

What is the purpose of the Iowa Apprenticeship Act?

In 2014, the Iowa Legislature enacted the Iowa Apprenticeship Act, creating Chapter 15B of the Iowa Code. Its purpose is to increase the number of registered apprentices in Iowa by assisting eligible apprenticeship programs in the form of training grants.

Who administers the Act?

Iowa Economic Development Authority (IEDA) in coordination with the United States Department of Labor (DOL) Office of Apprenticeship (OA).

Why is the Act coordinated with U.S. DOL/OA?

Only apprenticeship programs meeting DOL/OA specific requirements and standards are eligible for training grants. U.S. DOL/OA protects the safety and welfare of apprentices, issues nationally recognized certificates of completion, and ensures programs provide high quality training and produce skilled, competent workers. A registered apprenticeship program is known as a “sponsor.” A “lead sponsor” is a trade organization, labor organization, employee organization or other incorporated entity representing a group of registered apprenticeship sponsors.

How is the Act implemented?

Chapter 12 of the Iowa Administrative Code establishes how 15B is implemented including program definitions, requirements and timelines.

How much funding is available?

An apprenticeship training fund is established with the State Treasury, under the control of the IEDA, with an annual standing appropriation of \$3 million. No more than two percent of the moneys may be used for administration.

Who is eligible to apply for assistance?

Only an Iowa registered US/DOL sponsor or lead sponsor may apply for a training grant.

What are the requirements for using a training grant?

Awarded funds may only be used towards the cost of conducting and maintaining an apprenticeship training program.

What are key timelines?

- Applications will be due on or before February 1 and will not be accepted after this date
- Training grants are awarded for the most recent training year, January 1 to December 31
- Funding is appropriated for the state fiscal year, July 1 to June 30

What information does the application require?

- Registered apprenticeship program name and DOL/OA identification number
- Apprentlicable occupations represented by the application
- Each registered apprentice's DOL/OA identification number
- Total annual hours for in-person training for related technical instruction (RTI)
- Address and physical description for each location where RTI is conducted
- Copy of the most recent DOL/OA registration certificate. If applying as a lead sponsor, a sampling of copies of members' registration certificates and each member's DOL/OA identification number
- Copy of the most recent DOL/OA compliance review (CR) or quality assessment (QA). If applying as a lead sponsor, a sampling of copies of members' CRs or QAs
- Affidavit asserting compliance with environmental and worker safety, employment at Iowa work site, and allowable use of funds

How is the amount of a training grant determined?

15B establishes a statutory formula to allocate training grants based on "contact hours." Under the formula, contact hours for an applicant is its combined total of apprentices and RTI hours spent instructing apprentices in a classroom setting for the most recent training year. The training grant is based on the applicant's proportionate share of the statewide total of all contact hours. Please see below.

15B Allocation Formula

The Contact Hours for Each Applicant is Determined

Each applicant will submit to IEDA for the most recent training year:

- Its total number of registered apprentices as of December 31.
 - This is available from the DOL/OA Registered Apprenticeship Partners Data System (RAPIDS).
- It's total number of RTI hours.
 - If applying as a lead sponsor, with one hundred or more RTI hours, no more than thirty percent of online training may be credited under the Iowa Apprenticeship Act.
- The total number of apprentices and RTI hours is summed and then multiplied by total apprentices.
 - This calculates the contact hours for an applicant.

The Statewide Total of all Contact Hours is Determined

Contact hours for all applicants are summed for the statewide total of all contact hours.

Applicant's Proportionate Share Determined

Each applicant's contact hours are divided into the statewide total of contact hours for its proportionate share of the statewide total.

Proportionate Share Applied as a Percentage to Funding

The applicant's proportionate share, expressed as a percentage, is applied to the total funding available to calculate the training grant amount.

Hypothetical Example

Six registered apprenticeship programs, four applying as a sponsor and two as a lead sponsor submit applications. Total funding available is \$3 million. Each applicant submits its total apprentices and RTI hours for the most recent training year. Program Four identifies that more than thirty percent of its RTI hours were delivered online. (Although the “thirty percent online limitation” applies only to Program Four, a “RTI hours online” column is presented for all applicants for explanatory purposes.)

Table 1 - Contact Hours and Statewide Total Proportionate Share

| Col. 1 Program Applicant | Col. 2 Sponsor | Col. 3 Lead Sponsor | Col. 4 Total Apprentices | Col. 5 Total RTI Hours | Col. 6 RTI Hours Online | Col. 7 Eligible RTI Hours | Col. 8 Apprentices plus RTI Hours | Col. 9 Total Credit Hours | Col. 10 Proportionate Share of Total Credit Hours |
|-----------------------------|-------------------|------------------------|-----------------------------|---------------------------|----------------------------|------------------------------|--------------------------------------|------------------------------|--|
| One | X | | 60 | 150 | 0 | 150 | 210 | 12,600 | 5.2910 |
| Two | X | | 100 | 180 | 0 | 180 | 280 | 28,000 | 11.7577 |
| Three | X | | 150 | 200 | 0 | 200 | 350 | 52,500 | 22.0458 |
| Four | | X | 120 | 200 | 80 | 192* | 312 | 37,440 | 15.7218 |
| Five | | X | 250 | 150 | 0 | 150 | 400 | 100,000 | 41.9921 |
| Six | X | | 40 | 150 | 0 | 150 | 190 | 7,600 | 3.1914 |
| Statewide | | | | | | | | 238,140 | 100% |
| | | | | | | | Col. 4+ Col. 7 | Col 4 x Col. 8 | Col.9/ Statewide |

Rounded from 99.9988%

Program Four – identifies 200 RTI hours and that forty percent of these hours were delivered on-line

- 80 online RTI hours / 200 total RTI hours = 40% online hours (ten percent of online RTI hours must be deducted)
- 80 online RTI hours x 10% = 8 hours
- Total RTI hours is reduced by 8 hours
- 200 hours - 8 online hours = 192 eligible RTI hours

Table 2 - Proportionate Share as a Percentage Applied to Total Funds Available

| Program Applicant | Applied as a Percentage to \$3 million | Allocated Training Grant Amount |
|-------------------|--|---------------------------------|
| One | 5.2910% | \$158,730 |
| Two | 11.7577% | \$352,731 |
| Three | 22.0458% | \$661,374 |
| Four | 15.7218% | \$471,654 |
| Five | 41.9921% | \$1,259,763 |
| Six | 3.1914% | \$95,742 |
| Total | 100% | \$3,000,000* |

**rounded from \$2,999,994*

