**WorkforceGPS**

**Transcript of Webinar**

**Industry Recognized Apprenticeship Programs General Overview**

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JONATHAN VEHLOW: Welcome to "Industry-Recognized Apprenticeship Programs." Without further ado, I'd like to kick things off to our moderator today, Andrew Kilberg, counselor to the secretary, U.S. Department of Labor. Andrew?

ANDREW KILBERG: Thank you very much, Jon. As was just said, my name is Andrew Kilberg and I am the counselor of Secretary Scalia. I'm honored to be with all of you to kick off this webinar on the Department of Labor's recent final rule adopting a new system for advancing the development of high-quality industry-recognized apprenticeship programs, or IRAPs.

Before we begin, I do want to acknowledge the incredible work of many public servants at the Department of Labor in our country's battle against the coronavirus. Across our agencies, DOL employees have been working extremely hard to help the American people in this unprecedented time.

Regardless of the economic situation, Americans need access to effective training to secure good jobs in a changing workplace and labor market. Apprenticeships are a proven pathway to a prosperous career. A well-designed apprenticeship system can open the pathway to new industries and new workers.

As Secretary Scalia said when the IRAP rule was published just a few weeks ago, "The new IRAP system provides a flexible, market-led approach for expanding apprenticeships to industries that historically haven't relied on them for worker training. The rule calls on business associations, community colleges, and others to lead the way in developing and recognizing apprenticeship programs for the jobs needed in our changing workplaces."

I couldn't agree more with the secretary. IRAPs will serve as a complement to the registered apprenticeship program that has been in place for over 80 years and has seen particular success and adoption in the construction sector. And we believe here at the department that the IRAP system will help accelerate the adoption of the apprenticeship model, of training and workforce development, into new industries in which apprenticeships historically have not played a major role.

The new rule will leverage industry relationships among businesses, trade associations, educational institutions, employee organizations, state and local government agencies, and workforce development boards, among others, to identify the specific skills that are needed for the jobs of today and the jobs that are coming tomorrow; and to set competency standards and introduce portable credentials.

Those organizations now have the opportunity, under the auspices of the U.S. Department of Labor, to establish what we have termed standards recognition entities, or SREs. Those are responsible for recognizing individual IRAPs.

This system maintains DOL's important oversight function, while freeing industry to innovate, especially in sectors that have not traditionally used apprenticeships.

With that, I'd like to turn it over to today's presenters. John Ladd is the administrator of the Office of Apprenticeship in the Employment and Training Administration at DOL. Cierra Mitchell is the chief of the Office of Apprenticeship's new IRAP division. It has been a pleasure to work with them on IRAPs and I can safely say that this webinar is in excellent hands. John and Cierra, thank you very much.

JOHN LADD: Thank you, Andrew. Good afternoon, everybody. Good morning to those of you on the West Coast. And thank you, Andrew. We really appreciate you taking a few minutes out of your day to help kick us off – kick off this important webinar. As you mentioned, these are incredibly challenging times and all of us at the Department of Labor are working hard to help get America back to work.

So we are going to talk today about the new IRAP rule. I'm joined by my colleague, Cierra Mitchell, and we're going to be covering a number of important topics here today.

What we really hope is that after this webinar you'll have a better understanding of why IRAPs are being launched to expand apprenticeships across the United States; learn about the major components of IRAPs and how IRAPs will benefit both businesses and workers; and most importantly, learn how you can get started with IRAPs, and for those of you are interested in becoming an SRE, the next steps in that process.

So to start, we want to talk a little bit about the advantages and reasons to become a standards recognition entity. And at DOL we really believe that SREs are going to play an important role as an industry leader, helping to provide direction to the apprenticeship programs in your industry, ensuring quality and ensuring that these programs have relevancy to employers' needs.

SREs will also set the standards for apprenticeships in their industry, ensuring that there is both flexibility to meet the needs of the industry, while helping to close the long-term skills gap, and to address the critical needs right now to improve our economy just when our country needs it most.

And as we start to rebuild, apprenticeship could be an important component of our efforts to help the economy and companies scale back up to redeploy their workforces to the new economic realities and pressures.

Drilling down a little bit more, again, for industry and business leaders we think IRAPs provide an additional pathway to assist career-seekers and job creators, as Andrew mentioned. This is meant to complement the existing registered apprenticeship system. We believe IRAPs can serve the needs of businesses by expanding apprenticeship across more industries; that IRAPs will use innovative, industry-driven approaches to scale this proven workforce model.

IRAPs can provide more flexibility across industries to design apprenticeship programs that meet your specific industry's needs and the businesses within those industries, that IRAPs will supply a pool of talent and a pool of workers for today and tomorrow's skill talent needs. And IRAPs can create potential to access new tools and products that SREs will develop over time to help businesses develop and launch their programs quickly.

So that's what we see as the perspective from the industry side of the advantages of IRAPs. But there's also advantages for career-seekers as well, particularly as IRAPs help to scale apprenticeship across the United States. As these opportunities scale, they'll offer an opportunity to both earn and learn, while obtaining valuable, portable, industry-recognized, competency-based credentials. They'll be available to provide training and standards that are developed by the industry, ensuring an apprentice develops the skills needed for career success in that industry.

And they could also provide an alternative to college or another pathway to postsecondary education that allows workers to obtain high-paying jobs without going into debt. So a lot of advantages here for both the career-seeker and employers and industry broadly.

I neglected to mention at the beginning, we do encourage people to enter any questions that they might have into the chat. We will not be taking – or responding to questions on today's webinar, but we'll be reviewing all the questions that we've received. We have a number of FAQs up on our website, on apprenticeship.gov. And so we'll be reviewing the questions that you submit and supplementing those as needed based on the questions we get today.

So we thought it would be helpful to remind folks a little bit of the path that we took in getting here and how this process has evolved over the past couple of years. If folks recall, back in June 2017 there was an executive order on expanding apprenticeships in America.

That executive order kicked off the task force on apprenticeship expansion, which met between November and May of 2018. That task force issued its report with a number of recommendations. A number of those recommendations addressed what was needed in this new industry-recognized apprenticeship system. That report is posted as well on our website, so we do encourage you to read that final report that was issued in May of 2019. Sorry, May of 2018.

From there, we did issue a notice of proposed rulemaking back in June of 2019. That rule closed in August of 2019. We received quite a few comments on the proposed rule. We have reviewed those comments, adjusted the final rule and the (courts ?) with the comments that we received, and the final rule was published on March 11 of this year.

So moving forward, the implementation timeline is laid out here. Again, to reiterate, the final rule was published in March of this year, but the rule does not go into effect for 60 days. So the rule itself becomes effective on May 11th. Shortly after that, we will open up the process for potential standard recognition entities to apply.

We will be launching an online portal. We will be doing everything electronically. The requirements that are laid out in the rule, which we'll talk a little bit today, will be part of that portal. Your application will be submitted online and we will review those applications within what's anticipated to be 90 days.

The portal will always accept applications, but we are going to be reviewing applications in batches and we anticipate that the first batch will close somewhere around – in early June. And we anticipate being able then to announce the first approved SREs in early September of 2020.

So this will be an ongoing process, but this is the immediate timeline for the next three to four months, with ultimately the first SREs being announced this fall.

So drilling down again, a little bit more here, we're going to start talking about more of the substance of the rule itself. And so the first important part of that is to lay out what exactly are IRAPs. And here you see the definition for IRAPs. They are high-quality apprenticeship programs that provide individuals with opportunities to obtain workplace-relevant knowledge and progressively advancing skills.

And this final rule also establishes a process for my office to recognize qualified third-party entities, which Andrew mentioned earlier, which we've termed standards recognition entities, who will then be empowered to evaluate and recognize IRAPs consistent with the department's standards.

Some elements of IRAPs. And for those of you that are already engaged in the apprenticeship world in one way or the other, will certainly recognize the elements that you see here. So these are laid out in more detail in the regulation itself.

But these elements are required to be part of any IRAP that is recognized by an SRE. And that being that an IRAP must include paid work. So apprenticeship is different than other forms of work-based learning. It's not an internship; it's a job. There must be a written training plan and written apprenticeship agreement. There must be structured on-the-job learning.

There must be related classroom instruction. So that combination of the practical and the theoretical; there's on-the-job learning as well as classroom instruction. There must be mentorship and supervision that's available and provided to the apprentices. And the apprenticeship itself must lead to and result in at least one industry-recognized credential.

And last but not least, of course, all of this must happen in a safe environment and one that's free from discriminations.

So these are the seven elements of high-quality IRAPs that SREs must provide to DOL a process for ensuring that they are only recognizing IRAPs that meet this definition.

So now we're going to turn to a little bit more detail about the standard recognition entities. And for that I'm going to turn it over to my colleague, Cierra Mitchell.

CIERRA MITCHELL: Thank you so much, John. And good afternoon and good morning, everyone. So happy to be here and honored to be a part of this webinar today.

John did a great job at talking about why IRAPs, why become an SRE, and a little bit about how we got here and what IRAPs are. I'm happy to dig a little deeper into what standards recognition entities are and how you can get involved.

I've seen some great questions come in through the chat feature and we are about to dig right into some great information and I think a lot of, if not most of, your questions are about to be answered.

So what is a standards recognition entity, or SRE? An SRE is a third-party entity recognized by the Department of Labor as qualified to recognize apprenticeship programs as IRAPs. The types of entities that can become an SRE include, but are not limited to: trade, industry, and employer groups or associations; corporations; educational institutions; state and local government agencies; non-profit organizations; unions; joint labor-management organizations; certification and accreditation bodies; and a consortium or partnership of all of the above.

An IRAP sponsor. An IRAP sponsor, on the other hand, is the entity responsible for administering the IRAP, much like a registered apprenticeship program sponsor, for those familiar with the registered apprenticeship program. IRAP sponsors are industries such as: trade and industry groups; corporations; non-profit organizations; educational institutions; unions; and joint labor-management organizations.

So as you can see, there aren't too many differences between the types of entities that can become SREs and IRAP sponsors, but there are key differences in the roles between an SRE and an IRAP sponsor. So we wanted to take a moment to just clarify and add – and go a little deeper into what those roles are.

So the role of the SRE, as that third-party entity recognized by the department, is to recognize high-quality IRAP – apprenticeship programs as IRAPs. The key role of that IRAP sponsor, however, is to administer the IRAP program.

So as John mentioned and laid out earlier, the role of the department is to recognize third-party SREs. And the role of the SREs are to recognize high-quality IRAP programs. And lastly, the role of the IRAP sponsor is to administer those programs. So just wanted to make sure everyone was clear on those different roles so that you'll know if you want to apply to become an SRE or if you want to become an IRAP sponsor.

So now that we've gone into the differences between the SRE and the IRAP sponsor, wanted to take a minute to talk about the differences between the notice of proposed rulemaking, our initial proposal for the IRAP program, and the final rule.

So for those of you who were familiar with the NPRM, as John mentioned, we received thousands of comments, actually, great feedback. And so if you're familiar with the NPRM and perhaps even provided comments, we wanted to take a moment to let you know what some of those key differences are in this final rule, if you haven't had a chance to go through it.

So some of the key differences that you'll see in the final rule that you probably didn't see in the NPRM is that, based on your great feedback, the final rule strengthens, expands, and improves the process and application requirements for becoming an SRE; the conflict of interest provisions; and the safety and welfare of apprentice provisions, including safety requirements, mentorship, wages, and costs.

The final rule also increases SRE oversight of IRAPs by including periodic compliance reviews by the SRE and requiring policies and procedures for the suspension and de-recognition of IRAPs. So basically a process if, for any reason, SREs want to de-recognize or suspend an IRAP program.

It requires IRAPs to have training plans, similar to standards for the program, and apprenticeship agreements with their apprentices. Improves the performance reporting for SREs by requiring SREs to provide performance metrics and information, such as apprentice demographic data to DOL. In addition, SREs will also make this performance information publicly available. And we'll get a little bit more into the performance requirements in just a few minutes.

The final rule also explicitly excludes the construction sector and clarifies the definition of construction by using the NAICS manual short description of the construction sector. And lastly, the final rule does not include military apprenticeships – I'm sorry, does not exclude military apprenticeships, which as some of you may know was initially excluded in the NPRM.

So again, those are just some of the key differences between the NPRM and the final rule, for those familiar with the initial proposal.

And next we'll go into the criteria to become an SRE. Because SREs are responsible for recognizing high-quality IRAPs, SREs will have to have the expertise to set competency-based standards through a consensus-based process. They have to have the capacity and quality assurance processes and procedures to ensure IRAPs comply with DOL standards. They have to have resources to operate as an SRE for a five-year period. Just so you know, once DOL recognizes SREs, you are recognized for five years.

SREs must demonstrate impartiality, be in good standing. They cannot be suspended or debarred from working with the federal government. And they have to have the appropriate industry and occupational expertise and resources in place to recognize IRAPs in their selected geographical area. And we say selected, because SREs can apply to become recognized at the national, regional, state, and local levels.

And now that we've talked about the criteria to become recognized as an SRE, now I'll jump into some of the key responsibilities SREs must recognize.

Of course, the key responsibility, as we talked earlier, is to recognize high-quality IRAPs. In addition, it's to notify the Office of Apprenticeship within 30 days once they have recognized, suspended, or derecognized an IRAP. And the reason for that is so that we can share that information on our website and let the public know which SREs are recognized and which IRAP programs are available and they've recognized.

SREs are also responsible for providing performance data to the Office of Apprenticeship on an annual basis; developing policies and procedures that require IRAPs' adherence to applicable federal, state, and local laws; and establishing policies and procedures for recognizing and validating compliance of programs to ensure that SREs are impartial and that their recognition of programs is based on – is objective, merit-based criteria.

So those are just some responsibilities of the SRE.

And as I mentioned earlier, there are a few reporting requirements in the final rule. In addition to providing contact information on each program that SREs recognize within 30 days, on an annual basis SREs are required to provide performance income – performance information, I'm sorry, on the following 10 elements.

One, the total number of new and continuing apprentices annually trained in each IRAP; the total number of apprentices who successfully complete the program; the annual completion rates for apprentices; the median length of time for IRAP completion, whether six months, a year, two years; the post-apprenticeship employment retention rate; the industry-recognized credentials attained by the apprentices in the IRAP; the annual average earnings ; the training cost per apprentice; and again the basic demographic information on participants.

And I want to let everyone know that we are working on a PRA – a performance PRA package – Paperwork Reduction Act package – that outlines these requirements and provides a format for how that information should be submitted to the department. Once that's finalized it will go into the Federal Register, similar to the NPRM, and the public will have the ability to provide feedback or comments for 60 days. So please stay tuned for that package with more information and detail on those reporting requirements.

All right. Now next steps. For those of you who've heard this information and who are eager to become an SRE, we've gotten a lot of interest over the past years that we've been working on this. I want to let you know that we will launch our application portal on May 11th, as John mentioned earlier during the timeline, once the final rule goes into effect. But for those who want to – are eager to get ready now, that's great news because there are lots of things that you can do to get started.

One, you can become familiar with the final rule. We also have great resources on our website, such as an SRE fact sheet, FAQs, and there's an application mock-up that basically tells you what the application will look like. So you can take a look at that and start getting your application in writing now.

You can also monitor our website for more up-to-date information, including and additional webinars focused specifically on the application process. So stay tuned for more information. And again, you can begin to develop your plans of action, structures, and key partnerships that'll help form the basis of a successful SRE application.

For those who are more interested in becoming IRAP sponsors, who may not want to recognize IRAP programs but may just want to have their own IRAP program, you will be – there's plenty that you can do too. As you know, SREs have to be in place for – in order to recognize IRAP programs. And so once we've launched the application portal, as John mentioned earlier, we plan to announce the first SREs in the fall, and then of course the SREs can recognize those programs.

But as sponsors, there's still things that you can do. For example, you can start assessing your workforce needs now. Consider how this new flexibility in apprenticeship could offer the right talent development solution for your organization. You should familiarize yourself with the DOL final rule. Please continue to monitor our website for more up-to-date information.

And if you can start identifying trusted national industry leaders in your industry sector that you look to, that you think might meet the criteria that we laid out earlier today as an SRE, please feel free to encourage them to apply for recognition as an SRE. We've heard of some organizations who have already done that and have formed some great and unique partnerships, so encourage you to do that as well.

And next steps for the workforce and education system. I see that there are a lot of you on today's webinar and we are so glad and thankful for you to join us. Consider how IRAPs can strengthen your work-based learning model too. Continue to learn more and serve as an advocate for increasing the adoption and expansion of apprenticeships. Please share your thoughts and ideas with us. Some of you already have and we look forward to continued collaboration with you.

Leverage public-private partnerships to demonstrate your role in creating strong apprenticeship programs. And participate in National Apprenticeship Week by hosting or attending an event.

And for those who are familiar with National Apprenticeship Week, last year we celebrated the five-year anniversary, so this will be your sixth. It is basically a time to celebrate and bring awareness to the value of apprenticeship – apprenticeship sponsors, educators, workforce development agencies. And the whole community – schools – across the country come together to open their doors, share their and highlight their apprenticeship programs, welcome in the community and students see what life is like across all of these industries as an apprentice. And it's just a great event.

Businesses create events. There's career fairs. It's a great time to really celebrate apprenticeship and to bring awareness to apprenticeship for those who aren't familiar with it. Last year and the year before we had over 1,200 events across the country and we look forward to even more this year.

All right. And IRAP resources. So again, to learn more about IRAPs – we know there are a lot of questions. I see great questions in the chat. Please again go to our website. We've tried to place a lot of valuable information there from an IRAP general fact sheet to fact sheets specifically for prospective SREs, a fact sheet for prospective IRAP sponsors, the IRAP FAQs that John mentioned earlier. There's even a registered apprenticeship versus IRAP comparison chart.

Again, if you wanted to speak with someone immediately, we have a DOL hotline that you can call. And our staff are located across the country at the national, regional, state, and local levels, and are ready and eager to assist and to help you.

So again, please go to our website. We have an IRAP landing page, but we also have a partner finder tool that will help you connect to our staff across the country, in your local area, as well as intermediaries and others who are available to assist. So again, please feel free to reach out to us and our website, or to sign up for the newsletter to receive the latest apprenticeship-related information.

And now I'll turn it back over to John to close us out. Thank you, everyone.

MR. LADD: Great. Thanks, Cierra. Fantastic job. And so we'd love to use the rest of the time that we have really to hear from you. As Cierra mentioned, we see some great questions coming in through the chat. Again, we're not going to be able to answer those today, but your input and your questions are incredibly valuable and will help us develop that next set of FAQs that we can post up on the website.

Our colleagues are posting some polls here that we'd love to hear, again, from you whether you found this webinar helpful, if you're interested in becoming an SRE, or if you're interested in becoming an IRAP sponsor. So if folks could fill those polls out, that would also be greatly appreciated.

Today is just one webinar. We are likely to do additional webinars in the future. So please stay tuned for more information about that as we'll drill down on specific topics and go into more depth. Today was intended to be a high-level introduction to the final rule and to orient folks to broadly the requirements in the rule. What is an IRAP and the requirements for SREs.

So again, if folks could continue to provide questions in the chat, we'll be collecting those until the top of the hour here. But with that, that'll conclude our webinar today. We thank everybody for joining us.

And I'll turn it back over to Jon and the Maher team.

(END)