

SUPPORTING STATEMENT
Industry-Recognized Apprenticeship Program Standards Recognition Entity
ICR Reference Number 201905-1205-007
Associated with Rulemaking – RIN: 1205-AB85

The U.S. Department of Labor (Department) is submitting this new Information Collection Request (ICR) in connection with the Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations; Notice of Proposed Rulemaking (NPRM). The Department asks that the Office of Management and Budget (OMB) conclude its review by filing comment on this ICR in accordance with 5 CFR 1320.11(c).

This proposed ICR is distinct from but similar to the Industry-Recognized Apprenticeship Programs Accrediting Entity Information ICR (Reference Number 201812-1205-001). The Department will use that form as a mechanism to enable entities to seek a favorable determination about whether the information they provide through that form is consistent with the criteria outlined in the Department’s Training and Employment Notice, “Creating Industry-Recognized Apprenticeship Programs to Expand Opportunity in America” (TEN). The Department anticipates that the form a prospective Standards Recognition Entity (SRE) would use under this proposed ICR would collect the same or substantially similar information as the form associated with the TEN depending on changes made in response to comments received on the NRPM. The proposed rule also establishes new information collection requirements, as explained below. Further, the information collections under the Industry-Recognized Apprenticeship Programs Accrediting Entity Information (Reference Number 201812-1205-001) will be phased out upon approval of this ICR.

A. Justification.

The Department seeks approval of a new ICR to collect information to evaluate whether applicant entities meet proposed requirements to become Standards Recognition Entities that will recognize high-quality Industry-Recognized Apprenticeship Programs (Industry Programs), an apprenticeship model described in the Department’s NPRM. The proposed implementing regulations at 29 CFR part 29, subpart B specify the following information collection requirements. The Department’s authority for proposing these regulations is the National Apprenticeship Act, 29 U.S.C. 50:

§ 29.21(a) Provides that an entity must submit an application to the Administrator to become an SRE.

§ 29.21(c)(2) Provides that an SRE notify the Administrator and provide all related material information if it makes a substantive change to its recognition processes, or any major change that could affect the operations of the recognition program, or seeks to recognize apprenticeship programs in additional industries or occupational areas.

§ 29.22(a)(1) Provides that an SRE recognize or reject an apprenticeship program seeking recognition in a timely manner.

§ 29.22(a)(2) Provides that an SRE inform the Administrator within 30 days when it has recognized or terminated the recognition of an Industry Program.

§ 29.22(a)(4)(vii) Provides that an Industry Program provide a written notice to apprentices of what wages apprentices will receive and under what circumstances apprentices' wages will increase.

§ 29.22(a)(4)(ix) Provides that an Industry Program disclose any ancillary costs or expenses that will be charged to apprentices.

§ 29.22(b) Provides that an SRE validate its Industry Programs' compliance with the requirements listed in paragraph 29.22(a)(4) when the SRE provides the Administrator with notice of recognition of an Industry Program.

§ 29.22(c) Provides that an SRE disclose the credential(s) that apprentices will earn.

§ 29.22(j) Provides that SREs make publicly available certain information the Department considers important for providing employers and prospective apprentices the details necessary to make informed decisions about Industry Programs.

1. *Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.*

The National Apprenticeship Act (29 U.S.C. § 50) authorizes the Department "to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices," as well as to "bring together employers and labor for the formulation of programs of apprenticeship." On June 15, 2017, President Trump issued Executive Order 13801 (82 FR 28229), titled "Expanding Apprenticeships in America," which directed the Secretary of Labor (in consultation with the Secretaries of Education and Commerce) to consider "proposing regulations, consistent with applicable law, including 29 U.S.C. 50, that promote the development of apprenticeship programs." The Executive Order also directed the Department to determine how qualified entities may provide recognition to "industry-recognized apprenticeship programs," and to "establish guidelines or requirements that qualified [Standards Recognition Entities] should or must follow to ensure that the industry-recognized apprenticeship programs they recognize meet quality standards."

Executive Order 13801 also established a Task Force on Apprenticeship Expansion (the Task Force), which was convened in November of 2017 for the purpose of identifying "strategies and proposals to promote apprenticeships, especially in sectors where apprenticeship programs are insufficient." On May 10, 2018, the Task Force submitted its final report to President Trump, which included recommendations for expanding high-quality apprenticeships that lead to family-sustaining careers.

To obtain the information necessary for the Department to determine whether an SRE that would recognize Industry Programs has satisfied the criteria outlined in the NPRM, the Department proposes this information collection, titled "Industry-Recognized Apprenticeship Program Standards Recognition Entity." Some information collected by the Department on this form will be made available to the public through the Department's website at www.apprenticeship.gov, so that individuals and organizations can connect with Standards Recognition Entities.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.*

The information collected on the “Industry-Recognized Apprenticeship Program Standards Recognition Entity” is aligned with the proposed amendments to 29 CFR part 29 set forth in the NPRM. The Department’s Office of Apprenticeship (OA) will use this information to evaluate whether an applicant entity has met the requirements to be recognized by the Department as an SRE. Specifically, OA will use the information gathered to gauge the qualifications, plans, and processes of a prospective SRE to see if it meets the standards described in the proposed rule.

If the information collection described herein is approved, the Department will continue to monitor the quality and practical utility of the information yielded from this form. As this is a new information collection, the Department may find it necessary to submit non-material change requests to clarify the requirements.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.*

ETA intends to relieve paperwork burdens by providing submitters of the form an electronic version of this form that they can fill out on www.apprenticeship.gov, as well as the option of submitting the form in paper. The online option ensures that the information collection process is consistent with the purposes and requirements of both the Government Paperwork Elimination Act (GPEA) and the E-Government Act. ETA intends to submit screenshots of the system, once it is built, for approval and inclusion in the ICR via the non-material change process.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.*

While the Department currently collects data from registered apprenticeship programs, the industry-recognized apprenticeships described in the NPRM would be part of a new government program. As noted in the NPRM, the Department’s does not expect that many, if any, Industry Programs would also be registered with the Department according to the current part 29. Instead, this program would complement the existing registered system. In addition, the information collections under the Industry-Recognized Apprenticeship Programs Accrediting Entity Information (Reference Number 201812-1205-001) will be phased out upon approval of this ICR. Accordingly, the various requirements that will be created under the proposed rule and information collection are not duplicated elsewhere.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.*

Because all of the information being collected by the form is necessary to assess the capabilities of potential SREs (which could include small businesses or other small entities), the burden on these SREs cannot be readily minimized, regardless of size. However, small businesses and entities - as well as

other applicants - will be afforded the option to file the proposed information collection in paper form, or electronically through an online form.

6. *Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.*

If authorization to collect the foregoing information is not granted, the Department would be unable to determine under this rule whether SREs have characteristics and processes consistent with the criteria the rule would outline.

7. *Explain any special circumstances that would cause an information collection to be conducted in a manner that implicates the special circumstances listed in regulations 5 CFR 1320.5.*

These data collection efforts do not involve any special circumstances.

8. *If applicable, provide a copy and identify the data and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.*

Concurrent with submission of this ICR submission, the Department issued a NPRM that provides a 60-day period for the public to comment. In addition, the NPRM instructed that comments on the information collections in the proposed rule could be sent directly to ETA and OMB. ETA will address any public comments at the final rule stage.

9. *Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.*

This information collection does not involve payments to respondents.

10. *Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.*

The form will not require the disclosure by the SREs of Industry Programs (nor by industry-recognized program sponsors) of personally identifiable information about apprentices (such as the individualized salary information or social security numbers of such persons). Rather, this form generally seeks to obtain information from and concerning SREs. Under this collection, the name of an SRE will be posted at: www.apprenticeship.gov if the Department issues a recognition letter with respect to the entity. This information collection does not offer an express assurance of confidentiality. While information collected by this form is generally subject to public disclosure under the Freedom of Information Act (FOIA), Exemption #4 of FOIA (at 5 U.S.C. §552(b)(4)) affords protection to submitters (such as potential SREs) who are asked to furnish commercial or financial information to the Federal Government by safeguarding them from the competitive disadvantages that could result from disclosure. The form includes general information regarding the circumstances under which respondents will be afforded an opportunity to object to disclosure.

11. *Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.*

No questions of this nature are posed on the foregoing information collection forms.

12. *Provide estimates of the hour burden of the collection of information.*

Estimated Number of Respondents to the Information Collection “Industry-Recognized Apprenticeship Program Standards Recognition Entity”

The Department believes a reliable guidepost for estimating the number of SRE applicants is the number of entities that submitted grant applications in Fiscal Year 2016 under the Office of Apprenticeship’s American Apprenticeship Initiative (AAI) grants program.

The AAI grant program was designed to encourage the development of innovative, groundbreaking approaches to apprenticeship-program development by a wide cross-section of groups, including private-sector employers, labor unions, educational institutions, and not-for-profit organizations. In the four months during which AAI grant applications were accepted, the Office of Apprenticeship received 191 applications for grants from the intended cross-section of program sponsors and innovators.

Starting with 191 AAI grantee applicants as a reasonably-analogous baseline, the Department rounded this figure slightly upwards to 200 to provide for ease of estimation. The Department then reduced this number by 10 percent to 180 to account for the fact that some entities in industries that applied for AAI grants may choose not to seek to participate in Industry Programs. The Department then adjusted this figure 50 percent higher to account for its planned efforts to promote Industry Programs in the private sector, resulting in an estimate of 270 SRE applications in Year 1 ($= 180 \times 1.5$). The Department further estimates that it would recognize approximately 75 percent of applicants as SREs, either during their initial submission or their resubmission. Accordingly, the Department estimates that there would be 203 SREs ($= 270 \times 75\%$) in Year 1.

To estimate the number of applications and the number of applicants that would be recognized as SREs in Years 2 and 3, the Department began by assuming that the total number of SREs would increase by 5 percent per year based on historic growth in the Registered Apprenticeship program. So, in Year 2, the total number of SREs is estimated to be 213 ($= 203 \text{ total SREs in Year 1} \times 1.05$). In Year 3, the total number of SREs is estimated to be 224 ($= 213 \text{ total SREs in Year 2} \times 1.05$). Therefore, the Department estimates that the annual average number of total SREs in the first three years would be 213 [$= (203 \text{ total SREs in Year 1} + 213 \text{ total SREs in Year 2} + 224 \text{ total SREs in Year 3}) \div 3 \text{ years}$].

Next, the Department estimated the number of new SREs in Years 2 and 3 by calculating the difference between the total number of SREs each year. So, in Year 2, the number of new SREs is estimated to be 10 ($= 213 \text{ total SREs in Year 2} - 203 \text{ total SREs in Year 1}$). In Year 3, the number of new SREs is estimated to be 11 ($= 224 \text{ total SREs in Year 3} - 213 \text{ total SREs in Year 2}$). Therefore, the Department

estimates that the annual average number of new SREs in the first three years would be 75 [= (203 new SREs in Year 1 + 10 new SREs in Year 2 + 11 new SREs in Year 3) ÷ 3 years]).

Then, the Department estimated the number of applications in Years 2 and 3 by dividing the number of new SREs each year by 75 percent since 75 percent of applicants are expected to become recognized as SREs. In Year 2, the number of applications is estimated to be 14 (= 10 new SREs ÷ 75%).¹ In Year 3, the number of applications is estimated to be 14 (= 11 new SREs ÷ 75%).² Therefore, the Department estimates that there would be an average of 99 applications per year in the first three years [= (270 applications in Year 1 + 14 applications in Year 2 + 14 applications in Year 3) ÷ 3 years]).

The Department anticipates that each SRE would recognize approximately 32 Industry Programs, beginning with 10 new Industry Programs in its first year, 8 new Industry Programs in its second year, and 5 new Industry Programs in its third year. Based on this assumption, the number of new Industry Programs in Year 1 is estimated to be 2,030 (= 203 new SREs in Year 1 × 10 new Industry Programs per SRE). The number of new Industry Programs in Year 2 is estimated to be 1,724 [= (203 new SREs in Year 1 × 8 new Industry Programs per SRE) + (10 new SREs in Year 2 × 10 new Industry Programs per SRE)]. The number of new Industry Programs in Year 3 is estimated to be 1,205 [= (203 new SREs in Year 1 × 5 new Industry Programs per SRE) + (10 new SREs in Year 2 × 8 new Industry Programs per SRE) + (11 new SREs in Year 3 × 10 new Industry Programs per SRE)]. Therefore, the Department estimates that there would be an average of 1,653 new Industry Programs in the first three years [= (2,030 new Industry Programs in Year 1 + 1,724 new Industry Programs in Year 2 + 1,205 new Industry Programs in Year 3) ÷ 3 years]).

On a cumulative basis, the total number of Industry Programs in Year 2 is estimated to be 3,754 (= 2,030 new Industry Programs in Year 1 + 1,724 new Industry Programs in Year 2). In Year 3, the total number of Industry Programs is estimated to be 4,959 (= 2,030 new Industry Programs in Year 1 + 1,724 new Industry Programs in Year 2 + 1,205 new Industry Programs in Year 3). Therefore, the Department estimates that there would be an average of 3,581 total Industry Programs in the first three years [= (2,030 total Industry Programs in Year 1 + 3,754 total Industry Programs in Year 2 + 4,959 total Industry Programs in Year 3) ÷ 3 years]).

a. Description of the information collection (Industry-Recognized Apprenticeship Program Standards Recognition Entity Application Form)

Anticipated Designated Responders to the Information Collection, and Their Compensation Rate:

The Department anticipates that this new form will be completed by Training and Development Managers employed by SREs. According to the Department's Bureau of Labor Statistics (BLS), the estimated mean hourly wage for Training and Development Managers in May 2017 was \$56.58 (source: <https://www.bls.gov/oes/2017/may/oes113131.htm>). Based on data from BLS's "Employer Costs for Employee Compensation" release (<https://www.bls.gov/ect>), the percentage of an employee's total compensation package that consisted of employee benefits averaged 46% over the past year. In addition, total related overhead costs are estimated to comprise an additional 54% of the applicable base wage (source: *Guidelines for Regulatory Impact Analysis, 2016*, published by the U.S. Department of Health and Human Services, at the following website:

¹ Calculation with decimals: $((203 \times 1.05) - 203) \div 75\% = 13.53$. The Department rounded 13.53 up to 14.

² Calculation with decimals: $((213.15 \times 1.05) - 213.15) \div 75\% = 14.21$. The Department rounded 14.21 down to 14.

https://aspe.hhs.gov/system/files/pdf/242926/HHS_RIAGuidance.pdf). Accordingly, the total hourly compensation rate for Training and Development Managers (adjusted to include employee benefits and overhead costs) is estimated to be \$113.16 (= \$56.58 hourly base wage + \$26.03 in employee benefits + \$30.55 in overhead costs).

Estimated Time to Complete Form Elements:

The Industry-Recognized Apprenticeship Program Standards Recognition Entity Application Form consists of the following six sections:

Section I	Standards Recognition Entity Identifying Information
Section II	Capabilities and Experience of the Standards Recognition Entity
Section III	Evaluating and Monitoring Elements of a High-Quality Apprenticeship Program
Section IV	Policies and Procedures
Section V	Additional Representations of Program Quality by the Standards Recognition Entity
Section VI	Attestation

Time to Complete Section I—Standards Recognition Entity Identifying Information: (2 hours per SRE)

The estimated average response time for the SRE to provide identifying information requested in this section is approximately 2 hours. This estimate includes the time to gather and attach the documentation for this section.

Time to Complete Section II—Capabilities and Experience of the Standards Recognition Entity: (2 hours per SRE)

The estimated average response time for the respondent to describe their operations, capabilities, experience, and qualifications to be a SRE is approximately 2 hours. This estimate includes the time to gather the documentation to be included in the subsections listed below.

A. Organizational Operational Information: (1 hour per SRE)

It is estimated to take 1 hour per SRE to summarize their entity's operations.

B. Organizational Qualifications: (1 hour per SRE)

It will take approximately 1 hour for the respondent to describe their qualifications to serve as a SRE and to gather and attach relevant documentation.

Time to Complete Section III—Evaluating and Monitoring Elements of a High-Quality Apprenticeship Program: (16 hours per SRE)

The estimated average response time for the SRE to provide information concerning the elements of their high-quality apprenticeship program requested in this section is approximately 16 hours. This estimate includes the time to gather the documentation to be included in the subsections listed below.

A. Paid Work Component: (1 hour per SRE)

It will take approximately 1 hour to describe information related to the paid work component.

B. On-the-Job-Instruction/Work Experience: (1 hour per SRE)

On average, it should take 1 hour for a SRE to outline the structured work experiences and mentoring opportunities for apprentices enrolled in their program(s).

C. Classroom Instruction, Educational Partners, and Educational Credentials: (5 hours per SRE)

It is estimated that this section will take 5 hours to complete. This includes a detailed explanation on how the apprenticeship programs will provide or arrange for classroom or related instruction that is appropriate and adequate to help apprentices achieve their proficiency goals, earn credentials or certifications. This section includes the attachment of documentation about educational partners or vendors of related instruction.

D. Occupations and Occupational Credentials: (5 hours per SRE)

For purposes of this estimate, the Department has assumed an average of ten recognized occupations per SRE; it will take approximately 30 minutes per occupation to complete the requirements of this section for a total of 300 minutes (= 10 occupations × 30 minutes).

E. Equal Employment Opportunity (EEO) Requirements: (4 hours per SRE)

It will take approximately 4 hours for each SRE to describe policies and procedures that the SRE will adopt to evaluate and monitor Industry Program(s) Equal Employment Opportunity efforts.

Time to Complete Section IV—Policies and Procedures: (13 hours per SRE)

The estimated average response time for the SRE to provide information concerning their proposed general processes, policies, and procedures for recognizing and monitoring industry-recognized apprenticeship programs requested in this section is approximately 13 hours. This estimate includes the time to gather the documentation to be included in the subsections listed below.

A. General Recognition Processes (4 hours per SRE)

It is estimated to take 4 hours to describe the entity's proposed general processes, policies, and procedures for recognizing and overseeing high-quality industry-recognized apprenticeship programs.

B. Data and Records Collection, Management and Retention (5 hours per SRE)

It is estimated to take 5 hours to describe the approach the entity will take to address the inquiries in this section.

C. Standards Recognition Entity and Recognition Integrity (4 hours per SRE)

It is estimated to take 4 hours to describe the approach the entity will take to ensure transparency, accountability, impartiality, confidentiality, objectivity, and independence.

Time to Complete Section V—Additional Representation of Program Quality by the Standards Recognition Entity: (5 minutes per SRE)

It will take five minutes for each SRE to read and attest additional representations of program quality.

Time to Complete Section VI—Attestation: (5 minutes per SRE)

To review the application for completeness and to sign, the Department estimates it will take approximately five minutes.

Time for SRE to Notify Administrator of Substantive Change to Processes or Programs: (10 hours per SRE)

The time to document and provide notice of a substantive change to an approved SRE's processes or programs is estimated as follows: Approximately 50 percent (107 SREs) of the 213 total approved SREs are expected to make a substantive change to their recognition process that will require approval from the Department. The time to modify documents is likely to take on average 10 hours to complete for a total burden of 1,070 hours (= 107 SREs × 10 hours).

Time for SRE to Recognize or Reject Prospective Industry Programs: (12 hours per Industry Program per SRE)

The Department estimates that it would take an SRE 12 hours to recognize or reject a prospective Industry Program and validate its Industry Programs' compliance with the requirements listed in paragraph 29.22(a)(4) when the SRE provides the Administrator with notice of recognition of an Industry Program. To estimate the number of prospective Industry Programs, the Department used the estimated number of new Industry Programs (1,653) as a proxy, so the estimated frequency is 7.76 new Industry Programs per SRE (= 1,653 new Industry Programs ÷ 213 SREs). The total burden is estimated at 19,836 hours (= 1,653 × 12 hours).

Time for SRE to Inform Administrator of Industry Program Recognition or Termination: (30 minutes per SRE)

The Department estimates that it would take an SRE 30 minutes per year to inform the Administrator when it has recognized or terminated the recognition of Industry Programs, so the total burden is estimated at 107 hours (= 213 SREs × 30 minutes).

Time for SRE to Disclose Credentials that Apprentices Will Earn: (30 minutes per SRE)

The Department estimates that it would take an SRE 30 minutes per year to disclose the credentials that apprentices will earn during their successful participation in or upon completion of an Industry Program. An SRE could disclose these credentials on its website, for example. So, the total burden is estimated at 107 hours (= 213 SREs × 30 minutes).

Time for SRE to Provide Performance Data to the Public: (30 hours per SRE)

The Department estimates that it would take an SRE 30 hours per year to make publicly available performance data for each Industry Program it recognizes, so the total burden is estimated at 6,390 hours (= 213 SREs × 30 hours).

Time for Industry Program to Provide Performance Data to the SRE: (3 hours per Industry Program)

The Department estimates that it would take an Industry Program 3 hours per year to collect and provide the relevant performance data to the SRE, so the total burden is estimated at 10,743 hours (= 3,581 Industry Programs × 3 hours).

Time for Industry Program to Disclose Wages to Apprentices: (5 minutes per Industry Program)

The Department estimates that it would take an Industry Program 5 minutes per year to provide a written notice to apprentices of what wages apprentices will receive. The Department assumes that the vast majority of entities provide wage notifications to their employees as part of their regular business practices, so only about 10 percent of Industry Programs (358 of 3,581 Industry Programs) would incur this burden as an additional cost under this proposed rule. The total burden is estimated at 29 hours (= 358 Industry Programs × 5 minutes).

Time for Industry Program to Disclose Ancillary Costs to Apprentices: (5 minutes per Industry Program)

The Department estimates that it would take an Industry Program 5 minutes per year to disclose any ancillary costs or expenses that will be charged to apprentices (such as costs related to tools or educational materials). The Department assumes that the vast majority of entities disclose ancillary costs or expenses to their employees as part of their regular business practices, so only about 10 percent of Industry Programs (358 of 3,581 Industry Programs) would incur this burden as an additional cost under this proposed rule. The total burden is estimated at 29 hours (= 358 Industry Programs × 5 minutes).

Burden Summary Table:*

Information Collection Activity	Number of Respondents	Annual Frequency	Total Annual Response	Time Per Response (Hours)	Total Annual Burden (Hours)	Hourly Rate	Monetized Value of Respondent Time
IRAP SRE Application Form Section I—Standards Recognition Entity Identifying Information	99	1	99	2	198	\$113.16	\$22,406
IRAP SRE Application Form Section II—Capabilities and Experience of the Standards Recognition Entity	99	1	99	2	198	\$113.16	\$22,406
IRAP SRE Application Form Section III—Evaluating and Monitoring Elements of a High-Quality Apprenticeship Program	99	1	99	16	1,584	\$113.16	\$179,245
IRAP SRE Application Form Section IV—Policies and Procedures	99	1	99	13	1,287	\$113.16	\$145,637
IRAP SRE Application Form Section V—Additional Representations of Program Quality by the Standards Recognition Entity	99	1	99	0.08	8	\$113.16	\$896
IRAP SRE Application Form Section VI—Attestation	99	1	99	0.08	8	\$113.16	\$896
Subtotal	99		99		3,283	\$113.16	\$371,486
SRE Notification to Administrator of Substantive Change to Processes or Programs	107	1	107	10	1,070	\$113.16	\$121,081
SRE Recognition or Rejection of Prospective Industry Program	213	7.76	1,653	12	19,836	\$113.16	\$2,244,642
SRE Notification to Administrator of Industry Program Recognition or Termination	213	1	213	0.5	107	\$113.16	\$12,052
SRE Disclosure of Credentials that Apprentices Will Earn	213	1	213	0.5	107	\$113.16	\$12,052
SRE Provision of Performance Data to the Public	213	1	213	30	6,390	\$113.16	\$723,092
Industry Program Provision of Performance Data to SRE	3,581	1	3,581	3	10,743	\$113.16	\$1,215,678
Industry Program Disclosure of Wages to Apprentices	358	1	358	0.08	29	\$113.16	\$3,242
Industry Program Disclosure of Ancillary Costs to Apprentices	358	1	358	0.08	29	\$113.16	\$3,242
Unduplicated Totals	3,794		6,795		41,592	\$113.16	\$4,706,566

* Discrepancies between this document and the reginfo.gov database are attributable to rounding.

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no additional costs to respondents other than the value of respondent time captured in item 12.

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The following narrative summarizes the estimated annualized costs to the Office of Apprenticeship of the U.S. Department of Labor’s Employment and Training Administration (ETA) in connection with processing and reviewing the information collections described in this submission:

Step 1: Processing by Program Analysts

It is anticipated that the initial intake, review, and analysis of the information provided to the Department by Standards Recognition Entities will be conducted by a Program Analyst in ETA’s Office of Apprenticeship, each of whom is a full-time federal employee. The burden to the Federal Government of this review is based on the GS-13, Step 5 of the General Schedule, which was \$52.66 per hour in the Washington, D.C., locality area in 2018 (see https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2018/DCB_h.pdf). Based on the most recent data available from the Congressional Budget Office (CBO), the Department estimates that the percentage of federal employees’ total compensation that consists of employee benefits is 69% (see www.cbo.gov/publications/52637). In addition, total related overhead costs are estimated to comprise an additional 54% of the applicable base wage (source: *Guidelines for*

Regulatory Impact Analysis, 2016, published by the U.S. Department of Health and Human Services, at the following website: https://aspe.hhs.gov/system/files/pdf/242926/HHS_RIAGuidance.pdf). Accordingly, the total hourly compensation rate for a Program Analyst (adjusted to include employee benefits and overhead costs) is estimated to be \$117.44 per hour (= \$52.66 hourly base wage + \$36.34 in employee benefits + \$28.44 in overhead costs).

The Department further estimates that each Program Analyst will take an average of one hour to review and analyze the information that is contained in each of the foregoing information collection forms. Accordingly, the total annualized cost for a Program Analyst to process the estimated 99 submissions from potential Standards Recognition Entities per year multiplied by 1.0 hour processing time for each form, will result in 99 Program Analyst processing hours, resulting in a total annual cost of \$11,627 (= 99 hours × \$117.44).

Step 2: Review Process by Panel

Applications that the initial Program Analyst review and deem to be satisfactory will be forwarded to a review panel consisting of one Program Analyst and two Training and Development Managers for review and recommendation for approval by the Office of Apprenticeship Administrator. It is anticipated that the initial review process will result in a disqualification of 10 percent (10 applications) of the applications, leaving an estimated 89 applications per year to be reviewed during Step 2. The estimated time to conduct a complete review of each SRE's application is eight hours. This equates to 712 hours (= 8 hours × 89 applications).

The hourly compensation for a Program Analyst is \$117.44 as stated above. Additionally, the hourly compensation for a Training and Development Manager is \$113.16 as stated above.

Accordingly, the total annualized cost for the panel consisting of one Program Analyst and two Training and Development Managers to review the estimated 89 applications is \$244,757. The cost for a Program Analyst to review applications is \$83,617 (= \$117.44 × 712 hours). The cost for two Training and Development Managers to review applications is \$161,140 (= \$113.16 × 2 Training and Development Managers × 712 hours).

Step 3: Panel Recommendations for Approval

It is expected that the panel will meet on a consistent basis to discuss their review findings for each application. This process should take approximately one hour per application for a total of 89 hours. Assuming a three-person panel, the cost of this process is \$30,594. The cost for a Program Analyst is \$10,452 (= \$117.44 × 89 hours). The cost for two Training and Development Managers is \$20,142 (= \$113.16 × 2 Training and Development Managers × 89 hours).

Step 4: Approval by Office of Apprenticeship Administrator

After initial intake and review by a Program Analyst and subsequent analysis by the review panel, applications deemed satisfactory will be sent to the Office of Apprenticeship's Administrator for final review and approval. The Administrator of the Office of Apprenticeship (who is a member of the Senior Executive Service, or SES) will reach a final decision concerning whether a particular entity will receive recognition from the Department as a Standards Recognition Entity. The burden to the Federal Government of this final review process is based on the base salary of a federal employee at Level IV of Senior Executive Service, which is set at \$164,200 per annum for calendar year 2018 (per 5 U.S.C. § 5382); the corresponding hourly base pay for an SES at this level is \$78.94 per hour (= \$164,200 ÷

2,080 hours). Based on the most recent data available from CBO, the Department estimates that the percentage of federal employees' total compensation that consists of employee benefits is 69% (see www.cbo.gov/publications/52637). In addition, total related overhead costs are estimated to comprise an additional 54% of the applicable base wage (source: *Guidelines for Regulatory Impact Analysis, 2016*, published by the U.S. Department of Health and Human Services, at the following website: https://aspe.hhs.gov/system/files/pdf/242926/HHS_RIAGuidance.pdf). Accordingly, the total hourly compensation rate for the Administrator (adjusted to include employee benefits and overhead costs) is estimated to be \$176.04 per hour (= \$78.94 hourly base wage + \$54.47 in employee benefits + \$42.63 in overhead costs).

The Department estimates that the panel will approve the qualifications of approximately 75% (an average of 75 out of 99 in the first three years) of these anticipated SRE applicants.

The Department further estimates that the Administrator of the Office of Apprenticeship will take an average of 15 minutes to review each of the 75 applications (18.75 hours) the panel recommended for a final recognition regarding whether the entity is qualified to recognize industry-recognized apprenticeship programs. Accordingly, the total annualized cost for the Administrator's review is \$3,301 (= \$176.04 × 18.75 hours).

The cost to develop and maintain the online form/website to gather and track information for this collection, including the one-time development costs (software and labor) is estimated at \$608,500. The online collection will allow potential SREs to effectively respond to this collection. The annual maintenance cost is expected to be approximately \$125,000 since the website will be hosted as part of a larger contract.

Total Federal Government Burden:

Federal Employee Job Title	Number of Forms to Process per Year	Time Per Form (Hours)	Total Annual Burden (Hours)	Total Hourly Rate	Monetized Value of Respondent Time
Step 1: Program Analyst (GS-13, Step 5)	99	1	99	\$117.44	\$11,627
Step 2: Program Analyst (GS-13, Step 5)	89	8	712	\$117.44	\$83,617
Step 2: Training and Development Manager*	89	16	1,424	\$113.16	\$161,140
Step 3: Program Analyst (GS-13, Step 5)	89	1	89	\$117.44	\$10,452
Step 3: Training and Development Manager*	89	2	178	\$113.16	\$20,142
Step 4: Administrator (SES, Level IV)	75	0.25	18.75	\$176.04	\$3,301
One Time Development Cost					\$608,500
Annual Maintenance Cost					\$125,000
Total					\$1,023,779

*These totals account for two persons.

GRAND TOTAL OF FEDERAL COST BURDEN: \$1,023,779

15. Explain the reasons for any program changes or adjustments reported on the burden worksheet.

This is a new information collection.

16. *For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other action.*

Summary information is used to respond to requests from senior management, Congress, public interest groups, the apprenticeship sponsor community, and the general public. After SREs are approved by the Department, some information about them will be posted on the Department's website.

17. *If seeking approval not to display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.*

The Department will display the OMB expiration date.

18. *Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."*

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

This collection of information does not employ statistical methods.