

## **EXECUTIVE OFFICE OF THE PRESIDENT**

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

November 17, 2020 (House Rules)

## STATEMENT OF ADMINISTRATION POLICY

H.R. 8294 – National Apprenticeship Act of 2020

(Rep. Susan Davis, D-CA, and 44 cosponsors)

The Administration opposes passage of H.R. 8294. The mission of the Department of Labor's Employment and Training Administration is to expand access to high-quality job training and employment opportunities. Unfortunately, H.R. 8294 would undermine the ability of the Department of Labor to perform that mission under the mistaken belief that the government, rather than employers or jobseekers, is best suited to determine the skills and competencies necessary for success on the job. This bill would also require a one-size-fits-all approach to apprenticeship that would stifle the Department's ability to promote innovation in the apprenticeship system and ensure that as many Americans as possible have access to high-quality work-based learning opportunities. At the same time, it would limit the ability of the Department to promote labor standards necessary to safeguard the welfare of apprentices.

In the name of expanding apprenticeship opportunities, H.R. 8294 would eliminate such opportunities at a time when many Americans are struggling to find a family-sustaining job. Effective workforce development and education initiatives require collaboration with employers. The command-and-control method of skill identification and development embodied in this bill fails to reflect labor market realities and the necessity of continually adapting programs to keep pace with changing business practices.

The Administration has consistently recognized the value of the earn-and-learn opportunities that apprenticeships provide and has worked to promote apprenticeships. Since President Trump took office, more than 850,000 apprentices have been hired thanks to efforts to support economic opportunity for all Americans. On June 15, 2017, President Trump signed an executive order creating the Task Force on Apprenticeship Expansion. This Task Force, which includes employers, labor unions, and educators, identified the following as key factors in the success of the apprenticeship model: the development of progressively advancing workplace-relevant skills and knowledge, paid work, an educational component, structured mentorship, and the attainment of an industry-recognized credential. The Task Force found that the Registered Apprenticeship program succeeded in the area of building trades but the rigid framework of the program limited the adoption of Registered Apprenticeships by other industries in a 21st century economy. Based on these findings, the Administration used the flexibility provided under the National Apprenticeship Act to create the complementary Industry-Recognized Apprenticeship Program. Industry-Recognized Apprenticeship Programs are individual programs that participate in the

program as a whole, and they are helping employers create more earn-and-learn opportunities for American jobseekers, including traditionally under-represented populations, in new and emerging fields and occupations.

The Industry-Recognized Apprenticeship Program has already engaged a broader array of industries, a larger number of employers, and a more diverse population than the Registered Apprenticeship program. This program recognizes the important role of employers and employer associations in making programmatic decisions while ensuring labor market protections and increasing pay transparency. Moreover, the program is increasing economic opportunity for all Americans while increasing diversity and inclusion in the workplace. Program administrators are responsible for performing outreach to diverse populations and ensuring apprentices are protected from harassment, intimidation, and retaliation, while individual employers commit to reporting on the future employment and earnings of apprentices. Unfortunately, H.R. 8294 would eliminate the authority of the Department of Labor to leverage additional apprenticeship models, such as Industry-Recognized Apprenticeship Programs, thereby reducing apprenticeship opportunities for workers who do not have access to them now and rolling back worker protections.

If H.R. 8294 were presented to the President, his advisors would recommend that he veto the bill.

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