

APPRENTICESHIP



*Preserving institutional knowledge
while growing the next generation of talent*

CALIFORNIA APPRENTICESHIP COUNCIL

First Quarter 2015



COLLABORATIVE PARTNERSHIPS DELIVER SUCCESS



Christine Baker, Director,
Department of Industrial
Relations

Governor Brown's 2015/2016 Fiscal Year Budget provides \$29.1 million under Proposition 98 General Fund for the expansion of apprenticeship programs.

Welcome to 2015. As we embark upon the start of a new year, our state faces an increasing need to provide targeted, effective education and workforce training to fill in-demand, well-paying jobs; often best delivered through apprenticeship. Under DIR, DAS creates those opportunities for Californians to acquire employable, lifetime skills; men and women apprentices who earn while they learn.

Recent studies have shown that investment in apprenticeship programs provides a positive return for employers, apprentices, government, and society. Over the last four years better program coordination has resulted in greater success, beginning with the appointment of the DAS chief to the California Workforce Investment Board (CWIB). CWIB then developed its "State Strategic Plan" to achieve common goals of utilization, expansion, and integration. The passage of AB 554 in 2012 mandates that CWIB coordinate with local apprenticeship programs in all applicable occupations. Funded through Prop 39's "Clean Energy Job Creation Fund," seven regional pre-apprenticeship programs awarded and administered by CWIB in 2014 are now directly linked to state-registered apprenticeship programs in the building and construction trades.

The Employment Training Panel (ETP) continues to play a pivotal role in keeping pace with the latest technological advancements. In the last three years the panel approved over \$24 million in funds, including the first non-construction apprenticeship program with Holt of California (Holt), a certified

Caterpillar dealer, to develop a trained workforce for various manufacturing occupations. Funding from ETP will develop future apprenticeship prospects to fill vacated jobs as current employees leave or retire.

Dovetailing this venture is the U.S. Department of Labor's (USDOL) \$100 million in grant money to expand and transform registered apprenticeships to help meet the needs of employers in the global, ever-changing workplace. Approximately 25 grants from \$2.5 million to \$5 million each will be awarded using funds collected from employers under the H-1B nonimmigrant visa program. The initiative will support dynamic and sustainable public-private partnerships that align with post-secondary education for creating pathways that lead to long-term careers. It will also increase apprenticeship opportunities for historically underrepresented populations, including women, young people of color, individuals with disabilities, low-skilled populations, and veterans. Governor Brown's 2015/2016 Fiscal Year Budget provides \$29.1 million for the expansion of apprenticeship programs. This includes \$14.1 million to grow existing apprenticeship programs and \$15 million to create innovative apprenticeship demonstration projects that focus on new and emerging industries with unmet labor market demand. For California this unprecedented investment will further solidify and strengthen our collaborative partnerships, thus benefitting our programs even more in 2015 and beyond.



Letter from the Chief of the Division of Apprenticeship Standards

2015—YEAR OF THE APPRENTICE



Diane Ravnik, DAS Chief

The year 2015 is poised to be a landmark year for Registered Apprenticeship in California and around the country. Our California economy is rebounding, and with it, the number of apprentices—bolstered further in the building and construction trades due to the launch of the High Speed Rail Project this month. It is estimated to add 20,000 new construction jobs for each of the next five years. This could increase apprenticeship opportunities by 4,000 every year for this project alone.

Furthermore, 2015 offers the unique opportunity to initiate new apprenticeship programs in California's growing industries and occupations. For example, healthcare and advanced manufacturing have not utilized or have substantially underutilized apprenticeship to meet their skilled workforce needs.

The Governor's just released 2015/2016 budget proposal adds \$14.1 million to fund the educational costs of existing apprenticeship programs and \$15 million to create innovative apprenticeship programs in new

industries and occupations that will have a profound effect on the growth of apprenticeship in the state for both existing and new programs. The \$100 million "American Apprenticeship Grants" issued by the Federal Government on December 11, 2014 will provide unprecedented impetus to the growth of new apprenticeship programs around the country, especially here in California. (Information about the grant solicitation can be found on page 11 of this issue.) We hope and expect California apprenticeship programs to play a significant role in winning and using these grant funds to grow apprenticeship in new occupations and industries that will create meaningful, lifetime careers, not just jobs for many more California workers. Federal and California reports issued in 2014 that discussed the growing demand for "middle skill" jobs not requiring four-year college degrees, but needing more education and training than a high school diploma, are the kind of careers best prepared for through registered apprenticeship—a highly structured program of post-secondary education combined with paid on-the-job training.

Many of the published studies and an increasing number of news stories in 2014 decried the scourge of student loan debt in the tens of thousands of dollars weighing on new college graduates for decades following their graduation. Apprentices, in contrast, start earning an income from the first day of their

2015 is poised to be a landmark year for Registered Apprenticeship in California and around the country

apprenticeship which continues to increase at regular intervals as their knowledge and skills increase. Employers, in turn, pay for exactly the skill level their workers possess at any given time and invest in the success of their workers.

With the unprecedented support of apprenticeship at both the state and federal level, 2015 should be a landmark year of opportunity to see apprenticeship flourish in both traditional and new industries and occupations in California while continuing to do what apprenticeship does best—grow our economy and create opportunities for the next generation of business and labor.



California Division of
Apprenticeship Standards

DIR's Division of Apprenticeship Standards (DAS) creates opportunities for Californians to gain employable lifetime skills and provides employers with a highly skilled and experienced workforce while strengthening California's economy.

www.dir.ca.gov/das

CALIFORNIA ANTICIPATES GREATER DEVELOPMENT OF APPRENTICESHIP PROGRAMS



Richard Harris,
CAC 2015 Chair

During the past 50 years I have been an Apprentice Carpenter, Joint Apprenticeship and Training Committee (JATC) member, Apprenticeship and Training Trust Trustee, International Joint Apprenticeship Committee member, and California Apprenticeship Committee (CAC) Commissioner. I am now honored to serve as Chairman of the CAC for 2015.

When I came to California from the state of Washington in 1964, I worked as an apprentice carpenter for Wesseln Construction Company in Anaheim. Mr. and Mrs. Wesseln, the sole owners of the company, were committed to apprenticeship. Mr. Wesseln was a member of the Carpenters Union and served on the Orange County JATC. Also, the Orange County District Council of Carpenters honored the company as "Company of the Year for Apprenticeship" in 1976. When the company grew to be one of the largest framing contractors in Southern California, many of the company's managers started there as apprentice carpenters.

After working for ten years as an apprentice, foreman, and superintendent, I was promoted to management and began attending JATC meetings. As a JATC member at the age of 31, I first recognized the value of the partnership between management, labor, government, and education that is essential to a successful apprenticeship program.

DAS has organized the apprenticeship community to interface with local WIB's to develop curriculum and implement pre-apprenticeship programs that will prepare young men and women to transition into our system.

Recently, the strength and leadership of these partnerships were tested when the administration of the Related and Supplemental Instruction (RSI) funds was shifted from the California Department of Education (CDE) to the California Community College Chancellor's Office (CCCCO). The apprenticeship community quickly realized the negative consequence this action could have and immediately began working with the administration, legislature, CDE, and CCCCCO to mitigate its affects. Our efforts were eventually rewarded when the California Legislature passed a trailer bill to Assembly Bill 86 that laid down guidelines for future disbursement of RSI

funds. In 2013 we also worked with the administration and state legislature to pass Assembly Bill 554 that directs the state's Workforce Investment Boards (WIB) to coordinate with local apprenticeship programs. Since Governor Brown signed Assembly Bill 554 fifteen months ago, the Department of Apprenticeship Standards (DAS) has organized the apprenticeship community to interface with local WIB's to develop curriculum and implement pre-apprenticeship programs that will prepare young men and women to transition into our system.

Our partnership has also worked to persuade our state and federal governments to provide grants for apprenticeship. In 2013 The California Employment Training Panel set aside 10 percent of their funding for grants to apprenticeship sponsors. A year later President Obama announced the first of the "American Apprenticeship Grants" that provide \$100 million in funding to partnerships between employers, labor organizations, local and state governments, training providers, and community colleges.

As incoming chairman I look forward to working with my fellow CAC members and the partnerships responsible for these outstanding accomplishments.



To learn more about the California Apprenticeship Council, please visit www.dir.ca.gov/cac/cac.html

RACC IS POISED TO INCREASE NUMBER OF PARTNERSHIPS WITH COLLEGES



Van Ton-Quinliven, California Community Colleges Vice Chancellor of Workforce & Economic Development and CAC Commissioner

This year 2015 has begun with an exciting push for apprenticeship opportunities in California and nationwide. These investments align with changes in adult education to infuse more CTE, work-based learning, and apprenticeships as central strategies to lift adults out of poverty. The December 2014 release of \$100 million in federal H1-B funds to increase participation in existing apprenticeship programs supports the development of new, non-traditional apprenticeship opportunities. Furthermore, it sets an aggressive agenda for the community college system to further participate in the educational path and promotion of those seeking careers in high-skilled, high-growth industries like healthcare, biotechnology, information technology and advanced manufacturing. This funding will allow the system to provide new choices of educational and career paths

for our student body, including expanded opportunities to learn while earning, and will foster more collaboration with community partners and employers.

We continue to see an increased interest in apprenticeship programs as a valuable training model for our state and the nation. USDOL apprenticeship grants will be awarded to public and private partnerships consisting of employers, business associations, joint labor-management organizations, labor organizations, community colleges, local and state governments, and other nonprofit organizations. Successful applicants will use the federal funds to develop registered apprenticeship programs that align with other post-secondary education and create career pathways to long-term careers.

The USDOL's Registered Apprenticeship College Consortium (RACC) creates a national network of colleges and Registered Apprenticeship sponsors that allows apprenticeship graduates to attend and complete their postsecondary degrees at member colleges. Journeymen who have completed a Registered Apprenticeship program can be awarded college credits for their apprenticeship coursework. For those journeymen who wish to return to college to earn a postsecondary degree (AA/AS or BA/BS), this is an opportunity to receive credit for prior learning and to accelerate their completion of a degree.

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Fifteen California community colleges across the state have joined the RACC. Membership in the RACC supports economic prosperity by providing increased opportunity for journeymen to return to college and advance their careers. The goal is to create a broad network of members to support journeymen in our state. To this end, the Chancellor's Office will continue to provide colleges with necessary information and assistance to join the RACC. Additionally, the Doing What Matters Apprenticeship Tool Kit provides support to campuses wishing to create new apprenticeship opportunities or expand existing programs.

Colleges are encouraged to share this exciting opportunity with your journeymen and to reach out to RACC member colleges in your area to create powerful partnerships that elevate workforce development and the economy in your region.



A Word from the Apprentices

WHAT DO YOU LIKE MOST ABOUT THE APPRENTICESHIP PROGRAM?



“I really like the on-the-job training we receive and all of the certifications. I tell my friends that your experience on the job and class time level each other out.”

William Lovan, 3rd year carpentry apprentice, Pittsburg, CA

“I like how the ABC NorCal apprenticeship program allows the students to do hands on learning instead of being stuck in class reading and writing. I love the ABC NorCal program and love my job and giving all I can to the program.”

Brian Larson, 1st year painting apprentice, Sacramento, CA



“I love that I get to learn to work with my hands and add the book knowledge to become the best electrician this world has ever known. ABC NorCal’s apprenticeship program is the best thing you can do if you’re young and don’t want to go to college. This way you can provide for you and your family.”

Jose Vera, 2nd year electrical apprentice, Fresno, CA

“What I find most interesting is how connected all of the trades are. If you want to master a craft, then you should check out any of the ABC NorCal programs.”

Brandon Davis, 1st year painting apprentice, San Mateo, CA



“College was not for me. With ABC NorCal, I am able to have hands-on learning while working. I am not overwhelmed by school as the amount of school is balanced well with the on-the-job training. I like having a lab right next to the classroom so we can experience real-life examples of what we learn in class. I tell my friends that ABC NorCal is great! I love getting paid while I learn and work hard on the job.”

Michael Lepore, 2nd year electrical apprentice, Hayward, CA

“It was easy to get started and has been a lot of fun since the first day I started work. ABC NorCal has been really good at finding me work and training us in the classroom. The most interesting part about the ABC NorCal program is all the different places that we have a chance to work: hospitals, schools, high rises, water treatment plants, supermarkets and parks; you’re always going somewhere new. I have recommended the ABC NorCal program all my friends. I love my work and it’s the best decision I’ve made for my future.”

Joshua Serrano, 3rd year electrical apprentice, Castro Valley, CA



ETP FUNDS FIRST NON-CONSTRUCTION APPRENTICESHIP PROGRAM WITH HOLT/CATERPILLAR



*Peter Cooper,
Assistant Director, ETP*

Nearly three years ago, the Employment Training Panel (ETP) initiated its “Apprenticeship Pilot” for the construction sector and it is performing at record highs. As of December 2014, ETP has approved over \$24 million in contracts to support apprenticeship RSI that will serve over 9,000 apprentices in more than 60 contracts. While the average performance of our “Multiple Employer Contracts” during this period was 78%, it is not surprising the six apprenticeship contracts that have closed out all performed at 100%.

Currently, the apprenticeship model is in the spotlight on the international, national, and state level. A key part of the overhaul of the workforce system under the Workforce Innovation & Opportunity Act (WIOA), it is backed by DOL’s \$100 million “American Apprenticeship Grants” issued December 11, 2014 and is strongly supported by Governor Jerry Brown’s Administration.

ETP has a unique role to play: It is the only public program using quarterly UI payroll taxes to support apprenticeships. This means that it has an ongoing source of funding that increases as the economy strengthens AND it has an immediate tie to the employer community. Now, ETP is entering into “Phase II” of its apprenticeship initiative by expanding its outreach and funding to non-construction programs in sectors such as healthcare, information technology, and manufacturing.

At its November 2014 meeting, the Panel approved its first non-construction apprenticeship program to support expansion of the apprenticeship model into new industries. ETP approved a \$165,900 contract for Holt of California (Holt), a certified Caterpillar dealer to train 180 employees, including 20 apprentice technicians, eligible for funding under ETP’s Apprenticeship Training Program, and 15 new hires under the Panel’s Job Creation Initiative. Founded in 1931, Holt distributes, rents, services, and repairs machinery and equipment, including large and small construction machinery, agricultural equipment, generators, and forklifts. Holt operates in California and employs more than 500 people at 15 locations throughout the central northern regions of the state.

To maintain compliance with recent state and federal emission standards, equipment manufacturers have begun to roll out new engine technologies in various model lines. This has created an ongoing need for additional training for Holt technicians, who, in order to effectively service customer’s equipment and machines, must keep pace with the latest technological advancements. Holt is using the apprenticeship model to help achieve a trained workforce. “ETP funding will allow us to develop apprentice technicians to fill jobs as current employees move on or retire, and in so doing open up slots for new hires,” according to Max Jones, Training Development and Recruiter for Holt.

Holt is partnering with San Joaquin Delta College in its DAS-registered “Caterpillar Dealer Service Technician” apprenticeship program, utilizing Caterpillar’s proprietary “ThinkBIG” curriculum. Upon completion of the program, apprentices will receive an Associate Degree in Applied Science. Holt has received acknowledgement and support for the program from the San Joaquin Valley Automotive and Related Trades Joint Apprenticeship Trade Committee, as well as the Operating Engineers Local Union No. 3.



LOCAL 3 OPENS NEW STATE-OF-THE-ART YEAR ROUND TRAINING FACILITY

by Mandy McMillen, Managing Editor, Engineers News

Local 3's Apprenticeship Program began in 1961. Early trainings were held wherever possible, such as in high schools, gyms, and colleges throughout the state. Eight years later, the Rancho Murieta Training Center (RMTC), California's more permanent location, officially opened in Sloughhouse, Sacramento County, putting the union on the map as the leader of apprenticeship standards and paving the way for apprenticeship training throughout the country.

Today Local 3 continues to pave the way for construction training with the official ribbon-cutting ceremony that was held December 1 for its new training site, also in Sloughhouse. Right off Meiss Road, it is more than 30 times the size of the old facility and will allow apprentices to train year-round. Nearly 150



people attended this historic event, including International Union of Operating Engineers (IUOE) representatives; Local 3 officers, staff and apprentices; Joint Apprenticeship Committee (JAC) coordinators and instructors; employer representatives; and

state apprenticeship officials, including California's Division of Apprenticeship Standards Chief Diane Ravnik.

"Viewing the miles of roadways leading into the facility, I could not help but think that the apprentices who laid out the beginnings of these roadways may one day have their own sons and daughters training there to be the next generation of operating



Above: Local 3's new training site brought together business, labor and apprenticeship representatives, including California's Division of Apprenticeship Standards Chief Diane Ravnik, center.

Left: In April, Local 3 Pre-Orientation Period (POP) apprentices stand with Director of Apprenticeship Tammy Castillo, IUOE Western Regional Director Carl Goff, Master Mechanic/Equipment Manager Greg Gasaway and Field Foreman Billy Neely before paving the entrance road to the new training site.

Local 3 Training Facility, *continued*



Local 3 apprentices pave the entrance to the new training site in April.

engineers and be able to tell them, ‘I built it’,” Ravnik said. “It [the new training site] is a true testament to both the vision and the commitment of labor and management to continue to provide the highest quality training of its kind in the nation well into the future.”

Third-step Gradesetter Apprentice Emmy Sanchez is part of that future and having a new training site is exciting because of the many opportunities it will offer. “It was difficult to train in the wintertime [at the old site],” she said. “Now we’ll have a better area to be on.”

Apprentices have already been training at the Meiss Road location, including simulating the building of on- and off-ramps, cul-de-sacs, and subdivision/underground work, which is all part of the first phase of development. They also provided the paving. At present, all the heavy-equipment is at the site except the cranes.

“The opening of the new training site that allows us to train year-round only proves our steadfast commitment to training today, tomorrow and well into the future,” said Local 3 Business Manager Russ Burns.

GOVERNOR’S PROPOSED 2015/16 BUDGET ADDRESSES APPRENTICESHIP GROWTH & DEVELOPMENT

The 2015-16 budget includes significant enhancements that will help defray the educational costs of registered apprenticeship programs. For the first time ever, the state budget allocates Related and Supplemental Instruction (RSI) funds for new apprenticeship programs. This includes \$14.1 million to further develop existing programs and \$15 million to create innovative apprenticeship demonstration projects that concentrate on new and emerging industries to fill the labor market demand. These proposals represent a significant step in reshaping California’s workforce preparation systems to accomplish the following:

- Provide high quality, job related instruction.
- Connect students with quality career exploration and guidance.
- Produce a workforce that is highly responsive to labor market demands and focuses on current or emerging high wage, high skill, or high demand jobs.
- Provide increased and more meaningful employer engagement in the workforce development process, including partnerships in earn and learn programs, on the job training, and subsidized employment opportunities.
- Align various programs through coordinated regional planning efforts that can more easily incorporate business sector input and industry valued certificates and degrees.
- Improve alignment of workforce programs with post secondary education, particularly the community colleges.
- Ensure continual development of career pathways programs.
- Emphasize non traditional apprenticeship programs in high growth industries in emerging and transitioning occupations.
- Target education and employment services to special populations including veterans, the disabled, CalWORKs recipients, formerly incarcerated individuals, and other disadvantaged groups most in need of assistance.

This investment will strengthen the workforce by delivering job skills valued by employers and generate career-based opportunities. Collaborative partnerships between labor, businesses, government, and education are essential to a successful apprenticeship program, and will greatly benefit the economy of California.

ETP Program Helps Veteran Start New Career

VETERAN APPRENTICE A GOOD FIT FOR HOLT OF CALIFORNIA

“Javy Gray is just the kind of individual we hope the ETP funds will enable us to hire and train at Holt of California in the future,” commented Holt’s Training and Development Recruiter, Max Jones. Holt, a certified Caterpillar dealer, was the recipient of a \$165,900 grant from California’s Employment Training Panel (ETP) in December 2014 and is featured in the article on ETP found on page 7 in this issue.

Gray is a 2005 graduate of Turlock High School who joined the Army in 2006 as a “44B” welder. His seven years of service included two tours of duty in Iraq and one tour in Haiti. He came out of the service in 2013 as an E5 Sergeant and 91E Allied Trades Specialist with MOS credentials.

He was indentured into Holt’s Caterpillar Dealer Service Technician Apprenticeship Program (ThinkBIG) in August 2014. When he completes his four-year apprenticeship program he will be a certified Caterpillar Heavy Equipment Service Technician with both California DAS & Federal DOL.

“Holt is committed to helping our returning veterans find meaningful, lifetime careers, like those we can provide here at Holt,” explained Jones. “And we benefit as well, from the discipline and skills veterans have acquired while in the service.” Holt of California also actively recruits women, minorities, and economically disadvantaged individuals into their apprenticeship program.



*Javy Gray,
a Holt Company military
veteran apprentice, trains at
Delta College in Stockton*



Apprentice Statistics For the quarter ending December 31, 2014

Number of active apprentices	53,366
Number of new registrations and reinstatements	3,898
Number of active women apprentices.....	2,852
Percent of active apprentices represented by women	5.3%
Percent of active apprentices represented by minorities	58.6%
Number of active veteran apprentices	3,740
Number of veterans registered in 2014.....	1,255
Number of those veterans who have completed apprenticeships.....	309

\$100M IN GRANT FUNDS AVAILABLE FOR EXPANDING APPRENTICESHIPS TO MEET THE NEEDS OF THE 21ST CENTURY WORKFORCE

The U.S. Department of Labor Employment and Training Administration announced that \$100 million in grants are available to expand registered apprenticeship programs in high-skilled, high-growth industries for the 21st century. American Apprenticeships (also referred to as Registered Apprenticeships) have been one of the best training models for skilled trades—“earn while you learn” through planned, supervised work on-the-job combined with related classroom instruction that meet national standards for registration with the U.S. Department of Labor (or federally recognized State Apprenticeship Agencies). This federal investment will also help transform apprenticeships to readily meet the needs of employers in a global, ever-changing workplace.

“An apprenticeship is the ‘other 4-year degree.’ It is a tried and true job training strategy that offers a reliable path to the middle class, with no debt,” said U.S. Secretary of Labor Thomas E. Perez. “I encourage everyone to apply for this federal grant so that we can significantly scale apprenticeship opportunities for many more Americans in new industries and occupations.”

Approximately 25 grants, with funding from \$2.5 million to \$5 million each will be awarded using money collected from employers under the H-1B nonimmigrant visa program. This initiative will support dynamic and sustainable public-private partnerships that align with post-secondary education for creating pathways to long-term careers. It will also increase

apprenticeship opportunities for historically underrepresented populations, including women, young people of color, veterans, low-skilled populations, and individuals with disabilities. Apprentices are hired and earn a wage upon registration, and receive progressive wages commensurate with their skill attainment throughout the training program. Upon successful completion of all phases of on-the-job learning and related instruction components, registered apprentices receive nationally recognized certificates of completion.

Recent studies have shown that investment in apprenticeship programs provides a positive return for employers, apprentices, government, and society. The Department of Labor (DOL) will fund American Apprenticeship training and supporting activities to ensure that the program(s) meet the needs of employers and apprentices by helping to develop a more productive workforce while assisting workers in gaining the necessary skills and competencies to obtain or upgrade employment in high-growth industries and occupations.

To be eligible for consideration, applications must include a partnership with private and public sector entities and include at least one from: (1) the private sector; i.e. a business, a consortium of businesses, business-related nonprofit organization, or a private organization functioning as a workforce intermediary for the express purpose of serving the needs of businesses; and (2) the public sector; i.e. the workforce investment system; public education or training provider; or DOL-recognized State Apprenticeship Agency. A lead applicant must be a public or non-profit organization. While for-profit private businesses, consortiums, organizations, or education/training providers can not be the lead applicant, they may apply as part of the public-private partnership.

Closing date for applications is April 30 and must be received no later than 4:00 p.m. Eastern Time. The Funding Opportunity Announcement, which contains detailed information on eligibility and how to apply, is available at <http://www.grants.gov/web/grants/view-opportunity.html?oppld=270372>

New \$15M for Apprenticeships in State Budget

	2014-2015 RSI	INCREASE	NEW TOTAL
CDE Line Item	\$15,694,000	\$4,797,000	\$20,491,000
CCCCO Line Item	\$7,174,000	\$9,259,000	\$16,433,000
CCCCO Innovative Apprenticeship Programs			\$15,000,000
CCCCO Total Apprenticeship Budget for 2015-16			\$51,924,000

- Receiving reports from the DAS chief and other cooperating agencies
- Providing policy advice on apprenticeship matters to the administrator of apprenticeship
- Ensuring selection procedures are impartially administered to applicants
- Conducting appeals hearings on apprentice agreement disputes, new apprenticeship standards for approval, and apprenticeship program administration
- Adopting regulations carrying out the intent of apprenticeship legislation