

**Job Training Needs Study Committee – November 2009
 IDED Recommendation for the Iowa Jobs Training Program (260F)**

Registered Apprenticeship Training in Iowa

For the past two years, a concerted effort has been underway to increase the amount of Registered Apprenticeship programs in Iowa. Under the direction of the US Department of Labor's Office of Apprenticeship, Iowa Workforce Development, IDED, Community Colleges, Community and Faith Based Organizations and business and labor organizations have supported and promoted the expansion of apprenticeships. Iowa added 82 new apprenticeship programs in federal FY08 (10/1/07 – 9/30/08) and 128 new programs in FY09 - a record for Iowa.

Benefits of Registered Apprenticeship programs

- meets the skilled workforce needs of industry by training qualified individuals for lifelong careers
- connects job seekers looking to learn new skills with employers looking for qualified workers, resulting in a workforce with industry-driven training and employers with a competitive edge
- provides employers with a pipeline of skilled workers with industry-specific training and hands-on experience
- programs are customizable to match employers' needs

Registered Apprenticeship programs support high-skilled jobs in emerging industries. A review of the occupational titles found in Iowa's registered apprenticeship programs shows a wide range of jobs: tool and die maker, automotive technician specialist, power plant operator, electrician, CNC set-up programmer, line maintainer, IT generalist, health support specialist and database technician.

Iowa Registered Apprenticeship Program Results for Fiscal Year 2009

Source: The Office of Apprenticeship

STATES	Total New Progs	Total Active Progs	Total New Apprs	Total Active Apprs	Early Terminer		Completer	
					Avg Starting Wage	Avg Exit Wage	Avg Starting Wage	Avg Exit Wage
IA	128	629	2093	7091	12.08	13.95	13.62	23.99

The average exit wage does not include benefits. The national average exit wage \$25.44/hr.

260F and Apprenticeship Training: The purpose of the Iowa Jobs Training Program (260F) is to foster the growth and competitiveness of Iowa's workforce and industry by ensuring that Iowa's workforce has the skills and expertise to compete with any workforce outside the state of Iowa. The 260F program provides funds to support job-training services to current employees of eligible businesses located in Iowa.

Funding: The 260F program is funded via the diversion of 260E withholding to the Workforce Development Fund. There is a \$4,000,000 cap on these funds. Funds are allocated to:

- \$2.7 million distributed to the colleges for employer training agreements
- \$300,000 available for the Business Network Program
- \$1,000,000 for the apprenticeship program

The 260F Apprenticeship Program funds projects that increase the skills of workers through a combination of classroom and on-the-job training. This program has been established to fund high-technology apprenticeship programs, or those programs that are utilizing the most up-to-date technologies that are available in the workplace. All apprenticeship projects funded through IDED must be approved by the US Department of Labor's Office of Apprenticeship. Applications must be made through a local community college.

Funds are distributed to community colleges for high technology apprenticeship programs based upon related eligible contact hours under the programs administered during the prior fiscal year as determined by the department of education. In FY09, eight colleges received funds for apprenticeship training:

Eastern Iowa Community College
Iowa Western Community College
DMACC
South Eastern Community College
Kirkwood

Western Iowa Technology Community College
Iowa Central Community College
Iowa Valley Community College

Outcomes: Training services are provided to 1) an employee in a current position intended by the employer to exist on an ongoing basis and for whom the business pays Iowa withholding tax; 2) a prospective employee who is anticipated to be hired upon completion of training.

FY 2008 Results for 260F Apprenticeship Training:

Total apprenticeship projects	40
Total funds awarded	\$1,334,133*
Number projected to be trained	2674
Number of employees trained	3303
Number of journey persons	519

* There is a carryover of funds that has built up over the past fiscal years.

IDED Recommendation

In Iowa's current economic environment, it is critical that we help workers acquire the skills necessary to succeed and promote training that will lead to career employment in occupations that meet current and emerging industry needs. Registered Apprenticeship helps connect job seekers looking to learn new skills with employers looking for qualified workers.

The Iowa registered apprenticeship program results for Fiscal Year 2009 show that both an employee completing training and an employee who starts but does not complete training realize an increase in their wages. While an employee may not complete the program, they still acquire skills that can be transferred to their next job.

IDED's recommendation is to work with the community colleges and develop a strategy to increase apprenticeship training through the 260F program under the \$4,000,000 cap. The number of registered apprenticeship programs has increased statewide. We need to broaden outreach to these businesses and increase the number of businesses that have access to and can take advantage of apprenticeship training. The goal is to have more Iowa workers with certified skills and more Iowa businesses employing the trained workforce they need.