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August 31, 2021

Director Katie Hagen  
California Department of Industrial Relations  
1515 Clary St.  
Oakland, CA 94612

Attention: Katie Hagen, Director, California Department of Industrial Relations  
Eric Rood, Chief Division of Apprenticeship Standards,  
California Department of Industrial Relations

CC: Hon. Governor Gavin Newsom  
Angie Wei, Legislative Affairs Secretary, Office of the Governor  
Stuart Thompson, Chief Deputy Legislative Secretary, Office of the Governor

**RE: Interagency Advisory Committee on Apprenticeship (IACA)—Support for AB 1273 (Rodriguez)**

Dear Director Hagen:

The Interagency Advisory Committee on Apprenticeship (IACA) supports Assembly Bill 1273 (Rodriguez), which would foster the growth of apprenticeship programs by implementing recommendations put forth in AB 2105 (2016). Specifically, AB 1273 would add relevant stakeholders to the IACA membership, and allow for “earn and learn” programs under licensing boards overseen by the Department of Consumer Affairs (DCA). These changes would remove significant barriers in growing apprenticeship programs in the state, help to reach a more diverse population of jobseekers, and will help to address both California's workforce needs and prosperity gap.

As identified by the California Future of Work Commission, apprenticeships can play a key role both in the economic development of the state and for individuals looking to improve their standard of living and the standard of living for their families.<sup>1</sup>

Apprenticeships ensure that workers are prepared with the necessary skills and training for jobs, connect workers directly to employers, and encourage more diversity in the workforce, including for those currently in low-income jobs, and people who are unemployed or underemployed. Earn and learn training programs are models that allow a person to receive compensation while also receiving the necessary training to learn the skills for a specific occupation.<sup>2</sup> This is not a new concept, some of the most common models in use today include internships, cooperative education, apprenticeships, federal work-study, and practicum (guided by faculty such as student

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<sup>1</sup> A New Social Compact for Work and Workers. Institute for the Future for the California Future of Work Commission. March 2021. <https://www.labor.ca.gov/wp-content/uploads/sites/338/2021/02/ca-future-of-work-report.pdf>

<sup>2</sup> AB 1797 Report to the California Legislature: Expanding Earn and Learn Models in the California Health Care Industry. Harbage Consulting in consultation with The California Workforce Development Board and The California State Division of Apprenticeship Standards. [https://www.dca.ca.gov/consumers/earn\\_and\\_learn.pdf](https://www.dca.ca.gov/consumers/earn_and_learn.pdf)

teaching). The structure of earn and learn programs can vary: apprentices may be paid to work in a lower scope while studying for their license (such as a Licensed Vocational Nurse to Registered Nurse program), or can perform work under supervision of licensed professionals commensurate with the apprentice's level of experience. These programs can open the door to people who might otherwise be unable to complete an educational program due to their financial situation or role as a family caregiver. The mentorship and other wraparound services provided by such programs can be the difference for an individual who has had difficulty with other educational programs. This is particularly critical in the healthcare space, where even before the COVID-19 pandemic, California has been projected to have a shortage of 500,000 allied healthcare workers by 2024. Recent surveys of healthcare workers report that one in three have considered retirement or leaving the industry due to the impacts of COVID-19. As California continues to fall behind each year by an estimated 65,000 healthcare workers, and with the looming "silver tsunami" of an increasingly diverse aging population, no single solution or educational segment will be able to solely address this growing demand. It is vital that all of the pathways to these dynamic, middleclass jobs are cleared both for the long-term capacity of our healthcare system, and for the economic growth of the state.

With the recognition of the importance of apprenticeships for California, IACA was established in the Shelley-Maloney Apprentice Labor Standards Act with the passage of SB 235 (2018), with the mission of providing advice and guidance to the Administrator of Apprenticeship and Chief of the Division of Apprenticeship Standards on nontraditional apprenticeship programs, standards, and agreements that are not within the jurisdiction of the California Apprenticeship Council. IACA's 12 members represent a broad spectrum of industries and roles, including both management and organized labor, as well as representatives for the Secretary of Labor and Workforce Development, the Executive Director of the California Workforce Development Board, the Director of the Department of Industrial Relations, the Executive Director of the Employment Training Panel, the Superintendent of public instruction, and the Chancellor of the California Community Colleges.

Further, AB 2105 (Rodriguez, Chapter 410, Statutes of 2016) directed DCA to engage in a stakeholder process to identify barriers and solutions to facilitate the development of earn and learn training programs in allied health professions. Among the July 2020 report findings, the stakeholder committee identified that a number of professional licensure boards empower national accreditation entities to assess and approve educational programs. Several of these accrediting entities explicitly prohibit payment of wages to students for completing hours of training, which DCA does not have the authority to remove. The lack of access to earn and learn has been one of the most significant barriers for expanding access to apprenticeships, and was the primary policy issue raised in the report. Additional findings pointed to the need for increased

coordination among relevant state agencies and a recommendation to add those agencies to IACA.<sup>3</sup>

It is critical to ensure we have a workforce ready to meet the needs of California, and the apprenticeship is a proven, yet underutilized tool for connecting Californians to dynamic, high wage jobs that are in high-demand. **Eliminating the barrier to earn and learn programs is the single most important step that can be taken towards reaching the Governor's goal of 500,000 apprentices by 2029.**

For these reasons, IACA strongly supports AB 1273.

Sincerely,

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<sup>3</sup> AB 2105 Report to the Legislature: Barriers and Recommendations to Facilitating Earn and Learn Training Programs in Allied Health Professions. California Department of Consumer Affairs. July 2020.  
<https://dca.ca.gov/publications/ab2105.pdf>