



April 27, 2023

The Honorable Virginia Foxx
Chairwoman
House Committee on Education
and the Workforce
Washington, DC 20515

The Honorable Bobby Scott
Ranking Member
House Committee on Education
and the Workforce
Washington, DC 20515

Dear Dr. Foxx, Ranking Member Scott and members of the House Committee on Education and the Workforce:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 68 chapters representing more than 22,000 member companies, I write to express our opposition to the recently introduced National Apprenticeship Act.

Government-registered apprenticeship programs are a key part of an all-of-the-above solution to workforce development that is supported by ABC. ABC's 68 chapters are educating craft, safety and management professionals using innovative and flexible learning models like just-in-time task training, competency-based progression and work-based learning, in addition to more than 300 federal and state government-registered apprenticeship programs across more than 20 different construction occupations, in order to develop a safe, skilled and productive workforce.

An all-of-the-above solution to the construction industry's labor shortage of more than half a million workers in 2023 is needed because the current system promoting government-registered apprenticeship programs is not meeting the industry's demands. The most recent data from the U.S. Department of Labor indicates roughly 200,000 to 250,000 people are enrolled in government-registered apprenticeship programs and only 40,000 to 45,000 participants completed these programs in 2022. At current rates of completion, it would take 12 years of government-registered apprenticeship program completion to meet industry demand for skilled labor just for 2023.

In order to help the construction industry deliver the historic public investment in infrastructure and clean energy projects across America, policymakers should be doing all they can to make government-registered apprenticeship programs easy for the industry to utilize and inclusive of all future craft professionals.

Unfortunately, this bill would not achieve its goal of expanding apprenticeship opportunities. It disadvantages many construction businesses throughout the country, including women-, minority- and veteran-owned small businesses that continue to face a daunting regulatory environment and restrictive labor policies, which would discourage them from competing to win contracts to build critical taxpayer-funded infrastructure and clean energy projects.

While a significant number of ABC members have their own government-registered apprenticeship programs and participate in ABC chapter government-registered apprenticeship programs to provide their employees with the skills needed to advance their careers, several provisions in the bill could prove detrimental for the construction workforce and potentially limit apprenticeship opportunities for hardworking Americans throughout the country.

The bill allows a State Apprenticeship Agency to deny program registration reciprocity if a program does not meet the requirements of the state granting reciprocity. Allowing State Apprenticeship Agencies to deny registration to nationally registered programs would be a costly burden to place on these companies and is contradictory to the bill's purpose of promoting additional apprenticeship opportunities. ABC believes that full reciprocity should be granted to nationally approved programs seeking state registration in order to meet industry demands for apprentices and skilled labor.

ABC is also concerned with the bill's language on "related instruction," which is defined to include classroom instruction. The bill requires sponsors to set forth in their apprenticeship agreement how a program will compensate an apprentice for "related instruction." As sponsors are not currently required to compensate an apprentice for time spent in the classroom, a more in-depth analysis around this provision is required, as such a requirement could have severe impacts on sponsor capacity to provide apprenticeship opportunities.

The bill contains new language on pre-apprenticeship programs that could also limit the ability of participants to move forward with their career, specifically by requiring that any pre-apprenticeship program be carried out in partnership with a sponsor of a government-registered apprenticeship program. Pre-apprenticeship programs should not be limited to feeding the pipeline for government-registered apprenticeship programs, as pre-apprenticeship programs can be provided by schools, technical schools, community workforce programs and other alternatives that can often lead to successful industry-led apprenticeship programs or direct employment following the participant's successful completion of the program.

Furthermore, the bill's restrictive language on apprenticeship ratios could limit the availability of apprenticeship opportunities. While the language in the bill claims to tie the ratio of apprenticeship participants to mentors, journey workers or on-the-job training instructors to evidence-based practices for safety, it allows an exception for ratios expressly prohibited by collective bargaining agreements. This is problematic because CBAs are not necessarily an indicator of safety performance. In addition, this provision gives unions signatory to CBAs the ability to restrict the overall pool of apprentices while providing contractors signatory to CBAs favorable ratios and treatment to make them more competitive. Critics of restrictive apprenticeship ratios argue this needless gatekeeping is a factor contributing to the shortage of participants in government-registered apprenticeship programs.

Finally, under Title II of the bill, any entity applying for a Modernizing the National Apprenticeship System for the 21st Century Grants would be required "to the extent practicable" to partner with a labor or joint labor-management organization. This provision would needlessly impose a labor requirement where none exists under current law. This requirement discriminates against 88% of the industry who have freely chosen not to join a union. There is certainly no reason to limit these grants to labor partnerships, which will result in fewer apprentices having access to the federally registered apprenticeship system. Research has found that 75% of all construction industry apprentices participating in government-registered apprenticeship programs are enrolled in joint-labor management programs, commonly known as union programs. Expanding funding to a more diverse stream of apprenticeship partners is likely

to result in more diversity, inclusion and growth in the number of apprentices needed to rebuild America.

Any effort to modernize the current registered apprenticeship should support the safety and health of construction apprentices and provide them the flexibility to progress at their own speed while obtaining nationally recognized, portable and stackable credentials. ABC believes this bill does not address the critical needs of our nation's construction industry and would not only fail to expand apprenticeship opportunities for millions of Americans but substantially restrict the apprenticeship opportunities currently available.

ABC and our members will continue to lead and promote an all-of-the-above approach to workforce development that will help the construction industry recruit, educate and upskill the people who build the places where we live, learn, heal, work and play. ABC urges the committee to focus on legislation that will truly expand apprenticeship opportunities for all of America's workers.

Sincerely,

A handwritten signature in black ink, appearing to read 'K Swearingen', written in a cursive style.

Kristen Swearingen
Vice President of Legislative & Political Affairs