



Mr. Thomas M. Dowd  
Office of Policy Development & Research  
U.S. Department of Labor  
200 Constitution Avenue NW, Room N-5641  
Washington, DC 20210

Dear Mr. Dowd:

The National Electrical Contractors Association (NECA) is the voice of the \$100 billion industry responsible for lighting, power, and communication systems in buildings and communities across the United States. NECA's national office and 120 local chapters advance the electrical contracting industry through advocacy, education, research, standards development and training for a skilled workforce.

Since 1941, NECA has partnered with the International Brotherhood of Electrical Workers to sponsor the National Joint Apprenticeship and Training Committee for the Electrical Construction Industry. Through our nearly 300 chapter-based programs, approximately 40,000 apprentices are currently indentured and engaged in acquiring the knowledge and skills needed for a successful, productive, and rewarding career in the electrical construction industry. Having adopted a user-fee based model, participating employers contribute an average of 1.5 percent of their productive labor payroll (well over \$100 million per year) to privately fund the majority of these programs' costs. Our programs graduated approximately 8,400 "journeylevel" workers in 2006, with a nearly 85% completion rate.

In other words, as a primary and leading user of the current apprenticeship system, NECA is well positioned to comment on the proposed changes to the apprenticeship regulations.

Like any other institution, it is good to review how apprenticeship operates and addresses the needs of the industry it serves. Maintaining the status quo simply because it is the way we have always done things is a recipe for obsolescence and irrelevance. But change for change sake is equally problematic. Any change to the current apprenticeship system must be considered fully and with the understanding that **the current system works and works well.**

That is not to say that we believe the current system could not use some fine tuning. Some of the proposed changes to the regulations offer opportunities to improve the system; however, in other cases the proposals are too broad and ill-defined to assure that they will result in real improvements. In the interest of brevity, our comments relate to both changes or additions in the definitions of terms and to actual changes in the regulations, as the case may be.

### **Competency-based Systems and Interim Credentials**

One of the thorniest and perhaps most dangerous changes is in the proposed adoption of a “competency-based” system. Of course, we are all in favor of producing competent workers. That is why NECA has spent over 65 years and countless millions of dollars developing our current apprenticeship programs. It is a false argument that time-based apprenticeship is not also competency-based. No apprentice completes one of our programs without demonstrating that he or she has mastered the manual and technical skills and knowledge necessary for the occupation. Both in the classroom and on the job, apprentices must repeatedly demonstrate their competence.

It is a different thing to demonstrate a “competence” once in a testing environment as opposed to multiple times over the course of an apprenticeship. Tests are by their very nature artificial and limited. A time-based apprenticeship requiring a set number of hours of on-the-job training is a true exposure to the occupation where the “testing” occurs in real time, in a distracting, sometimes noisy, sometimes dirty, often unpredictable environment that is a far cry from a sterile testing facility.

Safety on the job site is also a primary concern to us. Learning to answer a multiple choice question on safety procedures cannot replace constant repetition on the job under the watchful eye of a journeylevel mentor in raising mere knowledge to an ingrained practice.

The second difficulty with the proposed competency-based system is that it appears to rely on each individual program sponsor to determine the skills and knowledge to be gained, how the competency is to be tested, and what level of performance on that test will be considered successful. While this model might make sense in a world where there is only one employer, an apprentice who completes such a program may find that his or her credentials are meaningless when applying at another firm. Time-based programs that require a specified number of hours of related instruction at least provide some basis for a traveling transcript of course work that carries value from employer to employer or apprentice program to apprentice program.

Likewise, NECA is very concerned with the proposed “interim credential.” Like the competency-based system on which it is built, there is no provision here that these credentials meet any kind of objective, external standard. We are not opposed to this concept per se, but cannot support it as it is defined in the new regulations because of the likelihood that it will produce meaningless credentials that will shortchange not only employers and workers, but the public as well. It shortchanges employers, because they will have no means of weighing the value of the credentials; workers, because the credentials that they obtain may have no value in the real workplace; and the public, because they have a right to rely on the federal apprenticeship system to foster programs that assure fully trained, skilled, and safe workers. The interim credential provision could represent no more than simple task training.

**NECA would oppose** a change to allow competency-based systems and interim credentials unless and until these arrangements can be held accountable to some objective industry-based standard.

### **Electronic Media, Related Instruction and Related Technical Instruction**

The proposed changes recognize the revolution taking place in electronic media. Web-based and other distance learning techniques have shown their efficacy in other learning venues, and

today's student and worker are adept and comfortable with enhancing their knowledge and skill base through these technologies. There is no reason why these methods cannot be added as an adjunct to traditional classroom training in apprenticeship. While distance-learning should not and cannot be a full replacement for classroom time, it is obvious that if correctly used it could be a very positive addition to the apprenticeship system.

**NECA supports** regulations that would allow programs to supplement, but not replace any significant amount of, classroom time with electronic media.

### **Provisional Registration, Review, and Performance Standards**

The proposed regulation changes would require a mandatory review of every newly registered apprenticeship program after its first year in operation before its registration becomes permanent. Additionally, Sections 29.3(f) and (g) provide that after the first year review, a second review of the program be conducted at the end of its first full training cycle.

**NECA supports** these changes and would propose that they be expanded to include the budget authority and resources to review all apprenticeship programs on a regular basis. Abuses of the apprenticeship process, and the apprentices themselves, can occur in older, established programs as well as newly registered ones. Because of resource limitations, the Department has only been able to enforce the regulations on an exception basis, and often only after the program has failed its charges for years. A regular review of all registered programs is a necessary addition to the nation's apprenticeship system.

As a part of this review, we agree that attention should be paid to the completion rate for the program. What better indicator of the effectiveness and value of an apprenticeship program is there than the percentage of apprentices who actually complete the program? We believe, however, that all individuals that are indentured into the program should be factored into the calculation, including those that are cancelled during the probationary period. This is especially necessary since there is no guidance, let alone mandate, on what constitutes a probationary period. An overly long probationary period could serve to push the completion ratio much higher than it actually is. Additionally, the completion ratio should mean "completion" and the issuance of "interim credentials," if such are eventually included in the standards, should not count as completion. Otherwise, no program will ever have to "cancel" an apprenticeship. It could simply issue an interim credential to every exiting apprentice and claim a 100% completion rate rendering this standard absolutely meaningless.

### **State Apprenticeship Agency/Council**

The proposed rule would provide that states wishing to assume responsibility for the apprenticeship programs operating within that state ***must*** establish this body as a fully vested agency of the state, thereby eliminating the variety of administrative bodies that have been adopted by states over the years.

This change appears to be an unnecessary intrusion into the rights of the states to develop the types of oversight and regulatory authorities they deem necessary. Certainly, **NECA supports** consistent application of the apprentice rules and regulations across the country and the

Department of Labor and the Office of Apprenticeship retaining the right to assure that the programs recognized by the states meet the national standards and that state authorities do not abuse the discretion that they are given in this regard, but it should not be necessary for the Department to dictate to the states the nature and structure of their government.

## **Transfer**

This proposed change would appear to make it possible for an apprentice to transfer from one program to another, within an occupation or related occupation and under the same sponsor, without having to cancel registration in the first program and re-register in the second program.

**NECA supports** provisions that would allow transfers between legitimate programs within related occupations and under the same sponsor(s), but **would oppose** a broadening of this provision to allow wholesale transfers between programs that have only tenuous and strained relationships. If the transfer provision is adopted, special rules will have to be developed regarding how transfers in, and out, are to be counted for determining completion rates.

## **Reciprocity in the Building and Construction Trades Industry**

**NECA opposes** the elimination of the exemption for building and construction trades that was formerly contained in Section 29.13 (b)(7). We believe that this exemption has served the construction industry well and remains necessary to avoid conflicts with the Davis-Bacon and Related Acts.

Finally, NECA, as communicated earlier, would add its voice to those calling for a further extension of the comment period and public hearings in order to assure that any changes that are made to the regulations have been thoroughly discussed and developed ***before*** implementation. It does not seem that after thirty years, a minimum of another 90 days for review and comment would be unreasonable.

Sincerely,

Geary M. Higgins  
Vice President, Labor Relations