

Policy Number: WIOA I-B – 3.5 Updated

Effective Date: August 27, 2018

## Registered Apprenticeships

**PURPOSE:** The purpose of this policy is to describe and to detail the regulations concerning registered apprenticeships, in accordance with the rules and regulations of Workforce Innovation and Opportunity Act of 2014 (WIOA), the WIOA Final Rule, Training and Employment Guidance Letters (TEGLs) published by the Employment and Training Administration of the U.S. Department of Labor (ETA), and policies of the Arkansas Workforce Development Board (AWDB).

### REFERENCE:

WIOA §§ 129(c)(2) & 134(c)(3)(A)(i)(I)

20 CFR 680 & 681

TEGLs 10-16, 13-16, 19-16, & 21-16

29 U.S.C. 50 et seq. (National Apprenticeship Act of 1937)

[www.workforce.arkansas.gov/ACRS/ETPApprenticeShipList.aspx](http://www.workforce.arkansas.gov/ACRS/ETPApprenticeShipList.aspx)

ADWS Policy No. WIOA I-B – 1.2 (Definitions)

ADWS Policy No. WIOA I-B – 2.3 (Eligibility for Adult Program)

ADWS Policy No. WIOA I-B – 2.4 (Eligibility for Dislocated Worker Program)

ADWS Policy No. WIOA I-B – 2.6 (Eligibility for Out-of-School Program)

ADWS Policy No. WIOA I-B – 3.1 (Services for Adults and Dislocated Workers)

ADWS Policy No. WIOA I-B – 3.2 (Services for Youth)

ADWS Policy No. WIOA I-B – 3.3 (Occupational Skills Training)

ADWS Policy No. WIOA I-B – 3.4 (On-the-Job Training)

ADWS Policy No. WIOA I-B – 3.9 (Supportive Services)

### POLICY:

A registered apprenticeship program (RA) is one of the training services that may be provided with Adult and Dislocated Worker funds [TEGL 19-16]. RA may also be provided for out-of-school Youth (OSY) when the local area determines that the work experience (Program Element 3) is appropriate [TEGL 13-16].

RA combines paid on-the-job training with related instruction to progressively increase workers' skill levels and wages. It is also a business-driven model that provides a way for employers to recruit, train, and retain skilled workers [TEGL 13-16]. The U.S. Registered Apprenticeship System is authorized through the National Apprenticeship Act of 1937 (29 U.S.C. 50 et seq.). The Office of Apprenticeship (OA) in conjunction with State apprenticeship agencies is responsible for registering apprenticeship programs that meet Federal and State standards, issuing certificates of completion to apprentices, encouraging

the development of new programs, protecting the safety and welfare of apprentices, and assuring that all programs provide high-quality training [TEGL 13-16]. The list of WIOA approved apprenticeship programs in Arkansas can be found at [www.workforce.arkansas.gov/ACRS/ETPApPrenticeshipList.aspx](http://www.workforce.arkansas.gov/ACRS/ETPApPrenticeshipList.aspx).

A pre-apprenticeship, designed to prepare an individual to enter and succeed in an apprenticeship program, is category of work experience (Program Element 3) for Youth [WIOA § 129(c)(2)(C)(ii); 20 CFR 681.480; TEGL 21-16]. Both activities will be discussed in this policy, including components, eligibility, and allowed assistance for participants.

### **Components of Registered Apprenticeship Programs**

All Registered Apprenticeship (RA) programs consist of the following five core components [TEGL 13-16]:

- **Business involvement** – Businesses are the foundation of every RA and are involved in their design and execution [TEGL 13-16].
- **On-the-job training (OJT)** – Every RA includes a structured OJT conducted by an experienced mentor. The training is developed by mapping the skills and knowledge the apprentices must learn over the course of the programs to be fully proficient at the jobs [TEGL 13-16]. This training may or may not be supported with WIOA Title I-B contracts, as discussed below.
- **Related instruction** – Classroom-style training complements the OJT and helps refine the technical and academic skills that apply to the job. Related instruction may be provided by colleges (2-year and 4-year), technical schools, apprenticeship training schools, or by the businesses themselves. Instruction may be provided at the school, online, or at the work site. Entities that carry out programs registered under the National Apprenticeship Act (29 U.S.C. 50 et seq.) qualify to be on the state Eligible Training Provider (ETP) Lists [TEGL 13-16; 20 CFR 680.330, 680.410, 680.450, & 680.470]. This training may or may not be supported with WIOA Title I-B contracts or ITAs, as discussed below.
- **Rewards for skill gains** – Apprentices are considered to be employed when they begin their RA training. Apprentices receive pay increases as their skills and knowledge increase. Progressive wage gains reward and motivate apprentices as they advance through training and become more productive and skilled in their jobs [TEGL 13-16].
- **National occupational credential** – Every graduate of a Registered Apprenticeship program receives a nationally-recognized credential, referred to as a Certificate of Completion, which is issued by the DOL or a federally-recognized State apprenticeship agency. Many programs offer interim credentials as apprentices master skills as part of a career pathway [TEGL 13-16].

The length of training and the skills and competencies required for mastery of an occupation are set by industry. RAs may be time-based and require a specific number of hours of OJT and related instruction. Programs may also be competency-based and reflect mastery of key skills, allowing workers to progress at their own pace. Some programs may be a hybrid of time-based and competency-based [TEGL 13-16].

#### **On-the-job training**

On-the-job training (OJT) contracts may be entered into with registered apprenticeship program sponsors or participants employers in registered apprenticeship programs for the OJT portion of the registered apprenticeship programs. When such contracts are written, all federal, state, and local

policies and guidelines concerning OJTs must be adhered to, including local policies concerning OJT reimbursements and the maximum allowable length of OJT assignments [20 CFR 680.330(d) & 740; TEGL 13-16]. See ADWS Policy No. WIOA I-B – 3.4 (*On-the-Job Training*) and local policies concerning OJTs for more information.

An OJT contract may be entered into with registered apprenticeship program sponsors or participating employers in registered apprenticeship programs for some or all of the OJT portion of the registered apprenticeship program, consistent with the guidelines of this policy [TEGL 19-16]. Depending on the length of the registered apprenticeship and local policies, the OJT may last for some or all of the registered apprenticeship training [20 CFR 680.740(a)].

Even though the cost of training may be subsidized by WIOA funds, a participant in a RA is considered to be employed [TEGLs 10-16 & 13-16].

#### Related instruction

ITAs may be used to support the related instruction component of the registered apprenticeship for eligible apprentices [20 CFR 680.330(a); TEGL 13-16]. Registered apprenticeship programs automatically qualify to be on a State's eligible training provider list (ETPL) [20 CFR 680.330 & 680.450(b)], although each must consent to be on the list [20 CFR 680.470(a)]. See 20 CFR 680.330 for more information concerning the process for a program's being put on the list and for being removed from the list. For more information concerning ITAs, see ADWS Policy No. WIOA I-B – 3.3 (*Occupational Skills Training*).

### **Eligibility of Participant for Registered Apprenticeship Program**

To be eligible for RA, the individual must first qualify for the respective WIOA Title I-B program: Adult, Dislocated Worker, or Out-of-school Youth (In-school Youth will be discussed in the pre-apprenticeship program below) [TEGL 19-16]. General eligibility information is listed in ADWS Policies No. WIOA I-B – 2.3 (*Eligibility for Adult Program*), 2.4 (*Eligibility for Dislocated Worker Program*), and 2.6 (*Eligibility for Out-of-School Program*).

Adults and Dislocated Workers must also meet eligibility requirements for training services, listed in ADWS Policy No. WIOA I-B – 3.1 (*Services for Adults and Dislocated Workers*) and summarized below for RA:

- Be determined after an interview, evaluation, or assessment, and after career planning that the individual,
- Is unlikely or unable to obtain or retain employment that leads to self-sufficiency, or wages comparable to or higher than wages from previous employment, through career services alone;
- Is in need of training services to obtain or retain employment leading to self-sufficiency, or wages comparable to or higher than wages from previous employment; and
- Has the skills and qualifications to participate successfully in training services criteria [WIOA § 134(c)(3)(A)(i)(I); 20 CFR 680.210(a) & 680.220(a); TEGL 19-16].

The case file must contain a determination of need for training services as determined through the interview, evaluation, or assessment, career planning using local labor market information and training provider performance information, or other career service received. If career services are not provided

before training, the case manager must document the circumstances that justified the determination to provide training without first providing career services [20 CFR 680.220(b)].

A contract for the OJT portion of a RA may be written for an unemployed individual as long as the general and training eligibility requirements are met and the employer and the contract meet the guidelines in ADWS Policy No. WIOA I-B – 3.4 (*On-the-Job Training*) and the local OJT policies.

When an OJT contract is written for an employed worker to participate in a registered apprenticeship program, eligibility requirements for employed workers must be met. This means that if the apprentice is employed at the time of participation in the OJT:

- (a) He or she must not be receiving a wage leading to self-sufficiency (or wages lower than wages from previous employment) before the OJT contract;
- (b) He or she must expect to receive a wage leading to self-sufficiency (or wages comparable to or higher than wages from previous employment) because of the OJT, and
- (c) The OJT must be related to the introduction of new technologies, introduction to new production or service procedures, upgrading to new jobs that require additional skills, workplace literacy, or other appropriate purposes identified by the LWDB [20 CFR 680.210, 680.720, & 680.740].

For the purpose of determining eligibility for workplace training or services, “employment status” is determined at the time of eligibility determination for the training, and is defined in ADWS Policy No. WIOA I-B – 1.2 (*Definitions*). Note that an individual who is in the military, is in a Registered Apprenticeship program, or is self-employed is considered as employed [TEGLs 10-16 & 13-16].

The Final Rule makes no distinction between an applicant who is working at another location and wants WIOA help to enter an RA and an applicant who is already participating in an RA and wants WIOA assistance to continue. However, an applicant or participant who is employed in RA training at the time of application is usually either working in a job that leads to self-sufficiency, or the RA job does not lead to a job that provides economic self-sufficiency because it is the same job. Therefore, that applicant/participant does not qualify for WIOA Title I-B training, and supportive services cannot be given unless the participant is participating in a WIOA Title I-B-approved activity or service. If the applicant does not qualify for a particular service, then it is not a WIOA Title I-B-approved service for that person.

Customized training has the same guidelines for employed workers as OJT, but incumbent worker training may be an option for upskilling apprentices who already have an established working/training relationship with the RA program [TEGL 19-16]. See ADWS Policy No. WIOA I-B – 3.6 (*Incumbent Worker Training*) for more information.

### **Allowed Assistance for Apprenticeship Programs**

Supportive services may be provided for participants in RA and who demonstrate a need for such services [20 CFR 680.330(b); TEGL 13-16]. See ADWS Policy No. WIOA I-B – 3.9 (*Supportive Services*) for eligibility requirements and more information.

There is conflicting information in the Final Rule and TEGL 13-16 concerning providing needs-related payments for individuals participating in RA. 20 CFR 680.330(c) specifically states that needs-related payments may be provided to adults and dislocated workers in registered apprenticeship programs, as

described in 20 CFR 680.930 – 970. 20 CFR 680.940 -950 state that needs-related payments may not be provided to employed participants. TEGs 10-16 and 13-16 state that participants in registered apprenticeship programs are considered to be employed from the first day of their RA training. Because of this conflict, it is recommended that local areas not give needs-related payments to individuals in registered apprenticeship programs.

## Youth

Local programs must make each of the 14 Program Elements available, as appropriate, to youth who have the skill level, academic level, and interest to participate in that activity [20 CFR 681.460]. Pre-apprenticeship is a category of Program Element 3, work experience [WIOA § 129(c)(2)(C)(ii); 20 CFR 681.460(a)(3)(ii)]. Local programs have the discretion to determine what specific program services a youth participant receives, based on each participant's objective assessment and individual service strategy [20 CFR 681.460(b)]. See ADWS Policy No. WIOA I-B – 3.2 (*Services for Youth*) for more information.

A pre-apprenticeship is a program designed to prepare individuals to enter and succeed in a registered apprenticeship program. It includes the following elements [20 CFR 681.480].

- Training and curriculum that aligns with the skill needs of employers in the economy of the State or region involved
- Access to educational and career counseling and other supportive services, directly, or indirectly
- Hands-on, meaningful learning activities that are connected to education and training activities, such as exploring career options, and understanding how the skills acquired through coursework can be applied toward a future career
- Opportunities to attain at least one industry-recognized credential
- A partnership with one or more registered apprenticeship programs that assists in placing individuals who complete the pre-apprenticeship program in a registered apprenticeship program.

Pre-apprenticeship programs provide gateways to RA. The requirement that 20% of youth funds must be spent on paid and unpaid work experiences that have academic and occupational education components may include pre-apprenticeship programs [TEGL 13-16].

As with registered apprenticeship programs, ITAs may be used to support the related instruction component of the pre-apprenticeship program for Out-of-school Youth [20 CFR 680.330(a)]. Before pre-apprenticeship programs may receive WIOA Title I-B funds, they must be on the State eligible training provider list (ETPL). Pre-apprenticeship programs are not automatically on the ETPL, as registered apprenticeship programs are, but pre-apprenticeship programs may follow the Arkansas State process to be included on the list [20 CFR 680.470(f)].

Registered apprenticeship programs also provide the required occupational and academic component required for Program Element 3 [TEGL 21-16]. Out-of-school Youth may participate in RA [TEGL 13-16]. Although OJT is a training service for Adults/Dislocated Workers and a work experience for Youth, the guidelines and policies for both are the same [20 CFR 681.600(c)(4)]. Each youth who has been determined eligible either as an In-school Youth or an Out-of-school Youth may receive OJT if appropriate, as

determined by the local area. OSY may also receive ITAs for the occupational training part of RA [20 CFR 681.550; TEGL 21-16].

All Youth may receive supportive services, as needed, appropriate, and within local policies, as Program Element 7 [WIOA § 129(c)(2)(C); 20 CFR 681.460 & 681.570]. See ADWS Policy No. WIOA I-B – 3.9 (*Supportive Services*) for more information.