



# Central Pennsylvania Chapter Independent Electrical Contractors

Pennsylvania Senate Committee on Labor and Industry

Testimony for the March 22, 2016 Hearing on Apprenticeship in Pennsylvania

In 1991, four competing electrical contractors founded the Central Pennsylvania Chapter, Independent Electrical Contractors (IEC) as a non-profit trade association for the primary purpose of training individuals to become quality electricians. Using the National IEC Curriculum, they set-up a Registered Apprenticeship Program with the assistance of the US Department of Labor (DOL), Office of Apprenticeship and then registered it with both the US DOL and the Pennsylvania Apprenticeship and Training Council within the Pennsylvania Department of Labor and Industry. Since our founding, the IEC has grown with more merit-shop contractors who have trained hundreds of individuals and graduated 309 journeyworker electricians.

***Why did we choose apprenticeship?*** Concisely stated, it is the best method for training electricians. The IEC Registered Apprenticeship Program provides 8000 hours of on-the-job learning and work experience as well as 648 hours of classroom training. Electrical work is a hazardous occupation. IEC employers recognize the value of classroom training that covers safety, electrical theory, techniques and equipment in a controlled environment with minimal risks. They also recognize that classroom knowledge must be applied in the field with challenging environmental conditions, ever-changing equipment, products, and National Electric Code rules that are revised every 3 years. Having concurrent classroom training and field work is vital to the success and safety of the apprentices. Under the supervision of journeyworkers and master electricians, apprentices will apply their knowledge and learn safe, practical techniques for working and have a long-lasting career. The importance of having safe, well-trained electricians is evident by the fact that all of this training is paid for entirely by the IEC employers.

***Why would an individual want to be an apprentice?*** It can be difficult to work full-time, take classes after work, and complete homework in between. Apprenticeship is not a 6-month or 18-month training with tuition between \$18,000 and \$34,000. It is a comprehensive 4-year program. For those who make the commitment, their success is significant. They will have been gainfully employed, developed electrical knowledge, skills and techniques that qualify them as journeyworkers, and not an entry-level worker. They will have diversified experiences that allow them to work in residential, commercial, and industrial settings. During those 4 years, they will have guaranteed pay increases that take someone with no experience from a starting wage to a wage that will nearly double by time of completion. Apprentices will not incur student loan debt. In fact, in the IEC program, graduating apprentices will have completed 32 college credits which is half of an Associate's Degree, paid for entirely by their employer.

When an individual completes an apprenticeship, they are awarded a Pennsylvania Certificate of Completion that recognizes them as a journeyperson. For many IEC graduates, this is just the first step in a long-term career filled with additional education, promotions, and in some cases, even the decision to start their own business. Some may get licensed as journey, or master electricians in those areas that

require it. Or, they may decide to journey beyond the Pennsylvania borders and use their apprenticeship completion as the basis for mandatory licensing in other states.

### ***How do apprenticeship programs operate in Pennsylvania?***

For decades, the US DOL, Office of Apprenticeship (OA), has assisted program sponsors in creating and improving their programs. They help create lists of the work processes that apprentices should be trained on, find curriculum and sources of related instruction such as correspondence and community colleges, share lists of organizations that help achieve EEO compliance, provided guidance to sponsors who did not meet the standards during regular audits, and connected programs with the Pennsylvania Department of Education to get certified for Veteran's Educational benefits for apprentices. This was done by a staff of 9 Apprenticeship Training Representatives (ATR), a State Director, and administrative assistant. This team of 11 people covered all aspects of creating programs, entering individual apprentices into the RAPIDS federal database, auditing programs, and customer outreach for both possible apprentices as well as possible program sponsors for a wide variety of industries. US DOL would then submit the compiled paperwork to the Pennsylvania Apprenticeship & Training Council for their stamp of approval.

Over the most recent decade, the OA realized that if Pennsylvania wanted the authority of being a state approving council that state-level staff should be handling the majority of the work. As a result, the staff of 11 has now dwindled to a single ATR and a multi-state director with only a portion of his time allocated to Pennsylvania.

In efforts to streamline apprenticeship and assist with the transition of responsibility from federal to state staff, program sponsors - regardless of whether they were single employers with one apprentice, unions, or employer groups - were trained beginning in 2012 to individually enter apprentices into the federal RAPIDS database for registration. Sponsors also submit their own cancellation and completions through RAPIDS.

### ***What are the regulations that apply to apprenticeship?***

In 1961 the Pennsylvania Apprenticeship and Training Act was enacted. It created the Pennsylvania Apprenticeship and Training Council of eleven members to be appointed by the Governor and defined their powers and duties. Regulations related to the Act were most recently updated in 1997. These regulations include a definition that non-joint apprenticeship programs should have 4 journeyworkers supervising a single apprentice, and that a second apprentice may only be added to the jobsite when 5-9 journeyworkers are on-site. Programs that are connected to a collective bargaining agreement(CBA) are allowed to use a ratio that is specified in the CBA and it is not necessarily disclosed to the US DOL, nor the Pennsylvania Apprenticeship and Training Council.

The Federal Standards for the Registration of Apprenticeship were completely updated in October, 2008. These new standards include regulations regarding the recognition/de-recognition of state approving agencies. They gave a two-year period for states to make plans and take action for compliance with the new federal regulations.

The Pennsylvania Prevailing Wage Act includes the ability to use registered apprentices on construction projects at the approved ratio of journeymen to apprentices, and at the registered percentage of wages. It should be highlighted that prevailing wage work is not the majority of all construction projects. Private projects are the overwhelming majority. Further, manufacturing, information technology, nursing, correctional officers, and home health care worker apprenticeships have no connection to prevailing wage rules and ratio regulations.

### ***Where does Pennsylvania stand in coming into compliance with the 2008 Federal Apprenticeship Regulations?***

On behalf of the IEC, I have been consistently attending meetings of the PA Apprenticeship and Training Council since 2009. At every meeting, I have asked the question of where does Pennsylvania stand in coming into compliance with the federal regulations. Usually the Deputy Secretary in the room has responded with there is nothing to report. Additionally, there has been no action by the Council members to either review the regulations as a group nor to make suggestions to the Administration for proactive ways to comply with the regulations and the opportunities they present for our Commonwealth.

Meetings of the Council typically spend the majority of the time voting on new programs or adding new occupations to existing programs – all of which have already been vetted by US DOL - and rarely is there activity or business to promote the improvement and positive promotion of apprenticeships. As one Council member noted, one meeting spent all of nine minutes voting on programs. However, if it is a construction program that is not part of a collective bargaining agreement, the approval process seems to spark debate, questions of whether apprentices are being paid correctly, questions about the sufficiency of their safety training, and extra scrutiny in general. In fact, some past meetings of the Council involved proceedings and questions merely for the purpose of delaying program approvals. It seems that the Council merely wants to focus on the small area where apprenticeship and prevailing wage overlap.

### ***How does Pennsylvania compare to other states?***

One of the strongest state apprenticeship approving agencies is our neighbor, Maryland. With their own state administration and staff, they have implemented a state database system and do not use the federal RAPIDS database. They have a funding mechanism to support and promote apprenticeship that focuses on the significance of workforce development versus the construction prevailing wage laws. It should be noted that Maryland does not recognize Pennsylvania registered apprentices.

Sadly, Pennsylvania also lags behind many states in the ability to train more individuals as a result of restrictive apprenticeship ratios. By comparison, in twenty-four other states I have contacted, twelve of them allow a ratio of 1 journeyworker to 1 apprentice. Ten states allow a ratio of 1 journeyworker to 2 apprentices, and three states allow a ratio of 1 journeyworker to 3 apprentices. Pennsylvania has the most limiting ratio, and it prevents employers from hiring more people.

In 2012, multiple program sponsors submitted requests for ratio relief to the PA Apprenticeship & Training Council. None of the requests for the individual programs were approved. In September 2015, I submitted a written request to the Council Chairman to request a change in ratios for all programs in the state to 1:1. Nothing has happened since.

### ***Where should we go from here?***

Prior to the economic downturn in 2008, there were approximately 18,000 registered apprentices in Pennsylvania. In recent years, it has remained steady around 12,000 apprentices. There are 721 apprenticeship programs here, and of those, only 205 programs have more than 5 apprentices.

There are substantial opportunities for apprenticeship growth right now. US DOL awarded significant grant money in 2014 and 2015 that focused on utilizing apprenticeship for training in high-demand occupations, and emerging industries. Grants were connected to apprenticeship program sponsors themselves, and not merely administrative structures. There are strong indications that more money will be focused on apprenticeship as a result of the Workforce Innovation and Opportunities Act of July, 2014, and the President's goal of doubling the number of apprentices in the US over five years.

We are at a crossroads in Pennsylvania. If we do nothing to modify our Apprenticeship Standards and Regulations, we will limit apprenticeship to only construction-related programs and continue to lose numbers of well-qualified workers. At a recent national conference, an economist shared that student loan debt in the US has now surpassed credit card debt. Apprenticeship avoids significant student loan debt. From US DOL statistics, for every dollar spent on apprenticeship, employers get an average of \$1.47 back in increased productivity, reduced waste and greater front-line innovation.

We must decide if we are going to embrace and modernize apprenticeship in Pennsylvania, or if we will let these great training programs dwindle for lack of support. Senator Folmer and Senator Smucker have each submitted bills that, while differing in approach, would move Pennsylvania forward in compliance with the 2008 federal apprenticeship regulations. From a practical taxpayer standpoint, we must note that Pennsylvania does not have an existing infrastructure to support apprenticeship. Creating a strong apprenticeship program for true workforce development will take significant work, and funding.

Respectfully submitted, Christi Buker, Executive Director and Apprenticeship Coordinator, Central PA IEC