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| U.S. Department of Labor  Employment and Training  Administration  Office of Apprenticeship (OA)  Washington, D.C. 20210 | Distribution:  A-541 Headquarters  A-544 All Field Tech  A-547 SD+RD+SAA+; Lab.Com | Subject: Updated Guidance - Minimum National Program Standards for Registered Apprenticeship Programs  Code: 400.1 |
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| **PURPOSE:** This policy guidance, which supersedes and replaces OA Bulletin 2012-07, provides updated criteria for determining whether an apprenticeship program registered by OA satisfies the minimum requirements for National Program Standards (NPS) for apprenticeship. This guidance also provides the “minimum national program standards” that the Department of Veterans’ Affairs (VA) and State Approving Agencies must look to in implementing Section 2 of the Veterans’ Apprenticeship and Labor Opportunity Reform (VALOR) Act, Pub. L. 115-89.  **AUTHORITY:** National Apprenticeship Act, 29 U.S.C. 50  38 U.S.C. 3672(c)(1)  29 C.F.R. Part 29  **BACKGROUND:** In recent months, the Trump Administration has issued policy directives intended to facilitate the prompt approval of high-quality apprenticeship programs across the nation. On June 12, 2017, Secretary of Labor R. Alexander Acosta issued a memorandum requesting that all agencies of the Federal Government lend their support to the Trump Administration’s apprenticeship initiatives by removing obstacles to apprenticeship growth that may be present in current regulations or administrative practices (view the following link: <https://www.whitehouse.gov/sites/whitehouse.gov/files/docs/workforce-development-memorandum.pdf>. Three days later, President Trump issued Executive Order 13801, “Expanding Apprenticeships in America,” which stated that “it shall be the policy of the Federal Government to provide more affordable pathways to secure, high-paying jobs by promoting apprenticeships and effective workforce development programs, while easing the regulatory burden on such programs . . .” In response to these directives, OA has been reviewing its existing administrative practices and guidance to identify and remove possible impediments to the prompt establishment of quality apprenticeship programs.  Therefore, in accordance with the policy directive outlined in Secretary Acosta’s June 2017 memorandum on removing obstacles to apprenticeship growth that may be present in current administrative practices, OA is revising its National Program Standards approval criteria to enable more high-quality apprenticeship programs with national applicability to qualify as NPS programs.  Over the past few years, OA has observed that there has been a dramatic increase in the number of apprenticeship program sponsors who wish to register their programs on a national scale, rather than on a state-by-state basis. Despite an increase in the number of apprenticeship programs with national program standards recognition, however, these programs have often encountered additional, unnecessary layers of regulation at the state and local level. This guidance is meant to clarify that sponsors that meet the criteria set out below and register National Program Standards with DOL need not also register their programs on a state-by-state basis. Accordingly, these sponsors and their standards need only comply with DOL’s regulations on Registered Apprenticeship, set out in 29 C.F.R. Parts 29 and 30, and are not subject to the registration requirements set out by DOL-recognized State Apprenticeship Agencies (except as noted below).  Additionally, in November of 2017, Congress enacted the VALOR Act to facilitate the process whereby eligible veteran apprentices enrolled in registered apprenticeship programs operating in multiple States can access certain benefits under the GI Bill. To achieve this purpose, the VALOR Act revised 38 U.S.C. 3672(c)(1) to identify the relevant State Approving Agency for multi-State apprenticeship programs, and by defining multi-State apprenticeship programs as those “operating in more than one State that meet . . . the minimum national program standards” developed by the Department of Labor. For the purposes of 38 U.S.C. 3672(c)(1)(B), a multi-state program meets “minimum national program standards” if it has National Program Standards approved by OA under the criteria described below. Accordingly, this guidance will also serve to clarify the scope and meaning of the “minimum national program standards” referenced in the VALOR Act.  **NATIONAL PROGRAM STANDARDS (NPS) OF APPRENTICESHIP**  National Program Standards of Apprenticeship are apprenticeship programs consisting of a uniform and high-quality set of occupational standards which: (1) have been developed and sponsored by an employer, trade organization, educational institution, or intermediary organization; (2) are suitable for adoption on a nationwide basis; (3) have been approved as meeting the National Program Standards criteria (detailed below) by the Administrator of the Office of Apprenticeship; and (4) have been registered on a nationwide basis by the Office of Apprenticeship in Washington, DC as satisfying the requirements contained in 29 C.F.R. Parts 29 and 30.  If a sponsor has successfully registered National Program Standards with DOL, those standards must receive reciprocal approval in all states with a DOL-recognized State Apprenticeship Agency (SAA). Thus, a sponsor does not have to register a National Program Standards program with a state’s SAA to operate that program in that state, unless there are specific state-mandated wage and hour provisions or apprentice ratio standards that require changes to the standards to be in alignment with state laws and regulations (see 29 C.F.R. 29.13(b)(7)). Apprenticeship programs registered by OA under the NPS rubric may need to seek reciprocal recognition in SAA States when requesting State-specific benefits offered by those States.  National Program Standards may be registered with DOL by:     * **A single employer currently operating in multiple states; or** * **An intermediary organization or group, such as a sector trade association with multi-state presence representing a particular sector or industry; or** * **An apprenticeship program sponsor with demonstrated potential for multi-state or national expansion.**   **APPROVAL CRITERIA FOR NPS PROGRAMS**  OA recognizes that there are different sponsorship models for national apprenticeship programs. For example, a number of “single-employer” national program sponsors (also referenced below as “Category One” NPS sponsors) independently develop sophisticated program standards for the apprentices that they employ across the nation, and maintain individual apprentice records at a single centralized location or electronic database/system. These sponsors also have clear control over the terms and conditions of their apprentices’ employment.  Alternatively, “group” or “sector” program sponsors (such as national industry associations, umbrella organizations, educational institutions, consortia, or other intermediaries, referenced below as “Category Two” NPS sponsors) typically establish national curricula and standards that are adopted and utilized by affiliated or contracting employers across the nation (often through the mechanism of employer acceptance agreements). These individual employers, in turn, are usually responsible for hiring and supervising apprentices who are trained in accordance with the standards developed by the program sponsor, and for maintaining some or most of the apprenticeship-related records of these apprentices.  A third category of potential NPS sponsor is one that demonstrates to the OA Administrator’s satisfaction that its proposed program has strong potential for multi-state or nationwide expansion, particularly in a high-growth sector, or in those sectors or geographical regions where apprenticeship programs are not currently widespread. A sponsor is also eligible for NPS standards under this category if it has distinctive compensation, training, or instructional features that make its registration more appropriate for a national, rather than state-by-state, approach.  The applicable NPS criteria for Category One, Two, and Three program sponsors are detailed below:    **Category One: Criteria for Multi-State, Single-Employer Program Sponsors**  To receive or maintain NPS approval from DOL, a single, multi-state employer apprenticeship sponsor must have written standards that comply with 29 C.F.R. parts 29 and 30 and submit those standards with a written plan demonstrating the sponsor meets the following criteria:   * **The sponsor is an employer with at least 300 employees;** * **The sponsor will employ and register apprentices in at least three (3) states, and has offices, locations, or other types of facilities in five (5) or more states; and** * **The sponsor’s written plan demonstrates that it has an achievable strategy for registering at least twenty (20) apprentices within two years of NPS approval by DOL.**     **Category Two: Criteria for Multi-State, Group Program Sponsors**  As noted above, intermediaries that sponsor “group” or “sector” national programs for apprentices (such as national industry associations, umbrella organizations, educational institutions, or consortia) typically establish national curricula, standards, and credentials that are adopted and utilized by affiliated employers across the nation. The structure and control of these programs can vary considerably among sponsors. For example, in some instances, a sponsor’s role may be limited to designing the national training standards and curricula for a particular occupation, and in securing sector-based approval for those standards; such a sponsor typically does not employ its own apprentices. In other cases, a program sponsor may have devised national standards that it utilizes in training its own apprentices, while other unrelated employers have obtained the sponsor’s consent to adopt such standards as the basis for their own programs. Typically, an employer, when adopting an intermediary organization’s “group” national program standards of apprenticeship, will utilize the mechanism of an employer acceptance agreement (EAA) to achieve this purpose.  To receive or maintain NPS approval from DOL, a group apprenticeship sponsor must have written standards that comply with 29 C.F.R. parts 29 and 30 and submit those standards with a written plan demonstrating the sponsor meets the following criteria:   * **The sponsor has at least three (3) employers using the sponsor’s standards (or has commitments from at least three (3) employers to adopt the sponsor’s standards);** * **The program demonstrates that it has an achievable strategy for registering at least twenty (20) apprentices within two years of approval by DOL; and** * **The sponsor has registered or demonstrates in its written plan that it will register apprentices in at least three (3) states.**   **Category Three: Criteria for Sponsors with Multi-State or National Growth Potential**  As described above, Category Three sponsors must develop written standards that comply with 29 C.F.R. parts 29 and 30 and submit those standards with a written plan demonstrating the sponsor meets the following criteria:     * **The program demonstrates that it has an achievable strategy for registering at least twenty (20) apprentices within two years of approval by DOL; and** * **The program has demonstrated in its written plan one (or both) of the following attributes:**  1. **that it has strong potential for multi-state or nationwide expansion, particularly in a high-growth sector, or in those sectors or geographical regions where apprenticeship programs are not currently widespread;**  * To obtain NPS registration under this subcategory, a prospective sponsor should demonstrate clear and verifiable potential for rapid expansion through documentation of things such as its current national or international reach, multi-state demand for the occupations it seeks to register, or large starting class of apprentices spread over multiple states.  1. **that it has distinctive compensation, training or instructional features that make its registration more appropriate for a national, rather than state-by-state, approach.**  * In seeking NPS registration under this subcategory, a prospective sponsor must clearly demonstrate that its features comply with 29 C.F.R. parts 29 and 30, but that it cannot obtain, or cannot efficiently obtain, registration under state apprenticeship regulations.     There is no “one-size-fits-all” description of Category Three sponsors. The examples below, however, illustrate the type of growth potential and unique features that OA will evaluate in determining Category Three NPS registration.   * A multinational insurance company based outside of the United States -- and that has long operated a sophisticated apprenticeship program in its home country -- seeks to upgrade the quality of its American workforce by launching a registered apprenticeship program in insurance (a high-growth sector where apprenticeship programs are not widespread) that is based on its existing overseas model. The American program is being launched at one location in the United States with a starting class of 25 apprentices, but other U.S. insurance companies with nationwide scope have expressed a strong interest in developing similar apprenticeship programs based upon the multinational’s model. Accordingly, the program is seeking registration under the NPS rubric.      * A U.S.-based company is planning to register a competency-based apprenticeship program that would hire 20 or more apprentices in the first two years of its operation. The program would also be “front-loaded” with respect to its classroom instructional component (i.e., the program provides for extensive classroom learning (related instruction, or RI) for apprentices prior to the “practicum,” on-the-job learning (OJL) component of the training program). Such an apprenticeship program would likely encounter difficulty in securing registration in many of the states (that are unable to approve the program under current state statutes and regulations) in which it hopes to operate because of the sequential, rather than simultaneous, nature of the RI and OJL components of the program. Accordingly, the program is seeking registration under the NPS rubric, given that many SAA States have not updated their apprenticeship statutes and/or regulations to accommodate competency-based programs.       **NPS APPLICATION AND APPROVAL PROCESS**  Prospective sponsors seeking recognition under the National Program Standards must contact staff from OA’s National Office (or from one of OA’s Regional Offices) to request approval and registration of their apprenticeship program under the NPS framework. Upon receiving such a request, OA will evaluate the proposed program to determine whether it satisfies the above criteria for national recognition.  **MAINTAINING STATUS UNDER NPS**  Registered apprenticeship programs that are approved for NPS status will be reviewed by OA at two-year intervals after the date of registration to ensure that they continue to meet the criteria outlined above for such national status.  **ACTION:** The information in this document supersedes and replaces the policy guidance provided in OA Bulletin 2012-07. If you have any questions, please contact Zach Boren, Division Chief, Division of Program Quality, Standards and Policy at (202) 693-2796.  **NOTE:** This bulletin is being sent via electronic mail. | | |