



Employment Training Panel

# APPRENTICESHIP TRAINING Pilot Summary

On March 23, 2012, the Panel approved Guidelines for an Apprenticeship Training Pilot Program. [See Apprenticeship Glossary](#). Unless modified by these guidelines, all other program criteria apply.

## **Contract Structure**

- Typically, apprenticeship training will be funded through a Joint Apprenticeship Training Committee (JATC) or an “umbrella” organization with JATC membership. It may also be funded through a Unilateral Apprenticeship Committee (UAC), or by a Single Employer.
- Typically, the JATC or UAC is also the program sponsor. An “umbrella trust” is also recognized as a sponsor. The sponsor must be approved by, and the program must be registered with, the Division of Apprenticeship Standards (DAS).
- Each apprenticeship program must have a separate Job Number. Pre-Apprentice and Journeyworker training must also be separated by Job Numbers.

## **Trainee Eligibility**

- Apprentices will be considered to be Retraitees for eligibility purposes. Pre-Apprentices may be considered to be either New Hire or Retraitees for eligibility.
- Apprentices, Pre-Apprentices and Journeyworker are not eligible for enrollment in a sequential contract until they have completed retention in the active contract.
- Apprentice trainees must have completed their probation period or have advanced to Year 2+ in the apprenticeship program. An exception may be made for trainees who have completed Pre-Apprentice training, to be determined case-by-case. A similar exception may also be made for trainees who have advanced to Year 1, Period 2 when the apprenticeship program is less than or equal to 24 months.
- ETP will use occupational titles as registered with DAS.
- Pre-Apprentices and Journeyworker are also eligible under the pilot.
- Journeyworker do not need DAS certification as a condition of eligibility

## **Reimbursement**

- The Panel may adopt “funding caps” per Fiscal Year. Each apprenticeship job number may be capped in addition to the MEC overall. [See Funding Table](#).
- Apprenticeship training is reimbursed as Class/Lab with a special rate of \$21 per-hour (Priority Industry Rate of \$26 minus \$5 Montoya). There is no Computer Based Training (CBT) rate for Apprentices and Pre-Apprentices.
- Journeyworker training is reimbursed for Class/Lab at a rate of \$26 per-hour. CBT is also allowed at \$9 per-hour.
- The Apprenticeship Pilot will not be funded as Special Employment Training (SET), although the SET statewide wage will be used for all trainees as a matter of administrative convenience.

## **Wage Requirement**

- When the program sponsor is a JATC, union-negotiated wages will be accepted.
- The High Unemployment Area (HUA) wage modification will not apply to this Pilot.

## **Retention Requirement**

- Retention may be 500 hours within 272 days with multiple employers, rather than 90 consecutive days with a single employer. This applies to all trainees under the Apprenticeship Pilot.
- The contractor may apply for funding under this Pilot in a subsequent Fiscal Year for all trainees. The same cap on hours applies each year. Trainees may be enrolled in a sequential contract, but only after retention is completed under the first contract.
- The apprenticeship program's "retention rate" will be made part of the funding proposal. This is the rate of graduation from the program (on file with DAS).
- If the apprenticeship program's average retention rate is below 50% of the industry average, then an explanation and justification for funding will be required.

## **Hours of Training**

- Apprentice training hours are 8 and 200. An approved justification is required to exceed the maximum training hours. An additional 10 hours may be added to the cap (total 210) for OSHA10.
- Pre-apprentice and Journeyworker training hours are 8 and 200. An approved justification is required to exceed the maximum training hours.

## **Training Delivery**

- The ratio established for apprentice training by the Local Educational Agency (LEA) will be accepted if the LEA delivers the training. Otherwise, the standard class/lab ratio of 1:20 will apply, although this ratio may be expanded to 1:25 on a case-by-case basis for good cause (apprentice training only).
- General Safety training is allowed for Apprentices if it is part of the Related & Supplemental Instruction curriculum approved by DAS. OSHA 10 is allowed for Apprentices and Pre-apprentices. OSHA 10/30 is allowed for Journeyworker and Apprentices.
- Attendance records will be accepted as required by the LEA, but only if the LEA is delivering the training. Otherwise, standard ETP rosters will be required.
- Payment earned under the Apprenticeship Pilot will not be attributed to employers for purposes of assessing a Substantial Contribution or a High-Earner Contribution.

**For further information regarding this Pilot program, please contact [ETP's Economic Development Unit](#), or call 916-327-5258.**

## Apprenticeship Training Pilot Program

### Apprenticeship GLOSSARY

Apprenticeships are a multi-year training program that results in DAS certification to work as a journeyworker. They are authorized in California under the Shelly-Maloney Apprenticeship Labor Standards Act of 1939. (Labor Code Sections 3070 *et seq.*) Apprentices commit to training under contract with a program sponsor. They advance through a series of apprenticeship levels as they complete modules of RSI and on-the-job training. Wages are paid during hours on the job in progression with levels of advancement. Apprenticeships are traditional in the building trades, but are available in many other occupations.

**CAC**: California Apprenticeship Council. The CAC sets apprenticeship policy and establishes standards for apprenticeship programs. (Title 22, California Code of Regulations Section 212.) The CAS is staffed by DAS.

**CBA**: Collective Bargaining Agreement. The CBA sets forth the terms and conditions of apprenticeship as negotiated between a union and signatory employer(s). It shows the amount of employer payments into the training trust, based on hours worked by apprentices and journeyworker. It also shows the percentage of journeyworker wages paid for on-the-job training. Apprentices may receive health and pension benefits in addition to wages, under the CBA.

**DAS**: Division of Apprenticeship Standards within the Department of Industrial Relations. DAS must review and approve all apprenticeship programs including RSI curriculum.

**Excess Costs**: The amount of funding needed to pay for RSI, in addition to Montoya Funds. If RSI is delivered by the LEA the program sponsor must reimburse excess costs. If delivered "off campus" by the program sponsor, the LEA forwards Montoya Funds to the sponsor, minus its own administrative costs. (Labor Code Section 3074.)

**JATC**: Joint Apprenticeship Training Committee (or Council). The JATC is formed as a trust, as an outgrowth of collective bargaining. It acts as a board of trustees, administering the apprenticeship training funds. Both the union and signatory employer(s) appoint an equal number of trustees, to administer jointly. The trust may also be used to fund training for pre-apprentices and journeyworker.

**LEA**: Local Educational Agency. This may be a high school district, or Regional Occupational Center/Program operated by the district under oversight by the California Department of Education (CDE). It may also be a community college operated by the California Community College Chancellor's Office (CCCCO). LEAs are formed for the purpose of delivering adult education including RSI.

**MITC**: Minimum Industry Training Criteria. These criteria are set by the CAC and are updated every three years to recognize new materials and techniques. (Title 2, CCR Section 212.01.)

**Montoya Funds**: State of California funding for RSI appropriated each year to CDE and CCCCCO under the Budget Act. They are called Montoya in recognition of former State Senator Joseph Montoya, who promoted the concept. They are allocated to LEAs based on RSI attendance by both CAC and CCCCCO.

**On-the-Job Training**: The bulk of apprentice training time is on-the-job, under the direction of an experienced journeyworker. Wages are paid during on-the-job training, as a percentage of journeyworker wages, with oversight by CAC. (Title 22, California Code of Regulations Section 208.)

**Plant Standard**: Apprenticeship program sponsored by a single employer.

**Program Sponsor**: The trust fund that sponsors an apprenticeship program for a trade or other occupation. The program sponsor develops apprenticeship training curriculum and other standards in accordance with the Labor Code and CAC regulations. The RSI curriculum must be developed with an LEA affiliate. The full standards must be reviewed and approved by and registered with DAS.

**RSI**: Related and Supplemental Instruction. This is the component of apprenticeship training that is delivered in a classroom or simulated laboratory. Typically, RSI is 144 hours per year although DAS will accept variations depending on the overall program standards. The probation period for RSI is capped at 72 hours. (Labor Code Section 3078.) Apprentices take RSI in the evenings or on weekends, allowing for time to complete on-the-job training.

**UAC**: Unilateral Apprenticeship Committee. Like a JATC, it is formed as a trust, but it is not an outgrowth of collective bargaining. It is formed by a group of employers such as Western Electrical Contractors Association. There are no union appointments to the board of trustees. As with a JATC, the trust may be used to fund training for pre-apprentices and journeyworker.

This glossary includes terms not used in the Apprenticeship Training Pilot Program Guidelines, by way of background.