Task Force on Apprenticeship Expansion
Minutes from the Third Meeting
March 15, 2018

Secretary of Labor R. Alexander Acosta, Chair of the Task Force on Apprenticeship Expansion (Task Force), convened the third meeting of the Task Force on March 15, 2018, at 1:00 pm eastern time. The meeting was held at the U.S. Department of Labor in Washington, D.C.

Welcome and Introductions

Secretary Acosta welcomed the Task Force members, designees, and members of the public. Secretary Acosta introduced the Vice-Chair of the Task Force, Secretary of Education Betsy DeVos, and noted that the other Vice-Chair, Secretary of Commerce Wilbur Ross, was running late. Secretary Acosta noted that this was the second in-person meeting of the Task Force and the third meeting overall for the Task Force.

- **Chair** – Secretary R. Alexander Acosta, U.S. Department of Labor
- **Vice-Chair** – Secretary Betsy DeVos, U.S. Department of Education
- **Vice-Chair** – Secretary Wilbur Ross, U.S. Department of Commerce

Task Force Members and Designees in the Meeting

- Michael Bellaman, President and CEO, Associated Builders and Contractors
- Joshua Bolten, President and CEO, Business Roundtable
- Walter Bumphus, President and CEO, American Association of Community Colleges
- Wesley Bush, Chairman, CEO and President, Northrop Grumman
- Emily Stover DeRocco, Founder and CEO, E3 Engage Educate Employ
- Cari Dominguez, Director, Manpower Inc.
- Montez King, Executive Director, National Institute for Metalworking Skills
- Andrew Liveris, Chairman and CEO, Dow Chemical Company
- Katherine Lugar, President and CEO, American Hotel and Lodging Association
- John Ratzenberger, Workforce Training Advocate
- Mark B. Rosenberg, Board of Directors, Association of Public and Land-Grant Universities
- Joseph Sellers, Jr., General President, International Association of Sheet Metal, Air, Rail and Transportation Workers
- Jay Timmons, President and CEO, National Association of Manufacturers
- *Robert Gifford, representing Dawn Sweeney, President and CEO, National Restaurant Association
- *Stephanie Groen, representing the Honorable Kim Reynolds, Governor, Iowa
- *William Irwin, Jr., representing Douglas J. McCarron, General President, United Brotherhood of Carpenters and Joiners of America
- *Ronald Marlow, representing Marc H. Morial, CEO, National Urban League
- Sean McGarvey, President, North America’s Building Trades Unions
- *Cheryl Oldham, representing Thomas J. Donohue, President and CEO, U.S. Chamber of Commerce
- *Patrick Weber, representing the Honorable Dennis Daugaard, Governor, South Dakota

*Task Force Member Designee
Task Force Plus Ones in the Meeting

- Brenezza DaParre Garcia, for Mark B. Rosenberg
- Carrie Houtman, for Andrew Liveris
- Tom Kriger, for Sean McGarvey
- Carolyn Lee, for Jay Timmons
- Dane Linn, for Joshua Bolten
- Joseph Powell, for Joseph Sellers, Jr.
- Gregory Sizemore, for Michael Bellaman
- Richard Wahlquist, for Cari Dominguez
- Shelly Weir, for Katherine Lugar
- Jennifer Worth, for Walter Bumphus

Government Officials and Federal Staff

- Rosemary Lahasky, Deputy Assistant Secretary, Employment and Training Administration and Task Force Designated Federal Official, U.S. Department of Labor
- Laurie Rowe, Senior Policy Advisor to the Secretary, Employment and Training Administration, U.S. Department of Labor
- Courtney Walter, Policy Advisor, Office of the Secretary, U.S. Department of Labor
- John Ladd, Administrator, Office of Apprenticeship, U.S. Department of Labor
- Joseph Plick, Counsel, Division of Management and Administrative Legal Services, Office of the Solicitor, U.S. Department of Labor
- David Langdon, Economist and Senior Policy Advisor, U.S. Department of Commerce
- Michael Wooten, Acting Assistant Secretary and Deputy Assistant Secretary in the Office of Career, Technical, and Adult Education, U.S. Department of Education

Opening Remarks

R. Alexander Acosta, Secretary of Labor

Secretary Acosta opened the Task Force meeting by saying that President Trump understands the mission of the Task Force well, and the mission is to identify strategies and proposals to promote apprenticeship programs, especially in those sectors where apprenticeship programs are insufficient. He said the Administration was excited to convene so many representatives from businesses, labor unions, trade and industry groups, nonprofit organizations, educational institutions, and public officials to design high-quality apprenticeship programs appropriate to each industry. Secretary Acosta said this is essential work, because as the nature of work changes, the United States must change its approach to preparing Americans for the workplace.

Secretary Acosta said that the Task Force would hear the recommendations from the remaining two subcommittees — the Access, Equity, and Career Awareness Subcommittee, and the Administrative and Regulatory Strategies to Expand Apprenticeship Subcommittee. He said the subcommittees have been hard at work identifying strategies and proposals to promote apprenticeships; he said that the experience and insights of the members of the Task Force have been invaluable. Secretary Acosta continued by saying that the Task Force membership is an incredibly diverse and varied group of individuals, and that is important because for the Task Force’s work to succeed, all stakeholders need to come together to change not only how we educate individuals, but how we talk about workforce education. He said we need to break down the silos that exist between traditional education and workforce education. Secretary Acosta recognized that the Task Force is proceeding with its work on an aggressive schedule, and its
work is incredibly important. He said, as the United States economy continues to grow, Americans must be provided with the opportunity to gain skills and knowledge. Secretary Acosta said he believes one can become a lifelong learner, and a lifelong earner, and the two should not be mutually exclusive.

**Betsy DeVos, Secretary of Education**

Secretary Acosta then recognized Secretary DeVos. Secretary DeVos thanked Secretary Acosta for his leadership and said it was a pleasure to work with him and Secretary Ross. She also thanked the Task Force members for their participation, adding that their perspectives are invaluable as the Task Force discusses the future of the United States, both economically, and from a national security perspective.

Secretary DeVos said she was pleased to see the Education and Credentialing Subcommittee present the work-and-learn continuum at the last Task Force meeting. She said the model serves as a reminder that many working adults cannot choose to either earn or learn. They need options to earn and learn simultaneously. Secretary DeVos continued, saying the earn-and-learn model recognizes the need to provide learners with choices, and the Task Force is taking an interesting step to expand these opportunities by crafting another earn-and-learn model, the Industry-Recognized Apprenticeship.

Secretary DeVos said Industry-Recognized Apprenticeships are one idea among many developed by the Task Force, and the idea has the potential to set a greater segment of the workforce on the pathway to skills, certifications, and credentials that are industry-relevant. She said the members of the Task Force have learned from several presentations. After today’s presentations, they will then begin the work of evaluating those recommendations.

Secretary DeVos continued, saying that while the focus may be on pursuing post-secondary options, the Task Force should keep in mind that pathways for future apprentices begin in K–12 education. She said we must consider how to better prepare students, and we must answer President Trump’s call to invest in individual students and expand education pathways to successful careers and fulfilling lives.

**R. Alexander Acosta, Secretary of Labor**

Secretary Acosta then shared the work that he and Secretary DeVos have been doing related to the infrastructure proposal. He said that part of the framework for the infrastructure proposal is to look at traditional education and workforce education and see where there are places of convergence. He said that Pell Grants have traditionally been limited to 600 hours for 16 credits, and under President Trump’s proposal, Pell Grants would be available for certificate programs as well. Secretary Acosta said that work-study has been limited, based on a funding formula that benefits institutions that have been receiving work-study for decades. One of the questions President Trump raised is whether the work-study program should be expanded more broadly, so that newer institutions correlated with workforce education skills can have better access to those work-study dollars.

Secretary Acosta said that one of the hallmarks of his relationship with President Trump is the recognition that education and workforce development are not isolated. He then thanked Secretary DeVos for her partnership.

Secretary Acosta reminded the Task Force that the Education and Credentialing Subcommittee and the Attracting Businesses to Apprenticeships Subcommittee presented their recommendations during the last Task Force meeting. He then recognized Ron Marlow from the National Urban League and Chair of the Access, Equity, and Career Awareness Subcommittee, to present the recommendations of the subcommittee.
Report from the Subcommittee on Access, Equity, and Career Awareness

Mr. Marlow thanked Secretary Acosta and Secretary DeVos and members of the U.S. Department of Labor staff for the federal support the subcommittee received, including Laurie Rowe, Kenya Huckaby, Daniel Villao, and Cierra Mitchell. Mr. Marlow also thanked the other members of the subcommittee, saying that they all came at the task from different places, but quickly “got on the same bus” and pushed towards the same objectives to meet the charge of the subcommittee.

Mr. Marlow said he would be as concise as possible, not at the sacrifice of substance, but in order to maximize the time for discussion. He said the subcommittee used the language of “meta-messages,” and it may make sense for the Task Force to view them as meta-strategies with tactics underneath those strategies to execute the agenda. Mr. Marlow clarified that the tactics are not exhaustive, but they are comprehensive. The members of the subcommittee look forward to continuing this work.

Mr. Marlow said that each of the three meta-messages applies to each of the “buckets” within the charge of the subcommittee.

1. **Career Awareness Meta-Message:** Build brand awareness of apprenticeship through a multifaceted campaign that promotes faster, more respected, and more diverse pathways to employment.
   - Use high-impact digital and social media vehicles that speak to multiple generations;
   - Promote apprenticeship as a positive earn-and-learn pathway that can benefit both new employees, as well as current employees seeking to move up career ladders;
   - Assess and align existing federal resources to promote apprenticeship; and
   - Identify and promote information on the monetary return on investment of employing and training American apprentices.

2. **Access Meta-Message:** Recognize and fund Industry-Recognized Apprenticeship as a model that creates and expands pathways of opportunity and incentivizes the utilization of an earn-and-learn model for both the employers and apprentices.
   - Streamline credit for prior learning and/or work experiences to accelerate the time to full employment;
   - Develop linkages for digital platforms and/or social media channels where employers and potential apprentices can more easily connect;
   - Promote the use of technology for all learners to access information about industry-approved apprenticeship programs early on in their education;
   - Use federal investments to specifically expand and support pre-apprenticeship activities in middle and secondary schools for career and technical education and/or other educational certificates; and
   - Examine and reduce barriers that exist around reciprocity.

At this point, Secretary Acosta mentioned that investments to expand and support pre-apprenticeship programs, especially in middle schools, was a suggestion by Secretary DeVos and himself in the pending infrastructure package. Secretary Acosta said that they are looking at how they might allow the Perkins Career and Technical Education Program to emphasize earn-and-learn experiences in middle schools and secondary schools.

Mr. Marlow resumed his presentation with the equity meta-message:

3. **Equity Meta-Message:** Equity is about ensuring that each American has equal access and opportunity to the benefits of apprenticeship and employment.
• Sponsors and/or certifiers should develop a comprehensive outreach plan to ensure equity and inclusion;
• Recommend a regulatory mechanism that is “substantially equivalent” to federal regulations at Federal 29 CFR covering (at a minimum) apprenticeship agreements; 29 CFR 29.12 Complaints and Complaint Resolutions; and equal employment opportunities;
• Deliberately identify and federally fund partners that will encourage the recruitment and enrollment of historically under-utilized persons as outlined in 29 CFR 30.6 and 30.7; and
• Responsibility should be vested principally with industry sponsors and/or certifiers and secondarily with the Office of Apprenticeship.

Michael Bellaman, President and CEO, Associated Builders and Contractors, said he would like to add some context as a member of the Access, Equity, and Career Awareness Subcommittee. He said the subcommittee wanted to work on inclusiveness, and the whole apprenticeship opportunity should be addressed in the context of career pathways for all Americans. Mr. Bellaman continued by saying that college career paths are promoted at the middle and high school levels, and when the Task Force talks about branding and funding, it is really about providing the same kind of promotion and branding for apprentice pathways that traditionally has been done around college career pathways.

Secretary Acosta thanked Mr. Bellaman for his comments. He sought additional clarification on the recommended regulatory mechanism that is substantially equivalent to 29 CFR, asking if the subcommittee is recommending the implementation of a regulatory mechanism for Industry-Recognized Apprenticeships.

Mr. Marlow said, based on information the subcommittee received from the U.S. Department of Labor staff, the Department’s guidance on Industry-Recognized Apprenticeship should embed the principles of 29 CFR. Secretary Acosta told Mr. Marlow that the Task Force and subcommittees operate independently from the U.S. Department of Labor, and that Department staff should not direct the subcommittee. He said that if staff members have done so, then he will need to have a discussion with them. Secretary Acosta then asked Mr. Marlow if Department staff had instructed him.

Mr. Marlow clarified that the U.S. Department of Labor staff explained that Industry-Recognized Apprenticeship is not governed by 29 CFR. As a result, we should not assume guidance would be embedded in 29 CFR. Also, whatever guidance comes out from the Department should be consistent in its guidance around issues of equity to communicate the principals of 29 CFR not only to industry sponsors and certifiers, but to all stakeholders. Secretary Acosta said that he understood.

Mr. Bellaman said there was significant conversation and debate among the subcommittee, and they decided to not ask for any kind of regulations. He said there was an understanding that an Industry-Recognized Apprenticeship system should have processes in place to consider issues like inclusiveness, attracting Americans from all backgrounds, and providing equal access regardless of location. Mr. Bellaman said the CFR is what the subcommittee had for a reference for issues like this, but the subcommittee is not suggesting that Industry-Recognized Apprenticeship Programs be compliant with the CFR.

Katherine Lugar, President and CEO, American Hotel and Lodging Association, said as a new adopter, the clarification on that point is important to her. In the hotel world, about 70 percent of the very well-known brand name hotels are often owned by small businesses. She continued by saying that one of the hindrances for those small businesses is trying to navigate the current system in terms of paperwork, and there are quite a few deterrents in the existing system. Ms. Lugar said many hotel owners love the
concept of apprenticeships, and that, of course, it needs to be done in a way that provides protections but also allows programs to be nimbler and more effective. She said she believes the apprenticeship model will take off “like wildfire” if those steps are taken.

Secretary Acosta said that he recently learned of a program that the University of Maryland is working on with one of the stakeholders at the table, in an industry where there is typically not a lot of diversity. Due to the partnership with the University of Maryland, they have found “a deep well of diversity” by engaging individuals early on in their academic careers, offering summer opportunities and mentorships, and earn-and-learn capacity. He said he very much wants to emphasize the equity and access aspects, which is why there is a subcommittee devoted to these topics. He continued, to the extent there is clarity on how we can emphasize equity and access in a way that works with the stakeholders at the table, one of the attractions of apprenticeships is that it provides opportunities to some individuals who otherwise would not have them. Secretary Acosta said he has a photograph in his office of a graduating class from the University of Maryland program, and it looks very different from a typical graduating class, which is a good thing.

Mr. Bellaman said rewarding and incentivizing equity and access is critical because there are so many people that have not had a similar opportunity. He said there are many stories out there, including those of people who may have been incarcerated and want to change their lives, and the Industry-Recognized Apprenticeship Program has the opportunity to incentivize, drive, optimize, and promote that change.

Mr. Marlow wrapped up his comments by saying that the subcommittee additionally recommends that identified and agreed-upon improvements to the Registered Apprenticeship system be pursued and implemented.

Subcommittee on Access, Equity, and Career Awareness Discussion

Secretary Acosta asked if there were any additional comments or questions.

Emily Stover DeRocco, Founder and CEO, E3 Engage Educate Employ, asked Mr. Marlow to clarify and identify the kinds of partners referenced in 29 CFR 30.6 and 30.7. Mr. Marlow said that there are no specific partners referenced in 29 CFR. However, partners exist, such as community-based organizations or others, with a track record of reaching historically underutilized populations, including women, people of color, people with disabilities, and veterans. These partners can ensure a place at the table in the Industry-Recognized Apprenticeship model, so those populations continue to be reached in meaningful ways.

Ms. DeRocco asked if the recommendation of the subcommittee is for those organizations to be partners or certifiers of Industry-Recognized Apprenticeship Programs. Mr. Marlow said the subcommittee envisioned them principally as partners but said they could be certifiers as well.

Secretary Acosta asked if any thought was given by the subcommittee to reentry programs, apprenticeships within institutions of incarceration, and whether the Task Force needs to reconsider if licensing inappropriately excludes some individuals, even when there is less of an issue with safety. Mr. Marlow said the subcommittee did not have a specific conversation about felons, ex-offenders, or returning citizens. He said he is familiar with the National Urban League’s Returning Employment Opportunities Program practices, and is aware that the Department awards about $80 million each year to intermediaries and stand-alone community-based organizations, working to bring more apprenticeship opportunities to the ex-offender population.

Secretary Acosta asked to take a short break from the discussion to allow Secretary Ross to give his opening statement as he had just arrived at the meeting.
Opening Remarks - Secretary Ross

Wilbur Ross, Secretary of Commerce

Secretary Ross thanked Secretary Acosta for his leadership and Secretary DeVos for her partnership on the Task Force. Secretary Ross said the recommendations presented so far reflect a true team effort from all Task Force members, their staff, and the staff at the U.S. Department of Commerce.

Secretary Ross said, as the Task Force enters its final weeks, it will look to its subcommittees for focused and actionable recommendations for a quick implementation, which will ensure labor shortages do not stall the vigorous economic growth President Trump’s policies are fueling. He said that the U.S. Department of Labor reported the creation of 313,000 jobs in February, and there was a three-tenths of a percent increase in labor force participation. He added that every major employment sector experienced job growth.

Secretary Ross attributed part of the increase in labor force participation to the apprenticeship programs being discussed by the Task Force, and he said that the United States is already beginning to see, particularly in manufacturing, some benefits of the programs that various companies have started, even before the recommendations of the Task Force come out.

Secretary Ross said the United States is seeing more companies open new factories and reshoring production come back to the country. Employment in construction increased by 61,000 in February, and building permits are up by 9.3 percent. He said that growth may compete with the infrastructure program the Administration hopes to get through the Congress, because both will create a demand for construction workers.

Secretary Ross said he was particularly glad to see Sean McGarvey, President of North America’s Building Trades Unions, at the Task Force meeting, because the increase in construction projects is going to be a burden on his organization. He continued by saying that is one of the reasons the Administration undertook the Section 232 investigation into steel and aluminum. He said this country cannot afford to lose worker skills, and once people have been out of work for some period of time, skills gradually evaporate. He said the existing Registered Apprenticeship system has more than half a million apprentices right now, and he recommended that the existing system be boosted to push American apprenticeships into the millions, not just the hundreds of thousands.

Secretary Ross said President Trump’s Executive Order makes clear that the time has come to give business more options through the new industry-recognized approach. He said the Task Force and the U.S. Department of Labor will successfully launch Industry-Recognized Apprenticeships, and that it is even more important in the context of ex-offenders, as Secretary Acosta mentioned, because employers especially, are going to need some sort of assurance to take on the risk. Secretary Ross said that it is an initiative of Jared Kushner, Senior Advisor to the President, to help ex-offenders reenter the labor force, and the work of the Task Force aligns well with that initiative.

Secretary Ross said President Trump’s infrastructure plan focuses on reducing regulatory burdens and streamlining the current federal permitting labyrinth, and a similar application should be core to our efforts to expand apprenticeships. He said he looks forward to hearing more from the Administrative and Regulatory Strategies to Expand Apprenticeship Subcommittee, saying the Administration must establish the right framework for business, education, and labor to partner and create new apprenticeship programs. He said it is essential that all agree on the underlying standards to give these groups the necessary space to creatively adapt this training model to individual key business sectors.
Secretary Ross said President Trump's policies have set the stage for growth, but the Federal Reserve, in its latest Beige Book, indicates that labor shortages might constrain our economy. He said although apprenticeships will not solve these shortages immediately, a stronger apprenticeship program is urgently needed — a system which our business leaders can rely upon and in which they can effectively participate.

Mark B. Rosenberg, Board of Directors, Association of Public and Land-Grant Universities, asked a question about the use of technology for all learners, stating that he is very comfortable with that because he sees a convergence between vocational and baccalaureate learning that is already happening. He then asked why the subcommittee is recommending federal investments to specifically expand and support pre-apprenticeship activities in middle and secondary schools, because ultimately a lot of learners at the post-secondary level, while they may be pursuing baccalaureate education, should be encouraged to also understand how career and technical education is a valid course for employment. Mr. Rosenberg wondered if it was an unnecessary segregation in the broader context of how our workforce is evolving in the 21st century. He said his experience is that there are many students at the baccalaureate level who ultimately will need career and technical education to be successful in their chosen work, and he worries that the Task Force may be unnecessarily limiting their ability to get that by the current regulatory framework that is in place, particularly as it relates to federal investments.

Mr. Marlow agreed that Mr. Rosenberg raised a good point, and the segregation embedded in the recommendation was a result of the make-up of the subcommittee and not having someone with that perspective to bring the point forward. He said as the Task Force engages in its full deliberations, absent pushback on Mr. Rosenberg's point from others, they should consider broadening that recommendation.

Secretary Acosta said an issue that continues to be a struggle is licensing and reciprocity. He said, not long ago, about one in 20 Americans needed a license to work. Today, a little less than one in three need a license to work. Secretary Acosta said the Federal Reserve of Minneapolis commissioned a study that concluded: about 1.6 million Americans have chosen to no longer work, because they have moved to a state that does not have reciprocity for a license. The Brookings Institute said the number is about three million Americans. Whatever the exact number, the conclusion is clear: because of the lack of reciprocity, there are highly-skilled Americans who are dropping out of the labor market because they cannot get reciprocity. He said this is particularly an issue for military spouses or in cases where a family moves because one spouse has a job opportunity and the other spouse now can’t work because he or she is licensed in the other state. He said traditionally this has been a state issue, but, in his opinion, licensing is going in the wrong direction. Secretary Acosta noted an example of a city that recently called for the licensing of dog walkers, whereas babysitters in that city do not need a license. Secretary Acosta said it is easy to say we need to reduce barriers around reciprocity, but it would be helpful to get specific ideas as to the proper federal role.

Mr. Marlow said, in his experience, most governors, when they become aware of the barriers in their own states that frustrate economic development and economic growth objectives, tend to then embrace efforts to figure out strategic ways to mitigate those barriers and/or eliminate them. He continued by saying that as part of the effort around apprenticeship, many of the governors of the National Governors Association have embraced expanding apprenticeship and have thought of ways to expand it on their own. Mr. Marlow said that he believes that when governors are told something that they can tangibly do in their state to eliminate or greatly mitigate barriers to economic growth, many of them will be on board.

Secretary Acosta said that although he agrees the governors are often in agreement, it is the individual state legislatures that are often the obstacle. He added that as an issue of equity; $1,000 for a license in a new state is a lot of money for many people.
Mr. Marlow said that Massachusetts, historically a “blue state,” had Republican governors who were very effective at getting the legislature to understand the wisdom of smart tax policy, smart regulatory policy, and the elimination of barriers that were built up over time. He said he believes governors can be the “cheerleaders,” and no legislature wants to stand in the way of economic growth or development. He puts his faith in the evangelism of sound information. Mr. Marlow added that whether it is 1.6 million or three million people taken out of the workforce due to lack of reciprocity between state licensing, it is a lot of people on the bench who may otherwise be active in the labor market, paying taxes, and helping to spur economic growth.

Jay Timmons, President and CEO, National Association of Manufacturers, said that he worked for a governor at one point, and one barrier to reciprocity is a budgetary concern – many states feel strongly that having a cost associated with getting a license or certification in their state is a revenue enhancement. Mr. Timmons suggested that Secretary Acosta have a conversation with Scott Pattison, Executive Director of the National Governors Association, to encourage the National Governors Association to set up a program encouraging state-to-state compacts that would allow the states to take this on themselves. Mr. Timmons said there may be some that opt out, but he agrees with Mr. Marlow that when the economic development argument and growth arguments are made, the governors will sign onto it.

Secretary Ross said the Task Force will get farther with states if they focus on the portability of licenses and “carve out” the lawyers. He said the problem started with lawyers, many of whom are legislators, trying to protect their local satrapies. Secretary Ross said the Task Force will need to fine-tune the proposal it takes to the states to reflect the people they are really trying to help.

Joseph Sellers, Jr., General President, International Association of Sheet Metal, Air, Rail and Transportation Workers, thanked the subcommittee and said it was nice to see brand awareness of apprenticeships and apprenticeship programs. Mr. Sellers said he is glad to see the recommendation to use social media outlets to get that message out to different generations. He added that the committee should know it cannot just use employer incentives to expand apprenticeships. Mr. Sellers said it’s the “roll your sleeves up type of work” that has to be done. He said sustaining a program takes ongoing skills and added it also includes K–12 education, but many counselors aren’t aware of apprenticeship. He said engaging K–12 education and colleges, whether community colleges or four-year colleges, takes a strong commitment; it takes workforce development, which means encouraging diversity within those sectors.

Andrew Liveris, Chairman and CEO, Dow Chemical Company, applauded the work of the subcommittee and said that upon reading through the meta-messages, he was struck by a couple of items. Regarding the emergence of Industry-Recognized Apprenticeships as parallel to the Registered Apprenticeship system, he said that we cannot “hollow out” one for the other, and the matter may need more discussion, since many employers are already invested in Registered Apprenticeship programs.

Mr. Liveris continued by saying that he has been waiting over a decade for a concerted awareness program, so under the meta-messaging of awareness, he would like the subcommittee to spend some time on how to get the synergy of private sector and Federal Government resources to do this kind of promotion. He said the school system too often leads students to paths that don’t have jobs and with the digital workforce, there is an opportunity to use this technology to build curricula for a new system for American education.

Secretary Acosta said he wants to be absolutely clear that the Registered Apprenticeship system will continue for those companies for which it has worked well, and the Task Force is providing additional options for those companies for which the current system does not work. He said the Task Force is not “taking anything away,” and that same message has also been shared with all the governors as a part of the National Governors Association conference.
Rob Gifford, from the National Restaurant Association, said that as an organization that is involved with the Registered Apprenticeship system, one of the greatest challenges is when a program meets the federal standards, it still has to meet the individual standards of 25 other states where the program does not qualify. He said the Task Force should be mindful to try to avoid the same set of circumstances that has made the Registered Apprenticeship system unwieldy, where there is a federal standard and then state-added standards. He also said the Task Force could come forward with something and find that states modify it; we might end up with the same set of problems surrounding scale, portability, and transferability with apprenticeship standards that we have with Registered Apprenticeship programs.

Secretary Acosta said that is exactly the reason the Administration wants to provide options for apprenticeships.

Secretary DeVos said she agreed with the point raised by Mr. Liveris, saying that it is important to encourage a system to add these new options, not to take away the traditional four-year counseling and pathway by any means, but to introduce students at a much earlier age. Students should not be told they must choose between either a four-year degree or an apprenticeship pathway, because it really can be both options.

Mr. Sellers said that individuals who have been incarcerated are often easily taken advantage of, which is something that should be kept in mind when creating these programs. He said that parameters should perhaps be put in place, so they can be successful citizens. Secretary Acosta agreed.

Secretary Ross said that the issues around certification are especially important for formerly-incarcerated people. Secretary Ross continued by saying he hopes one of the components of the guidance from the Administration will be to get advice from prison authorities as to who the particularly well-behaved inmates were, and therefore who are the least likely to create problems. Secretary Ross cautioned that efforts to provide opportunities for formerly-incarcerated people could be undermined by a few bad experiences, so screening will be important.

Mr. McGarvey said that he has engaged Mr. Kushner in conversation about the issue of apprenticeships for formerly-incarcerated people. In the building trades, there are probably 18 or 20 programs around the country. He said it is important for people to really commit themselves to getting through one of these programs and then getting on their way to a career. Mr. McGarvey said this is an area where the Federal Government can lead, as it is a massive employer in the United States and currently has many roadblocks for these kinds of programs. He said he was encouraged to hear that President Trump is planning to sign an Executive Order for federal agencies to identify where those roadblocks exist and look to mitigate them and open opportunities to the formerly-incarcerated population. Mr. McGarvey continued by saying that particularly in the construction industry, both with the Federal Government and some private sector industries, when someone has a felony conviction, they cannot get access to a plant or facility where work is being done, limiting their employment opportunities. He said as long as we can keep people gainfully employed and on a continuing upward economic trajectory, the more success they will have.

Secretary Acosta said President Trump signed an Executive Order forming a Cabinet-level group that is looking into this. He said that Mr. Kushner is part of that effort, and Mr. Kushner wants to emphasize the importance of wraparound services, as well as others, for someone to be successfully employed or re-employed.
Report from the Subcommittee on Administrative and Regulatory Strategies to Expand Apprenticeship

Secretary Acosta introduced Tom Kriger from North America’s Building Trades Unions, Chair of the Administrative and Regulatory Strategies to Expand Apprenticeship Subcommittee, to present the subcommittee’s recommendations.

Mr. Kriger thanked Secretaries Acosta, DeVos, and Ross for allowing the subcommittee to make its recommendations and asked if any other members of the subcommittee have anything to add, to feel free to chime in.

Mr. Kriger said the first issues the subcommittee discussed were regarding Registered Apprenticeship and a number of potential reforms, which he would mention, but would not go through in detail during the meeting. He said the details of the recommended reforms would be included in the final version of the recommendations from the subcommittee. The recommended technical reforms focus on the Workforce Innovation and Opportunities Act and the Employee Retirement Income Security Act to allow for the expansion of the Registered Apprenticeship system.

Mr. Kriger continued, saying the subcommittee not only had recommendations for the Task Force but also some outstanding questions that would need to be considered. Mr. Kriger said that because the Registered Apprenticeship system and Industry-Recognized Apprenticeship programs will be parallel and complementary systems, their simultaneous reforms and launch creates uncertainties for companies, and that uncertainty prompted these concerns.

1. Industry-Recognized Apprenticeship Program Specifics:
   - Begin Industry-Recognized Apprenticeship with a pilot project in an industry without well-established Registered Apprenticeship programs to test the process for reviewing certifiers and to better understand how to support industry groups working to develop standards and materials for Industry-Recognized Apprenticeship Programs;
   - Industry-Recognized Apprenticeship Programs should focus on mastery and competency, not just seat time or training hours. Sectors should set standards based on industry needs; within a given sector there could be different requirements in technical versus professional occupations;
   - Fundamental to the success of apprenticeship is a well-designed, highly structured work experience. This is where most of the learning takes place. Industry-Recognized Apprenticeship Program standards and quality guidelines must support this structured learning experience, as well as ensure the safety of apprentices/coworkers;
   - Industry-Recognized Apprenticeship Program participants cannot be considered as apprentices for the purpose of meeting Davis Bacon Act wage requirements; and
   - Industry-Recognized Apprenticeship Programs are not required to follow specific wage progression rules but must make clear to apprentices what wages they will be paid and under what circumstances wages will increase.

2. Industry-Recognized Apprenticeship Program Questions:
   - How will U.S. Department of Labor differentiate between high/low-quality certifiers, especially since no potential certifiers will have prior experience administering an Industry-Recognized Apprenticeship Program?
   - How often will certifiers be reviewed and under what conditions would the positive recommendation be removed?
• What safeguards will be put in place to prevent conflicts of interest on the part of certifiers that are also membership organizations?
• What does it mean for a certifier to be “recommended” by the U.S. Department of Labor?
• How will trade associations and industry groups that do not have expertise in developing curriculum negotiate college credit on behalf of their members? Colleges control prior learning assessment and transfer of credit issues, and while certifiers could encourage partnerships between employers and colleges, they could not enforce these partnerships or prior learning credit agreements.

Subcommittee on Administrative and Regulatory Strategies to Expand Apprenticeship Discussion

Secretary Acosta opened the floor for questions. Secretary Ross commented that he thought the questions from the subcommittee were excellent and will determine the success or failure of the program.

Wesley Bush, Chairman, CEO and President, Northrop Grumman, said the subcommittee intends to take on the task of developing answers to the questions, to which Secretary Ross responded he hoped his remarks would elicit such a response.

Mr. Sellers asked what the members of the Task Force thought about a pilot program for Industry-Recognized Apprenticeship Programs to see how it works, how it can be structured and implemented, and the best practices. He said that kind of pilot might help answer some of the questions posed by the subcommittee.

Joshua Bolten, President and CEO, Business Roundtable, said that both President Trump, and his cabinet, want to move quickly on getting guidance in place, and he thinks the best way to do that will be to get pilots started rapidly in order to learn some lessons and apply those lessons to something more broadly throughout the country and economy.

John Ratzenberger, Workforce Training Advocate, said in discussing the concept of apprenticeship throughout the country, in the 15 years he’s been advocating for the apprenticeship model, he found the key to getting buy-in is getting parents to sign off on it, not just the kids. He said it’s got to be the same way we sell the Marine Corps — “The few, the proud, the marines” — letting them know this is important work. Mr. Ratzenberger went on to share that his son is a plumber and makes more money than all of his friends who went to college. He said that is the message you have to get across.

Mr. McGarvey said that there is an opportunity for the Federal Government to use public access to promote these new apprenticeships. He said, in the building trades, a lot of the promotion has been word of mouth. For the last three decades, North America’s Building Trades Unions has been working with groups like the National Urban League and others to help bring their message into communities they were previously unable to reach. Mr. McGarvey said North America’s Building Trades Unions has reached out to school counselors, and spent lots of money on materials to distribute to students and parents via school counselors, and the materials just sat in boxes. He said North America’s Building Trades Unions never actually got their message out, but maybe with the Federal Government’s initiative, there may be additional channels it can use to spread the word.

Secretary Acosta agreed that the Federal Government may have avenues for communications and said the Administration is looking into media and general public outreach. He added that there are a number of state and local level programs that have been successful. He specifically mentioned a program called “Be Pro Be Proud” where buses go from school to school to showcase technology. Secretary Acosta said they have done a good job of showing young people the opportunities that are available through digital media.
such as YouTube. He said the Federal Government certainly plans to be involved, but to be successful, this must be an effort that is federal and local and involves both business and groups like the National Urban League. Secretary Acosta continued by saying the effort needs to be a “general push,” agreeing with Mr. Ratzenberger that a lot of the work is reversing the message about apprenticeship that has, unfortunately, been sent for too many years.

Secretary Ross said part of the problem is that in many localities the way guidance professionals are evaluated is on the percentage of students that go to college. Until we change the way they are evaluated, the push to get kids to go to college over an apprenticeship is not going to change. He said there is a need to lobby for the criterion to be changed to include the percentage that are either college-bound or get into a good apprenticeship program.

Mr. Ratzenberger told an anecdote about being in Rockford, Illinois, a few years ago and giving a tour to guidance counselors of different manufacturing facilities. He said it changed their lives, because many thought of manufacturing as what one might see in a film from the 1930s — smoky and dangerous. Mr. Ratzenberger said that by putting guidance counselors on a bus, giving them a free lunch, and having them see all the nice cars in the parking lot at the factory, their mindsets changed.

Mr. Timmons said one of the greatest ways to inspire the next generation for the manufacturing sector is to show them what possibilities exist. He said he just completed a two-week road tour going to a variety of technical colleges and high schools, including Oakland Technical High School and Ranken Technical School. Regarding the manufacturing sector, something he consistently heard was, “If I had only known what the possibilities were when I was in the fourth or fifth grade.”

Mr. Timmons continued by saying that people tend to think of high school as the time when people try to figure out what they want to do. Yet, he said he could remember taking an assessment test in fifth grade that suggested he be either an animal trainer or a circus performer. Instead, he went to Ohio State University and studied political science.

Mr. Timmons then spoke about the possibility of a pilot program, saying that he understands wanting to make sure it is done right, but many manufacturers he knows are ready to go. He said 70 percent of the manufacturers with the National Association of Manufacturers responded in the last quarterly survey that they want to participate in an earn-and-learn program.

Mr. Timmons also addressed one of the questions from the subcommittee, saying that the National Association of Manufacturers has already thought about the potential for conflict when it comes to an industry organization providing certification for its members. He said his organization has 14,000 members, and they have already assigned the apprenticeship certification program to be handled by the National Association of Manufacturers’ foundation, which is also its manufacturing institute. He said the foundation does not have members of its own, so it can keep the certification issue “at arm’s length.” Mr. Timmons said the manufacturing industry may be willing to pilot the program on its own.

Mr. Liveris said he has been on committees similar to the Task Force over the past eight years or so, and the work needs to start with developing an inventory of what best practices are already being done outside of the Registered Apprenticeship system. He said trying to move those best practices into a system will take some work, including reversing decades of institutionalized behavior that declares the four-year degree as the path to a career in post-World War II America.

Mr. Liveris continued by saying that work has changed tremendously in the digital age, and while work is being done to address those changes, awareness remains the greatest barrier. He said he has generational employment in his company, and it is the best way to get and retain workers, because they know the work
is high paying and very rewarding. Mr. Liveris raised the question of how the Task Force could best spread the word about apprenticeships and how it might get best practices out to sponsors and potential sponsors. He said an inventory of best practices is the best they might be able to do until the program itself is institutionalized.

Secretary DeVos said she encourages the private sector to step into this space in a significant way. She spoke about a visit she made the previous week to SXSW EDU where she viewed an exhibition space where Chevron had one of their mobile Fab Labs. The Fab Lab introduced young students to a range of technical futures in a way that engaged them immediately and gave them an opportunity to see what was possible. Secretary DeVos said she wanted to make sure no barriers are put in the way of businesses stepping in and doing what they need to do for their own futures, in a way that will engage young people as early as late elementary school. She said that is a prime time to help get them engaged and to see the vision.

William Irwin, United Brotherhood of Carpenters and Joiners of America, said there have been some things done in getting apprenticeship into schools through the years, including the 1990s’ push for youth apprenticeship. He suggested that the U.S. Department of Labor look back at the best practices and lessons learned and said one of the biggest downfalls of those programs were the parents, who wanted their children to go to college rather than into a trade.

Cheryl Oldham, U.S. Chamber of Commerce, said she wanted to amplify Secretary Acosta’s example of “Be Pro Be Proud,” which was a program created by the Arkansas Chamber of Commerce. She said the program started out small, but now covers the entire state, visiting every school, and the only real limitation the program has is financial. Ms. Oldham continued by saying the Task Force has talked a lot about the importance of awareness, and that lack of awareness continues to be a barrier to expanding apprenticeships. Arkansas has received interest from other states to replicate its “Be Pro Be Proud” model. She asked if there was interest from the Task Force in learning more about the bus and what it offers in terms of career exposure and awareness.

Secretary Acosta said other states probably have similar programs, and while the bus he saw in Arkansas was really well done, he doesn’t want to single them out as the only such program.

Montez King, Executive Director, National Institute for Metalworking Skills, said the messaging from the Task Force is really starting to take hold. He said the National Institute for Metalworking Skills is working with a large employer that is excited about apprenticeship after only looking at the mission of the Task Force. He said he was giving a presentation on starting to discuss the work earn-and-learn model beginning at the middle school level and continuing through the mid-career level. The employer believes they have a social responsibility to help make this a reality and want to provide learning opportunities for anyone interested in the skilled trades. Mr. King encouraged them to set up programs in local schools. Mr. King continued to share his conversations with the senior corporate leadership. They told him they see a social responsibility that employers need to take on, and Mr. King emphasized the need to set up programs in the schools themselves. He said the employer told him if someone is interested in this skilled trade, they would want to give them an opportunity to learn. The employer is now doing so through working with the entire community and providing opportunity where there is interest.

Mr. King also said that he has placed hats with the logos of National Institute for Metalworking Skills partner companies in the schools, and students are getting into training programs and pre-apprenticeships. He said it’s not just about creating interest but about providing opportunities.

Stephanie Groen, representing Governor Kim Reynolds, State of Iowa, said she appreciated the comments by Secretaries Acosta and DeVos at the beginning of the meeting regarding the U.S. Departments of
Labor and Education need to work together. She said, Governor Reynolds has been raising awareness in
the school systems and getting teachers involved. Teachers in Iowa have been spending the summer
months embedded in a company or an organization. Ms. Groen said it is good career development for the
teachers as they are able to find out more about the employers and what they are looking for. The
teachers then bring that knowledge back to the classroom.

Cari Dominguez, Director, Manpower, Inc., said she doesn’t want the Task Force to lose sight of the fact
that employers are very focused on financial returns and are beholden to shareholders. She said she wants
to make sure that return on invested capital is evident.

Ms. Dominguez said there are a lot of company-specific apprenticeship programs, but there is a
reluctance to pool resources together, because companies want to be able to find people, train them, and
place them in their own companies. She said a way to overcome that kind of silo is to make sure that
everybody within the industry benefits financially, the idea of “a good tide to lift all boats.” She said
whatever the Task Force does in terms of awareness-building and promotion of apprenticeship, it has to
consider how the whole industry can benefit by having specific companies pool their resources.

Mr. Bellaman agreed with Secretary Acosta — options are key to the apprenticeship experience. He said
one concern he has as a member of the Attracting Business to Apprenticeship Subcommittee is the need
to make sure businesses see this as an attractive process because otherwise they will continue to do what
they are doing now, which is either Registered Apprenticeship or something company-specific.

Mr. Bellaman said there were a number of good questions presented by the subcommittee to be clarified,
but there is a need to not disincentivize businesses from participating in an Industry-Recognized
Apprenticeship Program. When apprenticeship is being promoted, it should be inclusive of all the
options.

Walter Bumphus, President and CEO, American Association of Community Colleges, commended
Secretary Acosta for being “a pied piper around the country,” promoting this new apprenticeship model.
He said that he has received a lot of feedback from a number of states regarding comments the Secretary
has made and how well they have been received.

Dr. Bumphus said he recently hosted a meeting with 12 superintendents and 12 college presidents, where
they looked at ways in which they could better relate to one another, and in a more effective way with
college readiness programs. He said one of the key items discussed was who approaches whom, as well
as how do they best approach each other, to get a pre-apprenticeship program off the ground. Dr.
Bumphus said he was amazed by how many programs there are around the country, and while the United
States is making progress in growing apprenticeships, it must continue to work out ways in which
businesses learn to approach colleges.

Ms. DeRocco echoed what Ms. Dominguez said about return on investment. She said there is a strong
case to be made related to expansion of the talent pool from which recruitment and screening can occur,
as well as the retention and loyalty that comes with a well-honed earn-and-learn program for incoming
and incumbent workers. Ms. DeRocco continued by saying that she is not an advocate for the pilot
program and believes the Task Force should “proceed until apprehended.” She said the Task Force
should work to get the program out to the public, and it must be cognizant that part of the messaging will
come from those industry sectors that are not the traditional apprenticeship skilled crafts and trades and
the Registered Apprenticeship program, which has traditionally been what parents, students, and
educators have seen. She said the Task Force should look into getting the new model into information
technology and very high-tech manufacturing, which clearly needs these skilled workers and is very
positive about apprenticeship as a model to pursue, and also healthcare, health information management
systems, and the like. She said these are the areas where parents and students think their future is, and they may see apprenticeship as the pathway to get there. Ms. DeRocco said she feels the Task Force membership has missed out on those sectors, but it certainly ought to be part of the outreach and initial rollout of the Industry-Recognized Apprenticeship Program.

**Closing Remarks**

After determining there were no more questions or comments, Secretary Acosta made his closing statement, beginning with an anecdote about a conversation he had with a vice chancellor of a state school system. Secretary Acosta mentioned the importance of providing students with the full array of opportunities, and the vice chancellor responded, “Mr. Secretary, you’re absolutely right. We focus on Advanced Placement and International Baccalaureate courses, and we need to focus much more on SAT prep.” Secretary Acosta said he looked at the chancellor and said, “I think you just missed the entire point.”

Secretary Acosta continued by saying that the vast majority of students do not get jobs in their future because of SAT prep, yet in law schools students are trained as if they are all going to be an appellate lawyer. He continued, saying that the lawyers in the room knew exactly what he is talking about, and, to some extent, the United States is educating everyone as if they are going down a certain career path when there are a wide variety of paths available.

Secretary Acosta said as the United States economy becomes more dynamic, the Administration is recognizing that there is room for credentials that can be stacked, and are portable. He said some individuals want to follow the traditional path, while other individuals may want to credential now and get a degree later. Others may want to credential now, start work, and then work on a degree on the side. He said as we become a more flexible and dynamic society, and as opportunities to work become increasingly flexible and dynamic, the heart of this effort is the opportunity to offer dynamism and flexibility to individuals and to offer more choices.

Secretary Acosta said he deeply appreciates all the Task Force members’ work. The Task Force will have one more virtual meeting and one more in-person meeting. He acknowledged that every member of the Task Force is on at least two subcommittees, which is unusual and quite a bit of work but very important.

Secretary Acosta then thanked the members of the Task Force and turned to Secretary DeVos to give her closing remarks. Secretary DeVos thanked all the members of the Task Force for their great and thoughtful work around the issue of expanding apprenticeships. She said she thinks this is a really important time in the United States’ history, and there is a real opportunity to make significant headway, not only for the needs of business and industry, but for individuals in our country. She said the Task Force has talked about the fact that, for too long, we have signaled one path and one direction for young people to pursue, and she applauds the work of the Task Force members to help expand both that vision and discussion.

Secretary DeVos said she believes there will be significant results from the Task Force’s work, and she thinks about today’s kindergartners who look ahead to a future when more than two-thirds of the jobs they will eventually fill don’t yet exist. She encouraged the Task Force to keep their eyes on that reality and to help young people become flexible, skilled, and prepared for what comes next.

Secretary Ross thanked the subcommittees who presented, saying their findings were informative and well-reasoned and their questions well-grounded and in need of prompt answers. He said the members of the Task Force should be proud of the work accomplished, and swift implementation has to be the next
step. He said he hopes that by the May meeting, the Task Force can produce a detailed action plan, because the problems are urgent and so must be the responses.

Secretary Acosta thanked Mr. Marlow and Mr. Kriger for their presentations and adjourned the Task Force at 2:26 pm eastern time.
CERTIFICATION

As the Chairperson of the Task Force on Apprenticeship Expansion, I hereby certify the accuracy of the March 2018 Summary Meeting Minutes.

R. ALEXANDER ACOSTA
Secretary of Labor
Task Force Chairperson

JUN 11 2018

DATE