Engaging Business in Apprenticeship: Using Policy and Practice

August 2017
Two key levers
State Policy: How does MI stack up?

Short answer: Pretty darn well.
State Policy: How does MI stack up?

<table>
<thead>
<tr>
<th>WORK-BASED LEARNING POLICY IN PLACE</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expansion Initiative</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Employer Subsidy</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Grant or Reimbursement</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Tax Credit</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Secondary Student WBL</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Pre-Apprenticeship or Youth Apprenticeship</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Other Secondary Student WBL</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Subsidized Postsecondary Instruction for Apprentices</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Student Support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institution Support</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
State Policy: Michigan’s big leg up

Sector partnerships.
(industry partnerships)
(intermediaries)

But what does that mean from a practice perspective?
Engaging biz: JAMA’s Story
Engaging Business in Apprenticeship

Dialogue

• What seems to be the stumbling blocks?
  – What’s working?
  – What’s not?

• If I could just make X happen then business would be on board.

• The one issue pushback that I keep getting from employers is…
So what else is there?

- Strong state infrastructure
- Solid peer network of practitioners
  - Federal policy
Apprenticeship in Policy

Landscape
• Fiscal Year 2017 appropriations
• Fiscal Year 2018 budget

Work-based Learning Policy
• Perkins CTE, Infrastructure, TANF, Pell
The Landscape in Washington

- Republican control of WH, Congress, but margin in Senate very slim (52-48)
- Focus on reconciliation (health care, tax reform) to avoid filibuster – but sharpens partisan divide
- Skills remain bipartisan issue, though differences on paths forward
FY 2017 Appropriations

• Omnibus funding bill approved May 2017
• Largely maintained funding levels for workforce, education programs
• Increased funding for apprenticeship from $90M to $95M
FY 2018 Budget: Administration

• Trump budget
  – Cuts DOL by $2.5B (21 percent), including 40 percent cuts to WIOA formula grants
  – Cuts ED by $9B (13 percent), including 15 percent cut to Perkins state grants, 16 percent cut to ABE state grants
  – $2.2B in cuts to TANF
FY 2018 Budget - Congress

- Fiscal conservatives seeking up to $200B in cuts to TANF, SNAP, other programs – including through stricter work requirements.
- While Congress unlikely to accept all cuts, total allocation for Labor-HHS-Education expected to be about $5B below FY 2017 levels – which means there will be cuts somewhere.
Apprenticeship Executive Order

- Authorizes DOL to issue regulations for “industry-recognized” apprenticeships
- Establishes task force on apprenticeship expansion
- Directs ~$100M in H-1B funds to support expansion
- Requires federal agencies to evaluate current training programs, propose elimination of “ineffective” programs
Getting to 5 Million Apprentices

A big part of the equation: Make work-based learning work for business.

Policy is a key tool.

Key Recommendations

- Invest in **sector partnerships** to help local employers establish work-based learning.

- Provide **targeted subsidies & tax credits** to offset company training costs.

- Invest in **ongoing worker supports** to diversify the pipeline of new apprentices able to achieve long-term success.
Support for Sector Partnerships

✅ WIOA
- Perkins CTE
- Infrastructure/BUILDS Act
- INSTA Act (not yet introduced)
Ongoing Worker Supports

Work-Based Learning Support Fund

- Through Temporary Assistance for Needy Families (TANF)
- Would help those lacking a solid employment history as they transition to apprenticeship or other work-based learning opportunities.
- This fund would provide services during critical phases of a new worker’s journey.
Contact

Jessie Hogg Leslie
National Network Director | NSC
Director | Business Leaders United (BLU)
jessiehl@nationalskillscoalition.org

Bill Rayl
Executive Director | JAMA
brayl@mijama.org