STATE OF CALIFORNIA

DEPARTMENT OF INDUSTRIAL RELATIONS **DIVISION OF APPRENTICESHIP STANDARDS**1515 Clay Street, Suite 1902

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Brent Parton, Principal Deputy Assistant Secretary for Employment and Training U.S. Department of Labor Employment and Training Administration 200 Constitution Avenue NW Washington, D.C. 20210

Re: Notice of Proposed Rulemaking: National Apprenticeship System Enhancements (DOL-ETA Docket No. ETA-2023-0004 and RIN 1205-AC13)

Dear Principal Deputy Assistant Secretary Parton,

The NPRM on National Apprenticeship System Enhancements is to be commended for the breadth of consideration to the processes that currently exist and for prioritizing apprenticeship as the mechanism for workforce transformation, alignment, and economic advancement for all. I present the following comments on behalf of the Department of Industrial Relations' Division of Apprenticeship Standards (DAS), which consults with employers to develop a skilled workforce, by establishing innovative apprenticeship programs that offer training, to create viable career pathways for Californians. DAS currently has 91,310 active apprentices registered here in California.

The Department of Labor's effort to develop rules that update, align, and improve the nation's apprenticeship system is promising. Comments during this process have never been more critical. Investments in apprenticeships are at a high point at the federal, state, and local levels, and closely aligned partnerships with industry, employers, education, and community organizations are paramount to realize the full potential to change communities. A nimble system that allows for supported sustainability and scaling is going to be even more important than in the past. This is not the time to slow the progress of innovative apprenticeships in emerging industries.

There is agreement for the need to modernize, clarify and present clear guidance. This NPRM begins to address issues in some areas. However, there are proposed rules that are restrictive, complicates access, adds administrative process which certainly poses a capacity issue within educational and workforce settings, and may not reflect the nation's vision for inclusive, transformative, and innovative workforce and education models. The two greatest areas of concern are the elimination of the competency based framework and the creation of the CTE Apprenticeships.

In CA, competency based programs are defined in CA Labor Code 3078.5:

"(2) The competency-based approach measures skill acquisition through the individual apprentice's successful demonstration of acquired skills and knowledge, as verified by the program sponsor. Programs utilizing this approach shall require apprentices to complete no less than six months of an on-the-job learning component of registered apprenticeship. The program standards shall address how on-the-job learning will be integrated into the program, describe competencies, meet industry-recognized standards or certifications, and identify an appropriate means of testing and evaluation for such competencies."

This definition of competency based approach has been in place since 2018 and was modeled after DOL's approach. With a program that is no less than 6 months, it equates to 1000 hours of On the Job Training (OJT). In the DOL Proposed Rule Making, the competency based model is eliminated and in its place is a new minimum requirement of 2000 hours of OJT. While time-based programs work well in the building and construction trades industry, non-traditional sector apprenticeships depend on the flexibility afforded by the competency model. Eliminating this model would achieve the exact opposite of the Administration's goals to strengthen and expand the apprenticeship career pathway. In California, Governor Newsom has set an ambitious goal to serve 500,000 apprentices by the year 2029. Eliminating the competency based model on the federal level would certainly have an unfavorable "trickle-down" effect on the overall creation of new apprenticeship programs at the state level.

For many employers, competency based approach are a better fit to their model where the employees advance and earn wage increases based on skill and competency as opposed to hours spent on the job. Competency based programs provide the greatest flexibility to employers. When the measurement is skill based instead of time based, the end result is the same – a trained and skilled journeyperson. In the end, it is still the responsibility of the program sponsor to make sure that every apprentice learns the skills required under their program, regardless of which model they use. Competency based provides a range of time for apprentices to master the skills that they learn through a registered apprenticeship program. Competency based programs can provide the apprentice with more or less time, depending on how they progress through their learning.

DAS recommends that DOL maintain the competency based model, but potentially provides further guidelines, clarity and credential alignment. A potential proposed definition could be:

The competency-based approach measures skill acquisition through the individual apprentice's successful demonstration of acquired skills and knowledge, as verified by the program sponsor and a third party examination or related credential attainment. Programs utilizing this approach shall require apprentices to complete no less than six months or 1000 hours of on-the-job training, whichever is longer in overall duration, as a component of registered apprenticeship. The program standards shall address how on-the-job training will be integrated into the program, describe competencies, and meet industry-recognized exams or certifications as a means to validate the achievement of competencies or the apprenticeship overall.

Such a definition could improve the quality of competency based programs without massively disrupting the existing competency based programs.

Although the state of California has its own apprenticeship system, the state and USDOL OA have made great strides to support and align programs. The proposed rules may make dual registration more difficult and impede the federal partnership in advancing common goals. Furthermore, due to the complexity of a large education system in California, it may prove a substantial effort to align and add to the current California CTE process. The NPRM does not clearly demonstrate the evidence and value of adding another component (new standalone CTE apprenticeship) to a current CTE structure that can accomplish many of the same intents without new constricting federal rules.

Starting in February 2023, DAS convened the California Youth Apprenticeship Committee (CYAC). The CYAC is charged to develop recommendations to DAS on the expansion of youth

apprenticeships in California. The committee includes representatives from youth, youth serving organizations, labor, employers of youth, K–12 schools, community colleges, and the public workforce system. There are two working groups of CYAC, the In-School Working Group and the Out-of-School Working. A clear recommendation DAS has received from the In-School Working Group, which is working to establish a system of youth apprenticeship that starts in high school, is that it would be valuable to have a definition of apprenticeship that could feasibly start and end in high school.

While there are a few early adopter high school youth apprenticeship programs, which meet all the requirements of apprenticeship, but start in high school – this model has been challenging to scale and has low completion rates. A strong contributing factor to both of these challenges is that with the current definition of apprenticeship requiring at least 1000 hours of OJT, it is not possible to complete these hour requirements in the confines of high school and therefore the program must be 3-4 years long, spanning the final 2 years of high school along with 1 to 2 years post high school. In the early pilots, some apprentices have dropped out of the apprenticeship in favor of attending college full time. While this is certainly a good outcome, it is testament to one of the challenges for high school apprenticeships with the current definition of apprenticeship. In addition, it is increasingly complex to map and administer a program across the K-12 and college systems.

CYAC has therefore been iterating on possible new program types/definitions of youth apprenticeship that achieve the following **objectives**:

- Establish a model that begins and ends in high school
- Enable paid OJT to occur in high school.
- Ensure that the high school CTE programs align with registered occupations.
- Ensure students are prepared for Registered Apprenticeship (RA) programs upon graduation.

While the committee has not landed on a final recommendation, DAS wanted to share a work in progress proposal around definitions that has emerged from this committee's ongoing work given this particular deadline for the NPRM. This possible approach is only in the modeling and discussion phase of the CYAC's work and one such model that may be considered. It is not operational and will need testing and vetting as suggested with all new rule making and adoption. It is being shared to demonstrate thought partnership on potential impact to an apprenticeship system. There are 2 definitions proposed below, both a definition of Youth Apprenticeship along with a new CTE Apprenticeship Bridge framework.

Proposed Youth Apprenticeship Definition: **Youth Apprenticeship program** is an apprenticeship program registered with the Division of Apprenticeship Standards that:

- 1. Fulfills all existing registered apprenticeship requirements;
- 2. Serves youth ages 16-24 at the time of enrollment;
- 3. Offers Related and Supplemental Instruction (RSI) through an advanced career technical education (CTE) course, dual enrollment course, or equivalent.
- 4. Complies with minor labor laws and offers flexible work hours to allow for students to potentially begin on the job training (OJT) while in high school.

CTE Apprenticeship Bridge (CAB) program is an apprenticeship-connected CTE program, registered with the Division of Apprenticeship Standards, that:

- 1. Has been approved through the CTE Apprenticeship Bridge Approval process (see process below)
- 2. Offers occupation-specific work-based learning (WBL) activities, as defined by Ca. Educ. Code § 51760.1
 - a. WBL must be connected to the CTE pathway and/or offered through a Work Experience Education Program.
 - b. WBL must include a minimum of 400 hours paid OJT hours where students earn at least a minimum wage.
- 3. Offers occupation-specific pre-apprenticeship and apprenticeship related coursework as part of a CTE pathway, including a minimum of two sequential CTE courses (approximately 300 hours of CTE instruction or industry-approved equivalent)
 - a. Offers a minimum of one capstone course in alignment with Registered Apprenticeship (RA) related and supplemental instruction. (approximately 150 hours of CTE instruction or industry-approved equivalent)
 - b. When possible, offers a minimum of one dual enrollment course (or equivalent) so students can earn early college credits.
- 4. Establishes an agreement with a regional or statewide RA program that allows program completers to potentially receive advance standing for the 400 hours of paid OJT and/or 144 hours of related instructional hours that were accrued during the CAB.

CTE Apprenticeship Bridge (CAB) Approval Process and Program Completion

CAB programs must be registered and approved by DAS. Once approved, CAB programs submit an occupation-specific curricular framework (course outlines) and work-based learning plans for approval by CA Department of Education (CDE).

Students in CAB programs are eligible to receive 400 hours of paid OJT and can be registered CAB apprentices beginning at age 16. CAB program completers will receive a seal to add to their diploma indicating CAB program graduation, upon completion of 400 hours paid OJT and a CTE pathway. CAB program completers must complete a combined minimum 1000 hours of OJT to complete the full apprenticeship program following high school graduation.

DAS and CYAC have also been iterating on a similar framework to what was proposed in the Industry Skills Framework (ISF) as put forth in the NPRM. DAS would be in support of the ISF in order to develop a consistent framework for high schools to design either pre-apprenticeships or CABs around an ISF. In addition, DAS is supportive of working with educational partners, in CA – the CA Department of Education (CDE) – in order to codevelop, vet and approve ISF developed in collaboration with employers. A process to design these in CA in alignment with the pre-apprenticeship and possible CAB model is still in process.

Regarding potential program sponsors for CTE Apprenticeships, DAS would recommend a more flexible model that allows a variety of organization types to emerge as sponsors. However, DAS recommends that the RSI associated with the CTE Apprenticeship be overseen and approved by the more limited set of defined educational entities to ensure the quality of the education and alignment to post secondary education credit achievement.

Overall in the NPRM, considering both the elimination of the competency based framework and the addition of the CTE Apprenticeship Framework, DAS is concerned that DOL is adding

administrative burden without adding a new framework that would enable more youth to enter apprenticeship. It is noteworthy that in the NPRM, the competency based framework with a minimum 1000 hours is almost being swapped for the similar duration 900 hour CTE Apprenticeship. Doing this creates a massive disruption to existing competency based program while adding a significant administrative burden with CTE Apprenticeship, without adding a new framework to meet the needs of Youth Apprenticeship and high school apprenticeship in particular. DAS is hopeful that some of the draft work in process frameworks presented herein may offer some viable alternative approaches for DOL to consider.

In closing, the state of California is a trusted and supportive partner of the US DOL apprenticeship process and would gladly invite a targeted discussion on how apprenticeship systems can align and support the advancements and opportunities for all populations and industries.

Sincerely,

Adele Burnes Deputy Chief Division of Apprenticeship Standards