

The Institute for American Apprenticeships at Vermont HITEC (IAA) appreciates the opportunity to provide public comments on the proposed authority to conduct the voluntary information collection request (ICR) titled, “Industry-Recognized Apprenticeship Programs (IRAP) Accrediting Entity Information.” For almost two decades, IAA has acted as a workforce intermediary and USDOL Register Apprenticeship sponsor on behalf of its employer-partners. The following comments represent a consolidation of feedback received from IAA’s advanced manufacturing employer-partners, including Hypertherm, Lockheed-Martin, IBM, and EmployBridge.

PLEASE NOTE that the terms “accredit”, “accrediting”, “accreditation”, “accredited” and the terms “certify”, “certifying”, “certification”, “certified”, are used interchangeably to mean one and the same, respectively.

The Information Collection Request (ICR), if approved, will enable the Employment and Training Administration (ETA) to collect essential data under Training and Employment Notice (TEN) No. 3-18 concerning the operational characteristics of certain industry-recognized apprenticeship programs. The TEN proposes a process for certifying entities to request a favorable determination from the Department concerning their qualifications to act as a qualified certifier to approve industry-recognized apprenticeship programs. It should be noted that there has been a significant amount of additional information provided regarding IRAP since the PRA request for comment was originally made, and DOL may want to extend the period of comment to include this information as part of the public record.

1. **Potential conflicts of interest:** The TEN presents several instances that could result in significant conflict of interest among certifiers and the programs they are to approve and monitor. Is the certifiers’ role to serve as an honest broker for approving programs? Can certifiers develop their own curriculum that they then subsequently self-approve? If they are permitted to approve their own programs, who monitors and evaluates their performance? Can certifiers charge fees for certifying programs? It would be helpful for the Department to provide additional clarity and detailed guidance regarding possible conflicts of interest scenarios. The TEN presents several instances that are unclear regarding the role of the certifier and the other apprenticeship partners, raising additional questions in need of clarification and potential conflicts of interest. For example: Can a certifier also serve as a training provider? Can the certifier approve their own training program? Is this a conflict of interest? Who serves as the program sponsor? What are the roles of the employer and other partners?
2. **Welfare of apprentices:** It is unclear from the TEN who is responsible for safeguarding and protecting the welfare of apprentices regarding safety on the job, wages, EEO, and other program quality issues. It would be helpful for the Department to clarify the process if an approved IRAP program does not meet the requirements in these areas, and the responsibility of the certifier, or the Department, to intervene, address, or resolve these issues. Clarity on these issues would provide useful information in the application decision making process of potential certifiers.
3. **Relationship between IRAP and RA:** The TEN specifically states “An Industry-Recognized Apprenticeship program may choose to become a Registered Apprenticeship

program as long as it meets the standards and requirements in 29 CFR part 29, and an existing Registered Apprenticeship program may also seek industry recognition through a certifier.” It would be helpful for DOL to specifically state that all DOL RA Programs meet or exceed the requirements to be certified as an IRAP, or in the alternative, DOL should allow agnostic-industry IRAP certifiers to exist for the sole purpose of certifying DOL RA programs as IRAPs.

4. **The Certifying Entity Application Form:** This form will be used to become DOL recognized certifiers. Overall, there appears to be a significant amount of administrative overhead/burden that will be placed on an IRAP certified entity. In additional, here are specific comments on the following sections of this form:
- *Section I – Certifying Entity Identifying Information. - Number of Certifications awarded to Graduating Apprentices by Occupation/Program(s).* In this sub-section there appears to be a “catch-22” situation created since an Entity applying to be a Certifier of IRAP must show in their application that it has at least two (2) cohorts of apprentices who have successfully graduated from an apprentice program. Does this mean that the applicant currently must have a Registered Apprenticeship program with either the USDOL OA or a SAA? Is this not then restricting those Entities who would want to be IRAP certifier to those Entities that currently have Registered Apprenticeship programs? Since an IRAP Entity could be any organization, as stated in the first part of the form, this sub-section would seem to limit Entities who would be eligible to apply to those who can show successful apprenticeship programs. In the alternative, besides Registered Apprenticeship programs, what other apprenticeship programs would the DOL OA consider that lead to “Graduating Apprentices?” This may cause confusion.
 - *Section II – Operational Information Concerning the Industry-Recognized Apprenticeship Programs to be Evaluated by the Certifying Entity.*
 - C. Paid Work Component – This section “provides oversight of the industry-recognized programs it certifies, including the evidence your organization will require that such programs pay apprentices at least the minimum wage...” This requires employers who want to implement an IRAP to submit to the IRAP Credential Entity 'evidence' that they are paying the apprentice minimum wage. This may place an undue burden on the company to provide such wage information to an IRAP Entity who may also be a NGO, and would potentially raise Human Resource (HR) challenges, not to mention wage information which employers many times use as a competitive advantage over others in the industry.
 - G. EEO Requirements - This section raises many types of concerns/issues: “The policies and procedures that your organization will adopt to verify the industry-recognized apprenticeship programs it certifies adhere to all applicable Federal, state, and local laws and regulations pertaining to Equal Employment Opportunity (EEO).” If an IRAP entity certifies Company X's IRAP program and then is responsible to 'verify' Company X's program adheres to all local, state, federal EEO laws and regulations, how is that going to happen? Is the IRAP entity going to visit the Company to ensure all applicable EEO statements are displayed? Will the IRAP entity review the Company's EEO policies and procedures to ensure the company meets all local, state and federal laws and regulations? Will the IRAP entity arbitrate

any grievances an IRAP apprentice may have against the Company? There are many unanswered questions.

5. **IRAP and its relationship to 29 CFR Part 29:** The TEN states that “there will be no requirement that industry-recognized apprenticeship programs either register with the Department under the existing procedure outlined in 29 CFR Part 29, or with State Apprenticeship Agencies. However, as noted previously, the Department intends to propose at a later date a revised version of the regulation at 29 CFR Part 29 that will, among other things, establish guidelines and requirements for certifiers, and that may also enable expedited and streamlined registration for industry-recognized programs under the existing Registered Apprenticeship framework.” Before employers can fully weigh in on one piece of the IRAP process and/or start to take steps to implement IRAPs, they must be able to see all the pieces and how they interconnect or potentially conflict.
6. **Reporting of IRAP data:** As stated in the TEN, there will be the “development of a voluntary reporting and information collection vehicle” called the Industry-Recognized Apprenticeship Programs Certifying Entity Information, which “establishes more specific guidelines or requirements that qualified entities must follow to ensure that the industry-recognized apprenticeship programs they certify meet quality standards.” Will this reporting vehicle also require the sponsoring employers to provide the information which is different from the information employers are now providing and being captured in RAPIDS? If the reporting database and process is different from the existing RA process, it is important for the employers to understand as this may put an additional administrative burden and cost on the employers to implement IRAPs.
7. **Administration and costs of IRAPs:** The proposed estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used, seems underestimated. The requirements for the proposed application process rightly calls for extensive knowledge in multiple areas such as industry sector knowledge, worker safety requirements, EEO and related policies and procedures at the local, state, and federal levels, which will require extensive expertise and a significant amount of research and information collection. The proposed certifier application process seems burdensome and calls for extensive preparation for submission documents. Who will be covering cost of certifying programs? The annual estimates for the burden of collection of information was stated at 6,980 hours, and assuming for example 308 respondents (based on AAI grant apps) would equal \$798,857, plus perhaps \$1M for federal government to monitor and review. Will employers be responsible for bearing these costs as part of their participation and as sponsors of IRAPs?

Under the existing RA system there are no costs or fees to approve and register apprenticeship programs from DOL or State Apprenticeship Agencies. The TEN and accompanying documents are silent on whether a certifier in the proposed IRAP program will be permitted to charge a fee for the service of certification. Many certifying bodies do. Is it the Department’s intent to allow certifiers to charge fees for these services? The Department should provide general expectations regarding the ability to assess fees to approve programs. Charging fees to approve apprenticeship programs could present a significant burden to employers and could add costs to the US system of apprenticeships that presently don’t exist. Fees for certification could also impact the ability of small and medium sized business to participate in apprenticeship. DOL should provide clarity and

guidance on the ability of IRAP certifiers to charge fees and, if so, what is the estimated impact of fees on employers and program providers.

8. **Roles of certifiers and other partners:** The TEN states that “Eligible entities include national certification and certification bodies, trade and industry groups, companies, nonprofit organizations, unions, joint labor-management organizations, and others.” Having such a large spectrum of certifiers, especially those that compete against each other, may make the process of providing “objective, impartial” evaluations difficult. This overview is confusing and requires the role of “third parties” to be clarified by the Department. Is the apprenticeship program developed by third parties, or certified by third parties? Can the certifier also develop the program that is requesting approval? Can the certifier provide the related technical instruction? Or, is the certifier’s role only to endorse, approve or certify another party’s application?
9. **General comment on IRAP related to funding for sponsors:** The emerging requirements for the certifiers and the fact that the USDOL will continue to refine guidelines, leaves employers hesitant to jump into IRAP vs continuing to pursue RA at this time. Employers now find it necessary to be directly involved in conversations to help the continued shaping of the guidelines. The key is that we are willing to do RAs and will participate in IRAP if funding opens up for IRAP; if IRAP is added to same funding sources there will be lots of competition; there are no dollars allocated for IRAP today except in form of the DOL FOA on Scaling Apprenticeships, which is not limited to IRAP. Having employers directly shape this strategy will ensure that if employers have additional programs that are not yet registered, but want to capitalize on funding, we can assist in the design of how this can happen.

Duplicity of Systems

There is an existing registered apprenticeship program in the agency that is authorized by the National Apprenticeship Act of 1937 and outlined in 29 CFR Part 29 and 30 that already provides a rigorous process for ensuring quality apprenticeship programs. The IRAP program approval seems to be a duplicative and potentially costly process on top of an existing system that currently meets the need of thousands of employers and workers. We urge the Department to consider streamlining the existing RA system under 29 CFR Part 29, rather than creating an entirely new IRAP process that could add burden to employers, certifiers, and other partners who participate in apprenticeship program development.

Respectfully submitted,

Gerald P. Ghazi, J.D.
Board Chair & President

INSTITUTE FOR AMERICAN APPRENTICESHIPS (IAA)
Vermont HITEC, Inc.
501(c)(3) Non-profit Education Center
156 Commerce Street | P.O. Box 1548 | Williston, VT 05495
Cell: 802.363.7985 | Telephone: 802.872.0660 | Fax: 802.872.0661
E-mail: gerry.ghazi@vthitec.org | Website: www.vthitec.org.