



Independent Electrical Contractors
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**INDEPENDENT ELECTRICAL
CONTRACTORS**

August 26, 2019

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Office of Policy Development and Research
Employment & Training Administration (ETA)
U.S. Department of Labor
200 Constitution Avenue, NW
FB Building, Room N-5641
Washington, DC 20210

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By electronic submission: <http://www.regulations.gov>

RE: RIN: 1205-AB85; Notice of Proposed Rulemaking (NPRM), *Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations*

Dear Ms. Gagliardi and Mr. Ladd:

The Independent Electrical Contractors (IEC) welcomes the opportunity to provide comment on the notice of proposed rulemaking (NPRM) titled, "Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations." IEC and its chapter members have operated registered apprenticeship programs certified by the U.S. Department of Labor (DOL) for more than 60 years. IEC's curriculum is unparalleled and we are proud of the fact that our chapters continue to graduate thousands of highly skilled electricians each year. During the 2019-2020 school year, IEC expects enrollment to exceed 12,000 apprentices nationwide. However, the industry continues to face a skilled worker shortage, with fewer individuals choosing to become electricians to meet the demand. Consequently, our members struggle to expand their operations and contribute even more to the growth of the overall economy. IEC believes the Industry Recognized Apprenticeship Program (IRAP) model will more efficiently adapt to and address changes confronted by the industry as well as help to address its workforce challenges of today and in the future. Furthermore, the industry continues to evolve, becoming more efficient and adopting new technology, which in turn, has made it more complicated to apply traditional definitions to a construction job. Therefore, IEC requests that DOL include the construction industry in the final IRAP rule and make it eligible to participate as of its effective date.

Established in 1957, the IEC is a trade association representing 3,300 members with more than 50 chapters and training centers nationwide. Headquartered in Arlington, Va., IEC is the nation's premier trade association representing America's independent electrical and systems contractors. IEC National

aggressively works with the industry to establish a competitive environment for the merit shop—a philosophy that promotes the concept of free enterprise, open competition, and economic opportunity for all.

For decades, IEC has been at the forefront of the electrical contracting industry by providing highly skilled electricians through its registered apprenticeship program. An IEC apprentice is able to earn while he or she learns, incurs little to no debt, and enters into a well-paying job upon graduation. According to the Bureau of Labor Statistics (BLS), the median salary for an electrician in 2018 was \$55,190. In addition to being certified by DOL's Office of Apprenticeship and 38 State Apprenticeship Councils, the American Council on Education (ACE) has recommended that students graduating from IEC's apprenticeship program be eligible for 40 semester hours of college credit. IEC is also a member of DOL's Registered Apprenticeship-College Consortium (RACC), a national network of postsecondary institutions, employers, unions, and associations working to create opportunities for apprentice graduates who may want to further enhance their skills by completing an associate's or bachelor's degree. RACC members have their programs evaluated by a third-party organization to determine the college credit value of the apprenticeship completion certificate.

Though IEC has been a regular participant in DOL's registered apprenticeship program, we believe that DOL should take an "all of the above" approach in apprenticeship, recognizing that the registered program and IRAP both have a role in addressing workforce shortages, regardless of the industry, by increasing the number of apprentices nationwide. Under the proposed rule, Standard Recognition Entities (SREs) will have the ability to recognize Industry Programs, shouldering much of the responsibility currently handled by DOL and, in the process, eliminate a great deal of red tape. By allowing industry organizations to recognize Industry Programs, DOL is empowering the private sector to create more apprenticeship programs in a more efficient fashion. With more apprenticeship programs will come more apprentices, which will help address the construction industry's well documented workforce shortages and President Trump's challenge of achieving 4.5 million apprentices by 2022.

Under the proposed rule, an organization must apply to a DOL panel of experts to become an SRE. Upon receiving DOL's approval, these entities can begin approving Industry Programs that meet their standards and requirements. SREs will be required to, among other things, oversee Industry Programs to ensure they are complying with their requirements. The proposed rule, in some ways, mimics our nation's system of higher education, where private, nongovernmental organizations made up of educators and other industry professionals regularly review and accredit institutions that provide post-secondary education. Apprenticeship is a form of post-secondary education and IEC sees no reason that it cannot be treated in a similar fashion. IEC believes the proposed rule is a positive step forward in removing cumbersome bureaucracy in the apprenticeship approval process. Through the IRAP, industry experts and professionals with a thorough understanding of the rapidly changing needs and requirements of the electrical contracting industry can more quickly accredit Industry Programs that will ultimately lead to the infusion of more sorely needed electricians into the workforce.

As previously mentioned, technological advances and other efficiencies are also impacting the electrical contracting industry and other craft professionals, making it necessary for industry apprenticeship programs to evolve just as quickly. While most would not consider information technology (IT) part of the construction industry, the lines continue to be blurred in situations where IT professionals perform work on construction sites. One example is with the installation of Power over Ethernet (PoE) cabling, which can be installed by a licensed electrician or properly trained IT professional. PoE is commonplace in the typical office building, where both power and data are delivered on twisted pair Ethernet cabling

and are installed during the build-out of most spaces. With this new technology comes changes in requirements for installers of equipment that provides power, data, and communication services all in one. As drafted, it would appear the proposed rule would permit an SRE to accredit Industry Programs that train IT professionals to perform these kinds of construction-related tasks, further complicating the proposed rule explicitly carving out construction altogether.

In addition, the construction industry is constantly evolving and developing new processes and procedures to make things more efficient and reduce costs. Now more than ever, parts of homes and offices, and sometimes entire buildings, are being assembled offsite. This strategy is becoming commonplace in the electrical contracting industry, where parts of an entire electrical system are prefabricated at one location before being installed at another. This is just another example of the convergence of industries, which further illustrates why construction should not be arbitrarily prevented from participating in the IRAP.

With regards to the SRE approval process, IEC seeks additional information and clarification. IEC requests DOL provide more specific information on the backgrounds of the individuals that would be involved in this process, how they will be chosen, and if they will vary by industry. In addition, if individuals on the panel are gleaned from the private sector, IEC requests DOL address the following questions:

- What will be the process for choosing these professionals?
- How long are they to serve?
- How will DOL account for conflicts of interest?

IEC strongly believes that DOL only certify SREs that subscribe to the highest quality standards, regardless of industry, to ensure Industry Programs are administering high performing apprenticeship programs. SREs must thoroughly document that the programs they accredit include a robust on-the-job learning component. This means the apprentice is applying the requisite classroom knowledge directly to their day-to-day job duties and their responsibilities continue to advance accordingly.

IEC believes excluding construction, at least initially, from the IRAP is arbitrary and the logic used is extremely flawed. By relying on the fact that “the construction industry has had approximately 48% of all federal registered apprentices on average over the prior 5-year period, averaging approximately 144,000 federal registered apprentices per year,” DOL is only taking into account the universe of apprentices from the registered program and ignores the rest of the industry seeking training elsewhere. In an industry that, according to the 2018 Bureau of Labor Statistics’ Current Population Survey, employs more than 8 million people, DOL is ignoring the vast majority of construction professionals that receive their training from market or industry-driven training programs not governed by the registered apprenticeship program. In addition, throughout the proposed rule, DOL references how the IRAP can help close the skills gap. In no industry is the skills gap more pervasive than in construction where, according to a recent survey by the Associated Builders and Contractors, an additional 440,000 people will need to be hired to meet the current backlog of construction projects in 2019. And according to a 2018 survey by the Associated General Contractors, 80 percent of contractors nationally are experiencing difficulty finding qualified craft workers to hire. By including the construction industry in the final IRAP rule, DOL will not only work toward addressing the industry’s worker shortage but will help reduce costs. IEC members report that delays due to labor shortages and added overtime are the primary drivers to cost increases on construction projects. A shortage of skilled laborers to build and service houses, schools, office buildings, roads, bridges, and other infrastructure will be a drag on

the broader economy making homes less affordable for first time home buyers, preventing businesses from growing their operations, and adding to the price tag for tax payer-funded public works projects.

In closing, IEC appreciates the opportunity to comment on DOL's proposed IRAP rule, which will help close the skills gap by expanding apprenticeship participation across the country. Our electrical contractor members believe that the final IRAP rule will also help address the worker shortage in their industry and thus, IEC requests that DOL remove language precluding the construction industry from immediately participating. To leave out an entire industry that is desperate for new employees, pays extremely well, and provides not only a job, but a lifelong career, would ultimately be a missed opportunity to help grow our economy by opening additional opportunities to more people seeking the American dream.

Thank you for taking the comments of the Independent Electrical Contractors into consideration.