

PUBLIC POLICY NO.: CLS-2024-25-01-B

DATE: July 31, 2025

SUBJECT: Public Policy for Registered Apprenticeship Program (RA, for its English acronym)

ADDRESSED TO: Local Board members, Executive Director, One-Stop Career Center Director, Title I-B Program Director, One-Stop Career Center System Officials, and Service Providers

PURPOSE: Amend Public Policy, CLS-2024-25-01-A, approved on November 14, 2024, in relation with the Registered Apprenticeship Program

APPLICABILITY: This Public Policy applies to the Southeast One-Stop Career Center System, which is composed of the municipalities of Humacao, Juncos, Las Piedras, Maunabo, Patillas, San Lorenzo, and Yabucoa.

I. LEGAL BASE

- Workforce Innovation and Opportunity Act (WIOA) (Public Act 113-128)
- National Apprenticeship Act of 1937 (29 USC 50 et seq.)
- Law on Incentives for the Generation and Retention of PyMES Jobs (Public Law 113-128)
- Puerto Rico Municipal Code (Act 107 of August 14, 2020, as amended)
- Administrative Bulletin #2018-047- Executive Order to designate the Department of Economic Development and Commerce of the Government of Puerto Rico as the state agency of apprenticeship and order the adoption of a regulation to create and implement the Puerto Rico Apprenticeship Program
- Puerto Rico Unified State Plan 2020 or the successive ones
- 20 CFR 681.470; 20 CFR 680.490; CFR 680.740; 20 CFR 680.750; 20 CFR 681.480; 20 CFR 681.460
- 2 CFR 200 - (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards), as amended on April 22, 2024
- 29 CFR 29 & 30 - Apprenticeship Programs: Labor Standards of Registration, Amendment of Regulations and EEO for Apprenticeships

- TEGL 13-16 - Guidance on Registered Apprenticeship Provisions and Opportunities in the Workforce Innovation and Opportunity Act (WIOA)
- TEGL 19-16 - Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by Title III of WIOA, and for Implementation of the WIOA Final Rule
- TEGL 21-16 – Third Workforce Innovation and Opportunity Act (WIOA) Title I Youth Formula Program Guidance
- TEGL 10-16: Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III and Title IV Core Programs
- TEN 31-16: Framework on Registered Apprenticeship for High School Students
- TEN 13-12: Defining a Quality Pre-Apprenticeship Program and Related Tools and Resources
- TEN 23-23 – Quality Pre-Apprenticeship Programs, March 5, 2024
- TEGL 8-19: Workforce Innovation and Opportunity Act (WIOA) Title I Training Provider Eligibility and State List of Eligible Training Providers (ETPs) and Programs - Change 1
- DDEC-WIOA-02-20 - Guidance on Technical Assistance of the Youth Program Elements (July 7, 2020)
- WIOA – PP- 04-22 – Requirements for the Work-based Training (WBT, for its English acronym), under the Workforce Innovation and Opportunity Act (WIOA, for its English acronym) – Amendment 2
- Public Policy #55 - Requirements for the Work-based Training Activities (WBT, for its English acronym) under the Workforce Innovation and Opportunity Act, approved by the Local Board on May 15, 2024
- WIOA – PP-06-2024 – Standardization of Documentation for Work-based Activities (WBT) under WIOA of October 2, 2024

II. DEFINITIONS: The following definitions are part of this policy:

- 1. Customized Training:** Classroom-style training, designed and developed to satisfy a worker or group of workers’ particular needs with the commitment to employ those individuals that complete training satisfactorily.
- 2. On-the-job Training (OJT):** Structured training provided by a public or private, for-profit or nonprofit employer, to a participant that earns a salary while doing a productive work in a job that:
 - a. Provides knowledge and/or essential skills for a full and adequate job performance.

- b. Reimburses the employer up to a 50 percent of participant's salary (in limited circumstances up to a 75%) for the extraordinary costs of providing training and additional supervision related to the OJT.
- c. It has a limited duration according to the occupation in which the participant is being trained, taking into consideration the required skills for the occupation, the training content, the participant's academic and occupational skills level, the previous work experience and the participant's service strategy, as applicable.

The employer's reimbursement rate may change by means of a waiver that is approved by the federal Labor Department.

3. Incumbent Worker Training: Training designed to comply with the special requirements of an employer or group of employers in order to retain a skilled workforce. This training purpose is to provide new skills and knowledge to the existing¹ workers with the end of increasing their competitiveness and productivity of the business. The training is carried out with the commitment of the employer to retain or avoid the layoffs of the trained incumbent workers.

4. Apprentice: A worker at least 16 years of age, except where a higher minimum age is established by law, who is employed to learn an occupation as an "apprentice" within a Registered Apprenticeship program.

5. Registered Apprenticeship (RA): A structured training model leading to a credential that provides a unique combination of apprenticeship on the Job (OJT)² with Related Instruction hours and a salary increase during or at the end of the training. The OJT is carried out under the mentoring of a "journey worker" or experienced worker. In the majority of the Registered Apprenticeship programs, the worker generates income from the first day of training.

The related instruction hours refers to the theoretical part of the program with classroom-style trainings, which can be carried out before or during the on-the-job training. The graduate students from the registered apprenticeship programs receive portable credentials at a national level, which can be applied to additional or secondary education.

6. Local Workforce Development Area (ALDL, for its Spanish acronym): A designation made by the Governor for a geographic area, which is composed by one or various municipalities within which workforce development activities are carried out.

7. Certificate of Completion: A credential given to an *apprentice* after completing the hours required for a determined occupation in a Registered Apprenticeship program. This credential is issued by the Federal Department of Labor, or an entity accredited by the same. In addition, the credential is known at a national level, certifies the worker's professional competence, and is portable.

¹It is noteworthy that the definition "incumbent worker" refers to the worker that has six (6) months or more as a regular employee of the same employer.

²It is also known as On-the-job Training.

8. **CGU, for its Spanish acronym:** It refers to the One-Stop Career Center acronym (known in English as American Job Center (AJC)).
9. **Extraordinary cost:** A nonrecurrent expenditure an employer incurs regarding the on-the-job training of a participant and their low productivity level.
10. **Significant cost of the training:** It is the portion of the training cost that the employer will provide considering the following: business size, number of employees that participate in the training, the salary and the level of benefits of these employees (at the beginning and at the end of the training), the relation between the training and the participant's competitiveness, other trainings provided by the employer, and the progress opportunities within the business.
11. **Credential:** Acknowledgement given to an individual for obtaining a measurable skill of technical or occupational nature, which is necessary to obtain a job or for improvement within an occupation. Likewise, it consists of a certificate or certification recognized by an industry, a high school diploma or equivalence, a certificate for completing a learning program, a recognized license at a state or federal level, or an associate degree or a bachelor's degree.
12. **Department of Economic Development and Commerce (DDEC, for its Spanish acronym):** Puerto Rico government agency designated by Act 171-2014 as an administrator and monitor of the federal funds that the Government of Puerto Rico receives under the Federal Public Act 113 -128 of July 22, 2014, known as the Workforce Innovation and Opportunity Act (WIOA, for its English acronym).
13. **DOL:** It refers to the English acronym of the Federal Department of Labor.
14. **Self-Sufficiency Standard:** The household income equal to or in excess of 100% of the Lower Living Standard Income Level based on 100% of the annual estimates of the Federal Department of Labor.
15. **Individual Service Strategy (ISS):** The individual plan designed specifically for youth program participants. The individual service strategy is used as a basic tool for documenting case management and as a guide to provide the adequate combination of services for the youth, including referrals to other programs.
16. **Individuals with barriers to employment:** An individual who belongs to one or more of the following populations:
 - a. dislocated housewives
 - b. low-income individuals
 - c. others, as defined in section 166 of WIOA
 - d. disabled individuals (including youth)
 - e. elderly individuals

- f. ex offenders
- g. homeless, as defined in section 41403-c (6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)); or youth or homeless children, as defined in section 725(2) of McKinney Act- Homeless Assistance Act (42 U.S.C. 11434a (2))
- h. Youth who are in -or- have aged out of foster care
- i. Individuals who are English language learners, individuals with a low-literacy levels, and individuals who face substantial cultural barriers
- j. Seasonal farmers and eligible migrants, as defined in section 167(i) of WIOA
- k. individuals within two years of the exhaustion of lifetime eligibility under part A of Title IV of Social Security Act (42 U.S.C. 601 et seq.)
- l. Single pregnant women, including single parents
- m. Long-term unemployed individuals, and
- n. Other groups that the governor determines that face employment barriers.

17. Related Instruction (RI): Theoretical instruction or training that supplements technical knowledge of the OJT component of the Registered Apprenticeship program (RA). Classroom-style training helps tune technical and academic skills that are applied to the job. Related instruction is provided by training centers, technical schools, community colleges and/or universities or other institutions that employ technology-based and distance learning approaches. It can also be provided by the employer's internal resources who are qualified in the subjects required by the program. The objective is to provide apprentices with a set of advanced skills that meet the specific needs of the employer(s).

18. State Workforce Development Board: According to section 101 of WIOA (d) (1), the State Board will assist the governor in the development, implementation, and modification of the strategic plan that outlines strategies for the state workforce development system and additional functions established by law. The Board is appointed by the governor and is led by representatives of the private sector, who constitute the majority of the Board's membership. In addition, the membership includes representatives from labor unions, state institutions responsible for postsecondary education, career and technical education, workforce development, economic development, and community organizations.

19. Local Workforce Development Board³, (JLDL): The Local Board is appointed by the elected official(s) (mayors) in each local area according to the criteria established under section 107(b) of WIOA and is certified by the governor every two (2) years, according to WIOA 107(c)(2).3.

³20 CFR 679.310

20. **Fair Labor Standards Act:** The Fair Labor Standards Act, 29 U.S.C. § 203, et seq., (FLSA) establishes norms for minimum wage, overtime pay, and employment of minors that affect full-time and part-time workers in the private sector and federal government, as well as in state and local governments.
21. **Office of Planning, Evaluation, Validation, and Statistics of the Workforce Development Program (OPEVE, for its Spanish acronym):** Office within the Workforce Development Program that promotes, applies, and advises on strategic and programmatic planning for the development of the Workforce Development System.
22. **O*NET:** Online system for the occupations classification that provides a common language to define and describe occupations.⁴ O*NET is the leading source of occupational information in the United States. Its portal web address is onetonline.org.
23. **Learning Program Sponsor:** Any employer, association, committee or organization that operates a Registered Apprenticeship program and that assumes full responsibility for its administration and operation. In turn, it recruits apprentices, oversees the trainings development, and provides the setting to carry out the OJL and/or technical instruction. A sponsor may be: a business or consortium of businesses, a workforce intermediary, such as an industry association or labor management organization, technical or community colleges, and community organizations, among others.
24. **Small and Medium Enterprises (PyMES):** State Act 120 of July 31, 2014, known as Law on Incentives for the Generation and Retention of PyMES Jobs, classifies PyMES as:
 - (i) *Microenterprises: generate a gross income less than five-hundred thousand dollars (\$500,000) every year, and employ (7) workers or less*
 - (ii) *Small enterprises: generate a gross income less than three million dollars (\$3,000,000) every year, and employ twenty-five (25) full-time or its equivalent workers, as defined in this Act, and*
 - (iii) *Medium enterprises: generate a gross income less than ten million dollars (\$10,000,000) every year, and employ (50) workers or less or its equivalent, as said term is defined in this Act.*
25. **Individual Employment Plan:** An individualized career service developed jointly by the Career Planner and the participant. The Individual Employment Plan (PIE) is a continuous strategy to identify the employment goals, target objectives, and the adequate service combination for the participant of the Adult or Dislocated Worker Program.
26. **Career Planning:** Provision of services focused on the participant that is designed to:
 - a. prepare and coordinate comprehensive employment plans for participants, such as

⁴Also known as *Dictionary of Occupations*.

service strategies to ensure access to workforce development and support services using, to the extent possible, computerized technology and,

- b. provide employment, education, and career counseling, as appropriate, during participation in the program and after placement in employment.

27. Workforce Development Program (PDL): Program ascribed to DDEC, created by virtue of Act 171-2014, whose function is to administer, advising, coordinate, monitoring, and implementing the public policy of the workforce development system.

28. Pre-apprenticeship programs: They are designed to offer instruction and or training to increase Math skills, literacy, and other needed vocational and prevocational abilities in order to enroll in a Registered Apprenticeship program (RA). The pre-apprenticeship programs funded by WIOA must be formally linked to one or more RA programs and have a solid history of enrolling their graduates in RA programs. Pre-apprenticeship is part of the for-profit or nonprofit Workforce Experience element of the Youth Program.

29. Industry sector or occupation in demand:

- a. An industrial sector that has a substantial current or potential impact (including jobs leading to self-sufficiency and growth opportunities) in the local, state, or regional economy, as appropriate, and that contributes to the growth or stability of other related businesses or industry sectors, or
- b. An occupation that has or projects a number of job positions (including jobs that lead to self-sufficiency and growth opportunities) in an industry sector that has a significant impact in the local, state or regional economy.

The State Board or the Local Board, correspondingly, will determine if an industry sector or occupation is in demand using the state and regional business projections and labor market information.

30. Request for Funds for Training and Learning Activities: Document(s) that the employer will fill out when requesting WIOA funds for Incumbent Workers Training. The application establishes the requirements that the employer must meet to be eligible, the documents necessary to evaluate the application, and the posterior funds delegation contract, if the application or request is approved. Upon completion, every application will be evaluated, according to the Local Area's funds availability.

31. Specific Vocational Preparation (SVP): It is the amount of time required for an employee to learn techniques, acquire information, and develop the agility necessary for average performance in a specific position. Training can be acquired in a school, work, institutional, military, or vocational environment. The orientation time required for a qualified employee to get used to the special conditions of a new job is not included within the SVP. The following table contains an explanation of the different levels of SVP:

Level	Time
1	Only short demonstrations
2	Any short demonstration up to and including one month
3	More than one month up to and including three months
4	More than three months up to and including six months
5	More than six months up to and including one year
6	More than one year up to including two years
7	More than two years up to including four years
8	More than four years up to including ten years
9	More than ten years

32. Career Pathway: The career pathway approaches for the workforce development offer articulated education and training among occupations in an industry sector combined with supportive services to allow people enter and exit at various levels and to advance throughout time towards higher skills, recognized credentials, and better jobs with higher salaries. Each step in a career pathway is designed explicitly to prepare people to progress to the next employment and or education level. The professional career pathways are aimed at job positions in industries of importance for the local and regional economies and to construct solid relationships with the employers.

III. BACKGROUND

The Workforce Innovation and Opportunity Act (WIOA, for its English acronym) authorizes a series of training options based on work known in English as work-based training⁵, (WBT), that can be used, correspondingly, to assist job searching people reincorporate or advance in the workforce.

Generally, work-based training (WBT) implies an employer or employers' commitment to employ participants on a full-time basis after having completed the program successfully.

A key advantage of the work-based training is that participants can "earn while they learn" in a hands-on environment to achieve better performance and profit results. In addition, the work-based training opportunities provide enterprises the opportunity to develop and retain a qualified labor force using resources from WIOA.

Each of the work-based training models can be efficiently used to aim at the job searching individuals' and employers' different needs. One of the activities is the Registered Apprenticeship Program (RA).

⁵ Under the structured model of the Registered Apprenticeship Program, it is known as work-based training.

IV. POLICY

A. GENERAL PARTICIPANT ELIGIBILITY REQUIREMENTS FOR WORK-BASED TRAINING SERVICES

1. All the training services, including the WBT, will be available for individuals employed or unemployed when:
 - a. The One-stop Center or American Job Center (CGU/AJC) or one of its partners, after a job interview or evaluation determines that the individual:
 - i. Only with the provision of career services is improbable or unable to obtain or retain a job that leads to self-sufficiency or a salary comparable or higher than the one the person earned in the previous job.
 - ii. Is in need of obtaining or retaining an employment that leads to self-sufficiency or to a salary comparable or higher than the one the person earned in the previous job, and
 - iii. Has the skills and qualifications to participate successfully in the selected training service.
 - b. The work-based training opportunities must be identified in the Individual Training Plan (ITA) or the Individual Service Strategy (ISS, for its English acronym) as an activity appropriate for the program participants. Also, PIE or ISS and/or the case notations will specify the objectives of the work-based activity and the expected results.
 - c. The selected training program must be directly linked to the employment opportunities in the local area or the planning region (industries and occupations in demand established in the Local Plan) or in any other area to which the individual is available to travel or relocate.
 - d. The individual cannot obtain financial assistance from other source to pay for the training cost, including sources such as subsidized funds for state or federal training, the Trade Adjustment Assistance Program, (TAA), or the Federal Pell Grant established under Title IV of the Higher Education Federal Act of 1965.
 - e. The individuals are determined eligible and will be serviced according to the state and local priority policies.
2. A new interview or assessment of participant will not be required if the CDU/AJC or one of its partners determines that it is appropriate using an interview or assessment conducted recently by other educational or training program.

B. REGISTERED APPRENTICESHIP PROGRAM (RA)

Apprenticeship is the strategy that enables a worker for the specific occupation using a structured combination of on-the-job learning (OJT) and related instruction. The

registered apprenticeship (RA) is a type of training recognized at a national level that is approved by the DOL. The model also implies progressive salary increases to the apprentice for the new acquired skills and the obtention of a portable credential nationally a recognized upon completion of training. Apprentices may be new employees or existent employees that need to update their skills to gain greater competitiveness and retain their jobs.

There are five elements that compose of a Registered Apprenticeship program, namely:

1. **Employer participation:** Employers are the base of the RA program and must be the OJT providers.
2. **On-the-job learning:** Each RA program includes OJL hours for a **minimum** of one year or two thousand (2,000) hours.
3. **Related Instruction:** Each RA program includes an academic component (in person or online) with a minimum of one-hundred and forty-four (144) hours annually of OJL⁶.
4. **Salary increase:** Each RA program must have at least one incremental salary increase commensurate with an increase in acquired skills.
5. **Occupational credential:** The RA Termination Certificate is a nationally recognized postsecondary credential, which belongs to the apprentice once the program hours are complete. In addition, it is also recognized by the WIOA programs. It is issued by the DOL office or by an entity certified by it.

Registered Apprenticeship benefits

Registration of an apprenticeship program in the DOL offers many benefits to the job applicants and employers compared to other training programs:

1. **National recognition credential:** Registered apprenticeship programs' graduate participants receive national credential recognized by the industry in which they were trained.
2. **Quality standards:** Registration means that the program has met the national and independent quality and rigor standards. It conveys the prospective employees, clients, and providers that the business invests in its workforce and knows that it is most important asset.
3. **Safe and high-quality work conditions:** The program's emphasis on safety can reduce the cost of workers' compensation cost.
4. **Assistance and technical support:** The program is part of the registered apprenticeship system that provides access to an experienced national net, customer service and support at no cost for the program's sponsors.

⁶The RI hours vary according to the program duration and its approach.

5. **Federal resources:** Employers and apprentices may access funds and other federal resources to help support their Registered Apprenticeship program, including Pell Grants and GI Bill.

Development of new Registered Apprenticeship programs

1. The Workforce Development Program (PDL, for its Spanish acronym) of the Economic Development and Commerce Department (DDEC, for its Spanish acronym) is responsible of providing technical assistance and registering new RA programs. The representatives of the program can discuss the benefits of the RA with the employers, call on meetings with the parties interested in the apprenticeship program development and support the sponsor in the process of registration in the Office of Apprenticeship of the DOL.
2. The One-Stop Career Center Director and the Title I-B Program Director will ensure that the One-Stop Career Center System Officers, when orienting an employer regarding training services, will present the Registered Apprenticeship Program and On-the-Job Learning (OJL) activities with Related Instruction (RI) as the first alternative.
3. There is a wide variety of occupations for the manufacturing, healthcare, hospitality, service, construction, and other sectors that can meet the needs of employers in these industries and provide the opportunity for employees to receive solid training that will open new doors in the labor market through the RA. However, while not all occupations qualify to be trained by an RA, about one thousand four hundred (1,400) have been approved by the USDOL's National Apprenticeship Office. These should be verified by visiting www.apprenticeship.gov under Employers: Tools: Occupation Finder.
4. WIOA requires each Local Board and the State Board to have an Apprenticeship representative among its members. The purpose of having an apprenticeship representative sit on the Local Board is to serve as a resource for their Local Area in the development of new RA opportunities.
5. Industry associations, labor unions or any official entity that groups or represents various sectors of our local or regional economy can help insert RAs into the local workforce development system. Employers in the respective sectors can identify common challenges and design strategies to meet their training and recruitment needs. For example, an association or training provider can become an RA sponsor for several employers in a sector.
6. The programs have three types of approaches:
 - a. **Base time**--OJL hours are determined by the Office of National Apprenticeship and cannot be changed.

- b. **Competence** – By means of a screening, the employer can credit the Apprentice with OJL hours. However, the apprentice must comply with a minimum of one (1) training year. Not all the occupations are approved under this approach.⁷
 - c. **Hybrid** – Occupations with a hybrid approach allow for apprentices in both time-based and competence-based training the same registered program.
7. A minimum of one hundred and forty-four (144) hours of related instruction (RI) is required for each year of on-the-job training. The related instruction hours can be provided before or during the OJL. On some occasions they are not paid for by the employers. It is not compulsory for the employer to cover the RI cost.⁸

Eligibility requirements to be an apprentice

1. RA program sponsors identify minimum qualifications to enroll in their apprenticeship program. The eligible starting age cannot be less than sixteen (16) years; however, individuals must be eighteen (18) years to be apprentices in hazardous occupations.⁹
2. RA program sponsors can also identify qualifications and additional minimal credentials to admit candidates to their programs, such as education or capacity to physically do the essential functions of the occupation. Pre-Apprenticeship programs can serve as a gateway to apprenticeship for youth or individuals with barriers to employment.

Use of WIOA funds for work-based learning activities

There are several ways in which WIOA Title I funds can support the RA components for adults, dislocated workers, and youths.

1. **Individual Training Account (ITA):** ITAs can be used to fund the related instruction component of RAs for eligible apprentices. ITAs may also fund Pre-Apprenticeship if the sponsor is on the State's Eligible Training Provider List (ETPL, for its English acronym). Pre-apprenticeship is not only a program strategy for youth but can also be an effective strategy for participants in WIOA adult programs.

ITA and OJT funds can also be combined to support participants placed in a RA. The Local Board may apply the limits on the duration and amount of funds set up in the OJT and ITA policies for an RA. One-hundred (100%) percent from the funds of the instruction or theoretical training will be paid.

⁷To know about the occupations and approaches approved in each of them, visit www.apprenticeship.gov/apprenticeship-occupations

⁸ Certain conditions apply. Consult the State Apprenticeship Office representative for details.

⁹Consult TEN 31-16 published by the DOL to obtain more details on the regulations of the Fair Labor Standards Act (FLSA) for youth labor.

- 2. On-the-Job Training¹⁰ (OJL):** In certain circumstances, WIOA funds may reimburse up to seventy-five (75%) of the apprentices' wages. The reimbursement rate to the employer may be up to **90%**, subject to a waiver approved by the Federal Department of Labor. As part of this public policy, it is established that the reimbursement rate for an OJL may be increased from fifty (50%) to seventy-five (75%) taking into consideration the following factors:
- a. special characteristics of the participants considering whether they are individuals with barriers to employment, or for example, if they are people disabilities, etc.
 - b. size of the company or business, with emphasis on small and medium-sized companies.¹¹ For these purposes, reimbursements will be given according to the following parameters:
 - i. For employers with 1 to 50 employees up to 75% reimbursement
 - ii. For employers with 51 employees or more – the statutory reimbursement of 50%.
 - c. the employer's record of providing training and advancement opportunities, such as, for example, that the training is for an in-demand occupation and can lead to an industry-recognized credential
 - d. wage level and participant's benefits, during and after the training
 - e. type of industry
 - i. In the case that the employer belongs to the construction, energy or health-related services industries, the Board authorizes that -as a sectorial strategy- seventy-five percent (75%) of the reimbursement be awarded, regardless of the number of employees.
 - f. type of credential obtained
 - g. relationship between training and participant's competitiveness

¹⁰Also known as On-the-job Training.

¹¹State Act 120 of July 31, 2014, known as Law on Incentives for the Generation and Retention of PyMES Jobs, classifies PyMES as:

(i) Microenterprises: generate a gross income less than five-hundred thousand dollars (\$500,000) every year, and employ (7) workers or less;

(ii) Small enterprises: generate a gross income less than three million dollars (\$3,000,000) every year, and twenty-five (25) full-time or its equivalent workers, as defined in this Act; and iii.

(iii) Medium enterprises: generate a gross income less than ten million dollars (\$10,000,000) every year, and employ (50) workers or less or its equivalent, as defined in this Act.

- h. number of employees to be trained.
- 2. Designated officials will document the factors used when determining to increase the level of salary reimbursement over fifty (50%) to a maximum of seventy-five (75%) for OJTs. Extraordinary costs need not be documented when reimbursement is less than fifty (50%) of the participant's salary.
- 3. Local areas may place their OJT participants with one or more employers duly registered in the RA program. In certain circumstances, the Local Board may determine that a contract with a training provider is the most appropriate way to train a pool of new apprentices in in-demand occupations or in the same industry sector.

Apprentices may be newly hired or incumbent workers at the time of participation in an RA. The apprenticeship (on-the-job training) must meet the requirements of part (20 CFR §680.700) for new hires and parts (20 CFR §680.780 and §680.790) when incumbent workers are involved. The OJL must always be related to one or more of the following reasons:

- a. new jobs that require additional skills
 - b. introduction of new technology
 - c. new products or service procedures
 - d. promotions
 - e. literacy on the workplace, or
 - f. other appropriate purpose identified by the Local Board.
- 4. **Customized Training:** Sponsors and apprentices of the RA program may receive support through customized training agreements. In the majority of cases, customized training is part of the Related Instruction program.
 - 5. **Incumbent Worker Training:** The funds for the incumbent worker training of the adult or dislocated worker programs can be used to give training to a group of apprentices.
 - 6. **Training on occupational skills for youths:** In the Title I Youth Program, free apprenticeships are considered a type of labor experience for youth between sixteen (16) to twenty-four (24) years old. The labor experience program element also emphasizes training that is aligned with the industrial occupations in-demand program, which is a key component of the RA programs.
 - 7. **Support services:** WIOA funds may back up a variety of support services for the apprentices, which includes: annual fees, enrollment quotas, books, supplies, children's care, transportation, tools and uniforms.¹²

¹²20 CFR §680.900

Learning Program Sponsors

The sponsor is who requests enrollment to operate a learning program. There are various types of sponsors, some of them are listed below:

1. **Employer:** An individual employer may create its own program and offer related instruction with their internal trained personnel, besides providing on-the-job training;

or

Employer that uses an external training provider: Under this model, the employers are sponsors, but they do not provide related instruction. They depend on an external educational entity. The employers may use postsecondary institutions that offer two to four years programs, technical training schools or online courses for the related instruction. The employer is the eligible training provider and must identify its instruction provider;

or

Employers that combine internal and external resources: Most of the RI is provided by internal resources, but at the same time they also contract with an outside educational entity to provide certain parts of the related instruction.

2. **Joint Apprenticeship Training Programs, known in English as *Joint Apprenticeship Training Committee (JATC)*:** These programs are integrated by employers and their affiliated unions. The unions administer a training school that provides the IR portion for apprentices in certain specialties, such as plumbing, electrical, carpentry, iron work, among many others. What makes the union the IR provider, however, it is not limited to this. When we talk about a JATC, it means that the union with the support of one or more employers have applied for registration with the RA, and it is the union that administers the program. Most JATCs have collective bargaining agreements¹³. These agreements signed between the parties establish the criteria that a candidate must meet to become an apprentice. Each employer has its own collective bargaining agreement. However, when it comes to unions, the fundamentals and skills that the apprentice must master to perform the occupation are the same.
3. **Intermediaries:** Serve as program sponsors and assume responsibility for administration. They may also provide assistance in curriculum development, classroom instruction and support services, as appropriate. Intermediaries may be educational institutions, including postsecondary institutions or two- and four-year technical schools. In this model, the educational institution administers the program, works with employers to recruit apprentices, and provides classroom or online

¹³Each collective bargaining establishes the apprentices' wage increases, as well as the program approach. The majority of the collective bargaining agreements have programs registered in the three approaches: Base Time, Competence and Hybrid.

instruction for the apprenticeship program. There are also service providers that serve as intermediaries. They assume the responsibilities of administering the program and assist both the employer and the educational entity in the design, implementation and execution of the RA.

4. **Industry associations:** Administer the program and work with member employers and educational entities to implement the apprenticeship program.
5. **Community-based Organizations (CBO):** Administer the program and work with employers, educational entities and the community to implement the apprenticeship program.

Registered Apprenticeship Sponsors and the Eligible Training Providers List (ETPL)

1. Under WIOA, RA program sponsors are automatically eligible for placement on the statewide ETPL. External RI providers can automatically enter the ETPL. To be part of the ETPL the provider must notify the State Office of Apprenticeship (OEA) of their intent to be on the ETPL. The OEA will notify the Workforce Development Program in writing of the provider's request and provide the necessary evidence to document the entity registration.
2. Through this mechanism, only approved training for the registered occupation will belong to the ETPL. The provider may belong to the ETPL as long as the RA program is active or until they wish to do so.
3. To disenroll from the ETPL, the provider need only notify the PDL of their intent, for appropriate action. RAs that have external RI providers will be informed of this opportunity as of the time of registration. Participation in the ETPL is voluntary not automatic.

Pre-apprenticeship and registered apprenticeship for youths

1. Eligible in-school and out-of-school youth may enroll in Pre-Apprenticeship or Registered Apprenticeship programs as part of the WIOA Youth Program.
2. Through a variety of unique program approaches and designs, Pre-Apprenticeship programs can be tailored to meet the needs of diverse populations and businesses.
3. The DOL has developed a framework for quality Pre-Apprenticeship programs. YouthBuild and Job Corps programs often serve as pathways to registered apprenticeship programs and have an established track record of successful apprenticeship placements because they meet the criteria for a quality Pre-Apprenticeship program.

4. The DOL, in partnership with the Federal Department of Education, has also developed a registered apprenticeship framework for high school students.

Registered Apprenticeship in the Trade Adjustment Assistance Program (TAA)

In addition to WIOA programs, RA is considered a **WBL**¹⁴ that may be approved for a worker covered by a group eligibility certification for the TAA program.

Program Exit

1. For most training activities provided under WIOA, participants complete their training and then exit the WIOA program. However, RAs range from one to six years in duration. In many cases, participants will continue to participate in their RA programs after registering their exit from WIOA.
2. The duration of RA programs does not represent a barrier to positive outcomes from performance measures. However, there is a need to determine appropriate exit points from RA programs that adhere to WIOA regulations, provide quality employees for companies, and ensure a higher skill set for workers.
3. The exit point should be based on when the participant is successfully moving through the RA program and no longer receiving WIOA services, including support services. Once the RA program is no longer receiving WIOA funding for one or both of the training activities, meaning related instruction and/or OJL, the service must be closed.

The following three RA goals are appropriate WIOA exit points::

1. **Wage increases:** Apprentices receive progressive wage increases as their skills and knowledge increase; this is a core element of all RAs. A wage increase may be an appropriate exit point from WIOA, as it means that trainees have exceeded their training objective, improved their skills and increased their income, indicating that support through WIOA may no longer be necessary.
2. **Credential attainment:** RA programs offer occupational credentials that trainees can earn during their participation in the program. Credential attainment is another aspect that could be considered in determining an appropriate WIOA exit point, as it marks an important achievement in the RA program. Attainment of a credential indicates that trainees have successfully progressed along a career pathway and increased their skills in the occupational field and are potentially beyond the point of needing WIOA support.
3. **Measurable skill gains:** As trainees' skills increase, they must be able to document progress toward that provisional occupational credential or certificate of completion awarded at the end of an RA. Documented progress in an RA is defined as:

¹⁴ It is the same as WBT.

- a. Report of satisfactory progress, toward stated goals, such as completion of OJL or completion of one year of an apprenticeship program or similar goals, from an employer or training provider who is providing the training; or
 - b. Successful passing of an examination that is required for a particular occupation or progress in attaining technical or occupational skills as demonstrated by industry-related benchmarks such as knowledge-based examinations.
4. Regardless of the number of participants, OJL is a core component of all RA programs. An OJT contract may be established with employers who have a Registered Apprenticeship (RA) Program, but only OJL hours are eligible for wage reimbursement through the program portion.

Documentation of the participant's file

The participant's file must include an original copy of the ETA 671 form which is the learning agreement with the sponsor, in addition to all documents required by the WIOA program. Also, it should include case management notations, such as progress reports and any other information that evidences their progress in the RA program.

C. GENERAL PROVISIONS

1. Section 683.275 of the final WIOA regulations sets forth which wage standards apply to participants under Title I activities. Accordingly, the applicable standards are:
 - a. Individuals participating in any WBT or employed under WIOA Title I activities shall be compensated at the same rate, including periodic increases, as those in training or employed under similar situations and conditions. Wage compensation shall never be less than that established by the Fair Labor Standards Act or the federal, state or local minimum wage.
 - b. Participants in any RA or employees under WIOA Title I activities shall receive fringe benefits and working conditions at the same level and to the same extent as those trainees or regular employees who are performing similar duties and who have been performing similar duties for the same period of time.
 - c. The employer will comply with the equal opportunity and nondiscrimination provisions of WIOA laws and regulations.
 - d. The recommended reimbursement rate for the employer is based on factors consistent with state and local policies specified in section 6 (a)(1) of the Fair Labor Standards Act of 1938 (29 USC 206 (a) (1) or the applicable federal, state or local minimum wage.

- e. Wages, income, and payments to participants in WIOA Title I activities will not be considered income for purposes of eligibility under other Federal programs and the amount of income to be transferred and “in-kind” assistance provided by other Federal need-based programs except for purposes of the Social Security Act.
2. The O*Net OnLine occupational information system and the SVPs listed for each occupation will be used as a reference guide to determine the duration of the RA. In addition, the skills required for the occupation, the participant's academic and occupational skill level, previous work experiences, and the participant's individual employment plan will be considered.
3. The Executive Director, in coordination with the Title I-B Service Provider, will draft a procedure, which will be evaluated by the Local Board. It will be developed according to the provisions set forth in this policy. The procedure shall include at a minimum the following elements:
 - a. Outreach and participants recruitment for the Registered Apprenticeship activities
 - b. PIE/ISS skills and development gap analysis
 - c. employer marketing strategies
 - d. policies for the referral of participants by employers
 - e. participant support services policies (if applicable)
 - f. development of contracts
 - g. coordination of case management functions and services to employer
 - h. policies or procedures for the billing and reimbursement process, and
 - i. financial and programatic monitoring
4. Proposals will be evaluated by the Service Provider Evaluation Committee, ascribed to the Local Board, if WIOA's contribution does not exceed the amount of **\$100,000.00**. Those that exceed this cost will be referred to the Executive Committee, ascribed to the Local Board. The evaluation may be conducted in person or by electronic referendum in a manner that the evaluation process is not delayed and it does not adversely affect the services offered to the system's participants.
5. At a minimum, contracts will contain clauses that include the following:
 - a. Compliance with the requirements and restrictions set forth in section 181 (a), (b) and (d) relating to benefits and labor standards that apply to participants under WIOA Title I activities.

- b. The corresponding guarantees and certifications that include compensation, benefits and working conditions at the same level and extension to other employees working for a similar period of time and performing the same type of work.
- c. Prohibition against training a participant under an apprenticeship contract with an employer if:
 - i. any other individual is removed from the same position or a substantially equivalent position
 - ii. the employer has laid off any regular employee or reduced the number of employees with the intention of filling vacancies created by the participants, or
 - iii. the position is created in a line of promotion that may infringe in any way on the promotional opportunities of regular employees of the company.
- d. The employer's commitment to employ or retain in employment those individuals who have successfully completed the training.
- e. Participants will be subject to the same rules, policies, and personnel regulations as other employees of the company.
- f. The employer's duty to maintain, retain and provide access to records to the Local Area, DDEC, the Comptroller and the Federal Department of Labor. These must evidence the associated costs of the training activity and the corresponding reimbursements, such as attendance records, payroll, invoices and other information necessary to respond during monitoring or auditing processes.
- g. Prohibition of the use or proposed use of WIOA funds to induce a business or part of a business to relocate and the results of such relocation would result in any employee losing the job at the original location.
- h. Prohibition on the use or proposed use of WIOA training funds in any business or part of a business that has relocated to the United States, until the company has operated in the new location for one hundred and twenty (120) days, if the relocation results in any employee losing the job at the former location.
- i. Prohibition against directly or indirectly filling a position that is vacant because the incumbent is on strike, or is suspended because of a labor dispute, or because filling the vacancy is otherwise a matter of a labor dispute involving a work stoppage.
- j. Provision on nondiscrimination and prohibition of sectarian activities.

- k. Prohibition against the use of funds to assist, promote, or stop the organization of unions.
- l. Prohibition against the use of WIOA funds for foreign travel (outside of U.S.A. jurisdictions).
- m. Prohibition against political and lobbying activities.
- n. Clause relating to the availability or existence of a grievance procedure pursuant to section 181(c) of WIOA, and
- o. No individual may hold a position in RA if there is any family member within the fourth degree of consanguinity or second degree of affinity who has administrative capacity with the employer, including selection, hiring, placement, or supervisory responsibility for the RA participant.
- p. Suspension and exclusion clause, and
- q. Drug-free workplace certificate clause.

6. Requests for Funds for On-the-job training Activities (OJT)

The Work-based Training (WBT) Activities Funding Application and Contracting Manual under the Workforce Innovation and Opportunity Act includes the documents to be used as part of the Funding Request process, Employer Eligibility, Employer Qualifications and documentation required for funding and contracting, as well as the contract clauses that must be included as a minimum in the contracts relating to the activities. They will be used as provided by the State Board including any amendments that the latter may make. In relation to the requests for funds (proposals) that are in the process of evaluation and/or contracting, the forms authorized prior to the effectiveness of this policy will be used.

Upon completion of the activity, the employer must issue a Performing Report and a certification for each WIOA participant formally stating that the worker is competent in the occupational skills acquired.¹⁵

V. CONTRACTING

The contracts will be worked in faithful compliance with Law No. 18 of October 30, 1975, as amended, Regulation 33: Registration of Contracts of the Office of the Comptroller of the Commonwealth of PR, Circular Letter OC-21-11 of May 12, 2021, issued by the Comptroller of PR, and any other applicable legislation.

¹⁵ In the particular case of the Registered Apprenticeships, the Federal Department of Labor will be the one issuing this certification of completion.

VI. SEPARABILITY CLAUSE

Should any provision of this public policy be challenged by the Court and declared unconstitutional or null, such decision shall not affect, impair or invalidate the remaining provisions of this public policy, but its effect will be limited to the provision or topic specifically indicated. The nullity or invalidity of any provision or topic will not affect or impair in any way its application or validity in any other case, except when specifically and expressly invalidated for all cases.

VII. COMPLIANCE

Compliance with the provisions and requirements established in this public policy will be evaluated by the Monitor ascribed to the Local Board as part of its functions, as well as by the Monitoring Division of the DDEC as part of the systematic evaluation of the operations of the ALDLs that is carried out annually.

VIII. FAIR PRACTICES AND ACCESSIBILITY

All persons will have equal opportunity and equal access to services and physical facilities without regard to race, religion, color, sex, age, national origin or ancestry, marital status, parental status, sexual orientation, disability, or veteran status. Staff members will be responsible for ensuring the necessary support for participants with disabilities who have a need for assistance in accessing CGU/AJC facilities and services.

IX. REQUIRED ACTION

The Local Board Executive Director and the Title I-B Program Director will be responsible for disseminating this public policy, as well as training the One-Stop Career System Officials in relation to this public policy. In addition, they will answer all inquiries or requests for information related to it. The Executive Director of the Local Board will be responsible for sending a copy to the Evaluation Specialist of the Office of Planning, Evaluation, Validation and Statistics of the Labor Connection Program, no later than sixty (60) days after its approval.

X. AMENDMENT

Public Policy **CLS-2024-25-01-A**, is amended, as approved on November 14, 2024.

XI. VALIDITY

This amendment to the public policy was approved by the Executive Committee of the Southeast Local Board at a meeting held on July 31, 2025, with three (3) members present. It will become effective on December 2, 2024 and will remain in effect until amended or repealed by the Executive Committee of the Local Board.

For the record, I hereby sign this public policy in Humacao, Puerto Rico, on the 31 day of the month of July of the year 2025.

Juan M. Méndez Rosa, Atty.
Southeast Local Board President