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*Congressional Research Service*

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# Apprenticeship in the United States: Frequently Asked Questions

## **Abstract**

Apprenticeship is a job training strategy that combines on-the-job training with related instruction, typically provided in a classroom setting. This report answers frequently asked questions about apprenticeship and the federal activities that support this training approach.

This Frequently Asked Questions (FAQ) report focuses on the Registered Apprenticeship system, through which the U.S. Department of Labor (or a recognized state apprenticeship agency) certifies a program as meeting federal requirements related to duration, intensity, and benefit to the apprentice. Historically, the federal role in apprenticeship has primarily involved regulation and oversight. In recent years, federal funds have been made available to support the development and expansion of apprenticeship programs. There are also several established federal funding streams in which apprenticeship is an allowable, but not required, use of funds.

## **Keywords**

apprenticeship, job training, federal funding, instruction

## **Comments**

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# Apprenticeship in the United States: Frequently Asked Questions

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## Summary

Apprenticeship is a job training strategy that combines on-the-job training with related instruction, typically provided in a classroom setting. This report answers frequently asked questions about apprenticeship and the federal activities that support this training approach.

This Frequently Asked Questions (FAQ) report focuses on the Registered Apprenticeship system, through which the U.S. Department of Labor (or a recognized state apprenticeship agency) certifies a program as meeting federal requirements related to duration, intensity, and benefit to the apprentice. Historically, the federal role in apprenticeship has primarily involved regulation and oversight. In recent years, federal funds have been made available to support the development and expansion of apprenticeship programs. There are also several established federal funding streams in which apprenticeship is an allowable, but not required, use of funds.

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## **Background and General Information**

### **What is apprenticeship?**

Apprenticeship is a workforce development strategy that trains an individual in a specific occupation using a structured combination of on-the-job training and related instruction. Related instruction is usually conducted in a classroom setting.

### **What are Registered Apprenticeships?**

Registered Apprenticeships are apprenticeship programs that have been certified (“registered”) by an applicable government agency as meeting specified standards. In 25 states, the registering agency is the federal Office of Apprenticeship (OA) at the Department of Labor (DOL). In the remaining 25 states, a state apprenticeship agency (SAA) is responsible for registering programs that meet federal standards.<sup>1</sup> After registration, apprenticeship programs are subject to ongoing oversight from the applicable state or federal agency.

### **How are State Apprenticeship Agencies recognized?**

SAAs must go through a recognition process with the U.S. Department of Labor.<sup>2</sup> Once recognized by DOL, SAAs have the authority to approve and register apprenticeships.

Among other requirements, a prospective SAA’s application to DOL must include a description of the basic standards, criteria, and requirements for apprenticeship program registration and/or approval. An SAA must demonstrate its alignment and coordination with the state’s economic development strategies and federally funded workforce system. An SAA must also partner with a State Apprenticeship Council (SAC). The SAC must consist of an equal number of representatives of employer and employee organizations.

### **What occupations use Registered Apprenticeships?**

Regulations define an apprenticeable occupation as an occupation that is specified by industry and which must

- involve skills that are customarily learned in a practical way through a structured, systematic program of on-the-job supervised learning;
- be clearly identified and commonly recognized throughout an industry;
- involve the progressive attainment of manual, mechanical, or technical skills and knowledge which, in accordance with the industry standard for the occupation, would require the completion of at least 2,000 hours of on-the-job learning to attain; and
- require related instruction to supplement the on-the-job learning.<sup>3</sup>

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<sup>1</sup> State apprenticeship agencies are approved by DOL. The District of Columbia and Guam operate SAAs. In Puerto Rico and the U.S. Virgin Islands, DOL operates an Office of Apprenticeship. For a complete list of SAAs and federally run state offices, see <https://www.doleta.gov/OA/contactlist.cfm>.

<sup>2</sup> For more detailed information on the recognition process for SAAs, see 29 C.F.R. 29.13.

<sup>3</sup> See 29 C.F.R. 29.4.

DOL publishes a list of more than 1,000 occupations in a variety of industries that can register an apprenticeship.<sup>4</sup> In practice, the occupations with the largest number of apprentices tend to be in the skilled trades and construction. In FY2014, the three occupations with the largest number of apprentices were electrician, carpenter, and plumber.<sup>5</sup>

## **How long do Registered Apprenticeships last?**

The durations of Registered Apprenticeships vary, though the Office of Apprenticeship has stated that the most common length is four years.<sup>6</sup> After completing a Registered Apprenticeship, the apprentice receives a Certificate of Completion of Apprenticeship, which is a nationally recognized credential.

## **How many Registered Apprenticeships are there?**

In FY2014, DOL reported approximately 410,000 active apprentices in about 19,000 active Registered Apprenticeship programs. These data include approximately 95,000 active apprentices in the United Services Military Apprenticeship Program who are active duty members of the Armed Forces.<sup>7</sup>

These data are limited to apprenticeships that are registered with the federal government or a federally approved SAA. There are likely other workforce programs that combine on-the-job training and related instruction but do not meet Registered Apprenticeship requirements or otherwise have not registered with a certifying agency. There is no systematic way to track the prevalence or characteristics of these “unregistered” programs.

## **Standards and Registration Process**

### **What are the standards of a Registered Apprenticeship?**

Regulations establish a set of standards that must be met for an apprenticeship to be registered. Apprenticeship sponsors establish compliance with these standards through a written plan. Provisions of the plan include<sup>8</sup>

- standards for the on-the-job component of the program (a time-based approach of at least 2,000 hours, a competency-based approach, or a hybrid of the two);
- an outline of the work processes in which the apprentice will receive supervised work experience and the time spent on each process;
- a description of at least 144 hours per year of related instruction in technical subjects related to the occupation;<sup>9</sup>

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<sup>4</sup> See the full list at <http://www.doleta.gov/OA/occupations.cfm>.

<sup>5</sup> U.S. Department of Labor, “Federal Data: Top 25 Occupations for Fiscal Year 2014,” [http://doleta.gov/oa/data\\_statistics.cfm](http://doleta.gov/oa/data_statistics.cfm).

<sup>6</sup> See Department of Labor, “Registered Apprenticeship FAQs,” <http://www.doleta.gov/oa/faqs.cfm>.

<sup>7</sup> See “Registered Apprenticeship National Results, Fiscal Year 2014,” [http://doleta.gov/oa/data\\_statistics.cfm](http://doleta.gov/oa/data_statistics.cfm).

<sup>8</sup> For full standards, see 29 C.F.R. 29.5. Standards listed in this report emphasize programmatic aspects. Part 29.5 also includes a number of administrative requirements.

<sup>9</sup> Tuition and other expenses related to classroom instruction can be paid by the apprentice or the program sponsor.

- a description of periodic review of the apprentice’s performance on the job and in related instruction;
- a schedule of progressively increasing wages for the apprentice with an entry level that is at least minimum wage;
- establishment of a probationary period that does not exceed 25% of the length of the program or one year, whichever is shorter;
- provision of safety training and assurance of safe equipment and facilities for on-the-job training as well as related instruction; and
- recognition of successful completion through a certificate issued by the registration agency.

## **How does the registration process work?**

To register an apprenticeship program, a sponsor submits a written description of its apprenticeship program for a specified occupation to the applicable state or federal registration agency. The registration agency then determines if the occupation is eligible and if the program is in compliance with the standards of apprenticeship.

If the program meets the regulatory standards, it is given provisional approval for one year. After one year, the registration agency may make the approval permanent or it can continue provisional approval for the remainder of the first training cycle. If the program is not meeting its regulatory requirements after the provisional year, it can be recommended for deregistration.

## **Federal Support for Apprenticeship**

### **What federal agencies support Registered Apprenticeship?**

The primary federal actor in apprenticeship is OA, which is part of DOL. OA is not specifically authorized in statute, but it carries out DOL’s responsibilities to protect the welfare of apprentices, as established by the National Apprenticeship Act of 1937.<sup>10</sup>

OA’s primary responsibilities are approving new apprenticeships, ensuring compliance in existing apprenticeships, performing outreach to new sponsors, and providing technical support for sponsors developing programs. OA receives an annual appropriation for operating costs. FY2016 appropriations were about \$34 million.

### **What federal funding directly supports apprenticeship?**

Historically, dedicated federal support for apprenticeship programs has been limited to appropriations for OA and an annual appropriation of approximately \$1 million to support the Women in Apprenticeship and Non-Traditional Occupations Act (WANTO, P.L. 102-530).<sup>11</sup>

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<sup>10</sup> 29 U.S.C. 50 et seq. The National Apprenticeship Act is also known as the Fitzgerald Act. It has been subject to very limited revision since its enactment in 1937.

<sup>11</sup> This funding supports technical assistance to employers and labor unions to assist them in placing women in apprenticeable occupations and occupations where women make up less than 25% of the workforce. For more information on the WANTO program and recent uses of its funding, see its subsection in the Training and Employment Services section of the FY2016 DOL Budget Justification, <http://www.dol.gov/dol/budget/2016/PDF/CBJ-2016-V1-04.pdf>, beginning on page TES-121.



In recent years, however, dedicated federal funds have been made available to support the development and expansion of apprenticeship programs:

- In December 2014, DOL solicited applications for competitive American Apprenticeship Grants. Approximately \$175 million in grants were awarded in September 2015.<sup>12</sup> The grants were funded by immigration visa fees, not congressional appropriations.<sup>13</sup> The grants supported the development and expansion of apprenticeship programs, with emphasis on industries that utilize skilled foreign labor, such as information technology and healthcare.<sup>14</sup>
- In FY2016, the Consolidated Appropriations Act of 2016 (P.L. 114-113) appropriated \$90 million to “expand opportunities relating to apprenticeship programs registered under the National Apprenticeship Act, to be available to the Secretary to carry out activities through grants, cooperative agreements, contracts and other arrangements, with States and other appropriate entities[.]”

## What other federal programs may support Registered Apprenticeship?

There are several federal programs in which supporting apprenticeship is an allowable use of funds.<sup>15</sup> In many cases, these programs support the related instruction portion of the apprenticeship program. At present, funding related to Registered Apprenticeship is a relatively small portion of these programs’ budgets.

- *Federal workforce development funds* support a group of coordinated programs that support training and employment services.<sup>16</sup> These funds are granted to states and subgranted to local workforce boards. Training decisions are made at the local level. Allowable uses of federal workforce funds include paying for an apprentice’s related instruction, reimbursing an employer for a portion of the wages paid to a worker during on-the-job training, and providing placement assistance for an apprentice who completed a program.
- *Federal student aid* provides financial assistance to individual students to assist in covering costs related to postsecondary education. Apprentices who are eligible for need-based Pell grants can use those funds for tuition, books, and other costs associated with the related instruction portion of a Registered Apprenticeship program if the apprentice is enrolled in an eligible certificate or degree program. Apprentices may also qualify for Federal Work Study funds in some circumstances.

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<sup>12</sup> For more information, including information on funded projects, see <http://www.dol.gov/apprenticeship/grants.htm>.

<sup>13</sup> A portion of the fees associated with certain immigration visas supports workforce development activities. This program is authorized by Section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 (ACWIA), as amended (29 U.S.C. 3224a).

<sup>14</sup> The full grant solicitation is available at <https://www.doleta.gov/grants/pdf/FOA-ETA-15-02.pdf>.

<sup>15</sup> For a more detailed description of these uses, see *The Federal Resources Playbook for Registered Apprenticeship* at <http://www.doleta.gov/oa/federalresources/playbook.pdf>.

<sup>16</sup> The largest sources of federal workforce development funding are through the Workforce Innovation and Opportunity Act (WIOA). For more information on WIOA and the federal workforce system, see <http://www.doleta.gov/wioa/>.

- *Veterans Education benefits (G.I. Bill programs)* provide tuition assistance and a housing allowance for veterans who pursue postsecondary education.<sup>17</sup> Veterans enrolled in a registered apprenticeship may collect a portion of the G.I. Bill's housing allowance when enrolled. Veterans can also use the G.I. Bill tuition benefits to cover tuition for the related instruction portion of an apprenticeship program.

In some circumstances, funding from the Departments of Agriculture, Transportation, and Housing and Urban Development may also support apprenticeship.<sup>18</sup>

## **What other incentives exist for apprenticeship sponsors?**

Employers with Registered Apprenticeships may also receive distinct treatment in federal contracts. For example, workers enrolled in a Registered Apprenticeship program and employed on a federal construction project may not be subject to full prevailing wage requirements under the Davis-Bacon Act and related acts. In these circumstances, the apprenticeship sponsor must still comply with all apprenticeship requirements, including maintaining an approved journeyworker-to-apprentice ratio.<sup>19</sup>

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<sup>17</sup> For more information on the G.I. Bill, including its application to Registered Apprenticeship, see CRS Report R42755, *The Post-9/11 Veterans Educational Assistance Act of 2008 (Post-9/11 GI Bill): Primer and Issues*, by Cassandra Dortch.

<sup>18</sup> For more information on the funding streams in these departments, see sections 4-6 of *The Federal Resources Playbook for Registered Apprenticeship* at <http://www.doleta.gov/oa/federalresources/playbook.pdf>.

<sup>19</sup> For more information, see DOL Wage and House Division *Fact Sheet #66: The Davis-Bacon and Related Acts*, <http://www.dol.gov/whd/regs/compliance/whdfs66.htm> and specific directives related to wage rates for apprentices and trainees at <http://www.dol.gov/whd/programs/dbra/faqs/trainees.htm>.