



March 11, 2020

The Honorable Susan Davis  
Chairwoman  
Subcommittee on Higher Education and Workforce Investment  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairwoman Davis,

On behalf of the more than 140,000 members of the National Association of Home Builders (NAHB) and our workforce development affiliate, the Home Builders Institute (HBI), thank you for the opportunity to provide feedback on the discussion draft of legislation to reauthorize and update the National Apprenticeship Act (NAA). We welcome your commitment to updating the national apprenticeship system to ensure it is better serving students, employers, schools, and other stakeholders and that federal investments align with our nation's evolving workforce needs.

NAHB is a Washington, DC-based trade association that represents more than 140,000 members who are involved in home building, remodeling, multifamily construction, property management, subcontracting, design, housing finance, building product manufacturing and other aspects of residential and light commercial construction. HBI is a nonprofit organization that provides training, mentoring, curriculum development and job placement services for the building industry.

We appreciate the Subcommittee's engagement with partners in workforce development like NAHB and HBI in developing a framework that expands opportunities for students and eliminates barriers to employer participation in the pre-apprenticeship and apprenticeship systems. For decades, HBI has offered skills development opportunities and career and technical education to underserved, nontraditional, and at-risk populations through its Department of Labor (DOL)-recognized preapprenticeship curriculum. We deeply understand the need to expand and improve the methods by which construction employers are able to recruit, train, and retain these individuals in skilled trades positions to address the growing skills gap in our industry. To that end, the discussion draft that has been made available to us for review and comment includes some important provisions which NAHB and HBI strongly

support. However, as currently drafted, the bill also contains provisions that will severely restrict HBI's ability to continue providing a path for students to meaningful and well-paying careers in the residential construction industry.

We strongly urge the adoption of several critical revisions to the bill that we outline below. These revisions will preserve HBI's ability to continue its successful core programming and job placement services. We welcome further discussions with the Subcommittee to address these issues as you work towards introduction of the bill.

### **Setting Baseline Performance Requirements and Systems of Measurement Promotes Accountability Across the National Apprenticeship System**

Overall, NAHB and HBI appreciate the subcommittee's efforts to ensure the national apprenticeship system meets the needs of prospective and current students as well as employers seeking skilled labor. We believe increasing transparency benefits all parties engaging in the workforce system. Enrollment, completion, and placement data for traditional academic programs as well as career and technical education programs should be made publicly available to prospective students, parents, and career counselors.

We also appreciate the bill's requirement that the Departments of Labor and Education better align their activities promoting awareness and adoption of apprenticeship programs, ensuring that young learners are exposed to careers in the skilled trades no later than middle school. This is absolutely crucial as a 2017 NAHB survey found just 3 percent of high school respondents were considering construction careers.

Further, we believe baseline performance requirements and systems of measurement that are not overly cumbersome and consistent would be useful for administering programs under the National Apprenticeship Act to ensure students are attaining the competency, skills, and practical instruction needed to safely carry out their duties on a job site.

### **Expanding Bureaucracy of Registered Apprenticeship Is Not Necessary**

NAHB and HBI have strong reservations about the necessity to create a new federal bureaucracy that supersedes states' established offices of apprenticeship and removes state agency's ability to act as registration agents under the National Apprenticeship Act if they do not meet the standards of the new system. Notably, the bill grants the Office of Apprenticeship broad discretionary authority to deregister a state apprenticeship agency and establish and operate its own state office of apprenticeship. While these changes go beyond our expertise, we are concerned that effective programs developed at the state level could be subject to arbitrary measures put in place by a federal agency not as familiar with the culture and workforce needs within a state and/or local community.

We also strongly caution against measures that would promote registered youth apprenticeships, pre-apprenticeships, and apprenticeships to the exclusion of other work-based

learning paths. We believe the best and most effective workforce system is one that includes not only registered apprenticeships, but also unregistered programs that meet robust industry-recognized standards and offer a flexible alternative for employers without the means to participate in the national apprenticeship system.

### **The Effectiveness of Pre-Apprenticeship Resides in Its Association With – Yet Distinct Autonomy From – Apprenticeship**

Above all other recommendations, NAHB and HBI strongly urge the amendment and removal of several provisions within Section 122 (c) which seeks to define and establish standards for pre-apprenticeship. As drafted, the bill would require a pre-apprenticeship program be “carried out in partnership with at least one sponsor of an apprenticeship program.” This will interfere with HBI’s current approach to apprenticeship placement.

HBI currently deals with multiple organizations which offer apprenticeship training. We have not directly aligned our pre-apprenticeship programs with an individual sponsor due to the industry’s high demand for interested and qualified candidates. We have found that diversified apprenticeship programs enable us to fulfill each organization’s mandates of qualifications and/or expectations. If we were to sponsor with an individual organization, it may preclude HBI from further diversification with additional sponsors.

HBI already faces challenges when offering its pre-apprenticeship certificate training (PACT) in states that require a pre-apprenticeship program to partner with an affiliated apprenticeship program in order to qualify to be registered. Simply, there is not currently a prevalence of apprenticeships in residential construction. Registered programs are costly and burdensome to establish and operate, particularly as the average home building company is comprised of 10 or fewer employees. Further, there are simply not enough registered apprenticeship programs in geographic areas where HBI offers its PACT curriculum to absorb graduates of its programs.

Many training centers where HBI’s PACT curriculum is offered are in economically disadvantaged and rural areas. In these locations, labor market demand simply does not align with the labor market availability of apprenticeships. Some students must travel very long distances to get to training locations. When they complete the pre-apprenticeship program, they might not have any apprenticeships within a reasonable distance in which they can participate nor the means to relocate and afford room and board away from home. Most HBI PACT graduates are offered and accept employment immediately after completion of their coursework – they do not want or need to enter an apprenticeship program.

By requiring that pre-apprenticeship programs be carried out in partnership with at least one sponsor of an apprenticeship, the bill as drafted could undercut 75 percent of HBI’s programs. This would specifically harm the underserved and non-traditional populations that are the focus of HBI’s programming – at-risk youth, justice-impacted youth and adults, and veterans – and will reduce the professional options available to pre-apprenticeship program participants upon completion.

For this reason, NAHB and HBI ask to strike the current requirement of Section 122 (c) (1) (A) and instead insert similar language to the standard established in Section 122 (d) for youth apprenticeships: “Prepares participants for placement in further education, employment, or an apprenticeship program.” Similarly, we would urge thoughtful revisions to Section 122 (c) (1) (C), and Section 122 (c) (3) (A) and (B) that guarantee a variety of choices remain available to pre-apprentices at the completion of their program.

### **NAHB and HBI Support Increased Flexibility and Options for Program Structuring**

Traditional registered apprenticeship models are either time based, or competency/performance based. NAHB and HBI support a hybrid model that is a combination of the two, affording employers more flexibility in establishing registered apprenticeships and the option to significantly reduce the time required to complete an apprenticeship program without diminishing skills standards and/or attainment. This is a welcome change to the current system, and one for which we have long advocated. Instituting this revision to the current standards for apprenticeships will alleviate one of the biggest challenges to running skills-based training programs in the residential construction industry. This also will assist with HBI’s efforts to tailor its curriculum offerings to different populations where long duration programs are prohibitive for small employers (particularly those with 10 or fewer employees).

HBI, in partnership with NAHB, has National Guidelines for Apprenticeship Standards (Standards) for Residential Carpentry, Residential Electrical Wiring, Building Maintenance and HVAC that are approved by the USDOL Office of Apprenticeship. Using these Standards and working with industry experts has enabled HBI to develop Registered Apprenticeship Hybrid model program standards that met the needs of the employers, educators, and – most importantly – apprentices. This successful “Building Today’s Workforce for Tomorrow” Apprenticeship grant integrated residential construction curriculum into postsecondary programs, ten advisory boards at the local level whose membership included, school superintendents, workforce investment board staff and employers in the residential construction industry. This approved hybrid model Registered Apprenticeship program allowed for flexibility to the work processes and related instruction schedules for both the on the job training (OJT), classroom education (RI) standards and progressive wage schedules that were developed with input and feedback from industry experts and building and construction groups before final approval by the DOL.

Apprenticeships are a proven earn-and-learn model used by companies around the world to improve worker skills and boost productivity. They can be even more effective if the administration considers the variances of business models/structures and workforce needs in the residential construction industry.

### **Increased Funding Will Support the National Apprenticeship System**

NAHB and HBI welcome the creation of a new grant program that will aid in the expansion of the national apprenticeship system in the draft bill. In particular, we appreciate that funding

eligibility requirements extend to increasing access to supportive services such as placement, counseling, and retention of students and give priority to applicants whose efforts target non-traditional populations.

NAHB and HBI recommend extending the application of youth apprenticeship funds for teachers, guidance counselors and support personnel to activities aiding in the attainment of state teacher certification and licensure for vocational instruction. Many PACT instructors come to HBI from careers in the skilled trades rather than educational backgrounds and face barriers to teacher qualification for construction-related training. We recommend that the bill include a provision expressly authorizing the use of funds for teacher learning opportunities including alternative routes to certification and business externship opportunities.

Additionally, we recommend including as a qualified use of grant funds the coverage of costs related to relocation and post-program transition (such as employment-related transportation or child care) for pre-apprenticeship participants. This would be particularly beneficial to justice-involved individuals that are at a higher risk for recidivism without proper support services in place as they pursue and maintain employment, education, or further training opportunities.

We appreciate your consideration of our recommendations and feedback and thank you again for the opportunity to provide them in advance of the bill's introduction. We hope we can continue to serve as a resource and encourage the Subcommittee to move forward bipartisanly to craft a workable reauthorization of the National Apprenticeship Act.

Sincerely,

National Association of Home Builders

Home Builders Institute