



SECTION BY SECTION

House Committee on Education and Labor
Chairman Robert C. "Bobby" Scott

National Apprenticeship Act of 2021 (H.R. 447)

Section 1. Short Title

This section states that the title of the bill is the *National Apprenticeship Act of 2021* (the Act or this Act).

Section 2. Effective Date

This section states that the Act and amendments made by it will take effect July 1, 2022.

Section 3. Amendment

This section amends the *Act of August 16, 1937* (commonly referred to as the *National Apprenticeship Act*), and all contents hereafter in this section contain amendments made to the *Act of August 16, 1937*.

Section 1. Short Title and Table of Contents

This section specifies that the Act may be cited as the *National Apprenticeship Act of 2021*.

Section 2. Definitions

This section defines key terms, including:

- *Nontraditional apprenticeship populations.* This means any group of individuals the members of which comprise fewer than 25 percent of the individuals participating in an apprenticeable occupation.
- *Nontraditional apprenticeship industry or occupations.* This means any occupation that represents fewer than 10 percent of programs under the national apprenticeship system.
- *National apprenticeship system.* This means apprenticeships, youth apprenticeships, and pre-apprenticeships that meet the standards of this Act and are registered.
- *Program participants.* This mean apprentices, youth apprentices, or pre-apprentices.
- *Recognized postsecondary credentials.* This has the same meaning as such term is defined in the *Workforce Innovation and Opportunity Act (WIOA)*, except that the definition in this Act does not include the certificate of completion of an apprenticeship program.
- *Registration agency.* This means a State Apprenticeship Agency (SAA), State Office of Apprenticeship (SOA), or Office of Apprenticeship (OA) which is responsible for registering programs under the national apprenticeship system.

Section 3. Programs Under the National Apprenticeship System

This section ensures that any funds appropriated under the Act are used only for programs under the national apprenticeship system.

Section 4. Transition Provisions

This section provides for an orderly transition between the existing law and the amendments made by the *National Apprenticeship Act of 2021*.

Section 5. Disaggregation of Data

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

Section 6. Relation to Other Laws

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

Section 111. The Office of Apprenticeship

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

- Promotional and awareness activities with stakeholders to expand programs under the national apprenticeship system;
- Providing technical assistance to SAAs and programs for compliance, complaints, program development, grant delivery and execution, and sharing of best practices;
- Cooperating with the Secretary of Education by providing technical assistance to states and supporting the stackability and portability of academic credit and credentials earned as part of such programs, including through articulation agreements and career pathways;
- Establishing and overseeing an SOA in states without an SAA;
- Reviewing the standards for the registration process and apprenticeable occupations for programs under the national apprenticeship system. This includes the establishment and oversight of industry-recognized apprenticeable occupation standards for apprenticeable occupations that could be used by any sponsors across the country; however, this does *not* include “industry-recognized apprenticeship programs” (IRAPs) which were adopted by the previous Administration. The Act requires that, within one year and after consultation with industry and expert stakeholders, the Secretary issue regulations regarding standards and requirements for apprenticeable occupations;
- Promoting diversity of apprenticeship programs and ensuring equal opportunity for participation in programs under the national apprenticeship system, including through supporting the recruitment of nontraditional apprenticeship populations like women, people of color, and individuals with barriers to employment; and
- Consulting with the National Advisory Committee on Apprenticeships.

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

Section 112. National Advisory Committee on Apprenticeships

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

Section 113. State Apprenticeship Agencies and State Offices of Apprenticeship

This section codifies the requirements to recognize SAAs, authorizes SAAs to approve programs under the national apprenticeship system within their state, and authorizes SAAs to establish and use a state apprenticeship council. This section requires SAAs and SOAs submit a state plan to DOL that describes how the SAA or SOA will:

- Provide technical assistance to sponsors, employers, program participants, and relevant stakeholders;
- Provide reciprocity for programs under the national apprenticeship system registered in other states or with DOL within 30 days;
- Promote diversity and equal opportunity in programs under the national apprenticeship system within their state;
- Resolve complaints from program participants, employers, sponsors, or other interested parties;
- Establish state apprenticeship hubs to act as regional centers for best practices and program expansion;
- Establish state performance goals, including goals on diversity within apprenticeship programs in the state and support the recruitment of nontraditional apprenticeship populations;
- Describe alignment of workforce activities with the state's apprenticeship activities, including the state's strategic vision for an educated and skilled workforce, a strategy for joint planning, alignment, coordination, and leveraging of funds with state and federal programs, as is done in WIOA and the *Strengthening Career and Technical Education for the 21st Century Act*; and
- Describe how apprenticeship programs will receive expedited consideration to be included on the list of eligible providers of training services under section 122(d) of WIOA.¹

This section dedicates funding for SAAs and SOAs, authorized at \$75 million in FY 2022 and increasing by \$10 million annually to reach \$115 million in FY 2026, with one-third of the funds equally distributed to all states and outlying areas and two-thirds of the funds distributed via formula to SAAs. This section also directs how these funds can be used, including for program administration; educational alignment (not less than 10 percent); workforce alignment (not less than 10 percent); and state leadership activities (no more than 15 percent), which includes requirements for using funding for increasing diversity within the programs offered and populations participating in the state.

Sec. 114. Interagency Agreement with Department of Education

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

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

Section 121. Apprenticeable Occupations Standards

¹ 29 U.S.C. 3122(d).

This section codifies the requirements for apprenticeable occupation qualifications and authorizes industry-recognized apprenticeable occupations overseen by the Secretary.

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

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

- Provide organized and clearly written plans for related instruction, alignment of the program to high-skill, high-wage, or in-demand industry sectors and occupations, mentoring, and recognized postsecondary credentials;
- Meet required safety standards and training, including providing necessary accommodations, free from discrimination, including harassment and retaliation;
- Maintain all necessary records, including for veterans and eligible individuals to use educational benefits for programs under the national apprenticeship system;
- Provide all individuals with equal opportunity to participate in programs under the national apprenticeship system and with program materials that conform with accessibility standards required by the Rehabilitation Act of 1973;
- Provide a certificate of completion and an apprenticeship agreement for each program participant; and
- Provide a ratio of apprentices to supervisors based on the occupation, best practices, supervision, safety, relative hazards of the occupation, and employment continuity.

The standards specific to apprenticeship programs include:

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

The standards for pre-apprenticeship programs, which prepare individuals to meet the requirements to enter an apprenticeship program, include:

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

The standards for youth apprenticeship programs are intended to prepare students who are currently enrolled in high school for entry into an apprenticeship program, further education, or employment upon completion of the youth apprenticeship program and graduation, and include:

- A clearly defined plan for classroom-based related instruction and on-the-job learning similar to the apprenticeship standards, which can be fulfilled through dual or concurrent enrollment that is, to the extent practicable, aligned to high school diploma requirements;

- A schedule of progressively increasing wages to be paid to youth apprentices and the program's terms of the youth apprenticeship;
- Awarding advanced standing or credit for eligible individuals;
- Minimum qualifications for participants; and
- Any interim credentials awarded.

Section 123. Apprenticeship Agreement

This section codifies the requirements for the apprenticeship agreement between the program sponsor and the apprentice, pre-apprentice or youth apprentice. These agreements contain the program standards under section 122, including:

- A description of the time-based, competency-based, or hybrid model;
- A description of the related instruction, including the hours and related costs such as equipment and related instruction, and the recognized postsecondary credentials the program participants would receive;
- A schedule of the work processes;
- the graduated wage scale, benefits, and how such wages and benefits compare to the State, local or regional wages for apprentices or youth apprentices; and
- A demonstrated commitment to ensuring equal opportunity for participation in programs under the national apprenticeship system, including through supporting the recruitment of nontraditional apprenticeship populations like women, people of color, and individuals with barriers to employment.

Section 124. Registration of Programs Under the National Apprenticeship System

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

Sec. 131. Apprenticeship Program Evaluations

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

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

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

- Meeting the state goals for diversity and equal opportunity;

- Developing a program improvement plan if the program is not in operation or complying with the requirements of the Act; or
- Achieving the state goals for levels of performance.

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

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

Sec. 132. National Apprenticeship System Research

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

- Programs’ general effectiveness related to their costs, including through the improvement of skills and competencies, employment, recognized postsecondary credentials, and responsiveness to the labor market;
- The impact of the policy changes made by the *National Apprenticeship Act of 2021*;
- Best practices for increasing nontraditional apprenticeship populations’ participation; and
- Opportunities to scale effective program models.

Sec. 141. Authorization of Appropriations

This section authorizes appropriations for the OA at \$50 million in Fiscal Year (FY) 2022 , increasing by \$10 million annually to reach \$90 million in FY 2026. It also authorizes appropriations for the Interagency Agreement at \$10 million in FY 2022, increasing \$2 million annually to reach \$18 million in FY 2026.

Sec. 201. Grant Requirements

This section authorizes DOL to award Modernizing Apprenticeship Programs for the 21st Century grants to eligible entities for the purpose of:

- Creation and expansion activities, including creating new apprenticeships in nontraditional apprenticeship industries or occupations or expand existing programs for apprenticeships, pre-apprenticeships, and youth apprenticeship;
- Encouraging employer participation in the national apprenticeship system, including:
 - Targeting individuals with barriers to employment for participation, prioritizing nontraditional apprenticeship populations such as women, minorities, long-term unemployed, individuals with disabilities, individuals with substance abuse issues, veterans, military spouses, individuals experiencing homelessness; individuals impacted by the criminal or juvenile justice system, and foster and former foster youth;
 - Providing opportunities in high-need social service-related industries, sectors, or occupations, such as direct care workers and early childhood educators; or
 - Targeting individuals currently or recently incarcerated;
- Supporting small- and medium-sized employers;
- Supporting intermediaries, including:
 - National industry intermediaries to expand programs under the national apprenticeship system in key sectors such as manufacturing, information technology, cyber security, health care, insurance

and finance, energy, hospitality, retail, construction, and other sectors identified by the Secretary and the Advisory Committee;

- Equity intermediaries to support nontraditional apprenticeship populations, such as women, minorities, individuals with disabilities, and individuals impacted by the criminal or juvenile justice system; or
- Local or regional intermediaries to promote and expand programs through training or related instruction, engagement with local education providers to align with programs under the national apprenticeship system, providing participants with access to supportive services, and providing technical assistance for sponsors; and
- Strengthening alignment between programs under the national apprenticeship system with education and training providers at the secondary and postsecondary levels.

This section establishes the duration of grants and the requirement for grantees to match no less than 25 percent of the grant funds. The eligible entity may make the matching funds available directly or through donations from non-Federal, public, or private organizations, in cash or in kind. This requirement may be waived for exceptional circumstances. This section requires prioritization of grant awards for eligible entities proposing to serve a high number or high proportion of nontraditional apprenticeship populations, and geographically diverse distribution of awards. It also requires the demonstration of partnerships with stakeholders to be eligible for a grant, including an industry or sector partnership and labor or joint labor management organizations, to the extent practicable.

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

- The ability of the eligible entity to carry out the grant requirements;
- A labor market analysis for the geographic area that is being served by the grant;
- A description of potential program participants and strategies to support recruitment, retention, and completion, including for nontraditional apprenticeship populations and individuals with barriers to employment, and strategies to recruit and support employers;
- A plan to:
 - comply with evaluation requirements;
 - coordinate activities across various federal programs including the *Carl D. Perkins Career and Technical Education Act of 2006*, the *Elementary and Secondary Education Act of 1965*,² the *Higher Education Act of 1965*,³ and WIOA;
 - use funds for this grant and continue the program after the grant period ends; and
 - recruit and retain program participants, including from nontraditional populations, and how this plan will support the eligible entity in meeting the equal opportunity requirements of this Act; and
- Additional requirements based on the activities being carried out by the eligible entity.

Section 202. Uses of Funds

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

² 20 U.S.C. 6301

³ 20 U.S.C. Chapter 28

Section 203. Grant Evaluations

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

Section 204. Grant Appropriations

This section authorizes appropriations to carry out the grant activities at \$400 million in FY 2022 and increasing by \$100 million annually to reach \$800 million in FY 2026.

Section 4. Conforming Amendments

This section modifies a current provision of the *Immigration and Nationality Act* that directs 50 percent of H-1B visa fees collected by the U.S. Government to the DOL for job training programs to be used for the Modernizing the National Apprenticeship System for the 21st Century Grants.