Mike DeWine, Governor Jon Husted, Lt. Governor Matt Damschroder, Director

Ohio State Apprenticeship Council Ohio Sunset Review Committee Testimony June 11th, 2024

Good afternoon, Chairman Wilkin, Vice-Chair Hillyer, and members of the Sunset Review Committee. Thank you for the opportunity to testify today on behalf of the Ohio State Apprenticeship Council (OSAC). My name is Joseph Cicchillo, and I am a legislative liaison for the Ohio Department of Job and Family Services which houses the Apprenticeship Council.

Apprenticeship programs are an inexpensive way to build a highly skilled, motivated workforce. Using apprentices can help businesses grow their own workforce, improve productivity, save money, train workers the way they want them trained, reduce turnover costs and increase employee retention. Companies that participate in apprenticeship programs may also be eligible for federal Workforce Innovation and Opportunity Act (WIOA) funds and the federal Work Opportunity Tax Credit (WOTC).

Pursuant to federal regulation, OSAC serves as Ohio's State Apprenticeship Council (SAC) and offers guidance and advice to ApprenticeOhio, which has served as Ohio's federally recognized State Apprenticeship Agency (SAA) since 1957. It is comprised of nine members appointed by the Director of Job and Family Services: three employer representatives, three employee representatives, and three representatives of the public. Per ORC, these members serve without compensation except reimbursement for expenses incurred as a result of their duties.

Prospective program sponsors, generally employers, develop and submit programs which are registered by ApprenticeOhio after ensuring the program meets national criteria for safety and quality. As of May 31st, 2024, Ohio has 21,992 registered, active apprentices and 613 active program sponsors offering programs for 204 different apprenticeship occupations, as well as 159 pre-apprenticeship programs. There are 1,345 veteran apprentices and 1,813 female apprentices registered.

Registered apprentices go through a minimum of 2,000 hours of on-the-job training and 144 hours of related instruction, generally at a local college or university. Through these programs, not only do apprentices learn the occupational skills necessary to succeed, but they also earn a progressive salary as they go through the program and a nationally recognized industry credential upon completion. Programs cover a range of in-demand occupations in a variety of industries, including construction, manufacturing, healthcare, information technology, food service industries, and more. Both union and non-union programs are represented. In addition to individual private employers, sponsors may include committees, community colleges, workforce boards, state agencies, the military, etc.

From 2018-2023, 16,192 apprentices completed a program. Apprentices have an average starting wage of \$18.43 per hour, equating to roughly \$34,600 per year. Upon completion of their program, the average wage is \$31.95, which equates to roughly \$66,500 per year. An interactive *Statewide Registered Apprenticeship Dashboard*, managed by the Ohio Labor Market Information (LMI) team, keeps track of active apprentice numbers, sponsored programs and occupations, as well as demographic and geographic information.

We collaborate closely with the US Department of Labor's Office of Apprenticeship and Ohio's model is largely seen as one to emulate nationally. Ohio's registered apprenticeship program ranks 3rd nationally and 1st in the Midwest in terms of number of apprentices, registered programs, and participating employers. We work with partners in multiple industries, labor, education, as well as several state partners, including the Governor's Office of Workforce Transformation (OWT), the Department of Education and Workforce (DEW), the Department of Higher Education (ODHE), and more. Ohio's registered apprenticeship program is one of the strongest in the nation.

As outlined in Ohio Administrative Code 5101:11, ApprenticeOhio oversees the administrative functions of Ohio's registered apprenticeship system, and is responsible for:

- Developing, in conjunction with the OSAC, policies and rules regarding apprenticeship and pre-apprenticeship programs;
- Enforcing policies and federal requirements;
- Registering apprenticeship and pre-apprenticeship programs and awarding certificates of completion;
- Providing technical assistance to program sponsors and registered apprentices;
- Promoting establishment of, enrollment in, and collaboration of recognized preapprenticeship and apprenticeship programs; and
- Collaborating with interested state and federal partners.

OSAC's administrative responsibilities include:

- Developing state policies to ensure the safety and quality of registered apprenticeship and pre-apprenticeship programing; and
- Ensuring that such programming addresses the needs of Ohio's businesses, labor, and communities; and
- Providing guidance as well as identifying and promoting best practices in apprenticeship and pre-apprenticeship programs; and
- Monitoring and advising ApprenticeOhio.

Chairman Wilkin, members of the Sunset Review Committee, thank you for allowing me the opportunity to come and speak in support of the Ohio State Apprenticeship Council. I'd be happy to answer any questions at this time.