



PRELIMINARY

Review and Summary of Notice of Proposed Rules:

Department of Labor
Employment and Training Administration
29 CFR Parts 29 and 30

December 2023

Executive Summary

Background:

The Department of Labor has released a notice of proposed rules, which is the first regulatory revision of apprenticeship since 2008. If enacted, these rules will have a major impact on the practice of apprenticeship in the United States.

AFA has conducted a preliminary review of the proposed rules and offers the following summary and initial thoughts. In the coming weeks, we will take a deeper look into these proposed revisions and engage our members in order to submit thoughtful and comprehensive comments.

As a high-level overview, the proposed rules seek to establish;

- A new CTE Apprenticeship framework for apprenticeships targeting students in secondary and post-secondary settings
- New Standards
 - National Occupational Standards for Apprenticeship;
 - National Program Standards for Apprenticeship;
 - National Guidelines for Apprenticeship Standards;
 - New expectations and structures for State Apprenticeship Agencies; and
 - New registration, reporting, and operational requirements for registered apprenticeships.
- Timeline
 - Once published, a 60-day comment period will begin
 - At the conclusion of the comment period, DOL will review and provide a response to comments received
- Proposed rules could...
 - Be approved as a whole, with or without modifications
 - If approved, the regulations will moved to a review by OMB (Office of Management and Budget, where amendments can be ordered
 - If approved, Enacted in part, with or without modifications;
 - Withdrawn

Beginning Thursday, December 21st at 2:00 pm EST, AFA will host its first membership overview of the proposed regulations with many more opportunities for review and engagement.

Part 1: Standards for Registered Apprenticeship

Occupations Suitable for Registered Apprenticeship

Snapshot: In order for sponsors to register an apprenticeship program, the occupation in question must first be deemed “suitable” for apprenticeship. This section provides criteria and a process of suitability determination. This determination would reside with the Office of Apprenticeship.

Summary:

- The proposed regulations include several key elements related to the suitability determination for registered apprenticeship programs.
- The new § 29.7(b)(2) introduces a requirement for applicants to demonstrate that the occupation in question leads to a sustainable career, aligning with the ACA's recommendation to consider wages in the determination process. This is not intended to limit programs in occupations with more limited career growth but encourages evidence of career advancement opportunities.
- Proposed § 29.7(b)(3) and (4) replace existing sections and outline requirements for structured apprenticeship programs, emphasizing skills, techniques, and competencies leading to proficiency. The 2,000-hour on-the-job training requirement is retained, along with a standard of 144 hours of off-the-job instruction for every 2,000 on-the-job hours.
- Proposed § 29.7(c) details information applicants must submit electronically for a suitability determination, covering documentation, work process schedules, hours required for proficiency, related instruction outlines, and disclosure of interim credentials or license requirements. The document emphasizes public input, with a 30-day comment period on suitability determinations and a 90-day timeline for the Administrator to decide. It explores using industry-validated resources, like O*NET, and seeks feedback on soliciting input from a wider range of stakeholders.
- Proposed § 29.7(e) outlines criteria for unfavorable suitability determinations, including incomplete applications and the necessity to meet all proposed criteria. Sections (3) and (4) aim to prevent occupation “splintering” and replication of work processes without advancing to a higher-level occupation. If an occupation is deemed unsuitable, the Administrator notifies the applicant, provides reasoning, and publishes the determination on a public-facing website. The applicant can reapply after addressing raised issues.
- Proposed § 29.7(g) requires submission and approval of adjustments to existing suitable occupations or work processes to maintain validity. Finally, § 29.7(h) introduces a 5-year review cycle for existing suitable occupations, including a review of work process schedules and related instruction outlines, with notifications for updates and potential exclusion if an occupation is no longer suitable.

Analysis: This has been an increasingly contentious issue, especially as apprenticeship has spread to new industries and occupations. While improved clarity on the determination process is welcome, the role of the Office of Apprenticeship as a gatekeeper will be the subject of some debate. Of particular concern will be the Office’s position on “splintering” where recognition in new occupations are denied because they overlap with existing apprenticeships. Some aspects of this proposal will be seen at odds with a dynamic and growth-oriented apprenticeship practice in the United States.

Standards of Apprenticeship

***Snapshot:** Arguably, these provisions reflect the heart of the proposed rule changes and will have the greatest impact on apprenticeship sponsors and intermediaries. These provisions relate to the standards used to assess apprenticeship proposals. The changes in this area are largely additive, with many new requirements added to the current standards.*

Summary: The proposed amendments in § 29.8 aim to enhance the standards of apprenticeship for registered programs. Emphasizing the importance of robust standards, the changes extend the application of minimum standards to new areas, such as cost transparency, program eligibility, and measures to ensure apprentice safety and protection from workplace exploitation. Key elements of the proposal include:

- **Minimum Eligibility Requirements:** The proposed § 29.8(a)(1) maintains the minimum starting age for apprentices at 16 years, as per the Fair Labor Standards Act, but allows for a higher age if mandated by Federal, State, or local law.
- **Recruitment Disclosure:** § 29.8(a)(3) introduces a new provision requiring program sponsors to include a description of their recruitment efforts for new apprentices in their program standards. This information enhances transparency, aids outreach efforts, and aligns with Equal Employment Opportunity (EEO) obligations, providing benefits in terms of access and universal outreach.
- **On-the-job Training Requirements:** The proposed rule suggests significant changes to the labor standards of apprenticeship, particularly in the approach to on-the-job training. Currently, apprenticeship programs may follow three approaches: time-based (2,000 hours of on-the-job training), competency-based (no specified minimum duration), or hybrid (a combination of on-the-job hours and competency demonstration). The proposal seeks to replace these options with a unitary approach, requiring a uniform minimum of 2,000 hours of on-the-job training, aligning with the hybrid model.
- **Related Instruction Requirements:** Additionally, the proposed rule modifies the related instruction component, requiring a minimum average of 144 hours for every 2,000 hours of on-the-job training, aiming to provide apprentices with necessary theoretical knowledge. The Department seeks public input on whether this requirement is sufficient and invites alternative suggestions, including considerations for semester or trimester hours.
- **Related Instruction Outline:** Proposed § 29.8(a)(5) mandates the inclusion of occupation(s), work process schedules, and (newly required) related instruction outlines in the standards.
- **Related Instruction Providers:** Proposed § 29.8(a)(6) adds a requirement to specify related instruction providers and instructional methods.
- **Qualifications of Trainers:** Proposed § 29.8(a)(7) introduces a new requirement for an attestation in the standards, documenting in writing that trainers and instructors meet the necessary qualifications and experience.
- **Credentials, Credit and Qualifications:** Proposed § 29.8(a)(8) mandates a description of interim credentials, qualifications, or credit received by apprentices during or upon completion of the program, promoting transparency and understanding of the credentials apprentices will obtain.
- **Apprentice Pay for Training:** Proposed § 29.8(a)(9) establishes a requirement for standards to state whether time spent in related instruction counts as hours worked, providing clarity on wage rates and fringe benefits for those hours.

- **Apprentice Assessment:** Proposed § 29.8(a)(10) introduces a requirement for sponsors to outline a process for regularly assessing and providing feedback to apprentices regarding their job-related knowledge, skills, and competencies during on-the-job training.
- **End-point Assessments:** Proposed § 29.8(a)(11) addresses the use of end-point assessments to determine apprentices' proficiency, emphasizing the importance of inclusive assessment processes.
- **Probationary Period:** Proposed § 29.8(a)(12) retains language regarding a probationary period not exceeding 25 percent of the program length.
- **Wage related Regulations:** Proposed § 29.8(a)(17) requires standards to articulate wages and fringe benefits for apprentices during the program. The proposed rule retains the minimum wage floor, introduces a graduated schedule of wage increases, and mandates that the final wage step be no less than 75% of the journeyworker wage.
- **Costs for Apprentices:** Proposed § 29.8(a)(18) requires transparency about unreimbursed costs, expenses, or fees and stipulates that these should be necessary, reasonable, and compliant with wage laws.
- **Ratios of Apprentices to Journeyworkers:** Proposed § 29.8(a)(19) revises the ratio of apprentices to journeyworkers. It emphasizes safety and welfare considerations, with numeric ratios requiring approval by a Registration Agency. High-hazard industries may face heightened scrutiny, and factors like health are added to the considerations. Flexibility is provided for ratios, allowing adherence to collective bargaining agreements and applicable laws.
- **Attestations and Other Requirements.** Proposal require that applications attest that they will comply with all applicable laws; that apprentices are entitled to the same allowances, rights, and protections as non-apprentice employees under applicable laws; that sponsors will provide adequate, safe, and accessible facilities; that sponsors will provide industry-recognized safety training for apprentices in both on-the-job and related instruction components.

Analysis: The Department's proposed rules in this section reflect a desire to standardize national and international best practices in US registered apprenticeship. At issue will be the added burden of compliance with these requirements as well as the suitability of the Department's approach to an increasingly diverse set of occupations.

Apprenticeship Agreements

Snapshot: This section sets expectations for how sponsors will develop and use apprenticeship agreements. The agreements with apprentices set forth expectations and are a central part of apprenticeships. The section follows a broad theme of advancing standards for apprenticeship practices in the United States and mandating more consistent use of best practices.

Summary: The proposed regulation aims to enhance transparency and accountability in the National Apprenticeship System by focusing on the apprenticeship agreement. The Department proposes moving existing provisions to § 29.9, reorganizing and adding measures for stronger transparency, accountability, and worker protections. Here are highlights:

- Proposed § 29.9(a) mandates that registered apprenticeship programs **establish a written agreement**, signed by relevant parties before the apprenticeship term. Participating employers

in group programs must also sign, ensuring accountability. The agreement must be finalized before the apprenticeship starts.

- Proposed § 29.9(b) introduces a new requirement that, before signing, **apprentices must receive a copy of the proposed agreement and program standards**. After signing, sponsors must provide a copy to the apprentice by the start date.
- Proposed § 29.9(c) outlines minimum requirements for the agreement. It includes apprentice **contact information, identifies the parties involved, incorporates program standards, and specifies roles and responsibilities**.
- Proposed § 29.9(c)(8) mandates disclosure of the expected **minimum hours for on-the-job training and related instruction** during the apprenticeship.
- Proposed § 29.9(c)(9) introduces a requirement for the agreement to describe **methods for measuring competency progress and the program's end-point assessment**.
- Proposed § 29.9(c)(10) requires disclosure of **supportive services** available to apprentices, such as childcare or transportation, enhancing transparency about available resources.
- Proposed § 29.9(c)(11) mandates **disclosure of any unreimbursed costs**, expenses, or fees the apprentice may incur.
- Proposed § 29.9(c)(12) requires **information on postsecondary credits, credentials, and qualifications** upon program completion.
- Proposed § 29.9(c)(13) mandates adherence to 29 CFR part 30 and, where applicable, an **approved State EEO plan**.
- Proposed § 29.9(c)(14) details **whether apprentices are paid during related instruction**, the wage rate, fringe benefits, and if related instruction occurs during work hours.
- Proposed § 29.9(c)(16) introduces a requirement for the agreement to describe the **processes for granting advanced standing or credit**, aligning with sponsor-approved standards.
- Proposed § 29.9(d) **prohibits non-compete provisions**, safeguarding apprentices' labor market mobility and promoting competition.
- Proposed § 29.9(e) **prohibits non-disclosure provisions** restricting workers from working in the same field and ensures the right to file complaints.
- Proposed § 29.9(f) **shortens the submission time** for executed apprenticeship agreements to the Registration Agency from 45 to 30 days, leveraging technological advancements.
- Proposed § 29.9(g) allows either party to **cancel** the apprenticeship agreement without cause during the probationary period, with written notice to the Registration Agency. And Proposed § 29.9(h) permits apprentices to request cancellation at any time, while sponsors can suspend or cancel for good cause after providing a chance for corrective action. It outlines written notice requirements to the apprentice and the Registration Agency.

Analysis: The Department is advancing a broad goal to improve transparency for apprentices and generally improve the apprenticeship experiences. As with other sections, the advisability of these changes will turn on assessment of burdens imposed as well as the universal applicability of each mandate across the growing diversity of apprenticeships.

Program Registration

***Snapshot:** Proposed § 29.10(a) outlines the requirements for submitting an application for the registration of a new apprenticeship program. Again, these provisions are likely to have a significant impact on sponsors working to register new apprenticeships.*

Summary: The Department envisions electronic submission for efficiency, timely reviews, and improved technical assistance through platforms like Standards Builder.

- Proposed § 29.10(a)(1) to (3) mandates the submission of the work **process schedule, apprenticeship standards, and apprenticeship agreement** for the proposed program. The occupation must be deemed suitable for registered apprenticeship by the Administrator.
- Proposed § 29.10(a)(4) introduces a new provision requiring a written plan for **equitable recruitment and retention**, especially for underserved communities. It emphasizes strategic partnerships to facilitate access to supportive services.
- Proposed § 29.10(a)(5) requires **proof of financial capacity for sustained program operation**. Applicants must demonstrate financial solvency and present forward-looking narratives on funding streams and commitments.
- Proposed § 29.10(a)(6) mandates **disclosure of instances where a government agency determined violations of laws related to workplace practices**. The applicant must describe the violations and actions taken to remedy them.
- Proposed § 29.10(a)(7) incorporates the existing requirement for **union participation**, dividing it into two parts based on the presence or absence of union involvement in program operation.
- Proposed § 29.10(a)(8) demands submission of **immediate steps to implement EEO requirements**, including identifying responsible individuals, publicizing the EEO pledge, and outlining anti-harassment training.
- Proposed § 29.10(b) establishes a **90-day review period by the Registration Agency for a complete electronic application**.
- Proposed § 29.10 outlines the **determinations required by the Registration Agency** for the review of apprenticeship program applications and largely follows the previous sections, including:
 1. Occupation Suitability Determination: § 29.10(b)(1) mandates a determination by the Administrator regarding the suitability of the occupation for registered apprenticeship, aligning with proposed § 29.7. If the occupation isn't deemed suitable, the application may not be approved.
 2. Skills and Competencies Training: § 29.10(b)(2) necessitates a determination that the work process schedule provides training in the specific skills and competencies associated with the approved occupation, as required by proposed § 29.7.
 3. Portable Occupational Skills: § 29.10(b)(3) requires a determination that the work process schedule and related instruction outline offer an apprentice a portable set of skills transferable within the same industry, per proposed § 29.7.
 4. Consistency with Standards: § 29.10(b)(4) demands a determination that the submitted standards of apprenticeship align with proposed § 29.8 requirements.
 5. Apprenticeship Agreement Adherence: § 29.10(b)(5) necessitates a determination that the apprenticeship agreement complies with proposed § 29.9.

6. Financial Capacity: § 29.10(b)(6) mandates a determination that the sponsor possesses the necessary financial capacity and resources to operate the proposed program.
 7. Misconduct or Violations Resolution: § 29.10(b)(7) requires a determination that any acknowledged misconduct or law violations have been satisfactorily addressed, posing no significant risk to apprentices.
 8. Union Participation Compliance: § 29.10(b)(8) demands a determination that union participation requirements (if applicable) are satisfied based on documents submitted verifying required engagement.
 9. Equitable Recruitment and EEO Plan Approval: § 29.10(b)(9) necessitates a determination that the sponsor's written plan for equitable recruitment and retention, along with the implementation of EEO requirements, is satisfactory.
 10. Program Outcome Review: § 29.10(c) outlines potential outcomes of the review, including granting provisional registration for compliant programs and providing written explanations for non-compliant ones.
 11. Provisional Registration Details: § 29.10(d) explains provisional registration, program review criteria, and scenarios for permanent registration or deregistration.
 12. Apprenticeship Program Requirement: § 29.10(e) specifies the need for at least one enrolled apprentice for program registration, with exceptions during specified periods.
- § 29.10(f) updates the process for submitting and approving **modifications or changes** to apprenticeship standards.

Analysis: As with other sections, the advisability of these changes will turn on assessment of burdens imposed as well as the universal applicability of each mandate across the growing diversity of apprenticeships.

Program Standards Adoption Agreement

Snapshot: Proposed § 29.11 introduces new requirements for a written **program standards adoption agreement** between a sponsor and a participating employer outside a collective bargaining process in a registered apprenticeship program. This need for this document arises from the growing prevalence of group registration and apprenticeship intermediaries.

Summary: Key points of the proposed regulation include:

- **Participating Employer Obligations:** § 29.11(a) outlines obligations for participating employers, requiring them to adopt and comply with the sponsor's registered standards, adhere to all relevant regulations, and cooperate with the sponsor in meeting obligations, including providing necessary data.
- **Transmission of Agreement:** § 29.11(b) mandates the submission of the program standards adoption agreement to the Registration Agency within 30 days of execution, facilitating compliance verification and comprehensive program oversight.
- **Cancellation Process:** § 29.11(c) establishes the process for canceling or suspending the agreement, allowing participating employers to cancel with 30-day notice and sponsors to cancel/suspend for noncompliance with agreement requirements.

- **Cancellation Notice:** § 29.11(c)(2)(i) requires sponsors to provide written notice of suspension/cancellation to the participating employer, affected apprentices, and the Registration Agency, explaining the reason for the action.
- **Apprentice Placement:** § 29.11(c)(2)(ii) obligates sponsors to make reasonable efforts to place affected apprentices with other participating employers or registered apprenticeship programs if training is interrupted due to suspension/cancellation.
- **Deregistration Proceedings:** § 29.11(c)(2)(iii) empowers the Registration Agency to initiate deregistration proceedings if a sponsor fails to suspend or cancel an agreement as required, emphasizing the importance of compliance monitoring.

Analysis: In addition to concerns about regulatory burden on sponsors, this new requirement must be weighed against perceptions by participating employers that registered apprenticeship is already overly regulated and burdensome.

Qualifications of Apprentice Trainers and Providers of Related Instruction

Snapshot: *The proposal introduces § 29.12 to establish baseline qualifications for trainers and instructors in registered apprenticeship programs.*

Summary: Key points of the proposed regulation include:

- **Need for Baseline Qualifications:** The absence of baseline qualifications for apprentice trainers prompted the proposal. The Department believes that defining these qualifications will benefit existing and potential apprenticeship programs, sponsors, and apprentices by promoting quality and transparency.
- **Proposed Qualification Requirements:**
 1. § 29.12(a) outlines minimum requirements for journeyworkers providing on-the-job training, emphasizing mastery of job skills, staying updated on industry advances, effective communication, fair evaluation of apprentices, and establishing practical connections between theoretical knowledge and occupational tasks.
 2. § 29.12(b) requires journeyworkers to ensure a safe and inclusive work environment, emphasizing the importance of diversity, equity, inclusion, and anti-harassment training.
 3. § 29.12(c)(1) and (2) addresses related instruction providers, specifying that they must either be faculty or instructors at accredited postsecondary institutions, meet state certification requirements, or possess skills in teaching techniques for diverse audiences, including adult learners.
- **Flexibility for Journeyworkers:** The proposal maintains flexibility by allowing subject-matter experts, such as journeyworkers, to provide related instruction, considering their expertise and ability to select appropriate curricula.
- **Ensuring Equitable Evaluation:** The proposed evaluation requirements aim to ensure fairness, transparency, and equity in assessing apprentices' progress and performance, preventing unequal treatment and supporting the success of apprentices from diverse backgrounds.
- **Inclusive Environment:** Emphasizing the role of trainers in shaping inclusive environments, the proposal aligns with DEIA (Diversity, Equity, Inclusion, and Accessibility) principles, emphasizing the importance of mentors and trainers in creating positive workplace cultures.

- **Anti-Harassment Training:** Trainers are required to have completed all anti-harassment trainings required in part 30 regulations, ensuring a safe learning environment free from harassment.
- **Technical Assistance and Support:** The Department commits to providing technical assistance, promoting mentorships, and establishing a network of stakeholders, such as the "Registered Apprenticeship Academy," to support programs, trainers, and instructors.

Analysis: Proposed in response to a perceived gap in regulations, this section seeks to add a quality assurance component to the instructional aspects of registered apprenticeship. Apprenticeship sponsors who use accredited higher education or other established education resources may find these provisions duplicative and unnecessary. The required training for journeyworker trainers may also be viewed as a burden to participating employers and impede participation in registered apprenticeship.

Development of National Occupational Standards for Apprenticeship

Snapshot: Proposed 29 CFR 29.13 introduces a new section in the part 29 regulations, outlining the development and use of National Occupational Standards for Apprenticeship.

Summary: Key points of the proposal include:

- **Purpose of National Occupational Standards:** The standards are meant to serve as off-the-shelf resources for potential program sponsors looking to establish a registered apprenticeship program in a nationally relevant occupation.
- **Department's Role:** The Department sees itself as a convener of national stakeholders, collaborating to develop occupational standards across industries.
- **Continuous Updates:** Recognizing the evolving nature of occupations, technology, and the economy, the Department emphasizes continuous engagement with industry stakeholders for updates and revisions to National Occupational Standards for Apprenticeship.
- **Criteria for Approval:** Proposed criteria for approval include the suitability of the occupation for registered apprenticeship, nationally applicable work process schedules, a curriculum framework for related instruction, and methods for evaluating apprentice progress, including end-point assessments.
- **Purpose and Criteria for Development:** The purpose of developing these standards is to drive the growth of high-quality registered apprenticeship programs, particularly in emerging and high-growth occupations. Criteria for development include suitability for registered apprenticeship, nationally applicable work process schedules, curriculum frameworks, and evaluation methods.
- **Approval Process:** The Administrator will seek public comment on proposed standards, inviting industry leaders to contribute. Comments will be accepted for at least 30 days, and the standards will be finalized within 90 days. The Administrator will maintain an up-to-date list of all National Occupational Standards for Apprenticeship.
- **Public Input:** The Department invites comments on the proposed development process, the criteria for evaluation, and the potential benefits of National Occupational Standards for Apprenticeship in supporting sponsors in overcoming initial challenges in starting a registered apprenticeship program.

Analysis: Overall, the proposal aims to enhance the accessibility and quality of registered apprenticeship programs by providing standardized, industry-validated resources for program development. This

proposal is consistent with calls from AFA and other organizations for the use of standards to streamline and standardize apprenticeships in the US. Its operational aspects require some further consideration, however, and AFA will undertake further analysis and seek input from members as it prepares comments for the Department.

National Program Standards for Apprenticeship

***Snapshot:** This new provision of the regulations of apprenticeship in the United States aims to drive system alignment and national apprenticeship expansion through National Program Standards for Apprenticeship. National sponsors may rely on these standards and by using the standards would be expected to receive expedited approval. There are also provisions requiring state-level registration offices to recognize sponsored apprenticeships using these standards.*

Summary: The "National Program Standards for Apprenticeship" section outlines criteria for their establishment, scope, reciprocity, and alignment with National Occupational Standards for Apprenticeship. Key points of the proposal include:

- **Criteria for Approval:** Proposed § 29.14 establishes criteria for National Program Standards, including the necessity for occupations to not be subject to differing licensing requirements, for a national or multistate design, and for alignment with regulatory requirements.
- **Occupational Suitability:** Proposed § 29.14(a)(1) specifies that the standards are suitable for occupations not ordinarily subject to federal, state, or local licensing requirements, ensuring a uniform set of standards nationally.
- **National or Multistate Design:** Proposed § 29.14(a)(2) requires standards to be national or multistate in design, aligning with various scenarios, including national employers or international companies with operations across multiple states.
- **Regulatory Compliance:** Proposed § 29.14(a)(3) states that National Program Standards must meet the requirements outlined in proposed part 29 and part 30.
- **Approval Process:** Proposed § 29.14(b) outlines the process for registration by the Administrator. If approved, the standards would be registered on a nationwide basis within 90 days of receipt, with a written explanation provided in case of denial.
- **Reciprocity:** Proposed § 29.14(c) mandates SAAs to reciprocally approve and register programs registered via National Program Standards for Apprenticeship, fostering system alignment.
- **Alignment with Occupational Standards:** Proposed § 29.14(d) requires alignment with existing National Occupational Standards for Apprenticeship. National Program Standards should adhere to approved National Occupational Standards to ensure industry-validated standards and system alignment.
- **Flexibility in Alignment:** The proposal allows for minor modifications to National Occupational Standards if the National Program Standards substantially align. Acceptable deviations may include sponsor-specific training additions or adjustments in on-the-job training hours.
- **Benefits and Considerations:** Programs registered with National Program Standards may receive benefits such as reduced reporting requirements and eligibility under the VALOR Act.

Analysis: The proposal envisions National Program Standards as a mechanism to ensure uniform, high-quality apprenticeship programs on a national scale, promoting consistency and efficiency in the registration and development of programs within the National Apprenticeship System. This proposal is

consistent with calls from AFA and other organizations for the use of standards to streamline and standardize apprenticeships in the US. As with the occupational standards, its operational aspects require some further consideration, however, and AFA will undertake further analysis and seek input from members as it prepares comments for the Department.

National Guidelines for Apprenticeship Standards

***Snapshot:** Proposed § 29.15 introduces the "National Guidelines for Apprenticeship Standards," outlining criteria for their approval, the Certificate of Recognition, local registration, resubmission, and alignment with National Occupational Standards for Apprenticeship. Unlike National Program Standards for Apprenticeship, these guidelines serve as a template for locally registered apprenticeship programs, allowing adaptation by local affiliates of national organizations or employers with a national presence in multiple states.*

Summary: Key points of the proposal include:

- **Local Adaptation:** The guidelines are intended for local affiliates of national organizations or employers with a national presence. They provide a nationally certified but locally registered framework, accommodating local needs and regulatory requirements. Organizations with nationally designed standards may use National Guidelines for Apprenticeship Standards for State-by-State registration, addressing variations in state licensing requirements.
- **Expedited Pathway:** Adoption of these guidelines facilitates an expedited pathway for local affiliates to register apprenticeship programs while accommodating local industry and regional economic needs.
- **Criteria for Recognition:** Proposed § 29.15(a) establishes criteria for recognition, emphasizing national applicability, suitability for local adoption, and alignment with regulatory requirements.
- **Administrator's Approval Authority:** The Administrator has sole approval authority, with proposed § 29.15(b) detailing the process for recognition and the 90-day review goal.
- **Local Registration Process:** Proposed § 29.15(c) outlines the process for State or local affiliates to use recognized guidelines as templates for local registration, allowing adjustments for local conditions.
- **Resubmission Requirements:** Proposed § 29.15(d) mandates resubmission for approval every five years or upon amendment to standards, ensuring periodic reviews to meet industry standards and local requirements.
- **Alignment with Occupational Standards:** Proposed § 29.15(e) requires alignment with existing National Occupational Standards for Apprenticeship, ensuring adherence to industry-validated standards.
- **Flexibility in Alignment:** While National Occupational Standards may allow minor modifications, the proposal emphasizes substantial alignment, permitting deviations like sponsor-specific training additions, additional competencies, or academic-credit-bearing related instruction.

Analysis: The Department envisions National Guidelines for Apprenticeship Standards as a tool to drive apprenticeship expansion, aligning with the National Apprenticeship System. The proposal seeks to enhance consistency, adaptability, and industry relevance while promoting collaboration between national organizations and their local affiliates within the apprenticeship framework.

End-Point Assessment

Snapshot: Proposed § 29.16 introduces a requirement for registered apprenticeship programs to conduct an end-point assessment at the conclusion of the apprenticeship term, ensuring apprentices demonstrate proficiency in the occupation. The goal is to establish a standardized and rigorous measure of apprentices' skills and competencies, providing employers with confidence in the workforce's capabilities.

Summary: Key points of the proposal include:

- **Purpose of End-Point Assessment:** The assessment aims to objectively confirm that apprentices have acquired all the required knowledge, skills, and competencies for the occupation. The absence of a standardized assessment allows program sponsors to adopt varying assessment methods, creating uncertainty for employers. The end-point assessment is considered the culmination of the apprenticeship, and apprentices would only receive a Certificate of Completion upon successfully passing the assessment.
- **Benefits for Employers:** A standardized end-point assessment enhances employer confidence in an apprentice's ability to perform successfully in the trained occupation, promoting a more uniform and rigorous standard for competency assessment. The proposal acknowledges the importance of timely and efficient task completion for businesses, aligning with their profitability goals.
- **Training Protocols and Assessments:** The proposal emphasizes the importance of effective training protocols and accurate assessments to ensure apprentices are not only competent in specific job tasks but also proficient in the overall occupation.
- **International Comparisons:** Mentions that several countries, including Canada, England, Germany, Switzerland, and Austria, require similar end-point assessments to evaluate apprentices' proficiency in occupations, enhancing the credibility and value of the apprenticeship credential.
- **Flexibility in Assessment Methods:** The proposal does not prescribe a specific assessment type, allowing program sponsors to develop assessments relevant to their training. However, it suggests an opportunity for standardization through engagement with industry stakeholders and the development of National Occupational Standards for Apprenticeship.
- **Fair Opportunities for Apprentices:** Proposes that apprentices should be entitled to at least one additional attempt to complete the end-point assessment if they do not pass on the first attempt, ensuring fairness and avoiding inequitable barriers. The proposal highlights the need for appropriate reasonable accommodations for apprentices with disabilities, promoting accessibility in registered apprenticeship programs.
- **Certificate of Completion:** Successful completion of on-the-job training, related instruction, and the end-point assessment makes apprentices eligible for a Certificate of Completion from the Registration Agency.

Analysis: The Department envisions that end-point assessments will enhance the employability and labor mobility of apprentices, ultimately benefiting both individual employers and the overall quality and readiness of the occupational workforce. The proposal reflects calls from AFA and other organizations to consider adopting the international practice of end-point assessments as a way to enhance the quality of apprenticeship in the United States. AFA will confer with members as it assesses operational implications.

Complaints

***Snapshot:** Proposed § 29.17 underscores the importance of complaints in ensuring transparency and adherence to labor and quality standards in registered apprenticeship programs. It aims to protect apprentices' welfare by proposing enhancements to the existing complaints process.*

Summary: Key points include:

- **Critical Role of Complaints:** Complaints provide transparency into daily program operations, adherence to regulations, and safeguard apprentices' welfare. The Department emphasizes the vulnerability of apprentices to retaliation if their ability to file complaints confidentially is compromised.
- **Enhancements to Complaints Process:** The proposal retains much of existing § 29.12 but introduces changes in § 29.17, emphasizing detailed procedures for investigating complaints, protecting complainants' anonymity, and improving transparency and accountability in the National Apprenticeship System.
- **Expanded Filing Opportunities:** § 29.17 allows non-apprentices to file complaints under a registered apprenticeship agreement or for alleged violations of the regulations.
- **Investigation Procedures:** Proposed § 29.17(e) outlines more robust procedures for investigating complaints, ensuring expeditious processing and requiring the Registration Agency to provide notice, conduct thorough investigations, and notify findings to complainants and respondents.
- **Filing Deadline:** § 29.17(c) proposes a 300-day deadline for filing complaints after the events giving rise to the dispute or violation, allowing for extensions in cases of good cause.
- **Anonymous Complaints:** The proposal accommodates anonymous complaints, requiring means of contact without revealing identifying information, and emphasizes protecting complainant identities during investigations.
- **Anti-Retaliation Protections:** § 29.17(h) establishes anti-retaliation protections, prohibiting adverse actions against complainants and protecting various activities, including filing a complaint or opposing prohibited practices.
- **Consequences for Retaliation:** § 29.17(i) outlines consequences for sponsors engaging in retaliation, with remedies such as reinstatement, back pay, and interest. Sponsors failing to remedy retaliation may face deregistration.

Analysis: The proposal aims to balance transparency, accountability, and the protection of apprentices, encouraging a fair and effective resolution of complaints within the registered apprenticeship system.

Recordkeeping Requirements for Registered Apprenticeship Programs

***Snapshot:** Proposed § 29.18 introduces comprehensive recordkeeping requirements for registered apprenticeship programs, aiming to document compliance and facilitate effective monitoring and oversight.*

Summary: Key points include:

- **General Obligation:** Sponsors and participating employers must maintain records necessary for Registration Agencies to determine compliance with part 29 and applicable laws, with specific categories listed in § 29.18(a)(1) and (2).

- **Employment Decisions:** Records must be kept regarding employment decisions affecting apprentices, including hiring, promotion, termination, and other aspects crucial for program oversight.
- **Program Operation Records:** § 29.18(a)(2) details records related to apprenticeship program operation, covering qualifications, recruitment, apprenticeship agreements, completion records, assessments, and other essential program components.
- **Performance and Progress Records:** Maintenance of apprentice records regarding on-the-job training, related instruction, end-point assessments, and interim credentials to demonstrate progress and compliance with program standards.
- **Hours, Wages, and Benefits:** Records must be kept on apprentice hours, wages, fringe benefits, and safety records for both sponsors and participating employers.
- **Non-EEO Complaint Records:** Documentation of personnel records relevant to non-EEO complaints filed with the Registration Agency under § 29.17.
- **Safety Records:** Maintenance of safety records, incident logs, and worker's compensation documentation.
- **Compliance with Other Regulations:** Compliance records under 29 CFR part 30 and title 38, United States Code, are required, along with records demonstrating program compliance for Federal purposes.
- **Recordkeeping Period:** § 29.18(b) mandates a 5-year retention period for records, aligning with part 30 and program review requirements, with noncompliance potentially leading to deregistration proceedings.
- **Access to Records:** Sponsors must allow Registration Agencies access to records for program reviews and investigations, facilitating inspections, copying, and obtaining information on record formats.
- **Format Accessibility:** Sponsors must provide information on record formats and ensure accessibility, as specified in § 29.18(c).
- **Electronic Records:** Acknowledges that records may exist in paper or electronic form, emphasizing accessibility for oversight and compliance purposes.

Analysis: The proposed section aims to establish uniformity in recordkeeping requirements, emphasizing transparency, accountability, and compliance with the regulations governing registered apprenticeship programs. Integral to this section is the reporting obligations described below. AFA will confer with members as it assesses operational implications.

Program Reviews

Snapshot: The proposed section, § 29.19, outlines the program review process for registered apprenticeship programs. The rule stipulates a program year at least every 5 years for all registered programs.

Summary: Key points include:

- **Importance of Program Reviews**: Acknowledges that program reviews are essential for enforcing regulations, protecting apprentices, and providing opportunities for program improvement. Views reviews as tools for identifying and addressing issues.
- **Consolidation and Clarity**: Proposes a new section to consolidate and clarify elements of the program review process scattered throughout existing regulations. Encompasses various oversight activities, including EEO compliance reviews and quality assurance assessments.
- **Review Frequency**: § 29.19(a) establishes that, once permanent, programs must undergo a program review at least every 5 years. Allows more frequent reviews based on capacity and aligns with existing timelines in registered apprenticeship regulations.
- **Participating Employers**: Clarifies that program reviews include a review of participating employers within a sponsor's program to enhance accountability throughout the National Apprenticeship System.
- **Review Triggers**: § 29.19(b) requires program reviews based on credible information of noncompliance received through various channels, including complaints, referrals, or news stories. Reviews can also be initiated at the Administrator's request.
- **Review Scope**: § 29.19(c) allows Registration Agencies to consider all pertinent information and data during reviews, emphasizing program performance.
- **Cooperation Requirement**: § 29.19(d) mandates sponsors and participating employers to cooperate with Registration Agencies by facilitating interviews and providing documentation essential for program reviews.
- **Conclusion of Reviews**: § 29.19(e) specifies that at the review's conclusion, a Notice of Program Review Findings must be provided to the sponsor, outlining noncompliance areas, explanations, and required actions.
- **Response and Compliance Action Plan**: § 29.19(f) establishes a 45-day period for sponsors to rebut findings or submit a compliance action plan. Sponsors must develop a plan specifying actions, timelines, and responsible individuals.
- **Approval and Implementation**: § 29.19(g) provides options for Registration Agencies: approving the compliance action plan and terminating the process, approving the plan with continued monitoring, or rejecting the plan and proceeding with deregistration under § 29.20.

Analysis: The proposed program review process aims to enhance transparency and accountability within the National Apprenticeship System, promoting continual improvement and adherence to quality standards. AFA will confer with members as it assesses operational implications.

Deregistration and Hearings on Deregistration

Snapshot: Proposed § 29.20 introduces significant changes to the existing provisions for deregistering registered apprenticeship programs, aiming to align with enforcement structures in 29 CFR parts 29 and 30.

Summary: Key points include:

- **Background and Rationale**: Acknowledges the current lack of administrative tools for handling noncompliance issues and proposes replicating the compliance action plan mechanism from 29 CFR 30.15. Aims to offer alternatives before resorting to formal deregistration proceedings.
- **Notification Process**: Proposed § 29.20(a) outlines a step-by-step process for deregistration, beginning with notifying sponsors or participating employers of identified violations. The notice addresses noncompliance identified through various methods, including program reviews, complaint investigations, or other sources.
- **Options for Registration Agency**: § 29.20(a)(1) through (4) provides a menu of options for Registration Agencies when a violation is determined, such as offering technical assistance, requiring a compliance action plan, suspending the right to register apprentices, or initiating deregistration proceedings.
- **Streamlined Deregistration Process**: § 29.20(b) streamlines the deregistration process, removing references to persistent and significant failure, and establishes a standard for deregistration. The Registration Agency may deregister a program if the sponsor fails to correct violations or receive approval for and implement a compliance action plan within required timeframes.
- **Review by Administrator**: § 29.20(d) establishes a three-step review process by the Administrator when a Notice of Deregistration is issued. The process includes Informal Resolution, Appeal to OALJ, and Appeal to ARB, intending to resolve novel issues and minimize Departmental resources.
- **Request for Review**: § 29.20(d)(1) outlines how former sponsors can request review from the Administrator, providing relevant facts and documentation electronically within 30 days of the Notice of Deregistration. § 29.20(d)(2) and (3) specify the review process when an SAA is the Registration Agency or when OA is the Registration Agency, respectively.
- **Administrator's Final Decision**: § 29.20(d)(4) states that the Administrator will issue a final decision as quickly as practicable after receiving all necessary information.
- **Appeal and Hearing Process**: § 29.20(d)(5) and (6) detail the options for former sponsors to appeal and request a hearing before the OALJ, with specific timeframes for actions. § 29.20(e) provides details on the process for requesting a hearing before the OALJ, streamlining existing provisions and establishing timeframes for requests. § 29.21 carries forward existing § 29.10, outlining the procedures for hearings on deregistration, including no requirement for an answer to the request for a hearing and limited pre-hearing motions and discovery. § 29.21(b) specifies the arbitrary and capricious standard of review for the OALJ, requiring the Administrative Law Judge to uphold the Administrator's decision unless shown to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law.

Exemptions

Summary: Proposed § 29.23 outlines a provision allowing the Administrator to consider and grant exemptions from the provisions in subpart A of 29 CFR part 29. Exemptions would only be granted for "good cause," defined as situations where sponsors demonstrate that the exemption would enhance apprentice safety and welfare without diminishing their protections under the proposed regulation.

Part 2: Career and Technical Education Apprenticeships

Career and Technical Education Apprenticeship - Overview

The Department aims to enhance the National Apprenticeship System by proposing a new model, registered CTE apprenticeship, to provide apprenticeship opportunities for high school and postsecondary students. While traditional registered apprenticeship has been successful, the participation of high-school-aged youth has been limited.

The model emphasizes industry skills frameworks, increased related instruction hours, and on-the-job training, targeting high school and college students. The Department proposes a minimum of 540 hours of required CTE apprenticeship-related instruction, including at least 12 postsecondary credit hours. The program is designed to align with Perkins CTE programs, with the State CTE Agency playing a crucial role. The Department envisions the registered CTE apprenticeship program providing students with industrywide skills, recognized postsecondary credentials, and pathways to employment, registered apprenticeship under subpart A, or further education.

The proposed model allows secondary and postsecondary institutions to create additional opportunities, support diversity and inclusion, and engage employers in various occupations.

Registration of CTE Apprenticeship Programs

Snapshot: Proposed § 29.24 outlines the regulatory structure for registered Career and Technical Education (CTE) apprenticeship programs, introducing core requirements to integrate labor standards and industrywide skills into CTE programs. The proposed section includes key elements such as coordination between Registration Agency and State CTE Agency, program standards and registration, alignment with approved industry skills frameworks, CTE apprenticeship-related instruction, eligibility for program sponsors, partnership requirements, and CTE apprenticeship agreements.

Summary:

- § 29.24(a) focuses on the required **coordination between the Registration Agency and State CTE Agency** for the administration of registered CTE apprenticeship programs. The proposal emphasizes the importance of flexibility and cooperation to support program sponsors and ensure the welfare of CTE apprentices. It seeks comments on how coordination should be developed, including challenges and potential solutions.
- Proposed § 29.24(b) introduces the approval of **industry skills frameworks** as a distinct requirement for registered CTE apprenticeship programs. These frameworks define industrywide competencies and skills, emphasizing foundational skills and competencies applicable across various occupations within an industry. The Administrator would oversee the development and updates of industry skills frameworks, ensuring they are industry-validated, rigorously developed, and portable.
- Proposed § 29.24(c) outlines the **minimum standards for registered CTE apprenticeship programs**, emphasizing the importance of delivering high-quality education and training in a safe and accessible environment. These standards include progressively increasing wages, apprentice-to-journeyworker ratios, safety requirements, CTE apprenticeship-related instruction, and awarding at least 12 postsecondary credit hours leading to a recognized credential

1. Proposed § 29.24(c)(1) requires program sponsors to include an **on-the-job training outline aligned with an approved industry skills framework**. Industry skills frameworks guide sponsors in determining work activities leading to proficiency in skills and competencies. Registration Agencies can determine alignment at their discretion, ensuring industry-validated work experience for CTE apprentices.
2. Proposed § 29.24(c)(2) mandates program sponsors to describe CTE **apprenticeship-related instruction, requiring a minimum of 540 hours**, leading to a certificate of completion. At least 12 postsecondary credit hours should be earned, providing flexibility for sponsors to exceed this requirement based on state and local CTE programs. The Department seeks public comments on this proposal, emphasizing its benefits for labor market connectivity and improved student outcomes.
3. Proposed § 29.24(c)(3) mandates program sponsors to describe **postsecondary credentials awarded to CTE apprentices**. Additionally, sponsors must specify any associated associate or baccalaureate degrees and the amount of earned postsecondary credit hours. The Department aims to gather valuable information for building high-quality registered apprenticeship programs.
4. Proposed § 29.24(c)(4) requires program sponsors to describe how the **program leads to CTE apprentices' selection into a registered apprenticeship program, enrollment in a postsecondary program, employment, or a combination**. This outcome-oriented approach aims to measure program success and maximize educational and employment opportunities.
5. Proposed § 29.24(c)(5) mandates program sponsors to describe the **employment associated with on-the-job training**, aligning with the on-the-job training outline. The 900-hour on-the-job training requirement is based on State youth apprenticeship models and aims to bridge secondary and postsecondary education with quality labor standards.
6. Proposed § 29.24(c)(6) mirrors § 29.8(a)(17) and requires **written standards** to include wages for CTE apprentices, maintaining a minimum wage floor and a graduated schedule reflecting skill acquisition.
7. Proposed § 29.24(c)(7) aligns with § 29.8(a)(19), introducing **apprentice-to-journeyworker ratios** for safety and welfare. Sponsors must gain Registration Agency approval, with flexibility based on collective bargaining agreements, federal and state laws, and industry-specific needs.
8. Proposed § 29.24(c)(8) **mandates a probationary period not exceeding 30 days** for registered CTE apprenticeship, distinguishing it from the longer period proposed for standard apprenticeships. The shorter timeframe accommodates the program's nature and aligns with educational practices.
9. Proposed § 29.24(c)(9) and (c)(10) echo § 29.8(a)(15) and (a)(16), requiring an attestation on adequate, **safe, and accessible facilities and industry-recognized safety training**. The attestation ensures compliance with relevant laws, including disability, occupational safety, and health laws.
10. Proposed § 29.24(c)(11) establishes the requirement for **minimum qualifications for CTE apprenticeship entry, promoting inclusivity, achievability, and standardization**. The provision recognizes sponsors' and employers' need for specific entry qualifications, with the Department seeking comments on the inclusion of a minimum grade point average requirement.

11. Proposed § 29.24(c)(12) aligns with existing regulations, requiring program sponsors of registered CTE apprenticeship programs to include a provision describing the **selection method** for apprentices. The method must conform to the EEO regulations and Uniform Guidelines on Employee Selection Procedures, ensuring fairness and compliance with anti-discrimination laws.
 12. Proposed § 29.24(c)(13) mandates program sponsors to list available **supportive services** for CTE apprentices, such as childcare or transportation, providing transparency about accessible support.
 13. Proposed § 29.24(c)(14) mirrors § 29.8(a)(20), allowing **advanced standing, credit, and increased wages for CTE apprentices based on prior qualifications or accelerated progress**. The process must be fair, transparent, and result in commensurate advancements.
 14. Proposed § 29.24(c)(15) requires an attestation in program standards confirming that **trainers and instructors meet the requirements** in proposed § 29.12 of subpart A, ensuring that CTE apprentices are trained by qualified individuals.
 15. Proposed § 29.24(c)(16) mandates program sponsors to **identify the Registration Agency and State CTE Agency**, ensuring accurate information for coordination and program reviews.
 16. Proposed § 29.24(c)(17) addresses **EEO requirements**, requiring inclusion of the equal opportunity pledge and compliance with 29 CFR part 30 in the program standards.
 17. Proposed § 29.24(c)(18) requires program sponsors to include **contact information for addressing complaints** within the program, emphasizing transparency and providing avenues for CTE apprentices to voice concerns to both the program and the Registration Agency.
- Proposed § 29.24(d) outlines the **eligibility criteria, registration process, intermediary responsibilities, and adoption agreement requirement for sponsors** of registered CTE apprenticeship programs.
 1. Proposed § 29.24(d)(1) defines **eligible registered CTE apprenticeship program sponsors**, emphasizing LEAs, institutions of higher education, State CTE Agencies, or another State government agency. Intermediaries, designated by a State CTE Agency, State Educational Agency, LEA, or institution of higher education, may also serve as sponsors.
 2. Proposed § 29.24(d)(2) details the **program registration process**, emphasizing electronic submissions for efficiency. It requires prospective sponsors to submit an on-the-job training outline, CTE apprenticeship-related instruction outline, program standards, and CTE apprenticeship agreement. A written plan with seven components, covering diverse student selection, alignment with CTE programs, postsecondary credentials, workplace safety, access to career services, routine monitoring, and adherence to EEO requirements, is also mandatory. Sponsors must provide assurances on stakeholder commitments, formalization of agreements, and record maintenance, ensuring compliance with requirements and facilitating program reviews.
 3. Proposed § 29.24(d)(3) mandates that **intermediaries serving as program sponsors comply with subpart B requirements and coordinate with relevant Perkins educational institutions and agencies**. They must ensure program sponsor obligations are met, including electronic submission of assurances, compliance with State and local laws, State CTE Agency requirements, and any additional regulations from agencies administering Perkins CTE programs in the state.

4. Proposed § 29.24(d)(4) replicates the content and operational requirements of proposed § 29.11 in subpart A. It outlines the specifics of a written **sponsor standards agreement between a sponsor and a participating employer outside a collective bargaining process**. This agreement is crucial for the registered CTE apprenticeship model, where employers are not eligible sponsors. The provision ensures participating employers adhere to the sponsor's standards, comply with 29 CFR parts 29 and 30, and uphold the safety and welfare of CTE apprentices.
- Proposed § 29.24(e) outlines the importance of the **CTE apprenticeship agreement** in the registered CTE apprenticeship model, akin to registered apprenticeship. The agreement serves as a foundational element, ensuring transparency and accountability for CTE apprentices by specifying program terms and conditions. Key provisions of § 29.24(e):
 1. Development of Agreement (§ 29.24(e)(1)): Registered CTE apprenticeship programs must create an apprenticeship agreement containing terms for education, employment, and training. Parties, including the CTE apprentice, parent/guardian, sponsor, educational institution, and participating employers, must sign the agreement.
 2. Distribution of Agreement (§ 29.24(e)(2)): The signed agreement, inclusive of program standards, must be provided to the CTE apprentice and their parent or legal guardian before the apprenticeship starts. This provision recognizes the school-aged population in registered CTE apprenticeship and emphasizes parental awareness.
 3. Elements of Agreement (§ 29.24(e)(3)): Enumerates 16 elements the apprenticeship agreement must include. These encompass contact information, job identification, industry skills framework, program standards, roles and responsibilities, apprenticeship duration, on-the-job training commencement date, wages, allocation of training hours, competency measurement methods, supportive services, costs, conferred credentials, adherence to regulations, and dispute resolution.
 4. Consent and Disclosure (§ 29.24(e)(16)): Requires consent from the CTE apprentice or their parent/guardian for the disclosure of individual apprentice-level information to various entities involved in the program, ensuring compliance with FERPA regulations.
 5. Prohibitions (§ 29.24(e)(4) and (5)): Prohibits non-compete and non-disclosure provisions in the apprenticeship agreement, aiming to safeguard apprentices' labor market mobility.
 6. Submission of Agreement (§ 29.24(e)(6)): Mandates sponsors to submit executed apprenticeship agreements to the Registration Agency within 30 days, aligning with the proposed timeline for registered apprenticeship programs.
- The balance of proposed § 29.24 outlines **administrative provisions** for the Registration Agencies operating Registered Career and Technical Education (CTE) apprenticeship programs. In § 29.24(f), it suggests the issuance of certificates of completion to CTE apprentices who fulfill program requirements, similar to certificates in traditional apprenticeship programs. The Department encourages advanced standing for CTE apprentices who complete registered programs. § 29.24(g) details administrative requirements for Registration Agencies, covering application processes, technical assistance, complaint resolution, program reviews, deregistration procedures, hearings, and the recognition process for Registration Agencies. The proposal emphasizes alignment with subpart A, aiming for efficiency and transparency in program oversight. The data collection framework is aligned with subpart C, utilizing the RAPIDS

database. Exemptions from subpart B requirements may be considered for good cause but cannot violate other applicable laws.

Analysis: The creation of a parallel apprenticeship standard for secondary and post-secondary settings represents a major development in apprenticeship regulations in the United States. Many of the provisions reflected here comport with best practices in the field, but operational matters will require careful consideration by a wide range of stakeholders. The interplay between CTE and non-CTE apprenticeship also needs to be further explored. AFA will confer with members as it assesses operational implications.

Part 3: Administration and Coordination of the National Apprenticeship System

Collection of Data and Quality Metrics Concerning Apprenticeship

***Snapshot:** This section outlines proposed updates to registered apprenticeship regulations in response to technological advancements and increased data functionality over the past 15 years. The focus is on enhancing the data collection, reporting, and analysis capabilities of the Registered Apprenticeship Data and Program Information Data System (RAPIDS). The Department emphasizes the importance of aligning with evidence-based policymaking, and the proposed regulations detail the requirements for sponsors to report apprentice and sponsor information to Registration Agencies.*

***Summary:** The proposed changes include collecting individual apprentice information, tracking apprentice progress, and introducing new measures for program evaluation. The Department seeks public input on these proposals, considering the balance between information disclosure, privacy concerns, and the overall goal of enhancing the apprenticeship system. Data facets referenced in the regulations include...*

Apprentice information.

Within 30 calendar days of the start of an apprentice's participation in a registered apprenticeship program, the program sponsor must submit to its Registration Agency, in a format prescribed by the Administrator, the following information:

- (i) Individual apprentice level information that includes demographic information, education level, and veteran status;*
- (ii) Receipt of pre-apprenticeship services prior to participation in apprenticeship, if applicable;*
- (iii) The occupation in which the apprentice is to be trained;*
- (iv) The date the individual became an apprentice;*
- (v) The beginning date and term (duration) of the apprenticeship, the date of the beginning of on-the-job training, the full graduated schedule of wages including the journeyworker wage, and the approximate time to be spent in each work process in the occupation; and*

(vi) Any additional apprentice-related information required by the Administrator.

Within 30 calendar days of a change in an apprentice's status, the program sponsor must submit the following information to its Registration Agency:

- (i) Change in apprenticeship status (completion, transfer, suspension, or cancellation);*
- (ii) Interim credentials attained;*
- (iii) Employment status;*
- (iv) Wage progression;*
- (v) Supportive services provided; and*
- (vi) Any additional apprentice outcomes or services information required by the Administrator.*

Program sponsor information and quality metrics.

Within 30 days of the change in status, for each registered apprenticeship program and occupation, a program sponsor must report to the Registration Agency, in a manner prescribed by the Administrator, the following information:

- (i) Up-to-date contact information for the program sponsor (including headquarters);
- (ii) Up-to-date contact information for each participating employer in the program and, if applicable, the collective bargaining signatories;
- (iii) An up-to-date copy of the program standards adoption agreement with the sponsor for each participating employer;
- (iv) Information about which participating employers have canceled their participation in a program;
- (v) Up-to-date information about the program's coordination with credentialing agencies;
- (vi) Up-to-date contact information for those individual(s) designated and authorized under the registered apprenticeship program to receive, process, and make disposition of complaints filed by apprentices under both this part and part 30 of this title;
- (vii) All unreimbursed costs to the apprentice; and
- (viii) Any additional sponsor or program level information required by the Administrator.

On an annual basis, for each registered apprenticeship program and occupation, in a format prescribed by the Administrator, the following quality metrics will be calculated:

- (i) The total number of apprentices served annually in the sponsor's program under an apprenticeship agreement;
- (ii) The total number of apprentices who successfully completed the sponsor's program annually;
- (iii) The annual completion rate for apprentices.
- (iv) The cohort completion rate for apprentices, which must be calculated by comparing the number of apprentices in a designated apprenticeship cohort who successfully completed the sponsor's requirements and attained a Certificate of Completion with the number of apprentices in that cohort who initially began training in the program;
- (v) The median length of time for program completion;
- (vi) The employment retention rate at the time of exit;
- (vii) The percentage of exiters that receive at least one interim credential at time of exit;
- (viii) The percentage of exiters that enter postsecondary education or a career pathway program at time of exit;
- (ix) Apprentice wage at time of exit;
- (x) Information and data relating to any pre-apprenticeship programs with which the sponsor has established a documented partnership; and
- (xi) Any additional sponsor or program level information required by the Administrator.

The section also mentions potential system-level performance reporting measures, such as income outcomes for apprentices, and invites comments on these proposed methodologies. Additionally, the Department plans to conduct research and evaluations to assess the impact and effectiveness of registered apprenticeship programs.

Analysis: While there are rationales for all of the data reporting elements proposed, their totality needs to be assessed to ensure they do not represent an unreasonable burden that acts to discourage employer participation in registered apprenticeship. There are likely practical data collection challenges for some of the items referenced. AFA will confer with members as it assesses operational implications.

Roles and Responsibilities of State Apprenticeship Agencies

Snapshot: *The section outlines the roles and responsibilities of State Apprenticeship Agencies (SAAs) in the context of registered apprenticeship programs. SAAs, recognized by the Administrator, are authorized to carry out various actions for Federal purposes within their respective states.*

Summary: **Key responsibilities** of the SAA include implementing apprenticeship-related laws, reviewing and approving apprenticeship standards, registering apprenticeship programs, prescribing the content of apprenticeship agreements, providing technical assistance, collecting and reporting apprenticeship-related data, conducting program reviews, promoting equal employment opportunity (EEO), and investigating complaints.

The nondelegable duties of SAAs are emphasized, indicating that certain **functions cannot be delegated to external third-party entities, including State Apprenticeship Councils**. SAAs are required, however, to establish and maintain State Apprenticeship Councils, which must operate under SAA direction. The composition of these councils should be balanced and inclusive, with representation from employers, labor organizations, and the general public.

The section also addresses **reciprocity of registration**, stating that SAAs must establish a process for approving apprenticeship programs and standards registered in other states. This process should ensure compliance with statutory and regulatory requirements, proper registration with the SAA, and alignment with state or local occupation licensure standards. The reciprocity process should provide a timely response to requests, typically within 45 days of receiving a program sponsor's application for reciprocity.

Analysis: The provisions limiting delegation, including to State Apprenticeship Councils, and stipulating reciprocity of registration are responsive to feedback from the field. The remedies offered in the proposed regulations will need to be assessed further to determine if they are fully responsive to identified challenges. The proposed revisions to national regulations will likely occasion the need for a review of state legislation, at least in SAA states.

Recognition of State Apprenticeship Agencies

Snapshot: *Section 29.27 outlines the process for the recognition of State Apprenticeship Agencies (SAAs) for federal purposes.*

Summary: To obtain or renew recognition, a State governmental entity must submit a **State Apprenticeship Plan** addressing specific requirements outlined in the section. The timing for submissions

is specified, and recognition is granted for a four-year period. Modifications to approved plans are allowed under certain circumstances.

The State Apprenticeship Plan must include elements such as apprenticeship laws, strategic planning goals, promotion of apprenticeship for underserved communities, alignment of education and workforce development activities, operational planning details, and assurances related to various statutory and regulatory requirements. Optional recognition for registered CTE apprenticeship involves additional elements.

Under the State plan, a State's apprenticeship laws are required to include provisions that allow registration for Federal purposes for only those occupations that have been determined suitable for registered apprenticeship pursuant to § 29.7 and that meet or exceed the requirements for protecting the safety and welfare of apprentices set forth at the following regulatory provisions:

- The standards of apprenticeship enumerated at section § 29.8;
- The apprenticeship agreement elements identified in § 29.9;
- The program registration requirements of § 29.10;
- The program standards adoption agreement requirements of § 29.11;
- The qualifications of apprentice trainers and providers of related instruction requirements of § 29.12;
- The end-point assessment and certification of program completion requirements of § 29.16;
- The complaints requirements of § 29.17;
- The recordkeeping requirements of § 29.18;
- The procedural requirements of §§ 29.19 through 29.22;
- The SAA requirements of § 29.26;
- The reporting requirements for SAAs of § 29.28; and
- The EEO requirements at part 30 of this title.

After reviewing the submitted plan, the Office of Apprenticeship (OA) conveys one of three designations: full recognition, provisional recognition, or denial of recognition. Full recognition is granted when specific criteria are met, while provisional recognition is for cases with identified deficiencies that can be resolved with technical assistance. Denial of recognition occurs when the state fails to meet minimum standards.

The Administrator retains the authority to register apprenticeship programs and apprentices on both local and nationwide bases, even with state recognition. Periodic reviews are conducted to monitor compliance, and the Administrator may derecognize or suspend an SAA if it fails to operate consistently with the approved State Apprenticeship Plan. In case of denial or derecognition, the state must not conduct specified activities until full or provisional recognition is reinstated.

Analysis: As with the proposed rules under Responsibilities of State Apprenticeship Agencies, the proposed revisions to national regulations named in this section will likely occasion the need for a review of state legislation, at least in SAA states.

Reporting Requirements for State Apprenticeship Agencies

Snapshot: Proposed Section 29.28 introduces reporting requirements for State Apprenticeship Agencies (SAAs) to enhance the collection of accurate and complete registered apprenticeship data. The

Department aims to establish a unified and standardized approach to data collection and reporting, emphasizing the importance of data for the growth and modernization of apprenticeship programs.

Summary: The proposal includes requirements for SAAs to submit apprentice and sponsor data at least quarterly, using the Department-provided case management system or creating interoperable mechanisms. This aims to improve data quality, transparency, and accountability within the National Apprenticeship System.

The provision emphasizes the role of Registration Agencies, stating that SAAs are responsible for reporting to the Department the information that sponsors report to the Registration Agency. Quarterly and annual reporting schedules are proposed to align with existing workforce programs, enabling timely availability of information, identification of reporting difficulties, and resolution of issues before annual reports are due. The Department anticipates making the collected information, including disaggregated demographic data, publicly available on apprenticeship.gov to support transparency and system modernization. SAAs are required to use the Department's case management system or maintain a state system meeting specified criteria for reporting consistency and data security, ensuring a nationally consistent format while allowing flexibility for state-specific systems.

Denial of a State Apprenticeship Plan for Recognition as a State Apprenticeship Agency and Derecognition of Existing State Apprenticeship Agencies

Snapshot: *Proposed Section 29.29 consolidates procedures for the denial of a State Apprenticeship Plan and the derecognition of existing State Apprenticeship Agencies (SAAs) into one section, aligning them with the new State apprenticeship planning process in proposed Section 29.27.*

Summary: The proposal outlines processes and timelines for denial or derecognition, emphasizing the need for timely corrective actions by the State.

Apprenticeship Requirements in Other Laws

Snapshot: *Proposed Section 29.30 aims to facilitate the integration of the National Apprenticeship System with other federal or state laws by introducing a Certificate of Participation.*

Summary: This certificate would provide stakeholders with apprentice participation information required by laws separate from the National Apprenticeship Act (NAA). The provision addresses situations where apprentice information is needed to comply with laws beyond the NAA. For instance, it accommodates the historical practice of providing apprentice participation details to meet prevailing wage requirements under the Davis-Bacon and related Acts and 29 CFR part 5. As registered apprenticeship expands under the Workforce Innovation and Opportunity Act (WIOA) and other laws, there is a growing need for the Office of Apprenticeship (OA) or State Apprenticeship Agencies (SAAs) to furnish information to various entities, such as federal and state officials overseeing laws related to registered apprenticeship, sponsors or employers seeking benefits, and workforce development partners funding training programs. The provision emphasizes that providing such information is permissible, ensuring effective implementation of related laws while adhering to applicable privacy and other relevant laws.

Part 4: Selected Definitions

Definitions for Data and Reporting

Annual completion rate means the percentage of apprentices during a fiscal year who received a Certificate of Completion divided by the total number of exiters during the fiscal year.

Cohort completion rate means the percentage of an apprenticeship cohort who receive a Certificate of Completion within 1 year of the projected completion date. An apprenticeship cohort is the group of individual apprentices registered to a specific program during a given fiscal year. In calculating a registered apprenticeship program's cohort completion rate, a Registration Agency must disregard any cancellations of apprenticeship agreements by either the apprentice or the program sponsor that occurred during the probationary period for apprentices established in the program's standards of apprenticeship.

Credential rate means the percentage of an apprenticeship cohort who receive an interim credential, as defined in this section, prior to their completion of a registered apprenticeship program. In calculating a registered apprenticeship program's credential rate, a Registration Agency must disregard any cancellations of apprenticeship agreements by either the apprentice or the program sponsor that occurred during the probationary period for apprentices established in the program's standards of apprenticeship.

Definitions for CTE Apprenticeship

Career and technical education (CTE) means, as defined in sec. 3(5) of the Carl D. Perkins Career and Technical Education Act of 2006, as amended by the Strengthening Career and Technical Education for the 21st Century Act (20 U.S.C 2302(5)) (Perkins), organized educational activities that—

- (1) Offer a sequence of courses that—
 - (i) Provide individuals with rigorous academic content and relevant technical knowledge and skills needed to prepare for further education and careers in current or emerging professions, which may include high-skill, high-wage, or in-demand industry sectors or occupations, which shall be, at the secondary level, aligned with the challenging State academic standards adopted by a State under sec. 1111(b)(1) of the Elementary and Secondary Education Act of 1965;
 - (ii) Provide technical skill proficiency or a recognized postsecondary credential, which may include an industry-recognized credential, a certificate, or an associate degree; and
 - (iii) May include prerequisite courses (other than a remedial course) that meet the requirements of this paragraph;
- (2) Include competency-based, work-based, or other applied learning that support the development of academic knowledge, higher order reasoning and problem-solving skills, work attitudes, employability skills, technical skills, and occupation-specific skills, and knowledge of all aspects of an industry, including entrepreneurship, of an individual;

- (3) To the extent practicable, coordinate between secondary and postsecondary education programs through CTE programs, which may include coordination through articulation agreements, early college high school programs, dual or concurrent enrollment program opportunities, or other credit transfer agreements that provide postsecondary credit or advanced standing; and
- (4) May include career exploration at the high school level or as early as the middle grades (as such term is defined in sec. 8101 of the Elementary and Secondary Education Act of 1965).

CTE apprentice means a participant at least 16 years of age, except where a higher minimum age standard is otherwise required by Federal, State, or local law, in a registered CTE apprenticeship program covered by the requirements of subpart B of this part and part 30 of this title. A CTE apprentice is not an apprentice for purposes of §§ 4.6(p), 5.2, 5.5(a)(4), and 570.50(b) of this title.

CTE apprenticeship agreement means a written agreement that complies with the requirements in § 29.24, and that contains the terms and conditions of the employment and training of the CTE apprentice.

CTE apprenticeship-related instruction means an organized and systematic form of instruction designed to provide the CTE apprentice with the knowledge of the theoretical and technical subjects related to the industry skills framework. CTE apprenticeship-related instruction must involve the curriculum that is approved as part of a State-approved CTE program and may include any additional coursework prescribed by the sponsor. Such instruction may be given in a classroom, through electronic media, or through other forms of study approved by the State CTE Agency and Registration Agency.

Industry skills framework means an on-the-job training outline of nationally applicable, high-quality standards of registered CTE apprenticeship validated by industry and detailing the required skills and competencies to be attained through a CTE apprentice's participation in a registered CTE apprenticeship program.

Registered CTE apprenticeship program means a structured, integrated educational and career training program that admits students who have signed a CTE apprenticeship agreement (or that a student's parent or guardian has signed if the student is a minor) that is approved by the Registration Agency under subpart B of this part. Such a program integrates paid, on-the-job training in an industry or occupation suitable for registered CTE apprenticeship training with CTE apprenticeship-related instruction in subjects offered by an education institution that is a Perkins-eligible recipient, and also provides successful program completers with a certificate of completion of registered CTE apprenticeship, credit hours towards a postsecondary degree program, and as applicable a high school diploma or equivalency, and advanced standing in a registered apprenticeship program under subpart A.

Other Definitions

Career pathway means a combination of rigorous and high-quality education, training, and other services that:

- (1) Aligns with the skill needs of industries in the economy of the State or regional economy involved;

- (2) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeship programs registered under subpart A of this part;
- (3) Includes counseling to support an individual in achieving the individual's education and career goals;
- (4) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
- (5) Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
- (6) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential; and
- (7) Helps an individual enter or advance within a specific occupation or occupational cluster.

Group program means an apprenticeship program established and registered by a sponsoring organization in which one or more employers have agreed to participate, usually pursuant to a collective bargaining agreement or a program standards adoption agreement.

Interim credential means a recognized postsecondary credential issued in connection with participation in a registered apprenticeship program. The interim credential may signify that an apprentice has successfully attained competency milestones within an occupation deemed suitable for registered apprenticeship training, usually as a part of a career pathway, sequence, or progression towards the attainment of more advanced competencies and credentials in that occupation.

Intermediary means an entity that assists in the provision, coordination, or support of a registered apprenticeship program.

National Guidelines for Apprenticeship Standards means a template of apprenticeship program standards developed by a labor union, trade or industry association, or other organization with national scope and industry expertise that are recognized by OA for the purposes of being adapted by affiliated sponsors for local or national registration.

National Occupational Standards for Apprenticeship means a universally available template of nationally applicable, high-quality standards of apprenticeship (and related work process schedules) developed by industry stakeholders convened by OA and approved by the Administrator for occupations considered suitable for registered apprenticeship training.

National Program Standards for Apprenticeship means a set of standards of apprenticeship developed and adopted by a program sponsor that are registered on a nationwide basis by OA and are entitled to reciprocity of registration.

Participating employer means an employer that employs at least one apprentice and that either:

- (1) Participates in a registered apprenticeship program sponsored by a joint labor- management apprenticeship and training program established pursuant to a collective bargaining agreement, and under which the employer has adopted the sponsor's standards of apprenticeship and serves as the employer of record for at least one apprentice enrolled in the sponsor's program; or
- (2) Is a party to a written program standards adoption agreement with a registered apprenticeship program sponsor that is concluded outside of a collective bargaining process, and under which the employer has adopted the sponsor's standards of apprenticeship and serves as the employer of record for apprentices enrolled in the sponsor's program.

Pre-apprenticeship program means a structured education and workplace training program that maintains a documented partnership with at least one registered apprenticeship program, is designed to support access and equitable participation in apprenticeship programs by providing individuals who do not currently possess the minimum qualifications for admission into a registered apprenticeship program or registered CTE apprenticeship with the foundational knowledge and skills needed to gain acceptance into, and succeed in, a registered program, and provides participants with a hands-on introduction to the competencies and techniques used in one or more occupations that are suitable for registered apprenticeship training, with access to educational and career counseling and other supportive services, and may include opportunities to earn industry-recognized credentials.

Program review means an administrative review of a registered apprenticeship program that is conducted by a Registration Agency to assess the program's compliance with the requirements of this part and of part 30 of this title.

Program standards adoption agreement means a written agreement executed outside of a collective bargaining process in which a participating employer agrees to adopt and utilize a set of apprenticeship program standards for the employment and training of apprentices that were developed by a program sponsor and registered by a Registration Agency.

Reciprocity of registration means the provision of local registration status by an SAA in that State for an apprenticeship program registered by another Registration Agency.

Standards of apprenticeship means an organized, written plan embodying the terms and conditions of employment, training, and supervision of one or more apprentices in a registered apprenticeship program.