VOLUME XIX • ISSUE 7
SEPTEMBER 16, 2019

TOPIC:

NCCMP FILES COMMENTS WITH U.S. DEPARTMENT OF LABOR ON "STANDARDS RECOGNITION ENTITIES" (SRES) AND "INDUSTRY RECOGNIZED APPRENTICESHIP PROGRAMS" (IRAPS)

EXECUTIVE SUMMARY: ON AUGUST 26, 2019, NCCMP FILED COMMENTS WITH THE U.S. DEPARTMENT OF LABOR ADDRESSING THEIR PROPOSAL TO AUTHORIZE STANDARDS RECOGNITION ENTITIES (SREs) AND INDUSTRY RECOGNIZED APPRENTICESHIP PROGRAMS (IRAPS).

NCCMP AGREES WITH THE ASSESSMENT OF DOL'S EMPLOYMENT AND TRAINING ADMINISTRATION THAT APPRENTICESHIP PROGRAMS HAVE A VITAL PLACE IN THE MODERN U.S. ECONOMY. WE POINT OUT THAT A SUBSTANTIAL NUMBER OF THESE PROGRAMS HAVE BEEN ESTABLISHED AS PARTNERSHIPS BETWEEN LABOR AND MANAGEMENT, AS CONTEMPLATED BY THE TERMS OF THE NATIONAL APPRENTICESHIP ACT. IN PARTICULAR, IN PARTNERSHIP WITH CONSTRUCTION INDUSTRY EMPLOYERS, NORTH AMERICA'S BUILDING TRADES UNIONS (NABTU) AND ITS AFFILIATES HAVE LONG SPONSORED AND PROMOTED REGISTERED PROGRAMS AS THE MOST EFFECTIVE MECHANISM FOR BRINGING NEW WORKERS INTO THE BUILDING AND CONSTRUCTION INDUSTRY, TRAINING THEM TO UNDERSTAND ALL ASPECTS OF A TRADE, AND PROVIDING THEM WITH THE SKILLS TO SAFELY PERFORM COMPLEX TASKS UNDER EVER-CHANGING CONDITIONS. THE REGISTERED PROGRAMS THEY SPONSOR JOINTLY WITH THEIR CONSTRUCTION INDUSTRY PARTNERS COMPRISE ONE OF THE LARGEST POST-SECONDARY EDUCATION PROGRAMS IN THE COUNTRY. TOGETHER, THESE JOINTLY SPONSORED PROGRAMS OPERATE OVER 1,600 APPRENTICESHIP PROGRAMS AND INVEST NEARLY \$1.3 BILLION OF THEIR OWN FUNDS ANNUALLY IN TRAINING PROGRAMS THAT HAVE PREPARED THOUSANDS OF WORKERS FOR GOOD, SUSTAINABLE, MIDDLE-CLASS CAREERS.

THE NCCMP ALSO AGREES THAT WE NEED TO BUILD ON THE PROVEN EFFECTIVENESS AND EFFICIENCY OF THESE REGISTERED PROGRAMS, AND THAT THEIR BENEFITS SHOULD BE EXPANDED TO ADDITIONAL INDUSTRIES.

HOWEVER, THE NCCMP HAS SERIOUS CONCERNS THAT THE PROPOSAL. FIRST, THE NCCMP NOTES THAT THE PROPOSAL APPEARS TO EXCEED THE ADMINISTRATION'S LEGAL AUTHORITY UNDER THE NATIONAL APPRENTICESHIP ACT.

SECOND, THE SRE/IRAP PROPOSAL FAILS TO MEET THE STATUTORY REQUIREMENT OF PROTECTING THE INTERESTS OF APPRENTICES. INSTEAD, IT APPEARS TO PRIVATIZE THE APPRENTICESHIP SYSTEM IN A WAY THAT WILL CREATE A BLACK BOX OF DISPARATE AND CONFLICTING STANDARDS THAT ARE SHIELDED FROM PUBLIC, REGULATORY, LABOR, AND EMPLOYER SCRUTINY.

THIRD, THE SRE/IRAP PROPOSAL HAS THE POTENTIAL TO CANNIBALIZE AND UNDERMINE THE EXISTING MODEL OF JOINTLY ADMINISTERED REGISTERED PROGRAMS. IN ADDITION TO WEAKENING THESE EXISTING PROGRAMS AND INSTITUTIONS, THE PROPOSAL HAS THE POTENTIAL TO REDUCE BOTH LABOR STANDARDS FOR APPRENTICES AND THE CAPABILITIES OF THE JOURNEYWORKERS WHO WOULD HAVE EARNED THE DUBIOUS SUBSTANDARD CREDENTIAL OF HAVING "SUCCESSFULLY" COMPLETED AN INADEQUATE IRAP.

FINALLY, THE NCCMP AGREES WITH THE RECOMMENDATION OF THE TASK FORCE ON



MULTI-ELERT® VOLUME XIX • ISSUE 7 PAGE 2

PURPOSE: INFORMATIONAL

CATEGORY: NCCMP COMMENTS

ISSUER: NCCMP

TARGET AUDIENCE: TRUSTEES OF AND PLAN ADVISORS TO MULTIEMPLOYER PLANS

FOR MORE INFORMATION: Full NCCMP Comments DOL NPR with Respect to IRAPs

SEND COMMENTS TO: <u>nccmp@nccmp.org</u>

REFERENCE: Vol. XIX, Issue 7

We strive to ensure that the information contained in this and every issue of Multi-Elert is correct to the extent information is available. Nevertheless, the NCCMP does not offer legal advice. Plan fiduciaries should rely on their own attorneys and other professional advisors for advice on the meaning and application of any Federal laws or regulations to their plans.

* * * * *

If you have questions about the NCCMP, or about this or other issues of Multi-Elert, please contact the NCCMP, by phone at (202) 737-5315 or by e-mail at nccmp.org.