(i) DURATION.—The recognition of a State apprenticeship agency shall be for a 4-year period beginning on the date the State apprenticeship agency is notified under subparagraph (A).

“(ii) NOTIFICATION.—

“(I) IN GENERAL.—The Secretary shall notify a State apprenticeship agency not later than 180 days before the last day of the 4-year period regarding whether the State apprenticeship agency is in compliance with this section.

“(II) COMPLIANCE.—In the case of a State apprenticeship agency that is in compliance with this section, the agency’s recognition under this section shall be renewed for an additional 4-year period and the notification under subclause (I) shall include notification of such renewal.

“(III) NONCOMPLIANCE.—In the case of a State apprenticeship agency that is not in compliance with this section, the notification shall—

“(aa) specify the areas of noncompliance;

“(bb) require corrective action; and

“(cc) offer technical assistance.

“(iii) RENEWAL AFTER CORRECTION.—If the Administrator determines that a State apprenticeship agency has corrected the identified areas of noncompliance under this subparagraph not later than 180 days of notification of noncompliance, the State apprenticeship agency’s recognition under this section shall be renewed for an additional 4-year period.

“(C) TRANSITION PERIOD FOR STATE AGENCIES.—

“(i) IN GENERAL.—Not later than 1 year after the effective date of the National Apprenticeship Act of 2020, a State agency that, as of the day before the date of enactment of such Act, was recognized by the Secretary for purposes of registering apprenticeship programs in accordance with this Act shall submit an application under paragraph (2).

“(ii) TRANSITION PERIOD.—A State agency described in clause (i) shall be recognized as a State apprenticeship agency under this section for

- a 4-year period beginning on the date on which the Secretary approves the application submitted by the State agency under paragraph (2).
- “(b) AUTHORITY OF A STATE APPRENTICESHIP AGENCY.—
- “(1) IN GENERAL.—For the period during which a State apprenticeship agency is recognized under subsection (a) and to maintain such recognition, the State apprenticeship agency shall carry out the requirements of this Act.
- “(2) PROGRAM RECOGNITION.—With respect to a State with a State apprenticeship agency, the State apprenticeship agency shall have sole authority to recognize and register a pre-apprenticeship, youth apprenticeship, or apprenticeship program in such State, which shall include—
- “(A) determining whether such program is in compliance with the standards for such program under section 122;
- “(B) in the case of such a program that is in compliance with such standards, recognizing the program and providing a certificate of recognition for such program;
- “(C) providing technical assistance to current or potential sponsors; and
- “(D) in the case of such a program that fails to meet the requirements of this Act, providing for the withdrawal of recognition of the program in accordance with section 131(b).
- “(3) STATE APPRENTICESHIP COUNCIL.—
- “(A) IN GENERAL.—A State apprenticeship agency shall establish and continue to use a State apprenticeship council, which shall operate in compliance with the requirements of this Act under the direction of the State apprenticeship agency.
- “(B) COMPOSITION.—A State apprenticeship council may be regulatory or advisory in nature, and shall—
- “(i) be composed of persons familiar with apprenticeable occupations; and
- “(ii) be fairly balanced, with an equal number of—
- “(I) representatives of employer organizations, including from nontraditional apprenticeship industries or occupations;
- “(II) representatives of labor organizations or joint labor-management organizations, including from nontraditional apprenticeship industries or occupations; and
- “(III) public members; and
- “(iii) to the extent practicable, have not less than 1 member who is a member of the State workforce board.
- “(C) SPECIAL RULE.—A State apprenticeship council shall not be eligible for recognition as a State apprenticeship agency.
- “(c) STATE PLAN.—
- “(1) IN GENERAL.—For a State apprenticeship agency to be eligible to receive allotments under subsection (f) and to be recognized under this section, the State apprenticeship agency shall submit to the Secretary a State plan that meets the requirements of this subsection.
- “(2) APPROVAL OF STATE PLAN.—
- “(A) SUBMISSION.—
- “(i) INITIAL PLAN.—The first State plan of a State apprenticeship agency shall be submitted to the Administrator not later than 120 days prior to the commencement of the first full program year of the State apprenticeship agency, which shall include—
- “(I) a description of any State laws, policies, or operational procedures relating to the process of recognizing programs under the national apprenticeship system that is inconsistent with, or imposes requirements in addition to, the requirements of this Act;
- “(II) an assurance that the State will notify the Administrator if there are any changes to the State laws (including regulations), policies, or procedures described in subclause (I) that occur after the date of submission of such plan; and
- “(III) an assurance that the State will make available on a publicly available website a description of any laws (including regulations), policies, and operational procedures relating to the process of recognizing programs under the national apprenticeship system that are inconsistent with, or impose requirements in addition to, the requirements of this Act.
- “(ii) SUBSEQUENT PLANS.—Except as provided in clause (i), a State plan shall be submitted to the Administrator not later than 120 days prior to the end of the 4-year period covered by the preceding State plan.

“(B) APPROVAL.—A State plan shall be subject to the approval of the Administrator and shall be considered to be approved at the end of the 90-day period beginning on the date that the plan is submitted under this paragraph, unless the Administrator, during the 90-day period, provides the State apprenticeship agency, in writing—

“(i) an explanation for why the State plan is inconsistent with the requirements of this Act; and

“(ii) an opportunity for an appeal of such determination to an Administrative Law Judge for the Department of Labor not later than 30 days after receipt of the notice of denial from the Administrator.

“(C) MODIFICATIONS.—

“(i) MODIFICATIONS.—At the end of the first 2-year period of any 4-year State plan, the State may submit modifications to the State plan to reflect changes in labor market and economic conditions or other factors affecting the implementation of the State plan.

“(ii) APPROVAL.—A modified State plan submitted for review under clause (i) shall be subject to the approval requirements described in subparagraph (B).

“(3) TECHNICAL ASSISTANCE.—Each State Plan shall describe how the State apprenticeship agency will provide technical assistance for—

“(A) potential sponsors, employers, labor organizations, joint labor-management organizations, qualified intermediaries, apprentices, education and training providers, credentialing bodies, eligible entities, industry associations, or any potential program participant in the national apprenticeship system in the State for the purposes of recruitment, retention, program development, expansion, or implementation, including supporting remote or virtual learning or training, as necessary;

“(B) sponsors of programs registered in the State, including sponsors that are not meeting performance goals under subtitle C, for purposes of assisting sponsors in meeting or exceeding such goals; and

“(C) sponsors of programs registered in that State for purposes of assisting such sponsors in achieving State goals in diversity and equal opportunity in apprenticeships in accordance with paragraph (5).

“(4) RECIPROCITY.—Each State plan shall describe how the State apprenticeship agency, in the case of a program recognized by a registration agency in another State, shall recognize such program in the State of such agency for purposes of this Act by not later than 30 days after receipt of an application for such recognition from a program sponsor, as long as such program meets the wage and hour provisions of the State granting reciprocity.

“(5) PROMOTING DIVERSITY IN THE NATIONAL APPRENTICESHIP SYSTEM.—Each State plan shall include a plan for how the State apprenticeship agency will—

“(A) promote diversity in apprenticeable occupations offered throughout the State, and a description of how such agency will promote the addition of apprenticeable occupations in high-skill, high-wage, or in-demand industry sectors and occupations, and in nontraditional apprenticeship occupations and sectors; and

“(B) promote diversity and equal opportunity in programs under the national apprenticeship system by uniformly adopting and implementing the requirements of subparagraphs (B) and (C) of section 111(b)(7).

“(6) COMPLAINTS.—

“(A) IN GENERAL.—Subject to subparagraph (B), each State plan shall include a description of the system for the State apprenticeship agency to receive and resolve complaints submitted by program participants, the program participant’s authorized representative, sponsors, employers, or non-profit compliance organizations, such as complaints concerning equal employment opportunity or discrimination, violations of the apprenticeship agreement, or violations of requirements under this Act.

“(B) COLLECTIVE BARGAINING AGREEMENTS.—Any controversy arising under an apprenticeship agreement which is covered by a collective bargaining agreement shall not be subject to the system described in subparagraph (A), except that complaints concerning discrimination or any matters described in subparagraph (5)(B) shall be subject to such system.

“(7) STATE APPRENTICESHIP HUBS.—Each State plan shall describe how the State will support, in a manner that takes into consideration geographic diversity, the creation and implementation of apprenticeship hubs throughout the State that shall work with industry and sector partnerships to expand programs under the national apprenticeship system, and apprenticeable occupations, in the State.

“(8) STATE APPRENTICESHIP PERFORMANCE OUTCOMES.—Each State plan shall—

“(A) in coordination with the Administrator, establish annual State performance goals for the programs registered by the State apprenticeship agency for the indicators described—

“(i) in subparagraph (A) of section 131(b)(1); and

“(ii) in subparagraph (B)(ii) of section 131(b)(1); and

“(B) describe how the State apprenticeship agency will collect performance data from programs registered by the agency; and

“(C) annually report on the outcomes of each such program in relation to the State established goals under subparagraph (A).

“(9) USES OF FUNDS.—Each State plan shall include a description of the uses described in subsection (d) of the allotment received by the State apprenticeship agency under subsection (f).

“(10) ALIGNMENT OF WORKFORCE ACTIVITIES.—Each State plan shall include a summary of State-supported workforce development activities (including education and training) in the State, including—

“(A) a summary of the apprenticeship programs on the list of eligible providers of training services under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d));

“(B) the degree to which the programs under the national apprenticeship system in the State are aligned with and address the skill needs of the employers in the State identified by the State workforce development board; and

“(C) a description of how apprenticeship programs will receive expedited consideration to be included on the list of eligible providers of training services under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d)).

“(11) STATE STRATEGIC VISION.—Each State plan shall include a summary of the State’s strategic vision and set of goals for preparing an educated and skilled workforce and for meeting the skilled workforce needs of employers, including in existing and emerging in-demand industry sectors and occupations as identified by the State, and how the programs registered by the State apprenticeship agency in the State will help to meet such goals.

“(12) STRATEGY FOR ANY JOINT PLANNING, ALIGNMENT, COORDINATION, AND LEVERAGING OF FUNDS.—Each State plan shall provide a description of the State apprenticeship agency’s strategy for joint planning, alignment, coordination, and leveraging of funds—

“(A) with the State’s workforce development system, to achieve the strategic vision and goals described in paragraph (11), including the core programs defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102) and the elements related to system alignment under section 102(b)(2)(B) of such Act (29 U.S.C. 3112(b)(2)(B));

“(B) for programs under the national apprenticeship system in the State with other Federal education programs, including programs under—

“(i) the Elementary and Secondary Education Act of 1965;

“(ii) the Individuals with Disabilities Education Act;

“(iii) the Carl D. Perkins Career and Technical Education Act of 2006; and

“(iv) the Higher Education Act of 1965; and

“(C) to provide information about access to available State assistance or assistance under related Federal programs, including such assistance under—

“(i) section 6(d) of the Food and Nutrition Act of 2008;

“(ii) subsection (c)(1) of section 3672 of title 38, United States Code;

“(iii) section 231 of the Second Chance Act of 2007 (34 U.S.C. 60541);

and

“(iv) the State Temporary Assistance for Needy Families programs under part A of title IV of the Social Security Act.

“(13) STATE APPRENTICESHIP COUNCIL.—Each State plan shall provide for a description of the composition, roles, and responsibility of the State apprenticeship council, and how the Council will comply with the requirements of subsection (b)(3).

“(d) STATE APPRENTICESHIP AGENCY FUNDING.—A State apprenticeship agency shall use funds received under clauses (i) and (ii) of subsection (f)(1)(A) according to the following requirements:

“(1) PROGRAM ADMINISTRATION.—The State apprenticeship agency shall use such funds to support the administration of programs under the national apprenticeship system across the State, including for—

- “(A) staff and resources;
  - “(B) oversight and evaluation as required under this Act;
  - “(C) technical assistance to program sponsors, program participants, employers, labor organizations, joint labor-management organizations, education and training providers, and qualified intermediaries;
  - “(D) pre-apprenticeship, youth, and apprenticeship program recruitment and development, including for—
    - “(i) engaging potential providers of such programs such as employers, qualified intermediaries, related instruction providers, and potential program participants;
    - “(ii) publicizing apprenticeship opportunities and benefits; and
    - “(iii) engaging State workforce and education systems for collaboration and alignment across systems; and
  - “(E) supporting the enrollment and apprenticeship certification requirements to allow veterans and other individuals eligible for the educational assistance programs under chapters 30 through 36 of title 38, United States Code, and any related educational assistance programs under laws administered by the Secretary of Veterans Affairs, to use such assistance for the apprenticeship program, including the requirement of designating a certifying official.
- “(2) EDUCATIONAL ALIGNMENT.—The State apprenticeship agency shall use not less than 10 percent of such funds to engage with the State education system to provide technical assistance and best practices regarding—
- “(A) alignment of youth apprenticeship programs with the secondary education programs in the State, including support for career exploration, career pathways, education and career planning, and engagement with youth apprenticeship programs for teachers, career guidance and academic counselors, school leaders, administrators, and specialized instructional support personnel and paraprofessionals;
  - “(B) alignment of related instruction provided under the national apprenticeship system in the State with academic credit granting postsecondary programs (including developing career pathways, articulation agreements, and prior learning assessments); and
  - “(C) the joint planning, alignment, coordination, and leveraging of funds described in subparagraphs (B) and (C) of subsection (c)(12).
- “(3) WORKFORCE ALIGNMENT.—The State apprenticeship agency shall use not less than 10 percent of such funds to engage with the State workforce development system to provide technical assistance and best practices regarding—
- “(A) alignment with the State’s workforce activities and strategic vision in accordance with paragraphs (10), (11), and subparagraphs (A) and (C) of paragraph (12) of subsection (c);
  - “(B) guidance for training staff of the workforce development system, including the vocational rehabilitation agencies, within the State on the value of programs under the national apprenticeship system as a work-based learning option for participants, including participants of programs authorized under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.) such as Job Corps under subtitle C of title I of such Act and YouthBuild under section 171 of such Act;
  - “(C) providing a list of programs under the national apprenticeship system that are offered in the State, including in the State’s high-skill, high-wage, or in-demand industry sectors or occupations;
  - “(D) alignment of funding received and reporting required under this Act, including relevant placement, retention, and earnings information, with the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.), and technical assistance in how individual training accounts under section 134(c)(3) of such Act could be used to pay for the costs of enrolling and participating in programs under the national apprenticeship system;
  - “(E) partnerships with State or local workforce development boards, State workforce agencies, and one-stop centers and one-stop operators that assist program participants in accessing supportive services to support—
    - “(i) the recruitment, retention, and completion of programs under the national apprenticeship system;
    - “(ii) transitions from youth apprenticeships and pre-apprenticeships to apprenticeship programs; and
    - “(iii) the placement into employment or further education upon program completion; and
  - “(F) expanding the list of eligible providers of training services under section 122(d) of the Workforce Innovation and Opportunity Act to include pro-

grams under the national apprenticeship system in the State (29 U.S.C. 3152(d)).

“(4) LEADERSHIP ACTIVITIES.—

“(A) IN GENERAL.—A State apprenticeship agency may reserve not more than 15 percent of the funds received under subsection (f) in support of State apprenticeship initiatives described in this paragraph.

“(B) DIVERSITY.—Not less than 5 percent of the amount reserved under subparagraph (A) shall be used by the State apprenticeship agency for supporting and expanding diversity in apprenticeable occupations under the national apprenticeship system in the State and program participant populations in the State.

“(C) INCENTIVES FOR EMPLOYERS.—A State apprenticeship agency may use funds reserved under subparagraph (A) to incentivize employers to participate in programs under the national apprenticeship system, such as costs related to program development, staffing for mentors and supervisors, related instruction, or the creation of industry or sector partnerships to support employer participation.

“(D) STATE-SPECIFIC INITIATIVES.—A State apprenticeship agency may use funds reserved under subparagraph (A) for State-specific initiatives, such as the development or expansion of youth apprenticeship programs or apprenticeship programs in high-skill, high-wage, or in-demand industry sectors and occupations.

“(5) STATE MATCH FOR FEDERAL INVESTMENT.—

“(A) IN GENERAL.—Except in the case of exceptional circumstances, as determined by the Administrator, in order to receive a full allotment under subsection (f), a State apprenticeship agency shall use matching funds from non-Federal resources to carry out the activities of the agency under this Act in an amount not less than 25 percent of such allotment.

“(B) TRANSITION PERIOD.—The requirement under this paragraph shall take effect with respect to a State apprenticeship agency on the date that is 1 day after the date on which the transition period for such agency under subsection (a)(3)(C)(ii) ends.

“(e) DERECOGNITION OF STATE APPRENTICESHIP AGENCIES.—

“(1) IN GENERAL.—The Secretary may withdraw recognition of a State apprenticeship agency before the end of the agency’s 4-year recognition period under subsection (a)(2)(B) if the Secretary determines, after notice and an opportunity for a hearing, that the State apprenticeship agency has failed for one of the reasons described in paragraph (2), and has not been in compliance with the performance improvement plan under paragraph (3) to remedy such failure.

“(2) DERECOGNITION CRITERIA.—The recognition of a State apprenticeship agency under this section may be withdrawn under paragraph (1) in a case in which the State apprenticeship agency fails to—

“(A) adopt or properly enforce a State plan;

“(B) properly carry out its role as the sole registration agency in the State;

“(C) submit a report under section 131(b)(1)(B) for any program year;

“(D) meet the State levels of performance as described in subsection (c)(8)(A) or demonstrate improvements in performance for 3 consecutive program years; or

“(E) otherwise fulfill or operate in compliance with the requirements of this Act.

“(3) DERECOGNITION PROCESS.—

“(A) IN GENERAL.—If a State apprenticeship agency fails for any of the reasons described in paragraph (2), the Secretary shall provide technical assistance to such agency for corrective action to remedy such failure, including assistance in the development of a performance improvement plan.

“(B) REDUCTION OF FUNDS.—Except in the case of exceptional circumstances as determined by the Administrator, in a case in which such a State apprenticeship agency continues such failure after the provision of the technical assistance under subparagraph (A)—

“(i) the percentage of the funds to be allotted to the State apprenticeship agency under subsection (f) for each fiscal year following the fiscal year in which such failure has been identified shall be reduced by 5 percentage points; and

“(ii) the Administrator shall provide notice to the State apprenticeship agency that the agency’s recognition under this section may be withdrawn if the agency fails to remedy the failure.

“(C) TERMINATION OF PROCEEDINGS.—If the Administrator determines that the State apprenticeship agency’s corrective action under subpara-

graph (A) has addressed the agency's failure identified under paragraph (2), the Administrator shall—

“(i) restore the agency's full funding allocation under this title for the next full fiscal year; and

“(ii) notify the State apprenticeship agency that the agency's recognition will not be withdrawn under this section for the reason for which the agency's funding under this title was most recently reduced.

“(D) OPPORTUNITY FOR HEARING.—

“(i) IN GENERAL.—In a case in which a State apprenticeship agency fails to remedy a failure identified under paragraph (2), the Administrator shall—

“(I) notify, in writing, the State apprenticeship agency of the failure of the State apprenticeship agency, including a description of such failure and an explanation that the agency's recognition under this section may be withdrawn as a result of such failure; and

“(II) offer the State apprenticeship agency an opportunity to request a hearing not later than 30 days after the date of such notice.

“(ii) REFERRAL TO OFFICE OF ADMINISTRATIVE LAW JUDGES.—In a case in which the State apprenticeship agency requests a hearing under clause (i)(II), the Administrator shall refer the matter to the Office of Administrative Law Judges for a recommended decision by the Administrative Review Board for final agency action.

“(4) REQUIREMENTS REGARDING WITHDRAWAL OF RECOGNITION.—

“(A) OFFICE OF APPRENTICESHIP.—

“(i) PRIOR TO ORDER.—Prior to the withdrawal of the recognition of a State apprenticeship agency under this section, the Administrator shall—

“(I) provide to the State apprenticeship agency an order withdrawing recognition of such agency under this section; and

“(II) establish a State Office of Apprenticeship; and

“(ii) AFTER ORDER.—Not later than 30 days after the date of such order, provide notification of the withdrawal to the sponsors of the programs under the national apprenticeship system in such State that were registered with the State apprenticeship agency to enable each such sponsor to be registered with the Administrator (acting through the State Office of Apprenticeship established under clause (i)(II)).

“(B) STATE APPRENTICESHIP AGENCY REQUIREMENTS.—A State agency whose recognition as a State apprenticeship agency under this section has been withdrawn under paragraph (3) shall—

“(i) provide to the Administrator program standards, apprenticeship agreements, completion records, cancellation and suspension records, performance metrics, and any other documents relating to the State's programs under the national apprenticeship system in the State;

“(ii) cooperate fully during the transition period beginning on the date of the order withdrawing such recognition and ending on the date on which the Administrator establishes a State Office of Apprenticeship in the State; and

“(iii) return any unused funds received under this Act.

“(5) REINSTATEMENT OF RECOGNITION.—A State apprenticeship agency that has had its recognition withdrawn under this section may have such recognition reinstated upon presentation of adequate evidence that the State apprenticeship agency has—

“(A) submitted an application under subsection (a)(2), and

“(B) demonstrated the ability to operate in compliance with the requirements of this Act.

“(f) RESERVATION AND STATE ALLOTMENTS.—

“(1) STATE ALLOTMENTS.—

“(A) IN GENERAL.—Of the amount appropriated under subsection (g) for a fiscal year—

“(i) 33  $\frac{1}{3}$  percent shall be equally distributed among each State Office of Apprenticeship, outlying area, and eligible State; and

“(ii) 66  $\frac{2}{3}$  percent shall be allotted to eligible States on the basis described in subparagraph (B).

“(B) FORMULA.—

“(i) IN GENERAL.—Of the amount available under subparagraph (A)(ii)—

“(I) 25 percent shall be allotted on the basis of the relative share of program participants in each eligible State, as determined on

the basis of the most recent satisfactory data available from the Administrator, compared to the total number of program participants in all eligible States, as determined on such basis;

“(II) 25 percent shall be allotted on the basis of the relative share of program participants who have completed a program under the national apprenticeship system in each eligible State during the most recent 5-year period, as determined on the basis of the most recent satisfactory data available from the Administrator, compared to the total 5-year average of program participants who have completed a program in all eligible States, as determined on such basis; and

“(III) 50 percent shall be allotted on the basis described in clause (ii).

“(ii) ALLOTMENTS BASED ON BLS AND ACS DATA.—Of the amount available under clause (i)(III)—

“(I)  $33\frac{1}{3}$  percent shall be allotted on the basis of the relative share of individuals in the civilian labor force in each eligible State, compared to the total number of individuals in the civilian labor force in all eligible States;

“(II)  $33\frac{1}{3}$  percent shall be allotted on the basis of the relative share of individuals living below the poverty line in each eligible State, compared to the total number of individuals living below the poverty line in all eligible States; and

“(III)  $33\frac{1}{3}$  percent shall be allotted on the basis of the relative number of unemployed individuals in each eligible State, compared to the total number of unemployed individuals in all eligible States.

“(2) DEFINITIONS.—In this subsection—

“(A) ELIGIBLE STATE.—The term ‘eligible State’ means a State that has a State apprenticeship agency.

“(B) OUTLYING AREA.—The term ‘outlying area’ means American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands.

“(C) POVERTY LINE.—The term ‘poverty line’ has the meaning given such term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

“(D) UNEMPLOYED INDIVIDUAL.—The term ‘unemployed individual’ has the meaning given such term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

“(1) \$75,000,000 for fiscal year 2021;

“(2) \$85,000,000 for fiscal year 2022;

“(3) \$95,000,000 for fiscal year 2023;

“(4) \$105,000,000 for fiscal year 2024; and

“(5) \$115,000,000 for fiscal year 2025.

**“SEC. 114. INTERAGENCY AGREEMENT WITH DEPARTMENT OF EDUCATION.**

“(a) IN GENERAL.—Not later than 1 year after the effective date of the National Apprenticeship Act of 2020, in order to cooperate with the Secretary of Education and promote awareness and adoption of apprenticeship programs, the Secretary (acting through the Administrator) shall—

“(1) enter into an interagency agreement with the Secretary of Education to promote and support integration and alignment of programs under the national apprenticeship system with secondary, postsecondary, and adult education, through the activities described in this section; and

“(2) submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of Senate, such agreement and any modifications to such agreement.

“(b) ALIGNMENT FOR YOUTH APPRENTICESHIPS.—In order to promote alignment between youth apprenticeship programs and high school graduation requirements, the interagency agreement under subsection (a) shall describe how the Secretaries will work to provide—

“(1) information and resources to—

“(A) parents and students to promote a better understanding of programs under the national apprenticeship system and their value in secondary and postsecondary education and career pathways by not later than middle school; and

“(B) school leaders (working with academic counselors, teachers, and faculty) about the value of such programs and information on how to effec-

tively align youth apprenticeship programs with secondary and career and technical education programs; and

“(2) technical assistance on how to—

“(A) align related instruction and apprenticeable occupation skills and competencies to high school graduation requirements;

“(B) offer related instruction through dual and concurrent enrollment programs and other accelerated learning programs, as described in section 4104(b)(3)(A)(i)(IV) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7114(b)(3)(A)(i)(IV));

“(C) facilitate transitions for youth apprentices who have completed their youth apprenticeships into further education, including an associate, baccalaureate, or advanced degree, and related apprenticeship opportunities; and

“(D) align activities carried out under this Act with eligible funding from, and planning processes for, the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), the Rehabilitation Act of 1973, and the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

“(c) APPRENTICESHIP COLLEGE CONSORTIUM.—In order to support the establishment of a college consortium of postsecondary educational institutions, related instruction providers, sponsors, qualified intermediaries, employers, labor organizations, and joint labor-management organizations for the purposes of promoting stronger connections between programs under the national apprenticeship system and participating 2- and 4-year postsecondary educational institutions, the inter-agency agreement under subsection (a) shall include a description of how the Secretaries will—

“(1) support data sharing systems that align education records and records of programs under the national apprenticeship system regarding whether program participants who receive financial aid under title IV of the Higher Education Act of 1965 enroll in, or complete, postsecondary coursework while participating in a program under such system;

“(2) provide guidance on how to align eligible funding from, planning processes for, and the requirements of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the Rehabilitation Act of 1973, and the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) with this Act;

“(3) require all participants of the apprenticeship college consortium to enter into agreements to—

“(A) have an articulation agreement with a participating sponsor of an apprenticeship program, which may include a 2- or 4-year postsecondary educational institution;

“(B) create or expand the awarding and articulation of academic credit for related instruction completed and credentials awarded to program participants as part of a program under the national apprenticeship system; and

“(C) support the creation or expansion of electronic transcripts for apprenticeship programs and all academic content, including related instruction and on-the-job training;

“(4) provide technical assistance on eligible uses of financial aid, including the Federal work study program under part C of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087–51 et seq.), for related instruction for programs under the national apprenticeship system;

“(5) provide to consortium participants or potential participants information regarding—

“(A) a list of apprenticeship programs in related occupations offered in the State or available under the Office of Apprenticeship that may become part of the consortium;

“(B) information on how to develop an apprenticeship program;

“(C) information on Federal, State, and local financial resources available to assist with the establishment and implementation of apprenticeship programs; and

“(D) information on related qualified intermediaries or industry or sector partnerships supporting apprenticeship programs, as applicable; and

“(6) support information regarding the apprenticeship consortium being made available on a publicly accessible website, including—

“(A) a list of participating members of the consortium, apprenticeship programs provided, credentials awarded with each program, and available apprenticeable occupations; and

“(B) models of articulation agreements, prior learning assessments, and competency-based curriculum for related instruction for illustrative purposes.

“(d) BEST PRACTICE DEVELOPMENT AND SHARING.—

“(1) DISSEMINATION.—Such interagency agreement shall require that the Secretaries disseminate information on the value of programs under the national apprenticeship system, including relevant placement, retention, and earnings information, labor market data from the local area, and sector forecasts to determine high-skill, high-wage, or in-demand industry sectors or occupations of such programs, to local education and training providers, labor organizations, or joint-labor management organizations (including those representing teachers).

“(2) CLEARINGHOUSE.—Such agreement shall require the Secretaries to create a clearinghouse of best practices—

“(A) for improving performance and increasing alignment of education and programs under the national apprenticeship system, including career pathways; and

“(B) publicly disseminate information and resources on—

“(i) replicable related instruction and on-the-job learning; and

“(ii) how to build an understanding of apprenticeship opportunities available to students.

“(e) DATA SHARING AGREEMENT.—The Secretaries shall disseminate best practices for the alignment of education records and records of programs under the national apprenticeship system, including information on program participants who enroll in, complete, and receive academic credit for postsecondary coursework while participating in such a program.

“(f) SECRETARIES DEFINED.—In this section, the term ‘Secretaries’ means the Secretary of Labor and the Secretary of Education.

## **“Subtitle B—Process and Standards for the National Apprenticeship System**

### **“SEC. 121. APPRENTICEABLE OCCUPATIONS STANDARDS.**

“For an occupation to be an apprenticeable occupation under this Act, a person seeking approval for such occupation to be an apprenticeable occupation shall submit an application to the Administrator that demonstrates that such apprenticeable occupation is in-demand and will prepare individuals for the full range of skills and competencies needed for such occupation by describing how such apprenticeable occupation shall—

“(1) meet the industry-recognized occupational standards under section 111(b)(5)(C); or

“(2) involve the progressive attainment of skills, competencies, and knowledge that are—

“(A) clearly identified and commonly recognized throughout the relevant industry or occupation;

“(B) customarily learned or enhanced in a practical way through a structured, systematic program of on-the-job supervised learning and related instruction to supplement such learning; and

“(C) offered through a time-based, competency-based, or hybrid model as described in section 122(b)(1)(E).

### **“SEC. 122. QUALITY STANDARDS OF PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM.**

“(a) IN GENERAL.—The Secretary, acting through the Administrator, shall formulate and promote the furtherance of quality standards necessary to safeguard the welfare of apprentices, pre-apprentices, and youth apprentices.

“(b) APPRENTICESHIP PROGRAM STANDARDS.—In addition to the standards described in subsection (e), an apprenticeship program shall meet the following standards:

“(1) The program has an organized and clearly written plan, developed by the sponsor, that includes, at a minimum, the following information:

“(A) The employment and training to be received by each apprentice participating in the program, including—

“(i) an outline of the work processes or the plan in which the apprentice will receive supervised work experience, on-the-job training, and on-the-job learning;

“(ii) the allocation of the approximate amount of time that will be spent in each major work process by the apprentice;

“(iii) a description of the mentoring that will be provided to the apprentice; and

- “(iv) a description or timeline explaining the periodic reviews and evaluations of the apprentice’s performance on the job and in related instruction.
- “(B) A process for maintaining appropriate progress records, including the reviews and evaluations described in subparagraph (A)(iv).
- “(C) A description of the organized related instruction the apprentice will receive in technical subjects related to the occupation, which—
  - “(i) for time-based or hybrid apprenticeship programs as described in paragraph (E), shall include not less than 144 hours for each year of apprenticeship, unless an alternative requirement is put forth by the employer and sponsor that reflects industry standards and is accepted by the registration agency;
  - “(ii) may be accomplished through classroom instruction, occupational or industry courses, instruction provided through electronic media, or other instruction approved by the registration agency;
  - “(iii) shall be provided by one or more qualified instructors that—
    - “(I)(aa) meet technical instructor requirements of the applicable education agency in the State of registration; or
    - “(bb) are subject matter experts, defined for purposes of this subparagraph as individuals recognized within an industry as having expertise in a specific occupation; and
    - “(II) have training in teaching techniques and learning styles, or will obtain such training before providing the related technical instruction; and
  - “(iv) where appropriate and to the extent practicable, shall be aligned to a career pathway.
- “(D) A progressively increasing, clearly defined schedule of wages to be paid to the apprentice that is—
  - “(i) consistent with measurable skill gains; and
  - “(ii) ensures the entry wage is not less than the greater of—
    - “(I) the minimum wage required under section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)); or
    - “(II) the applicable wage required by other applicable Federal or State laws (including regulations) or collective bargaining agreements.
- “(E) The term of the apprenticeship program, which may be measured using—
  - “(i) a time-based model, which requires the completion of the industry standard for on-the-job learning hours, which in no case shall be less than 2,000 hours, unless an alternative requirement is put forth by the employer and sponsor that reflects industry standards and the relative hazards of the occupation, and is accepted by the Secretary and registration agency;
  - “(ii) a competency-based model, which requires the attainment of competency in the occupation; or
  - “(iii) a hybrid model, which blends the time-based and competency-based approaches.
- “(F) The methods used to measure an apprentice’s skills and competencies, which may include an initial diagnostic assessment or assessment of credentials that verify an individual’s foundational knowledge and skills that would be needed to succeed in an apprenticeship program, and which shall include—
  - “(i) in the case of a time-based apprenticeship described in subparagraph (E)(i), the individual apprentice’s completion of the required hours of on-the-job learning as described in a work process schedule; or
  - “(ii) in the case of a competency-based model described in subparagraph (E)(ii), the individual apprentice’s successful demonstration of acquired skills and knowledge through appropriate means of testing and evaluation for such competencies, and by requiring apprentices to complete a paid on-the-job learning component of the apprenticeship;
  - “(iii) in the case of a hybrid apprenticeship described in subparagraph (E)(iii), a combination of a specified minimum number of hours of on-the-job learning and the successful demonstration of competency, as described in subparagraph (E)(i) and a work process schedule.
- “(2) The program equally grants advanced standing or credit to all individuals applying for the apprenticeship with demonstrated competency or acquired experience, training, or skills, and provides commensurate wages for any progres-

sion in standing or credit so granted, including for veterans' service-acquired skills and experiences.

"(3) The program has minimum qualifications for individuals desiring to enter the apprenticeship program, with an eligible starting age for an apprentice of not less than 16 years.

"(4) In the case of a program that chooses to issue an interim credential, the program—

"(A) clearly identifies each interim credential;

"(B) only issues an interim credential for recognized components of an apprenticeable occupation and demonstrates how each interim credential specifically links to the knowledge, skills, and abilities associated with such components; and

"(C) establishes the process for assessing an individual apprentice's demonstration of competency and measurable skill gains associated with the particular interim credential.

"(c) PRE-APPRENTICESHIP PROGRAM STANDARDS.—In addition to the standards described in subsection (e), a pre-apprenticeship program shall meet the following standards:

"(1) The program is designed to assist individuals who do not meet minimum qualifications for an apprenticeship program as described in subsection (b) and prepare them to enter and succeed in such an apprenticeship programs, including by providing the skills and competency attainment needed to enter the apprenticeship program.

"(2) The program—

"(A) is carried out by a sponsor that has a written agreement with at least one sponsor of an apprenticeship program;

"(B) demonstrates the existence of an active, advisory partnership with an industry or sector partnership to inform the training and education services necessary for a pre-apprenticeship program;

"(C) demonstrates evidence of sufficient demand in an apprenticeship program at the completion of a pre-apprenticeship program to support a transition from a pre-apprenticeship to an apprenticeship; and

"(D) demonstrates partnerships with qualified intermediaries, community-based organizations, labor organizations, or joint labor-management organizations.

"(3) The program includes a written plan developed by the sponsor that is reviewed and approved by the sponsor to the agreement with the sponsor of an apprenticeship program, that—

"(A) provides for work-based learning, and paid work-based learning to the extent practicable, in which an industry or sector partnership and a related instruction provider collaborate to provide training that will introduce participants to the skills, competencies, and materials used in one or more apprenticeable occupations;

"(B) is based on and aligned with national, State, regional, or local industry standards for high-skill, high-wage, or in-demand industry sectors and occupations, and the requirements of the related apprenticeship program;

"(C) to the extent appropriate and practicable, meets the related instruction requirements as described in clauses (ii) through (iv) of subsection (b)(1)(C) that includes enabling an individual to attain a secondary school diploma or its recognized equivalent that enables a pre-apprentice to enter into an apprenticeship program; and

"(D) includes mentoring, career exposure, career planning, and career awareness activities.

"(d) YOUTH APPRENTICESHIP PROGRAM STANDARDS.—In addition to the standards described in subsection (e), a youth apprenticeship program shall meet the following standards:

"(1) The program is designed for youth apprentices who at the start of the program are enrolled in high school.

"(2) The program includes each of the following core elements:

"(A) The employment and training to be received by each youth apprentice participating in the program, including—

"(i) an outline of the work processes or the plan in which the youth apprentice will receive supervised work experience and on-the-job training or in an experiential setting;

"(ii) the allocation of the approximate amount of time that will be spent in each major work process by the youth apprentice;

"(iii) a description of the mentoring that will be provided to the youth apprentice; and

- “(iv) a description or timeline explaining the periodic reviews and evaluations of the youth apprentice’s performance on the job and in related instruction.
- “(B) A process for maintaining appropriate progress records, including the reviews and evaluations described in subparagraph (A)(iv).
- “(C) Related classroom-based instruction, which may be fulfilled through dual or concurrent enrollment, and—
  - “(i) is, to the extent practicable, aligned with high school diploma requirements and career clusters; and
  - “(ii) meets the additional requirements as described in subsection (b)(1)(C).
- “(D) A progressively increasing, clearly defined schedule of wages to be paid to the youth apprentice.
- “(E) The term of the youth apprenticeship program, as described in subsection (b)(1)(E).
- “(F) For a competency-based or hybrid youth apprenticeship program, the methods used to measure skill acquisition for a youth apprentice, including ongoing assessment against established skill and competency standards as described in subsection (b)(1)(F).
- “(G) Prepares the youth apprentice for placement in further education, employment, or an apprenticeship program.
- “(3) The program equally grants advanced standing or credit to all individuals applying for the youth apprenticeship with demonstrated competency or acquired experience, training, or skills.
- “(4) In the case of a youth apprenticeship program that chooses to issue an interim credential, the program meets the requirements of subsection (b)(4).
- “(e) GENERAL REQUIREMENTS.—Each program under the national apprenticeship system shall meet the following standards:
  - “(1) The program—
    - “(A) has adequate and safe equipment, environments, and facilities for training and supervision;
    - “(B) provides safety training on-the-job and in related instruction as applicable by the apprenticeable occupation; and
    - “(C) provides adequate training for mentors and qualified instructors on providing a safe work and training environment.
  - “(2) The program records and maintains all records concerning the program as may be required by the Secretary, the registration agency of the program, or any other applicable law, including records required under title 38, United States Code, in order for veterans and other individuals eligible for educational assistance under such title to use such assistance for enrollment in the program.
  - “(3) The program provides all individuals with an equal opportunity to participate in the program as described in subparagraphs (B) and (C) of section 111(b)(7).
  - “(4) The program awards a certificate of completion in recognition of successful completion of the program, evidenced by an appropriate certificate issued by the registration agency, and in the case of apprenticeships and youth apprenticeships, prepares a program participant to obtain a recognized postsecondary credential.
  - “(5) The program provides that an individual who is to become a program participant under the program enters into a written apprenticeship agreement described in section 123 with the sponsor of the program.
  - “(6) The numeric ratio of program participants to supervisors (such as journeyworkers, mentors, or on-the-job learning instructors, as applicable) for the apprenticeable occupation, that are based on evidence-based and evidence-informed best practices for supervision, training, safety, and continuity of employment, throughout the work processes of the program, job site, department, or plant, appropriate for the degree of hazard in different occupations, and consistent with provisions in collective bargaining agreements, as applicable, except if such ratios are expressly prohibited by the collective bargaining agreements.

**“SEC. 123. APPRENTICESHIP AGREEMENTS.**

- “(a) IN GENERAL.—To ensure the standards described in section 122 are applied to programs under the national apprenticeship system, the Administrator shall require a sponsor to develop an apprenticeship agreement that shall—
  - “(1) be the same for each program participant;
  - “(2) contain the names and signatures of the program participant and the sponsor;
  - “(3) meet the requirements of subsection (b); and

- “(4) be submitted to the registration agency in accordance with section 124 by the program sponsor.
- “(b) STANDARDS.—Each agreement under subsection (a) shall contain, explicitly or by reference, program standards under section 122, including—
- “(1) in the case of an apprenticeship program—
- “(A) that is time-based, a statement of the number of hours to be spent by the program participant in on-the-job learning and on-the-job training in order to complete the program;
- “(B) that is competency-based, a description of the skill sets to be attained by completion of the program, including the on-the-job learning and work components; or
- “(C) that is a hybrid model, the minimum number of hours to be spent by the program participant in on-the-job learning and work components and in related instruction, and a description of the skill sets and competencies to be attained by completion of the program;
- “(2) the number of hours and form of related instruction, including how related instruction will be compensated (whether through academic credit, wages, or both), the costs the program participant will incur costs for participating in the program (such as for equipment or related instruction), and the recognized postsecondary credentials the program participants will be eligible to receive upon program completion;
- “(3) a schedule of the work processes in the occupation or industry divisions in which the program participant is to be trained and the approximate time to be spent at each process;
- “(4) for apprenticeships or youth apprenticeships, the graduated wage scale to be paid to the apprentices, benefits offered to the apprentices, and how the wages and benefits compare to State, local, or regional wages in the related occupation; and
- “(5) demonstration of commitment to and compliance with subparagraphs (B) and (C) of section 111(b)(7).

**“SEC. 124. REGISTRATION OF PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM.**

“(a) PROGRAM REGISTRATION APPLICATION.—In order to bring together employers and labor for the formulation of programs under the national apprenticeship system, the Administrator shall provide for the registration of programs in which a sponsor applying to register a program under the national apprenticeship system shall request registration of such program from a registration agency by submitting the information required by the registration agency, including—

- “(1) information demonstrating that each of the requirements of section 122 will be met for the program;
- “(2) a copy of the apprenticeship agreement described in section 123 used by the sponsor;
- “(3) a written assurance that, if the program is registered under this Act, the sponsor will administer the program in accordance with the requirements of this Act and comply with the requirements of the apprenticeship agreement for each apprentice; and
- “(4) methods for reporting quarterly data describing the outcomes associated with the program as required by the registration agency.

“(b) RECOGNITION AND REGISTRATION PROCESS.—

“(1) REVIEW AND APPROVAL PROCESS.—

“(A) PROVISIONAL APPROVAL REVIEW.—An application submitted under subsection (a) that the registration agency determines meets the requirements described in such subsection shall be registered for a provisional 1-year period beginning not later than 30 days after such application is submitted. During such period, the registration agency shall accept and record the apprenticeship agreement as evidence of the program’s compliance and registration to operate such program.

“(B) FULL APPROVAL OR EXTENDED PROVISIONAL APPROVAL.—By the end of a provisional registration period for a program, the registration agency providing provisional approval under subparagraph (A) shall review the program for quality and for compliance with the applicable standards under this subtitle and all other applicable program requirements under this Act, and—

- “(i) if a registration agency conducting a provisional review determines that the program complies with the standards and requirements under this Act, the registration agency shall fully approve the registration of the program; or
- “(ii) if a registration agency conducting a provisional review determines that the program is not conforming to the requirements or stand-

ards under this Act, the registration agency may continue the provisional registration of the program through the first full training cycle for program participants, and conduct an additional provisional review at the conclusion of the training cycle.

“(C) FAILURE TO MEET REQUIREMENTS.—If, after an initial provisional review under subparagraph (A), a registration agency conducting such provisional review determines that the program is not in operation or does not conform to the requirements under this Act, the registration agency shall recommend technical assistance and corrective action for the program, or deregistration, in accordance with procedures established under subsections (b) and (c) of section 131.

“(2) CERTIFICATE OF REGISTRATION.—

“(A) IN GENERAL.—A registration agency that registers a program under paragraph (1) shall—

“(i) provide the sponsor of the program with a certificate of registration or other written evidence of registration; and

“(ii) provide a copy of the certificate of registration to the Secretary of Veterans Affairs or the applicable State veterans agency for the purpose of aligning the registration process with the process for approving such program for eligible veterans’ use of supplemental educational assistance benefits.

“(B) REGISTRATION NAME.—A program shall be registered in the name of the sponsor, or if a sponsor enters into a partnership with an employer who registers the program, in the name of the employer.

“(3) PROGRAM PARTICIPANT REGISTRATION.—A sponsor providing a program that is registered in accordance with paragraph (2) shall provide to an individual seeking to be a program participant the opportunity to apply through the sponsor, and shall—

“(A) enter into a written individual apprenticeship agreement described in section 123 with each such individual before the commencement of the program; and

“(B) individually register each program participant with the registration agency by filing a copy of the individual apprenticeship agreement with the registration agency or as otherwise required by the registration agency, and sharing a copy with the Administrator as appropriate, as described under section 123(a)(4).

“(4) TRANSITION PROCESS FOR PREVIOUSLY APPROVED PROGRAMS.—With respect to a program that was registered under this Act as of the day before the date of enactment of the National Apprenticeship Act of 2020, the registration agency shall take such steps as necessary to—

“(A) in the case of a program that meets of the requirements of this Act, maintain the status of the sponsor of the program as of the date before such date of enactment as the sponsor of such program under this Act; and

“(B) in the case of a program that does not meet the requirements of this Act, provide technical assistance to the sponsor of such program to ensure that the sponsor is in compliance with this Act not later than 3 years after the date of enactment of the National Apprenticeship Act of 2020.

“(c) MODIFICATIONS OR CHANGES TO YOUTH APPRENTICESHIP, PRE-APPRENTICESHIP, OR APPRENTICESHIP PROGRAMS.—

“(1) SPONSOR PROPOSAL.—Any sponsor that wishes to modify a program, including the program’s method of meeting the standards required under this Act, shall submit the proposal for such change or modification to the registration agency for the program.

“(2) REGISTRATION AGENCY REQUIREMENTS.—

“(A) IN GENERAL.—The registration agency shall determine whether to approve the proposal and notify the sponsor of the determination by not later than 60 days after receipt of the proposal.

“(B) APPROVAL OF PROPOSAL.—If the proposal is approved, the registration agency shall amend the record of the program to reflect the modification or change, and provide the sponsor or program administrator with an acknowledgment of the amended program, by not later than 30 days after the date of approval.

“(C) DISAPPROVAL OF PROPOSAL.—If the proposal is not approved, the registration agency shall—

“(i) notify the sponsor of the reasons for the disapproval and provide the sponsor with technical assistance to maintain the program as originally registered;

“(ii) provide the sponsor with the opportunity to submit a revised modification proposal, including providing appropriate technical assist-

ance to modify the proposal in order to meet the requirements of this Act; and

“(iii) in a case in which the sponsor submits a revised modification proposal, not later than 60 days after receipt of such proposal—

“(I) approve the proposal; or

“(II) disapprove the proposal and provide the sponsor with technical assistance to maintain the program as originally registered.

## “Subtitle C—Evaluations and Research

### “SEC. 131. PROGRAM EVALUATIONS.

“(a) PURPOSE.—The purpose of this section is to provide program performance transparency across the programs under the national apprenticeship system, assess the effectiveness of States in achieving positive outcomes for program participants served by those programs, and establish performance accountability measures related to program completion and key indicators of performance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.).

“(b) REVIEWS BY REGISTRATION AGENCIES.—

“(1) PERFORMANCE REVIEWS.—

“(A) IN GENERAL.—A registration agency shall—

“(i) annually collect performance data for each program registered under section 124 by such agency to determine—

“(I) the performance of the program with respect to the indicators of performance under section 116(b)(2)(A)(i) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3141(b)(2)(A)(i) or in the case of a youth apprenticeship program, section 116(b)(2)(A)(ii) of such Act (29 U.S.C. 3141(b)(2)(A)(ii)), as applied to programs under the national apprenticeship system; and

“(II) the completion rates of the program; and

“(ii) provide technical assistance for the collection of the information under clause (i) of this subparagraph and subparagraph (B), as necessary.

“(B) REPORTS.—The registration agency for a State shall annually prepare and submit to the Administrator a State performance report that includes the following information with respect to each program registered under section 124 by such agency, including—

“(i) information specifying the levels of performance described in subparagraph (A), as compared to goals set in section 113(c)(8)(A)(i);

“(ii) the percentage of program participants by race, sex ethnicity and, to the extent practicable, by individuals with disabilities, as compared to such percentages within the working age population who are in the geographical area from which the sponsor usually seeks or reasonably could seek program participants and who meet the minimum eligibility requirements for entry into in the program;

“(iii) the percentage of program participants served by each of the programs that obtained unsubsidized employment in a field related to the apprenticeable occupation;

“(iv) the average time to completion for the program as compared to the description in the agreement under paragraphs (1) and (2) of section 123(b);

“(v) the average cost per participant during the most recent program year and the 3 preceding program years;

“(vi) the percentage of program participants who received supportive services;

“(vii) information on the State’s activities required under section 113(c), including the State’s uses of funds; and

“(viii) the disaggregation of the performance data described in clauses (i) through (vi)—

“(I) by the program type (apprenticeship, youth apprenticeship, or pre-apprenticeship program) involved; and

“(II) by race, ethnicity, sex, age, and membership in a population specified in section 3(24) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102(24)).

“(C) REPORTS TO CONGRESS.—Not later than 60 days after receiving a report under subparagraph (B), the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

“(D) PUBLICATION.—The Administrator shall annually make available on a publicly accessible website each report received under subparagraph (B) not later than 30 days after receipt of such report.

“(2) COMPREHENSIVE PROGRAM REVIEWS.—

“(A) IN GENERAL.—A registration agency shall periodically review each program registered under section 124 by such agency for quality assurance and compliance with the requirements of this Act.

“(B) TIMING OF REVIEWS.—A review described in subparagraph (A) shall occur—

“(i) at the end of the first full training cycle of program participants under the program; and

“(ii) beginning after the review described in clause (i) at least once every 5 years.

“(C) REVIEW.—The review shall be a comprehensive review regarding all aspects of the program performance, including—

“(i) determining whether the registration agency is receiving notification from the sponsor of a program regarding individuals who are registered as new youth apprentices, pre-apprentices, or apprentices under the program, or who successfully complete the program, as required under this Act;

“(ii) determining whether the sponsor of the program is complying with the requirements of this Act;

“(iii) evaluating the performance of the sponsor with respect to, at a minimum, the indicators described in paragraph (1)(A)(i), with the performance data disaggregated as described in paragraph (1)(B)(viii); and

“(iv) ensuring the sponsor’s compliance with the requirement to provide equal opportunity in recruitment, training, and employment as described in subparagraphs (B) and (C) of section 111(b)(7).

“(D) REPORTS.—On completion of a review under this paragraph, the registration agency shall prepare and submit to the Administrator a report containing the results of the review.

“(c) SUBSEQUENT ACTION.—

“(1) TECHNICAL ASSISTANCE.—The registration agency shall provide technical assistance to the sponsor and identify areas that require technical assistance, including—

“(A) to support the sponsor in creating a plan to meet the State goals described in section 113(c)(8)(A)(ii), as applicable; and

“(B) assistance in the development of a performance improvement plan if the registration agency determines, pursuant to any review under subsection (b), that the youth apprenticeship, pre-apprenticeship, or apprenticeship program—

“(i) is not in operation;

“(ii) is not in compliance with the requirements of this Act; or

“(iii) is achieving levels of performance on any indicators described in subsection (b)(1)(A)(i) that are lower than the State goals for any program year.

“(2) CORRECTIVE ACTION AND DEREGISTRATION OF AN APPRENTICESHIP PROGRAM.—The registration agency may take corrective action, and if warranted, deregister a youth apprenticeship, pre-apprenticeship, or apprenticeship program, after making a determination that the program demonstrates persistent and significant failure to perform successfully, which occurs when—

“(A) the sponsor of the program consistently fails to register at least 1 program participant;

“(B) the program shows a pattern of poor results on the indicators described in subsection (b)(1)(A)(i) over a period of 3 years, given the characteristics of program participants and economic conditions in the area served, or are lower than the national or State average;

“(C) the program shows no indication of improvement in the areas identified by the registration agency and in the performance improvement plan under paragraph (1); or

“(D) the sponsor has not administered the program in accordance with the program’s registration, as applicable, or with the requirements of this Act.

“(3) NOTIFICATION AND HEARING.—If the registration agency makes a determination described in paragraph (2), the registration agency shall notify the Secretary and the sponsor of the determination in writing, and permit the sponsor to request a hearing by the Office of Administrative Law Judges. The registration agency shall transmit to the Secretary a report containing all pertinent facts and circumstances concerning the determination, including findings and a

recommendation for deregistration, and copies of all relevant documents and records. If the sponsor does not request the hearing not later than 15 days after receiving such notification, the registration agency shall deregister the program after the period for requesting such a hearing has expired.

“(4) NOTIFICATION AND TREATMENT OF APPRENTICES.—Not later than 15 days after the registration agency deregisters a program, the sponsor or program administrator shall notify program participant—

- “(A) of such deregistration and the effective date;
- “(B) that such deregistration automatically deprives the program participant of individual registration as part of such youth apprenticeship, pre-apprenticeship, or apprenticeship program, including the ability to receive a certificate of completion from the registration agency;
- “(C) that the deregistration of the program removes the program participant from eligibility for any Federal financial or other assistance, or rights, privileges, or exemptions under Federal law, that—
  - “(i) relates to an apprentice; and
  - “(ii) requires the registration agency’s approval; and
- “(D) that all youth apprentices, pre-apprentices, or apprentices are referred to the registration agency for information about potential transfers to other programs under the national apprenticeship system.

**“SEC. 132. NATIONAL APPRENTICESHIP SYSTEM RESEARCH.**

“(a) RESEARCH.—The Secretary shall conduct, through an independent entity, research for the purpose of improving the management and effectiveness of the programs and activities carried out under this Act and to assist in the evaluation of the programs as described in section 131.

“(b) TECHNIQUES.—The research conducted under this section shall utilize appropriate methodology and research designs.

“(c) CONTENTS.—Such research shall address—

“(1) the general effectiveness of such programs and activities in relation to their cost, including the extent to which the programs and activities—

“(A) improve the skill and employment competencies of participants in comparison to comparably-situated individuals who did not participate in such programs and activities;

“(B) to the extent feasible, increase the levels of total employment, of attainment of recognized postsecondary credentials, and of measurable skills, above the levels that would have existed in the absence of such programs and activities;

“(C) respond to the needs reflected in labor market data in the local area and align with high-skill, high-wage, or in-demand industries or occupations; and

“(D) demonstrate a return on investment of Federal, State, local, sponsor, employer, and other funding for programs under the national apprenticeship system, capturing the full level of investment in, and impact of, such programs under the national apprenticeship system;

“(2) the impact of the National Apprenticeship Act of 2020 on the general effectiveness of programs under the national apprenticeship system, including the implementation of policies such as dual or concurrent enrollment programs, advanced standing, or industry recognized apprenticeable occupations;

“(3) best practices in increasing nontraditional apprenticeship populations’ participation in programs under the national apprenticeship system; and

“(4) opportunities to scale up effective models under the national apprenticeship system.

“(d) REPORTS.—

“(1) INDEPENDENT ENTITY.—The independent entity carrying out the research shall prepare and submit to the Secretary—

“(A) an interim report containing findings from the research; and

“(B) a final report containing the results of the research, including policy recommendations.

“(2) REPORTS TO CONGRESS.—Not later than 60 days after receipt of the interim report and final report described in subparagraphs (A) and (B) of paragraph (1), respectively, the Secretary shall submit each report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

“(e) PUBLIC ACCESS.—The Secretary shall make the interim and final reports available on a publicly accessible website not later than 60 days after the receipt of the interim and final report.

## “Subtitle D—General Provisions

### “SEC. 141. AUTHORIZATION OF APPROPRIATIONS.

“(a) OFFICE OF APPRENTICESHIP.—There are authorized to be appropriated to carry out sections 111 and 112—

- “(1) \$50,000,000 for fiscal year 2021;
- “(2) \$60,000,000 for fiscal year 2022;
- “(3) \$70,000,000 for fiscal year 2023;
- “(4) \$80,000,000 for fiscal year 2024; and
- “(5) \$90,000,000 for fiscal year 2025.

“(b) INTERAGENCY AGREEMENT.—There are authorized to be appropriated to carry out section 114—

- “(1) \$10,000,000 for fiscal year 2021;
- “(2) \$12,000,000 for fiscal year 2022;
- “(3) \$14,000,000 for fiscal year 2023;
- “(4) \$16,000,000 for fiscal year 2024; and
- “(5) \$18,000,000 for fiscal year 2025.

## “TITLE II—MODERNIZING THE NATIONAL APPRENTICESHIP SYSTEM FOR THE 21<sup>ST</sup> CENTURY GRANTS

### “SEC. 201. GRANT REQUIREMENTS.

“(a) AUTHORITY.—

“(1) IN GENERAL.—The Administrator shall award grants, contracts, or cooperative agreements to eligible entities on a competitive basis for one or more of the following purposes:

“(A) CREATION AND EXPANSION ACTIVITIES.—To expand the offerings of programs under the national apprenticeship system—

“(i) to create new apprenticeship programs in a nontraditional apprenticeship industry or occupation, such as for programs demonstrating demand in information technology, energy, green jobs, advanced manufacturing, health care, or cybersecurity;

“(ii) to expand existing apprenticeship programs demonstrating labor market demand;

“(iii) to create new or expand existing pre-apprenticeship programs;

or

“(iv) to create new or expand existing youth apprenticeship programs.

“(B) ENCOURAGING EMPLOYER PARTICIPATION.—To encourage employer participation in programs under the national apprenticeship system—

“(i) that target individuals with barriers to employment in youth apprenticeship, pre-apprenticeship, or apprenticeship programs, 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;

“(ii) that are in high-need social service-related industries, sectors, or occupations, such as direct care workers and early childhood educators;

“(iii) that target individuals currently or recently incarcerated; or

“(iv) among small- and medium-sized employers.

“(C) INTERMEDIARY GRANTS.—If the eligible entity is a qualified intermediary—

“(i) to support national industry and equity intermediaries in establishing or expanding sector-based partnerships to support the delivery or expansion of programs under the national apprenticeship system to significant scale in the United States—

“(I) in key sectors, including manufacturing, information technology, cyber security, health care, insurance and finance, energy, hospitality, retail, construction, and other sectors identified by the Administrator and the Advisory Committee as targeted for expansion under the national apprenticeship system; or

“(II) for nontraditional apprenticeship populations, women, minorities, individuals with disabilities, and individuals impacted by the criminal or juvenile justice system; or

- “(ii) to serve programs under the national apprenticeship system in a local or regional setting.
- “(D) EDUCATIONAL ALIGNMENT.—To strengthen alignment between programs under the national apprenticeship system and education and training providers with secondary and postsecondary education systems, including degree and credential requirements.
- “(2) DURATION.—
  - “(A) IN GENERAL.—The Administrator shall award grants under this subsection for a period of not more than 3 years.
  - “(B) EXTENSION.—The eligible entity may apply for, and the Administrator may grant, an extension of the grant period for not more than 1 additional 2-year period, if the grant recipient demonstrates to the Administrator that the recipient—
    - “(i) has effectively implemented a project to achieve its stated purpose as described in subsections (e) and (f);
    - “(ii) has complied with the assurances as described in subsection (e)(9); and
    - “(iii) has improved applicable outcomes, as demonstrated through indicators referred to in section 203(a)(2).
- “(b) FUNDING REQUIREMENTS.—
  - “(1) MATCHING FUNDS REQUIRED.—The Administrator shall require, as a condition of receipt of funds under this section, an eligible entity to match funds awarded under this section in an amount not less than 25 percent of the funds awarded to such recipient under this section. Such eligible entity may make the matching funds available directly or through donations from non-Federal, public, or private organizations, in cash or in kind, fairly evaluated.
  - “(2) WAIVER.—The Administrator may waive the requirement under paragraph (1) if the entity demonstrates that exceptional circumstances prevent the entity from meeting the requirement, such as demonstrating that the entity serves a high proportion of individuals with barriers to employment, or due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the eligible entity.
- “(c) PRIORITY AND DISTRIBUTION.—
  - “(1) PRIORITY.—In awarding grants under this section, the Administrator shall give priority to an eligible entity—
    - “(A) proposing to serve a high number or high percentage of participants who are from nontraditional apprenticeship populations; and
    - “(B) providing opportunities in high-wage, high-skill, or in-demand sectors and occupations.
  - “(2) GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subsection, the Administrator shall, to the extent practicable, ensure a geographically diverse distribution of grants, including a geographically diverse distribution among regions of the country and among urban, suburban, and rural areas.
- “(d) ELIGIBLE ENTITY.—To be eligible to apply for grants under this title, an eligible entity shall—
  - “(1) demonstrate a partnership with two or more of the following:
    - “(A) a State or local workforce development board or State or local workforce agency;
    - “(B) an education and training provider, or a consortium thereof;
    - “(C) a State apprenticeship agency;
    - “(D) an Indian Tribe or Tribal organization;
    - “(E) an industry or sector partnership, a group of employers, a trade association, or a professional association that sponsors or participates in a program under the national apprenticeship system;
    - “(F) a Governor;
    - “(G) a labor organization or joint-labor management organization;
    - “(H) community-based organizations that assist program participants in accessing supportive services; or
    - “(I) a qualified intermediary; and
  - “(2) to the extent practicable, be part of an industry or sector partnership.
- “(e) GENERAL APPLICATION REQUIREMENTS.—An eligible entity applying for a grant under this section shall submit to the Administrator a description of each of the following:
  - “(1) Each purpose under subsection (a) for which the applicant intends to use such grant.
  - “(2) Each entity with which the eligible entity is partnered or engaged under subsection (d) and the role of each such entity in carrying out activities funded under this subsection.
  - “(3) The ability of the applicant, directly or through partners—

“(A) to enroll, instruct, advance, and graduate program participants served by the grant activities, and enable the participants to gain employment after program completion;

“(B) to support (including by providing technical assistance) program sponsors and employers (especially small- and medium-sized businesses) in the creation of, recruitment for, and execution of programs under the national apprenticeship system; and

“(C) to provide opportunities to rural communities, as applicable.

“(4) A labor market analysis with respect to the geographic area of service that demonstrates—

“(A) the need to create or expand the program; and

“(B) a plan to align the activities supported by the grant with the labor market needs of high-skill, high-wage, or in-demand industry sectors or occupations.

“(5) A plan—

“(A) to comply with requirements for an evaluation and report under section 203;

“(B) as appropriate, to coordinate activities assisted under the grant with activities carried out under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.), and any related Federal programs and if appropriate, how funds provided under these programs will be leveraged in support of the programs supported by this grant;

“(C) to use funds awarded under this section in support of the programs supported by this grant, as described in section 202;

“(D) to continue the program after the grant period ends; and

“(E) to recruit and retain program participants for pre-apprenticeship, youth apprenticeship, and apprenticeship programs, including from non-traditional apprenticeship populations, such as women, minorities, individuals with disabilities, individuals impacted by the criminal or juvenile justice system, and individuals with barriers to employment, to ensure program participants are able to access supportive services, as applicable, and how such plan will support the eligible entity in meeting the equal opportunity requirements for diversity described in subparagraphs (B) and (C) of section 111(b)(7) and section 113(c)(5), as applicable.

“(6) For any grants expanding existing programs under the national apprenticeship system, a description of—

“(A) a plan to coordinate the activities carried out under the grant with the existing program; and

“(B) the effectiveness of the program, including demonstrations of programmatic components such as program costs to employers and to program participants, completion and placement rates, credential attainment, diversity in populations served, the effectiveness of the program in increasing participant’s wages and benefits, or services provided to employers and program participants.

“(7) A description of potential program participants and strategies to support the recruitment, retention, and completion of such participants, including non-traditional apprenticeship populations and individuals with barriers to employment, to the extent practicable.

“(8) A description of strategies to recruit and support employers involved in programs under the national apprenticeship system.

“(9) An assurance that the eligible entity will—

“(A) provide information to the Administrator, as requested, for any such evaluations as the Administrator may carry out;

“(B) make program performance outcome data available (in accordance with applicable data privacy laws, including section 444 of the General Education Provisions Act (20 U.S.C. 1232g) and section 4 of this Act) to independent evaluators to enable the evaluators to prepare the evaluations and research reports described in section 203(a)(1); and

“(C) coordinate grant activities with a State Apprenticeship Agency, if such agency exists in the State where the eligible entity is applying for a grant or carrying out activities.

“(f) ADDITIONAL APPLICATION REQUIREMENTS.—The Administrator shall require an eligible entity applying for a grant under this title to include as part of their application in subsection (e) the following information, as applicable:

“(1) CREATION AND EXPANSION ACTIVITIES.—

“(A) NEW APPRENTICESHIP PROGRAMS.—An eligible entity applying to create new apprenticeship programs and carry out activities in accordance with subsection (a)(1)(A)(i) shall include as part of their application a description of—

“(i) any plans for further expansion upon development of the program; and

“(ii) employers, and to the extent practicable, labor organizations or joint labor-management organizations, engaged in the program creation and implementation.

“(B) EXPANDING APPRENTICESHIP PROGRAMS.—An eligible entity applying to expand existing apprenticeship programs and carry out activities in accordance with subsection (a)(1)(A)(ii) shall include as part of their application a description of employers engaged in the program expansion.

“(C) CREATING OR EXPANDING PRE-APPRENTICESHIP PROGRAMS.—An eligible entity applying to create or expand pre-apprenticeship programs and carry out activities in accordance with subsection (a)(1)(A)(iii) shall include as part of their application a description of—

“(i) a partnership between the eligible entity and at least one apprenticeship program; and

“(ii) existing partnerships with employers acting in either an advisory capacity or actively participating in the pre-apprenticeship program.

“(D) CREATING OR EXPANDING YOUTH APPRENTICESHIP PROGRAMS.—An eligible entity applying to create or expand youth apprenticeship programs and carry out activities in accordance with subsection (a)(1)(A)(iv) shall include as part of their application a description of—

“(i) an existing partnership with at least one high school offering related instruction for the youth apprenticeship program, with existing integration into the academic content of the high school diploma requirements, or with demonstrated plans for integration of related instruction into the high school curriculum; and

“(ii) existing partnerships with employers acting in either an advisory capacity or actively participating in the youth apprenticeship program.

“(2) ENCOURAGING EMPLOYER PARTICIPATION.—

“(A) INDIVIDUALS WITH BARRIERS TO EMPLOYMENT.—An eligible entity applying to target individuals with barriers to employment for apprenticeship, youth apprenticeship, or pre-apprenticeship programs and carry out activities in accordance with subsection (a)(1)(B)(i) shall include as part of their application a description of—

“(i) specific strategies to target both individuals with barriers to employment and employers for participation in the program; and

“(ii) partnerships with organizations that assist program participants in accessing supportive services to support recruitment, retention, and completion of the program by program participants.

“(B) HIGH-NEED SOCIAL SERVICE-RELATED INDUSTRIES.—An eligible entity applying to offer pre-apprenticeship, youth apprenticeship, or apprenticeship programs in high-need social service-related industries, sectors, or occupations and carry out activities in accordance with subsection (a)(1)(B)(ii) shall include as part of their application a description of wages and benefits offered to program participants.

“(C) INDIVIDUALS CURRENTLY OR RECENTLY INCARCERATED.—An eligible entity applying to target individuals currently or recently incarcerated and establish or carry out pre-apprenticeship programs and apprenticeship programs in accordance with subsection (a)(1)(B)(iii) shall include as part of their application a description of—

“(i) a plan to assist the program participants in obtaining the documentation and work authorization necessary to participate in such program;

“(ii) partnerships with organizations that will assist program participants in accessing activities to improve financial literacy and supportive services;

“(iii) how the assessments used to support the placement of potential program participants into a program accurately reflect the participants’ skills and competencies;

“(iv) a plan to provide information about resources to program participants to address mental health or substance abuse issues;

“(v) partnerships with organizations that support—

“(I) the transition from incarceration to re-entry, such as assistance with housing, transportation, and legal services; and

“(II) successful completion of an apprenticeship or pre-apprenticeship program;

“(vi) wages and benefits offered to program participants that are commensurate with wages for similar work in the State or local area, as allowable; and

“(vii) alignment and necessary supports to comply with and receive the benefits of the Federal Bonding Program and the Prison Industry Enhancement Certification Program for employers participating in apprenticeship programs.

“(D) SMALL- AND MEDIUM-SIZED EMPLOYERS.—An eligible entity applying to engage small- and medium-sized employers and carry out activities in accordance with subsection (a)(1)(B)(iv) shall include as part of their application a description of demonstrated success in engaging small- and medium-sized employers and the ability to recruit new employers to participate in related partnerships or programs, such as small businesses owned or controlled by women, minorities, or veterans.

“(3) INTERMEDIARY GRANTS.—

“(A) SUPPORTING NATIONAL INDUSTRY AND EQUITY INTERMEDIARIES.—An eligible entity applying to carry out activities in accordance with subsection (a)(1)(C)(i) shall include as part of their application a description of the ability of such entity to convene a diverse group of industry specific stakeholders for the purposes of developing or expanding programs, including employers, workforce development organizations, industry associations, labor groups (including joint labor-management organizations), and education and training providers at a national level or with national reach.

“(B) SERVING PROGRAMS IN A LOCAL OR REGIONAL SETTING.—An eligible entity applying to carry out activities in accordance with subsection (a)(1)(C)(ii) shall include as part of their application a description of how such entity will—

“(i) engage employers, especially small- and medium-sized businesses, in the formation or ongoing development of industry or sector partnerships and programs in the national apprenticeship system;

“(ii) identify the industry or sector partnerships that will be served, and demonstrate alignment to high-skill, high-wage, or in-demand industry sectors or occupations;

“(iii) leverage additional resources, including funding provided by Federal and non-Federal resources; and

“(iv) provide services to program sponsors and program participants.

“(4) EDUCATIONAL ALIGNMENT.—An eligible entity applying to carry out activities in accordance with subsection (a)(1)(D) shall include as part of their application a description of—

“(A) a demonstration of a partnership with—

“(i)(I) no less than three sponsors or employers; or

“(II) an industry or sector partnership; and

“(ii) at least 1 of the following—

“(I) an educational service agency;

“(II) a high school;

“(III) a local educational agency;

“(IV) State educational agency;

“(V) an Indian Tribe, Tribal organization, Tribal educational agency, Tribally controlled college or university, or Tribally controlled postsecondary career and technical institution, as applicable;

“(VI) a postsecondary educational institution; or

“(VII) a State higher education agency; and

“(B) a commitment to establishing or expanding the alignment of the related instruction to—

“(i) the requirements for a high school diploma, which may be fulfilled through a dual or concurrent enrollment program; or

“(ii) the requirements for a recognized postsecondary credential, including the degree requirements for an associate’s or bachelor’s degree.

## “SEC. 202. USES OF FUNDS.

“(a) GENERAL ACTIVITIES.—An eligible entity applying for any grant activity under section 201(a)(1)—

“(1) shall use at least 5 percent of the grant funds to provide direct financial assistance to apprentices, pre-apprentices, or youth apprentices through emergency grants 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; and

“(2) may use funds for any of the following activities:

“(A) To establish or expand partnerships with organizations that provide program participants access to financial planning, mentoring, and supportive services that are necessary to enable an individual to participate in and complete a program under the national apprenticeship system.

“(B) To conduct outreach and recruitment activities, including assessments of potential participants for, and enrollment of participants in, a program under the national apprenticeship system.

“(C) To conduct outreach, engagement, recruitment, and coordination of activities with employers, industry associations, labor and joint labor-management organizations, qualified intermediaries, education and training providers, State or local workforce agencies, potential sponsors, community-based organizations, communities with high numbers or percentages of non-traditional apprenticeship populations, small- and medium-sized businesses, or rural communities to establish or expand industry or sector partnerships and opportunities under the national apprenticeship system.

“(D) To carry out grant requirements, including program evaluation and reporting requirements.

“(E) To conduct any activities as described in the application that would advance the purposes of the grant.

“(F) To support the transition to virtual or remote learning or training, as necessary and as approved by the registration agency.

“(b) ADDITIONAL USES OF FUNDS.—

“(1) CREATION OR EXPANSION ACTIVITIES.—

“(A) APPRENTICESHIP PROGRAM CREATION.—An eligible entity that receives funds under section 201(a)(1)(A)(i) shall use such funding to create and implement an apprenticeship program, which may include—

“(i) creating and providing training and related instruction based on employer engagement;

“(ii) applying apprenticeship frameworks as described in section 111(b)(5)(C) to the State or local labor market and employer needs; or

“(iii) aligning the new program with existing apprenticeship programs.

“(B) APPRENTICESHIP PROGRAM EXPANSION.—An eligible entity that receives funds under section 201(a)(1)(A)(ii) shall use such funds to expand an existing apprenticeship program, which may include—

“(i) expanding and enhancing related instruction;

“(ii) conducting outreach to and engagement with employers for the purposes of program expansion, including creation of new or expansion of existing industry or sector partnerships;

“(iii) preparing additional instructors or mentors needed for program expansion;

“(iv) building awareness of apprenticeship program opportunities for State or local workforce development, education, and economic development entities; and

“(v) providing commensurate wages to wages for on-the-job training for program participants during related instruction, as applicable.

“(C) PRE-APPRENTICESHIP PROGRAMS.—An eligible entity that receives funds under section 201(a)(1)(A)(iii) shall use such funds to create a new pre-apprenticeship program or expand an existing pre-apprenticeship program, which may include—

“(i) coordinating pre-apprenticeship program activities with an apprenticeship program in a high-skill, high-wage, or in-demand industry sector or occupation, including the creation or expansion of work-based learning opportunities, and articulation agreements for those who successfully complete a pre-apprenticeship to earn academic credit and enroll in an apprenticeship program;

“(ii) creating, expanding, or integrating related instruction and work-based learning, which may include training in the workplace and supporting partnerships to create opportunities for pre-apprentices to earn credit at a postsecondary educational institution for skills and competencies acquired during the pre-apprenticeship program;

“(iii) providing participants with career exploration and career planning activities and with exploration of postsecondary opportunities including apprenticeship programs;

“(iv) with respect to participants without a high school diploma or a generally recognized equivalent, paying the costs affiliated with acquir-

ing such equivalent, and the costs of any related assessments of potential pre-apprentices or active pre-apprentices, including those that would verify the attainment of foundational knowledge and skills necessary to succeed in an apprenticeship program;

“(v) development or expansion of partnerships with organizations that assist program participants in accessing supportive services, which may include the 12-month period after the conclusion of a pre-apprenticeship program;

“(vi) providing commensurate wages to the linked apprenticeship program for pre-apprentices as they participate in and complete the pre-apprenticeship program, as appropriate;

“(vii) paying the cost of related instruction associated with the pre-apprenticeship program, as appropriate; or

“(viii) creating or expanding industry or sector partnerships to support the pre-apprenticeship program and to provide additional opportunities to the pre-apprentices.

“(D) YOUTH APPRENTICESHIP PROGRAMS.—An eligible entity that receives funds under section 201(a)(1)(A)(iv) shall use such funds to create a new youth apprenticeship program or expand an existing youth apprenticeship program, which may include—

“(i) paying for the costs associated with curriculum development and alignment of that curriculum with recognized postsecondary credentials including industry-recognized credentials, high school graduation requirements, and related instruction, including curriculum development for dual or concurrent enrollment;

“(ii) providing employers, and to the extent practicable, labor organizations and joint labor management organizations, technical assistance to support the participation of youth apprentices under the age of 18;

“(iii) integrating work-based and academic learning, which may include training in the workplace;

“(iv) providing career exploration and career planning activities, including exploration of postsecondary opportunities such as apprenticeship programs;

“(v) providing technical assistance to support the participation of small- and medium-sized businesses in youth apprenticeship programs;

“(vi) developing or expanding partnerships with organizations that assist program participants in accessing supportive services, which may include the 12-month period after the conclusion of such a youth apprenticeship program; or

“(vii) providing teachers, career guidance and academic counselors, school leaders, administrators, specialized instructional support personnel, and paraprofessionals with professional development opportunities to build an understanding of apprenticeship opportunities available to students, including experiential opportunities like externships.

“(2) INCENTIVE FUNDS.—

“(A) BARRIERS TO EMPLOYMENT.—An eligible entity that receives funds under section 201(a)(1)(B)(i) shall use such funds to encourage employer participation in programs under the national apprenticeship system that target individuals with barriers to employment, which may include—

“(i) providing financial assistance to employers to support costs related to the programs, such as training incumbent workers for participation as mentors or employees supervising the on-the-job learning;

“(ii) supporting the cost of related instruction or wages for program participants during related instruction; and

“(iii) establishing or expanding partnerships with organizations that assist program participants in accessing supportive services to support recruitment, retention, and completion, including providing supplies and equipment necessary to begin a program under the national apprenticeship system.

“(B) HIGH-NEED SOCIAL SERVICE-RELATED INDUSTRIES.—An eligible entity that receives funds under section 201(a)(1)(B)(ii) shall use such funds to incentivize employer participation in programs under the national apprenticeship system in high need social service-related industries, sectors, or occupations, which may include—

“(i) providing financial assistance to employers to support costs related to the program, such as training incumbent workers as mentors, or employees providing on-the-job training;

“(ii) supporting the cost of related instruction or wages for program participants during related instruction;

“(iii) establishing or expanding partnerships with organizations that assist program participants in accessing supportive services to support recruitment, retention, and completion, including providing supplies and equipment necessary to begin a program under the national apprenticeship system; or

“(iv) aligning such program with career pathways and opportunities for advancement along such career pathways.

“(C) INDIVIDUALS IMPACTED BY THE JUSTICE SYSTEM.—An eligible entity that receives funds under section 201(a)(1)(B)(iii) shall use such funds to incentivize employer participation in programs under the national apprenticeship system that target individuals impacted by the criminal or juvenile justice system, which may include—

“(i) providing financial assistance to employers to support costs related to the program, such as training incumbent workers as mentors or employees supervising the on-the-job learning; or

“(ii) supporting the cost of related instruction or wages for program participants during related instruction.

“(D) IN-DEMAND INDUSTRY SECTOR OR OCCUPATION GRANTS FOR SMALL- AND MEDIUM-SIZED BUSINESSES.—An eligible entity that receives funds under section 201(a)(1)(B)(iv) shall use such funds to encourage participation of small- and medium-sized businesses in programs under the national apprenticeship system, which may include—

“(i) providing financial assistance to employers to support costs related to the program, such as training incumbent workers as mentors or employees supervising the on-the-job learning;

“(ii) supporting the cost of related instruction or wages for program participants during related instruction;

“(iii) providing technical assistance to small- and medium-sized businesses on the program registration process and leveraging other available funds to support carrying out programs supported by this grant; or

“(iv) establishing or expanding partnerships to support program development or expansion, including establishing or expanding industry or sector partnerships to ensure inclusion of small- and medium-sized businesses.

“(3) INTERMEDIARY GRANTS.—

“(A) NATIONAL INDUSTRY AND EQUITY INTERMEDIARIES.—An eligible entity that receives funds under section 201(a)(1)(C)(i) shall use such funds to carry out activities at a national and regional level to support the promotion and expansion of industry or equity intermediaries, which may include—

“(i) creating partnerships and leveraging collaborations with employers, workforce development organizations, industry associations, labor organizations, and education and training providers to help multiple employers make education and training more affordable and accelerate the expansion of programs under the national apprenticeship system nationwide;

“(ii) assisting employers in expanding programs, starting new programs, and working together to create a pipeline of skilled workers;

“(iii) increasing the participation and completion of nontraditional apprenticeship populations in programs under the national apprenticeship system, which may include—

“(I) supporting the development, implementation, and scaling of plans and practices; and

“(II) identifying, developing, and disseminating effective program tools and strategies;

“(iv) providing national activities to increase awareness and access to programs, including strategic marketing and outreach, technology improvements, and innovations that make it easier for employers to start programs and for individuals to connect with program opportunities;

“(v) developing and disseminating training or related instruction associated with the program or for curriculum improvements that align with the requirements of the program and learning assessments; or

“(vi) providing industry employees or potential employees with a clear understanding of future career paths and the skills needed to succeed, along with cost effective ways of acquiring those skills through youth apprenticeship, pre-apprenticeship, or apprenticeship programs.

“(B) LOCAL INTERMEDIARIES.—An eligible entity that receives funds under section 201(a)(1)(C)(ii) may use such funds to carry out activities at a local

or regional level to support the promotion and expansion of programs under the national apprenticeship system, which may include—

“(i) providing training or related instruction associated with the programs or for curriculum improvements that align with the requirements of the programs and learning assessments;

“(ii) engaging with local education and training providers to support related instruction aligned with the needs of high-skill, high-wage, or in-demand industry sectors and occupations, and to the extent practicable, support the provision of academic credit for related instruction;

“(iii) providing services, including business engagement, classroom instruction, and development of partnerships with organizations that assist program participants in accessing supportive services (which may include the 12-month period after the conclusion of the other activities in the youth apprenticeship and pre-apprenticeship programs involved);

“(iv) providing technical assistance on the registration process for a sponsor of a youth apprenticeship, pre-apprenticeship, or apprenticeship program;

“(v) connecting businesses, labor organizations, or joint-labor management organizations with education and training providers to develop related instruction to complement the on-the-job learning portion of a youth apprenticeship, pre-apprenticeship, or apprenticeship program;

“(vi) providing training to employees to serve as on-the-job trainers or mentors to program participants; and

“(vii) providing career exposure, career planning, and career awareness activities.

“(4) EDUCATIONAL ALIGNMENT GRANTS.—An eligible entity that receives funds under section 201(a)(1)(D) shall use such funds to strengthen alignment between programs under the national apprenticeship system and education and training providers with secondary and postsecondary education systems, including degree and credential requirements, which may include—

“(A) creating and aligning the related instruction to requirements for a high school diploma or an associate’s or bachelor’s degree, including through—

“(i) dual enrollment and credit articulation for youth apprenticeship programs;

“(ii) articulation agreements; or

“(iii) credit transfer agreements;

“(B) creating or expanding career pathways aligned with pre-apprenticeship, youth apprenticeship, or apprenticeship programs;

“(C) providing professional development for teachers, career guidance and academic counselors, school leaders, administrators, specialized instructional support personnel, and paraprofessionals to build an understanding of opportunities in the national apprenticeship system available to students and to incorporate such opportunities into academic content and offerings;

“(D) offering prior learning assessments, which may include credit for prior learning to grant advanced standing in a program under the national apprenticeship system and credit towards an associate’s or bachelor’s degree;

“(E) maintaining a connection between a pre-apprenticeship or youth apprenticeship program and an apprenticeship program; and

“(F) providing training for instructors or mentors.

#### “SEC. 203. GRANT EVALUATIONS.

“(a) RECIPIENT REPORTS.—Each recipient of a grant under this section shall—

“(1) provide for an independent evaluation of the activities carried out under this title during the grant period;

“(2) provide for an annual report and for a final report at the conclusion of the grant period, which include—

“(A) a description of how the funds received through the grant were used and how the uses of funds aligned with the description in the application specified in section 201(e)(5)(C);

“(B) in the case of an eligible entity that is required to report data under section 131(b)(1), the data collected under such section for the grant period;

“(C) the total number of active program participants served by each of the grant programs;

“(D) the total number that obtained unsubsidized employment in a field related to the apprenticeable occupation;

“(E) the total number of program participants that completed the program in which they were enrolled;

“(F) the average time to completion for each program as compared to the program standards description under paragraphs (1) and (2) of section 123(b);

“(G) the average cost per participant during the most recent program year and the 3 preceding program years;

“(H) the percentage of participants who received support services; and

“(I) the disaggregation of performance data described in subparagraphs (A) through (H)—

“(i) by the program type (apprenticeship, youth apprenticeship, or pre-apprenticeship program) involved; and

“(ii) by race, ethnicity, sex, age, and membership in a population specified in section 3(24) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102(24)); and

“(3) submit each report under paragraph (2)—

“(A) to the registration agency; and

“(B) to the Administrator.

“(b) ADMINISTRATOR EVALUATIONS.—

“(1) IN GENERAL.—The Administrator shall prepare—

“(A) not later than 36 months after the date of enactment of the National Apprenticeship Act of 2020, an interim evaluation on the activities carried out under grants awarded under this section; and

“(B) not later than 60 months after the date of enactment of the National Apprenticeship Act of 2020, a final evaluation containing the results of the grant activities.

“(2) CONTENTS.—Such evaluations shall address, for the activities carried out under each grant awarded under this section, the general effectiveness of the activities in relation to their cost, including the extent to which the activities—

“(A) improve the participation in, retention in, and completion of youth apprenticeship, pre-apprenticeship, and apprenticeship programs by non-traditional apprenticeship populations;

“(B) to the extent feasible, increase the levels of total employment, of attainment of recognized postsecondary credentials, and of measurable skills, above the levels that would have existed in the absence of such activities;

“(C) respond to the needs reflected in State, regional, or local labor market data;

“(D) align with high-skill, high-wage, or in-demand industries or occupations; and

“(E) reach a wide variety of industry sectors and occupations;

“(3) REPORTS TO CONGRESS.—Not later than 60 days after the completion of the interim evaluation and the final evaluation described in this section, the Administrator shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report summarizing the findings of the interim evaluations and a report summarizing the final evaluations.

“(4) PUBLIC ACCESS.—The Administrator shall make the interim and final reports available on a publicly accessible website not later than 60 days after the completion of the interim report and the final report.

#### “SEC. 204. GRANT APPROPRIATIONS.

“There are authorized to be appropriated to carry out this title:

“(1) \$400,000,000 for fiscal year 2021;

“(2) \$500,000,000 for fiscal year 2022;

“(3) \$600,000,000 for fiscal year 2023;

“(4) \$700,000,000 for fiscal year 2024; and

“(5) \$800,000,000 for fiscal year 2025.”

#### SEC. 4. CONFORMING AMENDMENTS.

(a) AMERICAN COMPETITIVENESS AND WORKFORCE IMPROVEMENT ACT OF 1998.—Section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 (29 U.S.C. 2916a) is repealed.

(b) IMMIGRATION AND NATIONALITY ACT.—Section 286(s)(2) of the Immigration and Nationality Act (8 U.S.C. 1356(s)(2)) is amended—

(1) in the heading, by striking “FOR JOB TRAINING” and inserting “FOR PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM”; and

(2) by striking “for demonstration programs and projects described in section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998” and inserting “to carry out title II of the National Apprenticeship Act”.

## PURPOSE AND SUMMARY

H.R. 8294, the *National Apprenticeship Act of 2020* (NAA 2020) reauthorizes the *National Apprenticeship Act*<sup>1</sup> by codifying the roles and responsibilities of the Office of Apprenticeship (OA) and the National Advisory Committee on Apprenticeships (Advisory Committee). The legislation codifies and streamlines the existing U.S. Department of Labor (DOL) Registered Apprenticeship (RA) regulations<sup>2</sup> (RA regulations) and the Equal Employment Opportunity in Apprenticeship regulations<sup>3</sup> (EEO regulations), and it establishes standards for youth apprenticeship and pre-apprenticeship programs. The purpose of this reauthorization is to safeguard the welfare of apprentices and ensure equal opportunity for participation in, and increase the diversity of, programs under the national apprenticeship system, which includes apprenticeship, pre-apprenticeship, and youth apprenticeship programs registered under such system. The legislation establishes an interagency agreement between the DOL and the U.S. Department of Education (Department of Education) to support strengthened alignment of programs under the national apprenticeship system with secondary, postsecondary, and adult education systems throughout the U.S.

H.R. 8294 authorizes \$3.9 billion over five years to create nearly one million additional apprenticeship, pre-apprenticeship, and youth apprenticeship opportunities. A portion of this funding is used to establish a grant program for State Apprenticeship Agencies (SAAs) and State Offices of Apprenticeship (SOAs). The legislation also creates a grant program to support national, regional, and local intermediaries, incentivize employer participation, and provide opportunities for individuals with barriers to employment. To ensure effectiveness and accountability, the bill includes reporting and evaluation requirements. Through this reauthorization, apprenticeships will be elevated to a high-quality, postsecondary option equal to the more traditional two- or four-year degrees, while pre-apprenticeships and youth apprenticeships will provide more options for high school students and individuals looking for a pathway into apprenticeships.

The NAA 2020 is endorsed by the American Federation of Labor and Congress of Industrial Organizations (AFL–CIO), Association for Career and Technical Education (ACTE), Center for Law and Social Policy (CLASP), Jobs for the Future (JFF), Laborers’ International Union of North America (LiUNA), National Electrical Contractors Association (NECA), National Skills Coalition (NSC), National Taskforce on Tradeswomen’s Issues (TWTF), National Urban League (NUL), North America’s Building Trades Unions (NABTU), and Third Way.

<sup>1</sup> Act of August 16, 1937, 29 U.S.C. § 50 (commonly known as the “National Apprenticeship Act”).

<sup>2</sup> Labor Standards for the Registration of Apprenticeship Programs, 29 C.F.R. Pt. 29.

<sup>3</sup> Equal Employment Opportunity in Apprenticeship, 29 C.F.R. Pt. 30.

## COMMITTEE ACTION

## 116TH CONGRESS

On March 27, 2019, the Subcommittee on Higher Education and Workforce Investment (HEWI Subcommittee) of the House Committee on Education and Labor (Committee) held a hearing entitled “Innovations in Expanding Registered Apprenticeship Programs.” The hearing explored expanding RAs, which combine on-the-job training and work-based learning opportunities. The witnesses were: Ms. Jennifer Carlson, Executive Director, Apprenti, Seattle, WA; Mr. James G. Pavesic, Director of Education and Training, United Association of Journeymen and Apprentices of the Plumbing, Pipefitting and Sprinkler Fitting Industry of the United States and Canada, Annapolis, MD; Mr. Mark Hays, Vice Chancellor of Workforce and Economic Development, Dallas County Community College District, Dallas, TX; and Ms. Bridget Gainer, Vice President of Global Public Affairs, Aon, Chicago, IL.

On July 16, 2019, the HEWI Subcommittee held a bipartisan hearing entitled “Scaling Up Apprenticeships: Building on the Success of International Apprenticeship Models.” The hearing explored the features of effective apprenticeship models in Switzerland, Germany, and Australia, and it provided insights on best practices that can be successfully applied in the United States. The witnesses were: Mr. Tim Bradley, Counsellor for Industry, Science and Education, Department of Education, Embassy of Australia, Washington, DC; Dr. Silvia Annen, Senior Researcher, BIBB-Federal Institute for Vocational Education and Training, Bonn, Germany; and Dr. Simon Marti, Head of Office, SwissCore, Brussels, Belgium.

On November 14, 2019, HEWI Subcommittee Chair Susan Davis (D-CA-53) and Ranking Member Lloyd Smucker (R-PA-11) held a bipartisan Member roundtable on apprenticeships. The roundtable provided Members an opportunity to discuss best practices in RA expansion with experts and stakeholders implementing successful RA programs. Members heard from the following experts: Ms. Patricia Morrison, Director, Division of Registered Apprenticeship, Virginia Department of Labor and Industry, Richmond, VA; Dr. Rebecca S. Lake, Dean, Workforce and Economic Development, William Rainey Harper College, Chicago, IL; Ms. Jennifer Oddo, Program Manager, External Workforce and Apprenticeship Initiatives, IBM, Cleveland, OH; Mr. Christopher Treml, Director of Construction Training, International Union of Operating Engineers’ National Training Fund, Washington, DC; Mr. James Young, Senior Director, Congressional Relations, HR, Labor and Safety, Associated General Contractors of America, Arlington, VA; and Mr. Eric M. Seleznow, Senior Advisor, Center for Apprenticeship & Work-Based Learning, Jobs for the Future, Washington, DC.

On November 20, 2019, the HEWI Subcommittee held a hearing entitled “Examining the Policies and Priorities of the Labor Department’s Apprenticeship Program.” The hearing examined the DOL activities and expenditures related to RAs and probed the DOL’s actions to misdirect appropriated funds into the proposed Industry Recognized Apprenticeship Program (IRAP). The witness was Mr. John Pallasch, Assistant Secretary of the Employment and Training Administration (ETA), U.S. Department of Labor, Washington, DC.

On March 4, 2020, the HEWI Subcommittee held a bipartisan hearing entitled “Reauthorizing the *National Apprenticeship Act*: Strengthening and Growing Apprenticeships for the 21st Century.” The hearing included consideration of a discussion draft of legislation to reauthorize the *National Apprenticeship Act*; that discussion draft was a precursor to the NAA 2020. At the hearing, stakeholders in the RA system discussed the need for reauthorization of the *National Apprenticeship Act* and how a reauthorization, as outlined in the discussion draft, could improve stakeholders’ ability to better serve both apprentices and employers, including through increased funding. The witnesses were: Ms. Tiffany P. Robinson, Secretary, Maryland Department of Labor, Baltimore, MD; Ms. Morna K. Foy, Ph.D., President, Wisconsin Technical College System, Madison, WI; Ms. Jace Noteboom, Talent Director, IBM Systems, Armonk, NY; and Mr. Daniel Bustillo, Executive Director, Healthcare Career Advancement Program, New York, NY.

On September 17, 2020, Representative Davis (CA) introduced H.R. 8294, the *National Apprenticeship Act* of 2020. Upon introduction, the bill had 13 Democratic cosponsors and was referred to the Committee on Education and Labor. It currently has 44 Democratic cosponsors. This bill incorporated policy recommendations from each of the HEWI Subcommittee hearings as well as policy ideas from a number of other bills, including elements from all of the legislation described in the subsection below entitled Other Apprenticeship Related Legislation.

On September 24, 2020, the Committee on Education and Labor marked up H.R. 8294 and ordered it to be reported favorably, as amended, to the House of Representatives by a vote of 26 Yeas and 16 Nays.

At the markup, the Committee considered the following amendments to H.R. 8294.

- Representative Davis (CA), Chair of the HEWI Subcommittee, offered an amendment in the nature of a substitute (ANS). The ANS included the provisions of H.R. 8294 as introduced and added the following: a requirement that the OA, SOAs, and SAAs provide technical assistance for programs to offer remote or virtual learning; a requirement that organizations receiving grants under Title II of the amendments to the *National Apprenticeship Act* provide access to supportive services; a provision to ensure that labor organizations and joint labor-management organizations are included as partners in various sections of the legislation; and technical corrections. The ANS was adopted by voice vote.

- Representative Elise Stefanik (R-NY-21) offered an amendment to strike the requirements that pre-apprenticeships be tied to an apprenticeship program and prepare participants for a high school diploma or GED. The amendment was defeated by a vote of 16 Yeas and 26 Nays.

- Representative Stefanik offered an amendment to allow RA programs to receive expedited approval on the Workforce Innovation and Opportunity Act<sup>4</sup> (WIOA) eligible training provider list. The amendment was adopted by voice vote.

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<sup>4</sup> 29 U.S.C. § 3101.

- Representative Brett Guthrie (R-KY-2) offered an amendment to allow states to waive reporting requirements for small business and first-time sponsors of RAs, modify requirements for federal grant evaluations, and reduce the frequency of data reporting. The amendment was withdrawn.
- Representative Fred Keller (R-PA-12) offered an amendment to strike the exception to the ratio requirements in RA programs for collective bargaining agreements. The amendment was defeated by a vote of 15 Yeas and 27 Nays.
- Representative Dusty Johnson (R-SD-At Large) offered an amendment to require the Secretary of Labor to issue regulations governing the standards for apprenticeable occupations in consultation with industry within one year. The amendment was adopted by voice vote after a second-degree amendment to the amendment was adopted.
- Representative Susan Wild (D-PA-7) offered a second-degree amendment to the Johnson (SD) amendment to ensure that the Secretary of Labor's consultation prior to issuing regulations is inclusive of other apprenticeship stakeholders beyond industry. The second-degree amendment was adopted by voice vote.
- Representative Lloyd Smucker (R-PA-11) offered an amendment in the nature of a substitute to, among other things, allow the Secretary of Labor to establish IRAPs, reduce the authorized levels of funding throughout the bill by more than \$2 billion over five years, eliminate the Advisory Committee, and eliminate the interagency agreement with the Department of Education. The amendment was rejected by a voice vote.

#### Other Apprenticeship Related Legislation

On January 9, 2019, Representative Donald Norcross (D-NJ-1) introduced H.R. 398, the *21st Century Energy Workforce Act*. The bill would require the U.S. Department of Energy to provide grants to qualifying organizations that offer job training programs for the energy sector. The bill was referred to the Committee on Education and Labor and currently has two Republican cosponsors.

On January 9, 2019, Representative Norcross introduced H.R. 399, the *PATH Act*. The bill would require the DOL to provide grants to develop pre-apprenticeships for underrepresented populations in the construction and building trades. The bill was referred to the Committee on Education and Labor and currently has four Democratic cosponsors and two Republican cosponsors.

On January 17, 2019, Representative Anthony Brown (D-MD-4) introduced H.R. 653, the *Expanding Access to the Workforce Through Dual Enrollment Act*. The bill would direct the Secretary of Education to provide grants to support dual or concurrent enrollment programs offering career and technical education, including RAs. The bill was referred to the Committee on Education and Labor and currently has nine Democratic cosponsors.

On February 13, 2019, Representative Rick Larsen (D-WA-2) introduced H.R. 1197, the *Youth Access to American Jobs Act of 2019*. The bill would require the Secretary of Education to award grants to promote youth apprenticeships. The bill was referred to the

Committee on Education and Labor and currently has 22 Democratic cosponsors.

On February 13, 2019, Representative Tim Ryan (D-OH-13) introduced H.R. 1168, the *Worker Act*. The bill would codify the DOL's OA, Advisory Committee, and Registered Apprenticeship College Consortium. The bill was referred to the Committee on Education and Labor and currently has 10 Democratic cosponsors.

On March 7, 2019, Representative Frederica Wilson (D-FL-24) introduced H.R. 1634, the *Youth Corps Act of 2019*. The bill would authorize the DOL to make grants to establish Youth Corps programs to provide employment to low income youth, including RAs and pre-apprenticeships. The bill was referred to the Committee on Education and Labor and currently has 13 Democratic cosponsors.

On March 13, 2019, Representative Seth Moulton (D-MA-6) introduced H.R. 1733, the *CHANCE in TECH Act*. The bill would require the DOL to partner with industry groups to promote RAs in the technology sector. The bill was referred to the Committee on Education and Labor and currently has 24 Democratic cosponsors and six Republican cosponsors.

On March 14, 2019, Representative Rosa DeLauro (D-CT-3) introduced H.R. 1782, the *American Apprenticeship Act*. The bill would require the DOL to award grants to states to allow them to assist in covering the costs of related instruction for RA programs. The bill was referred to the Committee on Education and Labor.

On March 22, 2019, Representative Suzanne Bonamici (D-OR-1) introduced H.R. 989, the *PARTNERS Act*. The bill would provide grants to states to support small- and medium-sized businesses establishing partnerships to create apprenticeships. The bill was referred to the Committee on Education and Labor and the Committee on the Judiciary and currently has 15 Democratic cosponsors and six Republican cosponsors.

On March 29, 2019, Representative Norcross introduced H.R. 1995, the *Apprenticeship Hubs Across America Act of 2019*. The bill would require the DOL to award grants to workforce intermediaries to allow those intermediaries to promote, develop, and support RA programs. The bill was referred to the Committee on Education and Labor and currently has two Democratic cosponsors and four Republican cosponsors.

On May 14, 2019, Representative Susie Lee (D-NV-3) introduced H.R. 2721, the *Cyber Ready Workforce Act*. The bill would require the DOL to award grants to intermediaries to promote RAs in the cybersecurity industry. The bill was referred to the Committee on Education and Labor and currently has 14 Democratic cosponsors and five Republican cosponsors.

On May 20, 2019, Representative Robin Kelly (D-IL-2) introduced H.R. 2844, the *Creating Pathways for Youth Employment Act*. The bill would provide funding for employment opportunities for youth, including youth apprenticeships. The bill was referred to the Committee on Education and Labor.

On October 31, 2019, Representative Mark Pocan (D-WI-2) introduced H.R. 4965, the *LEARNS Act*. The bill would codify standards for RA programs, promote postsecondary credentials for apprentices, and codify the Advisory Committee. The bill was referred to the Committee on Education and Labor and currently has 64 Democratic cosponsors.

On January 15, 2020, Representative William Keating (D-MA-9) introduced H.R. 3068, the *Offshore Wind Jobs and Opportunity Act*. The bill would authorize the U.S. Department of the Interior to award grants to provide career training programs in the offshore wind industry, including RAs. The bill was referred to the Committee on Education and Labor and currently has 33 Democratic cosponsors.

On September 17, 2020, Representative Andy Levin (D-MI-9) introduced H.R. 8302, the *STANDARDS Act*. The bill would require the Secretary of Labor to adopt quality standards for RA programs within a year of passage. The bill was referred to the Committee on Education and Labor and currently has one Democratic cosponsor.

On September 18, 2020, Representative Lori Trahan (D-MA-3) introduced H.R. 8317, *To encourage employer participation in the national apprenticeship system*. The bill would direct the DOL to provide support to employers to increase patriation in the national apprenticeship system. The bill was referred to the Committee on Education and Labor and currently has one Democratic cosponsor.

On September 21, 2020, Representative Josh Harder (D-CA-10) introduced H.R. 8328, the *Apprenticeships to College Act*. The bill would require the Secretary of Labor to establish an interagency agreement with the Secretary of Education and establish a college consortium on RAs. The bill was referred to the Committee on Education and Labor.

On September 21, 2020, Representative Alma Adams (D-NC-12) introduced H.R. 8321, the *Apprenticeship Access for All Act of 2020*. The bill would require the Secretary of Labor to protect apprentices from discrimination and promote diversity in the RA system. The bill was referred to the Committee on Education and Labor.

On September 22, 2020, Representative Marcia Fudge (D-OH-11) introduced H.R. 8339, the *Expanding Opportunity through Pre-Apprenticeships Act*. The bill would create standards for pre-apprenticeship programs and authorize grants to promote pre-apprenticeships. The bill was referred to the Committee on Education and Labor and currently has 13 Democratic cosponsors.

On September 23, 2020, Representative Pramila Jayapal (D-WA-7) introduced H.R. 8357, the *Apprenticeship Future for All Act*. The bill would authorize the DOL to award grants, contracts, or agreements to support nontraditional apprenticeship populations in the RA system. It was referred to the Committee on Education and Labor and currently has four Democratic cosponsors.

On September 24, 2020, Representative David Trone (D-MD-6) introduced H.R. 8391, the *Strengthening Apprenticeships for Justice-Impacted Communities Act*. The bill would direct the DOL to offer grants, funding for supportive services, and support to employers to encourage RA programs for justice-impacted individuals. The bill was referred to the Committee on Education and Labor.

On September 29, 2020, Representative Joaquin Castro (D-TX-20) introduced H.R. 8414, the *Strengthening Youth Apprenticeships Act of 2020*. The bill would direct the Secretaries of Labor and Education to create an interagency agreement and a grant program to support youth apprenticeships. The bill was referred to the Committee on Education and Labor and currently has one Democratic cosponsor and one Republican cosponsor.

## COMMITTEE VIEWS

## INTRODUCTION

The RA system is one of the oldest and most successful elements of the American workforce development system. RAs are an earn-and-learn model that are validated by and registered with the DOL or an SAA. This allows employers and apprentices to enter into an agreement regarding the training and compensation that will be provided, including a schedule for progressively increasing wages as the apprentice gains skills and competencies. Apprenticeship programs were largely unregulated in the United States until Wisconsin passed the first state apprenticeship law in 1911.<sup>5</sup> The Wisconsin law became the foundation for apprenticeship laws in other states and eventually the *National Apprenticeship Act*.<sup>6</sup> Apprentices work and study in one of approximately 1,200 nationally recognized apprenticeable occupations. Since the start of 2017, more than 700,000 workers have started RA programs in one of more than 25,000 active RA programs. In 2019, 3,133 new apprenticeship programs were established within the RA system.<sup>7</sup>

After over a century, the RA system is still a highly successful path for thousands of workers. According to the DOL, 94 percent of apprentices are employed after completing their RAs and earn an average starting wage of \$70,000 a year.<sup>8</sup> Apprentices are overwhelmingly retained by their employers, with 91% retaining employment after their program ends.<sup>9</sup> According to the DOL, workers who complete apprenticeships earn an average of an additional \$300,000 over the course of their career when compared to similar workers. Additionally, apprentices in RA programs earn an average starting wage of \$15 at the beginning of their apprenticeships and receive wage increases throughout their apprenticeship as they develop their skills.<sup>10</sup>

However, RAs currently account for only 0.3 percent of the U.S. workforce<sup>11</sup> and only 2.9 percent of the cohort of workers entering the labor market in a typical year.<sup>12</sup> Further, nearly two-thirds of active apprentices were employed in one industry (construction). During the HEWI Subcommittee hearings in the 116th Congress, witnesses discussed the importance of expanding access to quality apprenticeship opportunities in other industry sectors. Mr. Daniel Bustillo, Executive Director of the Healthcare Career Advancement

<sup>5</sup> *Reauthorizing the National Apprenticeship Act: Strengthening and Growing Apprenticeships for the 21st Century Before the Subcomm. on Higher Educ. and Workforce Investment of the H. Comm. on Educ. & Labor*, 116th Cong. (2020) (Testimony of Morna Foy at 1), <https://edlabor.house.gov/imo/media/doc/FoyTestimony03042020.pdf> [hereinafter Foy Testimony].

<sup>6</sup> *Id.*

<sup>7</sup> Number based on the Employment and Training Administration's calculations for 2018. *FY 2018 Data and Statistics*, U.S. Dep't of Labor, <https://www.dol.gov/agencies/eta/apprenticeship/about/statistics/2018> (last visited Oct. 28, 2020).

<sup>8</sup> *Frequently Asked Questions*, Apprenticeship.gov, <https://www.dol.gov/featured/apprenticeship/faqs> (last visited Oct. 28, 2020).

<sup>9</sup> *Id.*

<sup>10</sup> *Apprenticeship Toolkit: Advancing Apprenticeship as a Workforce Strategy*, U.S. Dep't of Labor, <https://www.dol.gov/apprenticeship/toolkit/toolkitfaq.htm#:~:text=Earnings%3A%20The%20average%20starting%20wage.national%2C%20industry%2Drecognized%20credential> (last visited Oct. 28, 2020).

<sup>11</sup> Task Force on Apprenticeship Expansion, Final Report to: The President of the United States 17 (2018), <https://www.dol.gov/apprenticeship/docs/task-force-apprenticeship-expansion-report.pdf>.

<sup>12</sup> International Labor Organization, *Towards a Model Apprenticeship Framework: A Comparative Analysis of National Apprenticeship Systems* 140 (2013), [https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-new\\_delhi/documents/publication/wcms\\_234728.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-new_delhi/documents/publication/wcms_234728.pdf).

Program (H-CAP), highlighted the importance of “continued innovation in the creation and implementation of non-traditional, high-quality training programs and rigorous workforce planning to ensure the health care workforce and delivery system of the present and future.”<sup>13</sup> Jace Noteboom, Talent Director for IBM Systems, discussed how the technology sector has utilized apprenticeships as a way to meet unfilled employment needs.<sup>14</sup> Bridget Gainer, Vice President of Global Public Affairs for Aon, described how the insurance industry is turning to RAs, in partnership with community colleges, to find talent they had traditionally recruited from four-year degree programs. Additionally, testimony from Jennifer Carlson, the Executive Director and Co-Founder of Apprenti, a technology apprenticeship intermediary, highlighted the need to better promote the inclusion and recruitment of nontraditional populations in the RA system, including women, people of color, individuals with disabilities, and individuals impacted by the criminal justice system.<sup>15</sup>

#### CORE ELEMENTS OF THE NATIONAL APPRENTICESHIP ACT 2020

The DOL, in coordination with the 27 recognized SAAs, runs the current RA system. Together, they protect the welfare of apprentices by setting quality standards for apprenticeships, approving apprenticeship agreements between sponsors and apprentices, and issuing nationally recognized certificates to participants upon completion.

Although the *National Apprenticeship Act* was first authorized in 1937 and signed into law by President Franklin Delano Roosevelt, the NAA 2020 is the first comprehensive reauthorization of the legislation. (Hereinafter, provisions of the NAA 2020 that amend the *National Apprenticeship Act* shall be referred to as amendments to the *National Apprenticeship Act*.) Since 1937, operation of the RA system has been directed through regulations<sup>16</sup> rather than statute. The five tenets of the 1937 legislation, which are retained in the NAA 2020, require the Secretary of Labor (Secretary) to:

- formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices;
- expand the application of such standards by encouraging the inclusion thereof in contracts of apprenticeship;
- bring together employers and labor for the formulation of programs of apprenticeship;
- cooperate with state agencies engaged in the formulation and promotion of standards of apprenticeship; and
- cooperate with the Secretary of Education.<sup>17</sup>

Sections 121 through 124 of the amendments to the *National Apprenticeship Act* include the first of the three requirements: the for-

<sup>13</sup> *Reauthorizing the National Apprenticeship Act: Strengthening and Growing Apprenticeships for the 21st Century Before the Subcomm. on Higher Educ. and Workforce Investment of the H. Comm. on Educ. & Labor*, 116th Cong. (2020) (Testimony of Daniel Bustillo at 2), <https://edlabor.house.gov/imo/media/doc/BustilloTestimony03042020.pdf> [hereinafter Bustillo Testimony].

<sup>14</sup> *Id.* (Testimony of Jace Noteboom), <https://edlabor.house.gov/imo/media/doc/NoteboomTestimony03042020.pdf> [hereinafter Noteboom Testimony].

<sup>15</sup> *Innovations in Expanding Registered Apprenticeships Before the Subcomm. on Higher Educ. and Workforce Investment of the H. Comm. on Educ. & Labor*, 116th Cong. (2019) (Testimony of Jennifer Carlson at 6), <https://edlabor.house.gov/imo/media/doc/CarlsonTestimony032719.pdf>.

<sup>16</sup> 29 C.F.R. Pts. 29, 30.

<sup>17</sup> 29 U.S.C. § 50.

mulation of labor standards necessary to safeguard the welfare of apprentices, contracts of apprenticeship through apprenticeship agreements, and bringing together of employers and labor for the formulation of programs. Section 113 of the amendments to the *National Apprenticeship Act* provides for cooperation with state agencies engaged in the formulation and promotion of standards of apprenticeship with SAAs. Section 114 of the amendments to the *National Apprenticeship Act* sets parameters for cooperation with the Secretary of Education through an interagency agreement.

#### Processes and Standards for the National Apprenticeship System

The NAA 2020 takes steps to codify and streamline the requirements for apprenticeable occupations, standards, apprenticeship agreements, and registration processes as they currently exist in the RA and EEO regulations. The legislation also takes steps to introduce innovative new ideas such as industry-recognized occupational standards for apprenticeable occupations and codifies the standards for pre-apprenticeships and youth apprenticeships. Apprenticeships, pre-apprenticeships, and youth apprenticeships are all required to be registered in order to be part of the national apprenticeship system. Nothing in this bill requires programs that wish to call themselves “apprenticeship programs” to register with the DOL or an SAA. Rather, this bill simply establishes the standards and requirements for those programs that wish to register to be part of the national apprenticeship system and access the funding authorized by H.R. 8294.

This bill codifies time-based, competency-based, and hybrid apprenticeship models. Similar to the existing RA regulations,<sup>18</sup> the bill requires that most apprentices complete 2,000 hours of on-the-job learning and 144 hours of related instruction. However, the bill allows the registration agency (either an SAA or the OA) and Secretary to approve an alternative amount of time under time-based models. These alternative requirements are expected to be used in industries or apprenticeable occupations that lack widespread and well-established apprenticeship programs, provided that such alternative requirements reflect industry standards and the relative hazards of the occupation. Such an alternative requirement would not be appropriate in construction related occupations, for example, where there is an established industry standard for time-based RA programs.

#### Youth Apprenticeships and Pre-Apprenticeships

In order to advance the adoption, expansion, and more universal understanding of various apprenticeship models, H.R. 8294 codifies the standards for pre-apprenticeships and youth apprenticeships and clarifies that these programs must be registered to be part of the national apprenticeship system. Building on existing practice and federal and state guidance, the bill makes clear that pre-apprenticeships are designed for individuals who do not meet the entrance requirements for an apprenticeship program but are seeking assistance in preparing for an apprenticeship. Pre-apprenticeships should have an established partnership with at least one appren-

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<sup>18</sup>*Id.*

ticeship program so that the skills and competencies provided to the individual participants will prepare them to succeed in an apprenticeship program. Recognizing that not all individuals who participate in a pre-apprenticeship program will choose to move directly into an apprenticeship program, the legislation includes requirements that pre-apprenticeship programs also prepare individuals for a secondary school diploma, if necessary, as well as provide mentoring, career exposure, career planning, and career awareness activities.

H.R. 8294 clarifies that youth apprenticeships are opportunities for students who are currently enrolled in high school to prepare for: entry into an apprenticeship program, further education, or employment upon completion of the youth apprenticeship program and graduation. The standards are codified in this legislation in order to expand adoption and understanding of youth apprenticeships and to ensure the national portability of youth apprenticeship credentials by establishing a single set of standards for all programs across the U.S.

H.R. 8294 addresses a concern raised by states that are working to grow the number of apprenticeships by making sure that youth apprenticeships are eligible for federal grant funding as part of the expansion of the national apprenticeship system. The Secretary of the Maryland Department Labor, Tiffany Robinson, testified that: “Staff working with [Apprenticeship Maryland Program] are not funded with the U.S. DOL Expansion grants because they require all participants served to be a Registered Apprentice.”<sup>19</sup> She added: “Having the ability to lay the correct groundwork now will result in hundreds, if not thousands, of high school Registered Apprentices over the next three to five years [in Maryland].”<sup>20</sup>

Understanding that some apprenticeable occupations may not allow for students to safely participate on a job site under the age of 18, the standards for youth apprenticeships included in the legislation allow for on-the-job learning requirements to be completed in an experiential or simulated setting rather than in-person, similar to work-based learning for career and technical education programs.

H.R. 8294 requires wages for youth apprenticeship and apprenticeship programs, but not pre-apprenticeship programs. The legislation requires that such wages: are progressively increasing commensurate with increasing levels of skills and competency; are clearly defined in an apprenticeship agreement; and are not less than the greater of either the minimum wage required under section 6(a) of the *Fair Labor Standards Act of 1938*,<sup>21</sup> the applicable wage required by other applicable federal or state laws (including regulations), or where applicable, a collective bargaining agreement.

<sup>19</sup> *Reauthorizing the National Apprenticeship Act: Strengthening and Growing Apprenticeships for the 21st Century Before the Subcomm. on Higher Educ. and Workforce Investment of the H. Comm. on Educ. & Labor*, 116th Cong. (2020) (Testimony of Tiffany Robinson at 9), <https://edlabor.house.gov/imo/media/doc/RobinsonTestimony03042020.pdf> [hereinafter Robinson Testimony].

<sup>20</sup> *Id.*

<sup>21</sup> 29 U.S.C. § 206(a).

AUTHORIZATION OF FUNDING FOR THE NATIONAL APPRENTICESHIP  
ACT OF 2020

H.R. 8924 authorizes appropriations of \$3.895 billion for Fiscal Year (FY) 2021 through FY 2025. Assuming existing appropriations of \$211 million per year would continue in the absence of this reauthorization, the bill authorizes an increase of \$2.84 billion over the five-year period.

An analysis conducted by the Committee estimates that this level of federal investment will support approximately 964,400 new apprenticeship opportunities over five years that would not otherwise exist.<sup>22</sup> To ensure the national apprenticeship system is widely available and an integral part of the nation's workforce development system, by the end of FY 2025, funding for the national apprenticeship system will approximately meet the current funding provided for each of the three WIOA core federal workforce programs (Dislocated Workers, Youth, and Adult). The strategy behind H.R. 8294 is to scale up the RA system so that its scope and reach is on par with each of the three core federal workforce development programs under WIOA.

#### Recent Federal Funding for Registered Apprenticeship Programs

In FY 2015, the Obama Administration's DOL awarded \$175 million in grant funds, using funds allocated to the DOL from H-1B visa fees, for the American Apprenticeship Initiative for activities such as supporting intermediaries and state expansion grants.<sup>23</sup> In appropriations bills enacted in each of the past five fiscal years (FY 2016 through FY 2020), Congress has appropriated funds to the DOL "to expand opportunities relating to apprenticeship programs registered under the National Apprenticeship Act . . . through grants, cooperative agreements, contracts, and other arrangements."<sup>24</sup> Appropriations were \$90 million in FY 2016, \$95 million in FY 2017, \$145 million in FY 2018, \$160 million in FY 2019, and \$175 million in FY 2020. The appropriations bill in FY 2020 further specified that appropriated funds were only to be used for RAs and not for non-registered programs.<sup>25</sup>

<sup>22</sup> Estimates of average costs per new apprenticeship are taken from Committee analysis of fiscal years 2017–2019 apprenticeship spending conducted by Booz Allen Hamilton on behalf of the DOL. According to this analysis, estimated costs vary by the type of apprenticeship, ranging from as little as \$1,250 per apprentice for American Association of Community Colleges (AACC) grants to about \$5,170 per apprentice for American Apprenticeship Initiative (AAI) grants. Notably, these federal cost estimates are greater than those in a widely-cited Mathematica study. Debbie Reed et al., *An Effectiveness Assessment and Cost-Benefit Analysis of Registered Apprenticeship in 10 States* 39 (2012), <https://www.mathematica.org/our-publications-and-findings/publications/an-effectiveness-assessment-and-costbenefit-analysis-of-registered-apprenticeship-in-10-states>. The Education and Labor Committee's analysis likely produces conservative estimates, given that the majority of apprenticeship programs in existence in the U.S. today do not receive any form of federal funding. As a conservative assumption, the analysis assumes that the federal cost of supporting an apprenticeship in a new program is twice that of supporting an apprenticeship in an existing program. This analysis excludes costs borne by non-federal actors—most notably the costs borne by employers for salaries, education, and mentoring during the apprenticeship program.

<sup>23</sup> *Benefits and Costs of Apprenticeship: A Business Perspective*, U.S. Dep't of Commerce, <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwjXo435qd3sAhXsgnIEHZSXD4QFjAAegQIBRAC&url=https%3A%2F%2Ffiles.eric.ed.gov%2Ffulltext%2FED572260.pdf&usq=AOvVaw2rgmNm7ZrJW1XKsm8ugLaO> (last visited Oct. 28, 2020).

<sup>24</sup> Consolidated Appropriations Act, 2016, Pub. L. No. 114–113, 129 Stat. 2242.

<sup>25</sup> H.R. Rep. No. 116–62, 15–16 (2020), <https://www.congress.gov/116/crpt/hrpt62/CRPT-116hrpt62.pdf>. The House Appropriations Committee report included the following explanation for the inclusion of the word "only":

However, the Committee is deeply concerned that funds are being used to support unregistered apprenticeship programs, an untested, unproven, and duplicative version of

## Funding under the NAA 2020

The five-year authorization levels in the NAA 2020 build on current FY 2020 appropriations levels of \$211 million, of which, \$175 million is currently appropriated for RA grants and \$36 million is appropriated for the operations of the OA. The first four rows in the table below explain the authorization levels for the four key programmatic elements of the NAA 2020.

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registered apprenticeships. The Committee is also concerned that the funding under this program is not being used effectively to support State, regional, and local apprenticeship efforts, as well as efforts by intermediaries to expand registered apprenticeships into new industries and to expand opportunities for underserved or underrepresented populations. Therefore, the bill includes new language clarifying that funds may only be used for registered apprenticeships and requires that funds be used by the Secretary to support State grants and for contracts and cooperative agreements for national and local apprenticeship intermediaries. The Department has admitted to misusing over \$1.1 million of funds appropriated for RAs.

See also Ben Penn, *Trump Apprenticeship Plan Under Fire for Alleged Misuse of Funds*, Bloomberg Law (Nov. 6, 2019, 6:11 AM), <https://news.bloomberglaw.com/daily-labor-report/trump-apprenticeship-plan-under-fire-for-alleged-misuse-of-funds>.

Authorization of Appropriations and Funding Sources under the <i>National Apprenticeship Act of 2020</i>						
SECTION	FY2021	FY2022	FY2023	FY2024	FY2025	5-YEAR TOTAL
DOL Office of Apprenticeship	\$50,000,000	\$60,000,000	\$70,000,000	\$80,000,000	\$90,000,000	\$350,000,000
State Apprenticeship Agencies and State Offices of Apprenticeship	\$75,000,000	\$85,000,000	\$95,000,000	\$105,000,000	\$115,000,000	\$475,000,000
Interagency Agreement with Education Dept.	\$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
...of which, amount from appropriated funds	\$200,000,000	\$300,000,000	\$400,000,000	\$500,000,000	\$600,000,000	\$2,000,000,000
...of which, amount from estimated H-1B funds directed to DOL	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$200,000,000	\$1,000,000,000
<b>TOTAL</b>	<b>\$535,000,000</b>	<b>\$657,000,000</b>	<b>\$779,000,000</b>	<b>\$901,000,000</b>	<b>\$1,023,000,000</b>	<b>\$3,895,000,000</b>

The first row authorizes appropriations for the OA at \$50 million in FY 2021 (an increase of \$14 million above the FY 2020 level of \$36 million). This authorization includes costs for the Advisory Committee, evaluation, and research. This authorization is increased thereafter by \$10 million annually to reach \$90 million in FY 2025. This is included in the legislation in Section 114 of the amendments to the *National Apprenticeship Act*.

The second row authorizes appropriations of \$75 million for SAAs and SOAs in FY 2021. This authorization is increased thereafter by \$10 million annually to reach \$115 million in FY 2025. This is included in the legislation in Section 113 of the amendments to *National Apprenticeship Act*.

The third row authorizes appropriations of \$10 million for the DOL Department of Education Interagency Agreement in FY 2021. This authorization is increased thereafter by \$2 million annually to reach \$18 million in FY 2025. This is included in the legislation in Section 114 of the amendments to the *National Apprenticeship Act*.

The fourth row authorizes appropriations of \$400 million for Modernizing the National Apprenticeship System for the 21st Century Grants in FY 2021 (\$100 million of which is funded out of the existing \$175 million appropriations in FY 2020). This authorization is increased thereafter by \$100 million annually to reach \$800 million in FY 2025. This is included in the legislation in Section 204 of the amendments to the *National Apprenticeship Act*.

The fifth row reflects an estimated \$200 million per year in H1-B visa fees that will offset the cost of apprenticeship grants. Over the past six years, the DOL has supplemented appropriated apprenticeship funds with H-1B visa fees. Under current law, 50 percent of the H1-B visa fees collected by the U.S. Department of Homeland Security are directed to the DOL to fund workforce training activities.<sup>26</sup> H.R. 8294 amends the *Immigration and Nationality Act*<sup>27</sup> to direct the H-1B visa fees available to the DOL to support part of the cost of the Modernizing the National Apprenticeship System for the 21st Century Grants. This is included in Section 4 of the NAA 2020.

#### ROLES AND RESPONSIBILITIES OF THE OFFICE OF APPRENTICESHIP

The NAA 2020 codifies the roles and responsibilities of the OA, led by an Administrator (Administrator), who will ensure that the OA remains dedicated solely to administering and supporting the national apprenticeship system. Specifically, this reauthorization is intended to codify the role of the OA in supporting the states in implementing high-quality apprenticeship, pre-apprenticeship, and youth apprenticeship opportunities for all stakeholders, including the program participants themselves, SAAs and SOAs, employers, education and training providers, labor organizations and joint labor-management partnerships, intermediaries, educators, and other relevant parties. The responsibilities of the OA include national and regional efforts to increase awareness of and promote opportunities provided by the national apprenticeship system. The legislation also codifies the OA's crucial and fundamental role in providing technical assistance for the implementation of programs

<sup>26</sup> 8 U.S.C. § 1356.

<sup>27</sup> *Id.*

and requirements of this bill, such as supporting data collection and reporting activities. The OA may carry out technical assistance through grants, contracts, or cooperative agreements, including with labor or joint labor-management organizations or equity intermediaries, for activities such as supporting program sponsors in meeting requirements to increase diversity of programs and participants. Finally, the legislation makes clear that the OA must coordinate with all relevant federal workforce training related programs that carry out or interact with programs under the national apprenticeship system in order to support efficiency and collaboration at the federal, state, and local levels.

#### State Offices of Apprenticeship

As under current practice, the OA continues to be responsible for creating and staffing a federally funded SOA in any state that has not established its own SAA, and the NAA 2020 requires these SOAs to continue to carry out activities required under the current RA and EEO regulations<sup>28</sup> to support the expansion of apprenticeships within each state. In addition, SOAs are required to create a four-year state plan, in coordination with the state workforce and state career and technical education agencies. This includes SOAs setting performance goals for the programs registered in the state. Given the prolonged vacancies currently at the OA and SOAs under the Trump Administration, this legislation requires the Administrator to inform congressional committees of jurisdiction if any vacancies in an SOA extend beyond 90 days.

#### Apprenticeable Occupations

Given the recent growth in apprenticeable occupations and the goal of the NAA 2020 to increase new, nontraditional apprenticeship occupations, the legislation directs the DOL to regularly review and update existing apprenticeable occupations as well as approve new apprenticeable occupations in a timely manner (within 45 days of receiving an application). H.R. 8294 includes increased authorization funding levels for the DOL's OA to ensure there is adequate staff for these additional activities.

The legislation also encourages innovation in new apprenticeable occupations by directing the DOL to convene apprenticeship stakeholders, including employers and labor, to assist with establishing industry-recognized occupational standards. Under the legislation, specific frameworks of industry-recognized occupational standards may include features such as program scope and length, related instruction, on-the-job learning, recognized postsecondary credentials, and skill and competency requirements. The goal is to reduce the time and burden employers, especially small- and medium-sized employers, face in creating new apprenticeship programs by creating what could be considered an “in-the-box” apprenticeship framework approved by the Secretary that employers could easily adopt and implement. This does not invite the quality or ethical concerns inherent in non-governmental program accreditation, nor does it authorize or provide for IRAPs or Standards Recognition

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<sup>28</sup> 29 C.F.R. Pts. 29, 30.

Entities (SREs) that are hallmarks of the Trump Administration’s efforts to privatize apprenticeship standards and accreditation.

As a result of the Johnson (SD) amendment and the Wild second-degree amendment, both offered and adopted at the Committee’s markup of the NAA 2020, the Secretary will be required to issue regulations regarding standards and requirements for apprenticeable occupations in consultation with apprenticeship stakeholders within one year of enactment of the legislation.

#### Accountability and Data Collection

Data collection, distribution, and public dissemination have historically been a challenge for the national apprenticeship system. This legislation tasks the OA with creating a centralized reporting system and a publicly accessible website with non-personally identifiable apprenticeship data. By creating a centralized reporting database, the DOL will streamline reporting for apprenticeship stakeholders, including SAAs and grantees. The centralized system may be aligned with the reporting infrastructure of other programs within the ETA such as WIOA for further streamlining and effectiveness. This alignment will help ease data sharing and data collection requirements between the national apprenticeship system and the workforce system. For example, this alignment will support making use of workforce related data such as state unemployment insurance wage records to support the tracking of program participants’ earnings after they have left or completed a program under the national apprenticeship system.

As required as part of this legislation, a public-facing website will provide information on programs under the national apprenticeship system across the country, including the occupations available and credentials awarded as part of each program. The DOL’s existing apprenticeship website ([www.apprenticeship.gov](http://www.apprenticeship.gov)) could be repurposed to meet this requirement.

#### NATIONAL ADVISORY COMMITTEE ON APPRENTICESHIPS

The NAA 2020 codifies the composition, roles, and responsibilities of the Advisory Committee. The DOL has been authorized to establish an Advisory Committee as part of the existing National Apprenticeship Act, and previous administrations have solicited advice from this committee.<sup>29</sup> For example, the George W. Bush Administration convened the Advisory Committee to inform the 2008 updates to the RA regulations.<sup>30</sup> H.R. 8294 requires the Advisory Committee to be permanently reestablished and governed by the *Federal Advisory Committee Act*.<sup>31</sup> The Advisory Committee will be comprised of 27 members, with equal representation from employers, labor, and apprenticeship stakeholders. These appointments should represent a diversity of sectors and geography, including stakeholders involved in expanding the diversity of participants.

<sup>29</sup>The NAA states: “The Secretary of Labor may . . . appoint national advisory committees to serve without compensation. Such committees shall include representatives of employers, representatives of labor, educators, and officers of other executive departments, with the consent of the head of any such department.” 29 U.S.C. § 50a.

<sup>30</sup>U.S. Dep’t Labor Employment and Training Administration, Development of the Revised Regulations for the National Apprenticeship System, [https://www.doleta.gov/oa/pdf/Development\\_revised\\_regulations.pdf](https://www.doleta.gov/oa/pdf/Development_revised_regulations.pdf).

<sup>31</sup>5 U.S.C. app. 2, §§ 1–16.

The bill sets four-year terms and requires members' terms to be staggered.

The Advisory Committee is expected to play an active role in advising the Secretary on increasing access to the national apprenticeship system. It will also advise the DOL on: the development and implementation of guidance, rules, and regulations; improvements to the registration process; increasing the participation of nontraditional populations; increasing the participation of nontraditional apprenticeable occupations; updates to existing apprenticeable occupations; and convening sector leaders to create new frameworks for industry-recognized occupational standards.

#### ROLE OF STATES

The NAA 2020 codifies the roles and responsibilities of the SAAs and requirements for SAA recognition. The legislation maintains the current practice of ensuring that all states have either a state-funded SAA or a federally funded SOA.<sup>32</sup>

#### SAA Recognition, Authority, and Derecognition

H.R. 8294 codifies and streamlines the existing DOL requirements regarding SAA recognition, authority, and derecognition, all of which are contained in the RA and EEO regulations.<sup>33</sup> In addition, the legislation establishes a new requirement for the submission of a four-year state plan as part of the SAA recognition process. As part of H.R. 8294, derecognition criteria includes the failure to develop a state plan and state performance level goals under the plan. Under the legislation, existing SAAs maintain their authority to recognize programs under the national apprenticeship system and convene a state apprenticeship council, which is established to assist and advise an SAA. The legislation makes clear that state apprenticeship councils should not be carrying out the roles and responsibilities of the SAA with regard to recognizing and registering programs under the national apprenticeship system. State apprenticeship councils must be fairly balanced among employers, labor organizations or joint labor-management organizations, and members of the public, and, to the extent practicable, have at least one member from the state workforce board.

The process to derecognize SAAs generally tracks existing RA and EEO regulations, with the Administrator providing technical assistance to help SAAs come into compliance with the requirements of the legislation or to achieve the state's performance goals. If such compliance or improvement in performance is not achieved, the Administrator will reduce funding for the SAA by five percentage points annually, and if no improvements are made, the Administrator may withdraw the SAA's recognition.

#### State Plan

As mentioned above, every state, whether an SAA or SOA state, is required to submit a four-year state plan as part of this legislation. Many of the elements of the state plan are taken from existing RA and EEO regulations. This includes reciprocity for pro-

<sup>32</sup> See Appendix A to this report for a breakdown of SAA and SOA states.

<sup>33</sup> 29 C.F.R. § 29.3, 29.13, 29.14, 30.18.

grams approved by another SAA or the Administrator, a plan to promote diversity in apprenticeable occupations and ensure equal opportunity to participate in programs through outreach and recruitment, a mechanism for lodging and resolving complaints, and the establishment and oversight of state apprenticeship councils.

New to this bill are the following state plan requirements.

- *Technical assistance.* States are expected to describe how they will provide technical assistance to apprenticeship stakeholders in the areas of: recruitment, retention, program development or expansion, and implementation; meeting performance goals; and achieving the state goals in diversity and equal opportunity.

- *State apprenticeship hubs.* States are expected to establish regional apprenticeship hubs throughout the state to support local efforts to engage employers through industry and sector partnerships in regionally specific occupations.

- *State apprenticeship performance outcomes.* States are expected to establish goals for state levels of performance using the core WIOA indicators of performance for adults and youth, establish goals for diversity and equal opportunity, and describe how they will collect and report this data to the OA.

- *Use of funds.* States are expected to provide a description of how they will use funding provided in the legislation under the dedicated funding for states.

- *Alignment of workforce activities, state strategic vision, and strategy for any joint planning, alignment, coordination, and leveraging of funds.* States are required to submit as part of their state plan a description of each of the following, each of which are already required as part of WIOA and the Strengthening Career and Technical Education for the 21st Century Act<sup>34</sup> (Perkins CTE) and should align with existing submissions under those laws.

- *Alignment of workforce activities.* A summary of state-supported workforce development activities; a summary of the apprenticeship programs on the list of eligible training providers approved by the state or local workforce board; and a summary of the degree to which the programs under the national apprenticeship system are aligned with the needs of employers in the state as identified by the state workforce board.

- *State strategic vision.* A summary of the state's strategic vision and goals for preparing an educated and skilled workforce and for meeting the skilled workforce needs of employers as well as the contributions of the state apprenticeship system in meeting these goals.

- *Strategy for any joint planning, alignment, coordination, and leveraging of funds.* A summary of alignment between the state's apprenticeship system and its workforce system, education system, and any other related workforce or job training state or federal assistance programs.

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<sup>34</sup> 20 U.S.C. § 44.

### SAA Funding, Matching Requirements, and Grant Formula

H.R. 8294 contains funding for states broken into two parts. The legislation directs one-third of the funds to be equally distributed to all states and outlying areas<sup>35</sup> and two-thirds of the funds to be distributed via formula to SAAs. This funding structure is similar to that used by the DOL to distribute apprenticeship grants in FY 2019.<sup>36</sup> It is designed to ensure that all eligible states and outlying areas receive an equal base level of funding. The additional funds to SAAs are distributed according to a formula that considers the state's relative apprenticeship program size, completion rate, overall labor force size, and economic need (as measured by unemployment and poverty).

An annual stream of formula funding for SAAs will allow them to hire more staff to carry out the requirements of the legislation as well as provide additional funding to support the recruitment of participants, employers, and other stakeholders to the national apprenticeship system. The importance of consistent state funding was highlighted by testimony from the Secretary of the Maryland Department of Labor, Tiffany Robinson: "Sustainable funding, whether formula funding or long-term grants of six to ten years, would allow true program building to scale. Sustained funding also reassures the business community, school systems, college systems, and community partners that Apprenticeship is being invested in for the long term and is a good partnership."<sup>37</sup>

To determine each SAA's allocation under the formula, H.R. 8294 factors in eligible SAA states' relative share of total apprentices, but it also considers their five-year apprenticeship completion rates in equal measure, providing states an incentive to improve their completion rates. The formula in H.R. 8249 also offers slightly greater funds to states in which the population experiences greater economic need by accounting for poverty in place of the FY 2019 DOL formula's job openings measure.

Pursuant to H.R. 8294, the federal formula grants will be allocated in the following manner:

- one-third of the formula funds will be equally distributed among all eligible states and outlying areas; and
- two-thirds of the formula funds will be distributed to eligible states with SAAs, allocated as follows:
  - one-quarter based on each state's relative share<sup>38</sup> of program participants—including apprentices, pre-apprenticeships, and youth apprentices—based on the most recent data available from the OA;
  - one-quarter based on each state's grantees' relative share of program participants who have completed a program during the most recent five-year period, based on the most recent satisfactory data available from the OA; and

<sup>35</sup> The term "outlying area" is defined in the NAA 2020 as "American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands."

<sup>36</sup> Letter from Molly E. Conway, Acting Assistant Secretary, Employment and Training Administration, to State Governors et al., (May 3, 2019), [https://wdr.doleta.gov/directives/attach/TEGL/TEGL\\_17-18\\_acc.pdf](https://wdr.doleta.gov/directives/attach/TEGL/TEGL_17-18_acc.pdf) (Training and Employment Guidance Letter No. 17-18 at 5).

<sup>37</sup> Robinson Testimony at 9.

<sup>38</sup> Throughout the formula, an eligible state's "relative share" is the state's share of the factor relative to the sum of the factor for all eligible states.

- one-half based on data from the American Community Survey of the U.S. Census Bureau and the U.S. Bureau of Labor Statistics, allocated as follows:

- ☐ one-third based on each state's relative share of the civilian labor force;
- ☐ one-third based on each state's relative share of individuals living below the federal poverty line; and
- ☐ one-third based on each state's relative share of unemployed individuals.

For SAAs to receive the full formula allocation from the two-thirds of the federal funds reserved for SAAs, the NAA 2020 requires that SAAs provide a 25 percent match using non-federal resources. However, the legislation provides significant flexibility regarding the matching requirement. The match can be satisfied with non-federal grant funds or other resources contributed by non-governmental entities, state funding for apprenticeship initiatives, or by other means such as in-kind contributions in the form of salaries or office space. SAAs are provided a grace period of one year after enactment of the NAA 2020 before they must meet their match requirement. During this grace period, SAAs will receive the full formula allocation. If an SAA cannot meet the full match after the grace period, their funding is ratably reduced proportionate to the state contribution below 25 percent, except in the case of exceptional circumstances as determined by the Administrator.

States are expected to use not less than 10 percent of the total amount of their federal grant funding for engaging with the state education system to strengthen alignment with the secondary, post-secondary, and adult education systems. In addition, not less than 10 percent of their federal grant funding should be used for engaging with the state workforce system. Not more than 15 percent of their federal grant funding can be reserved for state leadership activities to support state-specific initiatives (such as the expansion of youth apprenticeships); of this, at least five percent must be used for expanding diversity in both apprenticeship programs and in apprenticeship participant populations.

As noted above, Section 113 of the amendments to the *National Apprenticeship Act* authorizes federal grants to states in the amount of \$75 million in FY 2021, and the amounts increase by \$10 million each year thereafter to reach \$115 million by the end of the five-year authorization period.

Appendix B to this report shows how federal grant funding is expected to be distributed. Estimates were provided by the Congressional Research Service (CRS) in October 2020, at which time 27 states had established SAAs.<sup>39</sup> In FY 2021, for example, CRS estimates that 30 states and outlying areas will receive the base allocation of approximately \$446,400, while the 27 states with SAAs will receive significantly larger grants.<sup>40</sup>

<sup>39</sup> Benjamin Collins, Cong. Rsch. Serv., Estimated Allotments Under Proposed Apprenticeship Grant 1-2 (2020) (non-public report to House Committee on Education and Labor; see Appendix B). The Congressional Research Service analysis relies on the list of SAAs published by the DOL. See *State Contact List*, U.S. Dep't of Labor, <https://www.doleta.gov/OA/contactlist.cfm> (last visited Oct. 28, 2020).

<sup>40</sup> Benjamin Collins, Cong. Rsch. Serv., Estimated Allotments Under Proposed Apprenticeship Grant 1-2 (2020) (non-public report to House Committee on Education and Labor; see Appendix B).

## INTERAGENCY AGREEMENT

To foster stronger coordination between the DOL and the Department of Education, the NAA 2020 requires the two agencies to enter into an interagency agreement to support the alignment of the apprenticeship system with the educational systems at the secondary, postsecondary, and adult education levels. The need for this was highlighted by Morna Foy, President of the Wisconsin Technical College System, who testified that, “an interagency agreement should be established between the Federal departments of Labor and Education as acknowledgement that apprenticeship is more than just workforce development. Apprenticeship—as the Wisconsin model has shown—is a highly effective, cost-neutral path to postsecondary credential attainment, individual learning and career success.”<sup>41</sup>

The interagency agreement is intended to clarify how the Secretaries of each agency will provide support for the replication and scale of programs under the national apprenticeship system and for a network of postsecondary institutions offering programs under such system. The intention is not for the Secretaries to create curriculum for related instruction, but rather to support the sharing of resources and models created at the state and local levels on curriculum and instruction, especially with regard to:

- updating high school academic requirements and academic credit-granting curricula at the secondary level, as well as at the postsecondary and adult education level where applicable;
- translating skills and competencies into pathways to secondary and postsecondary credit and recognized postsecondary credentials; and
- providing prior learning assessments and competency-based education aligned to competency-based and hybrid apprenticeship programs, as applicable.

## EVALUATIONS AND RESEARCH

The NAA 2020 creates a robust performance evaluation system. It codifies the requirement for programs under the national apprenticeship system to report on core indicators of performance established under WIOA and the completion rates of each registered program as compared to goals established under the state plan. States are required to collect data on the core indicators described below from programs registered in their state, as available (not all programs will have data to report on each of the six indicators in every quarter), and report this data to the OA annually. The six indicators<sup>42</sup> are:

- (I) the percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program;

<sup>41</sup> Foy Testimony at 4.

<sup>42</sup> 29 U.S.C. § 3141(b)(A)(i). Youth apprenticeships have slightly different performance indicators, which in WIOA are: “(I) the percentage of program participants who are in education or training activities, or in unsubsidized employment, during the second quarter after exit from the program; (II) the percentage of program participants who are in education or training activities, or in unsubsidized employment, during the fourth quarter after exit from the program; and (III) the primary indicators of performance described in subclauses (III) through (VI) of subparagraph A(i)” (subclauses (III) through (VI) are listed in the text above). 29 U.S.C. § 3141(b)(A)(ii).

(II) the percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program;

(III) the median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program;

(IV) the percentage of program participants who obtain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent (subject to clause (iii)),<sup>43</sup> during participation in or within 1 year after exit from the program;

(V) the percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and

(VI) the indicators of effectiveness in serving employers established pursuant to clause (iv).<sup>44</sup>

H.R. 8294 requires SAAs and SOAs (whichever exists in the state) to provide an annual report to the Administrator on the performance of programs registered in their state, including information on the performance indicators, equal opportunity in apprenticeship programs, average time to completion, cost per participant, and number of participants receiving supportive services. As mentioned above, the bill includes requirements for each state to report on levels of performance required under WIOA and completion rates for registered programs. This includes a requirement to disaggregate such data by program type (apprenticeship, youth apprenticeship, or pre-apprenticeship) and by race, ethnicity, sex, age, and individuals with barriers to employment as defined under WIOA. It is critical to disaggregate this information to the greatest extent it can be disaggregated in order to accurately measure the impact and efficacy of such programs for each subgroup as well as to cross tabulate the disaggregated data.

Similar to current practice under the RA and EEO regulations,<sup>45</sup> each registered program must take part in a comprehensive review not less than once every five years. If a program is found to be out of compliance with the apprenticeship agreement or requirements of this legislation—or if a program is annually underperforming on any of the indicators of performance—the legislation requires that technical assistance be provided and a performance improvement plan be implemented. If performance does not improve according to the methods and timeframe specified in the bill, the program may

<sup>43</sup> 29 U.S.C. § 3141(b)(A)(iii). Clause (iii) states: “(iii) Indicator relating to credential.—For purposes of clause (i)(IV), or clause (ii)(III) with respect to clause (i)(IV), program participants who obtain a secondary school diploma or its recognized equivalent shall be included in the percentage counted as meeting the criterion under such clause only if such participants, in addition to obtaining such diploma or its recognized equivalent, have obtained or retained employment or are in an education or training program leading to a recognized postsecondary credential within 1 year after exit from the program.” *Id.*

<sup>44</sup> 29 U.S.C. § 3141(b)(A)(iv). Clause (iv) states: “(iv) Indicator for services to employers.—Prior to the commencement of the second full program year after the date of enactment of this Act, for purposes of clauses (i)(VI), or clause (ii)(III) with respect to clause (i)(VI), the Secretary of Labor and the Secretary of Education, after consultation with the representatives described in paragraph (4)(B), shall jointly develop and establish, for purposes of this subparagraph, 1 or more primary indicators of performance that indicate the effectiveness of the core programs in serving employers.” *Id.*

<sup>45</sup> 29 C.F.R. Pts. 29, 30.

face deregistration. The process for deregistration in the bill is similar to current practice under the RA and EEO regulations, such as allowing for a hearing if desired by the sponsor and informing apprentices of the program sponsor's deregistration in a timely manner.

#### EQUAL EMPLOYMENT OPPORTUNITY IN APPRENTICESHIP

The NAA 2020 codifies and streamlines existing EEO regulations<sup>46</sup> throughout Title I of the amendments to the *National Apprenticeship Act*. Nothing in the NAA 2020 precludes the Secretary, when promulgating regulations to implement the legislation, from retaining any of the existing EEO regulations as in effect on January 31, 2020, so long as they do not conflict with the legislation.

#### Relation to Other Laws

Section 6 of the amendments to the *National Apprenticeship Act* ensures that any law that provides greater civil rights protections than those provided in H.R. 8294 are not invalidated by this legislation.<sup>47</sup>

#### The Office of Apprenticeship

Section 111 of the amendments to the *National Apprenticeship Act* requires the Administrator to both ensure diversity in occupations under the national apprenticeship system—especially in high-skill, high-wage, or in-demand occupations in geographic areas with high percentages of low-income individuals—and codify existing regulations regarding equal employment opportunity in apprenticeship programs. By requiring that programs under the national apprenticeship system adopt and implement current policies to provide for equal opportunity standards in 20 C.F.R. section 30.3,<sup>48</sup> the legislation codifies the prohibition on discrimination as well as the duty to engage in affirmative action programs.<sup>49</sup> H.R. 8294 also codifies the requirements for program sponsors for dissemination of equal opportunity policy; universal outreach and recruitment; assignment of EEO responsibility; ensuring programs are free from harassment, intimidation, and retaliation (including anti-harassment training and procedures for handling harassment and retaliation complaints); compliance with other federal and state equal employment opportunity laws; and adoption and dissemination of the equal opportunity pledge.<sup>50</sup> It also clarifies that violations of any of these requirements are subject to enforcement action under the Evaluation section of the bill. Additionally, this section requires the Administrator to provide assistance in receiving and resolving complaints.<sup>51</sup>

#### State Apprenticeship Agencies and State Offices of Apprenticeship

Section 113 of the amendments to the *National Apprenticeship Act* describes the requirements of the SAAs to maintain recognition

<sup>46</sup> See 29 C.F.R. Pt. 30 (the NAA 2020 codifies similar requirements).

<sup>47</sup> See 29 C.F.R. § 30.1.

<sup>48</sup> 29 C.F.R. § 30.3.

<sup>49</sup> See 29 C.F.R. § 30.4 (the NAA 2020 codifies this requirement).

<sup>50</sup> See 29 C.F.R. § 30.17 (the NAA 2020 codifies this requirement).

<sup>51</sup> See 29 C.F.R. § 30.14 (including complaints similar to the NAA 2020).

and create a comprehensive state plan. As part of the state plan, which must be carried out by SAAs and SOAs, states must do the following.

- They must promote diversity in apprenticeable occupations as described above and uniformly adopt and implement the requirements set forth for equal opportunity and outreach to nontraditional populations.<sup>52</sup> States must ensure that programs they register conduct targeted outreach to nontraditional apprenticeship populations, including individuals with barriers to employment such as individuals with disabilities.<sup>53</sup>
- They must establish or maintain a system to receive and resolve complaints, including complaints concerning equal employment opportunity or discrimination, violations of the apprenticeship agreement, or violations of requirements of this legislation.<sup>54</sup>
- They must adopt state performance goals, including the performance goals as described in Section 116 of WIOA, goals for completion, and goals for participation in apprenticeship programs by groups according to race, sex, ethnicity, and—to the extent practicable—disability status. The latter goal must be compared to the working-age population in the geographic area from which the sponsor usually seeks or reasonably could seek program participants and who meet the minimum eligibility requirements for entry into the program.<sup>55</sup> This goal should be set using the data and tools provided to the state by the DOL, as is currently done. This data will be collected annually and reported in relation to the goals established, and it will be submitted to the DOL as part of the report described in the Evaluation section of the legislation.

Corrective action must be taken by the Administrator for a state's failure to make good-faith efforts to meet these goals.<sup>56</sup> This section of the bill codifies the criteria for corrective action or sanction (withholding of funds) and derecognition of SAAs. The criteria include failure to adopt and properly enforce the EEO requirements of a state plan and failure to meet the state levels of performance or demonstrate satisfactory improvements in performance for three consecutive years.<sup>57</sup>

### Process and Standards for the National Apprenticeship System

Subtitle B of Title I of the amendments to the *National Apprenticeship Act* codifies and streamlines the standards for apprenticeship programs and establishes the standards for youth apprenticeship and pre-apprenticeship programs. Requirements for all three programs include: providing safe work environments for the participants; providing adequate training for mentors and instructors on safe work and training environments; recording and maintaining

<sup>52</sup> See 29 C.F.R. § 30.18 (the NAA 2020 codifies a similar requirement).

<sup>53</sup> See 29 C.F.R. § 30.8, 30.11 (the NAA 2020 codifies similar requirements related to targeted outreach, recruitment, and retention; as well as those related to invitation to self-identify as an individual with a disability).

<sup>54</sup> See 29 C.F.R. § 30.14 (the NAA 2020 codifies a similar requirement).

<sup>55</sup> See 29 C.F.R. § 30.5–.8 (the NAA 2020 codifies similar requirements related to: the utilization analysis for race, sex, and ethnicity; utilization goals for race, sex, and ethnicity; and utilization goals for individuals with disabilities).

<sup>56</sup> See 29 C.F.R. § 30.15 (the NAA 2020 codifies a similar requirement).

<sup>57</sup> *Id.*

all necessary records;<sup>58</sup> and providing all individuals an equal opportunity to participate in programs under the national apprenticeship system.<sup>59</sup> As part of the apprenticeship agreement, the sponsor must provide a demonstration of, a commitment to, and compliance with, the diversity requirements described in Section 111 of the amendments to the *National Apprenticeship Act*.

Sponsors must maintain the documentation necessary for the registration agency to show that all potential program participants and all program participants are receiving an equal opportunity in recruitment, training, and employment. This could include:

- documentation summarizing the qualifications of each applicant;
  - the basis for evaluation of and selection or rejection of each applicant;
  - the records pertaining to interviews of applicants;
  - the original application for each applicant;
  - information related to the operation of the registered program, including job assignment, promotion, demotion, layoff, or termination;
  - rates of pay and other forms of compensation or conditions of work;
  - hours of work and, separately, hours of training provided;
- or
- other records pertinent to a determination of compliance with these requirements.

#### Program Evaluations

Section 131 of the amendments to the *National Apprenticeship Act* describes the evaluation requirements for programs under the national apprenticeship system and the requirements for program review and deregistration. Each state must report annually on the performance of programs registered in their state and disaggregate program data by race, ethnicity, sex, age, and membership in a population included in the WIOA definition of “individual with a barrier to employment,” as is currently done with WIOA performance data.<sup>60</sup> If the data shows that a program is failing to reach the state’s goals, the program will receive technical assistance and become subject to a program improvement plan.<sup>61</sup>

The registration agency must conduct a comprehensive program review of each program they have registered at least once every five years, as is current practice. A program may be deregistered for failing to improve its performance or for not complying with the requirements of this legislation, including the EEO requirements.<sup>62</sup>

#### GRANT PROGRAM EXPANSION

The NAA 2020 creates the Modernizing Apprenticeship for the 21st Century Grants program, which establishes four core areas of

<sup>58</sup> See 29 C.F.R. § 30.12 (the NAA 2020 codifies a similar requirement related to record-keeping).

<sup>59</sup> See 29 C.F.R. § 30.10 (the NAA 2020 codifies a similar requirement related to selection of apprentices).

<sup>60</sup> This aligns with the DOL apprenticeship regulations at 29 C.F.R. § 30.9.

<sup>61</sup> See 29 C.F.R. § 30.13 (the NAA 2020 codifies a similar requirement related to equal employment opportunity compliance reviews).

<sup>62</sup> See 29 C.F.R. § 30.15 (the NAA 2020 codifies similar enforcement actions regarding non-compliance with EEO requirements).

grantmaking for programs under the national apprenticeship system, including:

- supporting the creation or expansion of RA, youth apprenticeship, and pre-apprenticeship programs, including in non-traditional apprenticeship occupations and for nontraditional apprenticeship populations;
- encouraging employer participation and recruitment for individuals with barriers to employment, including individuals impacted by the criminal justice system;
- supporting national industry and equity intermediaries as well as intermediaries at the regional or local level; and
- establishing or expanding educational alignment with programs under the national apprenticeship system.

The bill prioritizes grant applicants that serve a high number or high percentage of participants who are from nontraditional apprenticeship populations and that provide opportunities in high-wage, high-skill, or in-demand sectors and occupations. It includes a robust grant program to support the creation or expansion of RAs, youth apprenticeships, and pre-apprenticeships, including in nontraditional apprenticeship occupations and nontraditional apprenticeship populations. As noted in the table above entitled *Authorization of Appropriations and Funding Sources under the National Apprenticeship Act of 2020*, the bill authorizes \$400 million in FY 2021 and increases \$100 million annually to reach \$800 million in FY 2025.

### Grant Application

To ensure consistency, the bill creates a single grant program application within which the grant applicant can describe proposed activities from the four categories above. To be eligible to apply for the grant program, applicants must demonstrate a partnership with at least two of the following entities: a state or local workforce development board or a state or local workforce agency, an education or training provider or a consortium of providers, an SAA, an Indian Tribe or Tribal organization, an industry or sector partnership, a group of employers, a trade association, a professional association that sponsors or participates in a program under the national apprenticeship system, a governor, a labor organization or joint labor-management organization, a community-based organization that assists program participants in accessing supportive services, or a qualified intermediary. To the extent practicable, applicants must also be part of an industry or sector partnership. As part of the application process, eligible applicants are required to submit to the Administrator a description of the grant's purpose; a list of its grant partners; the ability of the applicant to enroll, instruct, advance, and graduate grant program participants served by the grant activities; and the ability of the applicant to support program sponsors and employers.

Eligible applicants must also provide a labor market analysis demonstrating the need to create or expand the proposed program under the national apprenticeship system along with a plan to align the activities supported by the grant with the labor market needs of high-skill, high-wage, or in-demand industry sectors or occupations. If appropriate, the grant applicant is required to include a plan showing coordination with activities carried out under other

relevant statutes. The grant application must also include a plan to recruit and retain program participants for apprenticeship, pre-apprenticeship, or youth apprenticeship programs—including from nontraditional apprenticeship populations such as women, minorities, individuals with disabilities, individuals impacted by the criminal or juvenile justice systems, and individuals with barriers to employment—and how such plan will support the eligible applicant in meeting the equal opportunity requirements for diversity. Eligible applicants must also describe strategies to recruit and support employers involved in programs under the national apprenticeship system.

Eligible applicants must describe how they will provide information to the Administrator, including program performance data, and how they will coordinate grant activities with an SAA (if such agency exists in the state where the eligible applicant is carrying out the grant). The bill includes specific additional requirements for grant applications seeking to expand existing programs under the national apprenticeship system. It also includes additional requirements based on the allowable grant activities the applicant will be carrying out.

#### Grant Funds

All grant applicants must match at least 25 percent of the funds awarded to them directly or through donations from non-federal, public, or private organizations, in cash or in-kind, fairly evaluated. This requirement may be waived if the applicant demonstrates exceptional circumstances that prevented the applicant from meeting the requirement such as: the entity serves a high proportion of individuals with barriers to employment; uncontrollable circumstances (such as a natural disaster); or a precipitous and unforeseen decline in financial resources. All grantees must also reserve at least five percent of their grant funds for direct financial assistance for program participants through emergency grants in order to ensure that all participants can successfully participate in and complete the program.

Grant applicants may also use the grant funds for a variety of other activities, including establishing or expanding partnerships; conducting outreach and recruitment activities for program participants or apprenticeship stakeholders like sponsors, employers, industry associations, labor and joint labor-management organizations, intermediaries, or education and training providers; or to support the transition to virtual or remote learning or training. Additional uses of funds are allowable depending on the grant activities being carried out.

#### Grant Evaluations

The legislation requires there be both an independent evaluation of the grant program and an annual and final report from each of the grantees. While each of the grant recipients must provide for the reports from the funds received under the grant, the Secretary maintains flexibility on how the independent evaluations will be financed. The reports from the grantees must include information such as how the funds were used, the number of participants served by the grant, the average cost per participant, and the per-

centage of participants that received supportive services. The data contained in the reports should be disaggregated by program type (apprenticeship, youth apprenticeship, or pre-apprenticeship) and by race, ethnicity, sex, age, and membership in a population defined in WIOA’s “individual with a barrier to employment” definition.

The legislation also requires the Administrator to prepare an interim and final evaluation of the grant program, both of which must be provided to Congress and made publicly available. The reports must contain information regarding how the grant program has improved participation of nontraditional apprenticeship populations; the attainment of recognized postsecondary credentials above what would have occurred in the absence of the grant; how the programs respond to labor market data; how they align with high-skill, high-wage, and in-demand industry sectors and occupations; and the extent to which they reach a wide variety of industry sectors and occupations.

#### TRUMP ADMINISTRATION ACTIONS ON IRAPS

The NAA 2020 does not authorize the IRAPs that are being advanced by the DOL under the Trump Administration. In the course of developing this legislation, IRAP regulations and spending were examined, and significant programmatic weaknesses were identified. The fundamental weakness of the IRAP design is that quality standards are in the purview of private accreditors, rather than the DOL, and thus the responsibility for ensuring the quality of the programs and the protection and welfare of apprentices is not the responsibility of the Secretary.

In June 2017, the White House issued an Executive Order (EO) 13801 to “Expand Apprenticeships in America” that directed the DOL to establish a Task Force and develop a parallel program to the successful RA system called IRAPs.<sup>63</sup> The Task Force recommended that the DOL develop a pilot program to test out the new concept, but it did not call for creating a new nationwide program.<sup>64</sup> Rather than pilot the concept, on March 11, 2020, the DOL issued a final rule establishing IRAPS, claiming as their legal authority the *National Apprenticeship Act*.<sup>65</sup> Over 300,000 comments were filed, many of which raised concerns or opposition.<sup>66</sup> The final rule currently exempts construction occupations from the IRAP regulation,<sup>67</sup> although the construction carve-out is opposed by various construction and contractor associations.<sup>68</sup>

The Trump Administration’s justification for establishing IRAPs is grounded in the assertion that the current RA system is not capable of expanding apprenticeships in emerging, high-growth sec-

<sup>63</sup> Exec. Order No. 13,801, 82 Fed. Reg. 28229 (June 1, 2017).

<sup>64</sup> Task Force on Apprenticeship Expansion, Final Report to: The President of the United States 34 (2018), <https://www.dol.gov/apprenticeship/docs/task-force-apprenticeship-expansion-report.pdf>.

<sup>65</sup> Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations, 85 Fed. Reg. 14,294 (Mar. 11, 2020) (to be codified at 29 C.F.R. Pt. 29).

<sup>66</sup> Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations, 84 Fed. Reg. 29,970 (June 25, 2019) (to be codified at 29 C.F.R. Pt. 29).

<sup>67</sup> Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations, 85 Fed. Reg. 14,294 (Mar. 11, 2020) (to be codified at 29 C.F.R. Pt. 29).

<sup>68</sup> Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations, 84 Fed. Reg. 29,970 (June 25, 2019) (to be codified at 29 C.F.R. Pt. 29).

tors.<sup>69</sup> Nothing could be further from the truth. Testimony before the HEWI Subcommittee from technology, insurance, and health care industries points to the growing use of RAs in non-traditional and high-growth sectors. Jace Noteboom, Talent Director at IBM Systems, for example, testified: “Since the start of our apprenticeship program in 2017, IBM has hired over 500 apprentices across roles ranging from mainframe computer administration to cybersecurity to data science . . . We have registered more than 25 new roles in information technology with the US Department of Labor.”

RAs have also demonstrated the ability to increase opportunities for diverse populations in the health care sector, as described in the testimony of Daniel Bustillo, the Executive Director of H-CAP: “Since launching our first cohort of apprentices in November 2016, H-CAP has supported the registration of over 1,500 apprentices across 8 states with multiple employers. Of these apprentices, 82% are women and a majority (60%) are people of color.”<sup>70</sup>

The DOL lacks the authority to issue the IRAP rule, or expend funds to implement it, because the DOL’s rule does not meet all five of the mandatory requirements in the *National Apprenticeship Act*.<sup>71</sup> Particularly concerning is that states will not have oversight of IRAPs operating within their borders. This will result in two sets of apprenticeship programs with different proficiency standards.

The DOL is currently recognizing a loose network of SREs, or non-RA program accreditors.<sup>72</sup> SREs, in turn, evaluate and recognize IRAPs. SREs are provided autonomy to set accreditation standards and may be trade associations or for-profit entities, including employers and training providers.<sup>73</sup> There is no evidence that the IRAP model will be effective in ensuring program quality or welfare of participants. The proliferation of low-quality higher education and job training programs financed with federal student aid funds raises concerns that IRAP certificates of completion will not meet the same high standards as certificates earned through an RA, which will shortchange program participants and taxpayers.

Moreover, under the March 11, 2020, regulation, SREs can wear multiple hats.<sup>74</sup> A single SRE can certify programs, produce curriculum materials, and even operate its own programs.<sup>75</sup> This invites significant conflicts of interest, which the Department acknowledges but has taken no clear steps to prevent through the final IRAP regulations.<sup>76</sup>

#### NATIONAL APPRENTICESHIP ACT OF 2020 TREATMENT OF IRAPS

H.R. 8294 incorporates all five of the core apprenticeship program requirements currently in the *National Apprenticeship Act*. It

<sup>69</sup> Exec. Order No. 13801, 82 Fed. Reg. 28229 (June 1, 2017).

<sup>70</sup> Bustillo Testimony at 3.

<sup>71</sup> The five requirements of the *National Apprenticeship Act* are described in the introduction section of the Committee Views.

<sup>72</sup> *Approved Standards Recognition Entities*, Apprenticeship.gov, <https://www.apprenticeship.gov/employers/industry-recognized-apprenticeship-program/approved-standards-recognition-entities> (last visited Nov. 3, 2020).

<sup>73</sup> Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations, 85 Fed. Reg. 14,294, 14388 (Mar. 11, 2020) (to be codified at 29 C.F.R. Pt. 29).

<sup>74</sup> *Id.*

<sup>75</sup> *Id.*

<sup>76</sup> *Id.*

does not provide new authority to allow for non-governmental third parties to approve apprenticeship programs as requested by current DOL leadership. The bill does not authorize the creation of IRAPs or SREs or codify the DOL regulations that establish IRAPs. Finally, it does not authorize funding for program administration or grants to carry out IRAPs because IRAPs do not meet the requirements for inclusion in the national apprenticeship system.

#### CONCLUSION

The *National Apprenticeship Act* was first authorized in 1937 during a time when the country was experiencing significant economic hardship and people were looking for career opportunities, much like the economy and challenges the U.S. faces today. The NAA 2020 updates the *National Apprenticeship Act* to codify and streamline existing standards and RA and EEO regulations, and it builds in requirements for equal employment opportunity in apprenticeship programs. It authorizes \$3.9 billion over five years to scale up programs under the national apprenticeship system, which are a proven earn-and-learn model. With staggering levels of unemployment, and the need for millions to find new careers due to the COVID-19 pandemic, it is imperative that Congress reauthorize this program and provide our nation with nearly one million new apprenticeship, pre-apprenticeship, and youth apprenticeship opportunities.

**Appendix A: State Apprenticeship Agencies and State Offices of Apprenticeship**

All states have either a federal State Office of Apprenticeship (SOA), run and funded by the U.S. Department of Labor, or a State Apprenticeship Agency (SAA), run and funded by the state. The following chart shows State Apprenticeship Agencies shaded in gray, while State Offices of Apprenticeship are shown in white. Outlying areas currently receive support from the U.S. Department of Labor regional offices rather than through SAAs or SOAs.

Alabama	State	Alaska	Federal
Arizona	State	Arkansas	Federal
California	Federal	Colorado	Federal
Connecticut	State	Delaware	State
District of Columbia	State	Florida	State
Georgia	Federal	Guam	State
Hawaii	State	Idaho	Federal
Illinois	Federal	Indiana	Federal
Iowa	Federal	Kansas	State
Kentucky	State	Louisiana	State
Maine	State	Maryland	State
Massachusetts	State	Michigan	Federal
Minnesota	State	Mississippi	Federal
Missouri	Federal	Montana	State
Nebraska	Federal	Nevada	State
New Hampshire	Federal	New Jersey	Federal
New Mexico	State	New York	State
North Carolina	State	North Dakota	Federal
Ohio	State	Oklahoma	Federal
Oregon	State	Pennsylvania	State
Puerto Rico	Federal	Rhode Island	State
South Carolina	Federal	South Dakota	Federal
Tennessee	Federal	Texas	Federal
Utah	Federal	Virginia	State
Vermont	State	Washington	State
Virgin Islands	State	Wisconsin	State
West Virginia	Federal		
Wyoming	Federal		



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**MEMORANDUM**

October 23, 2020

**To:** House Committee on Education and Labor  
Attention: Katherine McClelland and Rachel West

**From:** Benjamin Collins, Analyst in Labor Policy, bcollins@crs.loc.gov, 7-7382

**Subject:** Estimated Allotments Under Proposed Apprenticeship Grant

This memorandum responds to your request for estimated grantee-level allotments under a proposed formula grant for states, state apprenticeship agencies, and outlying areas. The formula and associated factors are based on legislation posted on the Committee on Education and Labor web site and subsequent clarifications via phone and email.<sup>1</sup> The proposal would authorize an appropriation level of \$75 million for fiscal year 2021 and the authorization level would increase by \$10 million each year until reaching \$115 million in fiscal year 2025. **Table 1** presents details on estimated allotments of \$75 million in total grants. **Table 2** presents estimates of allotments at the increased funding levels.

Please note that the grant levels in this memorandum are estimates and are provided solely to assist in consideration of proposed formulas and funding levels in the legislative process. They are not intended to predict specific amounts grantees will receive under enacted legislation. In addition to other limitations, subsequent calculations may be based on different or updated formula factors.

Some components of this memorandum may be used in subsequent CRS products. Your confidentiality as a requester will be protected in all cases.

### Allotments of \$75 million in Total Funding

The proposal would allot funds in several steps. First, 1/3 of the funding (\$25 million) would be allotted equally among the states and eligible outlying areas. The remaining two-thirds of the funds (\$50 million) would be allotted among states with state apprenticeship agencies (SAAs) via formula.<sup>2</sup> As of this writing, 27 states have SAAs and would therefore be eligible for the formula portion of the funding.<sup>3</sup>

<sup>1</sup> Specifically, estimates are based on Section 113(d) of H.R. 8294, Amendment in the Nature of a Substitute, as posted at [https://edlabor.house.gov/imo/media/doc/Davis\\_ANS\\_01.pdf](https://edlabor.house.gov/imo/media/doc/Davis_ANS_01.pdf). File was accessed around 9:00 a.m. on October 19, 2020. Proxy measures used in estimates where exact data are not available were agreed upon with the requester.

<sup>2</sup> Due to data limitations, estimates could only be made for the fifty states, the District of Columbia, and Puerto Rico (hereinafter referred to as states). If an outlying area established an SAA and was determined to be eligible for funding under the formula, it may be necessary to use alternative formula factors for allotting the funds to the agency in the outlying area. If an agency in an outlying area qualified for formula funding, it would reduce the total amount allotted among SAAs in the fifty states, the District of Columbia, and Puerto Rico.

<sup>3</sup> CRS used the list at <https://www.doleta.gov/OA/contactlist.cfm> to determine which eligible states have SAAs.

The formula would allocate the remaining \$50 million to the 27 states with SAAs as follows:

- 25% of the funds (\$12.5 million) on the basis of each grantee's relative share of *program participants* "on the basis of the most recent satisfactory data available" from the Office of Apprenticeship (OA) at the Department of Labor (DOL).<sup>4</sup> The bill defines a program participant as "an apprentice, a pre-apprentice, or a youth apprentice." Data are not available for pre-apprentices or youth apprentices. The estimates in the memorandum are based on each grantee's relative share of active registered apprentices in FY2019.<sup>5</sup>
- 25% of the funds (\$12.5 million) on the basis of each grantee's relative share of program participants who have completed a program during the most recent 5-year period. Due to data limitations similar to the prior factor, the memorandum uses each grantee's relative share of total registered apprenticeship completers during the FY2015-FY2019 period.<sup>6</sup>
- The remaining 50% of the funds (\$25 million) are equally divided among three factors:
  - Approximately \$8.33 million on the basis of each grantee's relative share of the civilian labor force. The memorandum uses each grantee's civilian labor force factor that was used in the allotment of program year 2020 formula funds under the Wagner-Peyser Act Employment Service.<sup>7</sup>
  - Approximately \$8.33 million on the basis of each grantee's relative share of unemployed persons. The memorandum uses the "regular unemployment" factors that were used in the allotment of program year 2020 formula funds for Dislocated Worker activities under the Workforce Innovation and Opportunity Act (WIOA).<sup>8</sup>
  - Approximately \$8.33 million on the basis of each grantee's relative share of persons in poverty. The memorandum uses the 2019 1-year estimates from the American Community Survey.<sup>9</sup>

**Table 1** presents estimated allotments, assuming \$75 million in total funding. Twenty-nine grantees would receive only the base allotment of approximately \$446,400.

### Allotments of Higher Overall Funding Levels

**Table 2** presents estimates of grantee-level allotments at increased levels of overall funding. Since there are no changes to formula factors, each state's relative share of the total amount for grants is constant under each funding level. For example, for each total funding level, Virginia would receive approximately 4.7% of the total amount for grants and states without a state apprenticeship agency would receive slightly less than 0.6% of the total amount for grants.

<sup>4</sup> Throughout the formula, an eligible state's relative share is the grantee's share of the factor relative to the sum of the factor for all eligible states.

<sup>5</sup> Specifically, data are from "Fiscal Year 2019 State Totals" at <https://www.dol.gov/agencies/eta/apprenticeship/about/statistics>.

<sup>6</sup> FY2019 data are available at <https://www.dol.gov/agencies/eta/apprenticeship/about/statistics> and prior years' data are available on adjacent pages. CRS did not make adjustments in cases where a state reported large fluctuations from year to year.

<sup>7</sup> The factor reflected calendar year 2019 monthly average civilian labor force. See "Allotment Formula Data Factors" under "Employment Service Program" at <https://www.dol.gov/agencies/eta/budget/formula/state>.

<sup>8</sup> The factor reflected "regular unemployment" for the 12-month period ending 9/30/2019. See "Allotment Formula Data Factors" under "WIOA Dislocated Worker Activities Program" at <https://www.dol.gov/agencies/eta/budget/formula/state>.

<sup>9</sup> See Table S1701, "Poverty Status in the Past 12 Months," generated at <https://data.census.gov/cedsci/advanced> and filtered to include state-level estimates for 2019.

**Table 1. Estimated Allotments for States and State Apprenticeship Agencies Under Proposal, Assuming \$75 million in Total Funding**

Dollars in thousands

State	Equal Share	Active Apprenticeship Factor	Completer Apprenticeship Factor	Civilian Labor Force Factor	Unemployment Factor	Poverty Factor	Total
Alabama	446.4	244.3	274.3	232.2	207.8	320.6	1,725.6
Alaska	446.4	-	-	-	-	-	446.4
Arizona	446.4	274.2	238.5	367.2	478.4	415.7	2,220.5
Arkansas	446.4	-	-	-	-	-	446.4
California	446.4	-	-	-	-	-	446.4
Colorado	446.4	-	-	-	-	-	446.4
Connecticut	446.4	323.6	393.7	197.8	194.4	150.6	1,706.5
Delaware	446.4	85.3	87.2	50.5	45.6	46.1	761.2
District of Columbia	446.4	548.6	195.8	42.5	61.5	39.3	1,334.0
Florida	446.4	712.9	775.7	1,075.2	947.9	1,155.8	5,114.0
Georgia	446.4	-	-	-	-	-	446.4
Hawaii	446.4	421.6	357.9	68.6	49.9	55.8	1,400.3
Idaho	446.4	-	-	-	-	-	446.4
Illinois	446.4	-	-	-	-	-	446.4
Indiana	446.4	-	-	-	-	-	446.4
Iowa	446.4	-	-	-	-	-	446.4
Kansas	446.4	119.8	213.5	153.5	134.9	140.2	1,208.2
Kentucky	446.4	217.7	238.8	214.2	238.9	305.2	1,661.2
Louisiana	446.4	201.0	228.8	216.5	260.2	372.1	1,725.0
Maine	446.4	45.4	29.5	71.5	60.0	61.5	714.3
Maryland	446.4	487.7	438.9	335.6	330.4	230.9	2,270.0
Massachusetts	446.4	659.8	610.6	396.8	311.3	271.4	2,696.3
Michigan	446.4	-	-	-	-	-	446.4
Minnesota	446.4	678.6	627.7	321.4	271.7	214.6	2,560.3
Mississippi	446.4	-	-	-	-	-	446.4
Missouri	446.4	-	-	-	-	-	446.4
Montana	446.4	114.6	72.3	55.1	51.4	57.2	797.0
Nebraska	446.4	-	-	-	-	-	446.4
Nevada	446.4	327.2	252.7	159.3	173.8	164.6	1,524.1
New Hampshire	446.4	-	-	-	-	-	446.4
New Jersey	446.4	-	-	-	-	-	446.4
New Mexico	446.4	135.1	107.2	99.3	130.2	161.9	1,080.1

State	Equal Share	Active Apprenticeship Factor	Completer Apprenticeship Factor	Civilian Labor Force Factor	Unemployment Factor	Poverty Factor	Total
New York	446.4	1,034.8	1,043.7	985.6	1,033.2	1,070.0	5,613.8
North Carolina	446.4	592.9	615.7	526.2	555.8	601.2	3,338.3
North Dakota	446.4	-	-	-	-	-	446.4
Ohio	446.4	1,145.3	1,180.0	600.9	684.1	644.0	4,700.7
Oklahoma	446.4	-	-	-	-	-	446.4
Oregon	446.4	572.7	697.0	218.4	242.8	204.1	2,381.5
Pennsylvania	446.4	997.4	941.0	671.2	706.0	646.0	4,408.1
Puerto Rico	446.4	-	-	-	-	-	446.4
Rhode Island	446.4	122.7	80.8	57.3	56.4	47.8	811.4
South Carolina	446.4	-	-	-	-	-	446.4
South Dakota	446.4	-	-	-	-	-	446.4
Tennessee	446.4	-	-	-	-	-	446.4
Texas	446.4	-	-	-	-	-	446.4
Utah	446.4	-	-	-	-	-	446.4
Vermont	446.4	110.6	95.3	35.6	21.5	26.4	735.8
Virginia	446.4	672.8	1,242.9	455.3	336.7	356.9	3,511.0
Washington	446.4	1,012.1	824.8	403.8	488.5	316.7	3,492.4
West Virginia	446.4	-	-	-	-	-	446.4
Wisconsin	446.4	641.1	635.8	321.9	260.1	256.6	2,561.9
Wyoming	446.4	-	-	-	-	-	446.4
Guam	446.4	-	-	-	-	-	446.4
U.S. Virgin Islands	446.4	-	-	-	-	-	446.4
Northern Mariana Islands	446.4	-	-	-	-	-	446.4
American Samoa	446.4	-	-	-	-	-	446.4
<b>Totals</b>	<b>25,000.0</b>	<b>12,500.0</b>	<b>12,500.0</b>	<b>8,333.3</b>	<b>8,333.3</b>	<b>8,333.3</b>	<b>75,000.0</b>

**Source:** CRS analysis of proposed legislation. See body of memo for detailed citations for formula factors.

**Notes:** Total grants may not equal sum of allotments under each factor due to rounding.

**Table 2. Estimated Grants for States and State Apprenticeship Agencies at Other Funding Levels**

Dollars in thousands

State	Total funding level (in millions)				
	\$85	\$95	\$105	\$115	\$125
Alabama	1,955.7	2,185.8	2,415.9	2,646.0	2,876.1
Alaska	506.0	565.5	625.0	684.5	744.0
Arizona	2,516.6	2,812.6	3,108.7	3,404.7	3,700.8
Arkansas	506.0	565.5	625.0	684.5	744.0
California	506.0	565.5	625.0	684.5	744.0
Colorado	506.0	565.5	625.0	684.5	744.0
Connecticut	1,934.0	2,161.6	2,389.1	2,616.6	2,844.2
Delaware	862.7	964.2	1,065.6	1,167.1	1,268.6
District of Columbia	1,511.9	1,689.8	1,867.6	2,045.5	2,223.4
Florida	5,795.9	6,477.7	7,159.6	7,841.5	8,523.4
Georgia	506.0	565.5	625.0	684.5	744.0
Hawaii	1,587.0	1,773.7	1,960.4	2,147.1	2,333.8
Idaho	506.0	565.5	625.0	684.5	744.0
Illinois	506.0	565.5	625.0	684.5	744.0
Indiana	506.0	565.5	625.0	684.5	744.0
Iowa	506.0	565.5	625.0	684.5	744.0
Kansas	1,369.3	1,530.4	1,691.5	1,852.6	2,013.7
Kentucky	1,882.7	2,104.2	2,325.7	2,547.2	2,768.7
Louisiana	1,955.0	2,185.0	2,415.0	2,645.0	2,875.0
Maine	809.5	904.8	1,000.0	1,095.3	1,190.5
Maryland	2,572.7	2,875.3	3,178.0	3,480.7	3,783.3
Massachusetts	3,055.8	3,415.3	3,774.8	4,134.4	4,493.9
Michigan	506.0	565.5	625.0	684.5	744.0
Minnesota	2,901.7	3,243.1	3,584.5	3,925.9	4,267.2
Mississippi	506.0	565.5	625.0	684.5	744.0
Missouri	506.0	565.5	625.0	684.5	744.0
Montana	903.2	1,009.5	1,115.8	1,222.0	1,328.3
Nebraska	506.0	565.5	625.0	684.5	744.0
Nevada	1,727.3	1,930.5	2,133.7	2,336.9	2,540.2
New Hampshire	506.0	565.5	625.0	684.5	744.0
New Jersey	506.0	565.5	625.0	684.5	744.0
New Mexico	1,224.2	1,368.2	1,512.2	1,656.2	1,800.2
New York	6,362.3	7,110.8	7,859.3	8,607.8	9,356.3

State	Total funding level (in millions)				
	\$85	\$95	\$105	\$115	\$125
North Carolina	3,783.4	4,228.5	4,673.6	5,118.7	5,563.8
North Dakota	506.0	565.5	625.0	684.5	744.0
Ohio	5,327.5	5,954.2	6,581.0	7,207.8	7,834.5
Oklahoma	506.0	565.5	625.0	684.5	744.0
Oregon	2,699.0	3,016.6	3,334.1	3,651.6	3,969.2
Pennsylvania	4,995.8	5,583.5	6,171.3	6,759.0	7,346.8
Puerto Rico	506.0	565.5	625.0	684.5	744.0
Rhode Island	919.6	1,027.8	1,136.0	1,244.2	1,352.4
South Carolina	506.0	565.5	625.0	684.5	744.0
South Dakota	506.0	565.5	625.0	684.5	744.0
Tennessee	506.0	565.5	625.0	684.5	744.0
Texas	506.0	565.5	625.0	684.5	744.0
Utah	506.0	565.5	625.0	684.5	744.0
Vermont	833.9	932.0	1,030.1	1,128.2	1,226.3
Virginia	3,979.1	4,447.2	4,915.4	5,383.5	5,851.6
Washington	3,958.0	4,423.7	4,889.3	5,355.0	5,820.6
West Virginia	506.0	565.5	625.0	684.5	744.0
Wisconsin	2,903.5	3,245.1	3,586.7	3,928.3	4,269.9
Wyoming	506.0	565.5	625.0	684.5	744.0
Guam	506.0	565.5	625.0	684.5	744.0
U.S. Virgin Islands	506.0	565.5	625.0	684.5	744.0
N. Mariana Islands	506.0	565.5	625.0	684.5	744.0
American Samoa	506.0	565.5	625.0	684.5	744.0
<b>Totals</b>	<b>85,000.0</b>	<b>95,000.0</b>	<b>105,000.0</b>	<b>115,000.0</b>	<b>125,000.0</b>

**Source:** CRS analysis of provided legislation. See body of memo for detailed citations for formula factors.

**Notes:** Total grants may not equal sum of allotments due to rounding.

## SECTION-BY-SECTION ANALYSIS

*Section 1. Short title*

This section states that the title of the bill is the *National Apprenticeship Act of 2020* (the Act or this Act).

*Section 2. Effective date*

This section states that the Act and amendments made by it will take effect July 1, 2021.

*Section 3. Amendment*

This section amends the *Act of August 16, 1937* (commonly referred to as the *National Apprenticeship Act*), and all contents hereafter in this section contain amendments to the *National Apprenticeship Act*.

*Section 1. Short title and table of contents*

This section specifies that the Act may be cited as the *National Apprenticeship Act of 2020*.

*Section 2. Definitions*

This section defines key terms, including the following.

- *Nontraditional apprenticeship populations*. This means any group of individuals the members of which comprise fewer than 25 percent of the individuals participating in an apprenticeable occupation.
- *Nontraditional apprenticeship occupations*. This means any occupation that represents fewer than 10 percent of programs under the national apprenticeship system.
- *National apprenticeship system*. This means apprenticeships, youth apprenticeships, and pre-apprenticeships that meet the standards of this Act and are registered.
- *Program participants*. This mean apprentices, youth apprentices, or pre-apprentices.
- *Recognized postsecondary credentials*. This has the same meaning as such term is defined in WIOA, except that the definition in this Act does not include the certificate of completion of an apprenticeship program.
- *Registration agency*. This means the agency that is responsible for registering programs under the national apprenticeship system, whether an SAA, SOA, or the OA.

*Section 3. Programs under the national apprenticeship system*

This section ensures that any funds appropriated under the Act are used only for programs under the national apprenticeship system.

*Section 4. 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 5. Disaggregation of data*

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

### *Section 6. 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.

### *Section 111. The Office of Apprenticeship*

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

- engaging in promotional and awareness activities with stakeholders to expand programs under the national apprenticeship system;
- providing technical assistance to SAAs 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 an SOA in states without an SAA;
- reviewing the standards for the registration process and apprenticeable occupations for programs under the national apprenticeship system. This includes the establishment and oversight of industry-recognized apprenticeable occupation standards for apprenticeable occupations that could be used by any sponsors across the country; however, this does not include IRAPs, which have been promoted by the DOL under this Administration. The Act requires that, within one year and after consultation with industry and expert stakeholders, the Secretary issue regulations regarding standards and requirements for apprenticeable occupations;
- promoting diversity of apprenticeship programs and ensuring 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; and
- consulting with the Advisory Committee.

This section also requires the OA 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 Advisory Committee within the DOL to advise the Secretary on policies, regulations, improving efficiencies, and the establishment of nontraditional apprenticeable occupations. It states that the Advisory Committee shall have 27 members appointed by the Secretary and designates as ex officio representatives from several federal agencies. This section delineates the categories of participants, establishes staggered four-year terms, and sets the frequency of meetings.

*Section 113. State Apprenticeship Agencies and State Offices of Apprenticeship*

This section codifies the requirements to recognize SAAs, authorizes SAAs to approve programs under the national apprenticeship system within their state, and authorizes SAAs to establish and use a state apprenticeship council. This section requires SAAs and SOAs to submit a state plan to the Administrator that describes how the SAA or SOA will:

- provide technical assistance to sponsors, employers, program participants, and relevant stakeholders;
- provide reciprocity of programs under the national apprenticeship system within 30 days;
- promote diversity and equal opportunity in programs under the national apprenticeship system within their state;
- resolve complaints from program participants, employers, sponsors, or other interested parties;
- establish state apprenticeship hubs to act as regional centers for best practices and program expansion;
- establish state performance goals, including goals on diversity within apprenticeship programs within the state and support the recruitment of nontraditional apprenticeship populations;
- describe the alignment of workforce activities with the state's apprenticeship 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 with state and federal programs, as is done in WIOA and Perkins CTE; and
- describe how apprenticeship programs will receive expedited consideration to be included on the list of eligible providers of training services under Section 122(d) of WIOA.<sup>77</sup>

This section dedicates funding for SAAs and SOAs, authorized at \$75 million in FY 2021 and increasing by \$10 million annually to reach \$115 million in FY 2025, with one-third of the funds equally distributed to all states and outlying areas and two-thirds of the funds distributed via formula to SAAs. This section also directs how these funds can be used, including for program administration; educational alignment (not less than 10 percent); workforce alignment (not less than 10 percent); and state leadership activities (no more than 15 percent), which includes requirements for using funding for increasing diversity within the programs offered and populations participating in the state.

<sup>77</sup> 29 U.S.C. 3122(d).

*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 with programs under the national apprenticeship system. This section also sets out the activities the 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 educational institutions;
- developing and disseminating best practices; and
- establishing a data sharing agreement.

*Section 121. Apprenticeable occupations standards*

This section codifies the requirements for apprenticeable occupation qualifications and authorizes 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, pre-apprenticeship, 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, 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 programs under the national apprenticeship system;
- provide an apprenticeship agreement and a certificate of completion for each program participant; and
- provide a ratio of apprentices to supervisors based on the occupation, 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 and the program's term of apprenticeship;
- ongoing evaluation of skill and competency development, including an expected timeline for such evaluation;

- an award of advanced standing or credit for eligible individuals, including veterans' service-acquired skills and competencies;
- minimum qualifications for participants; and
- any interim credentials awarded.

The standards for pre-apprenticeship programs, which prepare individuals to meet the requirements to enter an apprenticeship program, include:

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

The standards for youth apprenticeship programs are intended to prepare students who are currently enrolled in high school for entry into an apprenticeship program, further education, or employment upon completion of the youth apprenticeship program and graduation, and include:

- a clearly defined plan for classroom-based related instruction and on-the-job learning similar to the apprenticeship standards, which can be fulfilled through dual or concurrent enrollment that is, to the extent practicable, aligned to high school diploma requirements;
- a schedule of progressively increasing wages to be paid to youth apprentices and the program's terms of the youth apprenticeship;
- awarding advanced standing or credit for eligible individuals;
- minimum qualifications for participants; and
- any interim credentials awarded.

### *Section 123. Apprenticeship agreement*

This section codifies the requirements for the apprenticeship agreement between the program sponsor and the apprentice, pre-apprentice, or youth apprentice. These agreements contain the program standards under Section 122, including:

- a description of the time-based, competency-based, or hybrid model;
- a description of the related instruction, including the hours and related costs such as equipment and related instruction, and the recognized postsecondary credentials the program participants would receive;
- a schedule of the work processes;
- the graduated wage scale, benefits, and how such wages and benefits compare to the state, local, or regional wages for apprentices or youth apprentices; and
- a demonstrated commitment to ensuring 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.

*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.

*Sec. 131. Apprenticeship program evaluations*

This section requires that the registration agencies 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 SOA must annually submit a performance report to the Administrator, which contains the following information, disaggregated by program type (apprenticeship, pre-apprenticeship, youth apprenticeship) and by the disaggregated fields as required in 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 five years. Registration agencies can provide technical assistance to program sponsors that need assistance in:

- meeting the state goals for diversity and equal opportunity;
- developing a program improvement plan if the program is not in operation or complying with the requirements of the Act; or
- 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 one apprentice, pre-apprentice, or youth 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 for 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 their costs, including through the improvement of skills and competencies, employment, recognized postsecondary credentials, and responsiveness to the labor market;
- the impact of the policy changes made by the *National Apprenticeship Act of 2020*;
- best practices for increasing nontraditional apprenticeship populations' participation; and
- opportunities to scale effective program models.

*Sec. 141. Authorization of appropriations*

This section authorizes appropriations for the OA at \$50 million in FY 2021 (an increase of \$14 million from the \$36 million appropriation in FY 2020), which increases by \$10 million annually to reach \$90 million in FY 2025. It also authorizes appropriations for the Interagency Agreement at \$10 million in FY 2021, which increases by \$2 million annually to reach \$18 million in FY 2025.

*Sec. 201. Grant requirements*

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

- engaging in creation and expansion activities, including creating new apprenticeships in nontraditional apprenticeship industries or occupations or expanding existing programs for apprenticeships, pre-apprenticeships, and youth apprenticeships;
- 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 systems, 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; or
  - 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 such as women, minorities, individuals with disabilities, and individuals impacted by the criminal or juvenile justice systems; or
- 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 supportive services, and providing technical assistance for sponsors; and
- strengthening alignment between programs under the national apprenticeship system with education and training providers at the secondary and postsecondary levels.

This section establishes the duration of grants and the requirement for grantees to match no less than 25 percent of the grant funds. The eligible entity may make the matching funds available directly or through donations from non-federal, public, or private organizations, in cash or in kind. This requirement may be waived for exceptional circumstances. This section requires the prioritization of grant awards for eligible entities proposing to serve a high number or high proportion of nontraditional apprenticeship populations as well as the geographically diverse distribution of awards. It also requires the demonstration of partnerships with stakeholders to be eligible for a grant, including an industry or sector partnership to the extent practicable.

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

- the ability of the eligible entity to carry out the grant requirements;
- a 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 Perkins CTE, the *Elementary and Secondary Education Act of 1965*,<sup>78</sup> the *Higher Education Act of 1965*,<sup>79</sup> and WIOA;
  - use funds for this grant and continue the program after the grant period ends; and
  - 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; and
- additional requirements based on the activities being carried out by the eligible entity.

<sup>78</sup> 20 U.S.C. 6301.

<sup>79</sup> 20 U.S.C. Chapter 28.

*Section 202. Uses of funds*

This section establishes eligible uses of grant funds based on activities being carried out by the eligible entity, and it requires that at least five 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, including, for example, support for the related costs of supplies and equipment, courses, transportation, child care, or 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 requirements mirror the evaluation requirements from Title I of the amendments to the *National Apprenticeship Act* as well as 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 in FY 2021 and increases by \$100 million annually to reach \$800 million in FY 2025.

*Section 4. Conforming amendments*

This section modifies a current provision of the *Immigration and Nationality Act* that directs 50 percent of H-1B visa fees collected by the U.S. Government to the DOL for job training programs to be used for the Modernizing the National Apprenticeship System for the 21st Century Grants.

EXPLANATION OF AMENDMENTS

The amendments, including the Amendment in the Nature of a Substitute, are explained in the descriptive portions of this report.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Pursuant to section 102(b)(3) of the *Congressional Accountability Act*, Pub. L. No. 104-1, H.R. 8294, as amended, does not apply to terms and conditions of employment or to access to public services or accommodations within the legislative branch.

UNFUNDED MANDATE STATEMENT

Pursuant to Section 423 of the *Congressional Budget and Impoundment Control Act* (as amended by section 101(a)(2) of the *Unfunded Mandates Reform Act*, Pub. L. No. 104-4), H.R. 8294, as amended, contains no unfunded mandates.

EARMARK STATEMENT

In accordance with clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 8294, as amended, does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as described in clauses 9(e), 9(f), and 9(g) of rule XXI.

## ROLL CALL VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the Committee advises that the following roll call votes occurred during the Committee's consideration of H.R. 8294:

Date: 9/24/2020

## COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 1

Bill: HR 8294

Amendment Number: 2

Disposition: defeated by a vote of 16-26

Sponsor/Amendment: Stefanik/ Strikes the requirements for pre-apprenticeships to be tied to an apprenticeship program and to prepare participants for a high school diploma or GED.

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)			X	Mr. GUTHRIE (KY)	X		
Mr. SABLON (MP)		X		Mr. BYRNE (AL)			X
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)			X <sup>A</sup>
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. WRIGHT (TX)			X
Mrs. MCBATH (GA)		X		Mr. MEUSER (PA)	X		
Ms. SCHRIER (WA)		X		Mr. JOHNSON(SD)	X		
Ms. UNDERWOOD (IL)		X		Mr. KELLER(PA)	X		
Mrs. HAYES (CT)		X		Mr. MURPHY (NC)			X
Ms. SHALALA (FL)		X		Mr. VANDREW(NJ)	X		
Mr. LEVIN (MI)		X					
Ms. OMAR (MN)			X				
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 16

Nos: 26

Not Voting: 7

Total: 50 / Quorum: / Report:

(28 D - 22 R)

<sup>A</sup>Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

<sup>A</sup>Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: September 24

## COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 2

Bill: HR 8294

Amendment Number: 5

Disposition: defeated by a vote of 15-27

Sponsor/Amendment: Keller/ Strikes collective bargaining agreement exemption for ratio requirements  
on registered apprenticeship programs

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)			X	Mr. GUTHRIE (KY)	X		
Mr. SABLON (MP)		X		Mr. BYRNE (AL)			X
Ms. WILSON (FL)			X	Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. WRIGHT (TX)			X
Mrs. MCBATH (GA)		X		Mr. MEUSER (PA)	X		
Ms. SCHRIER (WA)		X		Mr. JOHNSON(SD)	X		
Ms. UNDERWOOD (IL)		X		Mr. KELLER(PA)	X		
Mrs. HAYES (CT)		X		Mr. MURPHY (NC)			X
Ms. SHALALA (FL)		X		Mr. VANDREW(NJ)			X
Mr. LEVIN (MI)		X		)			
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 15

Nos: 27

Not Voting: 7

Total: 50 / Quorum: / Report:

(28 D - 22 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 9/24/2020

## COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 3

Bill: HR 8294

Amendment Number: Motion

Disposition: adopted by a vote of 26-16

Sponsor/Amendment: Davis/ to report to the House with an amendment and with the recommendation that the amendment be agreed to, and the bill as amended, do pass

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)		X	
Mrs. DAVIS (CA)	X			Mr. ROE (TN)		X	
Mr. GRIJALVA (AZ)	X			Mr. THOMPSON (PA)		X	
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)		X	
Ms. FUDGE (OH)			X	Mr. GUTHRIE (KY)		X	
Mr. SABLON (MP)	X			Mr. BYRNE (AL)			X
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)		X	
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)		X	
Ms. ADAMS (NC)	X			Mr. SMUCKER (PA)		X	
Mr. DESAULNIER (CA)	X			Mr. BANKS (IN)		X	
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)		X	
Mr. MORELLE (NY)	X			Mr. CLINE (VA)		X	
Ms. WILD (PA)	X			Mr. FULCHER (ID)			X*
Mr. HARDER (CA)	X			Mr. WRIGHT (TX)			X
Mrs. MCBATH (GA)	X			Mr. MEUSER (PA)		X	
Ms. SCHRIER (WA)	X			Mr. JOHNSON(SD)		X	
Ms. UNDERWOOD (IL)	X			Mr. KELLER(PA)		X	
Mrs. HAYES (CT)	X			Mr. MURPHY (NC)			X
Ms. SHALALA (FL)	X			Mr. VANDREW(NJ)		X	
Mr. LEVIN (MI)	X			)			
Ms. OMAR (MN)	X						
Mr. TRONE (MD)	X						
Ms. STEVENS (MI)			X				
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 26

Nos: 16

Not Voting: 7

Total: 50 / Quorum: / Report:

(28 D - 22 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

## STATEMENT OF PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause (3)(c) of rule XIII of the Rules of the House of Representatives, the goals of H.R. 8294 are to increase the number of apprenticeship opportunities by nearly one million above the current baseline by authorizing grant funding; codifying standards for RAs, pre-apprenticeships and youth apprenticeships; safeguarding the welfare of apprentices; and providing educational alignment among secondary, postsecondary, and adult education with programs under the national apprenticeship system.

## DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of H.R. 8294, as amended, establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Pub. L. No. 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

## HEARINGS

Pursuant to section 103(i) of H. Res. 6 for the 116th Congress, the following hearings were used to develop H.R. 8294.

On March 27, 2019, the HEWI Subcommittee held a hearing entitled “Innovations in Expanding Registered Apprenticeship Programs” that was used to develop H.R. 8294. This hearing explored expanding RAs, which combine on-the-job training and work-based learning opportunities. The HEWI Subcommittee heard testimony from an intermediary, apprenticeship sponsors, and a provider of related instruction to share their models for RAs in both traditional and nontraditional industries, such as insurance and technology. The witnesses were: Ms. Jennifer Carlson, Executive Director, Apprenti, Seattle, WA; Mr. James G. Pavesic, Director of Education and Training, United Association of Journeymen and Apprentices of the Plumbing, Pipefitting and Sprinkler Fitting Industry of the United States and Canada, Annapolis, MD; Mr. Mark Hays, Vice Chancellor of Workforce and Economic Development, Dallas County Community College District, Dallas, TX; and Ms. Bridget Gainer, Vice President of Global Public Affairs, Aon, Chicago, IL.

On July 16, 2019, the HEWI Subcommittee held a bipartisan hearing entitled “Scaling Up Apprenticeships: Building on the Success of International Apprenticeship Models” that was used to develop H.R. 8294. This hearing explored the features of effective apprenticeship models in Switzerland, Germany, and Australia, and it provided insights on best practices that can be successfully applied in the United States. The witnesses were: Mr. Tim Bradley, Counsellor for Industry, Science and Education, Department of Education, Embassy of Australia, Washington, DC; Dr. Silvia Annen, Senior Researcher, BIBB-Federal Institute for Vocational Education and Training, Bonn, Germany; and Dr. Simon Marti, Head of Office, SwissCore, Brussels, Belgium.

On November 20, 2019, the HEWI Subcommittee held a hearing entitled “Examining the Policies and Priorities of the Labor Department’s Apprenticeship Program” that was used to develop H.R.

8294. This hearing examined the DOL activities and expenditures related to RAs and probed the DOL's actions to misdirect appropriated funds into its IRAP proposal. The witness was Mr. John Pallasch, Assistant Secretary of the Employment and Training Administration, U.S. Department of Labor, Washington, DC.

On March 4, 2020, the HEWI Subcommittee held a bipartisan hearing entitled "Reauthorizing the *National Apprenticeship Act*: Strengthening and Growing Apprenticeships for the 21st Century" that was used to develop H.R. 8294 and included consideration of a discussion draft of the legislation. Current stakeholders in the RA system discussed the need for reauthorization of the *National Apprenticeship Act* and how a reauthorization, as outlined in the discussion draft of the legislation, could improve stakeholders' ability to better serve both apprentices and employers. The witnesses were: Ms. Tiffany P. Robinson, Secretary, Maryland Department of Labor, Baltimore, MD; Ms. Morna K. Foy, Ph.D., President, Wisconsin Technical College System, Madison, WI; Ms. Jace Noteboom, Talent Director, IBM Systems, Armonk, NY; and Mr. Daniel Bustillo, Executive Director, Healthcare Career Advancement Program, New York, NY.

#### STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

#### NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974*, and pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, the Committee has received the following estimate for H.R. 8294 from the Director of the Congressional Budget Office:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, November 4, 2020.*

Hon. BOBBY SCOTT,  
*Chairman, Committee on Education and Labor,*  
*House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 8294, the National Apprenticeship Act of 2020.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Meredith Decker.

Sincerely,

PHILLIP L. SWAGEL,  
*Director.*

Enclosure.

<b>At a Glance</b>			
<b>H.R. 8294, National Apprenticeship Act of 2020</b>			
As ordered reported by the House Committee on Education and Labor on September 24, 2020			
By Fiscal Year, Millions of Dollars	2021	2021-2025	2021-2030
Direct Spending (Outlays)	*	*	*
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	54	3,072	3,877
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between -\$500,000 and \$500,000.			

The bill would

- Authorize appropriations for the Department of Labor (DOL) to fund apprenticeship programs
- Direct DOL to conduct studies and issue guidance on apprenticeship standards of practice

Estimated budgetary effects would primarily stem from

- Spending of specified authorizations of appropriations for apprenticeship programs through DOL

Bill summary: H.R. 8294 would authorize the Department of Labor (DOL) to award grants to eligible entities for apprenticeship programs. The bill would codify the structure and responsibilities of the Office of Apprenticeship and the National Advisory Committee on Apprenticeship within DOL and authorize appropriations for those activities. Standards for registered apprenticeship programs would be set in statute. The bill also would direct DOL to hire an independent research entity to evaluate apprenticeship programs. Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 8294 would cost \$3.1 billion over the 2021–2025 period.

Estimated Federal cost: The estimated budgetary effect of H.R. 8294 is shown in Table 1. The costs of the legislation fall within budget function 500 (education, employment, training, and social services).

TABLE 1.—ESTIMATED INCREASES IN SPENDING SUBJECT TO APPROPRIATION UNDER H.R. 8294

	By fiscal year, millions of dollars—					
	2021	2022	2023	2024	2025	2021–2025
Administrative Activities:						
Authorization .....	135	157	179	201	223	895
Estimated Outlays .....	14	103	140	168	192	617
Apprenticeship Grants:						
Authorization .....	400	500	600	700	800	3,000
Estimated Outlays .....	40	480	580	630	725	2,455
Total Changes:						
Authorization .....	535	657	779	901	1,023	3,895

TABLE 1.—ESTIMATED INCREASES IN SPENDING SUBJECT TO APPROPRIATION UNDER H.R. 8294—Continued

	By fiscal year, millions of dollars—					
	2021	2022	2023	2024	2025	2021–2025
Estimated Outlays .....	54	583	720	798	917	3,072

CBO estimates that enacting H.R. 8294 would have an insignificant effect on direct spending.

*Basis of estimate:* For this estimate, CBO assumes that H.R. 8294 will be enacted early in fiscal year 2021 and that authorized amounts will be appropriated over the 2021–2025 period. Estimated outlays are based on spending patterns for similar programs.

#### *Spending subject to appropriation*

H.R. 8294 would authorize appropriations of \$3.9 billion over the 2021–2025 period. CBO estimates that spending would total \$3.1 billion over that period.

**Administrative activities.** Title I would codify DOL as the administrator of a national apprenticeship system and direct the agency to collect data and evaluate programs. The bill would authorize appropriations totaling \$895 million over the 2021–2025 period for those purposes. CBO estimates that outlays would total \$617 million over the same period and \$260 million after 2025. The bill also would direct DOL to contract with an independent entity to evaluate the efficacy of apprenticeship programs, at a cost that CBO estimates would be insignificant over the 2021–2025 period.

**Apprenticeship grants.** H.R. 8294 would authorize appropriations totaling \$3 billion for DOL to award grants to eligible entities to create and promote apprenticeships. CBO estimates that the resulting outlays would total \$2.5 billion over the 2021–2025 period and \$0.5 billion after 2025.

#### *Direct spending*

Enacting H.R. 8294 would have insignificant effects on direct spending for the Department of Veterans Affairs and the Department of Labor.

**Department of Veterans Affairs.** H.R. 8294 would require state agencies to use money authorized under the bill to support the enrollment of people who are eligible for education benefits administered by the Department of Veterans Affairs. The costs of those benefits are paid from mandatory appropriations. CBO expects that some people who are eligible for those benefits would newly use them for apprenticeship programs and that others, who otherwise would have used their benefits to enroll in postsecondary education programs (which typically would be more costly), would instead use them for apprenticeship programs. CBO estimates that the net changes in outlays under H.R. 8294 would not significantly affect direct spending over the 2021–2030 period.

**Department of Labor.** Under current law, DOL spends a portion of funds collected through H–1B visa fees on job training and certain demonstration projects. The bill would state that those funds are to be spent on registered apprenticeship programs instead. CBO estimates that the resulting change in outlays over the 2021–2030 period would be insignificant.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. As discussed above under the heading “Direct Spending” those effects would be insignificant.

Increase in long-term deficits: None.

Mandates: None.

Estimate prepared by: Federal Costs: Meredith Decker and Susan Yeh Beyer (Department of Labor), Paul B.A. Holland (Department of Veterans Affairs); Mandates: Fiona Forrester.

Estimate reviewed by: Sheila Dacey, Chief, Income Security and Education Cost Estimates Unit; David Newman, Chief, Defense, International Affairs, and Veterans’ Affairs Cost Estimates Unit; H. Samuel Papenfuss, Deputy Director of Budget Analysis; Theresa Gullo, Director of Budget Analysis.

#### COMMITTEE COST ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 8294. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when the committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the *Congressional Budget Act of 1974*. Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the *Congressional Budget Act of 1974*.

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, H.R. 8294, as reported, are shown as follows:

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

#### ACT OF AUGUST 16, 1937

AN ACT To enable the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and to cooperate with the States in the promotion of such standards.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* [That the Secretary of Labor is hereby authorized and directed to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices, to extend the application of such standards by encouraging the inclusion thereof in contracts of apprenticeship, to bring together employers and labor for the formulation

of programs of apprenticeship, to cooperate with State agencies engaged in the formulation and promotion of standards of apprenticeship, and to cooperate with the National Youth Administration and with the Office of Education of the Department of the Interior in accordance with section 6 of the Act of February 23, 1917 (39 Stat. 932), as amended by Executive Order Numbered 6166, June 10, 1933, issued pursuant to an Act of June 30, 1932 (47 Stat. 414), as amended. For purposes of this Act the term "State" shall include the District of Columbia.]

[SEC. 2. The Secretary of Labor may publish information relating to existing and proposed labor standards of apprenticeship, and may appoint national advisory committees to serve without compensation. Such committees shall include representatives of employers, representatives of labor, educators, and officers of other executive departments, with the consent of the head of any such department.

[SEC. 3. On and after the effective date of this Act the National Youth Administration shall be relieved of direct responsibility for the promotion of labor standards of apprenticeship as heretofore conducted through the division of apprenticeship training and shall transfer all records and papers relating to such activities to the custody of the Department of Labor. The Secretary of Labor is authorized to appoint such employees as he may from time to time find necessary for the administration of this Act, with regard to existing laws applicable to the appointment and compensation of employees of the United States: *Provided, however,* That he may appoint persons now employed in division of apprentice training of the National Youth Administration upon certification by the Civil Service Commission of their qualifications after nonassembled examinations.

[SEC. 4. This Act shall take effect on July 1, 1937, or as soon thereafter as it shall be approved.]

**SEC. 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) *SHORT TITLE.*—This Act may be cited as the "National Apprenticeship Act".

(b) *TABLE OF CONTENTS.*—The table of contents for this Act is as follows:

Sec. 1. *Short title; table of contents.*

Sec. 2. *Definitions.*

Sec. 3. *Programs under the national apprenticeship system.*

Sec. 4. *Transition provisions.*

Sec. 5. *Disaggregation of data.*

Sec. 6. *Relation to other laws.*

**TITLE I—PROMOTING PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM**

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

Sec. 111. *The Office of Apprenticeship.*

Sec. 112. *National Advisory Committee on Apprenticeships.*

Sec. 113. *State apprenticeship agencies and State Offices of Apprenticeship.*

Sec. 114. *Interagency agreement with Department of Education.*

**Subtitle B—Process and Standards for the National Apprenticeship System**

Sec. 121. *Apprenticeable occupations standards.*

Sec. 122. *Quality standards of programs under the national apprenticeship system.*

Sec. 123. *Apprenticeship agreements.*

Sec. 124. *Registration of programs under the national apprenticeship system.*

*Subtitle C—Evaluations and Research*

- Sec. 131. Program evaluations.  
 Sec. 132. National apprenticeship system research.

*Subtitle D—General Provisions*

- Sec. 141. Authorization of appropriations.

**TITLE II—MODERNIZING THE NATIONAL APPRENTICESHIP SYSTEM FOR THE 21<sup>st</sup>  
 CENTURY GRANTS**

- Sec. 201. Grant requirements.  
 Sec. 202. Uses of Funds.  
 Sec. 203. Grant evaluations.  
 Sec. 204. Grant appropriations.

**SEC. 2. DEFINITIONS.***In this Act:*

(1) **ADMINISTRATOR.**—The term “Administrator” means the Administrator of the Office of Apprenticeship established under section 111(a).

(2) **ADVISORY COMMITTEE.**—The term “Advisory Committee” means the National Advisory Committee on Apprenticeships established under section 112.

(3) **APPRENTICE.**—The term “apprentice” means a program participant in an apprenticeship program.

(4) **APPRENTICESHIP AGREEMENT.**—The term “apprenticeship agreement” means a written agreement under section 123 between—

(A) an apprentice, a youth apprentice, or a pre-apprentice; and

(B) a sponsor.

(5) **APPRENTICESHIP HUB.**—The term “apprenticeship hub” means a regional or sectoral qualified intermediary recognized by a State apprenticeship agency or a State Office of Apprenticeship as organizing and providing activities and services related to the development of programs under the national apprenticeship system.

(6) **APPRENTICEABLE OCCUPATION.**—The term “apprenticeable occupation” means an occupation that the Administrator has determined meets the requirements of section 121.

(7) **APPRENTICESHIP PROGRAM.**—The term “apprenticeship program” means a program that meets the standards described in section 122(b) and is registered under this Act.

(8) **COMPETENCY.**—The term “competency” means the attainment of knowledge, skills, and abilities in a subject area, as specified by an occupational skill standard and demonstrated by an appropriate written or hands-on proficiency measurement.

(9) **DEPARTMENT.**—The term “Department” means the Department of Labor.

(10) **EDUCATION AND TRAINING PROVIDER.**—The term “education and training provider” means—

(A) an area career and technical education school;

(B) an early college high school;

(C) an educational service agency;

(D) a high school;

(E) a local educational agency or State educational agency;

(F) a Tribal educational agency, Tribally controlled college or university, or Tribally controlled postsecondary career and technical institution;

(G) a postsecondary educational institution;

(H) a minority-serving institution (as described in any of paragraphs (1) through (7) of section 371(a) of the Higher Education Act of 1965 (20 U.S.C. 1067q(a)));

(I) a provider of adult education and literacy activities under the Adult Education and Family Literacy Act (29 U.S.C. 3271 et seq.);

(J) a local agency administering plans under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741);

(K) a related instruction provider, including a qualified intermediary acting as a related instruction provider as approved by a registration agency; or

(L) a consortium of entities described in any of subparagraphs (A) through (K).

(11) **ELIGIBLE ENTITY.**—

(A) **IN GENERAL.**—The term “eligible entity” means—

(i) a program sponsor;

(ii) a State workforce development board or State workforce agency, or a local workforce development board or local workforce development agency;

(iii) an education and training provider, or a consortium thereof;

(iv) if the applicant is in a State with a State apprenticeship agency, such State apprenticeship agency;

(v) an Indian Tribe or Tribal organization;

(vi) an industry or sector partnership, a group of employers, a trade association, or a professional association that sponsors or participates in a program under the national apprenticeship system;

(vii) a Governor;

(viii) a labor organization or joint-labor management organization; or

(ix) a qualified intermediary.

(B) **SPONSOR REQUIREMENT.**—Not fewer than one entity under subparagraph (A) shall be the sponsor of a program under the national apprenticeship system.

(12) **INDIAN TRIBE; TRIBAL ORGANIZATION.**—The terms “Indian Tribe” and “Tribal organization” have the meaning given the terms (without regard to capitalization) in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

(13) **INTERIM CREDENTIAL.**—The term “interim credential” means a credential issued by a registration agency, upon request of the appropriate sponsor, as certification of competency attainment by a program participant during participation in a program under the national apprenticeship system.

(14) **JOURNEYWORKER.**—The term “journeyworker” means a worker who has attained a level of skill, abilities, and competencies recognized within an industry as having mastered the skills and competencies required for the occupation.

(15) *NATIONAL APPRENTICESHIP SYSTEM.*—The term “national apprenticeship system” means the apprenticeship programs, youth apprenticeship programs, and pre-apprenticeship programs that meet the requirements of this Act.

(16) *NONTRADITIONAL APPRENTICESHIP POPULATION.*—The term “nontraditional apprenticeship population” means a group of individuals (such as a group of individuals from the same gender or race), the members of which comprise fewer than 25 percent of the program participants in an apprenticeable occupation under the national apprenticeship system.

(17) *NONTRADITIONAL APPRENTICESHIP INDUSTRY OR OCCUPATION.*—The term “nontraditional apprenticeship industry or occupation” refers to an industry sector or occupation that represents fewer than 10 percent of apprenticeable occupations or the programs under the national apprenticeship system.

(18) *PRE-APPRENTICE.*—The term “pre-apprentice” means a program participant in a pre-apprenticeship program.

(19) *PRE-APPRENTICESHIP PROGRAM.*—The term “pre-apprenticeship program” means a training model or program that—

(A) prepares individuals for acceptance into an apprenticeship program;

(B) meets the standards described in section 122(c); and

(C) is registered under this Act.

(20) *PROGRAM PARTICIPANT.*—The term “program participant” means an apprentice, a pre-apprentice, or a youth apprentice.

(21) *QUALIFIED INTERMEDIARY.*—

(A) *IN GENERAL.*—The term “qualified intermediary” means an entity that demonstrates expertise in building, connecting, sustaining, and measuring the performance of partnerships described in subparagraph (B) and serves program participants and employers by—

(i) connecting employers to programs under the national apprenticeship system;

(ii) assisting in the design and implementation of such programs, including curriculum development and delivery for related instruction;

(iii) supporting entities, sponsors, or program administrators in meeting the registration and reporting requirements of this Act;

(iv) providing professional development activities such as training to mentors;

(v) connecting students or workers to programs under the national apprenticeship system;

(vi) developing and providing personalized program participant supports, including by partnering with organizations to provide access to or referrals for supportive services and financial advising;

(vii) providing services, resources, and supports for development, delivery, expansion, or improvement of programs under the national apprenticeship system; or

(viii) serving as a program sponsor.

(B) *PARTNERSHIPS.*—The “partnerships described in subparagraph (A)” means partnerships among entities involved in programs under the national apprenticeship system, including—

- (i) industry or sector partnerships;
- (ii) partnerships among employers, joint labor-management organizations, labor organizations, community-based organizations, industry associations, State or local workforce development boards, education and training providers, social service organizations, economic development organizations, Indian Tribes or Tribal organizations, one-stop operators, or one-stop partners, in the State workforce development system; or
- (iii) partnerships among one or more of the entities described in clauses (i) and (ii).

(22) *RECOGNIZED POSTSECONDARY CREDENTIAL.*—The term “recognized postsecondary credential” has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102), except that such term does not include a certificate of completion of an apprenticeship.

(23) *REGISTRATION AGENCY.*—The term “registration agency” means the State Office of Apprenticeship or State apprenticeship agency in a State that is responsible for—

(A) approving or denying applications from sponsors for registration of programs under the national apprenticeship system in the State or area covered by the registration agency; and

(B) carrying out the responsibilities of supporting the youth apprenticeship, pre-apprenticeship, or apprenticeship programs registered by the registration agency.

(24) *RELATED INSTRUCTION.*—The term “related instruction” means an organized and systematic form of instruction that meets the requirements of section 122(b)(1)(C).

(25) *RELATED FEDERAL PROGRAMS.*—The term “related Federal programs” means programs or activities under the following:

(A) The Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.), including adult education and literacy activities under such Act.

(B) The Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(C) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

(D) The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

(E) The Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(F) Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

(G) Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(H) Career and technical education programs at the postsecondary level under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

(I) Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.).

(J) Chapter 41 of title 38, United States Code.

(K) Employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

(L) *Employment and training activities carried out by the Department of Housing and Urban Development.*

(M) *State unemployment compensation laws (in accordance with applicable Federal law).*

(N) *Section 231 of the Second Chance Act of 2007 (34 U.S.C. 60541).*

(O) *Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).*

(P) *Employment and training programs carried out by the Small Business Administration.*

(Q) *Section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)).*

(R) *Educational assistance programs under chapters 30 through 36 of title 38, United States Code.*

(26) SECRETARY.—*The term “Secretary” means the Secretary of Labor.*

(27) SPONSOR.—*The term “sponsor” means an employer, joint labor-management organization, trade association, professional association, labor organization, education and training provider, or qualified intermediary that is applying to administer and operate a program under the national apprenticeship system.*

(28) STATE APPRENTICESHIP AGENCY.—*The term “State apprenticeship agency” means a State agency recognized as a State apprenticeship agency under section 113.*

(29) STATE APPRENTICESHIP COUNCIL.—*The term “State apprenticeship council” means an entity established under section 113(b)(3) to assist the State apprenticeship agency.*

(30) STATE OFFICE OF APPRENTICESHIP.—*The term “State office of apprenticeship” means the office designated by the Administrator to administer programs under the national apprenticeship system in such State and meets the requirements of section 111(b)(3).*

(31) STATE OR LOCAL WORKFORCE DEVELOPMENT BOARDS.—*The terms “State workforce development board” and “local workforce development board” have the meanings given the terms “State board” and “local board”, respectively, in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).*

(32) STATE WORKFORCE AGENCY.—*The term “State workforce agency” means the State agency with responsibility for workforce investment activities under chapters 2 and 3 of subtitle B of title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3121 et seq., 3131 et seq.).*

(33) CTE TERMS.—*The terms “area career and technical education school”, “articulation agreement”, “credit transfer agreement”, “postsecondary educational institution”, “Tribally controlled college or university”, “Tribally controlled postsecondary career and technical institution”, and “work-based learning” have the meanings given in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).*

(34) ESEA TERMS.—*The terms “dual or concurrent enrollment program”, “early college high school”, “education service agency”, “high school”, “local educational agency”, “paraprofessional”, and “State educational agency” have the meanings*

given in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(35) **TRIBAL EDUCATIONAL AGENCY.**—The term “Tribal educational agency” has the meaning given the term in section 6132 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7452).

(36) **WIOA TERMS.**—The terms “career pathway”, “in-demand industry sector or occupation”, “individual with a barrier to employment”, “industry or sector partnership”, “labor market area”, “local area”, “one-stop center”, “one-stop operator”, “one-stop partner”, “State”, “supportive services” and “workforce development system” have the meanings given in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(37) **YOUTH APPRENTICE.**—The term “youth apprentice” means a participant in a youth apprenticeship program.

(38) **YOUTH APPRENTICESHIP PROGRAM.**—The term “youth apprenticeship program” means a model or program that meets the standards described in section 122(d) and is registered under this Act.

### **SEC. 3. PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM.**

Any funds appropriated under this Act shall only be used for, or provided to, programs under the national apprenticeship system, including any funds awarded for the purposes of grants, contracts, or cooperative agreements, or the development, implementation, or administration, of program under the national apprenticeship system.

### **SEC. 4. TRANSITION PROVISIONS.**

The Secretary shall take such steps as are necessary to provide for the orderly transition to the authority of this Act (as amended by the National Apprenticeship Act of 2020) from any authority under the Act of August 16, 1937 (commonly referred to as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.), as in effect on the day before the date of enactment of the National Apprenticeship Act of 2020.

### **SEC. 5. DISAGGREGATION OF DATA.**

The disaggregation of data under this Act shall not be required when the number of program participants in a category is insufficient to yield statistically reliable information or when the results would reveal personally identifiable information about a program participant or would reveal such information when combined with other released information.

### **SEC. 6. RELATION TO OTHER LAWS.**

Nothing in this Act shall invalidate or limit 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 APPRENTICE- SHIP SYSTEM**

## **Subtitle A—The Office of Apprenticeship, State Registration Agency Approval Proc- ess, and Interagency Agreement**

### **SEC. 111. THE OFFICE OF APPRENTICESHIP.**

(a) *ESTABLISHMENT OF THE OFFICE OF APPRENTICESHIP.*—There is established, in the Employment and Training Administration of the Department of Labor, an Office of Apprenticeship (referred to in this section as the “Office”), which shall be directed by an Administrator who has demonstrated knowledge of the national apprenticeship system necessary to head the Office.

(b) *RESPONSIBILITIES.*—The Administrator shall be responsible for the administration of this Act, including:

(1) *PROMOTION AND AWARENESS ACTIVITIES.*—The Administrator shall carry out promotion and awareness activities, including the following:

(A) *Supporting the development or scaling of apprenticeship models nationally, promoting the effectiveness of youth apprenticeship, pre-apprenticeship, and apprenticeship programs, and providing promotional materials to State apprenticeship agencies, State workforce development systems or local workforce development systems, State educational agencies or local educational agencies, employers, trade associations, professional associations, industry groups, labor organizations, joint labor-management organizations, education and training providers, Federal and State correctional facilities, and prospective apprentices in such programs.*

(B) *Promoting greater diversity in the national apprenticeship system including by—*

(i)(I) *promoting outreach to nontraditional apprenticeship populations;*

(II) *engaging minority-serving institutions and employers from nontraditional apprenticeship industries or occupations; and*

(III) *engaging small, medium-size, women-owned, and minority-owned businesses, and employers in high-skill, high-wage, and in-demand industry sectors and occupations that are nontraditional apprenticeship industries or occupations; and*

(ii) *supporting the participation and retention of apprentices and employers described in clause (i) in the national apprenticeship system.*

(2) *TECHNICAL ASSISTANCE ACTIVITIES.*—The Administrator shall carry out technical assistance activities, including the following:

(A) *Providing technical assistance to—*

(i) assist State apprenticeship agencies and sponsors in complying with the requirements of this Act, including the process and standards described in subtitle B and the evaluation and research requirements described in subtitle C;

(ii) receive and resolve comments or complaints from youth apprentices, pre-apprentices, or apprentices, sponsors, employers, State apprenticeship agencies, State local workforce agencies or local workforce agencies, State educational agencies or local educational agencies, qualified intermediaries, labor organizations, joint labor-management organizations, or other stakeholders;

(iii) assist sponsors, employers, qualified intermediaries, and education and training or related instruction providers, or other entities interested in becoming sponsors, or seeking support for developing programs under the national apprenticeship system or effectively carrying out such programs, including providing assistance for remote or virtual learning or training, as necessary;

(iv) assist those applying for or carrying out grants under title II; and

(v) share, through a national apprenticeship system clearinghouse, high-quality materials for programs under the national apprenticeship system, such as related instruction or training materials.

(B) Cooperating with the—

(i) Secretary of Education in—

(I) providing technical assistance for the development and implementation of related instruction under the national apprenticeship system that is aligned with State education systems and education and training providers; and

(II) supporting the stackability and portability of academic credit and credentials earned as part of such programs, including through articulation agreements and career pathways; and

(ii) State workforce development systems to promote awareness of opportunities under the national apprenticeship system.

(3) STATE OFFICES OF APPRENTICESHIP.—

(A) ESTABLISHMENT OF OFFICES.—

(i) IN GENERAL.—The Administrator shall establish and operate a State Office of Apprenticeship in a State described in clause (ii) to serve as the registration agency for such State.

(ii) APPLICABLE STATES.—A State described in this clause is a State—

(I) in which, as of the day before the date of enactment of the National Apprenticeship Act of 2020, there is no State Office of Apprenticeship; and

(II) that has not applied for recognition as a State apprenticeship agency under section 113, or

*for which such recognition has not provided or has been withdrawn by the Administrator under such section.*

*(B) STATE PLAN REQUIREMENT.—Each State Office of Apprenticeship shall be administered by a State Director who shall prepare and submit a State plan that meets the requirements of section 113(c).*

*(C) VACANCIES.—Subject to the availability of appropriations, in the case of a State Office of Apprenticeship with a vacant position, the Administrator shall—*

*(i) make information on such vacancy available on a publicly accessible website; and*

*(ii) report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, on the status and length of such vacancy if such vacancy is not filled not later than 90 days after such position has become vacant.*

*(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit any State described in subparagraph (A)(ii) from establishing an agency or entity to promote programs under the national apprenticeship system in such State, in coordination with the State Office of Apprenticeship operating in the State, so long as such agency or entity does not act as the registration agency in such State.*

*(4) QUALITY STANDARDS, APPRENTICESHIP AGREEMENT, AND REGISTRATION REVIEW.—In order for the Secretary, acting through the Administrator, to support the formulation and furtherance of labor standards necessary to safeguard the welfare of program participants, and to extend the application of such standards in apprenticeship agreements, not later than 1 year after the effective date of the National Apprenticeship Act of 2020, and at least every 3 years thereafter, the Administrator shall review, and where appropriate, update the process for meeting the requirements of subtitle B, including applicable regulations and subregulatory guidance to ensure that such process is easily accessible and efficient to bring together employers and labor as sponsors or potential sponsors of programs under the national apprenticeship system.*

*(5) APPRENTICEABLE OCCUPATIONS.—*

*(A) EXISTING APPRENTICEABLE OCCUPATIONS.—The Administrator shall regularly review and update the requirements for each apprenticeable occupation to ensure that such requirements are in compliance with requirements under this Act.*

*(B) NEW APPRENTICEABLE OCCUPATION.—*

*(i) IN GENERAL.—The Administrator shall review and make a determination on whether to approve an occupation as an apprenticeable occupation not later than 45 days after receiving an application from a person seeking such approval from the Administrator.*

*(ii) ESTIMATED TIMELINE.—If such determination is not made within 45 days, the Administrator shall provide the applicant with a written explanation for the*

delay and offer an estimated timeline for a determination that does not to exceed 90 days after the date of such written explanation.

(C) *INDUSTRY RECOGNIZED OCCUPATIONAL STANDARDS.*—

(i) *IN GENERAL.*—From the funds appropriated under section 141(a), the Administrator shall convene, on an ongoing basis and taking into consideration recommendations of the Advisory Committee under section 112(d)(4), the industry sector leaders and experts described in clause (ii) for the purposes of establishing or updating specific frameworks of industry recognized occupational standards for apprenticeable occupations (including potential apprenticeable occupations) that—

(I) meet the requirements of this Act; and

(II) describe program scope and length, related instruction, on-the-job training, recognized postsecondary credentials, and competencies, and relevant timelines for review of such frameworks.

(ii) *INDUSTRY SECTOR LEADERS AND EXPERTS.*—The industry sector leaders and experts are employers, industry associations, joint labor-management organizations, labor organizations, education and training providers, credential providers, program participants, and other stakeholders relevant to the sector or occupation for which the frameworks are being established or updated, as determined by the Administrator.

(iii) *PRIORITY INDUSTRY RECOGNIZED APPRENTICEABLE OCCUPATIONS.*—In establishing frameworks under clause (i) for the first time after the effective date of the National Apprenticeship Act of 2020, the Administrator shall prioritize the establishment of such standards in high-skill, high-wage, or in-demand industry sectors and occupations.

(D) *REGULATIONS.*—Not later than one year after the date of the enactment of the National Apprenticeship Act of 2020, the Secretary shall issue regulations that outline a process for proactively establishing and approving standards and requirements for apprenticeable occupations in consultation with the industry sector leaders and experts described in subparagraph (C)(ii).

(6) *PROGRAM OVERSIGHT AND EVALUATION.*—The Administrator shall—

(A) monitor State apprenticeship agencies, State Offices of Apprenticeship, grantees, and sponsors of programs under the national apprenticeship system to ensure compliance with the requirements of this Act;

(B) provide technical assistance to assist such entities with such compliance or program performance; and

(C) conduct research and evaluation in accordance with subtitle C.

(7) *PROMOTING DIVERSITY IN THE NATIONAL APPRENTICESHIP SYSTEM.*—The Administrator shall promote diversity and ensure equal opportunity to participate in programs for apprentices, youth apprentices, and pre-apprentices, including—

(A) taking steps necessary to promote diversity in apprenticeable occupations under the national apprenticeship system, especially in high-skill, high-wage, or in-demand industry sectors and occupations in areas with high percentages of low-income individuals;

(B) ensuring programs under the national apprenticeship system—

(i) adopt and implement policies to provide for equal opportunity in such programs, as described in section 30.3 of title 29, Code of Federal Regulations (as in effect on January 31, 2020);

(ii) do not engage in intimidation or retaliation as prohibited under section 30.17 of title 29, Code of Federal Regulations (as in effect on January 31, 2020); and

(iii) are subject, for any violation of clauses (i) or (ii), to enforcement action under this Act; and

(C) supporting the recruitment, employment, and retention of nontraditional apprenticeship populations in programs under the national apprenticeship system in high-skill, high-wage, and in-demand industry sectors and occupations, including women, people of color, individuals with disabilities, individuals impacted by the criminal and juvenile justice system, and individuals with barriers to employment, as applicable.

(8) GRANT AWARDS.—The Administrator shall award grants under title II.

(9) NATIONAL ADVISORY COMMITTEE.—The Administrator shall—

(A) regularly consult with the National Advisory Committee on Apprenticeships under section 112; and

(B) ensure that the required recommendations and other reports of the Advisory Committee are submitted to the Secretary and transmitted to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

(10) COORDINATION.—The Administrator shall coordinate and align programs under the national apprenticeship system with related Federal programs.

(c) INFORMATION COLLECTION AND DISSEMINATION.—The Administrator shall provide for data collection and dissemination of information regarding programs under the national apprenticeship system, including—

(1) not later than 1 year after the date of the enactment of the National Apprenticeship Act of 2020, establishing and supporting a single information technology infrastructure to support data collection and reporting from State apprenticeship agencies, State Offices of Apprenticeship, grantees under title II, program sponsors, and program administrators under the national apprenticeship system by providing for a data infrastructure that—

(A) is developed and maintained by the Administrator, with input from national data and privacy experts, is informed by best practices on public provision of credential information, and to the extent practicable, aligns with the

technology infrastructure for related Federal programs, such as the technology infrastructure used under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.);

(B) best meets the needs of the national apprenticeship system stakeholders reporting data to the Administrator or State apprenticeship agencies, including through the provision of technical assistance and financial assistance as necessary to ensure reporting systems are equipped to report into a single information technology infrastructure; and

(C) is aligned with data from the performance reviews under section 131(b)(1)(A);

(2) providing for data sharing that includes making non-personally identifiable apprenticeship data available on a publicly accessible website that is searchable and comparable, through the use of common, linked, open-data description language, such as the credential transparency description language or a substantially similar resource, so that interested parties can become aware of apprenticeship opportunities and of program outcomes that best meets the needs of youth apprentices, pre-apprentices, and apprentices, employers, education and training providers, program sponsors, and relevant stakeholders, including—

(A) information on program offerings under the national apprenticeship system based on geographical location and apprenticeable occupation;

(B) information on education and training providers providing opportunities under such system, including whether programs under such system offer dual or concurrent enrollment programs, articulation agreements, and recognized postsecondary credentials as part of the program offerings;

(C) information about the educational and occupational credentials and related competencies of programs under such system; and

(D) information based on the most recent data available to the Office that is consistent with national standards and practices.

## **SEC. 112. NATIONAL ADVISORY COMMITTEE ON APPRENTICESHIPS.**

(a) **ESTABLISHMENT.**—

(1) **IN GENERAL.**—There is established, in the Department of Labor, a National Advisory Committee on Apprenticeships.

(2) **COMPOSITION.**—

(A) **APPOINTMENTS.**—The Advisory Committee shall consist of 27 voting members described in subparagraph (B) appointed by the Secretary.

(B) **LIST OF INDIVIDUALS.**—The individuals described in this subparagraph are—

(i) 9 representatives of employers or industry associations who participate in an apprenticeship program, including representatives of employers representing nontraditional apprenticeship industries or occupations, and other high-skill, high-wage, or in-demand industry sectors or occupations, as applicable;

(ii) 9 representatives of labor organizations or joint labor-management organizations who have responsi-

bility for the administration of an apprenticeship program (including those sponsored by a joint labor-management organization and from nontraditional apprenticeship industries or occupations), at least 1 of which represent employees primarily in the building trades and construction industry;

(iii) 1 representative of each from—

(I) a State apprenticeship agency;

(II) a State or local workforce development board with significant expertise in supporting a program under the national apprenticeship system;

(III) a community organization with significant expertise supporting such a program;

(IV) an area career and technical education school or local educational agency;

(V) a State apprenticeship council;

(VI) a State or local postsecondary education and training providers that administers, or has not less than 1 articulation agreement with an entity administering, a program under the national apprenticeship system;

(VII) a provider of an industry-recognized credential;

(VIII) a national qualified intermediary; and

(IX) an apprentice.

(C) *EX OFFICIO NONVOTING MEMBERS.*—The Advisory Committee shall consist of ex officio nonvoting members from each of the following departments, selected by the applicable Secretary—

(i) the Department of Labor;

(ii) the Department of Commerce;

(iii) the Department of Education;

(iv) the Department of Energy;

(v) the Department of Housing and Urban Development;

(vi) the Department of Transportation;

(vii) the Department of Veterans Affairs;

(viii) the Department of Health and Human Services;

(ix) the Department of Justice; and

(x) the Department of Defense.

(D) *RECOMMENDATIONS.*—The Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, and the Minority Leader of the Senate may each recommend to the Secretary an individual described in clause (i) or (ii) of subparagraph (B) for appointment under subparagraph (A) who shall be subject to the requirements of paragraph (3).

(3) *QUALIFICATIONS.*—An individual shall be selected under paragraph (1) on the basis of the experience and competence of such individual with respect to programs under the national apprenticeship system.

(4) *TERMS.*—

(A) *IN GENERAL.*—Each voting member of the Advisory Committee shall be appointed for a term of 4 years, except as provided in subparagraphs (B) through (D).

*(B) TERMS OF INITIAL APPOINTEES.—*

*(i) IN GENERAL.—The appointments of the initial members of the Advisory Committee shall be made not later than 90 days after the effective date of the National Apprenticeship Act of 2020.*

*(ii) STAGGERING OF TERMS.—As designated by the Secretary at the time of the appointment, of the members first appointed—*

*(I) half of such members shall serve a 2-year term; and*

*(II) half of such members shall serve a 4-year term.*

*(C) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Advisory Committee shall be filled in the manner in which the original appointment was made, except that such appointment shall be made not later than 90 days after the date of the vacancy. A member who fulfilled a partial term as the result of a vacancy may, at the end that term, be appointed to a full term.*

*(D) MULTIPLE TERMS.—A voting member of the Advisory Committee may serve not more than 2 full terms on the Advisory Committee.*

*(b) CHAIRPERSON.—The Advisory Committee members shall designate by vote one of the voting members described in subsection (a)(2)(A) of the Advisory Committee to serve as Chairperson of the Advisory Committee.*

*(c) MEETINGS.—*

*(1) IN GENERAL.—The Advisory Committee shall meet at the call of the Chairperson and hold not fewer than 4 meetings during each calendar year.*

*(2) OPEN ACCESS.—All meetings of the Advisory Committee shall be open to the public. A transcript shall be kept of each meeting and made available for public inspection within 30 days of the meeting.*

*(d) DUTIES.—The Advisory Committee shall, at a minimum—*

*(1) advise, consult with, and make recommendations to the Administrator on matters relating to the administration of this Act, including recommendations on regulations and policies related to the administration of this Act;*

*(2) annually prepare a set of recommendations for the Administrator, to be shared with the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate, to improve the registration process under subtitle B to make the process easily accessible and efficient for use by sponsors while maintaining the requirements under subtitle B;*

*(3) make recommendations on expanding participation of nontraditional apprenticeship populations in programs under the national apprenticeship system; and*

(4) review apprenticeable occupations and, based on reviews of labor market trends and changes, make recommendations to the Administrator on whether to—

(A) make updates to apprenticeable occupations under section 111(b)(5)(A); or

(B) convene sector leaders and experts under section 111(b)(5)(C) for the establishing specific frameworks of industry recognized occupational standards.

(e) **PERSONNEL.**—

(1) **COMPENSATION OF MEMBERS.**—

(A) **IN GENERAL.**—A member of the Advisory Committee who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Advisory Committee.

(B) **OFFICERS OR EMPLOYEES OF THE UNITED STATES.**—Members of the Advisory Committee who are officers or employees of the United States may not receive additional pay, allowances, or benefits by reason of their service on the Advisory Committee.

(2) **STAFF.**—The Secretary shall supply the Advisory Committee with an executive Secretary and provide such secretarial, clerical, and other services as the Secretary determines to be necessary to enable the Advisory Committee to carry out the duties described in subsection (d).

(3) **DATA REQUESTS.**—The Advisory Committee through its Chairperson may request data from the Secretary as determined necessary by the Advisory Committee to carry out its functions as described in this section.

(f) **PERMANENT COMMITTEE.**—The Federal Advisory Committee Act (5 U.S.C. App.) (other than section 14 of such Act) shall apply to the Advisory Committee.

**SEC. 113. STATE APPRENTICESHIP AGENCIES AND STATE OFFICES OF APPRENTICESHIP.**

(a) **RECOGNITION OF STATE APPRENTICESHIP AGENCIES.**—

(1) **IN GENERAL.**—The Administrator shall recognize a State agency as a State apprenticeship agency in accordance with this section and cooperate with such State apprenticeship agency regarding the formulation and promotion of standards of apprenticeship under subtitle B.

(2) **APPLICATION.**—A State desiring to have a State agency recognized as a State apprenticeship agency under this section shall submit an application at such time, in such manner, and containing such information as the Administrator may require, including—

(A) the initial State plan described in subsection (c)(2)(A)(i);

(B) a description of how the State apprenticeship agency will meet the State plan requirements of subsection (c); and

(C) a description of the linkages and coordination of the State's proposed standards, criteria, and requirements with the State's economic development strategies and workforce

*development system and the State's secondary, postsecondary, and adult education systems.*

**(3) REVIEW AND RECOGNITION.—**

*(A) IN GENERAL.—Not later than 90 days after the date on which a State submits an application under paragraph (2), the Secretary shall notify the State regarding whether the agency of the State is recognized as a State apprenticeship agency under this section.*

*(B) DURATION OF RECOGNITION.—*

*(i) DURATION.—The recognition of a State apprenticeship agency shall be for a 4-year period beginning on the date the State apprenticeship agency is notified under subparagraph (A).*

*(ii) NOTIFICATION.—*

*(I) IN GENERAL.—The Secretary shall notify a State apprenticeship agency not later than 180 days before the last day of the 4-year period regarding whether the State apprenticeship agency is in compliance with this section.*

*(II) COMPLIANCE.—In the case of a State apprenticeship agency that is in compliance with this section, the agency's recognition under this section shall be renewed for an additional 4-year period and the notification under subclause (I) shall include notification of such renewal.*

*(III) NONCOMPLIANCE.—In the case of a State apprenticeship agency that is not in compliance with this section, the notification shall—*

- (aa) specify the areas of noncompliance;*
- (bb) require corrective action; and*
- (cc) offer technical assistance.*

*(iii) RENEWAL AFTER CORRECTION.—If the Administrator determines that a State apprenticeship agency has corrected the identified areas of noncompliance under this subparagraph not later than 180 days of notification of noncompliance, the State apprenticeship agency's recognition under this section shall be renewed for an additional 4-year period.*

**(C) TRANSITION PERIOD FOR STATE AGENCIES.—**

*(i) IN GENERAL.—Not later than 1 year after the effective date of the National Apprenticeship Act of 2020, a State agency that, as of the day before the date of enactment of such Act, was recognized by the Secretary for purposes of registering apprenticeship programs in accordance with this Act shall submit an application under paragraph (2).*

*(ii) TRANSITION PERIOD.—A State agency described in clause (i) shall be recognized as a State apprenticeship agency under this section for a 4-year period beginning on the date on which the Secretary approves the application submitted by the State agency under paragraph (2).*

**(b) AUTHORITY OF A STATE APPRENTICESHIP AGENCY.—**

*(1) IN GENERAL.—For the period during which a State apprenticeship agency is recognized under subsection (a) and to*

*maintain such recognition, the State apprenticeship agency shall carry out the requirements of this Act.*

(2) *PROGRAM RECOGNITION.*—With respect to a State with a State apprenticeship agency, the State apprenticeship agency shall have sole authority to recognize and register a pre-apprenticeship, youth apprenticeship, or apprenticeship program in such State, which shall include—

(A) *determining whether such program is in compliance with the standards for such program under section 122;*

(B) *in the case of such a program that is in compliance with such standards, recognizing the program and providing a certificate of recognition for such program;*

(C) *providing technical assistance to current or potential sponsors; and*

(D) *in the case of such a program that fails to meet the requirements of this Act, providing for the withdrawal of recognition of the program in accordance with section 131(b).*

(3) *STATE APPRENTICESHIP COUNCIL.*—

(A) *IN GENERAL.*—A State apprenticeship agency shall establish and continue to use a State apprenticeship council, which shall operate in compliance with the requirements of this Act under the direction of the State apprenticeship agency.

(B) *COMPOSITION.*—A State apprenticeship council may be regulatory or advisory in nature, and shall—

(i) *be composed of persons familiar with apprenticeable occupations; and*

(ii) *be fairly balanced, with an equal number of—*

(I) *representatives of employer organizations, including from nontraditional apprenticeship industries or occupations;*

(II) *representatives of labor organizations or joint labor-management organizations, including from nontraditional apprenticeship industries or occupations; and*

(III) *public members; and*

(iii) *to the extent practicable, have not less than 1 member who is a member of the State workforce board.*

(C) *SPECIAL RULE.*—A State apprenticeship council shall not be eligible for recognition as a State apprenticeship agency.

(c) *STATE PLAN.*—

(1) *IN GENERAL.*—For a State apprenticeship agency to be eligible to receive allotments under subsection (f) and to be recognized under this section, the State apprenticeship agency shall submit to the Secretary a State plan that meets the requirements of this subsection.

(2) *APPROVAL OF STATE PLAN.*—

(A) *SUBMISSION.*—

(i) *INITIAL PLAN.*—The first State plan of a State apprenticeship agency shall be submitted to the Administrator not later than 120 days prior to the commencement of the first full program year of the State apprenticeship agency, which shall include—

(I) a description of any State laws, policies, or operational procedures relating to the process of recognizing programs under the national apprenticeship system that is inconsistent with, or imposes requirements in addition to, the requirements of this Act;

(II) an assurance that the State will notify the Administrator if there are any changes to the State laws (including regulations), policies, or procedures described in subclause (I) that occur after the date of submission of such plan; and

(III) an assurance that the State will make available on a publicly available website a description of any laws (including regulations), policies, and operational procedures relating to the process of recognizing programs under the national apprenticeship system that are inconsistent with, or impose requirements in addition to, the requirements of this Act.

(ii) **SUBSEQUENT PLANS.**—Except as provided in clause (i), a State plan shall be submitted to the Administrator not later than 120 days prior to the end of the 4-year period covered by the preceding State plan.

(B) **APPROVAL.**—A State plan shall be subject to the approval of the Administrator and shall be considered to be approved at the end of the 90-day period beginning on the date that the plan is submitted under this paragraph, unless the Administrator, during the 90-day period, provides the State apprenticeship agency, in writing—

(i) an explanation for why the State plan is inconsistent with the requirements of this Act; and

(ii) an opportunity for an appeal of such determination to an Administrative Law Judge for the Department of Labor not later than 30 days after receipt of the notice of denial from the Administrator.

(C) **MODIFICATIONS.**—

(i) **MODIFICATIONS.**—At the end of the first 2-year period of any 4-year State plan, the State may submit modifications to the State plan to reflect changes in labor market and economic conditions or other factors affecting the implementation of the State plan.

(ii) **APPROVAL.**—A modified State plan submitted for review under clause (i) shall be subject to the approval requirements described in subparagraph (B).

(3) **TECHNICAL ASSISTANCE.**—Each State Plan shall describe how the State apprenticeship agency will provide technical assistance for—

(A) potential sponsors, employers, labor organizations, joint labor-management organizations, qualified intermediaries, apprentices, education and training providers, credentialing bodies, eligible entities, industry associations, or any potential program participant in the national apprenticeship system in the State for the purposes of recruitment, retention, program development, expansion, or imple-

mentation, including supporting remote or virtual learning or training, as necessary;

(B) sponsors of programs registered in the State, including sponsors that are not meeting performance goals under subtitle C, for purposes of assisting sponsors in meeting or exceeding such goals; and

(C) sponsors of programs registered in that State for purposes of assisting such sponsors in achieving State goals in diversity and equal opportunity in apprenticeships in accordance with paragraph (5).

(4) *RECIPROCITY.*—Each State plan shall describe how the State apprenticeship agency, in the case of a program recognized by a registration agency in another State, shall recognize such program in the State of such agency for purposes of this Act by not later than 30 days after receipt of an application for such recognition from a program sponsor, as long as such program meets the wage and hour provisions of the State granting reciprocity.

(5) *PROMOTING DIVERSITY IN THE NATIONAL APPRENTICESHIP SYSTEM.*—Each State plan shall include a plan for how the State apprenticeship agency will—

(A) promote diversity in apprenticeable occupations offered throughout the State, and a description of how such agency will promote the addition of apprenticeable occupations in high-skill, high-wage, or in-demand industry sectors and occupations, and in nontraditional apprenticeship occupations and sectors; and

(B) promote diversity and equal opportunity in programs under the national apprenticeship system by uniformly adopting and implementing the requirements of subparagraphs (B) and (C) of section 111(b)(7).

(6) *COMPLAINTS.*—

(A) *IN GENERAL.*—Subject to subparagraph (B), each State plan shall include a description of the system for the State apprenticeship agency to receive and resolve complaints submitted by program participants, the program participant's authorized representative, sponsors, employers, or nonprofit compliance organizations, such as complaints concerning equal employment opportunity or discrimination, violations of the apprenticeship agreement, or violations of requirements under this Act.

(B) *COLLECTIVE BARGAINING AGREEMENTS.*—Any controversy arising under an apprenticeship agreement which is covered by a collective bargaining agreement shall not be subject to the system described in subparagraph (A), except that complaints concerning discrimination or any matters described in subparagraph (5)(B) shall be subject to such system.

(7) *STATE APPRENTICESHIP HUBS.*—Each State plan shall describe how the State will support, in a manner that takes into consideration geographic diversity, the creation and implementation of apprenticeship hubs throughout the State that shall work with industry and sector partnerships to expand programs under the national apprenticeship system, and apprenticeable occupations, in the State.

(8) *STATE APPRENTICESHIP PERFORMANCE OUTCOMES.*—Each State plan shall—

(A) in coordination with the Administrator, establish annual State performance goals for the programs registered by the State apprenticeship agency for the indicators described—

(i) in subparagraph (A) of section 131(b)(1); and

(ii) in subparagraph (B)(ii) of section 131(b)(1); and

(B) describe how the State apprenticeship agency will collect performance data from programs registered by the agency; and

(C) annually report on the outcomes of each such program in relation to the State established goals under subparagraph (A).

(9) *USES OF FUNDS.*—Each State plan shall include a description of the uses described in subsection (d) of the allotment received by the State apprenticeship agency under subsection (f).

(10) *ALIGNMENT OF WORKFORCE ACTIVITIES.*—Each State plan shall include a summary of State-supported workforce development activities (including education and training) in the State, including—

(A) a summary of the apprenticeship programs on the list of eligible providers of training services under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d));

(B) the degree to which the programs under the national apprenticeship system in the State are aligned with and address the skill needs of the employers in the State identified by the State workforce development board; and

(C) a description of how apprenticeship programs will receive expedited consideration to be included on the list of eligible providers of training services under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d)).

(11) *STATE STRATEGIC VISION.*—Each State plan shall include a summary of the State's strategic vision and set of goals for preparing an educated and skilled workforce and for meeting the skilled workforce needs of employers, including in existing and emerging in-demand industry sectors and occupations as identified by the State, and how the programs registered by the State apprenticeship agency in the State will help to meet such goals.

(12) *STRATEGY FOR ANY JOINT PLANNING, ALIGNMENT, COORDINATION, AND LEVERAGING OF FUNDS.*—Each State plan shall provide a description of the State apprenticeship agency's strategy for joint planning, alignment, coordination, and leveraging of funds—

(A) with the State's workforce development system, to achieve the strategic vision and goals described in paragraph (11), including the core programs defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102) and the elements related to system alignment under section 102(b)(2)(B) of such Act (29 U.S.C. 3112(b)(2)(B));

(B) for programs under the national apprenticeship system in the State with other Federal education programs, including programs under—

(i) the Elementary and Secondary Education Act of 1965;

(ii) the Individuals with Disabilities Education Act;

(iii) the Carl D. Perkins Career and Technical Education Act of 2006; and

(iv) the Higher Education Act of 1965; and

(C) to provide information about access to available State assistance or assistance under related Federal programs, including such assistance under—

(i) section 6(d) of the Food and Nutrition Act of 2008;

(ii) subsection (c)(1) of section 3672 of title 38, United States Code;

(iii) section 231 of the Second Chance Act of 2007 (34 U.S.C. 60541); and

(iv) the State Temporary Assistance for Needy Families programs under part A of title IV of the Social Security Act.

(13) STATE APPRENTICESHIP COUNCIL.—Each State plan shall provide for a description of the composition, roles, and responsibility of the State apprenticeship council, and how the Council will comply with the requirements of subsection (b)(3).

(d) STATE APPRENTICESHIP AGENCY FUNDING.—A State apprenticeship agency shall use funds received under clauses (i) and (ii) of subsection (f)(1)(A) according to the following requirements:

(1) PROGRAM ADMINISTRATION.—The State apprenticeship agency shall use such funds to support the administration of programs under the national apprenticeship system across the State, including for—

(A) staff and resources;

(B) oversight and evaluation as required under this Act;

(C) technical assistance to program sponsors, program participants, employers, labor organizations, joint labor-management organizations, education and training providers, and qualified intermediaries;

(D) pre-apprenticeship, youth, and apprenticeship program recruitment and development, including for—

(i) engaging potential providers of such programs such as employers, qualified intermediaries, related instruction providers, and potential program participants;

(ii) publicizing apprenticeship opportunities and benefits; and

(iii) engaging State workforce and education systems for collaboration and alignment across systems; and

(E) supporting the enrollment and apprenticeship certification requirements to allow veterans and other individuals eligible for the educational assistance programs under chapters 30 through 36 of title 38, United States Code, and any related educational assistance programs under laws administered by the Secretary of Veterans Affairs, to use such assistance for the apprenticeship program, including the requirement of designating a certifying official.

(2) *EDUCATIONAL ALIGNMENT.*—*The State apprenticeship agency shall use not less than 10 percent of such funds to engage with the State education system to provide technical assistance and best practices regarding—*

*(A) alignment of youth apprenticeship programs with the secondary education programs in the State, including support for career exploration, career pathways, education and career planning, and engagement with youth apprenticeship programs for teachers, career guidance and academic counselors, school leaders, administrators, and specialized instructional support personnel and paraprofessionals;*

*(B) alignment of related instruction provided under the national apprenticeship system in the State with academic credit granting postsecondary programs (including developing career pathways, articulation agreements, and prior learning assessments); and*

*(C) the joint planning, alignment, coordination, and leveraging of funds described in subparagraphs (B) and (C) of subsection (c)(12).*

(3) *WORKFORCE ALIGNMENT.*—*The State apprenticeship agency shall use not less than 10 percent of such funds to engage with the State workforce development system to provide technical assistance and best practices regarding—*

*(A) alignment with the State's workforce activities and strategic vision in accordance with paragraphs (10), (11), and subparagraphs (A) and (C) of paragraph (12) of subsection (c);*

*(B) guidance for training staff of the workforce development system, including the vocational rehabilitation agencies, within the State on the value of programs under the national apprenticeship system as a work-based learning option for participants, including participants of programs authorized under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.) such as Job Corps under subtitle C of title I of such Act and YouthBuild under section 171 of such Act;*

*(C) providing a list of programs under the national apprenticeship system that are offered in the State, including in the State's high-skill, high-wage, or in-demand industry sectors or occupations;*

*(D) alignment of funding received and reporting required under this Act, including relevant placement, retention, and earnings information, with the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.), and technical assistance in how individual training accounts under section 134(c)(3) of such Act could be used to pay for the costs of enrolling and participating in programs under the national apprenticeship system;*

*(E) partnerships with State or local workforce development boards, State workforce agencies, and one-stop centers and one-stop operators that assist program participants in accessing supportive services to support—*

*(i) the recruitment, retention, and completion of programs under the national apprenticeship system;*

(ii) transitions from youth apprenticeships and pre-apprenticeships to apprenticeship programs; and

(iii) the placement into employment or further education upon program completion; and

(F) expanding the list of eligible providers of training services under section 122(d) of the Workforce Innovation and Opportunity Act to include programs under the national apprenticeship system in the State (29 U.S.C. 3152(d)).

(4) **LEADERSHIP ACTIVITIES.**—

(A) **IN GENERAL.**—A State apprenticeship agency may reserve not more than 15 percent of the funds received under subsection (f) in support of State apprenticeship initiatives described in this paragraph.

(B) **DIVERSITY.**—Not less than 5 percent of the amount reserved under subparagraph (A) shall be used by the State apprenticeship agency for supporting and expanding diversity in apprenticeable occupations under the national apprenticeship system in the State and program participant populations in the State.

(C) **INCENTIVES FOR EMPLOYERS.**—A State apprenticeship agency may use funds reserved under subparagraph (A) to incentivize employers to participate in programs under the national apprenticeship system, such as costs related to program development, staffing for mentors and supervisors, related instruction, or the creation of industry or sector partnerships to support employer participation.

(D) **STATE-SPECIFIC INITIATIVES.**—A State apprenticeship agency may use funds reserved under subparagraph (A) for State-specific initiatives, such as the development or expansion of youth apprenticeship programs or apprenticeship programs in high-skill, high-wage, or in-demand industry sectors and occupations.

(5) **STATE MATCH FOR FEDERAL INVESTMENT.**—

(A) **IN GENERAL.**—Except in the case of exceptional circumstances, as determined by the Administrator, in order to receive a full allotment under subsection (f), a State apprenticeship agency shall use matching funds from non-Federal resources to carry out the activities of the agency under this Act in an amount not less than 25 percent of such allotment.

(B) **TRANSITION PERIOD.**—The requirement under this paragraph shall take effect with respect to a State apprenticeship agency on the date that is 1 day after the date on which the transition period for such agency under subsection (a)(3)(C)(ii) ends.

(e) **DERECOGNITION OF STATE APPRENTICESHIP AGENCIES.**—

(1) **IN GENERAL.**—The Secretary may withdraw recognition of a State apprenticeship agency before the end of the agency's 4-year recognition period under subsection (a)(2)(B) if the Secretary determines, after notice and an opportunity for a hearing, that the State apprenticeship agency has failed for one of the reasons described in paragraph (2), and has not been in compliance with the performance improvement plan under paragraph (3) to remedy such failure.

(2) *DERECOGNITION CRITERIA.*—*The recognition of a State apprenticeship agency under this section may be withdrawn under paragraph (1) in a case in which the State apprenticeship agency fails to—*

*(A) adopt or properly enforce a State plan;*

*(B) properly carry out its role as the sole registration agency in the State;*

*(C) submit a report under section 131(b)(1)(B) for any program year;*

*(D) meet the State levels of performance as described in subsection (c)(8)(A) or demonstrate improvements in performance for 3 consecutive program years; or*

*(E) otherwise fulfill or operate in compliance with the requirements of this Act.*

(3) *DERECOGNITION PROCESS.*—

*(A) IN GENERAL.*—*If a State apprenticeship agency fails for any of the reasons described in paragraph (2), the Secretary shall provide technical assistance to such agency for corrective action to remedy such failure, including assistance in the development of a performance improvement plan.*

*(B) REDUCTION OF FUNDS.*—*Except in the case of exceptional circumstances as determined by the Administrator, in a case in which such a State apprenticeship agency continues such failure after the provision of the technical assistance under subparagraph (A)—*

*(i) the percentage of the funds to be allotted to the State apprenticeship agency under subsection (f) for each fiscal year following the fiscal year in which such failure has been identified shall be reduced by 5 percentage points; and*

*(ii) the Administrator shall provide notice to the State apprenticeship agency that the agency's recognition under this section may be withdrawn if the agency fails to remedy the failure.*

*(C) TERMINATION OF PROCEEDINGS.*—*If the Administrator determines that the State apprenticeship agency's corrective action under subparagraph (A) has addressed the agency's failure identified under paragraph (2), the Administrator shall—*

*(i) restore the agency's full funding allocation under this title for the next full fiscal year; and*

*(ii) notify the State apprenticeship agency that the agency's recognition will not be withdrawn under this section for the reason for which the agency's funding under this title was most recently reduced.*

*(D) OPPORTUNITY FOR HEARING.*—

*(i) IN GENERAL.*—*In a case in which a State apprenticeship agency fails to remedy a failure identified under paragraph (2), the Administrator shall—*

*(I) notify, in writing, the State apprenticeship agency of the failure of the State apprenticeship agency, including a description of such failure and an explanation that the agency's recognition under*

*this section may be withdrawn as a result of such failure; and*

*(II) offer the State apprenticeship agency an opportunity to request a hearing not later than 30 days after the date of such notice.*

*(ii) REFERRAL TO OFFICE OF ADMINISTRATIVE LAW JUDGES.—In a case in which the State apprenticeship agency requests a hearing under clause (i)(II), the Administrator shall refer the matter to the Office of Administrative Law Judges for a recommended decision by the Administrative Review Board for final agency action.*

**(4) REQUIREMENTS REGARDING WITHDRAWAL OF RECOGNITION.—**

**(A) OFFICE OF APPRENTICESHIP.—**

*(i) PRIOR TO ORDER.—Prior to the withdrawal of the recognition of a State apprenticeship agency under this section, the Administrator shall—*

*(I) provide to the State apprenticeship agency an order withdrawing recognition of such agency under this section; and*

*(II) establish a State Office of Apprenticeship; and*

*(ii) AFTER ORDER.—Not later than 30 days after the date of such order, provide notification of the withdrawal to the sponsors of the programs under the national apprenticeship system in such State that were registered with the State apprenticeship agency to enable each such sponsor to be registered with the Administrator (acting through the State Office of Apprenticeship established under clause (i)(II)).*

**(B) STATE APPRENTICESHIP AGENCY REQUIREMENTS.—***A State agency whose recognition as a State apprenticeship agency under this section has been withdrawn under paragraph (3) shall—*

*(i) provide to the Administrator program standards, apprenticeship agreements, completion records, cancellation and suspension records, performance metrics, and any other documents relating to the State's programs under the national apprenticeship system in the State;*

*(ii) cooperate fully during the transition period beginning on the date of the order withdrawing such recognition and ending on the date on which the Administrator establishes a State Office of Apprenticeship in the State; and*

*(iii) return any unused funds received under this Act.*

**(5) REINSTATEMENT OF RECOGNITION.—***A State apprenticeship agency that has had its recognition withdrawn under this section may have such recognition reinstated upon presentation of adequate evidence that the State apprenticeship agency has—*

*(A) submitted an application under subsection (a)(2), and*

*(B) demonstrated the ability to operate in compliance with the requirements of this Act.*

**(f) RESERVATION AND STATE ALLOTMENTS.—**

## (1) STATE ALLOTMENTS.—

(A) *IN GENERAL.*—Of the amount appropriated under subsection (g) for a fiscal year—

(i)  $33\frac{1}{3}$  percent shall be equally distributed among each State Office of Apprenticeship, outlying area, and eligible State; and

(ii)  $66\frac{2}{3}$  percent shall be allotted to eligible States on the basis described in subparagraph (B).

(B) *FORMULA.*—

(i) *IN GENERAL.*—Of the amount available under subparagraph (A)(ii)—

(I) 25 percent shall be allotted on the basis of the relative share of program participants in each eligible State, as determined on the basis of the most recent satisfactory data available from the Administrator, compared to the total number of program participants in all eligible States, as determined on such basis;

(II) 25 percent shall be allotted on the basis of the relative share of program participants who have completed a program under the national apprenticeship system in each eligible State during the most recent 5-year period, as determined on the basis of the most recent satisfactory data available from the Administrator, compared to the total 5-year average of program participants who have completed a program in all eligible States, as determined on such basis; and

(III) 50 percent shall be allotted on the basis described in clause (ii).

(ii) *ALLOTMENTS BASED ON BLS AND ACS DATA.*—Of the amount available under clause (i)(III)—

(I)  $33\frac{1}{3}$  percent shall be allotted on the basis of the relative share of individuals in the civilian labor force in each eligible State, compared to the total number of individuals in the civilian labor force in all eligible States;

(II)  $33\frac{1}{3}$  percent shall be allotted on the basis of the relative share of individuals living below the poverty line in each eligible State, compared to the total number of individuals living below the poverty line in all eligible States; and

(III)  $33\frac{1}{3}$  percent shall be allotted on the basis of the relative number of unemployed individuals in each eligible State, compared to the total number of unemployed individuals in all eligible States.

(2) *DEFINITIONS.*—In this subsection—

(A) *ELIGIBLE STATE.*—The term “eligible State” means a State that has a State apprenticeship agency.

(B) *OUTLYING AREA.*—The term “outlying area” means American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands.

(C) *POVERTY LINE*.—The term “poverty line” has the meaning given such term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(D) *UNEMPLOYED INDIVIDUAL*.—The term “unemployed individual” has the meaning given such term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(g) *AUTHORIZATION OF APPROPRIATIONS*.—There are authorized to be appropriated to carry out this section—

- (1) \$75,000,000 for fiscal year 2021;
- (2) \$85,000,000 for fiscal year 2022;
- (3) \$95,000,000 for fiscal year 2023;
- (4) \$105,000,000 for fiscal year 2024; and
- (5) \$115,000,000 for fiscal year 2025.

**SEC. 114. INTERAGENCY AGREEMENT WITH DEPARTMENT OF EDUCATION.**

(a) *IN GENERAL*.—Not later than 1 year after the effective date of the National Apprenticeship Act of 2020, in order to cooperate with the Secretary of Education and promote awareness and adoption of apprenticeship programs, the Secretary (acting through the Administrator) shall—

(1) enter into an interagency agreement with the Secretary of Education to promote and support integration and alignment of programs under the national apprenticeship system with secondary, postsecondary, and adult education, through the activities described in this section; and

(2) submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of Senate, such agreement and any modifications to such agreement.

(b) *ALIGNMENT FOR YOUTH APPRENTICESHIPS*.—In order to promote alignment between youth apprenticeship programs and high school graduation requirements, the interagency agreement under subsection (a) shall describe how the Secretaries will work to provide—

(1) information and resources to—

(A) parents and students to promote a better understanding of programs under the national apprenticeship system and their value in secondary and postsecondary education and career pathways by not later than middle school; and

(B) school leaders (working with academic counselors, teachers, and faculty) about the value of such programs and information on how to effectively align youth apprenticeship programs with secondary and career and technical education programs; and

(2) technical assistance on how to—

(A) align related instruction and apprenticeable occupation skills and competencies to high school graduation requirements;

(B) offer related instruction through dual and concurrent enrollment programs and other accelerated learning programs, as described in section 4104(b)(3)(A)(i)(IV) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7114(b)(3)(A)(i)(IV));

(C) facilitate transitions for youth apprentices who have completed their youth apprenticeships into further education, including an associate, baccalaureate, or advanced degree, and related apprenticeship opportunities; and

(D) align activities carried out under this Act with eligible funding from, and planning processes for, the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), the Rehabilitation Act of 1973, and the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

(c) APPRENTICESHIP COLLEGE CONSORTIUM.—In order to support the establishment of a college consortium of postsecondary educational institutions, related instruction providers, sponsors, qualified intermediaries, employers, labor organizations, and joint labor-management organizations for the purposes of promoting stronger connections between programs under the national apprenticeship system and participating 2- and 4-year postsecondary educational institutions, the interagency agreement under subsection (a) shall include a description of how the Secretaries will—

(1) support data sharing systems that align education records and records of programs under the national apprenticeship system regarding whether program participants who receive financial aid under title IV of the Higher Education Act of 1965 enroll in, or complete, postsecondary coursework while participating in a program under such system;

(2) provide guidance on how to align eligible funding from, planning processes for, and the requirements of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the Rehabilitation Act of 1973, and the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) with this Act;

(3) require all participants of the apprenticeship college consortium to enter into agreements to—

(A) have an articulation agreement with a participating sponsor of an apprenticeship program, which may include a 2- or 4-year postsecondary educational institution;

(B) create or expand the awarding and articulation of academic credit for related instruction completed and credentials awarded to program participants as part of a program under the national apprenticeship system; and

(C) support the creation or expansion of electronic transcripts for apprenticeship programs and all academic content, including related instruction and on-the-job training;

(4) provide technical assistance on eligible uses of financial aid, including the Federal work study program under part C of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087–51 et seq.), for related instruction for programs under the national apprenticeship system;

(5) provide to consortium participants or potential participants information regarding—

(A) a list of apprenticeship programs in related occupations offered in the State or available under the Office of Apprenticeship that may become part of the consortium;

(B) information on how to develop an apprenticeship program;

(C) information on Federal, State, and local financial resources available to assist with the establishment and implementation of apprenticeship programs; and

(D) information on related qualified intermediaries or industry or sector partnerships supporting apprenticeship programs, as applicable; and

(6) support information regarding the apprenticeship consortium being made available on a publicly accessible website, including—

(A) a list of participating members of the consortium, apprenticeship programs provided, credentials awarded with each program, and available apprenticeable occupations; and

(B) models of articulation agreements, prior learning assessments, and competency-based curriculum for related instruction for illustrative purposes.

(d) **BEST PRACTICE DEVELOPMENT AND SHARING.**—

(1) **DISSEMINATION.**—Such interagency agreement shall require that the Secretaries disseminate information on the value of programs under the national apprenticeship system, including relevant placement, retention, and earnings information, labor market data from the local area, and sector forecasts to determine high-skill, high-wage, or in-demand industry sectors or occupations of such programs, to local education and training providers, labor organizations, or joint-labor management organizations (including those representing teachers).

(2) **CLEARINGHOUSE.**—Such agreement shall require the Secretaries to create a clearinghouse of best practices—

(A) for improving performance and increasing alignment of education and programs under the national apprenticeship system, including career pathways; and

(B) publicly disseminate information and resources on—  
(i) replicable related instruction and on-the-job learning; and

(ii) how to build an understanding of apprenticeship opportunities available to students.

(e) **DATA SHARING AGREEMENT.**—The Secretaries shall disseminate best practices for the alignment of education records and records of programs under the national apprenticeship system, including information on program participants who enroll in, complete, and receive academic credit for postsecondary coursework while participating in such a program.

(f) **SECRETARIES DEFINED.**—In this section, the term “Secretaries” means the Secretary of Labor and the Secretary of Education.

## ***Subtitle B—Process and Standards for the National Apprenticeship System***

### **SEC. 121. APPRENTICEABLE OCCUPATIONS STANDARDS.**

For an occupation to be an apprenticeable occupation under this Act, a person seeking approval for such occupation to be an apprenticeable occupation shall submit an application to the Ad-

*ministrator that demonstrates that such apprenticeable occupation is in-demand and will prepare individuals for the full range of skills and competencies needed for such occupation by describing how such apprenticeable occupation shall—*

*(1) meet the industry-recognized occupational standards under section 111(b)(5)(C); or*

*(2) involve the progressive attainment of skills, competencies, and knowledge that are—*

*(A) clearly identified and commonly recognized throughout the relevant industry or occupation;*

*(B) customarily learned or enhanced in a practical way through a structured, systematic program of on-the-job supervised learning and related instruction to supplement such learning; and*

*(C) offered through a time-based, competency-based, or hybrid model as described in section 122(b)(1)(E).*

**SEC. 122. QUALITY STANDARDS OF PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM.**

*(a) IN GENERAL.—The Secretary, acting through the Administrator, shall formulate and promote the furtherance of quality standards necessary to safeguard the welfare of apprentices, pre-apprentices, and youth apprentices.*

*(b) APPRENTICESHIP PROGRAM STANDARDS.—In addition to the standards described in subsection (e), an apprenticeship program shall meet the following standards:*

*(1) The program has an organized and clearly written plan, developed by the sponsor, that includes, at a minimum, the following information:*

*(A) The employment and training to be received by each apprentice participating in the program, including—*

*(i) an outline of the work processes or the plan in which the apprentice will receive supervised work experience, on-the-job training, and on-the-job learning;*

*(ii) the allocation of the approximate amount of time that will be spent in each major work process by the apprentice;*

*(iii) a description of the mentoring that will be provided to the apprentice; and*

*(iv) a description or timeline explaining the periodic reviews and evaluations of the apprentice's performance on the job and in related instruction.*

*(B) A process for maintaining appropriate progress records, including the reviews and evaluations described in subparagraph (A)(iv).*

*(C) A description of the organized related instruction the apprentice will receive in technical subjects related to the occupation, which—*

*(i) for time-based or hybrid apprenticeship programs as described in paragraph (E), shall include not less than 144 hours for each year of apprenticeship, unless an alternative requirement is put forth by the employer and sponsor that reflects industry standards and is accepted by the registration agency;*

*(ii) may be accomplished through classroom instruction, occupational or industry courses, instruction pro-*

vided through electronic media, or other instruction approved by the registration agency;

(iii) shall be provided by one or more qualified instructors that—

(I)(aa) meet technical instructor requirements of the applicable education agency in the State of registration; or

(bb) are subject matter experts, defined for purposes of this subparagraph as individuals recognized within an industry as having expertise in a specific occupation; and

(II) have training in teaching techniques and learning styles, or will obtain such training before providing the related technical instruction; and

(iv) where appropriate and to the extent practicable, shall be aligned to a career pathway.

(D) A progressively increasing, clearly defined schedule of wages to be paid to the apprentice that is—

(i) consistent with measurable skill gains; and

(ii) ensures the entry wage is not less than the greater of—

(I) the minimum wage required under section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)); or

(II) the applicable wage required by other applicable Federal or State laws (including regulations) or collective bargaining agreements.

(E) The term of the apprenticeship program, which may be measured using—

(i) a time-based model, which requires the completion of the industry standard for on-the-job learning hours, which in no case shall be less than 2,000 hours, unless an alternative requirement is put forth by the employer and sponsor that reflects industry standards and the relative hazards of the occupation, and is accepted by the Secretary and registration agency;

(ii) a competency-based model, which requires the attainment of competency in the occupation; or

(iii) a hybrid model, which blends the time-based and competency-based approaches.

(F) The methods used to measure an apprentice's skills and competencies, which may include an initial diagnostic assessment or assessment of credentials that verify an individual's foundational knowledge and skills that would be needed to succeed in an apprenticeship program, and which shall include—

(i) in the case of a time-based apprenticeship described in subparagraph (E)(i), the individual apprentice's completion of the required hours of on-the-job learning as described in a work process schedule; or

(ii) in the case of a competency-based model described in subparagraph (E)(ii), the individual apprentice's successful demonstration of acquired skills and knowledge through appropriate means of testing and evaluation for such competencies, and by requiring ap-

prentices to complete a paid on-the-job learning component of the apprenticeship;

(iii) in the case of a hybrid apprenticeship described in subparagraph (E)(iii), a combination of a specified minimum number of hours of on-the-job learning and the successful demonstration of competency, as described in subparagraph (E)(i) and a work process schedule.

(2) The program equally grants advanced standing or credit to all individuals applying for the apprenticeship with demonstrated competency or acquired experience, training, or skills, and provides commensurate wages for any progression in standing or credit so granted, including for veterans' service-acquired skills and experiences.

(3) The program has minimum qualifications for individuals desiring to enter the apprenticeship program, with an eligible starting age for an apprentice of not less than 16 years.

(4) In the case of a program that chooses to issue an interim credential, the program—

(A) clearly identifies each interim credential;

(B) only issues an interim credential for recognized components of an apprenticeable occupation and demonstrates how each interim credential specifically links to the knowledge, skills, and abilities associated with such components; and

(C) establishes the process for assessing an individual apprentice's demonstration of competency and measurable skill gains associated with the particular interim credential.

(c) **PRE-APPRENTICESHIP PROGRAM STANDARDS.**—In addition to the standards described in subsection (e), a pre-apprenticeship program shall meet the following standards:

(1) The program is designed to assist individuals who do not meet minimum qualifications for an apprenticeship program as described in subsection (b) and prepare them to enter and succeed in such an apprenticeship programs, including by providing the skills and competency attainment needed to enter the apprenticeship program.

(2) The program—

(A) is carried out by a sponsor that has a written agreement with at least one sponsor of an apprenticeship program;

(B) demonstrates the existence of an active, advisory partnership with an industry or sector partnership to inform the training and education services necessary for a pre-apprenticeship program;

(C) demonstrates evidence of sufficient demand in an apprenticeship program at the completion of a pre-apprenticeship program to support a transition from a pre-apprenticeship to an apprenticeship; and

(D) demonstrates partnerships with qualified intermediaries, community-based organizations, labor organizations, or joint labor-management organizations.

(3) The program includes a written plan developed by the sponsor that is reviewed and approved by the sponsor to the

agreement with the sponsor of an apprenticeship program, that—

(A) provides for work-based learning, and paid work-based learning to the extent practicable, in which an industry or sector partnership and a related instruction provider collaborate to provide training that will introduce participants to the skills, competencies, and materials used in one or more apprenticeable occupations;

(B) is based on and aligned with national, State, regional, or local industry standards for high-skill, high-wage, or in-demand industry sectors and occupations, and the requirements of the related apprenticeship program;

(C) to the extent appropriate and practicable, meets the related instruction requirements as described in clauses (ii) through (iv) of subsection (b)(1)(C) that includes enabling an individual to attain a secondary school diploma or its recognized equivalent that enables a pre-apprentice to enter into an apprenticeship program; and

(D) includes mentoring, career exposure, career planning, and career awareness activities.

(d) **YOUTH APPRENTICESHIP PROGRAM STANDARDS.**—In addition to the standards described in subsection (e), a youth apprenticeship program shall meet the following standards:

(1) The program is designed for youth apprentices who at the start of the program are enrolled in high school.

(2) The program includes each of the following core elements:

(A) The employment and training to be received by each youth apprentice participating in the program, including—

(i) an outline of the work processes or the plan in which the youth apprentice will receive supervised work experience and on-the-job training or in an experiential setting;

(ii) the allocation of the approximate amount of time that will be spent in each major work process by the youth apprentice;

(iii) a description of the mentoring that will be provided to the youth apprentice; and

(iv) a description or timeline explaining the periodic reviews and evaluations of the youth apprentice's performance on the job and in related instruction.

(B) A process for maintaining appropriate progress records, including the reviews and evaluations described in subparagraph (A)(iv).

(C) Related classroom-based instruction, which may be fulfilled through dual or concurrent enrollment, and—

(i) is, to the extent practicable, aligned with high school diploma requirements and career clusters; and

(ii) meets the additional requirements as described in subsection (b)(1)(C).

(D) A progressively increasing, clearly defined schedule of wages to be paid to the youth apprentice.

(E) The term of the youth apprenticeship program, as described in subsection (b)(1)(E).

(F) For a competency-based or hybrid youth apprenticeship program, the methods used to measure skill acquisi-

tion for a youth apprentice, including ongoing assessment against established skill and competency standards as described in subsection (b)(1)(F).

(G) Prepares the youth apprentice for placement in further education, employment, or an apprenticeship program.

(3) The program equally grants advanced standing or credit to all individuals applying for the youth apprenticeship with demonstrated competency or acquired experience, training, or skills.

(4) In the case of a youth apprenticeship program that chooses to issue an interim credential, the program meets the requirements of subsection (b)(4).

(e) **GENERAL REQUIREMENTS.**—Each program under the national apprenticeship system shall meet the following standards:

(1) The program—

(A) has adequate and safe equipment, environments, and facilities for training and supervision;

(B) provides safety training on-the-job and in related instruction as applicable by the apprenticeable occupation; and

(C) provides adequate training for mentors and qualified instructors on providing a safe work and training environment.

(2) The program records and maintains all records concerning the program as may be required by the Secretary, the registration agency of the program, or any other applicable law, including records required under title 38, United States Code, in order for veterans and other individuals eligible for educational assistance under such title to use such assistance for enrollment in the program.

(3) The program provides all individuals with an equal opportunity to participate in the program as described in subparagraphs (B) and (C) of section 111(b)(7).

(4) The program awards a certificate of completion in recognition of successful completion of the program, evidenced by an appropriate certificate issued by the registration agency, and in the case of apprenticeships and youth apprenticeships, prepares a program participant to obtain a recognized postsecondary credential.

(5) The program provides that an individual who is to become a program participant under the program enters into a written apprenticeship agreement described in section 123 with the sponsor of the program.

(6) The numeric ratio of program participants to supervisors (such as journeyworkers, mentors, or on-the-job learning instructors, as applicable) for the apprenticeable occupation, that are based on evidence-based and evidence-informed best practices for supervision, training, safety, and continuity of employment, throughout the work processes of the program, job site, department, or plant, appropriate for the degree of hazard in different occupations, and consistent with provisions in collective bargaining agreements, as applicable, except if such ratios are expressly prohibited by the collective bargaining agreements.

**SEC. 123. APPRENTICESHIP AGREEMENTS.**

(a) *IN GENERAL.*—To ensure the standards described in section 122 are applied to programs under the national apprenticeship system, the Administrator shall require a sponsor to develop an apprenticeship agreement that shall—

- (1) be the same for each program participant;
- (2) contain the names and signatures of the program participant and the sponsor;
- (3) meet the requirements of subsection (b); and
- (4) be submitted to the registration agency in accordance with section 124 by the program sponsor.

(b) *STANDARDS.*—Each agreement under subsection (a) shall contain, explicitly or by reference, program standards under section 122, including—

- (1) in the case of an apprenticeship program—
  - (A) that is time-based, a statement of the number of hours to be spent by the program participant in on-the-job learning and on-the-job training in order to complete the program;
  - (B) that is competency-based, a description of the skill sets to be attained by completion of the program, including the on-the-job learning and work components; or
  - (C) that is a hybrid model, the minimum number of hours to be spent by the program participant in on-the-job learning and work components and in related instruction, and a description of the skill sets and competencies to be attained by completion of the program;
- (2) the number of hours and form of related instruction, including how related instruction will be compensated (whether through academic credit, wages, or both), the costs the program participant will incur costs for participating in the program (such as for equipment or related instruction), and the recognized postsecondary credentials the program participants will be eligible to receive upon program completion;
- (3) a schedule of the work processes in the occupation or industry divisions in which the program participant is to be trained and the approximate time to be spent at each process;
- (4) for apprenticeships or youth apprenticeships, the graduated wage scale to be paid to the apprentices, benefits offered to the apprentices, and how the wages and benefits compare to State, local, or regional wages in the related occupation; and
- (5) demonstration of commitment to and compliance with subparagraphs (B) and (C) of section 111(b)(7).

**SEC. 124. REGISTRATION OF PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM.**

(a) *PROGRAM REGISTRATION APPLICATION.*—In order to bring together employers and labor for the formulation of programs under the national apprenticeship system, the Administrator shall provide for the registration of programs in which a sponsor applying to register a program under the national apprenticeship system shall request registration of such program from a registration agency by submitting the information required by the registration agency, including—

- (1) information demonstrating that each of the requirements of section 122 will be met for the program;

(2) a copy of the apprenticeship agreement described in section 123 used by the sponsor;

(3) a written assurance that, if the program is registered under this Act, the sponsor will administer the program in accordance with the requirements of this Act and comply with the requirements of the apprenticeship agreement for each apprentice; and

(4) methods for reporting quarterly data describing the outcomes associated with the program as required by the registration agency.

(b) **RECOGNITION AND REGISTRATION PROCESS.**—

(1) **REVIEW AND APPROVAL PROCESS.**—

(A) **PROVISIONAL APPROVAL REVIEW.**—An application submitted under subsection (a) that the registration agency determines meets the requirements described in such subsection shall be registered for a provisional 1-year period beginning not later than 30 days after such application is submitted. During such period, the registration agency shall accept and record the apprenticeship agreement as evidence of the program's compliance and registration to operate such program.

(B) **FULL APPROVAL OR EXTENDED PROVISIONAL APPROVAL.**—By the end of a provisional registration period for a program, the registration agency providing provisional approval under subparagraph (A) shall review the program for quality and for compliance with the applicable standards under this subtitle and all other applicable program requirements under this Act, and—

(i) if a registration agency conducting a provisional review determines that the program complies with the standards and requirements under this Act, the registration agency shall fully approve the registration of the program; or

(ii) if a registration agency conducting a provisional review determines that the program is not conforming to the requirements or standards under this Act, the registration agency may continue the provisional registration of the program through the first full training cycle for program participants, and conduct an additional provisional review at the conclusion of the training cycle.

(C) **FAILURE TO MEET REQUIREMENTS.**—If, after an initial provisional review under subparagraph (A), a registration agency conducting such provisional review determines that the program is not in operation or does not conform to the requirements under this Act, the registration agency shall recommend technical assistance and corrective action for the program, or deregistration, in accordance with procedures established under subsections (b) and (c) of section 131.

(2) **CERTIFICATE OF REGISTRATION.**—

(A) **IN GENERAL.**—A registration agency that registers a program under paragraph (1) shall—

(i) provide the sponsor of the program with a certificate of registration or other written evidence of registration; and

(ii) provide a copy of the certificate of registration to the Secretary of Veterans Affairs or the applicable State veterans agency for the purpose of aligning the registration process with the process for approving such program for eligible veterans' use of supplemental educational assistance benefits.

(B) **REGISTRATION NAME.**—A program shall be registered in the name of the sponsor, or if a sponsor enters into a partnership with an employer who registers the program, in the name of the employer.

(3) **PROGRAM PARTICIPANT REGISTRATION.**—A sponsor providing a program that is registered in accordance with paragraph (2) shall provide to an individual seeking to be a program participant the opportunity to apply through the sponsor, and shall—

(A) enter into a written individual apprenticeship agreement described in section 123 with each such individual before the commencement of the program; and

(B) individually register each program participant with the registration agency by filing a copy of the individual apprenticeship agreement with the registration agency or as otherwise required by the registration agency, and sharing a copy with the Administrator as appropriate, as described under section 123(a)(4).

(4) **TRANSITION PROCESS FOR PREVIOUSLY APPROVED PROGRAMS.**—With respect to a program that was registered under this Act as of the day before the date of enactment of the National Apprenticeship Act of 2020, the registration agency shall take such steps as necessary to—

(A) in the case of a program that meets of the requirements of this Act, maintain the status of the sponsor of the program as of the date before such date of enactment as the sponsor of such program under this Act; and

(B) in the case of a program that does not meet the requirements of this Act, provide technical assistance to the sponsor of such program to ensure that the sponsor is in compliance with this Act not later than 3 years after the date of enactment of the National Apprenticeship Act of 2020.

(c) **MODIFICATIONS OR CHANGES TO YOUTH APPRENTICESHIP, PRE-APPRENTICESHIP, OR APPRENTICESHIP PROGRAMS.**—

(1) **SPONSOR PROPOSAL.**—Any sponsor that wishes to modify a program, including the program's method of meeting the standards required under this Act, shall submit the proposal for such change or modification to the registration agency for the program.

(2) **REGISTRATION AGENCY REQUIREMENTS.**—

(A) **IN GENERAL.**—The registration agency shall determine whether to approve the proposal and notify the sponsor of the determination by not later than 60 days after receipt of the proposal.

(B) *APPROVAL OF PROPOSAL.*—If the proposal is approved, the registration agency shall amend the record of the program to reflect the modification or change, and provide the sponsor or program administrator with an acknowledgment of the amended program, by not later than 30 days after the date of approval.

(C) *DISAPPROVAL OF PROPOSAL.*—If the proposal is not approved, the registration agency shall—

(i) notify the sponsor of the reasons for the disapproval and provide the sponsor with technical assistance to maintain the program as originally registered;

(ii) provide the sponsor with the opportunity to submit a revised modification proposal, including providing appropriate technical assistance to modify the proposal in order to meet the requirements of this Act; and

(iii) in a case in which the sponsor submits a revised modification proposal, not later than 60 days after receipt of such proposal—

(I) approve the proposal; or

(II) disapprove the proposal and provide the sponsor with technical assistance to maintain the program as originally registered.

## ***Subtitle C—Evaluations and Research***

### **SEC. 131. PROGRAM EVALUATIONS.**

(a) *PURPOSE.*—The purpose of this section is to provide program performance transparency across the programs under the national apprenticeship system, assess the effectiveness of States in achieving positive outcomes for program participants served by those programs, and establish performance accountability measures related to program completion and key indicators of performance under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.).

(b) *REVIEWS BY REGISTRATION AGENCIES.*—

(1) *PERFORMANCE REVIEWS.*—

(A) *IN GENERAL.*—A registration agency shall—

(i) annually collect performance data for each program registered under section 124 by such agency to determine—

(I) the performance of the program with respect to the indicators of performance under section 116(b)(2)(A)(i) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3141(b)(2)(A)(i) or in the case of a youth apprenticeship program, section 116(b)(2)(A)(ii)) of such Act (29 U.S.C. 3141(b)(2)(A)(ii)), as applied to programs under the national apprenticeship system; and

(II) the completion rates of the program; and

(ii) provide technical assistance for the collection of the information under clause (i) of this subparagraph and subparagraph (B), as necessary.

(B) *REPORTS.*—The registration agency for a State shall annually prepare and submit to the Administrator a State

*performance report that includes the following information with respect to each program registered under section 124 by such agency, including—*

*(i) information specifying the levels of performance described in subparagraph (A), as compared to goals set in section 113(c)(8)(A)(i);*

*(ii) the percentage of program participants by race, sex ethnicity and, to the extent practicable, by individuals with disabilities, as compared to such percentages within the working age population who are in the geographical area from which the sponsor usually seeks or reasonably could seek program participants and who meet the minimum eligibility requirements for entry into in the program;*

*(iii) the percentage of program participants served by each of the programs that obtained unsubsidized employment in a field related to the apprenticeable occupation;*

*(iv) the average time to completion for the program as compared to the description in the agreement under paragraphs (1) and (2) of section 123(b);*

*(v) the average cost per participant during the most recent program year and the 3 preceding program years;*

*(vi) the percentage of program participants who received supportive services;*

*(vii) information on the State's activities required under section 113(c), including the State's uses of funds; and*

*(viii) the disaggregation of the performance data described in clauses (i) through (vi)—*

*(I) by the program type (apprenticeship, youth apprenticeship, or pre-apprenticeship program) involved; and*

*(II) by race, ethnicity, sex, age, and membership in a population specified in section 3(24) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102(24)).*

*(C) REPORTS TO CONGRESS.—Not later than 60 days after receiving a report under subparagraph (B), the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.*

*(D) PUBLICATION.—The Administrator shall annually make available on a publicly accessible website each report received under subparagraph (B) not later than 30 days after receipt of such report.*

**(2) COMPREHENSIVE PROGRAM REVIEWS.—**

*(A) IN GENERAL.—A registration agency shall periodically review each program registered under section 124 by such agency for quality assurance and compliance with the requirements of this Act.*

*(B) TIMING OF REVIEWS.—A review described in subparagraph (A) shall occur—*

- (i) at the end of the first full training cycle of program participants under the program; and
- (ii) beginning after the review described in clause (i) at least once every 5 years.

(C) *REVIEW.*—The review shall be a comprehensive review regarding all aspects of the program performance, including—

- (i) determining whether the registration agency is receiving notification from the sponsor of a program regarding individuals who are registered as new youth apprentices, pre-apprentices, or apprentices under the program, or who successfully complete the program, as required under this Act;
- (ii) determining whether the sponsor of the program is complying with the requirements of this Act;
- (iii) evaluating the performance of the sponsor with respect to, at a minimum, the indicators described in paragraph (1)(A)(i), with the performance data disaggregated as described in paragraph (1)(B)(viii); and
- (iv) ensuring the sponsor's compliance with the requirement to provide equal opportunity in recruitment, training, and employment as described in subparagraphs (B) and (C) of section 111(b)(7).

(D) *REPORTS.*—On completion of a review under this paragraph, the registration agency shall prepare and submit to the Administrator a report containing the results of the review.

(c) *SUBSEQUENT ACTION.*—

(1) *TECHNICAL ASSISTANCE.*—The registration agency shall provide technical assistance to the sponsor and identify areas that require technical assistance, including—

- (A) to support the sponsor in creating a plan to meet the State goals described in section 113(c)(8)(A)(ii), as applicable; and
- (B) assistance in the development of a performance improvement plan if the registration agency determines, pursuant to any review under subsection (b), that the youth apprenticeship, pre-apprenticeship, or apprenticeship program—

- (i) is not in operation;
- (ii) is not in compliance with the requirements of this Act; or
- (iii) is achieving levels of performance on any indicators described in subsection (b)(1)(A)(i) that are lower than the State goals for any program year.

(2) *CORRECTIVE ACTION AND DEREGISTRATION OF AN APPRENTICESHIP PROGRAM.*—The registration agency may take corrective action, and if warranted, deregister a youth apprenticeship, pre-apprenticeship, or apprenticeship program, after making a determination that the program demonstrates persistent and significant failure to perform successfully, which occurs when—

- (A) the sponsor of the program consistently fails to register at least 1 program participant;

(B) the program shows a pattern of poor results on the indicators described in subsection (b)(1)(A)(i) over a period of 3 years, given the characteristics of program participants and economic conditions in the area served, or are lower than the national or State average;

(C) the program shows no indication of improvement in the areas identified by the registration agency and in the performance improvement plan under paragraph (1); or

(D) the sponsor has not administered the program in accordance with the program's registration, as applicable, or with the requirements of this Act.

(3) **NOTIFICATION AND HEARING.**—If the registration agency makes a determination described in paragraph (2), the registration agency shall notify the Secretary and the sponsor of the determination in writing, and permit the sponsor to request a hearing by the Office of Administrative Law Judges. The registration agency shall transmit to the Secretary a report containing all pertinent facts and circumstances concerning the determination, including findings and a recommendation for deregistration, and copies of all relevant documents and records. If the sponsor does not request the hearing not later than 15 days after receiving such notification, the registration agency shall deregister the program after the period for requesting such a hearing has expired.

(4) **NOTIFICATION AND TREATMENT OF APPRENTICES.**—Not later than 15 days after the registration agency deregisters a program, the sponsor or program administrator shall notify program participant—

(A) of such deregistration and the effective date;

(B) that such deregistration automatically deprives the program participant of individual registration as part of such youth apprenticeship, pre-apprenticeship, or apprenticeship program, including the ability to receive a certificate of completion from the registration agency;

(C) that the deregistration of the program removes the program participant from eligibility for any Federal financial or other assistance, or rights, privileges, or exemptions under Federal law, that—

(i) relates to an apprentice; and

(ii) requires the registration agency's approval; and

(D) that all youth apprentices, pre-apprentices, or apprentices are referred to the registration agency for information about potential transfers to other programs under the national apprenticeship system.

#### **SEC. 132. NATIONAL APPRENTICESHIP SYSTEM RESEARCH.**

(a) **RESEARCH.**—The Secretary shall conduct, through an independent entity, research for the purpose of improving the management and effectiveness of the programs and activities carried out under this Act and to assist in the evaluation of the programs as described in section 131.

(b) **TECHNIQUES.**—The research conducted under this section shall utilize appropriate methodology and research designs.

(c) **CONTENTS.**—Such research shall address—

(1) *the general effectiveness of such programs and activities in relation to their cost, including the extent to which the programs and activities—*

(A) *improve the skill and employment competencies of participants in comparison to comparably-situated individuals who did not participate in such programs and activities;*

(B) *to the extent feasible, increase the levels of total employment, of attainment of recognized postsecondary credentials, and of measurable skills, above the levels that would have existed in the absence of such programs and activities;*

(C) *respond to the needs reflected in labor market data in the local area and align with high-skill, high-wage, or in-demand industries or occupations; and*

(D) *demonstrate a return on investment of Federal, State, local, sponsor, employer, and other funding for programs under the national apprenticeship system, capturing the full level of investment in, and impact of, such programs under the national apprenticeship system;*

(2) *the impact of the National Apprenticeship Act of 2020 on the general effectiveness of programs under the national apprenticeship system, including the implementation of policies such as dual or concurrent enrollment programs, advanced standing, or industry recognized apprenticeable occupations;*

(3) *best practices in increasing nontraditional apprenticeship populations' participation in programs under the national apprenticeship system; and*

(4) *opportunities to scale up effective models under the national apprenticeship system.*

(d) **REPORTS.—**

(1) **INDEPENDENT ENTITY.**—*The independent entity carrying out the research shall prepare and submit to the Secretary—*

(A) *an interim report containing findings from the research; and*

(B) *a final report containing the results of the research, including policy recommendations.*

(2) **REPORTS TO CONGRESS.**—*Not later than 60 days after receipt of the interim report and final report described in subparagraphs (A) and (B) of paragraph (1), respectively, the Secretary shall submit each report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.*

(e) **PUBLIC ACCESS.**—*The Secretary shall make the interim and final reports available on a publicly accessible website not later than 60 days after the receipt of the interim and final report.*

## **Subtitle D—General Provisions**

### **SEC. 141. AUTHORIZATION OF APPROPRIATIONS.**

(a) **OFFICE OF APPRENTICESHIP.**—*There are authorized to be appropriated to carry out sections 111 and 112—*

(1) *\$50,000,000 for fiscal year 2021;*

(2) *\$60,000,000 for fiscal year 2022;*

- (3) \$70,000,000 for fiscal year 2023;
- (4) \$80,000,000 for fiscal year 2024; and
- (5) \$90,000,000 for fiscal year 2025.

(b) *INTERAGENCY AGREEMENT.*—There are authorized to be appropriated to carry out section 114—

- (1) \$10,000,000 for fiscal year 2021;
- (2) \$12,000,000 for fiscal year 2022;
- (3) \$14,000,000 for fiscal year 2023;
- (4) \$16,000,000 for fiscal year 2024; and
- (5) \$18,000,000 for fiscal year 2025.

## **TITLE II—MODERNIZING THE NATIONAL APPRENTICESHIP SYSTEM FOR THE 21st CENTURY GRANTS**

### **SEC. 201. GRANT REQUIREMENTS.**

(a) *AUTHORITY.*—

(1) *IN GENERAL.*—The Administrator shall award grants, contracts, or cooperative agreements to eligible entities on a competitive basis for one or more of the following purposes:

(A) *CREATION AND EXPANSION ACTIVITIES.*—To expand the offerings of programs under the national apprenticeship system—

(i) to create new apprenticeship programs in a non-traditional apprenticeship industry or occupation, such as for programs demonstrating demand in information technology, energy, green jobs, advanced manufacturing, health care, or cybersecurity;

(ii) to expand existing apprenticeship programs demonstrating labor market demand;

(iii) to create new or expand existing pre-apprenticeship programs; or

(iv) to create new or expand existing youth apprenticeship programs.

(B) *ENCOURAGING EMPLOYER PARTICIPATION.*—To encourage employer participation in programs under the national apprenticeship system—

(i) that target individuals with barriers to employment in youth apprenticeship, pre-apprenticeship, or apprenticeship programs, 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;

(ii) that are in high-need social service-related industries, sectors, or occupations, such as direct care workers and early childhood educators;

(iii) that target individuals currently or recently incarcerated; or

(iv) among small- and medium-sized employers.

(C) *INTERMEDIARY GRANTS.*—If the eligible entity is a qualified intermediary—

(i) to support national industry and equity intermediaries in establishing or expanding sector-based partnerships to support the delivery or expansion of programs under the national apprenticeship system to significant scale in the United States—

(I) in key sectors, including manufacturing, information technology, cyber security, health care, insurance and finance, energy, hospitality, retail, construction, and other sectors identified by the Administrator and the Advisory Committee as targeted for expansion under the national apprenticeship system; or

(II) for nontraditional apprenticeship populations, women, minorities, individuals with disabilities, and individuals impacted by the criminal or juvenile justice system; or

(ii) to serve programs under the national apprenticeship system in a local or regional setting.

(D) **EDUCATIONAL ALIGNMENT.**—To strengthen alignment between programs under the national apprenticeship system and education and training providers with secondary and postsecondary education systems, including degree and credential requirements.

(2) **DURATION.**—

(A) **IN GENERAL.**—The Administrator shall award grants under this subsection for a period of not more than 3 years.

(B) **EXTENSION.**—The eligible entity may apply for, and the Administrator may grant, an extension of the grant period for not more than 1 additional 2-year period, if the grant recipient demonstrates to the Administrator that the recipient—

(i) has effectively implemented a project to achieve its stated purpose as described in subsections (e) and (f);

(ii) has complied with the assurances as described in subsection (e)(9); and

(iii) has improved applicable outcomes, as demonstrated through indicators referred to in section 203(a)(2).

(b) **FUNDING REQUIREMENTS.**—

(1) **MATCHING FUNDS REQUIRED.**—The Administrator shall require, as a condition of receipt of funds under this section, an eligible entity to match funds awarded under this section in an amount not less than 25 percent of the funds awarded to such recipient under this section. Such eligible entity may make the matching funds available directly or through donations from non-Federal, public, or private organizations, in cash or in kind, fairly evaluated.

(2) **WAIVER.**—The Administrator may waive the requirement under paragraph (1) if the entity demonstrates that exceptional circumstances prevent the entity from meeting the requirement, such as demonstrating that the entity serves a high proportion of individuals with barriers to employment, or due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the eligible entity.

(c) *PRIORITY AND DISTRIBUTION.*—

(1) *PRIORITY.*—In awarding grants under this section, the Administrator shall give priority to an eligible entity—

(A) proposing to serve a high number or high percentage of participants who are from nontraditional apprenticeship populations; and

(B) providing opportunities in high-wage, high-skill, or in-demand sectors and occupations.

(2) *GEOGRAPHIC DISTRIBUTION.*—In awarding grants under this subsection, the Administrator shall, to the extent practicable, ensure a geographically diverse distribution of grants, including a geographically diverse distribution among regions of the country and among urban, suburban, and rural areas.

(d) *ELIGIBLE ENTITY.*—To be eligible to apply for grants under this title, an eligible entity shall—

(1) demonstrate a partnership with two or more of the following:

(A) a State or local workforce development board or State or local workforce agency;

(B) an education and training provider, or a consortium thereof;

(C) a State apprenticeship agency;

(D) an Indian Tribe or Tribal organization;

(E) an industry or sector partnership, a group of employers, a trade association, or a professional association that sponsors or participates in a program under the national apprenticeship system;

(F) a Governor;

(G) a labor organization or joint-labor management organization;

(H) community-based organizations that assist program participants in accessing supportive services; or

(I) a qualified intermediary; and

(2) to the extent practicable, be part of an industry or sector partnership.

(e) *GENERAL APPLICATION REQUIREMENTS.*—An eligible entity applying for a grant under this section shall submit to the Administrator a description of each of the following:

(1) Each purpose under subsection (a) for which the applicant intends to use such grant.

(2) Each entity with which the eligible entity is partnered or engaged under subsection (d) and the role of each such entity in carrying out activities funded under this subsection.

(3) The ability of the applicant, directly or through partners—

(A) to enroll, instruct, advance, and graduate program participants served by the grant activities, and enable the participants to gain employment after program completion;

(B) to support (including by providing technical assistance) program sponsors and employers (especially small- and medium-sized businesses) in the creation of, recruitment for, and execution of programs under the national apprenticeship system; and

(C) to provide opportunities to rural communities, as applicable.

(4) *A labor market analysis with respect to the geographic area of service that demonstrates—*

*(A) the need to create or expand the program; and*

*(B) a plan to align the activities supported by the grant with the labor market needs of high-skill, high-wage, or in-demand industry sectors or occupations.*

(5) *A plan—*

*(A) to comply with requirements for an evaluation and report under section 203;*

*(B) as appropriate, to coordinate activities assisted under the grant with activities carried out under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.), and any related Federal programs and if appropriate, how funds provided under these programs will be leveraged in support of the programs supported by this grant;*

*(C) to use funds awarded under this section in support of the programs supported by this grant, as described in section 202;*

*(D) to continue the program after the grant period ends; and*

*(E) to recruit and retain program participants for pre-apprenticeship, youth apprenticeship, and apprenticeship programs, including from nontraditional apprenticeship populations, such as women, minorities, individuals with disabilities, individuals impacted by the criminal or juvenile justice system, and individuals with barriers to employment, to ensure program participants are able to access supportive services, as applicable, and how such plan will support the eligible entity in meeting the equal opportunity requirements for diversity described in subparagraphs (B) and (C) of section 111(b)(7) and section 113(c)(5), as applicable.*

(6) *For any grants expanding existing programs under the national apprenticeship system, a description of—*

*(A) a plan to coordinate the activities carried out under the grant with the existing program; and*

*(B) the effectiveness of the program, including demonstrations of programmatic components such as program costs to employers and to program participants, completion and placement rates, credential attainment, diversity in populations served, the effectiveness of the program in increasing participant's wages and benefits, or services provided to employers and program participants.*

(7) *A description of potential program participants and strategies to support the recruitment, retention, and completion of such participants, including nontraditional apprenticeship populations and individuals with barriers to employment, to the extent practicable.*

(8) *A description of strategies to recruit and support employers involved in programs under the national apprenticeship system.*

(9) *An assurance that the eligible entity will—*

(A) *provide information to the Administrator, as requested, for any such evaluations as the Administrator may carry out;*

(B) *make program performance outcome data available (in accordance with applicable data privacy laws, including section 444 of the General Education Provisions Act (20 U.S.C. 1232g) and section 4 of this Act) to independent evaluators to enable the evaluators to prepare the evaluations and research reports described in section 203(a)(1); and*

(C) *coordinate grant activities with a State Apprenticeship Agency, if such agency exists in the State where the eligible entity is applying for a grant or carrying out activities.*

(f) **ADDITIONAL APPLICATION REQUIREMENTS.**—*The Administrator shall require an eligible entity applying for a grant under this title to include as part of their application in subsection (e) the following information, as applicable:*

(1) **CREATION AND EXPANSION ACTIVITIES.**—

(A) **NEW APPRENTICESHIP PROGRAMS.**—*An eligible entity applying to create new apprenticeship programs and carry out activities in accordance with subsection (a)(1)(A)(i) shall include as part of their application a description of—*

(i) *any plans for further expansion upon development of the program; and*

(ii) *employers, and to the extent practicable, labor organizations or joint labor-management organizations, engaged in the program creation and implementation.*

(B) **EXPANDING APPRENTICESHIP PROGRAMS.**—*An eligible entity applying to expand existing apprenticeship programs and carry out activities in accordance with subsection (a)(1)(A)(ii) shall include as part of their application a description of employers engaged in the program expansion.*

(C) **CREATING OR EXPANDING PRE-APPRENTICESHIP PROGRAMS.**—*An eligible entity applying to create or expand pre-apprenticeship programs and carry out activities in accordance with subsection (a)(1)(A)(iii) shall include as part of their application a description of—*

(i) *a partnership between the eligible entity and at least one apprenticeship program; and*

(ii) *existing partnerships with employers acting in either an advisory capacity or actively participating in the pre-apprenticeship program.*

(D) **CREATING OR EXPANDING YOUTH APPRENTICESHIP PROGRAMS.**—*An eligible entity applying to create or expand youth apprenticeship programs and carry out activities in accordance with subsection (a)(1)(A)(iv) shall include as part of their application a description of—*

(i) *an existing partnership with at least one high school offering related instruction for the youth apprenticeship program, with existing integration into the academic content of the high school diploma requirements, or with demonstrated plans for integration of*

*related instruction into the high school curriculum; and*

*(ii) existing partnerships with employers acting in either an advisory capacity or actively participating in the youth apprenticeship program.*

(2) *ENCOURAGING EMPLOYER PARTICIPATION.—*

*(A) INDIVIDUALS WITH BARRIERS TO EMPLOYMENT.—An eligible entity applying to target individuals with barriers to employment for apprenticeship, youth apprenticeship, or pre-apprenticeship programs and carry out activities in accordance with subsection (a)(1)(B)(i) shall include as part of their application a description of—*

*(i) specific strategies to target both individuals with barriers to employment and employers for participation in the program; and*

*(ii) partnerships with organizations that assist program participants in accessing supportive services to support recruitment, retention, and completion of the program by program participants.*

*(B) HIGH-NEED SOCIAL SERVICE-RELATED INDUSTRIES.—An eligible entity applying to offer pre-apprenticeship, youth apprenticeship, or apprenticeship programs in high-need social service-related industries, sectors, or occupations and carry out activities in accordance with subsection (a)(1)(B)(ii) shall include as part of their application a description of wages and benefits offered to program participants.*

*(C) INDIVIDUALS CURRENTLY OR RECENTLY INCARCERATED.—An eligible entity applying to target individuals currently or recently incarcerated and establish or carry out pre-apprenticeship programs and apprenticeship programs in accordance with subsection (a)(1)(B)(iii) shall include as part of their application a description of—*

*(i) a plan to assist the program participants in obtaining the documentation and work authorization necessary to participate in such program;*

*(ii) partnerships with organizations that will assist program participants in accessing activities to improve financial literacy and supportive services;*

*(iii) how the assessments used to support the placement of potential program participants into a program accurately reflect the participants' skills and competencies;*

*(iv) a plan to provide information about resources to program participants to address mental health or substance abuse issues;*

*(v) partnerships with organizations that support—*

*(I) the transition from incarceration to re-entry, such as assistance with housing, transportation, and legal services; and*

*(II) successful completion of an apprenticeship or pre-apprenticeship program;*

*(vi) wages and benefits offered to program participants that are commensurate with wages for similar work in the State or local area, as allowable; and*

(vii) alignment and necessary supports to comply with and receive the benefits of the Federal Bonding Program and the Prison Industry Enhancement Certification Program for employers participating in apprenticeship programs.

(D) *SMALL- AND MEDIUM-SIZED EMPLOYERS.*—An eligible entity applying to engage small- and medium-sized employers and carry out activities in accordance with subsection (a)(1)(B)(iv) shall include as part of their application a description of demonstrated success in engaging small- and medium-sized employers and the ability to recruit new employers to participate in related partnerships or programs, such as small businesses owned or controlled by women, minorities, or veterans.

(3) *INTERMEDIARY GRANTS.*—

(A) *SUPPORTING NATIONAL INDUSTRY AND EQUITY INTERMEDIARIES.*—An eligible entity applying to carry out activities in accordance with subsection (a)(1)(C)(i) shall include as part of their application a description of the ability of such entity to convene a diverse group of industry specific stakeholders for the purposes of developing or expanding programs, including employers, workforce development organizations, industry associations, labor groups (including joint labor-management organizations), and education and training providers at a national level or with national reach.

(B) *SERVING PROGRAMS IN A LOCAL OR REGIONAL SETTING.*—An eligible entity applying to carry out activities in accordance with subsection (a)(1)(C)(ii) shall include as part of their application a description of how such entity will—

(i) engage employers, especially small- and medium-sized businesses, in the formation or ongoing development of industry or sector partnerships and programs in the national apprenticeship system;

(ii) identify the industry or sector partnerships that will be served, and demonstrate alignment to high-skill, high-wage, or in-demand industry sectors or occupations;

(iii) leverage additional resources, including funding provided by Federal and non-Federal resources; and

(iv) provide services to program sponsors and program participants.

(4) *EDUCATIONAL ALIGNMENT.*—An eligible entity applying to carry out activities in accordance with subsection (a)(1)(D) shall include as part of their application a description of—

(A) a demonstration of a partnership with—

(i)(I) no less than three sponsors or employers; or

(II) an industry or sector partnership; and

(ii) at least 1 of the following—

(I) an educational service agency;

(II) a high school;

(III) a local educational agency;

(IV) State educational agency;

(V) an Indian Tribe, Tribal organization, Tribal educational agency, Tribally controlled college or university, or Tribally controlled postsecondary career and technical institution, as applicable;

(VI) a postsecondary educational institution; or

(VII) a State higher education agency; and

(B) a commitment to establishing or expanding the alignment of the related instruction to—

(i) the requirements for a high school diploma, which may be fulfilled through a dual or concurrent enrollment program; or

(ii) the requirements for a recognized postsecondary credential, including the degree requirements for an associate's or bachelor's degree.

**SEC. 202. USES OF FUNDS.**

(a) **GENERAL ACTIVITIES.**—An eligible entity applying for any grant activity under section 201(a)(1)—

(1) shall use at least 5 percent of the grant funds to provide direct financial assistance to apprentices, pre-apprentices, or youth apprentices through emergency grants 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; and

(2) may use funds for any of the following activities:

(A) To establish or expand partnerships with organizations that provide program participants access to financial planning, mentoring, and supportive services that are necessary to enable an individual to participate in and complete a program under the national apprenticeship system.

(B) To conduct outreach and recruitment activities, including assessments of potential participants for, and enrollment of participants in, a program under the national apprenticeship system.

(C) To conduct outreach, engagement, recruitment, and coordination of activities with employers, industry associations, labor and joint labor-management organizations, qualified intermediaries, education and training providers, State or local workforce agencies, potential sponsors, community-based organizations, communities with high numbers or percentages of nontraditional apprenticeship populations, small- and medium-sized businesses, or rural communities to establish or expand industry or sector partnerships and opportunities under the national apprenticeship system.

(D) To carry out grant requirements, including program evaluation and reporting requirements.

(E) To conduct any activities as described in the application that would advance the purposes of the grant.

(F) To support the transition to virtual or remote learning or training, as necessary and as approved by the registration agency.

(b) **ADDITIONAL USES OF FUNDS.**—

(1) **CREATION OR EXPANSION ACTIVITIES.**—

(A) *APPRENTICESHIP PROGRAM CREATION.*—An eligible entity that receives funds under section 201(a)(1)(A)(i) shall use such funding to create and implement an apprenticeship program, which may include—

- (i) creating and providing training and related instruction based on employer engagement;
- (ii) applying apprenticeship frameworks as described in section 111(b)(5)(C) to the State or local labor market and employer needs; or
- (iii) aligning the new program with existing apprenticeship programs.

(B) *APPRENTICESHIP PROGRAM EXPANSION.*—An eligible entity that receives funds under section 201(a)(1)(A)(ii) shall use such funds to expand an existing apprenticeship program, which may include—

- (i) expanding and enhancing related instruction;
- (ii) conducting outreach to and engagement with employers for the purposes of program expansion, including creation of new or expansion of existing industry or sector partnerships;
- (iii) preparing additional instructors or mentors needed for program expansion;
- (iv) building awareness of apprenticeship program opportunities for State or local workforce development, education, and economic development entities; and
- (v) providing commensurate wages to wages for on-the-job training for program participants during related instruction, as applicable.

(C) *PRE-APPRENTICESHIP PROGRAMS.*—An eligible entity that receives funds under section 201(a)(1)(A)(iii) shall use such funds to create a new pre-apprenticeship program or expand an existing pre-apprenticeship program, which may include—

- (i) coordinating pre-apprenticeship program activities with an apprenticeship program in a high-skill, high-wage, or in-demand industry sector or occupation, including the creation or expansion of work-based learning opportunities, and articulation agreements for those who successfully complete a pre-apprenticeship to earn academic credit and enroll in an apprenticeship program;
- (ii) creating, expanding, or integrating related instruction and work-based learning, which may include training in the workplace and supporting partnerships to create opportunities for pre-apprentices to earn credit at a postsecondary educational institution for skills and competencies acquired during the pre-apprenticeship program;
- (iii) providing participants with career exploration and career planning activities and with exploration of postsecondary opportunities including apprenticeship programs;
- (iv) with respect to participants without a high school diploma or a generally recognized equivalent, paying the costs affiliated with acquiring such equiva-

lent, and the costs of any related assessments of potential pre-apprentices or active pre-apprentices, including those that would verify the attainment of foundational knowledge and skills necessary to succeed in an apprenticeship program;

(v) development or expansion of partnerships with organizations that assist program participants in accessing supportive services, which may include the 12-month period after the conclusion of a pre-apprenticeship program;

(vi) providing commensurate wages to the linked apprenticeship program for pre-apprentices as they participate in and complete the pre-apprenticeship program, as appropriate;

(vii) paying the cost of related instruction associated with the pre-apprenticeship program, as appropriate; or

(viii) creating or expanding industry or sector partnerships to support the pre-apprenticeship program and to provide additional opportunities to the pre-apprentices.

(D) **YOUTH APPRENTICESHIP PROGRAMS.**—An eligible entity that receives funds under section 201(a)(1)(A)(iv) shall use such funds to create a new youth apprenticeship program or expand an existing youth apprenticeship program, which may include—

(i) paying for the costs associated with curriculum development and alignment of that curriculum with recognized postsecondary credentials including industry-recognized credentials, high school graduation requirements, and related instruction, including curriculum development for dual or concurrent enrollment;

(ii) providing employers, and to the extent practicable, labor organizations and joint labor management organizations, technical assistance to support the participation of youth apprentices under the age of 18;

(iii) integrating work-based and academic learning, which may include training in the workplace;

(iv) providing career exploration and career planning activities, including exploration of postsecondary opportunities such as apprenticeship programs;

(v) providing technical assistance to support the participation of small- and medium-sized businesses in youth apprenticeship programs;

(vi) developing or expanding partnerships with organizations that assist program participants in accessing supportive services, which may include the 12-month period after the conclusion of such a youth apprenticeship program; or

(vii) providing teachers, career guidance and academic counselors, school leaders, administrators, specialized instructional support personnel, and paraprofessionals with professional development opportunities to build an understanding of apprenticeship oppor-

*tunities available to students, including experiential opportunities like externships.*

**(2) INCENTIVE FUNDS.—**

**(A) BARRIERS TO EMPLOYMENT.**—*An eligible entity that receives funds under section 201(a)(1)(B)(i) shall use such funds to encourage employer participation in programs under the national apprenticeship system that target individuals with barriers to employment, which may include—*

*(i) providing financial assistance to employers to support costs related to the programs, such as training incumbent workers for participation as mentors or employees supervising the on-the-job learning;*

*(ii) supporting the cost of related instruction or wages for program participants during related instruction; and*

*(iii) establishing or expanding partnerships with organizations that assist program participants in accessing supportive services to support recruitment, retention, and completion, including providing supplies and equipment necessary to begin a program under the national apprenticeship system.*

**(B) HIGH-NEED SOCIAL SERVICE-RELATED INDUSTRIES.**—*An eligible entity that receives funds under section 201(a)(1)(B)(ii) shall use such funds to incentivize employer participation in programs under the national apprenticeship system in high need social service-related industries, sectors, or occupations, which may include—*

*(i) providing financial assistance to employers to support costs related to the program, such as training incumbent workers as mentors, or employees providing on-the-job training;*

*(ii) supporting the cost of related instruction or wages for program participants during related instruction;*

*(iii) establishing or expanding partnerships with organizations that assist program participants in accessing supportive services to support recruitment, retention, and completion, including providing supplies and equipment necessary to begin a program under the national apprenticeship system; or*

*(iv) aligning such program with career pathways and opportunities for advancement along such career pathways.*

**(C) INDIVIDUALS IMPACTED BY THE JUSTICE SYSTEM.**—*An eligible entity that receives funds under section 201(a)(1)(B)(iii) shall use such funds to incentivize employer participation in programs under the national apprenticeship system that target individuals impacted by the criminal or juvenile justice system, which may include—*

*(i) providing financial assistance to employers to support costs related to the program, such as training incumbent workers as mentors or employees supervising the on-the-job learning; or*

(ii) supporting the cost of related instruction or wages for program participants during related instruction.

(D) *IN-DEMAND INDUSTRY SECTOR OR OCCUPATION GRANTS FOR SMALL- AND MEDIUM-SIZED BUSINESSES.*— An eligible entity that receives funds under section 201(a)(1)(B)(iv) shall use such funds to encourage participation of small- and medium-sized businesses in programs under the national apprenticeship system, which may include—

(i) providing financial assistance to employers to support costs related to the program, such as training incumbent workers as mentors or employees supervising the on-the-job learning;

(ii) supporting the cost of related instruction or wages for program participants during related instruction;

(iii) providing technical assistance to small- and medium-sized businesses on the program registration process and leveraging other available funds to support carrying out programs supported by this grant; or

(iv) establishing or expanding partnerships to support program development or expansion, including establishing or expanding industry or sector partnerships to ensure inclusion of small- and medium-sized businesses.

(3) *INTERMEDIARY GRANTS.*—

(A) *NATIONAL INDUSTRY AND EQUITY INTERMEDIARIES.*— An eligible entity that receives funds under section 201(a)(1)(C)(i) shall use such funds to carry out activities at a national and regional level to support the promotion and expansion of industry or equity intermediaries, which may include—

(i) creating partnerships and leveraging collaborations with employers, workforce development organizations, industry associations, labor organizations, and education and training providers to help multiple employers make education and training more affordable and accelerate the expansion of programs under the national apprenticeship system nationwide;

(ii) assisting employers in expanding programs, starting new programs, and working together to create a pipeline of skilled workers;

(iii) increasing the participation and completion of nontraditional apprenticeship populations in programs under the national apprenticeship system, which may include—

(I) supporting the development, implementation, and scaling of plans and practices; and

(II) identifying, developing, and disseminating effective program tools and strategies;

(iv) providing national activities to increase awareness and access to programs, including strategic marketing and outreach, technology improvements, and innovations that make it easier for employers to start

programs and for individuals to connect with program opportunities;

(v) developing and disseminating training or related instruction associated with the program or for curriculum improvements that align with the requirements of the program and learning assessments; or

(vi) providing industry employees or potential employees with a clear understanding of future career paths and the skills needed to succeed, along with cost effective ways of acquiring those skills through youth apprenticeship, pre-apprenticeship, or apprenticeship programs.

(B) *LOCAL INTERMEDIARIES.*—An eligible entity that receives funds under section 201(a)(1)(C)(ii) may use such funds to carry out activities at a local or regional level to support the promotion and expansion of programs under the national apprenticeship system, which may include—

(i) providing training or related instruction associated with the programs or for curriculum improvements that align with the requirements of the programs and learning assessments;

(ii) engaging with local education and training providers to support related instruction aligned with the needs of high-skill, high-wage, or in-demand industry sectors and occupations, and to the extent practicable, support the provision of academic credit for related instruction;

(iii) providing services, including business engagement, classroom instruction, and development of partnerships with organizations that assist program participants in accessing supportive services (which may include the 12-month period after the conclusion of the other activities in the youth apprenticeship and pre-apprenticeship programs involved);

(iv) providing technical assistance on the registration process for a sponsor of a youth apprenticeship, pre-apprenticeship, or apprenticeship program;

(v) connecting businesses, labor organizations, or joint-labor management organizations with education and training providers to develop related instruction to complement the on-the-job learning portion of a youth apprenticeship, pre-apprenticeship, or apprenticeship program;

(vi) providing training to employees to serve as on-the-job trainers or mentors to program participants; and

(vii) providing career exposure, career planning, and career awareness activities.

(4) *EDUCATIONAL ALIGNMENT GRANTS.*—An eligible entity that receives funds under section 201(a)(1)(D) shall use such funds to strengthen alignment between programs under the national apprenticeship system and education and training providers with secondary and postsecondary education systems, including degree and credential requirements, which may include—

(A) *creating and aligning the related instruction to requirements for a high school diploma or an associate's or bachelor's degree, including through—*

*(i) dual enrollment and credit articulation for youth apprenticeship programs;*

*(ii) articulation agreements; or*

*(iii) credit transfer agreements;*

(B) *creating or expanding career pathways aligned with pre-apprenticeship, youth apprenticeship, or apprenticeship programs;*

(C) *providing professional development for teachers, career guidance and academic counselors, school leaders, administrators, specialized instructional support personnel, and paraprofessionals to build an understanding of opportunities in the national apprenticeship system available to students and to incorporate such opportunities into academic content and offerings;*

(D) *offering prior learning assessments, which may include credit for prior learning to grant advanced standing in a program under the national apprenticeship system and credit towards an associate's or bachelor's degree;*

(E) *maintaining a connection between a pre-apprenticeship or youth apprenticeship program and an apprenticeship program; and*

(F) *providing training for instructors or mentors.*

#### **SEC. 203. GRANT EVALUATIONS.**

(a) **RECIPIENT REPORTS.**—*Each recipient of a grant under this section shall—*

*(1) provide for an independent evaluation of the activities carried out under this title during the grant period;*

*(2) provide for an annual report and for a final report at the conclusion of the grant period, which include—*

*(A) a description of how the funds received through the grant were used and how the uses of funds aligned with the description in the application specified in section 201(e)(5)(C);*

*(B) in the case of an eligible entity that is required to report data under section 131(b)(1), the data collected under such section for the grant period;*

*(C) the total number of active program participants served by each of the grant programs;*

*(D) the total number that obtained unsubsidized employment in a field related to the apprenticeable occupation;*

*(E) the total number of program participants that completed the program in which they were enrolled;*

*(F) the average time to completion for each program as compared to the program standards description under paragraphs (1) and (2) of section 123(b);*

*(G) the average cost per participant during the most recent program year and the 3 preceding program years;*

*(H) the percentage of participants who received support services; and*

*(I) the disaggregation of performance data described in subparagraphs (A) through (H)—*

- (i) by the program type (apprenticeship, youth apprenticeship, or pre-apprenticeship program) involved; and
  - (ii) by race, ethnicity, sex, age, and membership in a population specified in section 3(24) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102(24)); and
- (3) submit each report under paragraph (2)—
  - (A) to the registration agency; and
  - (B) to the Administrator.
- (b) ADMINISTRATOR EVALUATIONS.—
  - (1) IN GENERAL.—The Administrator shall prepare—
    - (A) not later than 36 months after the date of enactment of the National Apprenticeship Act of 2020, an interim evaluation on the activities carried out under grants awarded under this section; and
    - (B) not later than 60 months after the date of enactment of the National Apprenticeship Act of 2020, a final evaluation containing the results of the grant activities.
  - (2) CONTENTS.—Such evaluations shall address, for the activities carried out under each grant awarded under this section, the general effectiveness of the activities in relation to their cost, including the extent to which the activities—
    - (A) improve the participation in, retention in, and completion of youth apprenticeship, pre-apprenticeship, and apprenticeship programs by nontraditional apprenticeship populations;
    - (B) to the extent feasible, increase the levels of total employment, of attainment of recognized postsecondary credentials, and of measurable skills, above the levels that would have existed in the absence of such activities;
    - (C) respond to the needs reflected in State, regional, or local labor market data;
    - (D) align with high-skill, high-wage, or in-demand industries or occupations; and
    - (E) reach a wide variety of industry sectors and occupations;
  - (3) REPORTS TO CONGRESS.—Not later than 60 days after the completion of the interim evaluation and the final evaluation described in this section, the Administrator shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report summarizing the findings of the interim evaluations and a report summarizing the final evaluations.
  - (4) PUBLIC ACCESS.—The Administrator shall make the interim and final reports available on a publicly accessible website not later than 60 days after the completion of the interim report and the final report.

**SEC. 204. GRANT APPROPRIATIONS.**

There are authorized to be appropriated to carry out this title:

- (1) \$400,000,000 for fiscal year 2021;
- (2) \$500,000,000 for fiscal year 2022;
- (3) \$600,000,000 for fiscal year 2023;
- (4) \$700,000,000 for fiscal year 2024; and

(5) \$800,000,000 for fiscal year 2025.

## AMERICAN COMPETITIVENESS AND WORKFORCE IMPROVEMENT ACT OF 1998

### DIVISION C—OTHER MATTERS

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## TITLE IV—AMERICAN COMPETITIVENESS AND WORKFORCE IMPROVEMENT ACT

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### SEC. 414. COLLECTION AND USE OF H-1B NONIMMIGRANT FEES FOR SCHOLARSHIPS FOR LOW-INCOME MATH, ENGINEERING, AND COMPUTER SCIENCE STUDENTS AND JOB TRAINING OF UNITED STATES WORKERS.

(a)

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#### [(c) JOB TRAINING GRANTS.—

[(1) IN GENERAL.—The Secretary of Labor shall use funds available under section 286(s)(2) of the Immigration and Nationality Act (8 U.S.C. 1356(s)(2)) to award grants to eligible entities to provide job training and related activities for workers to assist them in obtaining or upgrading employment in industries and economic sectors identified pursuant to paragraph (4) that are projected to experience significant growth and ensure that job training and related activities funded by such grants are coordinated with the public workforce investment system.

#### [(2) USE OF FUNDS.—

[(A) TRAINING PROVIDED.—Funds under this subsection may be used to provide job training services and related activities that are designed to assist workers (including unemployed and employed workers) in gaining the skills and competencies needed to obtain or upgrade career ladder employment positions in the industries and economic sectors identified pursuant to paragraph (4).

[(B) ENHANCED TRAINING PROGRAMS AND INFORMATION.—In order to facilitate the provision of job training services described in subparagraph (A), funds under this subsection may be used to assist in the development and implementation of model activities such as developing appropriate curricula to build core competencies and train workers, identifying and disseminating career and skill information, and increasing the integration of community and technical college activities with activities of businesses and the public workforce investment system to meet the training needs for the industries and economic sectors identified pursuant to paragraph (4).

[(3) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to partnerships of private and public sector entities, which may include—

[(A) businesses or business-related nonprofit organizations, such as trade associations;

[(B) education and training providers, including community colleges and other community-based organizations; and

[(C) entities involved in administering the workforce development system, as defined in section 3 of the Workforce Innovation and Opportunity Act, and economic development agencies.

[(4) HIGH GROWTH INDUSTRIES AND ECONOMIC SECTORS.—For purposes of this subsection, the Secretary of Labor, in consultation with State workforce investment boards, shall identify industries and economic sectors that are projected to experience significant growth, taking into account appropriate factors, such as the industries and sectors that—

[(A) are projected to add substantial numbers of new jobs to the economy;

[(B) are being transformed by technology and innovation requiring new skill sets for workers;

[(C) are new and emerging businesses that are projected to grow; or

[(D) have a significant impact on the economy overall or on the growth of other industries and economic sectors.

[(5) EQUITABLE DISTRIBUTION.—In awarding grants under this subsection, the Secretary of Labor shall ensure an equitable distribution of such grants across geographically diverse areas.

[(6) LEVERAGING OF RESOURCES AND AUTHORITY TO REQUIRE MATCH.—

[(A) LEVERAGING OF RESOURCES.—In awarding grants under this subsection, the Secretary of Labor shall take into account, in addition to other factors the Secretary determines are appropriate—

[(i) the extent to which resources other than the funds provided under this subsection will be made available by the eligible entities applying for grants to support the activities carried out under this subsection; and

[(ii) the ability of such entities to continue to carry out and expand such activities after the expiration of the grants.

[(B) AUTHORITY TO REQUIRE MATCH.—The Secretary of Labor may require the provision of specified levels of a matching share of cash or noncash resources from resources other than the funds provided under this subsection for projects funded under this subsection.

[(7) PERFORMANCE ACCOUNTABILITY.—The Secretary of Labor shall require grantees to report on the employment outcomes obtained by workers receiving training under this subsection using indicators of performance that are consistent with other indicators used for employment and training programs administered by the Secretary, such as entry into employment, retention in employment, and increases in earnings. The Secretary of Labor may also require grantees to partici-

pate in evaluations of projects carried out under this subsection.】

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## IMMIGRATION AND NATIONALITY ACT

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### TITLE II—IMMIGRATION

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#### CHAPTER 9—MISCELLANEOUS

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#### DISPOSITION OF MONEYS COLLECTED UNDER THE PROVISIONS OF THIS TITLE

SEC. 286. (a) All moneys paid into the Treasury to reimburse the Service for detention, transportation, hospitalization, and all other expenses of detained aliens paid from the appropriation for the enforcement of this Act, and all moneys paid into the Treasury to reimburse the Service for expenses of landing stations referred to in section 238(b) paid by the Service from the appropriation for the enforcement of this Act, shall be credited to the appropriation for the enforcement of this Act for the fiscal year in which the expenses were incurred.

(b) Moneys expended from appropriations for the Service for the purchase of evidence and subsequently recovered shall be reimbursed to the current appropriation for the Service.

(c) Except as otherwise provided in subsection (a) and subsection (b), or in any other provision of this title, all moneys received in payment of fees and administrative fines and penalties under this title shall be covered into the Treasury as miscellaneous receipts: *Provided, however,* That all fees received from applicants residing in the Virgin Islands of the United States, and in Guam, required to be paid under section 281, shall be paid over to the Treasury of the Virgin Islands and to the Treasury of Guam, respectively.

(d) SCHEDULE OF FEES.—In addition to any other fee authorized by law, the Attorney General shall charge and collect \$7 per individual for the immigration inspection of each passenger arriving at a port of entry in the United States, or for the preinspection of a passenger in a place outside of the United States prior to such arrival, aboard a commercial aircraft or commercial vessel.

(e) LIMITATIONS OF FEES.—(1) Except as provided in paragraph (3), no fee shall be charged under subsection (d) for immigration inspection or preinspection provided in connection with the arrival of any passenger, other than aircraft passengers, whose journey originated in the following:

- (A) Canada,
- (B) Mexico,
- (C) a State, territory or possession of the United States, or
- (D) any adjacent island (within the meaning of section 101(b)(5)).

(2) No fee may be charged under subsection (d) with respect to the arrival of any passenger—

(A) who is in transit to a destination outside the United States, and

(B) for whom immigration inspection services are not provided.

(3) The Attorney General shall charge and collect \$3 per individual for the immigration inspection or pre-inspection of each commercial vessel passenger whose journey originated in the United States or in any place set forth in paragraph (1): *Provided*, That this requirement shall not apply to immigration inspection at designated ports of entry of passengers arriving by ferry, or by Great Lakes vessels on the Great Lakes and connecting waterways when operating on a regular schedule. For the purposes of this paragraph, the term “ferry” means a vessel, in other than ocean or coastwise service, having provisions only for deck passengers and/or vehicles, operating on a short run on a frequent schedule between two points over the most direct water route, and offering a public service of a type normally attributed to a bridge or tunnel.

(f) COLLECTION.—(1) Each person that issues a document or ticket to an individual for transportation by a commercial vessel or commercial aircraft into the United States shall—

(A) collect from that individual the fee charged under subsection (d) at the time the document or ticket is issued; and

(B) identify on that document or ticket the fee charged under subsection (d) as a Federal inspection fee.

(2) If—

(A) a document or ticket for transportation of a passenger into the United States is issued in a foreign country; and

(B) the fee charged under subsection (d) is not collected at the time such document or ticket is issued;

the person providing transportation to such passenger shall collect such fee at the time such passenger departs from the United States and shall provide such passenger a receipt for the payment of such fee.

(3) The person who collects fees under paragraph (1) or (2) shall remit those fees to the Attorney General at any time before the date that is thirty-one days after the close of the calendar quarter in which the fees are collected, except the fourth quarter payment for fees collected from airline passengers shall be made on the date that is ten days before the end of the fiscal year, and the first quarter payment shall include any collections made in the preceding quarter that were not remitted with the previous payment. Regulations issued by the Attorney General under this subsection with respect to the collection of the fees charged under subsection (d) and the remittance of such fees to the Treasury of the United States shall be consistent with the regulations issued by the Secretary of the Treasury for the collection and remittance of the taxes imposed by subchapter C of chapter 33 of the Internal Revenue Code of 1986, but only to the extent the regulations issued with respect to such taxes do not conflict with the provisions of this section.

(g) PROVISION OF IMMIGRATION INSPECTION AND PREINSPECTION SERVICES.—Notwithstanding the Act of March 2, 1931, 46 Stat. 1467 (8 U.S.C. 1353b), or any other provision of law, the immigra-

tion services required to be provided to passengers upon arrival in the United States on scheduled airline flights shall be adequately provided when needed and at no cost (other than the fees imposed under subsection (d)) to airlines and airline passengers at:

(1) immigration serviced airports, and

(2) places located outside of the United States at which an immigration officer is stationed for the purpose of providing such immigration services.

(h) DISPOSITION OF RECEIPTS.—(1)(A) There is established in the general fund of the Treasury a separate account which shall be known as the “Immigration User Fee Account”. Notwithstanding any other section of this title, there shall be deposited as graphicting receipts into the Immigration User Fee Account all fees collected under subsection (d) of this section, to remain available until expended. At the end of each 2-year period, beginning with the creation of this account, the Attorney General, following a public rulemaking with opportunity for notice and comment, shall submit a report to the Congress concerning the status of the account, including any balances therein, and recommend any adjustment in the prescribed fee that may be required to ensure that the receipts collected from the fee charged for the succeeding two years equal, as closely as possible, the cost of providing these services.

(B) Notwithstanding any other provisions of law, all civil fines or penalties collected pursuant to sections 243(c), 271, and 273 of this title and all liquidated damages and expenses collected pursuant to this Act shall be deposited in the Immigration User Fee Account.

(2)(A) The Secretary of the Treasury shall refund out of the Immigration User Fee Account to any appropriation the amount paid out of such appropriation for expenses incurred by the Attorney General in providing immigration inspection and preinspection services for commercial aircraft or vessels and in—

(i) providing overtime immigration inspection services for commercial aircraft or vessels;

(ii) administration of debt recovery, including the establishment and operation of a national collections office;

(iii) expansion, operation and maintenance of information systems for nonimmigrant control and debt collection;

(iv) detection of fraudulent documents used by passengers traveling to the United States, including training of, and technical assistance to, commercial airline personnel regarding such detection;

(v) providing detention and removal services for inadmissible aliens arriving on commercial aircraft and vessels and for any alien who is inadmissible under section 212(a) who has attempted illegal entry into the United States through avoidance of immigration inspection at air or sea ports-of-entry; and

(vi) providing removal and asylum proceedings at air or sea ports-of-entry for inadmissible aliens arriving on commercial aircraft and vessels including immigration removal proceedings resulting from presentation of fraudulent documents and failure to present documentation and for any alien who is inadmissible under section 212(a) who has attempted illegal entry into the United States through avoidance of immigration inspection at air or sea ports-of-entry.

The Attorney General shall provide for expenditures for training and assistance described in clause (iv) in an amount, for any fiscal year, not less than 5 percent of the total of the expenses incurred that are described in the previous sentence.

(B) The amounts which are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Attorney General of the expenses referred to in subparagraph (A). Proper adjustments shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amount required to be refunded under subparagraph (A).

(i) REIMBURSEMENT.—Notwithstanding any other provision of law, the Attorney General is authorized to receive reimbursement from the owner, operator, or agent of a private or commercial aircraft, train, or vessel, or from any airport, rail line, or seaport authority for expenses incurred by the Attorney General in providing immigration inspection services which are rendered at the request of such person or authority (including the salary and expenses of individuals employed by the Attorney General to provide such immigration inspection services). Reimbursements under this subsection may be collected in advance of the provision of such immigration inspection services. Notwithstanding subsection (h)(1)(B), and only to the extent provided in appropriations Acts, any amounts collected under this subsection shall be credited as graphicting collections to the currently applicable appropriation, account, or fund of U.S. Customs and Border Protection, remain available until expended, and be available for the purposes for which such appropriation, account, or fund is authorized to be used.

(j) REGULATIONS.—The Attorney General may prescribe such rules and regulations as may be necessary to carry out the provisions of this section.

(k) ADVISORY COMMITTEE.—In accordance with the provisions of the Federal Advisory Committee Act, the Attorney General shall establish an advisory committee, whose membership shall consist of representatives from the airline and other transportation industries who may be subject to any fee or charge authorized by law or proposed by the Immigration and Naturalization Service for the purpose of covering expenses incurred by the Immigration and Naturalization Service. The advisory committee shall meet on a periodic basis and shall advise the Attorney General on issues related to the performance of the inspectional services of the Immigration and Naturalization Service. This advice shall include, but not be limited to, such issues as the time periods during which such services should be performed, the proper number and deployment of inspection officers, the level of fees, and the appropriateness of any proposed fee. The Attorney General shall give substantial consideration to the views of the advisory committee in the exercise of his duties.

(l) REPORT TO CONGRESS.—In addition to the reporting requirements established pursuant to subsection (h), the Attorney General shall prepare and submit annually to the Congress, not later than March 31st of each year, a statement of the financial condition of the “Immigration User Fee Account” including beginning account balance, revenues, withdrawals and their purpose, ending balance,

projections for the ensuing fiscal year and a full and complete workload analysis showing on a port by port basis the current and projected need for inspectors. The statement shall indicate the success rate of the Immigration and Naturalization Service in meeting the forty-five minute inspection standard and shall provide detailed statistics regarding the number of passengers inspected within the standard, progress that is being made to expand the utilization of United States citizen by-pass, the number of passengers for whom the standard is not met and the length of their delay, locational breakdown of these statistics and the steps being taken to correct any non-conformity.

(m) Notwithstanding any other provisions of law, all adjudication fees as are designated by the Attorney General in regulations shall be deposited as graphicting receipts into a separate account entitled "Immigration Examinations Fee Account" in the Treasury of the United States, whether collected directly by the Attorney General or through clerks of courts: *Provided, however*, That all fees received by the Attorney General from applicants residing in the Virgin Islands of the United States and in Guam, under this subsection shall be paid over to the treasury of the Virgin Islands and to the treasury of Guam: *Provided further*, That fees for providing adjudication and naturalization services may be set at a level that will ensure recovery of the full costs of providing all such services. Such fees may also be set at a level that will recover any additional costs associated with the administration of the fees collected.

(n) All deposits into the "Immigration Examinations Fee Account" shall remain available until expended to the Attorney General to reimburse any appropriation the amount paid out of such appropriation for expenses in providing immigration adjudication and naturalization services and the collection, safeguarding and accounting for fees deposited in and funds reimbursed from the "Immigration Examinations Fee Account".

(o) The Attorney General will prepare and submit annually to Congress statements of financial condition of the "Immigration Examinations Fee Account", including beginning account balance, revenues, withdrawals, and ending account balance and projections for the ensuing fiscal year.

(p) The provisions set forth in subsections (m), (n), and (o) of this section apply to adjudication and naturalization services performed and to related fees collected on or after October 1, 1988.

(q) LAND BORDER INSPECTION FEE ACCOUNT.—(1)(A)(i) Notwithstanding any other provision of law, the Attorney General is authorized to establish, by regulation, not more than 96 projects under which a fee may be charged and collected for inspection services provided at one or more land border points of entry. Such projects may include the establishment of commuter lanes to be made available to qualified United States citizens and aliens, as determined by the Attorney General.

(ii) This subparagraph shall take effect, with respect to any project described in clause (1) that was not authorized to be commenced before the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 30 days after submission of a written plan by the Attorney General detailing the proposed implementation of such project.

(iii) The Attorney General shall prepare and submit on a quarterly basis a status report on each land border inspection project implemented under this subparagraph.

(B) The Attorney General, in consultation with the Secretary of the Treasury, may conduct pilot projects to demonstrate the use of designated ports of entry after working hours through the use of card reading machines or other appropriate technology.

(2) All of the fees collected under this subsection, including receipts for services performed in processing forms I-94, I-94W, and I-68, and other similar applications processed at land border ports of entry, shall be deposited as graphicting receipts in a separate account within the general fund of the Treasury of the United States, to remain available until expended. Such account shall be known as the Land Border Inspection Fee Account.

(3)(A) The Secretary of the Treasury shall refund, at least on a quarterly basis amounts to any appropriations for expenses incurred in providing inspection services at land border points of entry. Such expenses shall include—

- (i) the providing of overtime inspection services;
- (ii) the expansion, operation and maintenance of information systems for nonimmigrant control;
- (iii) the hire of additional permanent and temporary inspectors;
- (iv) the minor construction costs associated with the addition of new traffic lanes (with the concurrence of the General Services Administration);
- (v) the detection of fraudulent documents used by passengers traveling to the United States;
- (vi) providing for the administration of said account.

(B) The amounts required to be refunded from the Land Border Inspection Fee Account for fiscal years 1992 and thereafter shall be refunded in accordance with estimates made in the budget request of the Attorney General for those fiscal years: *Provided*, That any proposed changes in the amounts designated in said budget requests shall only be made after notification to the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 606 of Public Law 101-162.

(4) The Attorney General will prepare and submit annually to the Congress statements of financial condition of the Land Border Immigration Fee Account, including beginning account balance, revenues, withdrawals, and ending account balance and projection for the ensuing fiscal year.

(r) BREACHED BOND/DETENTION FUND.—

(1) Notwithstanding any other provision of law, there is established in the general fund of the Treasury a separate account which shall be known as the Breached Bond/Detention Fund (in this subsection referred to as the “Fund”).

(2) There shall be deposited as graphicting receipts into the Fund all breached cash and surety bonds, in excess of \$8,000,000, posted under this Act which are recovered by the Department of Justice, and amount described in section 245(i)(3)(b).

(3) Such amounts as are deposited into the Fund shall remain available until expended and shall be refunded out of the

Fund by the Secretary of the Treasury, at least on a quarterly basis, to the Attorney General for the following purposes—

(i) for expenses incurred in the collection of breached bonds, and

(ii) for expenses associated with the detention of illegal aliens.

(4) The amounts required to be refunded from the Fund for fiscal year 1998 and thereafter shall be refunded in accordance with estimates made in the budget request of the President for those fiscal years. Any proposed changes in the amounts designated in such budget requests shall only be made after Congressional reprogramming notification in accordance with the reprogramming guidelines for the applicable fiscal year.

(5) The Attorney General shall prepare and submit annually to the Congress, statements of financial condition of the Fund, including the beginning balance, receipts, refunds to appropriations, transfers to the general fund, and the ending balance.

(6) For fiscal year 1993 only, the Attorney General may transfer up to \$1,000,000 from the Immigration User Fee Account to the Fund for initial expenses necessary to enhance collection efforts: *Provided*, That any such transfers shall be refunded from the Fund back to the Immigration User Fee Account by December 31, 1993.

(s) H-1B NONIMMIGRANT PETITIONER ACCOUNT.—

(1) IN GENERAL.—There is established in the general fund of the Treasury a separate account, which shall be known as the “H-1B Nonimmigrant Petitioner Account”. Notwithstanding any other section of this title, there shall be deposited as graphicting receipts into the account all fees collected under paragraphs (9) and (11) of section 214(c).

(2) USE OF FEES **【FOR JOB TRAINING】** *FOR PROGRAMS UNDER THE NATIONAL APPRENTICESHIP SYSTEM*.—50 percent of amounts deposited into the H-1B Nonimmigrant Petitioner Account shall remain available to the Secretary of Labor until expended **【for demonstration programs and projects described in section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998】** *to carry out title II of the National Apprenticeship Act*.

(3) USE OF FEES FOR LOW-INCOME SCHOLARSHIP PROGRAM.—30 percent of the amounts deposited into the H-1B Nonimmigrant Petitioner Account shall remain available to the Director of the National Science Foundation until expended for scholarships described in section 414(d) of the American Competitiveness and Workforce Improvement Act of 1998 for low-income students enrolled in a program of study leading to a degree in mathematics, engineering, or computer science.

(4) NATIONAL SCIENCE FOUNDATION COMPETITIVE GRANT PROGRAM FOR K-12 MATH, SCIENCE AND TECHNOLOGY EDUCATION.—

(A) IN GENERAL.—10 percent of the amounts deposited into the H-1B Nonimmigrant Petitioner Account shall remain available to the Director of the National Science Foundation until expended to carry out a direct or matching grant program to support private-public partnerships in K-12 education.

(B) TYPES OF PROGRAMS COVERED.—The Director shall award grants to such programs, including those which support the development and implementation of standards-based instructional materials models and related student assessments that enable K–12 students to acquire an understanding of science, mathematics, and technology, as well as to develop critical thinking skills; provide systemic improvement in training K–12 teachers and education for students in science, mathematics, and technology; support the professional development of K–12 math and science teachers in the use of technology in the classroom; stimulate system-wide K–12 reform of science, mathematics, and technology in rural, economically disadvantaged regions of the United States; provide externships and other opportunities for students to increase their appreciation and understanding of science, mathematics, engineering, and technology (including summer institutes sponsored by an institution of higher education for students in grades 7–12 that provide instruction in such fields); involve partnerships of industry, educational institutions, and community organizations to address the educational needs of disadvantaged communities; provide college preparatory support to expose and prepare students for careers in science, mathematics, engineering, and technology; and provide for carrying out systemic reform activities under section 3(a)(1) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(a)(1)).

(5) 5 percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available to the Secretary of Homeland Security until expended to carry out duties under paragraphs (1) and (9) of section 214(c) related to petitions made for nonimmigrants described in section 101(a)(15)(H)(i)(b), under paragraph (1) (C) or (D) of section 204 related to petitions for immigrants described in section 203(b).

(6) USE OF FEES FOR APPLICATION PROCESSING AND ENFORCEMENT.—For fiscal year 1999, 4 percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available to the Secretary of Labor until expended for decreasing the processing time for applications under section 212(n)(1) and for carrying out section 212(n)(2). Beginning with fiscal year 2000, 5 percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available to the Secretary of Labor until expended for decreasing the processing time for applications under section 212(n)(1) and section 212(a)(5)(A).

(t) GENEALOGY FEE.—(1) There is hereby established the Genealogy Fee for providing genealogy research and information services. This fee shall be deposited as gift collections into the Examinations Fee Account. Fees for such research and information services may be set at a level that will ensure the recovery of the full costs of providing all such services.

(2) The Attorney General will prepare and submit annually to Congress statements of the financial condition of the Genealogy Fee.

(3) Any officer or employee of the Immigration and Naturalization Service shall collect fees prescribed under regulation before disseminating any requested genealogical information.

(u) **PREMIUM FEE FOR EMPLOYMENT-BASED PETITIONS AND APPLICATIONS.**—The Attorney General is authorized to establish and collect a premium fee for employment-based petitions and applications. This fee shall be used to provide certain premium-processing services to business customers, and to make infrastructure improvements in the adjudications and customer-service processes. For approval of the benefit applied for, the petitioner/applicant must meet the legal criteria for such benefit. This fee shall be set at \$1,000, shall be paid in addition to any normal petition/application fee that may be applicable, and shall be deposited as graphicting collections in the Immigration Examinations Fee Account. The Attorney General may adjust this fee according to the Consumer Price Index.

(v) **FRAUD PREVENTION AND DETECTION ACCOUNT.**—

(1) **IN GENERAL.**—There is established in the general fund of the Treasury a separate account, which shall be known as the “Fraud Prevention and Detection Account”. Notwithstanding any other provision of law, there shall be deposited as graphicting receipts into the account all fees collected under paragraph (12) or (13) of section 214(c).

(2) **USE OF FEES TO COMBAT FRAUD.**—

(A) **SECRETARY OF STATE.**—One-third of the amounts deposited into the Fraud Prevention and Detection Account shall remain available to the Secretary of State until expended for programs and activities at United States embassies and consulates abroad—

(i) to increase the number diplomatic security personnel assigned exclusively or primarily to the function of preventing and detecting fraud by applicants for visas described in subparagraph (H)(i), (H)(ii), or (L) of section 101(a)(15);

(ii) otherwise to prevent and detect visa fraud, including primarily fraud by applicants for visas described in subparagraph (H)(i), (H)(ii), or (L) of section 101(a)(15), in cooperation with the Secretary of Homeland Security or pursuant to the terms of a memorandum of understanding or other agreement between the Secretary of State and the Secretary of Homeland Security; and

(iii) upon request by the Secretary of Homeland Security, to assist such Secretary in carrying out the fraud prevention and detection programs and activities described in subparagraph (B).

(B) **SECRETARY OF HOMELAND SECURITY.**—One-third of the amounts deposited into the Fraud Prevention and Detection Account shall remain available to the Secretary of Homeland Security until expended for programs and activities to prevent and detect immigration benefit fraud, including fraud with respect to petitions filed under paragraph (1) or (2)(A) of section 214(c) to grant an alien non-immigrant status described in subparagraph (H) or (L) of section 101(a)(15).

(C) SECRETARY OF LABOR.—One-third of the amounts deposited into the Fraud Prevention and Detection Account shall remain available to the Secretary of Labor until expended for wage and hour enforcement programs and activities otherwise authorized to be conducted by the Secretary of Labor that focus on industries likely to employ nonimmigrants, including enforcement programs and activities described in section 212(n) and enforcement programs and activities related to section 214(c)(14)(A)(i).

(D) CONSULTATION.—The Secretary of State, the Secretary of Homeland Security, and the Secretary of Labor shall consult one another with respect to the use of the funds in the Fraud Prevention and Detection Account or for programs and activities to prevent and detect fraud with respect to petitions under paragraph (1) or (2)(A) of section 214(c) to grant an alien nonimmigrant status described in section 101(a)(15)(H)(ii).

\* \* \* \* \*

Jerrold Nadler, New York  
Chairman

COMMITTEE CORRESPONDENCE

Jim Jordan, Ohio  
Ranking Minority Member

**U.S. House of Representatives**  
**Committee on the Judiciary**  
Washington, DC 20515-6216  
One Hundred Sixteenth Congress

November 5, 2020

The Honorable Robert C. "Bobby" Scott  
Chairman  
Committee on Education and Labor  
U.S. House of Representatives  
2176 Rayburn House Office Building  
Washington, DC 20515

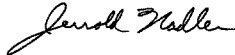
Dear Chairman Scott:

This is to advise you that the Committee on the Judiciary has now had an opportunity to review the provisions in H.R. 8294, the National Apprenticeship Act of 2020, that fall within our Rule X jurisdiction. I appreciate your consulting with us on those provisions. The Judiciary Committee has no objection to your including them in the bill for consideration on the House floor, and to expedite that consideration is willing to waive sequential referral, with the understanding that we do not thereby waive any future jurisdictional claim over those provisions or their subject matters.

In the event a House-Senate conference on this or similar legislation is convened, the Judiciary Committee reserves the right to request an appropriate number of conferees to address any concerns with these or similar provisions that may arise in conference.

Please place this letter into the Congressional Record during consideration of the measure on the House floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our committees.

Sincerely,



Jerrold Nadler  
Chairman

cc: The Honorable Jim Jordan, Ranking Member, Committee on the Judiciary  
The Honorable Virginia Foxx, Ranking Member, Committee on Education and Labor  
The Honorable Jason Smith, Parliamentarian



COMMITTEE ON  
EDUCATION AND LABOR  
U.S. HOUSE OF REPRESENTATIVES  
2176 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6100

November 5, 2020

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The Honorable Jerrold Nadler  
Chairman  
Committee on the Judiciary  
2138 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Nadler:

In reference to your letter of November 5, 2020, I write to confirm our mutual understanding regarding H.R. 8294, the "National Apprenticeship Act of 2020."

I appreciate the Committee on the Judiciary's waiver of consideration of H.R. 8294 as specified in your letter. I acknowledge that the waiver was granted only to expedite floor consideration of H.R. 8294 and does not in any way waive or diminish the Committee on the Judiciary's jurisdictional interests over this or similar legislation.

I would be pleased to include our exchange of letters on this matter in the committee report for H.R. 8294 and in the *Congressional Record* during floor consideration of the bill to memorialize our joint understanding.

Again, thank you for your assistance with this matter.

Very truly yours,

Robert C. "Bobby" Scott  
Chairman

cc: The Honorable Jim Jordan, Ranking Member, Committee on the Judiciary  
The Honorable Virginia Foxx, Ranking Member, Committee on Education and Labor  
The Honorable Nancy Pelosi, Speaker  
The Honorable Steny Hoyer, Majority Leader  
The Honorable Jason Smith, Parliamentarian

## MINORITY VIEWS

### INTRODUCTION

Since its creation in 1937, the registered apprenticeship system under the *National Apprenticeship Act* (NAA) has provided a pathway to careers for millions of Americans. According to the Department of Labor (DOL), 94 percent of those who complete a registered apprenticeship program today retain employment, with an average annual salary of \$70,000.<sup>1</sup> Many of these programs also provide businesses an avenue to fill open positions with skilled employees which allows them to remain competitive.

While it is undeniable that the registered apprenticeship model has been a valuable tool for many, only 81,000 apprentices graduated from these programs in Fiscal Year 2019.<sup>2</sup> That is a small fraction of the total apprenticeships in the nation. Although there is little data available on non-registered earn-and-learn programs, it is estimated that they comprise more than 80 percent of all apprenticeship programs.<sup>3</sup> Businesses have expressed concerns that participation in registered apprenticeships allows DOL to dictate the skills their business must provide to apprentices in specific industries rather than allowing the businesses to determine what is needed. If a business created an apprenticeship model that meets their needs, then attempting to mold their program to fit the requirements of a registered apprenticeship would be counter-productive.

A lot has changed since 1937. Congress should update the NAA, but that update must be focused on meeting the needs of individuals seeking opportunities for advancement in the workforce and employers seeking to bridge the skills gap. While H.R. 8294 may be a step in the right direction in some aspects, the bill too often simply rubber stamps a decades old system, does not go far enough to streamline registered apprenticeships for today's economy, and does not protect businesses' ability to tailor their programs to individual needs.

### ONE-SIZE-FITS-ALL

Although H.R. 8294 is a meaningful effort to update the law, it falls short in implementing the reforms necessary to meet the needs of our country. The bill envisions a future where the only possible form of work-based learning allowed under the NAA is the registered apprenticeship system. While we can and should improve the existing model that has been operating for 83 years, we

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<sup>1</sup> <https://www.apprenticeship.gov/become-apprentice>

<sup>2</sup> <https://www.dol.gov/agencies/eta/apprenticeship/about/statistics>

<sup>3</sup> Lerman, Robert. *Are Employers Providing Enough Training? Theory, Evidence, and Policy Implications*. 2014. Retrieved July 20, 2017. [http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pga\\_168146.pdf](http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pga_168146.pdf)

should not stifle any possibility for innovation in the future with this one-size-fits-all approach. We cannot assume that a registered program that works for one employer will meet the diverse needs of every business across the country, regardless of size or industry.

This need for flexibility is what motivated the Trump administration's new Industry-Recognized Apprenticeship Programs (IRAPs). This program would provide another avenue for companies seeking skilled workers who want to develop programs with more input from other industry leaders rather than from the federal government. Unfortunately, this innovation and flexibility would be foreclosed under H.R. 8294 in its current form. In an effort to undermine the administration's priority, the majority slammed the door shut on any other earn-and-learn model that could be developed under the NAA.

In a September 23, 2020 letter about H.R. 8294 to Ranking Member Virginia Foxx (R-NC), DOL stated:

"If enacted, H.R. 8294 would also replace the current NAA, stifling apprenticeship innovation and expansion as well as eliminating the broad authority discussed above under which the Department has established and administers IRAPs. Repeal of this broad authority would eliminate the authority currently underpinning the IRAP regulation. Thus, as of the effective date of H.R. 8294, should it be enacted, the Department would likely have no legal authority to administer or operate IRAPs, or any other programs that do not meet the requirements of the Act. . . . In addition, the Department is concerned that H.R. 8294 includes an excessive number of requirements that are overly prescriptive, unworkable, and may have unintended consequences."

It is clear that this legislation, if enacted, would severely limit the ability to fully meet the demands within the apprenticeship space. Despite months of negotiations to reform and improve the national apprenticeship system, the majority was unwilling to support anything that permitted any sort of innovative or more flexible models to be recognized outside of the existing registered system. While Republicans on the Committee agree that there need to be improvements made to the registered apprenticeship model and appreciate the majority making a good faith effort at negotiating a final product that would actually modernize the program, we remain disappointed that Democrats were unwilling to take an all-of-the-above approach to apprenticeships and workforce development more broadly.

#### MORE FUNDING IS NOT THE ANSWER

The Democrats claim that appropriations for the registered apprenticeship system at the level authorized in H.R. 8294 would lead to the creation of one million new apprenticeship opportunities. However, this is a shortsighted approach to increasing those opportunities. Increasing an authorization in legislation does not guarantee more opportunities but including strict and onerous requirements will certainly limit those options. In short, the Demo-

crat proposal fails to realize that throwing money at a program does not create opportunities for more Americans.

Some increase in funding would be necessary if the program was open and flexible enough that companies wanted to participate. That funding is irrelevant when the restrictive requirements push companies away from participating. The changes proposed in this legislation lock in place many of the restrictive components of this program, thus limiting the value of the program to potential participants. Companies avoid developing registered programs because the federal government is already too involved, not because they lack clarity or guidance from Congress on how to run an apprenticeship program. These problems are further exacerbated for small- and medium-sized businesses who may not have an entire office dedicated to filing paperwork and filling out applications. No business owner wants to wait months on end for the federal government to tell them how to run their program when they need to meet workforce needs today.

At a hearing of the Subcommittee on Higher Education and Workforce Investment on March 27, 2019, Mark Hays, the Vice Chancellor for Workforce and Economic Development at the Dallas County Community College District (DCCCD), said:

“DCCCD’s goal is to meet employer needs, whether that be a registered apprenticeship or an IRAP. Some employers are hesitant to begin the process of a registered apprenticeship because they feel it is not flexible enough to meet their needs. . . . We cannot allow ourselves to be boxed in by excluding any type of program that allows individuals to obtain the necessary skills to succeed and businesses to grow.”

There are certainly benefits to establishing guardrails and standards, and Republicans on the Committee support codifying and streamlining the existing registered apprenticeship system so that it is more workable and easier to navigate for those employers who do choose to use it. However, we should not simply assume that spending billions of dollars while setting in stone the very problems that have held back the registered system will solve the problems that we are facing. Now more than ever, we need to listen to what industry is telling us as millions of Americans will need new skills to reenter the workforce following the COVID-19 pandemic.

#### BUREAUCRATIC RED TAPE

While the majority assumes that more funding will solve the problems that prevent participation in the registered system, H.R. 8294 far too often doubles down on the problems with the current model. Although some businesses may appreciate the guidance and input of DOL up to a point, the existing maze of regulations discourages many employers from ever considering developing a registered program and forces them to choose other options for upskilling prospective employees.

This bill contains several provisions that are indicative of the majority’s misunderstanding that more government is almost always the problem, not the answer. This heavy-handed, top-down approach has led to a number of requirements that would further

restrict the ability of those who participate in the system, from states to program sponsors, to make decisions on how to best operate within the registered apprenticeship system, including:

- Requiring states to establish an entirely new application and planning process, rather than simply allowing them to work through the existing combined plan established under the *Workforce Innovation and Opportunity Act* (WIOA);
- Establishing an interagency agreement between DOL and the Department of Education that is intended to increase coordination, but will instead simply increase paperwork and allow more bureaucrats to be hired while government agencies communicate with each other instead of businesses;
- Setting up a National Advisory Committee on Apprenticeships that would weigh in favor of labor unions, regardless of whether they had a significant presence in new and expanding industries; and
- Mandating reporting to be done quarterly rather than annually without taking into consideration that excessive reporting requirements can prevent businesses from developing registered programs.

Each of these provisions highlights why H.R. 8294 does not provide the answers to the 21st century workforce development system that our nation needs and deserves. Time and time again, the bill fails to understand what is driving the lack of participation in the system and Committee Republicans remain committed to advancing better alternatives.

#### REJECTED AMENDMENTS THAT WOULD HAVE IMPROVED THE BILL

During consideration of H.R. 8294, Committee Republicans offered several amendments to improve the bill. Unfortunately, the amendments were rejected by the Democrats. Those amendments were as follows:

- Rep. Elise Stefanik (R-NY) offered an amendment that would have provided greater flexibility and opportunity within pre-apprenticeship programs. Specifically, this amendment struck the requirements for pre-apprenticeships to be tied to a specific apprenticeship program. Pre-apprenticeships should prepare currently underqualified individuals to pursue more advanced workforce development opportunities and should not simply be feeder programs for specific apprenticeships. Participants should not be limited in the options they can pursue if we are hoping to expand the number of apprentices in this country. Unfortunately, the majority chose not to take this opportunity to further expand apprenticeship opportunities and rejected the amendment.
- Rep. Fred Keller (R-PA) offered an amendment that would have eliminated the ability of labor unions to ignore safety requirements that apply to non-union sponsored apprenticeships. Under DOL's current regulations, state apprenticeship registration agencies are required to establish minimum ratios of apprentices to supervisors to ensure the safety of apprentices on the job. Those regulations allow unions to negotiate collective bargaining agreements that reduce or eliminate ratio requirements for union-sponsored apprenticeship programs. This

creates an unfair playing field and potentially leaves apprentices in union-sponsored programs less safe. The majority rejected this effort to hold all apprenticeship programs to the same standard, regardless of which entity sponsors the program.

#### ADOPTED AMENDMENTS THAT WILL IMPROVE THE BILL

There were two amendments that were adopted, including one offered by Rep. Dusty Johnson (R-SD). His amendment allows DOL flexibility to proactively approve new apprentice-related occupations in consultation with industry. The current practice of approving new apprentice-related occupations is excessively onerous, and it can prevent businesses from opening programs under the registered system. While H.R. 8294 includes some reforms for streamlining this process, this amendment allows DOL to be more adept in identifying emerging industries in which workers would benefit from expanded apprenticeship opportunities and provides them the authority to rapidly and efficiently take steps to provide those opportunities.

The majority also accepted an amendment offered by Rep. Stefanik to ensure states develop a process for registered apprenticeship programs to receive expedited consideration on the “eligible training provider list” under WIOA, and adds to the workforce alignment efforts funded in this bill so that apprenticeships work hand-in-hand with the existing workforce infrastructure to meet the needs of businesses.

An additional amendment that was offered and withdrawn by Rep. Brett Guthrie (R-KY) would have given new sponsors and small businesses an opportunity to enter the program without the burden of excessive paperwork. Specifically, the amendment provided flexibility to waive or modify reporting requirements for small businesses or first-time sponsors and required reporting to be done annually rather than quarterly. Too often the federal government wants more and more data without understanding the implication of the paperwork that goes along with these requirements—which end up placing excessive burdens on employers with little added benefit. Rep. Susan Davis (D-CA) requested that Rep. Guthrie withdraw this amendment in order to address the issue raised as the bill goes to the floor. Rep. Guthrie agreed to withdraw this amendment on the promise to address his concern. It is Committee Republicans expectation that the Democrats will work with the Republicans to fulfill this commitment in a manner that actually eases burdens on employers.

#### REPUBLICAN SUBSTITUTE

The reauthorization of the NAA provides an opportunity for Members of Congress and this Committee to make needed reforms to a decades-old program and bring it into the 21st century. A true reform of the registered apprenticeship system has the potential to expand opportunities to thousands and make the system more effective for those it serves, and encourage further innovation in earn-and-learn programs that would have significant positive impacts on workers and the economy.

The Republican amendment in the nature of a substitute would have:

- Maintained the authority of DOL to adapt to current workforce needs now and in the future with new, flexible, and innovative apprenticeship programs outside of the registered system;
- Reduced the paperwork burden on states by allowing them to submit state plans under the preexisting framework of WIOA, rather than forcing them to establish a duplicative application process;
- Struck provisions in H.R. 8294 that would add to the existing bureaucracy in the form of advisory committees and inter-agency agreements;
- Provided states with more discretion over how they spend their money, instead of letting the federal government dictate where their dollars must go; and
- Made it easier for more programs—and therefore more apprentices—to access the registered apprenticeship system by removing the requirement setting an uneven playing field between union and non-union program sponsors for the ratios of apprentices to instructors.

The excessive requirements in the underlying bill are reasons that businesses choose not to participate in the registered apprenticeship system today. What may simply seem like extra standards to Washington bureaucrats often include more paperwork and hassle to those on the ground hoping to start a program. The Republican substitute would have further streamlined the registered system so that it is adept enough to operate at the speed of business, while also ensuring that other pathways for success remain open going forward.

If the goal is to actually increase the number of apprentices in the country, then the Republican amendment provides an opportunity to do just that. Without it, this bill simply sets in stone barriers that make the current system difficult to navigate.

#### CONCLUSION

H.R. 8294 represents a well-intentioned, but ultimately short-sighted attempt to expand earn-and-learn opportunities for Americans all across the nation. Our country's workforce is facing a unique crisis, and we must ensure that each of the tools in our workforce development system is up to the task and operating efficiently to meet the needs of employers and those participating in the system.

This bill does not create a registered apprenticeship system that fits those criteria. Rather, it locks in place an 83-year-old model and in some instances provides even more restrictions on those who are attempting to develop and operate programs. Instead of doubling down on failed policies, Committee Republicans will continue to support a national apprenticeship system that encourages innovation and new ideas.

VIRGINIA FOXX,  
*Ranking Member.*  
 DAVID P. ROE, M.D.  
 GLENN "GT" THOMPSON.

BRETT GUTHRIE.  
BRADLEY BYRNE.  
GLENN GROTHMAN.  
RICK W. ALLEN.  
LLOYD SMUCKER.  
JIM BANKS.  
MARK WALKER.  
JAMES COMER.  
BEN CLINE.  
RUSS FULCHER.  
DANIEL MEUSER.  
DUSTY JOHNSON.  
FRED KELLER.

