



POLICY TRANSMITTAL

SUBJECT:	Workforce Innovation Opportunity ACT (WIOA) Incumbent Worker Apprenticeship (IWA)	Policy/Guidance No.: POL 400-2
APPLIES TO:	Workforce Services WIOA Adult and Dislocated Workers, Workforce Development Area (WDA) 23 (Miami-Dade and Monroe Counties) CareerSource center contractors (Service Providers), Businesses, and South Florida Workforce Investment Board (SFWIB) staff	Effective Date: 08/18/22
		Revised Date: N/A
		Expiration Date: Indefinite
REFERENCE:	<ul style="list-style-type: none"> • Workforce Innovation and Opportunity (WIOA), 133(b),134 (c)(3)(A)(i), 134(d)(4) and 188 • WIOA Final Rule, 20 Code of Federal Regulations (CFR) Parts 680.210(a)(1-2); 20 CFR 680.780 - 820, 680. 830-840, 682.210(b), 682.320(a), 683.200(g) • Training and Employment Guidance Letter (TEGL) 19-16 • CareerSource Florida Administrative Policy 100 • The Reimagining Education and Career Help (REACH) Act (House Bill 1507) - Florida, Chapter No. 2021-164 	

I. Purpose

The purpose of this policy is to provide guidance in assisting businesses in strategizing an approach that will provide training through Registered Apprenticeship Programs to their employees to develop a skilled workforce with viable income while averting potential layoffs and/or improve the economic competitiveness of local businesses. Through the Incumbent Worker Apprenticeship, businesses may be reimbursed for related technical training and/or wage reimbursement utilizing on the job training.

II. Background

Registered Apprenticeship is an “earn and learn” training model that combines work-based learning with related classroom instruction using the highest industry standards. Registered Apprenticeship programs can be used as a strategy to build career pathways for individuals in order to obtain or retain employment that leads to self-sufficiency, as well as ensure a talent pipeline for businesses. CareerSource Florida Strategic Policy 2019.02.13.A.1 describes Apprenticeships as “high-quality education with on-the-job training and other services that provide employer-driven, mentor-delivered, industry-specific knowledge to build talent that meets the specific needs of Florida businesses”. Apprenticeships “enable businesses to ensure a talent pipeline by leveraging *existing* talent to mentor the next generation through paid earn-and-learn apprenticeships”.

By cultivating Incumbent Workers in an apprenticeship program, the business can develop a talent pipeline by promoting existing employees as they develop the necessary skills through the apprenticeship

Approved By: Rick Beasley, Executive Director	
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training, while bringing in new employees into the entry level positions. A business can retain a skilled workforce, increase job satisfaction, and reduce turnover; or deter the need to lay off employees by assisting the incumbent workers in obtaining the skills and credentials necessary for the business to remain competitive. Businesses may receive funding through Incumbent Worker Apprenticeship reimbursements for either/or the related technical training or wage subsidies to assist in offsetting the costs of training the incumbent worker. The Workforce Innovation and Opportunity Act (WIOA) Section 133(b) and 134(d)(4) specifically permits local boards to use up to 20 percent of Adult and Dislocated Worker funding to address training for incumbent workers.

III. Definitions

A. Incumbent Worker

An individual currently employed, meets the Fair Labor Standards Act requirements for an employer-employee relationship, and has an established employment history with the employer for six months or more. An incumbent worker does not have to meet the eligibility requirements for career and training services for the Adult and Dislocated Worker program.

B. Incumbent Worker Apprenticeship (IWA) Contract

For purposes of the provision of the IWA Contract under this policy, a business may be reimbursed an amount of the wage rate of the incumbent worker for a negotiated period of time for the extraordinary costs of providing the apprenticeship training, and additional supervision related to the apprenticeship. Reimbursement for wages under an IWA agreement is based on the hourly wage rate and applicable percentage rate for competencies/skills in the training outline in accordance with the law.

C. Registered Apprenticeship

Registered Apprenticeship is a structured way for companies to promote career development for their employees. Registered apprenticeships are business driven, “earn while you learn” models that combine on the job training with job-related instruction which lead to the attainment of industry-recognized skills standards.

D. Credentials

Registered Apprentices who successfully complete their apprenticeship, graduate with a nationally recognized Completion of Apprenticeship Certificate issued by the Florida Department of Education that validates proficiency in a registered apprenticeship occupation. In addition, Registered Apprentices have the opportunity to earn third-party industry certifications.

E. Business Share

Businesses are required to pay for a significant cost of the training of an Incumbent Worker Registered Apprenticeship Program.

F. Self-Sufficiency

Self-Sufficiency refers to an identified wage that allows an individual to provide for oneself without the need for supportive services.

IV. Eligibility

The Incumbent Worker Apprenticeship Program intent is to help businesses remain competitive by improving productivity, profitability, and reducing employee turnover. Apprenticeships are a proven training method for businesses to develop and retain a highly skilled workforce and is governed by sections 20 CFR 680.780 through .820 of the Final Rule. The flexibility for a business to design an apprenticeship program for incumbent workers, provides an effective strategy to build a career pathway for existing employees to avert potential layoffs, promote retention and wage gains for the apprentice.

A. Business

Prior to entering into an Incumbent Worker Apprenticeship (IWA) agreement for related technical instruction (RTI) and/or to reimburse wages for an incumbent worker in a **registered apprenticeship program**, the Service Provider shall ensure the business is eligible.

Businesses that meet the following criteria are considered eligible and may, subject to available funding, enter into an agreement:

1. **Business must be a Program Sponsor or an Official Employer Partner of a registered apprenticeship program;**
2. **The Business must attest that the outcome of the Incumbent Worker Apprenticeship program will be an advancement in the Standard Occupational Classification (SOC), resulting in a promotion, earnings gain and job classification change for the apprentice;**
3. Located in the State of Florida;
4. Be a public, private non-profit, or private sector entity,
5. The business has operated at its current location for at least 120 days prior to the application date (as verified by Florida Department of State Division of Corporations (www.sunbiz.org));
6. Demonstrate financial viability;
7. Maintains Workers Compensation Insurance (if applicable);
8. Have at least one full-time employee (must be a Florida Resident AND W-2 employee); and
9. The employees W-2 must match the company name that is on the application.

B. Incumbent Worker

As Per 20 CFR 680.780, an incumbent worker does not *necessarily* have to meet the eligibility requirements for WIOA career and training services for the adult or dislocated worker programs, unless they also are enrolled as a participant in the WIOA adult and dislocated worker program.

The incumbent worker/participant is further defined as follows:

1. Current employee that meets the eligibility requirements to enter into the apprenticeship program and is in need of additional training to avert a layoff, be retained by their employer, or promotes the upward mobility of the participant.
2. An employee who receives a W2 from the business; and is employed at least six months before the signature date of the application;

3. The Apprentice shall be least 18 years of age;
4. A citizen of the United States or a non-citizen whose status permits employment in the United States; and
5. A Florida resident working at a physical location in Florida.

V. Compensation

- A. For purposes of the provision of the IWA Contract under this policy, training is provided for the incumbent worker apprentice exchange for the reimbursement, up to forty (40) percent of the employee wages for a negotiated period of time, for the extraordinary costs of providing the training and supervision related to the registered apprenticeship program. A portion of the costs of the Related Technical Instruction (RTI) may also be reimbursed as a provision of this policy.
- B. Businesses will be reimbursed by Service Providers. The final wage reimbursement shall be made upon the completion of the last competency and when proper documentation has been provided. Wage reimbursement shall coincide with the business' pay period or a negotiated timeframe.

VI. Duration

An IWA agreement shall be limited to the period of time required for a participant to become proficient in the Registered Apprenticeship Program occupation for which the training is being provided. IWA agreements shall not exceed the length of the parameters to complete the registered apprenticeship program or the negotiated timeframe of the reimbursement.

VII. Performance

IWA performance is defined as employment in the 2nd and 4th quarters after exit, program. median earnings in the 2nd quarter after exit, measurable skill gains, and credential attainment. For the purpose of calculating these metrics for IWA-only individuals, the exit date is the last date of the apprenticeship program, as indicated in the IWA contract.

VIII. Conflict of Interest

- A. The SFWIB will not favor a referral from and/or to a member of the SFWIB over another business in the community.
- B. The SFWIB shall be notified whenever the IWA Agreement is connected to a SFWIB member, Service Provider or employee.
- C. Service Providers are prohibited from entering into an agreement or making IWA referrals to businesses who are members of their immediate family or members of families of other Service Provider staff or SFWIB staff.
- D. The Business shall not hire a relative (member of the family) of the business's management. Relative is defined as: father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister.

IX. Grievances and Appeals

Service Providers shall advise participants of their right of appeal using either the business' grievance procedures, or those of the SFWIB, if previously agreed with the business. If a business elects to use its own grievance procedures, the business must agree to provide information to SFWIB as to actions taken under those procedures. If the participant is not satisfied with the outcome after using the business' grievance procedures, then he/she may elect to file a grievance with SFWIB under the SFWIB grievance procedures.