



## Develop The Next Generation of Electricians Through Existing Private Sector Apprenticeship Training Programs

### Background:

NECA contractors, both small businesses and major corporations, contribute approximately \$300 million annually to our apprenticeship and training programs across the country. NECA is proud of its commitment to training its members' employees to build the 'gold standard' of the registered apprenticeship program. For nearly 80 years, NECA employers contributed billions of dollars to apprenticeship funds in the electrical industry to ensure we have the industry's highest skilled workforce. A career in the construction trades offers an opportunity for a substantive post-secondary education at a minimal cost to the participants and at no cost to the federal government. This investment made by NECA contractors earns \$1.44 back for every dollar towards their apprentices in a registered apprenticeship program.

Congress should promote existing skilled apprenticeship programs as an option for post-high school education that offers a real education, economic growth, and a debt-free pathway. According to the Department of Labor, 94 percent of people who graduate from registered apprenticeship programs are employed upon completion, earning an average starting wage of above \$77,000 annually. Yet, according to the most recent data, only 0.3 percent of the overall workforce in America have completed an apprenticeship.

The 117th Congress passed major pieces of legislation, including the Infrastructure Investment and Jobs Act, that invested in creating millions of jobs, particularly in the infrastructure and clean energy sectors. For workers to enter and grow in these careers, Congress must ensure they have access to our nation's highest-quality workforce development opportunities.

### Key Points:

- There is a serious need to build the next generation of skilled electricians. Nearly 70 percent of our supervisor rolls are staffed by Baby Boomers, with the average age of a journeyman electrician hovering around 53 years old. Over 12,000 more workers will be needed yearly just to meet attrition and growth.
- Apprentices earn an excellent wage and benefits package during their apprenticeship. The salary of a typical first-year apprentice graduate would rank among the top ten college majors with the highest starting salaries. The average starting salary of an apprentice graduate is \$77,000 per year, with the ability to earn over \$100,000.

### NECA Asks:

- Congress should codify and streamline standards for registered apprenticeships, youth apprenticeship, and pre-apprenticeship programs, including requirements for apprenticeship agreements and program registration to ensure consistency in quality standards and worker protections. Codifying existing regulations and practices would ensure that all individuals have an equal opportunity to participate in programs under the national apprenticeship system, and to increase diversity in the occupations offered and the individuals participating in programs, especially in high-skill, high-wage, and in-demand industry sectors and roles.
- Congress should support grants to assist in creating and sustaining pre-apprenticeship programs that serve racial minorities, women, long-term unemployed individuals, and people from impoverished census tracts.
- A tax credit should be made available to companies that employ apprentices enrolled in a federal- or state-registered apprentice program.
- Congress should establish a training tax credit for construction apprentices that would incentivize people to join an apprenticeship earlier than the current average of 29. An annual tax credit of \$1,500 should be available to any apprentice under 25, while those over 25 would receive a \$1,000 credit.