TRAINING AND EMPLOYMENT NOTICE	NO. 6-20
	DATE November 5, 2020

TO: STATE GOVERNORS
STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE APPRENTICESHIP AGENCIES
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
ALL STATE LABOR COMMISSIONERS
STATE VETERANS EMPLOYMENT AND TRAINING DIRECTORS
WIOA SECTION 166 GRANTEES
STATE AND LOCAL STAKEHOLDERS IN THE WORKFORCE
INNOVATION AND OPPORTUNITY ACT

FROM: JOHN PALLASCH /s/
Assistant Secretary

SUBJECT: Announcing the Availability of Resources to Support Industry-Recognized
Apprenticeship Programs (IRAP) and Standards Recognition Entities (SRE)

1. **Purpose.** To inform stakeholders of resources available to support IRAPs and SREs as part of the Department of Labor's (DOL or the Department) implementation of the *Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations Final Rule,* which went into effect on May 11, 2020.

2. **Action Requested.** Please disseminate this information to appropriate staff.

3. **Summary and Background.**

   a.   Summary – To address America's skills gap and to increase rapidly the availability of high-quality apprenticeship programs in sectors where apprenticeship opportunities are not widespread, the DOL issued a final rule under the authority of the National Apprenticeship Act (NAA) to spur the creation of the new IRAP model. To read the final rule, visit https://www.apprenticeship.gov/employers/industry-recognized-apprenticeship-program.

   b.   Background – The IRAP final rule establishes a process for the Administrator of DOL's Office of Apprenticeship (OA), or any person designated by the Administrator, to recognize SREs, which are qualified third-party entities that meet the quality control criteria outlined in the final rule. Once recognized by DOL, SREs work with employers and other entities to establish, recognize, and monitor high-quality IRAPs that provide apprentices with industry-recognized credentials. Those interested in becoming an SRE can submit their application to the Department for recognition using the online SRE application portal at https://www.apprenticeship.gov/employers/industry-recognized-apprenticeship-program. OA

staff are located across the country and are available to provide technical assistance on submitting an application. To more learn about the IRAP Final Rule and how the Workforce System can utilize this new apprenticeship model, please refer to TEN 21-19: *Announcing the Publication of Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations Final Rule.*

4. **Implementing IRAPs.**

In furtherance of DOL's commitment to help grow the American workforce through quality-driven workforce strategies, the DOL Final Rule governing IRAPs went into effect on May 11, 2020. Complementing the existing Registered Apprenticeship Program, the industry-led, market-driven IRAP approach outlined in the final rule will provide the additional flexibility necessary to help expand the apprenticeship model and address the needs of different industries and occupations as recommended by the Task Force on Apprenticeship Expansion while also adhering to the Department's requirements for high quality apprenticeship programs.

SREs are trusted workforce development leaders in their industry. As an SRE, organizations set the standard for apprenticeships, ensuring more flexibility to meet the needs of industry, to help close the skills gap, and to improve our economy when our country needs it most. Organizations such as trade, industry, and employer organizations; companies and other corporate entities; state and local government agencies or entities; educational institutions; non-profit organizations; unions; joint labor-management organizations; certification and accreditation bodies; or a consortium of such organizations are all eligible to apply to be SREs. State and local workforce development boards are well-positioned to assume an SRE role to help facilitate the development of IRAPs, given that more than half of all board members are local employers.

Becoming an SRE presents a new avenue for workforce boards to achieve their goal of connecting workers to economic opportunity while meeting the skill needs of employers in high-demand industries. By becoming an SRE, workforce boards can:
   o Expand customer choice by offering additional well-paying opportunities and a career pathway;
   o Provide employers in the local area with an effective way to recruit, train, and retain skilled workers; and
   o Promote better results for workers and businesses and higher performance outcomes for the workforce system.

On September 23, 2020, the U.S. Department of Labor recognized an initial 18 organizations as SREs to oversee the development of high-quality IRAPs. The Department's announcement of this inaugural SRE cohort marks the culmination of the Department's work in response to the recommendations of the Task Force on Apprenticeship Expansion. The 18 organizations newly recognized as SREs are:
   o AED Foundation (National);   o Alabama Office of
                                                       Apprenticeship (Alabama);

- American Nurses Credentialing Center Practice Transition Accreditation Program® (National);
- ANSI National Accreditation Board (National);
- Apprenticeship Missouri (Missouri);
- ApprenticeshipNC (North Carolina);
- Colorado Community College System (Colorado);
- Energy Sector Security Consortium INC (National);
- FANUC-ROCKWELL SRE (National);
- FASTPORT (National);
- Franklin Apprenticeships (National);
- Iowa Department of Education (Iowa);
- Ivy Tech Community College of Indiana (Indiana);
- National Institute for Metalworking Skills (National);
- Peregrine Technical Solutions (National);
- Smart Automation Certification Alliance (National);
- Texas Workforce Commission (Texas); and
- WTIA Workforce Consulting (National).

For more information about each SRE or to refer an organization interested in becoming an IRAP Sponsor, please visit: https://www.apprenticeship.gov/employers/industry-recognized-apprenticeship-program/approved-standards-recognition-entities.

How to Become an SRE.

Organizations interested in becoming an SRE should take the following steps:

1) Become familiar with the IRAP model by reviewing the final rule, the IRAP fact sheet, and frequently asked questions.
2) Learn more about the criteria, roles, and responsibilities of an SRE by reviewing the SRE fact sheet and the recording of the IRAP webinar for prospective SREs.
3) Identify the industries, occupations, and geographic areas for which you envision serving as an SRE. Consider convening employers and other organizations to assess their most immediate workforce development needs as well as the services required in each of these areas to scale up IRAPs.
4) Begin to document or develop the plans of action, policies, structures, and key partnerships that will form the basis for a successful SRE application.
5) Review the pre-application checklist to ensure you have all of the required documentation.
6) Submit your application to the U.S. Department of Labor for recognition using the online SRE application portal. Once you enter the portal, you'll be asked to create an account that will allow you to start, save, and update your application as needed.

OA staff are located across the country and are available to help if you have any questions. We have developed an SRE Technical Assistance Guide to help prospective SREs with creating an account, uploading documents, and submitting their application. SRE

Application Portal Technical questions can also be submitted via the web at https://www.apprenticeship.gov/help/irap-support or emailed to irap@dol.gov.

For more information about becoming an SRE, including the responsibilities and criteria, please see the attachments.

IRAP Funding.

Additionally, there are several sources of potential funding to facilitate the development of IRAP SREs. For example, Workforce Innovation and Opportunity Act (WIOA) funds can be used to offset costs associated with IRAPs. SREs and IRAP sponsors can apply to be added to the state Eligible Training Provider (ETP) list, as is the case with any other prospective training provider. Once on the ETP list, local American Job Centers (AJCs) can refer WIOA participants to IRAP sponsors and use Individual Training Accounts (ITAs) to pay for the training costs of participants who enroll in those IRAPs.

In addition to ITAs, the AJCs can fund portions of the on-the-job training (OJT) component of the IRAP using contracts, based on local policies. WIOA allows for OJT to be paid for with contracts, which can be made with providers that are not on the ETP list. WIOA OJT contracts can be used to fund OJT for one or more eligible participants and can be used to reimburse employers for the extraordinary costs of training at a level of up to 75 percent of the participants' wages in certain circumstances. WIOA funds can also be used for supportive services such as transportation, books and supplies, and child care. We strongly encourage potential SREs and IRAP sponsors to partner with the workforce system and vice versa.

Other sources of funding include the following:

- **Trade Adjustment Assistance (TAA).** IRAPs are an allowable type of employer-based training that can be approved for a worker covered by the certification of group eligibility for the TAA program authorized by the Trade Act of 1974, as amended. For a worker to receive approval to enroll in an IRAP funded by TAA, the state must determine certain criteria are met in accordance with 20 CFR 617.22. For more information, please contact the appropriate Regional Trade Coordinator.

- **The GI Bill.** The GI Bill is administered by the Department of Veterans Affairs. GI Bill benefits can be used to help pay for books, supplies, and housing while a veteran is learning a trade or skill through OJT. The IRAP program must already be approved to receive benefits. If not, the SRE or IRAP sponsor can gain approval for GI Bill benefits using the following information to determine if they meet the requirements for approval (i.e. wage increases, etc.): https://benefits.va.gov/benefits/factsheets/education/OJT.pdf. For

additional information, please see https://www.va.gov/education/about-gi-bill-benefits/how-to-use-benefits/on-the-job-training-apprenticeships/.

- **Discretionary Grants.** DOL's Employment and Training Administration (ETA) awards a variety of discretionary grants that can fund projects that include IRAPs as a training strategy. For instance, H-1B discretionary grant programs can incorporate IRAPs as a training strategy to provide participants with the skills, credentials, and experience necessary to enter middle- and high-skilled jobs across industries and occupations for which employers are using H-1B visas to hire foreign workers. In addition, the Education Stabilization Fund-Reimagining Workforce Preparation Grants from the Department of Education can be used for apprenticeship activities in general, including IRAPs, if such activity is included in the grantee's Statement of Work. For more information please visit https://www.federalregister.gov/documents/2020/06/23/2020-13480/notice-inviting-applications-nia-for-the-fy-2020-education-stabilization-fund-reimagine-workforce.

- **WIOA Governor's Reserve.** Many states use the WIOA Governor's Reserve funding to support Registered Apprenticeship Programs (RAPs), and consideration of the use of these funds to support IRAPs is strongly recommended. States have considerable flexibility in designing the uses of their statewide set-aside funds for allowable statewide activities, as noted in WIOA Section 134(a)(3). Such uses could pertain to RAPs, pre-apprenticeships, and IRAPs. Other state-level resources also can be used to support IRAPs, such as tax credits for eligible businesses for each apprentice employed in an IRAP.

5. **Inquiries**. For further information, please contact OA at IRAP@dol.gov. If you have additional questions or would like to speak to an OA representative about IRAPs or becoming an SRE, please visit https://www.apprenticeship.gov/employers/express-interest-landing-page to express your interest and to allow us to provide information targeted to your needs.

6. **References**.

   Final Rule: https://www.federalregister.gov/documents/2020/03/11/2020-03605/apprenticeship-programs-labor-standards-for-registration-amendment-of-regulations

   IRAP Fact Sheet: https://www.apprenticeship.gov/sites/default/files/IRAP_General_Fact_Sheet.pdf

   IRAP FAQs: https://www.apprenticeship.gov/sites/default/files/IRAP_FAQ.pdf

   SRE Fact Sheet: https://www.apprenticeship.gov/sites/default/files/IRAP_SRE_Fact_Sheet.pdf

IRAP Webinar for Prospective SREs:
https://www.workforcegps.org/events/2020/03/06/17/25/Industry-Recognized-Apprenticeship-Programs-Information-for-SREs-and-Potential-IRAP-Providers

Pre-application check-list:
https://www.apprenticeship.gov/sites/default/files/IRAP_SRE_Application_Checklist.pdf

TEN 21-19: *Announcing the Publication of Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations Final Rule*
https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5694

7. **Attachments.**
   - Attachment 1: Standards Recognition Entity Factsheet