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BILL

DEPARTMENT OF LABOR

29 CFR Parts 29 and 30

[Docket No. ETA-2025-0006]

RIN 1205-AC21

Prohibiting Illegal Discrimination in Registered Apprenticeship Programs

AGENCY: Employment and Training Administration, Labor.

ACTION: Final rule.

SUMMARY: The Department of Labor (DOL or the Department) is issuing this final rule to remove the onerous and legally questionable affirmative action requirements that were previously imposed by the Department on Registered Apprenticeship program sponsors. This final rule also streamlines and simplifies nondiscrimination obligations for all program sponsors, while clarifying that sponsors are accountable for compliance with Federal and State nondiscrimination protections. It also makes conforming, technical changes to the Department's regulation that addresses Labor Standards for the Registration of Apprenticeship Programs.

DATES: This final rule is effective **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].**

FOR FURTHER INFORMATION CONTACT: Luke Murren, Acting Administrator, Office of Policy Development and Research, U.S. Department of Labor, Employment and Training Administration, 200 Constitution Avenue NW, Room N-5641, Washington, DC 20210, Telephone: 202-693-3700 (voice) (this is not a toll-free number). For persons with a hearing or speech disability who need assistance using the telephone system, please dial 711 to access telecommunications relay services.

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Acronyms and Abbreviations

ADA	Americans with Disabilities Act
WIOA	Workforce Innovation and Opportunity Act
ADEA	Age Discrimination in Employment Act
APA	Administrative Procedure Act
BLS	Bureau of Labor Statistics
DOL	Department of Labor
EEO	Equal Employment Opportunity
EEOC	Equal Employment Opportunity Commission
ETA	Employment and Training Administration
FCC	Federal Communications Commission
FEPA	Fair Employment Practices Agency
FY	Fiscal Year

I. Executive Summary

This final rule*, Prohibiting Illegal Discrimination in Registered Apprenticeship Programs*, removes burdensome requirements for Registered Apprenticeship program sponsors contained in the regulation at 29 CFR part 30, and replaces the part 30 regulation's complicated array of apprenticeship-specific nondiscrimination requirements with a more straightforward requirement that all Registered Apprenticeship program sponsors comply with all Federal and State laws and regulations prohibiting discrimination. In addition, the final rule provides clarity to apprenticeship stakeholders regarding the appropriate forums for advancing and remediating issues relating to alleged discrimination in Registered Apprenticeship programs.

Under this final rule, Registered Apprenticeship program sponsors will no longer be required to comply with the burdensome administrative requirements contained in the part 30 regulation, which included a general duty for all sponsors to engage in affirmative action and meet equal employment opportunity (EEO) obligations. The part 30 regulation's general duty to engage in affirmative action included mandates to designate

an individual to manage the program's EEO policy, to conduct anti-harassment training, and to post an equal opportunity pledge, among other burdensome requirements. The final rule also removes the burdensome and legally questionable regulatory mandate that sponsors with five or more apprentices comply with more extensive affirmative action requirements, which included conducting utilization analyses and setting numerical goals for hiring apprentices based upon their race, sex, and ethnicity. The Department expects that removing these obligations will significantly reduce administrative burdens for sponsors and will also support the growth of Registered Apprenticeship programs, in alignment with the Department's and Administration's goals and priorities.

In their place, this final rule substitutes a streamlined requirement that all Registered Apprenticeship program sponsors comply fully with all applicable Federal and State laws and regulations prohibiting illegal discrimination. This requirement, along with a revised regulatory framework for discrimination-related complaints, provides needed clarity to apprenticeship stakeholders on the most appropriate and effective course of action for apprentices to raise and seek remediation of discrimination-related issues. Finally, the final rule includes a requirement that any State seeking new or continued recognition from the Department's Office of Apprenticeship (OA) as a State Apprenticeship Agency (SAA) must establish State laws and regulations that conform to the revised part 30 regulation, so that Registered Apprenticeship programs throughout the National Apprenticeship System are subject to a consistent set of requirements related to nondiscrimination in apprenticeship.

II. Background and Purpose of the Revised Part 30 Regulation

A. Legal Authority to Promulgate Registered Apprenticeship Regulations

The National Apprenticeship Act (NAA) (also known as the Fitzgerald Act), 50 Stat. 664,[1] was enacted by Congress in 1937. Among other things, the NAA authorizes

[1] 29 U.S.C. 50.

the Secretary of the Department of Labor to "formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices, to extend the application of such standards by inclusion thereof in contracts of apprenticeship, to bring together employers and labor for the formulation of programs of apprenticeship, [and] to cooperate with State agencies engaged in the formulation and promotion of standards of apprenticeship." 50 Stat. 664.[2] The NAA forms the basis of the Department's legal authority to oversee the National Apprenticeship System and develop and advance labor standards, in conjunction with apprenticeship stakeholders throughout industry, labor, and State and local jurisdictions, for Registered Apprenticeship programs. Pursuant to this statutory authority, the Department has designated OA, within the Department's Employment and Training Administration (ETA), as the office responsible for conducting oversight, establishing rules and policies related to Registered Apprenticeship, and promoting the success and expansion of the Registered Apprenticeship model.

To implement the aims of the NAA, OA has promulgated regulations, found at 29 CFR parts 29 and 30, to formalize labor standards that all Registered Apprenticeship programs must meet, and establish processes to conduct National Apprenticeship System oversight in coordination with State and local jurisdictions. The Department's legal authority to promulgate regulations related to Registered Apprenticeship, as well as the scope and content of such regulations, is rooted in the NAA. Under such authority, the Department must also periodically revisit the governing regulations at 29 CFR parts 29 and 30 in light of evolving economic conditions, changes impacting the labor market, or other developments impacting workforce development and apprenticeship.

The regulation at 29 CFR part 29 (part 29) implements the NAA's statutory directive to the Department to establish labor standards for Registered Apprenticeship

[2] 29 U.S.C. 50.

programs and safeguard the welfare of apprentices. The first version of a regulation that set forth standards of apprenticeship was issued by the Department in 1977, and the last major revision to the part 29 regulations was issued in 2008. The part 29 regulation, and the labor standards that it established, serve as the primary regulatory framework for Registered Apprenticeship programs. The part 29 regulatory requirements for Registered Apprenticeship programs are intended to allow sponsors of such programs to tailor programs to meet their workforce needs while maintaining the high quality that has characterized Registered Apprenticeship for decades.

The regulation at part 30 requiring nondiscrimination and equality of opportunity in Registered Apprenticeship programs was first issued by the Department in 1963, and was subsequently updated by the Department in 1971, 1978, and 2016. Across these iterations, the part 30 regulation evolved from a prohibition against discrimination (also described as a requirement for sponsors to select apprentices "solely on the basis of their qualifications compared to those of other applicants"), to include various other requirements for sponsors and State agencies. For sponsors, additional requirements imposed by the part 30 regulation included: developing and posting a policy committing to equal opportunity; conducting anti-harassment training; providing a written notice to apprentices informing them of their right to file discrimination complaints and the process for doing so; and (for those Registered Apprenticeship programs enrolling five or more apprentices) conducting utilization analyses as part of their affirmative action plans and inviting apprentices to voluntarily disclose their disability status. The part 30 regulation also included a requirement for State agencies to develop a "State EEO plan" in order to seek or maintain recognition as an SAA, among other requirements.

Acting on the Department's authority to promulgate apprenticeship regulations under the NAA, the Department issued a Notice of Proposed Rulemaking (NPRM) entitled *Prohibiting Illegal Discrimination in Registered Apprenticeship Programs* in the

Federal Register on July 2, 2025, (90 FR 28947) as the first step in a transparent process to update the part 30 regulation.[3] This first step of the rulemaking process for Federal agencies, which is governed by the Administrative Procedure Act (APA), as amended, at 5 U.S.C. 553, supports transparent policymaking by allowing the Department to publish its proposed approach to updating the regulation and explain its rationale for the proposed changes, and by allowing the public to examine, assess, and provide public comments in response to the Department's proposal. In the NPRM, the Department proposed to update and significantly streamline the part 30 regulation to return to a more straightforward nondiscrimination requirement for Registered Apprenticeship program sponsors and clarify the most appropriate and effective processes and forums for raising and remediating issues related to alleged illegal discrimination in Registered Apprenticeship programs. The Department assessed public comments on its proposal and reexamined its rationale and goals for the rulemaking in light of the views, arguments, and data shared by public commenters, in developing this final rule in accordance with the APA.

B. Registered Apprenticeship: Opportunities for Expansion

For nearly a century, the Department has supported the administration of Registered Apprenticeship programs and overseen the National Apprenticeship System. Registered Apprenticeship is a proven workforce development strategy that combines paid on-the-job learning (OJL) and related instruction, providing tangible benefits to employers and career-seekers alike. Registered Apprenticeship enables employers to design training programs that meet their workforce development needs, empowers apprentices to advance their careers through structured training that develops critical occupational skills and competencies and ultimately leads to an apprentice becoming proficient in an occupation. What began as a training strategy for the skilled trades has

[3] The Department's NPRM can be found at *https://www.federalregister.gov/documents/2025/07/02/2025-12317/prohibiting-illegal-discrimination-in-registered-apprenticeship-programs.*

evolved and expanded to include a wider range of occupations across industries, including growth sectors such as information technology, health care, and financial services.

At the end of fiscal year (FY) 2025, according to OA data on Registered Apprenticeship programs nationwide, 26,628 active Registered Apprenticeship programs provided training to more than 700,000 apprentices.[4] These programs provide training in more than 1,000 occupations determined to be "apprenticeable"[5] across industries ranging from advanced manufacturing and construction to education, financial services, information technology, and health care. The number of apprentices has grown steadily over the past decade; the total number of active apprentices at the end of FY 2025 represented a 77% increase from the 395,764 active apprentices in FY 2016. Since 2016,[6] the Department has expanded its role in administering the National Apprenticeship System to include targeted investments to support Registered Apprenticeship growth. These investments have grown from around $90 million in FY 2016 to $185 million in FY 2021, $235 million in FY 2022,[7] and $285 million in FYs 2023, 2024, 2025, and 2026.[8]

Despite the steady growth of the National Apprenticeship System, the Department recognizes that Registered Apprenticeship's impact on the U.S. economy, overall,

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[4] Data discussed in this paragraph are available to the public on OA's website, "Apprenticeship – Data and Statistics," *https://www.apprenticeship.gov/data-and-statistics*.

[5] Part 29 defines an "apprenticeable" occupation as an occupation that must involve skills customarily learned through structured, systematic OJL, must be clearly identified and commonly recognized throughout an industry, must involve the progressive attainment of skills that would require the completion of at least 2,000 hours of OJL to attain, and must require a related instruction component to supplement OJL. *See* 29 CFR 29.4, *https://www.ecfr.gov/current/title-29/subtitle-A/part-29#29.4*.

[6] Prior to 2016, the Department invested around $30 million per year to support Registered Apprenticeship. Since 2016, these investments have steadily increased and diversified, and are supplemented by State funds supporting the Registered Apprenticeship expansion goal. *See* the Urban Institute's analysis of strategic investment in Registered Apprenticeship, "Strategic Investments to Expand Apprenticeships in the US," *https://www.urban.org/sites/default/files/2025-03/Strategic_Investments_to_Advance_Apprenticeships_in_the_US.pdf*.

[7] Congressional Research Service, "Registered Apprenticeship: Federal Role and Recent Federal Efforts," Feb. 7, 2025, *https://www.congress.gov/crs-product/R45171#_Toc190349619*.

[8] H.R.7148 - 119th Congress (2025-2026): Consolidated Appropriations Act, 2026.

remains limited. Registered Apprenticeship is underutilized as a workforce development solution in the United States when compared to the impact of apprenticeship in other developed nations. In the United States, apprentices comprise a significantly smaller share of the overall workforce than in other countries with strong and established apprenticeship systems (such as Australia, Canada, Germany, and the United Kingdom).[9] Given this underutilization of apprenticeship in the United States, the Department is determined to address factors that serve to limit the accelerated expansion and utilization of the model, including removing burdensome regulatory requirements like the complex and legally questionable set of requirements contained in the existing part 30 regulation.

While the Department is supportive of efforts to expand Registered Apprenticeship into new sectors and occupations where the training model is not currently widespread, the preponderance of Registered Apprenticeship programs remain within the skilled trades. In 2026, OA's data on apprenticeship participation by industry indicates there are nearly 270,000 apprentices in Registered Apprenticeship programs in the construction sector, a significant plurality compared to other industries.[10] This concentration of programs in the skilled trades limits Registered Apprenticeship's potential economy-wide impact and contributes to the false narrative that this training model is only suitable for that sector. Registered Apprenticeship's combination of structured OJL and related instruction is a proven training strategy that has consistently benefited both employers and career-seekers and can be adapted across industries (including growth sectors like information technology and healthcare).

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[9] *See* Keith Rolland, "Apprenticeships and their potential in the U.S.," Federal Reserve Bank of Philadelphia, Winter 2015, *https://www.philadelphiafed.org/community-development/workforce-and-economic-development/apprenticeships-and-their-potential-in-the-us* (citing a presentation by Professor Robert I. Lerman of the Urban Institute, which noted that apprentices constituted only 0.2% of the U.S. labor force, compared with 2.2% in Canada, 2.7% in Great Britain, and 3.7% in Australia and Germany). *See also* Robert I. Lerman, "Proposal 7: Expand Apprenticeship Opportunities in the United States," The Hamilton Project of the Brookings Institution, 2015, at p. 3, *https://www.hamiltonproject.org/assets/legacy/files/downloads_and_links/expand_apprenticeship_opportunities_united_states_lerman.pdf.*

[10] DOL, "Apprenticeship – Data and Statistics," *https://www.apprenticeship.gov/data-and-statistics/apprentices-by-state-dashboard* (last visited June 26, 2026).

The Registered Apprenticeship model has significant potential to meet the workforce development needs of more employers and provide more apprentices with opportunities to develop their careers, and as such, the Department views the expansion of the model as a pathway to greater economic prosperity in the United States. In a 2023 report (updated in February 2026), the U.S. Chamber of Commerce analyzed economic trends in job openings, labor force participation, and other labor market indicators.[11] This analysis showed that over the past two decades, job openings have increased, on average, while the number of unemployed workers has decreased, resulting in a persistent shortage of workers available to fill open positions. The analysis shows that while the gap between job openings and available workers has evened out following economic shocks and disruptions related to the COVID-19 pandemic (when unemployment spiked to 23 million unemployed workers in 2020), State-level economic data indicates that some States face significant challenges in filling job openings. South Dakota, for example, had 41 available workers for every 100 open jobs, and nationwide, only ten States report a surplus of available workers.

In general, labor force participation has been on the decline for the past two decades, due to a range of factors including retirements, an aging workforce, and reliance on means-tested public benefits. Further, employers increasingly point to a mismatch in the skills they need for their workforce and the skills possessed by job seekers when describing challenges in filling open positions. Surveys and analyses of hiring trends indicate that, while many employers have open positions and are seeking to hire employees, they struggle to fill these positions because they struggle to find candidates that possess the skills they need. One recent analysis estimates a potential shortage of approximately 5.25 million workers with education and training beyond high school

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[11] U.S. Chamber of Commerce, "Understanding America's Labor Shortage," Nov. 21, 2023, *https://www.uschamber.com/workforce/understanding-americas-labor-shortage*.

through 2032, including projected shortages in several occupations that have historically relied on work-based training.[12]

The Department sees Registered Apprenticeship as a critical strategy for increasing job seekers' skills and empowering employers to design training programs that develop in-demand skill sets. Registered Apprenticeship programs' training plans are based on industry training standards, meaning that industry leaders have input into the skills and competencies needed for an occupation. Sponsors of Registered Apprenticeship programs use these industry-derived inputs in designing programs that fit their specific needs (or the needs of employers who participate in the program). During the past two decades, the Registered Apprenticeship model has expanded into industries beyond the skilled trades, but still accounts for a small share of the overall labor force that lags far behind other advanced economies.[13] The Department views Registered Apprenticeship as a successful strategy for helping more employers meet their workforce development needs, a view that is more pronounced and relevant in the labor market of 2026, when job openings increasingly require higher levels of technical and specialized skills. As such, the Trump Administration has made the expansion of Registered Apprenticeship a top priority.

Registered Apprenticeship stakeholders, including those with established programs and those interested in starting programs, have pointed to the administrative burdens and direct costs of starting and operating a program as factors that limit the

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[12] Georgetown University Center on Education and the Workforce, Falling Behind: How Skills Shortages Threaten Future Jobs (2025), available at https://cew.georgetown.edu/wp-content/uploads/cew-falling_behind-fr.pdf.

[13] A white paper discussing the potential to expand Registered Apprenticeship states that apprentices accounted for just 0.3% of the labor force in the United States in 2020, far below rates of apprentice makeup of the labor force in other advanced economies that utilize the model. Robert I. Lerman, "The State of Apprenticeship in the US: A Plan for Scale," Apprenticeships for America, July 2022, *https://apprenticeshipsforamerica.org/resources/afa-publications/19/the-state-of-apprenticeship-in-the-us-a-plan-for-scale*.

expansion and uptake of the model.[14] While Federal and State funds have helped mitigate these challenges, stakeholders still report impediments, including compliance with the administrative requirements found in Federal and State regulation. The Department has determined that substantially reducing the regulatory burdens that were imposed upon program sponsors by the part 30 regulation is an indispensable prerequisite for achieving the Department's ongoing goal of expanding Registered Apprenticeship to meet the needs of the labor market.

The Department's determination to update the part 30 regulation with this final rule also aligns with the Administration's priorities for the Department and Registered Apprenticeship. On January 31, 2025, in the first days of his Administration, President Trump signed E.O. 14192, *Unleashing Prosperity Through Deregulation*, which directed Federal agencies to identify opportunities to review and revise or rescind any regulations that impose undue burdens on Americans and American businesses, with the goal of increasing flexibility for businesses and accelerating economic prosperity.[15] The President also issued E.O. 14278, *Preparing Americans for High-Paying Skilled Trade Jobs of the Future*, which directed Federal agencies to prioritize investments and develop strategies to support workforce development, and specifically instructed the Departments of Labor, Education, and Commerce to develop a plan to achieve 1,000,000 active apprentices in Registered Apprenticeship programs.[16] The Department views this final rule rescinding the burdensome and legally questionable elements of the part 30 regulation as a critical step towards meeting the Administration's directives, growing

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[14] Bhavani Arabandi and Leslee Haisma, "Strategic Investments to Advance Apprenticeships in the US," The Urban Institute, Mar. 25, 2025, *https://www.urban.org/sites/default/files/2025-03/Strategic_Investments_to_Advance_Apprenticeships_in_the_US.pdf*.

[15] E.O. 14192, "Unleashing Prosperity Through Deregulation," Jan. 31, 2025, *https://www.federalregister.gov/documents/2025/02/06/2025-02345/unleashing-prosperity-through-deregulation*.

[16] E.O. 14278, "Preparing Americans for High-Paying Skilled Jobs of the Future," Apr. 23, 2025, *https://www.federalregister.gov/documents/2025/04/28/2025-07369/preparing-americans-for-high-paying-skilled-trade-jobs-of-the-future*.

Registered Apprenticeship's footprint in the broader economy, and supporting economic prosperity for employers and job seekers in the modern labor market.

C. Historical Background on Part 30 and on Prohibiting Illegal Discrimination in Apprenticeship

In issuing this final rule, the Department has determined that it can fulfill the NAA's statutory mandate to "safeguard the welfare of apprentices" by simply requiring that sponsors comply with already applicable Federal and State employment nondiscrimination laws. The importance of establishing clarity and consistency in the laws and policies governing nondiscrimination in Registered Apprenticeship programs is best understood by tracing the evolution of the part 30 regulation, the pertinent provisions of applicable Federal nondiscrimination laws, and relevant Supreme Court decisions relating to the constitutionality of group-based preferences generally.

The original version of the 29 CFR part 30 regulation[17] (issued by the Department in December 1963) barred Registered Apprenticeship program sponsors from engaging in discrimination against apprentices on the basis of race, color, creed, or national origin in all phases of apprenticeship, stipulated that the selection of apprentices by programs be made "solely on the basis of their qualifications compared to those of other applicants," and provided for the deregistration of apprenticeship programs that failed to comply with those mandates.[18] In effect, the Department's issuance of the 1963 part 30 regulation prohibiting illegal discrimination by Registered Apprenticeship programs formulated a new minimum standard of apprenticeship designed to safeguard the welfare of

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[17] See 28 FR 13775 (Dec. 18, 1963).

[18] This potential deregistration sanction against sponsors who are found to have engaged in program-wide discriminatory conduct against apprentices on the basis of protected characteristics has been retained in all subsequent iterations of the part 30 regulation, including the latest version contained in this final rule. As a Registration Agency's grant of registration to an apprenticeship program serves as an official recognition of that program's overall quality and represents the conferral of a valuable governmental benefit upon the program sponsor, the Department maintains that the potential deregistration of an apprenticeship program is an appropriate sanction against those sponsors that have been shown to operate their programs in a discriminatory manner and that have failed to address or rectify such illegal conduct.

apprentices, one that was later supplemented by the establishment of additional labor standards of apprenticeship (at 29 CFR part 29) concerning, among other things, the payment of progressive wages and the provision of safe working environments to apprentices. However, it is important to note that neither the 1963 part 30 regulation nor its later iterations (in 1971, 1978, and 2016) provided apprentices with meaningful, individualized remedies (such as make-whole relief) to address instances of illegal discriminatory conduct against such persons by a program sponsor.

The absence of such individualized remedies for illegal discrimination against apprentices under the part 30 regulation, however, was addressed in the following year, when Congress enacted the Civil Rights Act of 1964, 78 Stat. 257 (the Act). Title VII of the Act (which applies to employers with 15 or more employees, among other covered entities) prohibits employment discrimination against individuals on the basis of their race, color, religion, national origin, and sex. In particular, section 703(d) of the Act states that "[i]t shall be an unlawful employment practice for any employer, labor organization, or joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs to discriminate against any individual because of his race, color, religion, sex, or national origin in admission to, or employment in, any program established to provide apprenticeship or other training."[19] Section 706(g) of the Act further authorizes a wide range of remedies for employees (including apprentices) who have experienced discrimination at the hands of a covered entity based upon their race, color, religion, sex, or national origin.[20] The Act also established the Equal Employment Opportunity Commission (EEOC), a specialized Federal agency vested by Congress with the authority to receive and investigate complaints from job applicants and employees (including apprentices) alleging violations

[19] 42 U.S.C. 2000e-2(d).
[20] 42 U.S.C. 2000e-5(g).

of Title VII (as well as alleged violations of other Federal employment discrimination statutes subsequently enacted by Congress).

Significantly, the text of Title VII contains no provision requiring employers or apprenticeship programs to adopt a compulsory, nonremedial scheme of group-based preferences (such as affirmative action arrangements) in hiring or employment that takes into consideration the race, color, religion, sex, or national origin of job applicants.[21] The absence of such a general mandate in Title VII is highlighted by the inclusion (at section 703(j) of the Act[22]) of a proscriptive rule of statutory construction specifically governing the provisions of Title VII. Section 703(j) stipulates, in relevant part, that nothing contained in Title VII shall be interpreted to require any employer, employment agency, labor organization, or joint labor-management committee subject to the title "to grant preferential treatment" to any individual or to any group based on the race, color, religion, sex, or national origin of such individual or group in order to address an imbalance which may exist in the demographic composition of an employer's or other covered entity's work force or membership, including those individuals "admitted to, or employed in, any apprenticeship or training program," as compared to the demographic composition "in any community, State, section, or other area, or in the available work force in any community, State, section, or other area."

In effect, the language of section 703(j) precludes governmental entities, such as Federal courts and relevant Federal administrative agencies, from interpreting Title VII's provisions in such a way as to require an employer or an apprenticeship program subject

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[21] During the lengthy floor debate preceding the Senate's passage of the bill (H.R. 7152) that became the Act, Senator Edmund Muskie of Maine defended the Title VII provisions of the legislation, noting that the measure "seeks to afford to all Americans equal opportunity in employment without discrimination. Not equal pay. Not 'racial balance.' Only equal opportunity." Senator Muskie further stated that "[d]iscrimination in this bill means just what it means anywhere: a distinction in treatment given to different individuals because of their race." 110 Cong. Rec. 12617 (1964). Senator Hubert Humphrey of Minnesota, the floor manager of the bill in the Senate, maintained during the debate that "Title VII prohibits discrimination. In effect, it says that race, religion, and national origin are not to be used as the basis for hiring and firing. Title VII is designed to encourage hiring on the basis of ability and qualifications, not race or religion." 110 Cong. Rec. 6549 (1964).

[22] 42 U.S.C. 2000e-2(j).

to the Act to grant preferential treatment to individuals or groups in hiring and employment based upon their race, color, religion, sex, or national origin for the purpose of achieving or maintaining demographic "balance" in that employer's or apprenticeship program's workforce. However, in those limited instances where a court finds that an employer or apprenticeship program has intentionally engaged in illegal, discriminatory employment practices under Title VII, the court has the discretion under section 706(g) of the Act to impose a narrowly tailored, time-limited affirmative action plan to remedy such discriminatory conduct. *See Loc. 28 of Sheet Metal Workers' Int'l Ass'n v. E.E.O.C.*, 478 U.S. 421, 444-45 (1986) (plurality opinion); *id.* at 483 (Powell, J., concurring in part and concurring in judgment) (finding that the District Court had acted within the remedial authority under section 706(g) in establishing a numerical membership goal based on the percentage of nonwhites in the relevant labor pool where the union had repeatedly and egregiously violated Title VII and ignored prior judicial orders).

Taken together, the foregoing provisions of Title VII established a comprehensive statutory framework under which Congress outlawed all employment discrimination in apprenticeship and training programs covered by the Act based upon race, color, religion, sex, or national origin; provided effective remedies to individual apprentices who were subjected to such forms of illegal discrimination by covered employers and apprenticeship programs; precluded interpreting Title VII to require the utilization of nonremedial, group-based preferences by covered apprenticeship and training programs to address imbalances in the demographic composition of a program's workforce; and established a Federal agency (the EEOC) with the statutory authority and subject-matter expertise to investigate discrimination complaints by apprentices and to identify violations of Title VII by covered apprenticeship programs. The express inclusion of apprentices and apprenticeship and training programs within the scope of Title VII's statutory protections demonstrates that Congress was concerned about the prevalence of

discrimination in these programs in the early 1960s, and was intentional in enacting legislation specifically prohibiting program sponsors from engaging in such egregious employment practices.[23]

In 1971, subsequent to the enactment of Title VII, the Department modified the part 30 regulation by adding sex as a protected category with respect to nondiscrimination by program sponsors; this particular amendment effectively aligned the text of part 30 with the protected nondiscrimination categories that were established by Congress in Title VII. However, the 1971 version of the part 30 regulation also introduced and imposed upon apprenticeship programs enrolling five or more apprentices a compulsory, nonremedial affirmative action requirement of indefinite duration, and mandated the establishment of numerical hiring goals by such programs in the selection of apprentices from minority groups.[24] Clearly, the Department's 1971 issuance of a regulation mandating the establishment by such apprenticeship programs of a permanent system of nonremedial, nonvoluntary, group-based preferences in the selection of apprentices was fundamentally at odds with the unambiguous policy direction charted by Congress in sections 703(d) and (j) of Title VII regarding apprenticeship: namely, that *all* employment discrimination against apprentices based upon their race, color, religion, sex, or national origin is illegal, and that the use of group-based preferences to adjust demographic imbalances which may exist in an apprenticeship program's workforce must never be required (unless such preferences are temporarily imposed by a court to remedy proven instances of manifest, intentional discriminatory conduct by a program). In a broader sense, however, the Department's regulatory imposition of affirmative action requirements for certain Registered Apprenticeship programs in the 1971 part 30

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[23] Congressional concern about discrimination in apprenticeship programs led to the convening of hearings on the topic a few years before the enactment of Title VII. See "Equal Opportunity in Apprenticeship Programs: Hearings Before the Special Subcommittee on Labor of the House Committee on Education and Labor," 87th Congress, 1st Session, Aug. 21, 22, and 23, 1961, *https://books.google.com/books?id=mSy_Rm9wF7oC&pg=PP1#v=onepage&q&f=fals*e.

[24] See 36 FR 6810 (Apr. 8, 1971).

regulation—and the retention of these requirements in the 1978 and 2016 versions of the regulation—effectively substituted the policy preferences of an agency of the administrative state for the considered legislative judgments of the nation's elected representatives in delineating the appropriate scope and content of Federal employment nondiscrimination laws and policies relating to apprenticeship.

On June 29, 2023, the Supreme Court of the United States handed down a decision in a landmark case involving the use of race-based preferences in university admissions, *Students for Fair Admissions, Inc. v. President and Fellows of Harvard College*, 600 U.S. 181 (2023) (*SFFA*). In *SFFA*, the Supreme Court held that the use of such racial preferences by Harvard and the University of North Carolina in their admissions processes violated the Equal Protection Clause of the Fourteenth Amendment to the Constitution. Several NPRM commenters mischaracterized the extent to which the Department relied upon the decision in *SFFA* in proposing to rescind the race-, sex-, and ethnicity-based affirmative action provisions contained in part 30. To be clear, the Department did not and does not claim that *SFFA's* holding regarding race-based admissions in higher education *compels* the rescission of part 30's affirmative action provisions. Nevertheless, the Department considers the Supreme Court's decision in *SFFA* to be relevant to this rulemaking insofar as it signals the Court's apparent willingness to revisit the constitutionality of race-based selection and admissions procedures that it had previously upheld in earlier decisions. In his *SFFA* opinion striking down these types of preferences, Chief Justice Roberts opined that "[e]liminating racial discrimination means eliminating all of it," 600 U.S. at 206, and further observed that the Court has "time and time again forcefully rejected the notion that governmental actors may intentionally allocate preferences to those 'who may have little in common with each other but the color of their skin,'" *id*. at 220 (quoting *Shaw v. Reno*, 509 U.S. 630, 647 (1993)). These categorical and pointed expositions of nondiscrimination and equal

protection principles by the Chief Justice in *SFFA*—as well as similar viewpoints expressed by other justices in their concurring opinions—certainly do not augur well for the Court's future sanctioning of mandatory, nonremedial race-, ethnic-, and sex-based affirmative action efforts in Registered Apprenticeship.

Recognizing that government-mandated, group-based affirmative action schemes such as those contained in the 1971, 1978, and 2016 versions of the part 30 regulation "violate the text and spirit of our longstanding Federal civil-rights laws," President Trump issued E.O. 14173, "Ending Illegal Discrimination and Restoring Merit-Based Opportunity," on January 21, 2025.[25] Among other things, section 2 of E.O. 14173 directed "all executive departments and agencies to terminate all discriminatory and illegal preferences, mandates, policies, programs, activities, guidance, regulations, enforcement actions, consent orders, and requirements." Noting that longstanding Federal civil rights laws such as Title VII "protect individuals from discrimination based on race, color, religion, sex, or national origin" and serve "as a bedrock supporting equality of opportunity for all Americans," E.O. 14173 affirmed that the President of the United States has "a solemn duty to ensure that these laws are enforced for the benefit of all Americans." The issuance of this final rule by the Department prohibiting all illegal discrimination in Registered Apprenticeship programs fulfills President Trump's directive in E.O. 14173; moreover, it demonstrates appropriate respect for, and deference to, the nondiscrimination policies relating to apprenticeship that were enacted by Congress as part of Title VII of the Act.

In revising the content and scope of the part 30 regulation, the Department has determined that the affirmative action provisions described above are administratively burdensome and likely unlawful. Moreover, the Department is convinced that affirmative action schemes tend to promote the development of pernicious and divisive group-based

[25] See 90 FR 8633 (Jan. 31, 2025).

preferences within our society, thereby undermining the goal of ensuring equality of opportunity for every American participating in the workforce. Accordingly, in issuing this final rule, the Department affirms that all applicants seeking admission to a Registered Apprenticeship program should be evaluated and selected strictly on the basis of individual merit and demonstrated potential, and that a person's race, color, religion, sex, or national origin must never be considered by a sponsor as a basis for either rejecting or granting preferential treatment to anyone seeking admission to a Registered Apprenticeship program.

D. Need for the Rulemaking: The Burdens and Challenges Imposed on Sponsors by the Part 30 Regulation

The Department has known for some time that, as its Task Force on Apprenticeship Expansion reported, "many employers choose to establish apprenticeship programs outside of the registered apprenticeship program, in part because of the paperwork and process involved in registering a program." Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations, 85 FR 14294, 14295 (Mar. 11, 2020). The Department has determined that this final rule updating the part 30 regulation is necessary to accomplish the Department's and Administration's goals of eliminating unnecessary and burdensome regulatory requirements and accelerating the expansion of Registered Apprenticeship. The part 30 regulation contains the type of onerous regulatory requirements targeted by the Administration's deregulatory directive contained in E.O. 14192; in particular, the Department has identified the affirmative action requirements of the part 30 regulation as illustrative of the complicated, burdensome, and ineffective regulations that Federal agencies are directed to rescind or revise under the E.O.

Accordingly, the Department has determined that revising the part 30 regulation is necessary to discontinue the regulatory imposition of a legally questionable, nonremedial, group-based preference scheme for certain Registered Apprenticeship program sponsors.

Moreover, the Department has determined that this final rule is necessary to achieve cost savings for Registered Apprenticeship stakeholders and reduce the cost and administrative burden of establishing and maintaining Registered Apprenticeship programs. As outlined in the Regulatory Impact Analysis (RIA) accompanying this final rule, over a 10-year period, Registered Apprenticeship stakeholders stand to save more than $1 billion on costs related to compliance with the part 30 regulation, including developing and maintaining affirmative action programs and complying with other part 30 requirements. The E.O. directing Federal agencies to identify opportunities for increased regulatory flexibility established the potential for financial relief for the regulated community as a criterion for targeting burdensome regulations. Eliminating the costs of compliance with the part 30 regulation further informs the Department's determination that this final rule's significant revisions to the part 30 regulation are necessary.

E. Goals of the Revised Part 30 Regulation

The fundamental aims of this final rule are threefold: (1) to simplify sponsors' obligations with respect to nondiscrimination in apprenticeship by affirming the applicability and sufficiency of existing Federal and State laws governing nondiscrimination in the workplace; (2) to rescind the regulatory, nonremedial affirmative action mandate that the Department has imposed upon program sponsors since 1971—a mandate that the Department is concerned would not survive legal challenge and that was plainly inconsistent with the policies underlying the statutory, apprenticeship-related, nondiscrimination provisions of Title VII applicable to many of these same sponsors; and (3) to reduce the regulatory and administrative burdens on Registered Apprenticeship program sponsors—burdens that could inhibit the accelerated establishment and expansion of such vital workforce development programs—by

removing all onerous, conflicting, duplicative, or unnecessary requirements found in the part 30 regulation.

The Legal and Practical Challenges Imposed Upon Program Sponsors by the Affirmative Action Provisions of the Part 30 Regulation

Alleviating the legal and practical challenges imposed on program sponsors by the affirmative action provisions of the part 30 regulation is a primary objective of the Department's final rule. As stated in the foregoing section, the part 30 regulation's affirmative action mandate for certain apprenticeship programs imposed an onerous administrative burden upon these program sponsors and is inconsistent with this Administration's efforts to enforce merit-based opportunity, as the requirements may induce these sponsors to engage in the unequal and illegal treatment of individual apprentices (as well as applicants for apprenticeship) based upon their race, sex, or ethnicity.

In the public comments submitted to the Department in response to the NPRM, several commenters discounted or glossed over the significant and self-evident administrative burdens that the affirmative action provisions of the part 30 regulation imposed upon certain program sponsors, particularly those that operate small- and medium-sized enterprises. These commenters opined that the affirmative action provisions of the part 30 regulation imposed no undue burdens, simply requiring certain sponsors (i.e., those that employ five or more apprentices) to identify imbalances in the demographic composition of the sponsor's apprenticeship workforce, to set "aspirational" hiring goals based upon that analysis, and to make "good faith" efforts to address such imbalances, while simultaneously adhering to the general prohibition on making apprenticeship hiring decisions based upon an applicant's race, ethnicity, or sex. These commenters, however, failed to either recognize or acknowledge that the part 30

regulation's nondiscrimination and affirmative action provisions, taken together, imposed fundamentally contradictory and irreconcilable legal mandates upon apprenticeship programs.

The internally inconsistent regulatory requirements contained in the part 30 regulation are illustrated by examining the content of the affirmative action provisions of that regulation at § 30.4. While § 30.4(a)(5) states that the "commitments made in an affirmative action program are not intended and must not be used to discriminate against any qualified applicant or apprentice" on the basis of race, color, religion, sex, disability, age or national origin, § 30.4(a)(2) admonishes sponsors that "if women, individuals with disabilities, or individuals from a particular minority group . . . are not being admitted into apprenticeship at a rate to be expected given their availability in the relevant labor pool, the sponsor's affirmative action program must include specific, practical steps designed to address any barriers to equal opportunity that may be contributing to this underutilization." Such "practical steps" will frequently involve the establishment of "utilization goals" based upon an individual's race, sex, and ethnicity to address such demographic imbalances in the apprenticeship program's workforce (see § 30.4(d)).

The fundamental policy premise underlying the affirmative action provisions contained in the part 30 regulation was that "absent discrimination, over time a sponsor's apprenticeship program, generally, will reflect the sex, race, ethnicity, and disability profile of the labor pools from which the [apprenticeship] sponsor recruits and selects." *See* 29 CFR 30.4(a)(2). This premise was and is constitutionally dubious, however, and the Department's concomitant regulatory requirement of setting utilization goals in the hiring of apprentices based upon the race, sex, and ethnicity of a program applicant had the effect of inducing program sponsors to meet such numerical targets. The mandating of such numerical hiring goals, combined with the prospect of apprenticeship program deregistration for failing to take "good faith efforts" to meet such goals, plainly

incentivized employers to engage in legally questionable, group-based preferential hiring practices in order to prevent an administrative finding by the Department that they had failed to engage in such affirmative action efforts.

The part 30 regulation (at 29 CFR 30.5(b)) further stipulated that sponsors with 5 or more apprentices enrolled in their programs conduct, at least once every 3 years, detailed demographic and utilization analyses to assess and address the existence of imbalances with respect to certain demographic groups enrolled in their programs. By requiring the permanent, ongoing conduct of such analyses by certain program sponsors—and potentially requiring the establishment of group-based numerical hiring goals based upon the results—this regulatory provision constituted a mandate that such sponsors not only strive to achieve, but also continuously maintain, a demographic "balance" in their apprenticeship programs based upon race, sex, and ethnicity. Such a regulatory purpose, however, was and is plainly contrary to the fundamental policy thrust of Title VII, as demonstrated by the text of section 703(j) of the Act (discussed *supra*) and by the following passage contained in an interpretative, joint memorandum drafted by Senators Joseph Clark of Pennsylvania and Clifford Case of New Jersey that was addressed to their Senate colleagues at the time of the floor debate on H.R. 7152 (the bill that was later enacted by Congress as the Act): "There is no requirement in Title VII that an employer maintain a racial balance in his work force. On the contrary, any deliberate attempt to maintain a racial balance, whatever such a balance may be, would involve a violation of Title VII because maintaining such a balance would require an employer to hire or refuse to hire on the basis of race . . ." 110 Cong. Rec. 7213 (1964). This joint statement by Senators Clark and Case neatly encapsulates the inescapable legal and practical dilemmas faced by Title VII-covered Registered Apprenticeship programs that attempted to comply in good faith with the open-ended, compulsory, nonremedial, and

legally questionable affirmative action requirements that were contained in the part 30 regulation.

Accordingly, by rescinding the affirmative action requirements contained in the part 30 regulation, this final rule relieves Registered Apprenticeship program sponsors from vexing legal and practical dilemmas, while ensuring that an individual's admission to a Registered Apprenticeship program is made on a nondiscriminatory basis and solely on the basis of their qualifications compared to those of other applicants. The Department is confident that the provision of such regulatory relief to a large segment of program sponsors will accelerate the establishment and expansion of Registered Apprenticeship programs, resulting in a more skilled and productive American workforce.

Alleviating Undue Regulatory Burdens for Registered Apprenticeship Stakeholders

The Department has determined that the changes to the part 30 regulation codified in this final rule serve the Department's ongoing policy goal of expanding the Registered Apprenticeship model and its imprint on the national economy, a goal which aligns with the Administration's directive to the Department to expand Registered Apprenticeship and to achieve and surpass 1 million active apprentices. The part 30 regulation included a wide range of requirements that imposed administrative and financial burdens on Registered Apprenticeship program sponsors, and the Department expects that the rescission of these requirements will have a significant impact on Registered Apprenticeship program expansion. In particular, the Department expects that the rescission of the general obligation to engage in affirmative action for all sponsors, and the affirmative action program requirement for programs with five or more apprentices, will attract new sponsors to the National Apprenticeship System and encourage existing sponsors to expand their programs by substantially reducing the administrative burden necessary to establish and maintain a Registered Apprenticeship program.

E.O. 14192 directed Federal agencies to identify and rescind regulations that impose significant administrative or financial burdens (including on American businesses). The burdensome administrative requirements of the part 30 regulation began impacting Registered Apprenticeship programs from their very inception, even before they are registered with a Registration Agency. Registration of a program depends on compliance with the requirements at parts 29 and 30, and sponsors must review both parts to understand what elements they need to develop or commit to at the program development stage. Under the part 30 regulation, all prospective program sponsors were required to identify their process for the selection of apprentices (per § 30.10); identify staff responsible for overseeing the program's commitment to equal opportunity (per § 30.3(b)(1)); develop and disseminate an equal opportunity policy, including posting the Equal Opportunity pledge in the program's standards and at sites where apprentices are trained (per § 30.3(b)(2)); and plan for and address various other requirements, all before their program was even registered. These requirements presented challenges for prospective sponsors new to the system in designing Registered Apprenticeship programs that satisfied all of the requirements contained in parts 29 and 30.

In Registered Apprenticeship, compulsory affirmative action programs were the clearest example of regulatory requirements that imposed significant administrative and financial burdens on the regulated community, without providing tangible benefits to either the regulated entities, the individuals they serve, or the Federal Government. Under the part 30 regulation, all sponsors had a general duty to engage in affirmative action. In addition, sponsors with five or more apprentices were required to develop and adhere to affirmative action programs, including creating and updating a written document that memorializes the affirmative action program (per § 30.4(e)). The part 30 regulation required sponsors to include in their written affirmative action program, and adopt as an ongoing operational practice, a utilization analysis examining race, sex, and ethnicity,

utilization goals for race, sex, and ethnicity; a utilization analysis and goal for individuals with disabilities; targeted outreach, recruitment, and retention policies; ongoing review of personnel policies; and annual reminders to apprentices to voluntarily disclose their disability status. These requirements were detailed at §§ 30.4 through 30.9 and 30.11 of the part 30 regulation.

Developing and maintaining an affirmative action program was a significant undertaking for Registered Apprenticeship program sponsors under the existing part 30 regulation, and OA provided significant technical assistance to both prospective and existing programs to explain these requirements. As affirmed by commenters in the public comments received in response to the Department's NPRM, some commenters reported investing significant administrative and financial resources in-house (or even externally, with consultants or outside legal assistance) to train staff, conduct the required analyses objectively and accurately, and address any legal issues related to apprentice recruitment, hiring, and retention policies. The development of an affirmative action program has been a resource-intensive undertaking for many sponsors (even with the 2-year timeframe from the point of program registration that new sponsors were allowed to develop the plan at § 30.4(e)(1)(ii)), a mandate which significantly complicated the efforts of sponsors in establishing and maintaining their apprenticeship programs. Many sponsors also faced ongoing and significant administrative burdens related to establishing and maintaining affirmative action programs, including conducting the required analyses, and updating their written plan every time the sponsor completes such analyses.

Aside from the foregoing administrative elements of developing and maintaining affirmative action programs, the part 30 regulation imposed regulatory burdens on Registered Apprenticeship program sponsors by dictating key aspects of their recruitment, hiring, and retention policies through utilization analyses that incentivized them to consider arbitrary aspects of applicants' backgrounds – namely, their group-

based demographic characteristics. In the case of individuals with disabilities, the requirement even extended to setting a fixed percentage utilization goal that sponsors were charged with meeting, which created an even more prescriptive framework that infringed on a sponsor's freedom to make hiring decisions based purely on their business and workforce needs.

Several commenters advocated for the retention of the existing part 30 regulation, asserting that its requirements were instrumental in raising rates of participation in Registered Apprenticeship programs by women and minority groups. However, as detailed later in this preamble, the Department maintains that the correlation posited by these commenters between post-2016 participation outcomes for certain demographic groups and the part 30 regulation's affirmative action requirements is inconclusive. Moreover, such statistical inferences do not alter the fundamental and inescapable reality that compulsory, nonremedial, group-based preferences and affirmative action schemes are inherently discriminatory—and therefore legally suspect—because they treat individuals differently based upon their race, sex, or ethnicity. Accordingly, any arguments advanced to justify affirmative action arrangements that are based upon the general notion of achieving and maintaining greater demographic "balance" or "diversity" in the apprenticeship workforce are not only contrary to the principle of hiring individuals solely on the basis of merit and without reference to their ancestry or group identity, but are also unlikely to withstand legal scrutiny by the courts. Even a noted proponent of affirmative action based upon race, Professor Randall Kennedy of the Harvard Law School, has candidly acknowledged that "[r]acial affirmative action *does* distinguish between people on a racial basis. It *does* discriminate. It *does* redistribute resources. It *does* favor preferred racial categories of candidates . . . It *does* generate stigma and resentment. These issues cannot be hidden for long behind verbal tricks

(emphasis in original)."[26] Similarly, any system of group-based hiring preferences that makes distinctions among individuals based upon their sex or ethnicity is inherently discriminatory in its purpose and effect.

In issuing this final rule prohibiting illegal discrimination in Registered Apprenticeship programs, the Department seeks to ensure that a candidate's admission to such a training program is based solely upon their individual merit and their demonstrated potential for success. Accordingly, such an approach necessitates the rescission of all of the part 30 regulatory provisions that imposed affirmative action requirements on sponsors (such as those setting numerical, nonremedial hiring goals in the selection of apprentices based upon an individual's race, sex, ethnicity, religion, or national origin), as such mandates are contrary to the fundamental goal of guaranteeing genuine equality of opportunity for each and every American who participates in the workforce. At a time when the accelerated expansion of Registered Apprenticeship training is needed to equip American workers of all backgrounds with the occupational skills they need to succeed in a competitive global marketplace, it is essential that the Department rescind such burdensome and legally vulnerable regulatory provisions that could effectively inhibit the growth of this proven workforce development model.

III. Overview of the Revised Part 30 Regulation

A. Summary of the Final Rule's Provisions

This final rule rescinds or significantly revises the burdensome requirements of the part 30 regulation and replaces them with a more straightforward Federal standard for nondiscrimination in Registered Apprenticeship. The final rule explains how Registration Agencies will monitor and enforce program sponsors' compliance with the revised part 30 regulation. The final rule also changes requirements for SAAs related to the part 30

[26] Randall Kennedy, *For Discrimination: Race, Affirmative Action, and the Law* (Pantheon Books, New York, 2013), pp. 18-19.

regulation and clarifies the Department's expectation that Registered Apprenticeship program sponsors must not be subject to inhibitive or contradictory nondiscrimination requirements in apprenticeship laws or regulations across States. With this final rule, the Department eliminates the apprenticeship-specific framework for EEO and nondiscrimination contained in the part 30 regulation. Under the part 30 regulation as revised by this final rule, program sponsors are still bound by a firm nondiscrimination requirement that clearly incorporates applicable Federal and State laws and regulations prohibiting illegal discrimination on the basis of race, color, religion, national origin, sex, age, genetic information, or disability. Under this final rule, Registered Apprenticeship program sponsors are no longer bound by a separate, apprenticeship-specific, and administratively burdensome nondiscrimination framework.

This final rule's purpose and applicability section, at 29 CFR 30.1, lays out the Department's intent for the part 30 regulation going forward—to establish a "uniform Federal standard prohibiting illegal discrimination against apprentices (including applicants for apprenticeship)" and to clarify the scope of enforcement and compliance assistance by Registration Agencies (either OA or an SAA). Section 30.1 also clarifies that the part 30 regulation applies to all sponsors of Registered Apprenticeship programs, whether registered by OA or an SAA. It eliminates the prior part 30 regulation's § 30.1(c) on the regulation's "relationship to other laws," which is covered under the revised § 30.3. The final rule also rescinds definitions specific to the part 30 regulation and instead clarifies that definitions contained in the part 29 regulation (at 29 CFR 29.2) also apply to part 30. The prior part 30 regulation's definition section contained definitions already established in the part 29 regulation, or definitions specific to the prior part 30 regulation's requirements that are being rescinded in this final rule.

This final rule establishes the streamlined and clarified nondiscrimination requirement for all Registered Apprenticeship program sponsors at 29 CFR 30.3. The

updated § 30.3 language requires that Registered Apprenticeship program sponsors must comply with all applicable Federal and State laws prohibiting illegal discrimination on the basis of race, color, religion, national origin, sex, age (40 or older), genetic information, or disability. The Department notes that these protected characteristics align with the Federal nondiscrimination protections contained in Title VII of the Act and subsequent nondiscrimination statutes enacted by Congress, including the Age Discrimination in Employment Act of 1967 (ADEA),[27] the Americans with Disabilities Act of 1990 (ADA),[28] and title II of the Genetic Information Nondiscrimination Act of 2008.[29] This section also lays out, at a high level, the consequences of a failure to comply with this nondiscrimination requirement, which include enforcement actions up to and including deregistration of the Registered Apprenticeship program. Under § 30.3, apprentices and applicants for apprenticeship are protected from discrimination "with respect to any benefit, term, or condition of employment associated with an apprenticeship."

This final rule eliminates the EEO requirements applicable to all sponsors contained in part 30 regulation at § 30.3, as well as the regulation's affirmative action program requirements which are referenced at § 30.3 and elaborated on at §§ 30.4 through 30.9 and 30.11. These sections included a description of the rule's prohibition on discrimination and discrimination standards and defenses; the general duty to engage in affirmative action applicable to all sponsors; the requirement to develop and disseminate an equal opportunity policy and post an Equal Opportunity pledge; universal outreach and recruitment requirements applicable to all sponsors; a prohibition on harassment, intimidation, and retaliation specific to apprenticeship; and the requirement for sponsors

[27] 29 U.S.C. ch. 14.
[28] 42 U.S.C. ch. 126.
[29] 42 U.S.C. ch. 21F.

with five or more apprentices to establish demographic utilization goals (when appropriate) and maintain an affirmative action program.

This final rule eliminates the part 30 regulation's requirement (at § 30.11) that sponsors invite apprentices to voluntarily disclose their disability status upon enrollment in the program and annually thereafter. Under this final rule, however, apprentices are not precluded from voluntarily disclosing their disability status to Registered Apprenticeship program sponsors and are encouraged to do so, especially if they need to request reasonable accommodation related to their disability. In rescinding the part 30 regulation's affirmative action program requirements, the Department also eliminates the requirement that Registered Apprenticeship program sponsors conduct utilization analyses for individuals with disabilities and pursue a utilization goal for such persons established by the Administrator. The final rule also rescinds the part 30 regulation's requirements for sponsors related to the procedure for the selection of apprentices (at § 30.10), the recordkeeping requirements related to the part 30 regulation (at § 30.12), and the apprenticeship-specific prohibition against intimidation and retaliation (at § 30.17).

The final rule updates the part 30 regulation's section on complaints to clarify that complaints alleging illegal discrimination against apprentices should be referred to the EEOC or another relevant enforcement agency with the jurisdiction and expertise to adequately investigate and potentially remedy the issue. Under current practice, apprentices may submit complaints alleging instances of discrimination or other violations of part 30 requirements through ETA Form 9039 to the Registration Agency. In practice, Registration Agencies then forward complaints to the most relevant nondiscrimination enforcement agency, including the EEOC, the U.S. Attorney General, or a State-level Fair Employment Practices Agency (FEPA). The part 30 regulation contained a requirement for Registration Agencies to conduct investigations and provide

written notice of findings to the respondent and the complainant, along with other regulatory requirements outlining who can file complaints, what information must be included in the complaint, a requirement for sponsors to provide written notice to apprentices of their right to file complaints, and a requirement for the Registration Agency to "attempt to resolve the matter quickly…whenever appropriate" (at § 30.14(c)(2)).

The revised part 30 regulation's section on complaints, at § 30.4 of this final rule, removes the investigative requirements for Registration Agencies and the notice requirement for program sponsors. The final rule establishes a simpler and less duplicative process that recognizes that the investigation and adjudication of complaints alleging illegal discrimination should be conducted by the appropriate investigative and enforcement agency. The revised section on complaints at § 30.4 of this final rule states that Registration Agencies in receipt of complaints alleging illegal discrimination against apprentices will "immediately" refer the complainant to the EEOC, the U.S. Attorney General, a State FEPA, or another appropriate enforcement entity. In accordance with this change to the part 30 regulation, the Department is also rescinding ETA Form 9039.

The part 30 regulation, as finalized in this rulemaking, also revises the process for Registration Agencies to assess compliance with part 30 requirements. The section on nondiscrimination compliance reviews and enforcement, at § 30.5 of this final rule, revises the current part 30 regulation's section on EEO compliance reviews (at § 30.13) to align with the content of the updated part 30 regulation and its streamlined nondiscrimination in apprenticeship requirement for program sponsors. Section 30.5 of this final rule clarifies that Registration Agency reviews for part 30 compliance will occur when a program is assessed for compliance with the part 29 regulation. The final rule's revised compliance review and enforcement section stipulates that a Registration Agency may initiate enforcement actions against a sponsor for failing to comply with the

final rule's nondiscrimination requirement at § 30.3 when a final determination of a violation of an applicable nondiscrimination law (without any remaining right to appeal) has been made by an enforcement agency or court with jurisdiction over the matter and the authority to issue such final determinations.

This revision aligns with the change in the complaints section that eliminates the Registration Agency's duplicative role in investigating and adjudicating instances of alleged illegal discrimination against apprentices. Registration Agency staff, whether employed by OA or an SAA, lack the subject-matter background, expertise, and jurisdictional authority to investigate or adjudicate potential violations of Federal or State nondiscrimination law that FEPAs or courts possess. This final rule therefore returns this function and responsibility to the agencies and courts that do possess such authority. To provide additional clarity on the compliance framework for the part 30 regulation, the Department has added a provision in this final rule that requires sponsors to disclose to the Registration Agency any instances when a relevant enforcement entity or court has made a final determination that an applicable nondiscrimination violation has occurred with respect to an apprentice or applicant for apprenticeship in their Registered Apprenticeship program. This addition in the final rule is responsive to public comments that requested additional clarity on the compliance framework and will promote transparency and accountability regarding Registered Apprenticeship programs' adherence to applicable nondiscrimination laws.

Section 30.5(c) of this final rule stipulates that the Registration Agency may work with a sponsor who is the subject of a final determination from an enforcement entity or court to develop a compliance action plan, in alignment with any remedies prescribed by the enforcement entity or court. A sponsor's failure to adhere to such compliance action plans may lead to additional enforcement actions, including the suspension of the sponsor's right to register new apprentices or the initiation of full deregistration

proceedings (as described in the part 29 regulation at § 29.8). In addition to requiring sponsors to disclose any final determinations to the Registration Agency, the Department has added a provision requiring sponsors to disclose to the Registration Agency any remedies prescribed by the enforcement entity or court that issued the final determination.

Section 30.6 of this final rule carries forward the reinstatement of the program registration section of the part 30 regulation (at § 30.16). This section allows programs that have been deregistered pursuant to a violation of the part 30 nondiscrimination requirement to present evidence in support of reinstatement and permits Registration Agencies to reinstate programs in instances where such evidence is determined to be adequate.

This final rule also includes significant revisions to the part 30 regulation's requirements for SAAs, which are contained in § 30.7 of this final rule. This section stipulates that, within 1 year of the effective date of this final rule, State agencies seeking to obtain or maintain recognition as an SAA must submit a State plan for nondiscrimination in apprenticeship that demonstrates that the State's laws, regulations, policies, and operational procedures specific to nondiscrimination or equal opportunity in apprenticeship conform to the requirements of the part 30 regulation. In this final rule, the Department updated the language at § 30.7 based, in part, on public comments received on the NPRM, which proposed that States' laws and regulations conform only to the part 30 regulation. To better align with the Department's intention to create a more uniform set of requirements for all Registered Apprenticeship programs as set forth in the NPRM, this final rule clarifies that State laws and regulations must conform to the part 30 Federal standard, and that the Department will only assess State laws and regulations specific to nondiscrimination or equal opportunity in apprenticeship for conformity with part 30.

A primary goal motivating the Department's determination to update the part 30 regulation is the establishment of a uniform Federal standard for nondiscrimination in apprenticeship. Registered Apprenticeship stakeholders, particularly those with a national or multi-regional interest and operational imprint, have long requested that the Department promote a more coherent National Apprenticeship System, where Registered Apprenticeship stakeholders are not faced with conflicting or contradictory requirements depending on where their program operates. The Department has determined that establishing a uniform Federal standard for nondiscrimination in apprenticeship serves this goal and will work with States to identify discrepancies in nondiscrimination requirements for apprenticeship stakeholders that must be resolved under this final rule's requirement that State laws and regulations conform to the Federal standard in the part 30 regulation.

Section 30.7 of this final rule requires States seeking new or continued recognition as a SAA to submit their State laws and regulations in a State plan for nondiscrimination in apprenticeship and lays out the required elements and the Department's process for reviewing State plans. To determine whether the State plan conforms to the part 30 regulation, the Department will consider whether the State's laws and regulations include nondiscrimination or equal opportunity elements that constitute a separate, State-level legal or regulatory compliance framework specific to apprenticeship, and whether such laws and regulations would serve to restrict the growth and impact of Registered Apprenticeship in the State by imposing administrative barriers, excessive costs, or requirements that conflict with Federal or State nondiscrimination laws. OA will review State laws and regulations on a case-by-case basis and will provide technical assistance to States as needed to identify which elements of State laws and regulations do or do not conform to the Federal part 30 regulation.

The Department's decision to modify the regulatory language proposed in the NPRM to require that State laws and regulations "conform to" (rather than "conform only to") the part 30 regulation aligns with the existing regulatory language found in the part 29 regulation governing labor standards for Registered Apprenticeship programs and the recognition of SAAs. Specifically, this change aligns with the regulatory language at 29 CFR 29.13(a)(1), which provides that States' apprenticeship laws and regulations "conform to" the requirements of the part 29 regulation. At § 29.13(a)(5), the part 29 regulation requires that States submit "a description of policies and operating procedures which depart from or impose requirements in addition to those prescribed in [the part 29 regulation]." The Department will apply this same approach in determining whether State laws and regulations pertaining specifically to nondiscrimination or equal opportunity in apprenticeship conform to the Federal nondiscrimination in apprenticeship standard in this final rule. State plans for nondiscrimination in apprenticeship must conform to the revised part 30 regulation's prohibition on illegal discrimination stated at § 30.3, and must also describe any laws, regulations, or policies that depart from or impose additional requirements on Registered Apprenticeship program sponsors, including any apprenticeship-specific equal employment laws or regulations. Examples of nonconforming State laws or regulations include any laws or regulations that establish unlawful compulsory, nonremedial group-based preference schemes for sponsors, such as affirmative action programs, or laws or regulations that establish burdensome restrictions or administrative requirements specific to apprenticeship that could restrict or inhibit the growth of Registered Apprenticeship programs or that may conflict with the nondiscrimination requirements contained in this final rule and in applicable Federal laws.

This final rule retains the exemptions provision from the part 30 regulation, redesignating the provision as § 30.8 of this final rule. This provision allows sponsors to

request exemptions from the part 30 regulation, "or any part thereof," in writing, to the Registration Agency, which may grant exemptions for good cause. The provision also stipulates that SAAs must receive approval from the Department before granting any exemptions to program sponsors in their State. Finally, the final rule adds a severability provision (at § 30.9). This provision stipulates that, should a court of competent jurisdiction find that any provision of the revised part 30 regulation is invalid, the finding will not impact any other provision of the regulation.

B. The Role of Registration Agencies Under the Final Rule

The Department expects that this final rule will significantly reduce administrative burdens for both Registered Apprenticeship program sponsors and Registration Agency staff. The Department recognizes that Registration Agency staff expertise is rooted in analyzing labor standards for Registered Apprenticeship programs and providing technical assistance to program sponsors. The prior requirements of the 2016 version of the part 30 regulation introduced an entirely separate set of issues that required a distinct expertise—namely, the ability to provide technical assistance and oversight on affirmative action programs and nondiscrimination and EEO matters. The removal of these requirements in this final rule allows Registration Agency staff to focus on the issues they know best—supporting quality across all Registered Apprenticeship programs—and leaves the investigation and adjudication of issues pertaining to nondiscrimination and EEO to the agencies and courts that do possess the appropriate expertise and jurisdiction.

The revised part 30 regulation requires that all sponsors of Registered Apprenticeship programs adhere to applicable Federal and State laws and regulations prohibiting illegal discrimination. This streamlined nondiscrimination requirement applies with respect to both apprentices and applicants to an apprenticeship program, and covers any benefit, term, or condition of employment associated with an apprenticeship.

Registration Agencies must begin enforcing this requirement on the effective date of this final rule. Such enforcement will primarily occur through program reviews, and a review for compliance with the revised part 30 regulation will occur when the Registration Agency conducts program reviews for compliance with the part 29 regulation. Registered Apprenticeship programs will be deemed out of compliance with the revised part 30 regulation only if a final determination of a violation of an applicable nondiscrimination law against an apprentice or an applicant to an apprenticeship program, without any remaining right to appeal, is made by an enforcement agency or court with jurisdiction over the matter.

To support accountability and transparency, the Department added a provision to this final rule requiring sponsors to disclose any final determinations from a relevant enforcement entity or court regarding violations of applicable nondiscrimination law with respect to an apprentice or applicant for apprenticeship to the Registration Agency, as well as any remedies provided by such entities. To further support awareness of any such final determinations regarding Registered Apprenticeship programs, the Department recommends that Registration Agencies consider establishing Memoranda of Understanding (MOUs) or other arrangements with these governmental enforcement agencies to maintain awareness of any final determinations concerning nondiscrimination violations against apprentices or applicants to an apprenticeship program by Registered Apprenticeship programs in their State. Registration Agencies may also consider contacting such enforcement agencies when a program comes up for review to identify any instances of final determinations concerning nondiscrimination violations.

When such a final determination has been issued, the Registration Agency may work with the program sponsor in question to develop a compliance action plan to address and remedy the issue. Any such plans must align with any remedies prescribed by the enforcement entity or court that issued the final determination. The Department's

addition of a disclosure requirement in this final rule is intended to facilitate alignment of compliance action plans with the remedies for nondiscrimination violations prescribed by relevant enforcement entities. Under this final rule, the Registration Agency must monitor the sponsor's progress in implementing the compliance action plan and remediating the issue. If the Registration Agency determines that the sponsor is not following or implementing the compliance action plan, the Registration Agency may initiate enforcement actions, including suspension of the right to register new apprentices or the initiation of deregistration proceedings. This framework ultimately reflects a more efficient and fair approach to addressing instances of illegal discrimination in Registered Apprenticeship that incorporates the expertise, transparency, and due process protocols associated with enforcement entities or courts with jurisdiction over such matters.

Under this final rule, Registration Agencies will no longer investigate complaints alleging instances of illegal discrimination in Registered Apprenticeship programs and will instead forward any such complaints they receive to the relevant enforcement agency or court. These entities include the EEOC, State-level FEPAs or their equivalents, the U.S. Attorney General, or another appropriate enforcement entity. Registration Agency staff are not equipped to conduct such investigations, which require legal interpretations of both the substance of the alleged complaint as well as any relevant nondiscrimination laws or regulations.

Finally, SAAs, the State agencies recognized to perform the functions of Registration Agencies under 29 CFR 29.13, must submit State plans for nondiscrimination in apprenticeship that show their State's laws, regulations, and policies pertaining specifically to nondiscrimination or equal opportunity in apprenticeship conform to the revised Federal part 30 regulation. With this final rule, the Department requires any State seeking new or continued recognition as an SAA to revise any aspects of State law, regulation, or policy pertaining specifically to nondiscrimination or equal

opportunity in apprenticeship that do not conform to the Federal part 30 regulation. This includes repealing, rescinding, or revising any such laws, regulations, or policies that undermine the goals of this rulemaking, such as overly burdensome requirements that may impede Registered Apprenticeship expansion or requirements specific to nondiscrimination or equal opportunity in apprenticeship that are inconsistent with existing Federal or State nondiscrimination laws. The Department expects that the Federal standard established in this final rule will promote the expansion and success of Registered Apprenticeship programs nationwide, and the Department will examine State laws and regulations pertaining specifically to nondiscrimination or equal opportunity in apprenticeship to verify that any additional State-level requirements do not impose undue burdens on sponsors and do not adversely impact efforts to expand Registered Apprenticeship.

C. Transition Timelines

This final rule is effective on [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER], 60 days from its publication in the *Federal Register*. Registered Apprenticeship program sponsors must comply with the final rule's streamlined nondiscrimination requirement by this date, and Registration Agencies must assess programs' compliance with this final rule starting on the final rule's effective date. The Department determined that this compliance timeline would be feasible because sponsors were already required to comply with applicable Federal and State nondiscrimination requirements, which is retained as the core nondiscrimination requirement at § 30.3 of this final rule. State agencies seeking new or continued recognition as an SAA must submit State plans for nondiscrimination in apprenticeship that conform to the final rule within 1 year of the final rule's effective date. The Department will provide technical assistance to all Registered Apprenticeship

stakeholders, including program sponsors and SAAs, on all aspects of this final rule, including its transition timelines and the process for requesting extension for good cause.

IV. Public Comments Received on the Proposed Rule

A. General Description of Comments

The Department received 372 public comment submissions, which included a form letter campaign that accounted for 311 comments, and 56 unique comments. Additionally, five comments were duplicates or not related to the subject of this rulemaking. The commenters represented a range of stakeholders from the public, non-profit, and private sectors. Public sector commenters included State and local government agencies and elected officials. Non-profit sector commenters included think tanks, advocacy groups, national and local labor unions, professional associations, and trade associations. Private sector commenters included employers, employer associations, and program sponsors. The Department also received comments from individuals and anonymous commenters. Below, the Department addresses general comments on the proposed rule and the rulemaking process, and the section-by-section discussion of this final rule (sections V and VI) addresses comments about the specific regulatory changes the Department proposed in the NPRM.

B. Requests to Extend the Comment Period and Comments on Public Participation

Requests for Comment Period Extension

Comments: A commenter requested that the Department extend the comment period for the proposed rule by 30 days to ensure that interested parties have a meaningful opportunity to participate in the rulemaking process. Another commenter requested a 45-day extension of the comment period to allow them to develop more comprehensive and well-supported commentary in support of the proposed rule

Department Response: The Department maintains that the 60-day comment period for public comments on the NPRM afforded stakeholders and any interested members of the public with sufficient time and opportunity to review the Department's proposal and rationale and develop critical public comments. The Department notes that the 60-day comment period aligns with the length of the comment period established for its previous NPRM, *National Apprenticeship System Enhancements* (89 FR 3118, Jan. 17, 2024), which was a longer and more complex rule that proposed additional regulatory requirements alongside rationale for such additions. The Department further notes that a 30-day comment period is generally considered to be the minimum period sufficient to provide the public with a meaningful opportunity to comment on a Federal agency rulemaking, and that Federal agencies often adhere to this minimum timeframe. The Department's 60-day comment period for this rulemaking is twice the length of this generally adhered to minimum timeframe under the APA. Accordingly, the Department rejected requests to extend the comment period and communicated this decision to public commenters by posting a response letter to the public docket for the NPRM indicating that the Department had received, and was rejecting, requests to extend the comment period. This response provided stakeholders with notice on the Department's decision with respect to the comment period early in the comment period and affirmed that commenters must submit their comments by September 2, 2025, as communicated in the NPRM.

Comments on Public Participation and Other Concerns

Comments: A commenter expressed concern that the Department is issuing overlapping regulations at an aggressive pace, and that this makes it difficult for the public to provide meaningful assessments of the proposals. The commenter recommended pausing the current suite of regulatory efforts and taking time to assess their collective impact if implemented, including by conducting a community impact

assessment. Similarly, another commenter expressed concern about the cumulative impact of these rulemakings on women.

A commenter requested that the Department extend the comment period for the proposed rule, particularly because the Department issued six proposed rules on July 1 and 2, and stakeholders for those rules significantly overlap; the commenter reasoned that this timing undermines stakeholders' ability to assess and respond to the proposals. The commenter recommended that the Department double the length of the comment periods for each rule, or stagger their deadlines to be no less than 21 days apart.

A commenter opposed the Department's statement that it "reserves the right to redact or refrain from posting sensitive information, libelous, or otherwise inappropriate comments, including those that contain obscene, indecent, or profane language; that contain threats or defamatory statements; or that contain hate speech." The commenter reasoned that terms like "hate speech" and "inappropriate comments" are vague and provide officials with too much discretion over what commentary to publish, and that the First Amendment protects such expression anyway.

Department Response: The Department maintains that the 60-day comment period provided Registered Apprenticeship stakeholders with ample time and opportunity to provide comprehensive reactions and criticisms to its proposal to revise the part 30 regulation, and is in keeping with the Department's practice of providing 60 days to comment on apprenticeship NPRMs. The Department does not consider the issuance of other NPRMs unrelated to the Registered Apprenticeship regulations as sufficient rationale for extending the comment period for this rulemaking, and rejected requests to extend the comment period beyond the 60 days communicated in the NPRM early in the comment period for this rulemaking.

The Department's statement that it reserves the right to redact certain sensitive, libelous, or inappropriate information in posting public comments reflects longstanding

practice that is motivated by several factors, including the need to redact personally identifiable information or other sensitive personal information. In addition, while commenters are free to submit comments that include profane or indecent language, the Department is not obligated to post any such language publicly. While the Department favors transparency in the rulemaking process and has sought to establish transparency, as appropriate, throughout the process, such comments are not suitable for public posting and do not advance the public discourse on the proposal.

C. General Comments on the Proposed Rule

General Support

Comments: The Department received several general comments in support of the proposed rule from public commenters, with some commenters agreeing with the Department's assertions in the NPRM that revising the part 30 regulation would reduce administrative burdens on Registered Apprenticeship program sponsors and stimulate growth throughout the National Apprenticeship System. Supportive commenters argued that eliminating the part 30 regulation's affirmative action requirements would make Registered Apprenticeship more attractive for prospective program sponsors, especially for smaller businesses and other stakeholders who view the extensive and complicated part 30 regulation as a barrier to entry into the National Apprenticeship System.

Some supportive commenters remarked that the part 30 regulation may have fostered discriminatory race-and sex-based preferences in Registered Apprenticeship programs and expressed appreciation for the Department's proposal to move to a merit-based system. Some commenters characterized the proposal as a needed step towards achieving equal opportunity in Registered Apprenticeship by removing what they referred to as race-and sex-based mandates, with one commenter suggesting that employers in their industry were already incentivized to recruit inclusively due to business needs or economic factors like labor shortages. Some commenters supportive of

the proposal also appreciated that, under the Department's proposal to remove documentation and reporting requirements related to affirmative action programs, sponsors would be free to focus on developing quality training programs that serve the needs of both employers and apprentices.

Department Response: The Department appreciates the comments received in support of the proposed rule and the Department's objective to streamline and align part 30 with existing Federal nondiscrimination laws. The Department agrees with commenters who asserted that the proposed rule would reduce unnecessary administrative burdens on program sponsors, and with commenters who supported the Department's goal of establishing a robust, merit-based framework for all qualified Americans to enroll in an apprenticeship program.

The Department is committed to reducing duplicative or overlapping requirements that fail to directly serve the National Apprenticeship System. The Department agrees with commenters who agreed that apprenticeship stakeholders should focus on the development of strong, skills-based apprenticeship programs that effectively serve both employers and apprentices. The Department further agrees with the observation made by one commenter that competitive labor market conditions found in a number of industries, including construction, already necessitate broad recruitment from the available talent pool, independent of regulatory reporting mandates. The Department concurs that a streamlined regulatory framework that eliminates the requirement to establish affirmative action plans, among other things, will allow sponsors to focus on program quality.

General Opposition

Comments: The Department received comments opposing the proposed rule, including some commenters who urged the Department to withdraw the proposed rule. Some commenters generally argued that the Department's proposal would undermine

progress in expanding access to Registered Apprenticeship for underrepresented groups. Some commenters who opposed the proposed rule urged the Department to maintain the EEO, affirmative action, or other requirements contained in the part 30 regulation, asserting that these requirements have made a difference in increasing access to Registered Apprenticeship for underrepresented groups. Some commenters urged the Department to focus more of its efforts on implementing and enforcing the requirements contained in the part 30 regulation to maximize their impact.

Department Response: The Department considered all public comments received in response to the NPRM and acknowledges that some commenters opposed the proposal and urged the Department to retain or strengthen the part 30 regulation. As explained later in this final rule's section-by-section discussion, the Department maintains that data on demographic trends in Registered Apprenticeship is inconclusive with respect to the correlation between the extensive EEO and affirmative action requirements contained in the part 30 regulation and any increases in participation by certain demographic groups. More fundamentally, however, the Department maintains that any arguments advanced to justify the retention of requirements intended to increase diversity in Registered Apprenticeship are contrary to the underlying purpose of this rulemaking, which is to ensure that apprentices are hired and retained based solely on the basis of individual merit without consideration of their race, sex, or ethnic origin. This final rule also reflects the Department's position that establishing a clear, consistent nondiscrimination standard for Registered Apprenticeship program sponsors provides a more legally sound and practical framework to support equal access to apprenticeship opportunities for all qualified individuals.

General Comments on the Department's Rationale

Comments: Commenters provided general reactions to the Department's rationale for the proposal, with some commenters arguing that the Department had overstated or

exaggerated the administrative burdens associated with the part 30 regulation. Other commenters asserted that the proposal would increase the prevalence of illegal discrimination in Registered Apprenticeship, and that the Department was incorrect in asserting that the proposal would clarify and strengthen nondiscrimination requirements in Registered Apprenticeship. Some commenters asserted that the proposal would restrict growth in Registered Apprenticeship by removing affirmative action requirements contained in the part 30 regulation, which the commenters described as a necessary tool for establishing widespread and equitable access to Registered Apprenticeship. One commenter critical of the proposal argued that the Department sought to return to a "bygone era" when discrimination was permissible and prevalent in Registered Apprenticeship.

Department Response: The Department does not agree with commenters who asserted that the NPRM overstated the administrative burden associated with the part 30 regulation. The Department's conclusion that the current regulatory framework imposes significant compliance costs on program sponsors, as communicated in the NPRM and reinforced in this final rule, is supported by ongoing analysis of empirical data, including the economic analysis required under the rulemaking process. The Department's conclusion that the part 30 regulation imposes excessive administrative burdens on program sponsors is also supported by OA's experience overseeing the administration of Registered Apprenticeship programs. The Department has received consistent feedback from sponsors and other apprenticeship stakeholders on the administrative burden imposed by the part 30 regulation, including in the public comments received in response to the NPRM. Registered Apprenticeship stakeholders have consistently noted that program sponsors must dedicate substantial staff time and resources to meet the extensive requirements of the part 30 regulation.

Further, the Department maintains that some requirements contained in the part 30 regulation may have improperly induced sponsors to hire an apprentice based solely on their race, sex, or other demographic characteristics. The Department has determined that establishing a clearer and more concise nondiscrimination requirement for all Registered Apprenticeship programs aligns the apprenticeship regulations more closely with Federal nondiscrimination laws, and that clarifying and simplifying regulatory compliance requirements for program sponsors will support the expedited growth of Registered Apprenticeship programs.

The Department firmly rejects some commenters' characterizations of the proposal as a return to a "bygone era" that permitted discrimination and maintains that this final rule does not weaken the prohibition on illegal discrimination for all Registered Apprenticeship programs. It is the Department's position that this final rule reaffirms and reinforces a prohibition on illegal discrimination by aligning the final part 30 regulation with established Federal nondiscrimination law.

General Impacts on Registered Apprenticeship Programs

Comments: Several commenters expressed concern that the proposed rule would undermine Registered Apprenticeship programs' efforts to diversify programs and extend equal opportunities for all demographic groups. One of these commenters argued that Registered Apprenticeship programs can be a powerful tool for promoting economic mobility and establishing greater equity in the workplace, and warned that removing requirements to establish affirmative action plans would undo decades of progress in remediating discrimination and improved labor market outcomes for diverse groups. One commenter expressed concern that the Department's proposal would eliminate their ability to market their program to demographic groups that are underrepresented in their program, which would shrink the available talent pool and restrict apprenticeship growth.

Other commenters expressed concern about the impact of the proposed rule on their specific programs, including one commenter who discussed the proposal's potential impact on educator apprenticeship programs. The commenter stated that all students should have access to teachers who they relate to, who affirm their identities, and who teach with an understanding of the cultural context of their lives. The commenter added that when the teaching workforce is homogenous, students may feel invisible, which harms their learning outcomes. Another commenter asserted that the proposed rule would restrict active and expansive recruitment efforts that address gaps in the educator workforce.

Department Response: The Department considered commenters' feedback on the potential impact of the proposed rule on existing Registered Apprenticeship programs and appreciates the opportunity to respond to such comments in this final rule. The Department agrees with commenters who asserted that Registered Apprenticeship is a pathway to greater economic mobility and career development for all qualified individuals. The Department does not agree that updating the part 30 regulation to remove burdensome requirements for program sponsors will undermine Registered Apprenticeship's efficacy or success as a strategy for career development and improved economic mobility. The Department emphasizes that Registered Apprenticeship opportunities will remain an attractive and comprehensive professional development solution and career path for all qualified individuals under this final rule. Further, the Department expects that reducing regulatory burdens for program sponsors will facilitate the expansion of the Registered Apprenticeship model and increased opportunities for career seekers. This final rule does not preclude Registered Apprenticeship program sponsors from engaging in recruitment efforts that fit their business needs, so long as such efforts do not constitute illegal discrimination in violation of Federal or State

nondiscrimination laws and the streamlined nondiscrimination requirement for all sponsors at § 30.3 of this final rule.

The Department acknowledges the important role that educator apprenticeship programs can play in fortifying the teaching workforce. The Department's final rule does not prohibit sponsors from engaging in lawful recruitment efforts. Program sponsors, including those operating educator apprenticeship programs, should retain significant flexibility to design lawful outreach and recruitment strategies. The Department maintains that reducing prescriptive Federal mandates for all Registered Apprenticeship program sponsors, including those in the education sector, will provide program sponsors with greater flexibility in the design of their programs, including the structuring of outreach and recruitment strategies that best serve a sponsor's workforce needs.

General Comments on Economic Impacts

Comments: Some commenters cautioned that the proposed rule could undermine participation in Registered Apprenticeship programs and obstruct progress towards achieving the Trump administration's goal of reaching 1 million active apprentices. One commenter added that the proposed rule would derail innovative recruitment strategies in apprenticeship and worsen the labor shortage in the construction industry. Another commenter maintained that research shows that workforce diversity, inclusion, and emotional intelligence are essential for innovation, and warned that the proposed rule could exacerbate labor shortages, especially in the construction industry, and undermine U.S. global competitiveness. Similarly, another commenter expressed concern that the proposed changes would create a less robust pipeline to fill broadband jobs during a period of major expansion of fiber-optic infrastructure.

Department Response: The Department does not agree with commenters who asserted that updating the part 30 regulation to remove affirmative action and other requirements will reduce participation in Registered Apprenticeship programs. The

Department expects that this final rule will have the opposite effect, and that significantly revising the part 30 regulation by removing burdensome requirements for program sponsors will drive expansion of the system. As such, this final rule aligns with and supports the Administration's ambitious goals to expand Registered Apprenticeship, along with other Administration directives (such as the directive to reduce regulatory burdens contained in E.O. 14192, *Unleashing Prosperity Through Deregulation*).

The Department also disagrees with the concern expressed by some commenters that the rule will exacerbate labor shortages, including in the construction industry. To the contrary, the Department expects that this final rule will support the expansion of both existing and new Registered Apprenticeship programs, including those in the construction sector, by eliminating administrative burdens that serve as a barrier to entry and an ongoing drain on administrative resources for program sponsors. As such, the Department does not agree with the commenter who suggested that the Department's proposal would undermine U.S. global competitiveness. It is the Department's position that this final rule will strengthen Registered Apprenticeship by replacing ineffective, administratively burdensome, and likely unlawful affirmative action requirements with a clearer and more concise nondiscrimination requirement. The Department expects that eliminating these requirements in favor of a system that prioritizes merit and employer needs will strengthen U.S. businesses and bolster U.S. global competitiveness.

General Comments on Recommended Alternatives

Comments: Some commenters provided alternative suggestions to the changes proposed in the NPRM, including simplifying the regulations and compliance requirements or establishing a more concise set of EEO requirements. One commenter supportive of the Department's proposal to streamline nondiscrimination requirements suggested that the Department consider funding incentives for sponsors who hire

apprentices from underrepresented groups, stating that this approach would expand access to talent pools and maintain regulatory compliance.

Department Response: The Department appreciates that commenters suggested alternative approaches to streamline the part 30 regulation, and notes that this final rule aligns with commenters who generally suggested that the Department should simplify nondiscrimination requirements in the Federal regulations governing Registered Apprenticeship. The Department further notes that establishing financial incentives for sponsors to hire apprentices from underrepresented groups is outside the scope of this final rule, fundamentally at odds with the policy priorities of the Administration and the Department, and potentially violates Federal law by incentivizing race-based selections.

D. Comments on Regulatory History and the Background of the Proposed Rule

Comments Regarding General History of Apprenticeship EEO Regulations

Comments: Several commenters provided remarks on the Department's discussion of the history of the Registered Apprenticeship regulations, including the part 30 regulation. Some commenters said that since 1937, when the NAA was passed into law, the Department's apprenticeship regulations have evolved, with a consistent focus on implementing the NAA's directive to safeguard apprentice welfare. These commenters argued that the proposed rule threatens to undermine this core objective for the Department. The commenters added that EEO efforts became a major component of the Department's role in protecting apprentices' welfare due to a long history of racial and sex discrimination. The commenters stated that the Department's oversight and enforcement of regulatory requirements was central to the Department's success in protecting apprentice welfare, citing research that the commenter described as finding that weak oversight in the 1960s led to discrimination against Black apprentices with limited consequences. The commenters added that the existing regulations provide the

Department with important regulatory tools for safeguarding the welfare of apprentices, ensuring that apprentices are positioned to succeed, and supporting an apprenticeship system that reflects the breadth of workers and communities across the United States.

Another commenter added that early activism and executive actions, specifically President Kennedy's 1963 E.O. 1114, was a "directive for the Federal government to require nondiscrimination in apprenticeships." The commenter asserted that affirmative action in apprenticeship programs has been key to addressing exclusion in the trades, especially for young adults and youth with disabilities. A commenter criticized the Department's goal of restoring the original focus and purpose of the 1963 version of the regulation, reasoning that the 1963 version did not prohibit discrimination based on sex, including pregnancy, childbirth, and related medical conditions, which the commenter stated was both rampant and lawful at that time. A different commenter stated that the most recent update to the part 30 regulation, finalized in 2016, expanded protected categories to align with current employment discrimination law and employed a graduated enforcement approach.

Another commenter also described the historical development of 29 CFR parts 29 and 30, agreeing with others that part 30 was initially established in 1963 in response to E.O.s 10925 and 11114. However, the commenter stated that since that time, employment law has matured with the passage of Title VII of the Act, the ADEA, and the ADA, among other laws. The commenter reasoned that, given these significant changes, it is appropriate to revisit whether the standards imposed by part 30 are necessary and whether they create unnecessary barriers to participation in Registered Apprenticeship.

Department Response: The Department agrees with commenters who noted that employment law has matured since the part 30 regulation was initially promulgated in 1963, and that subsequent developments in the legal framework for prohibiting discrimination in employment justify the Department's proposal to revisit elements of the

part 30 regulation that may be duplicative or that may conflict with the existing set of such laws. The Department notes that President Kennedy's memorandum directive to the Secretary of Labor on June 4, 1963, (Statement on Equal Employment Opportunity in Federal Apprenticeship and Construction Programs) was implemented by the issuance of the first iteration of the part 30 regulation (Nondiscrimination in Employment and Training) on December 18, 1963 (28 FR 13775). However, the 1963 version of the part 30 regulation did not mandate that Registered Apprenticeship programs establish nonremedial, compulsory affirmative action plans. As described earlier in the preamble to this final rule, the Department takes the position that affirmative action programs in apprenticeship are inherently discriminatory, and therefore likely unlawful.

The Department disagrees with the commenter that characterized the Department's proposal as an effort to restore the 1963 version of the part 30 regulation, which did not protect against discrimination based on sex, pregnancy, or childbirth. Under this final rule, the part 30 regulation does prohibit discrimination on such bases because it requires compliance with all Federal nondiscrimination laws, including Title VII. Further, the Department's role in providing technical assistance, which one commenter characterized as an important tool for protecting apprentice welfare, will continue under the final rule.

General Comments on the Department's Implementation of the Part 30 Regulation

Comments: A commenter asserted that the current regulations have not been more effective because the Department adopted a prolonged, phased approach to implementing the regulation's requirements. The commenter asserted that the Department failed to fully phase in such requirements, noting that sponsors were not required to fully implement the changes finalized in the 2016 version of the part 30 regulation until their first compliance reviews, with the first compliance reviews reflecting updated part 30 requirements

occurring after January 18, 2019. The commenter stated that, because those reviews occur on a 5-year cycle, some sponsors may not have had their first review until 2024 (and further noting that in some SAA States, compliance was delayed even further.)

The same commenter argued that the Department's implementation efforts were inadequate for numerous reasons, including what the commenter described as insufficient funding to implement the regulation and OA's consistent failure to request adequate funding from Congress. The commenter asserted that training for the Department's staff was limited, and updates to OA's staff manual were slow, as were the Department's efforts to make a data analysis tool available for the utilization analyses required under the regulation. The commenter asserted that OA's staff's efforts to implement the part 30 regulation were diverted due to the Department's pursuit of an alternative apprenticeship model during the first Trump Administration. The commenter further noted that Circulars and Bulletins that conflicted with the part 30 regulation remained published for years, and that the Department failed to provide conforming templates for elements like selection procedures to clarify the regulation's requirements for program sponsors. The commenter also asserted that the Department was slow to review States' required EEO plans, remarking that even now, some States have failed to adopt conforming EEO plans.

Another commenter supportive of the existing part 30 regulation's requirements agreed that stakeholder education regarding the part 30 regulation's requirements only began recently, and suggested that increases in the number of females and African Americans in the trades, while promising, may have been more substantial had there been greater investment in oversight and enforcement of the current regulations.

A different commenter said that their Registered Apprenticeship program had diligently implemented the requirements of the part 30 regulation, and that the regulation's requirements were helpful in identifying a wider talent pool for recruitment. However, the commenter added that they understand the Department's decision to revisit

the regulations due to the changing landscape in nondiscrimination law, and acknowledged the Department's efforts to reduce regulatory complexity and streamline the program registration process.

Department Response: The Department disagrees with commenters' assertions that OA had failed to fully implement the part 30 regulation in a timely or practical manner. The Department's 2016 final rule establishing the most recent version of the part 30 regulation contained different compliance timelines for distinct provisions of the final rule, and the Department clearly communicated such timelines to program sponsors in the final rule and in technical assistance provided to sponsors and SAAs. OA staff did receive extensive training on the part 30 regulation, and OA developed several resources to support sponsor awareness and compliance with the regulation's numerous and complex requirements.

Ultimately, the Department strongly disagrees with commenters' assertions that implementation failures undermined the effectiveness of the part 30 regulation. As one commenter conceded, sufficient time has passed since the rule became effective for every sponsor to have undergone at least one compliance review. The Department does agree that sponsors and SAAs have experienced significant challenges in complying with the part 30 regulation, and it attributes such challenges to the complex and burdensome nature of the regulation. Moreover, the requirement that sponsors adopt a form of affirmative action predated the 2016 version of the part 30 regulation. In the Department's view, there is no empirical evidence to suggest that the effectiveness of the affirmative action requirements contained in any version of the part 30 regulation has been adversely impacted by the Department's implementation of such regulations.

E. Comments on Legal Authority

1. General Comments on the Department's Legal Authority

Comments: A few commenters argued that the proposed rule would not satisfy the NAA's requirement that the Department promote labor standards necessary to safeguard the welfare of apprentices. These commenters asserted that the NAA charges the Department with establishing standards stricter than those applicable to the general workforce and that the proposed rule's limitations on Registration Agencies' investigative and enforcement authority would reduce apprentices' access to timely remedies. One commenter further argued that the NAA requires the Department to balance employer burden against apprentice protections, and that the proposed rule would deter sponsors from maintaining such protections. The same commenter added that the proposed rule would undermine the extensive network of labor-management programs designed to increase apprenticeship participation.

Department Response: The Department has determined that it has the authority under the NAA to promulgate this regulation. The NAA "is written in very broad terms" and "contains a wide grant of authority to the Secretary of Labor." *Gregory Elec. Co. v. U.S. Dep't of Labor*, 268 F. Supp. 987, 991 (D.S.C. 1967). The NAA, in relevant part, requires that the Department formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices. The NAA does not dictate that the Department follow a specific approach and does not prescribe specific steps to safeguard the welfare of apprentices.

The Department maintains that requiring program sponsors to establish race-, ethnicity-, sex-, or disability-based utilization goals, engage in affirmative action based upon protected characteristics, or conduct employer-initiated inquiries into disability status does not safeguard the welfare of apprentices. Pursuing demographic balancing or proportional representation within apprenticeship programs, in fact, threatens the welfare of apprentices in that it undermines equal opportunity for all apprentices and applicants.

As discussed elsewhere in this preamble, the race- and sex-based affirmative action provisions of the prior regulation raise serious constitutional concerns. Those provisions required covered sponsors to conduct utilization analyses based on race, ethnicity, and sex, establish utilization goals when underutilization was identified, and undertake affirmative measures designed to address demographic disparities. At the very least, these provisions trigger heightened scrutiny under the Constitution's equal-protection principles. The Department declines to exercise its authority in a way that incentivizes sponsors to impermissibly consider protected characteristics when making employment decisions.

The Department exercises its authority in line with the policy choices expressed by Congress in other Federal civil rights statutes. Congress has enacted comprehensive nondiscrimination laws governing employment, including Title VII, and has expressly limited the reach of some of those statutes to employers meeting specified coverage thresholds. For example, Title VII generally applies only to employers with fifteen or more employees. The Department is reluctant to construe the NAA's vague and open-ended delegation as authorizing the Department to impose obligations on small employers that Congress expressly chose to exempt from nondiscrimination statutes. Furthermore, when Congress intends to authorize or require affirmative action based on protected characteristics, it generally does so expressly. *See, e.g.*, section 503 of the Rehabilitation Act of 1973.[30] Even assuming the NAA could be construed to authorize such requirements, the Department declines to exercise that authority and instead respects Congress's policy judgment regarding the scope and applicability of Federal employment-discrimination obligations.

The Department has also explained below in this preamble that part 30's affirmative action requirements create significant tension with Title VII's substantive

[30] 29 U.S.C. 793.

protections. Such requirements encouraged race- and sex-based employment practices that conflict with Title VII's plain text prohibiting employment decisions motivated by race, color, religion, sex, or national origin and that do not fit comfortably within the narrow, judicially created exemption for affirmative action. The Department is reluctant to exercise the NAA's general grant of authority to maintain a regulatory scheme that creates substantial tension with Title VII.

Similarly, the disability-related provisions of the prior regulation created tension with the ADA. The prior regulation required sponsors to invite applicants and apprentices to disclose disability status upon enrollment and annually thereafter and required covered sponsors to pursue a nationwide disability utilization goal established by the Department. Section 102(d) of the ADA, however, prohibits employer-initiated inquiries concerning disability status of applicants and permits such inquiries of employees only in narrow, specified circumstances.[31] The Department is reluctant to exercise the NAA's general grant of authority to broadly require employer-initiated disability inquiries that are restricted under the ADA.

At bottom, the Department should exercise its authority under the NAA to formulate and promote only labor standards that are consistent with Federal statutes. That means the Department should not impose nondiscrimination obligations on small businesses that Congress expressly exempted, require sponsors to take action to meet race- and sex-based goals that would be unlawful under Title VII, or mandate employer-initiated inquiries of disability status that would run afoul of the ADA's restrictions on such inquiries.

The Department also disagrees with commenters who claim the NAA requires that the Department prescribe a heightened standard that is different from existing laws that are applicable to the general public. Rather, the Department has a wide grant of

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[31] *See* 42 U.S.C. 12112(d).

authority to determine the approach necessary to safeguard the welfare of apprentices. As set forth in the preamble to this final rule and in the section-by-section discussion of the changes to specific provisions, the Department determined that the revisions to the current part 30 will safeguard the welfare of apprentices by aligning with existing legal authorities in Federal and State law, ensuring that apprenticeship programs remain aligned with the full scope of civil rights protections. Enforcement agencies such as the EEOC and State FEPAs possess greater expertise in discrimination law and broader authority to provide individualized relief, including make-whole relief, than Registration Agencies. Accordingly, relying on those enforcement mechanisms, rather than a duplicative apprenticeship-specific process, will better protect apprentices who experience unlawful discrimination.

The Department also disagrees with the commenter that asserted that the proposed rule contradicts the labor-management provisions of the NAA. The NAA, in relevant part, directs the Department to bring together employers and labor for the formulation of programs of apprenticeship. As set forth in the preamble of this final rule and in the section-by-section analysis of the revisions to the current part 30, the Department has determined that the elimination of redundant, and likely illegal, requirements and the reduction of administrative burden will further the expansion and growth of the National Apprenticeship System. Specifically, this final rule, contrary to the commenter's assertion, promotes, rather than inhibits, the convening of employers and labor to establish apprenticeship programs by lowering barriers and associated burdens, consistent with the NAA.

2. Administrative Procedure Act

Comments: One commenter argued that the NPRM is unlawful or violates the APA. Another commenter argued that the NPRM relies on unsubstantiated problems, such as concerns about "reverse discrimination" or pressures for sponsors to discriminate

under the 2016 regulations. A commenter stated that, in contrast to the prior rulemaking in 2016—which they said did review apprenticeship data and analyze national labor force data to justify changes to the regulation—the Department did not include any examples, a quantitative analysis, or a factual record to support its claims under the NPRM. For example, one commenter stated they were unable to find any examples of recent EEOC charges brought against employers for discriminating against White males in apprenticeship programs, construction jobs, or trades jobs, while there are numerous examples of such cases concerning discrimination against racial minorities. Another commenter asserted that data demonstrates that discrimination against women and racial minorities is still a real concern. This commenter further stated that the Department ignored relevant available data and case law that did not align with the arguments presented under the proposed rule.

Given these perceived issues, a commenter argued that the NPRM failed to meet the APA standard that regulatory actions must examine the relevant data and articulate a satisfactory explanation for the action, including a rational connection between the facts found and the choice made. Another commenter asserted that the NPRM lacks sufficient data or a factual record, and therefore violates the APA's arbitrary and capricious standard, and does not satisfy the APA requirements for notice-and-comment rulemaking designed to ensure that the Department has made an informed decision.

Department Response: As emphasized earlier in this preamble, the Department takes the position that while program sponsors should be held accountable for findings of illegal discrimination against apprentices, the affirmative action provisions contained in the part 30 regulation do not prevent such discrimination, and, in fact, may induce such discriminatory conduct by sponsors. The Department did not refer to the concept of "reverse discrimination" in the preamble to the NPRM; moreover, the Department's position, consistent with that of the EEOC, is that there is no such thing as "reverse"

discrimination; there is only discrimination and workers are protected from such discrimination under the Constitution and nondiscrimination laws regardless of their race, ethnicity, or sex.[32] As some commenters noted, when the Department issued the 2016 version of part 30, the preamble to the rule that appeared in the *Federal Register* stated that Department had "analyzed participant demographics in apprenticeship programs . . . and the demographics of the national labor force" and had determined that "notable disparities exist in apprenticeship participation and completion." 81 FR 92028 (Dec. 19, 2016). However, those comparative analyses of the prevalence of certain demographic groups in the national apprenticeship workforce and in the broader national labor force were incapable of establishing that such demographic "disparities" were caused by, or were proof of, discriminatory conduct by particular program sponsors. Rather, these analyses were undertaken to support the Department's stated policy goals at the time of "[i]ncreasing diversity" in Registered Apprenticeship programs generally (81 FR 92027, Dec. 19, 2016) and of addressing the "underutilization of historically disadvantaged worker groups in apprenticeship." 81 FR 92035 (Dec. 19, 2016).

However, in issuing this final rule, the Department has determined that the prior regulatory effort in part 30 to increase overall demographic diversity in Registered Apprenticeship programs through the establishment by certain apprenticeship programs of compulsory, group-based numerical hiring goals—while also seeking to protect individual apprentices in those programs against illegal employment discrimination on the basis of race, sex, and ethnicity—imposed distinct and fundamentally irreconcilable mandates on certain sponsors. Moreover, the Department maintains that the obligation to set such apprenticeship hiring goals in the existing and previous versions of part 30 were inherently discriminatory and legally questionable because they induced program

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[32] EEOC, "What You Should Know About DEI-Related Discrimination at Work," Question 4, *https://www.eeoc.gov/wysk/what-you-should-know-about-dei-related-discrimination-work#_ednref7* (last visited June 26, 2026).

sponsors to treat individuals differently based upon their group-based demographic identities. Therefore, the Department's prior analysis as to the prevalence of overall, global demographic disparities among certain groups enrolled in Registered Apprenticeship programs ought not be used to justify the retention of the compulsory, burdensome, and legally questionable affirmative action requirements contained in the existing part 30 regulation.

As some commenters noted, maintaining utilization goals that classify apprentices on the basis of race, ethnicity, and sex may induce sponsors to consider these protected bases as factors in their employment decisions. The Department's concern about discrimination is not unsubstantiated, as a commenter asserted. Rather, it is substantiated by the text of the regulations. The absence of formal complaints against sponsors for engaging in unlawful preferential treatment neither disproves the existence of such treatment nor undermines the Department's position that the part 30 affirmative action provisions incentivize sponsors to use improper governmental racial classifications in their selection decisions. *See Lutheran Church-Missouri Synod v. F.C.C.,* 154 F.3d 487, 492 (D.C. Cir. 1998) (rejecting the Federal Communications Commission (FCC)'s argument that strict scrutiny should not apply to its EEO regulations because there was no evidence that a regulated entity had engaged in racial hiring, stating that "such an evidentiary obligation would turn equal protection analysis inside out."). The developing case law regarding affirmative action also makes such classifications more vulnerable to challenge than they have been in the past. *See, e.g., Vitolo v. Guzman,* 999 F. 3d 353 (6th Cir. 2021) (invalidating a program under the American Rescue Plan Act of 2021 that disbursed funding to restaurant owners on the basis of the applicants' race and sex); *Mid-Am. Milling Co., LLC v. United States Dep't of Transportation*, No. 3:23-CV-00072-GFVT, 2024 WL 4267183, at *7 (E.D. Ky. Sept. 23, 2024) (citing to *SFFA* and finding that Plaintiffs were likely to succeed in their claim that the Department of

Transportation's use of race and sex-based presumptions in the preferential award of Federal highway and transit funds violated the Constitution's guarantee of Equal Protection), *opinion clarified*, No. 3:23-CV-00072-GFVT, 2024 WL 4635430 (E.D. Ky. Oct. 31, 2024); *Ultima Servs. Corp. v. U.S. Dep't of Agric.,* 683 F. Supp. 3d 745, 764 (E.D. Tenn. 2023).

Regarding the Department's decision to rely on external enforcement agencies to investigate allegations of illegal discrimination against apprentices, the Department maintains that this will result in more thorough investigations and more tailored, individualized remedies for apprentices who experience illegal discrimination. In the nearly 10 years since part 30 was last updated, the Department has determined that OA's limited expertise in nondiscrimination law and its inability to provide individual remedies prevents it from effectively remedying unlawful discrimination. The Department's reference in the NPRM to a lack of complaints and enforcement actions under the existing part 30 was not meant to convey that there is no discrimination. Instead, in the Department's view, the scarcity of complaints and enforcement actions related to part 30 suggests that the apprentice-specific enforcement scheme administered by the Department has provided little relief to apprentices outside of what is otherwise available through FEPAs, especially since the Department's usual practice has been to refer any complaints alleging illegal discrimination to the EEOC.

Because of the lack of effective enforcement, growing legal risks, and sponsor compliance costs under the current part 30, the Department has concluded that it is inappropriate to maintain this race- and sex-based approach to nondiscrimination in apprenticeship. Instead, the Department contends that a more streamlined approach will help expand apprenticeships for all workers and return the enforcement of nondiscrimination laws to the agencies properly equipped for the task. By accounting for these considerations in its determination that the current part 30 regulation is no longer

"necessary to safeguard the welfare of apprentices,"[33] the Department has clearly provided a "reasoned explanation for the change," satisfying the APA's requirements. *Cboe Glob. Markets, Inc. v. Sec. & Exch. Comm'n*, 155 F.4th 704, 716 (D.C. Cir. 2025) (quoting *Encino Motorcars, LLC v. Navarro*, 579 U.S. 211, 221 (2016)); *see also Mozilla Corp. v. Fed. Commc'ns Comm'n*, 940 F.3d 1, 55–56 (D.C. Cir. 2019) (upholding the FCC's adoption of a "light-touch" policy for governing internet rather than maintaining a utility-style regulation where the FCC determined that the harms the prior Order "was designed to prevent did not require the prior Order's regulatory measures but could instead be mitigated—at a lower cost—with transparency requirements, consumer protection, and antitrust enforcement measures").

F. Comments on the Department's Goals for the Rulemaking

1. Ensuring Apprenticeship Regulations Comply with Nondiscrimination Law

Comments on the Department's Interpretation of Students for Fair Admissions v. Harvard

Comments: Some commenters stated that the Department misinterpreted the Supreme Court's decision in *SFFA* in justifying the rescission of the current part 30 regulations. These commenters reasoned that *SFFA* held only that race cannot be explicitly considered as a factor in individual higher education admissions decisions and did not address race-neutral measures or outreach efforts in employment or training contexts and, therefore, the Department's claim that the part 30 regulations "closely resemble" policies struck down by the Court is false.

Commenters further argued that part 30 is distinguishable from the type of affirmative action addressed in *SFFA* because part 30 expressly prohibits selection preferences and also prohibits using quotas in the context of apprenticeship programs, requiring only the establishment of aspirational goals. Some commenters asserted that,

[33] 29 U.S.C. 50.

under part 30, Registered Apprenticeship program sponsors may be sanctioned for falling short of the established target. A couple of commenters also maintained that the Department did not offer evidence that program sponsors were using protected characteristics in hiring decisions.

One commenter opined that Registered Apprenticeship program outreach is not "zero sum," like the admissions processes addressed in the *SFFA* decision, in that there are frequent occasions when employer-demand outpaces the number of applicants requiring outreach, and nothing in the *SFFA* decision would prevent labor training programs from expanding selection pools by deploying targeted outreach as one strategy for growth. This commenter stated that the need for joint apprenticeship and training committees (JATCs) to engage in successful outreach, recruitment, and retention programs is underscored by the reality of acute, nationwide labor shortages for skilled labor in the construction industry. Another commenter cited to cases that it claimed upheld broad recruitment efforts like those conducted under part 30 because such measures function only to bring more candidates into consideration while remaining race-neutral in the selection of candidates.

Although the above commenters disagreed with the Department's use of *SFFA* to support this rulemaking, other commenters who favored the revision and streamlining of part 30 agreed with the Department's position that *SFFA* is relevant, noting that the Constitution prohibits actions that discriminate on the basis of race unless such measures are narrowly tailored to serve a compelling state interest. These commenters cited several Supreme Court decisions, including the *SFFA* ruling, which they said clarified that race-preferential educational programs are illegal unless they satisfy the "twin protections" of the Equal Protection Clause. Another commenter noted that in the *SFFA* decision the court held that race-conscious admissions policies violate the Equal Protection Clause of the Fourteenth Amendment, and that existing regulations that establish a race-conscious

preference would not survive legal challenge. Yet another commenter stated that the existing part 30 regulations require "arbitrary line drawings" related to "race" and "national origin" designations which have been rejected by the Supreme Court.

Department Response: Commenters who suggested *SFFA*'s reasoning is cabined to the higher education context are mistaken. While *SFFA* was decided in the context of university admissions, the decision rests on longstanding and enduring equal-protection principles that predate and extend well beyond that context, and it reaffirmed that race-based governmental decision-making is presumptively invalid absent an exceedingly narrow justification. The Department cited *SFFA* in the NPRM precisely because it reaffirmed these bedrock equal-protection principles. 90 FR 28950, 28955 (July 2, 2025). Indeed, the Supreme Court recently relied upon *SFFA* outside the higher education context to reiterate that "the general rule [is] that the Constitution almost never permits the Federal Government or a State to discriminate on the basis of race. Such discrimination triggers strict scrutiny" under the Constitution's equal-protection guarantee. *Louisiana v. Callais*, 146 S. Ct. 1131, 1152 (2026) (quoting *SFFA*, 600 U.S. at 207).

Lower courts have likewise relied on equal-protection principles articulated in *SFFA* to halt or strike down race-based governmental programs in a variety of contexts. *See, e.g., Mid-Am. Milling Co., LLC v. United States Dep't of Transportation*, No. 3:23-CV-00072-GFVT, 2024 WL 4267183, at *7 (E.D. Ky. Sept. 23, 2024) (citing to *SFFA* and finding that Plaintiffs were likely to succeed in their claim that the Department of Transportation's use of race and sex-based presumptions in the preferential award of Federal highway and transit funds violated the Constitution's guarantee of Equal Protection), *opinion clarified*, No. 3:23-CV-00072-GFVT, 2024 WL 4635430 (E.D. Ky. Oct. 31, 2024); *Ultima Servs. Corp. v. U.S. Dep't of Agric.,* 683 F. Supp. 3d 745, 764 (E.D. Tenn. 2023) (citing *SFFA* and finding that the race-based presumption used by the

Small Business Administration (SBA) and the Department of Agriculture in determining eligibility for preferencing in Federal contract awards failed strict scrutiny).

Contrary to some commenters' assertions, the constitutional relevance of *SFFA* does not depend upon whether apprenticeship programs are analogous to university admissions programs. The question is whether the government has employed racial classifications or induced race-based decision-making. The affirmative action provisions of the current part 30 regulation do exactly that. The regulation requires covered sponsors to conduct utilization analyses based on race and ethnicity, determine whether particular racial or ethnic groups are "underutilized," establish race- and ethnicity-based utilization goals, and undertake affirmative measures designed to address such underutilization.

Although provisions in part 30 prohibit discrimination on the basis of race, sex, and ethnicity, the regulation's race-based provisions conflict with that legitimate mandate. Long before *SFFA*, courts repeatedly held that governmental policies pressuring or encouraging regulated entities to consider race in hiring, promotion, assignment, or other employment decisions constitute racial classifications attributable to the government. *See, e.g., Monterey Mechanical Co. v. Wilson*, 125 F.3d 702, 710–13 (9th Cir. 1997); *Lutheran Church–Missouri Synod v. FCC*, 141 F.3d 344, 351–54 (D.C. Cir. 1998); *MD/DC/DE Broadcasters Ass'n v. FCC*, 236 F.3d 13, 19–20 (D.C. Cir. 2001). A racial classification must survive strict scrutiny, meaning it must be narrowly tailored to achieve a compelling governmental interest. *SFFA*, 600 U.S. at 206. Sex-based classifications may be sustained only if they satisfy intermediate scrutiny—they must serve an important governmental objective and are substantially related to the achievement of that objective. *Vitolo*, 999 F.3d at 364 (citation modified).

As stated in the NPRM, the affirmative action provisions currently found at 29 CFR 30.5(d) require covered sponsors to establish specific numerical goals exclusively for the inclusion of women and racial and ethnic minorities in the program. Contrary to

the commenters' assertion, the fact that part 30 requires setting "utilization goals" instead of "quotas" does not render these provisions race-neutral. It simply does not matter "whether a government hiring program imposes hard quotas, soft quotas, or goals. Any one of these techniques induces an employer to hire with an eye toward meeting the numerical target. As such, they can and surely will result in individuals being granted a preference because of their race." *Lutheran Church,* 141 F.3d at 354. Nor does it matter that § 30.4(a)(2) suggests that the race-based regulations are needed to achieve a demographic balance that would exist "absent discrimination." 29 CFR 30.4(a)(2). As Chief Justice Roberts explained nearly twenty years ago: "The way to stop discrimination on the basis of race is to stop discriminating on the basis of race." *Parents Involved in Cmty. Schs. v. Seattle Sch. Dist. No. 1*, 551 U.S. 701, 748 (2007). That is because governmental actions that create "'[d]istinctions between citizens solely because of their ancestry, are by their very nature odious to a free people whose institutions are founded upon the doctrine of equality.'" *Callais*, 146 S. Ct. 1131, 1152 (quoting *SFFA*, 600 U.S. at 208).

Under the existing part 30, sponsors are also required to engage in outreach targeted to specific groups, as well as other burdensome activities when women or racial or ethnic minorities are underrepresented. Thais targeted outreach based on race, ethnicity, and sex, however, is legally vulnerable. *See MD/DC/DE Broadcasters Ass'n v. F.C.C.,* 236 F.3d 13, 20 (D.C. Cir. 2001) (disagreeing with the premise that "preferential recruiting 'disadvantag[es] no one'" and subjecting the affirmative recruiting requirement to strict scrutiny). This focus on "utilization" and race- or sex-based responses to such underutilization undermines the justification that these goals and targeted efforts are meant to achieve EEO for *all* apprentices. *Cf. Monterey Mech. Co. v. Wilson,* 125 F.3d 702, 711 (9th Cir. 1997) (system where contractors must subcontract percentages of work

to minority or female owned subcontractors or show good faith effort to comply with the non-rigid "goals" is a racial classification under the Equal Protection Clause).

The premise underlying part 30's affirmative action provisions was that "absent discrimination, over time a sponsor's apprenticeship program, generally, will reflect the sex, race, ethnicity, and disability profile of the labor pools from which the sponsor recruits and selects." 29 CFR 30.4(a)(2). This premise, however, is flawed because "[i]t is completely unrealistic to assume that unlawful discrimination is the sole cause of people's failing to gravitate to jobs and employers in accord with the laws of chance." *See Watson v. Fort Worth Bank & Trust*, 487 U.S. 977, 992 (1988). Section 30.4(a)(2)'s "completely unrealistic" premise also places unconstitutional pressure on sponsors to reach these goals. "The very term 'underrepresentation' necessarily implies that, if such a situation exists, the [employer] is behaving in a manner that falls short of the desired outcome. The regulations pressure [employers] to maintain a workforce that mirrors the racial breakdown of their 'metropolitan statistical area.'" *Lutheran Church-Missouri Synod v. F.C.C.,* 141 F.3d 344, 352 (D.C. Cir. 1998). The presence of a numerical goal, combined with the threat of deregistration for failing to take "good faith efforts" to meet those goals, incentivizes sponsors to engage in preferential hiring to avoid a finding that they have not engaged in such efforts. *Cf. Sussman v. Tanoue,* 39 F. Supp. 2d 13, 26 (D.D.C. 1999) (finding that the Federal Deposit Insurance Corporation's affirmative action program need not be reviewed under strict scrutiny because the office administering the affirmative action program "had no authority comparable to the threat of extended government audit, license denial, and forfeiture which the Court of Appeals found would inevitably convert a potential concern about under-representation on the part of the FCC and the licensee into a hiring preference").

To survive strict scrutiny, the Department would need to show that the race-based provisions of part 30 serve a compelling state interest. The Supreme Court's "precedents

have identified only two compelling interests that can satisfy that standard." *Callais*, 146 S. Ct. at 1152 (quoting *SFFA*, 600 U.S. at 207). The first is "avoiding imminent and serious risks to human safety in prisons," *Id*., which plainly has no application here. The second is "remediating specific, identified instances of past discrimination that violated the Constitution or a statute." *Id*.; *see also City of Richmond v. J.A. Croson Co*., 488 U.S. 469, 497 (1989). Generalized assertions of societal or industrywide discrimination are insufficient to meet this standard, however; there must be specific instances of past intentional discrimination in which the Federal Government itself was an active or passive participant. *Id.* at 498–500; *see also Vitolo v. Guzman*, 999 F.3d 353, 361 (6th Cir. 2021).

For the Department to impose the requirement to adopt race- and ethnicity-based utilization goals on all sponsors, the Department would need to show specific instances of its own participation in the discrimination, rather than that it is seeking to rectify general societal inequities. *See Wygant v. Jackson Bd. of Educ*., 476 U.S. 267, 275 (1986) (citing *Hazelwood School District v. United States*, 433 U.S. 299, 308 (1977) for the proposition that the Court focuses "on prior discrimination as the justification for, and the limitation on, a State's adoption of race-based remedies"). The Department cannot meet this standard as the past rulemaking record for part 30 has not identified any such instances of past discrimination.

Furthermore, the utilization goals required by existing § 30.6 lack narrow tailoring, as their application has no clear end, applies regardless of occupation or industry, and the default data used to set the goal is the respective group's representation in the civilian labor force, a statistic that bears little relationship to any individual's interest in and qualifications for an apprenticeship. *See Rothe Dev. Corp. v. Dep't of Def.,* 545 F.3d 1023, 1036 (Fed. Cir. 2008) (identifying the "relationship of the stated numerical goals to the relevant labor market" as a factor in determining narrow tailoring).

Similarly, the existing part 30 sex-based goals and related affirmative action requirements are likely to trigger intermediate scrutiny, which they are unlikely to survive. The government must show that the favored sex "actually suffer[ed] a disadvantage" caused by discrimination in a particular field or context that the policy is designed to remedy to establish an important interest. *Mississippi Univ. for Women v. Hogan,* 458 U.S. 718, 727-29 (1982). Statistical disparities between workforce composition and labor-market availability, standing alone, are insufficient to demonstrate an important governmental objective to remedy discrimination. *See Vitolo*, 999 F.3d at 364 (citing *Craig v. Boren*, 429 U.S. 190, 200-04 (1976)). Absent evidence that women suffered intentional discrimination in each of the specific trades or occupations subject to regulation, sex-based classifications in the form of goals cannot be justified as remedial measures. *Id.* at 365. For the same reasons that the race- and ethnicity- based goals are unlikely to demonstrate narrow tailoring, the sex-based goals are also unlikely to be found to be substantially related to the goal of remedying discrimination.

Given the constitutional infirmities created by the affirmative action provisions, the Department chooses to devote its resources to more supportable methods of expanding Registered Apprenticeship opportunities. If sponsors found certain elements of their affirmative action programs, such as their outreach or recruitment activities, to be helpful, they are free to continue those practices to the extent they are lawful. The Department is choosing, however, to no longer require such practices of sponsors. As discussed below, there are more effective and legally sound methods for protecting the welfare of apprentices.

Comments on Part 30's Conflict with Title VII

Comments: A couple of commenters stated that, in the NPRM, the Department incorrectly argued that the part 30 regulations violate Title VII, and critiqued the Department's citation of the *Ames v. Ohio Department of Youth Services* as an inaccurate

basis for some of the claims made by the Department in the NPRM. The commenters argued that existing regulations do not alter terms or conditions of employment based on race, ethnicity, or sex, and simply require organizations to set aspirational goals which courts have permitted while prohibiting programs from making discriminatory employment decisions. The commenters maintained that the *Ames* decision determined that the standard for all plaintiffs bringing suits under Title VII should be the same regardless of whether they are a member of a historically disadvantaged group, and did not address the legality of race and sex neutral measures such as those required by part 30. One of these commenters stated that DOL also claims that affirmative action requirements in existing regulations cause employers to engage in disparate treatment based on race, sex, and ethnicity, but does not provide any evidence to support this claim. One commenter stated that multiple court rulings have found that affirmative action plans similar to the regulations in part 30 are permissible under Title VII. Another commenter also argued that the Department's reliance on *Ames* is inappropriate, reasoning that the decision focused on burden-shifting standards in individual employment disputes, and adding that the Court did not rule on the legality of proactive outreach, nonbinding affirmative action plans, or utilization goals in federally administered training programs.

A different commenter maintained that the existing regulations are in tension with Title VII because they require non-exempt program sponsors to take actions that Title VII prohibits. The commenter urged DOL to incorporate these rationales in the final rule.

A couple of commenters remarked that the proposed rule would align with several Administration E.O.s. One commenter stated that the proposed rules logically follows from President Trump's January 21, 2025, E.O. 14173, "Ending Illegal Discrimination and Restoring Merit-Based Opportunity," and the reasoning underlying it.

Department Response: The Department maintains that the part 30 race-, ethnicity-, and sex-based affirmative action provisions are vulnerable to challenge under both the

Constitution, for the reasons discussed above, and under Title VII. As E.O. 14173 makes clear, Federal civil rights laws, including Title VII, "serve as a bedrock supporting equality of opportunity for all Americans" and illegal race- and sex-based preferences violate these laws. The Department agrees with the commenter that its rescission of the 2016 version's race-, ethnicity-, and sex-based utilization goals is consistent with Title VII and the principles articulated in E.O. 14173.

Commenters, however, have mischaracterized the Department's reliance on *Ames v. Ohio Department of Youth*. The Department does not claim that the *Ames* decision invalidates the existing part 30 affirmative action provisions as violative of Title VII. The Department cited *Ames* for the general proposition that, under both Title VII and the Equal Protection Clause, equal opportunity must extend to all apprentices, not just historically disadvantaged groups. *Ames* held that Title VII's disparate-treatment provision prohibits discrimination against *any individual*, thus "establishing the same protections for every 'individual'—without regard to that individual's membership in a minority or majority group." 605 U.S. at 309–10 (2025); *see also McDonald v. Santa Fe Trail Transp. Co.*, 427 U.S. 273, 280 (1976) (holding that Title VII prohibits discrimination against non-minority individuals "upon the same standards" as minority individuals).

However, part 30's affirmative action requirements encourage preferential treatment of certain groups, specifically racial minorities and women. 29 CFR 30.4(a), 30.5(d). *Cf. Lutheran Church,* 141 F.3d at 354 (race-based employment goals induce preferential treatment based on race). The holding in *Ames* increases the likelihood that a non-minority or male plaintiff could successfully sue a sponsor claiming that the sponsor improperly took race, ethnicity, or sex into account in making employment decisions pursuant to the part 30 affirmative action provisions. *Ames v. Ohio Dep't of Youth Servs.,* 605 U.S. 303, 310 (2025) ("Our case law thus makes clear that the standard for proving

disparate treatment under Title VII does not vary based on whether or not the plaintiff is a member of a majority group.").

Even without the *Ames* holding, a lawsuit by a non-minority litigants alleging disparate treatment may be meritorious. Part 30's requirement for program sponsors to establish and take action to meet race- and sex-based goals conflicts with the plain text of section 703(a)(2) of the Act,[34] which makes it an unlawful employment practice to "classify" employees or applicants in a manner that deprives or tends to deprive individuals of employment opportunities because of race, color, sex, or national origin. The Civil Rights Act of 1991 amended Title VII (at section 703(m)[35]) to broaden this prohibition by providing that an unlawful employment practice is established when race, color, religion, sex, or national origin was even "a motivating factor" for an employment practice, even if other factors also motivated, or even drove, the decision. Title VII thus adopts a broad prohibition on race- and sex-based employment practices that, on its face, bars affirmative action measures to meet numeric goals based on those characteristics.

Notwithstanding the plain statutory text, the Supreme Court has construed Title VII to permit race- or sex-based affirmative action only in extremely narrow circumstances. *See United Steelworkers v. Weber*, 443 U.S. 193 (1979); *Johnson v. Transp. Agency, Santa Clara Cnty, Cal.*, 480 U.S. 616 (1987). Subsequent Supreme Court decisions call into question the continued viability of the *Weber-Johnson* framework. *See, e.g.*, *Louisiana v. Callais*, 146 S. Ct. 1131 (2026)*; Ames v. Ohio Dep't of Youth Servs.,* 605 U.S. 303 (2025); *SFFA*, 600 U.S. 181 (2023*); and Ricci v. DeStefano*, 557 U.S. 557, 579 (2009). While the framework is a judge-made doctrine that interprets Title VII atextually "to permit what its language read literally would prohibit," *Johnson*,

[34] 42 U.S.C. 2000e-2(a)(2).
[35] 42 U.S.C. 2000e-2(m).

480 U.S. at 647 (O'Connor., J. concurring), the Department nonetheless assumes that *Weber-Johnson* remains controlling precedent.

Under the *Weber-Johnson* framework, an employer may voluntarily adopt a race- or sex-based measure to address a manifest imbalance in traditionally segregated job categories, provided that the measure is remedial in purpose, temporary in duration, and does not employ quotas or inflexible goals or unnecessarily trammel the interests of non-beneficiaries. *Weber*, 443 U.S. at 208; *Johnson*, 480 U.S. at 638. Such programs must be designed to eliminate the effects of past discrimination or segregation, not to maintain racial or sex balance for its own sake. *Johnson,* 480 U.S. at 639–40. As the Eighth Circuit explained: "An affirmative action policy is valid [under Title VII] if the policy is remedial and narrowly tailored to meet the goal of remedying the effects of past discrimination." *Humphries v. Pulaski Cnty. Special Sch. Dist*., 580 F.3d 688, 695 (8th Cir. 2009). It is often difficult for an employer to establish compliance with the strict limitations of *Weber* and *Johnson*; those who attempt such a path and fail necessarily violate Title VII with the practice in question.

To comply with the current part 30's affirmative action regulations, a covered sponsor must establish race- and sex-based employment goals and undertake related affirmative measures. The Department is concerned that such practices do not fit within the *Weber–Johnson* framework—and certainly not generally across sponsors nationwide. As explained above, part 30's race- and sex-based requirements are not remedial: sponsors must undertake good faith efforts to meet, achieve, or approach proportional representation in terms of race and sex, not to specifically remedy manifest imbalances in a traditionally segregated job category. Nor are the requirements temporary: they have existed for decades, and unless rescinded, sponsors would continue to be subject to these regulations on an indefinite basis.

"[T]he existence of an affirmative action plan … when combined with evidence that the plan was followed in an employment decision is sufficient to constitute direct evidence of unlawful discrimination unless the plan is valid" under *Weber-Johnson*. *Frank v. Xerox Corp.*, 347 F.3d 130, 137 (5th Cir. 2003) (quoting *Bass v. Bd. of Cnty. Comm'rs*, 256 F.3d 1095, 1110 (11th Cir. 2001)). Many sponsors' actions taken to comply with part 30's affirmative action regulations would not consistently satisfy the demanding *Weber–Johnson* framework and could therefore constitute direct evidence of unlawful discrimination in violation of Title VII. Part 30's utilization goals and related requirements thus compel regulated sponsors to adopt race- and sex-based employment practices that would be, in many cases, unlawful under Title VII. The Department should exercise its authority under the NAA to formulate and promote labor standards that are consistent with Federal law, rather than standards that create tension with Federal law.

Comments on the Application of Executive Order 14168

Comments: A commenter stated that the DOL fails to acknowledge that E.O. 14168 defies settled Title VII case law. The commenter asserted that in *Bostock v. Clayton County, Georgia*, 590 U.S. 644 (2020), the Supreme Court held that discrimination based on gender identity is a form of sex discrimination protected by Title VII, and as Executive Orders cannot override Supreme Court case law, *Bostock* remains the law of the land. A group of commenters stated that DOL inaccurately describes prevailing Title VII legal standards by claiming that the proposed elimination of sexual orientation as a category of prohibited discrimination is required to reflect "existing legal authorities" or "the current statutory language and legal standards governing nondiscrimination." The group of commenters asserted that, in the *Bostock* ruling, the Supreme Court recognized that Title VII's prohibitions on discrimination on the basis of sex also bars discrimination on the basis of sexual orientation.

One commenter expressed different interpretations of the *Bostock* ruling and its implications. This commenter asserted that while some claim that the *Bostock* decision prohibits discrimination based on sexual orientation and gender identity, it does not. The commenter argued that in *Bostock*, the Court did not adopt a new protected basis of sexual orientation, transgender status, or gender identity in Title VII, but rather its holding and analysis was tied to what it viewed as a form of sex discrimination. The commenter further stated that the Court did not address the broad scope of conduct associated with sexual orientation or gender identify, and therefore it is inappropriate for DOL to impose nondiscrimination requirements based on these characteristics. The commenter concluded that, accordingly, the proposed rule would bring regulations into compliance with Federal nondiscrimination laws. Another commenter stated that rescinding the reference to "gender identity" that appears at 29 CFR 30.3(b)(5) and (c) of the current regulations comports with President Trump's E.O. 14168 "Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government," which directed Federal agencies to modify regulations or policies that use the terms "gender" and "gender identity."

Department Response: The Department is removing all apprenticeship-specific nondiscrimination requirements, including references to sexual orientation and gender identity as specified protected bases under part 30, as mandated by E.O. 14168. E.O. 14168 directs agencies to "enforce laws governing sex-based rights, protections, opportunities, and accommodations to protect men and women as biologically distinct sexes" and to "remove all statements, policies, regulations, forms, communications, or other internal and external messages that promote or otherwise inculcate gender ideology[.]" The Department therefore proposed to remove references to gender identity.

The Department disagrees with commenters who contend that these revisions improperly narrow the protections afforded by Federal nondiscrimination law.

Commenters' objections rest on a misunderstanding of both the purpose and effect of this rulemaking. This final rule does not amend or limit the substantive protections afforded by Title VII or any other Federal or State nondiscrimination law. Rather, it rescinds the apprenticeship-specific nondiscrimination framework previously contained in part 30 and replaces it with a straightforward requirement that program sponsors comply with all applicable Federal and State laws prohibiting illegal discrimination. Under revised § 30.3, sponsors remain fully subject to all applicable nondiscrimination requirements imposed by Federal and State law, and apprentices retain whatever protections those laws provide.

The Department acknowledges commenters' reliance on *Bostock*. Nothing in this final rule purports to alter the legal effect of *Bostock* or to resolve questions concerning the scope of Title VII. The Department is not revising Title VII, nor is it exercising authority to define the substantive reach of that statute. Those questions remain governed by applicable law and are properly resolved by the other agencies and Federal courts charged with enforcing and interpreting Federal nondiscrimination statutes.

Accordingly, the Department has determined that it is unnecessary to maintain apprenticeship-specific regulatory provisions that separately enumerate particular protected categories or otherwise establish an independent nondiscrimination regime for Registered Apprenticeship programs. Instead, the final rule adopts a uniform standard requiring compliance with all applicable Federal and State nondiscrimination laws. To the extent those laws prohibit particular forms of discrimination, program sponsors remain bound by those requirements. To the extent those laws are interpreted, amended, or otherwise modified in the future, sponsors' obligations will change accordingly without requiring further amendments to part 30.

The Department therefore disagrees that the removal of apprenticeship-specific references to particular protected categories narrows the substantive protections available to apprentices. The final rule neither expands nor contracts the protections afforded under

Federal and State nondiscrimination laws. Rather, it eliminates a duplicative apprenticeship-specific regulatory framework and returns responsibility for interpreting and enforcing those laws to other agencies and courts that possess the relevant statutory authority and expertise.

2. Streamlining Enforcement, Eliminating Duplicative Frameworks, and Aligning Apprenticeship Requirements with Federal Laws

General Comments About Streamlining Requirements

Comments: Some commenters expressed support for the Department's proposal to streamline EEO requirements for Registered Apprenticeship programs. These commenters stated that the current regulations at 29 CFR part 30 impose unique EEO obligations on Registered Apprenticeship programs that have resulted in significant confusion, operational challenges, and compliance costs, potentially deterring the establishment of new apprenticeship programs and the growth of existing ones. One commenter concluded that compliance with existing nondiscrimination laws is sufficient.

Another commenter expressed support for DOL's efforts to harmonize the Department's rules for Registered Apprenticeship programs with nondiscrimination laws, arguing that the Department's proposed revisions are necessary to resolve the consequences of overlapping or unclear jurisdictional mandates.

However, one commenter asserted that the proposed rule risks increasing employer burden by shifting responsibility for EEO requirements to the "already overburdened" EEOC and other State agencies. The commenter maintained that employers consistently report that navigating multiple State-specific rules is more onerous than following a single Federal standard.

Department Response: The Department appreciates the various commenters' support for the rule's streamlined and uniform approach to EEO and nondiscrimination requirements. The Department agrees that the requirements imposed under the existing

rule were onerous, excessive, and impeded the goal of apprenticeship expansion. Accordingly, the Department maintains that this final rule fulfills the Administration's directive in E.O. 14192 to eliminate regulations that impose costs, create confusion, hamper innovation, or otherwise restrain economic growth and opportunities for Americans.

The Department disagrees that the final rule increases compliance burdens by shifting responsibility to the EEOC or State agencies. Those agencies and the laws they administer govern sponsors regardless of whether part 30 exists. This rule does not create any new obligations under Federal or State nondiscrimination laws, nor does it create any new enforcement mechanisms. Rather, it eliminates a separate apprenticeship-specific compliance and enforcement regime that operated alongside existing Federal and State civil-rights laws. To the extent the commenter is concerned about multiple layers of regulation and bureaucracy, the final rule reduces, rather than increases, those layers by removing an additional apprenticeship-specific framework while leaving in place the generally applicable nondiscrimination laws that already govern sponsors.

3. E.O. 14192, Unleashing Prosperity Through Deregulation

Comments: A commenter supported the proposed rule changes, arguing that the changes would provide numerous benefits, including reducing regulatory burdens, decreasing stakeholder confusion, providing clarity, and encouraging more apprenticeship program participation, and aligning with President Trump's executive orders on deregulation, merit-based opportunity, and preparing Americans for skilled trade jobs. Another commenter expressed support for the proposed rule's revisions to 29 CFR parts 29 and 30, stating that these changes would remove a duplicative set of regulations on program sponsors and employers, and eliminate requirements for an unnecessarily complex array of goals, analyses, outreach, and annual reviews. A separate

commenter concurred with the proposed removal of duplicative and outdated requirements.

A commenter maintained that it is essential to ensure that participating employers are not overburdened by reporting requirements and that employers can protect proprietary information, including trade secrets, program outlines, and other sensitive materials. The commenter urged the Department to consider broader improvements to the apprenticeship registration process and remove unnecessary administrative barriers and simplify the bureaucratic requirements for small and midsize employers. Specifically, the commenter recommended avoiding "government-centric language" that is not aligned with workplace operations, as well as delivering technical assistance through experienced practitioners, rather than static manuals and checklists.

Other commenters, however, disagreed with the Department's assertion that the part 30 regulation should be revised and streamlined to reduce undue regulatory burdens for Registered Apprenticeship stakeholders. One commenter asserted that the part 30 regulations are not burdensome on sponsors because States and other organizations have consistently created tools and templates for sponsors that have helped sponsors easily create affirmative action plans that support equal opportunity for Registered Apprenticeship program applicants. This commenter added that sponsors have been complying with these requirements for decades, and many sponsors already have policies and practices set up to effectively complete affirmative action plans, as well as internal auditing and reporting systems.

Department Response: The Department appreciates comments that acknowledged the challenges that Registered Apprenticeship program sponsors face in complying with the existing part 30 regulation and the need for a clearer and less complex regulatory framework. The Department agrees with those commenters who opined that the existing part 30 regulation's requirements were expansive, duplicative, and unclear, and that they

imposed a complex regulatory framework that did not serve sponsors' business needs. The Department further agrees that such regulatory complexity may have impeded the growth of the Registered Apprenticeship model by discouraging program uptake or expansion, and that revising and simplifying the part 30 regulation will lead to expansion of the model. As such, the Department's final rule streamlining the part 30 regulation serves the shared goals of the Department and this Administration to reduce regulatory burdens and expand Registered Apprenticeship. The Department also appreciates those commenters who acknowledged the alignment between this rulemaking and the Administration's deregulatory directive to Federal agencies (as outlined in E.O. 14192 and cited in the NPRM as a motivation for this rulemaking).

The Department disagrees with commenters who asserted that the existing part 30 regulation did not impose meaningful burdens on program sponsors. Several commenters pointed to the availability of templates, technical assistance, internal auditing systems, and established compliance practices as evidence that sponsors could readily comply with the regulation. The Department does not find these observations persuasive. The existence of specialized templates, extensive technical assistance, compliance personnel, internal auditing systems, and recurring reporting processes demonstrates that sponsors and Registration Agencies devoted substantial time and resources to satisfying the regulation's requirements. The fact that sponsors may have developed systems to facilitate compliance over time does not establish that the underlying requirements were simple, costless, or necessary.

Moreover, the Department is concerned not only with the burden imposed on existing sponsors that have already invested in compliance systems, but also with the effect of these requirements on employers considering whether to establish a Registered Apprenticeship program in the first instance. The Department concludes that reducing

apprenticeship-specific compliance obligations will lower barriers to entry and facilitate broader adoption of the Registered Apprenticeship model.

The Department also received comments from employers describing the time, administrative effort, and resources devoted to compliance with affirmative action plans, utilization analyses, reporting obligations, and related requirements under part 30. After considering these comments and the record as a whole, the Department has determined that these apprenticeship-specific requirements imposed significant compliance costs while providing limited benefits beyond those already afforded by generally applicable Federal and State nondiscrimination laws. The Department therefore concludes that rescinding these requirements is an appropriate means of reducing unnecessary regulatory burden while continuing to protect apprentices through existing nondiscrimination protections.

5. Growing Registered Apprenticeship

Expansion and Growth of Registered Apprenticeship Programs

Comments: A commenter maintained that the proposed rule lacks compelling evidence that it would lead to apprenticeship growth. Instead, this commenter suggested that, to significantly increase the number of apprentices, investments in apprenticeships would need to be of an order of magnitude higher, and that adjustments to the infrastructure through legislation, such as codifying OA and SAAs as registration entities, are needed to see growth in the program. The commenter added that the Department also should adopt more ambitious growth goals, stating that 1 million apprentices only would equate to 0.6 percent of the workforce, whereas the apprentice share of the workforce in peer countries like Canada, the United Kingdom, and Australia is roughly 2 percent. Another commenter noted that the growth in public investment has led to increased apprenticeship enrollments, as Federal investment nearly doubled between 2016 and 2020 resulting in a more than 40 percent increase in the number of apprentices.

A commenter recommended that the Department pursue evidence-based regulations to speed up and simplify the registration process, including streamlined cross-State reciprocity or expedited review for programs using high-quality occupational frameworks or national standards, reasoning that these would help expand apprenticeship and result in more effective use of public resources.

Another commenter opposed the proposed rule's description that the current regulations have limited adoption or participation, particularly among small businesses, citing personal site visits over the last 15 years showing no instances in which EEO or affirmative action requirements were reported as barriers, and over the last 3 years, the commenter said they have registered 12 new apprenticeship programs with over 200 apprentices without EEO being raised as a concern.

In contrast, a commenter supported the NPRM's statement that the costs and disincentives created by the current part 30 regulations may be greater in new and emerging industries, citing personal experience in the education sector where funding is limited (or not yet apportioned as part of existing budgets) to develop or register an existing apprenticeship program.

Additionally, a commenter expressed support for simplifying 29 CFR part 30 with Federal nondiscrimination laws, stating that the changes could ease the burden for small and medium sized businesses, but added that to meet the Administration's goal of adding 1 million new apprenticeships, sponsors would need continued guidance from OA on outreach efforts for recruiting populations not traditionally served in Registered Apprenticeship programs.

Several commenters commented in support of further growing Registered Apprenticeship and modernizing the system, citing research that employers receive a positive return on investment, that apprentices receive higher wage increases than comparable workers, and that employers report apprenticeships are effective at

addressing talent shortages. A commenter said that the model is underutilized, and remarked that more can be done to modernize it to build capacity and ensure long-term resilience of mutual benefit to employers and apprentices and that the NPRM is a step towards accomplishing this goal.

Department Response: The Department agrees with the commenters that Registered Apprenticeship should continue to be expanded and that it is crucial in helping address workforce shortages. The Department anticipates that the removal of onerous and burdensome requirements, such as those that are rescinded under this final rule, should facilitate increases in system participation through burden reduction and lower barriers to entry.

The Department disagrees with commenters who asserted that this final rule's rescission of provisions of the existing regulation will harm the growth of the National Apprenticeship System and that these provisions were not onerous for small businesses. As discussed throughout this preamble and in greater depth within the sections on the rescission of the existing regulation, there is no robust causal evidence that the existing regulations led to the growth of the National Apprenticeship System. Based on its delivery of technical assistance to sponsors of various sizes (including small businesses), the Department expects that the reduction of compliance burdens associated with these rescissions will facilitate program creation and expansion.

Additionally, in response to the anecdote from a commenter that the sponsors the commenter worked with did not mention part 30 and EEO requirements as burdensome, other commenters who were sponsors themselves or represented sponsors responding to the NPRM did express that part 30 is burdensome. As a result, the Department concludes, and several commenters representing industry concurred, that the existing part 30 regulations are overly burdensome and thereby suppress, not expand, potential entities' participation in the National Apprenticeship System.

Regarding comments that suggested increased funding and the codification of the National Apprenticeship System as avenues to expand the model, the Department notes that Congress, not the Department, has the authority to pursue these activities. The Department also appreciates the suggestions to further streamline registration, such as improving reciprocity, and will consider these options if there are future rulemakings on part 29.

Recommendations for Improving Apprenticeship Programs

Comments: A commenter recommended the Department identify specific strategies to facilitate involvement of non-profit organizations and Federal contractors and expand into new and emerging industries to achieve growth in apprenticeship programs.

Another commenter suggested that, to drive meaningful adoption, apprenticeship programs should be reframed with language and structures that align with how human resources professionals operate—prioritizing upskilling, reskilling, and internal mobility. This commenter further stated that they have an extensive network of human resources professionals, nationwide chapter system, and communication channels that could partner with the Department to help educate employers about apprenticeship regulations and work to expand Registered Apprenticeship programs.

Department Response: The Department appreciates these comments and suggestions, but deems them to be outside of the scope of this rulemaking insofar as they are unrelated to the Department' focus on streamlining and simplifying the nondiscrimination requirements related to apprenticeship.

G. Comments on the Proposal's Impacts on Women, Racial and Ethnic Minorities, and Individuals with Disabilities

1. Data and Research on Demographic Representation and Economic Factors in Apprenticeship

Comments: A couple of commenters suggested that empirical evidence shows that the part 30 regulation improved diversity within the apprenticeship system. For example, some commenters stated that women's participation in apprenticeship grew threefold over the last decade or so. One commenter noted that this increase in women's participation occurred after the Department implemented intentional investments to increase the number of women in apprenticeships. Several commenters provided evidence that showed, in their view, that this growth occurred in smaller sub-groups of apprentices as well. For example, one commenter asserted that between 2014 and 2023, the growth of women of color participating in apprenticeship was particularly strong. The commenter provided data from this time period that, according to the commenter, demonstrated that the number of Latina and Asian women apprentices grew by 349 and 302 percent respectively, while the number of Black women apprentices grew by 222 percent. The commenter added that the number of women working as apprentices in construction and extraction occupations increased from 3,789 in 2015 to 10,834 in 2024, representing a 185.9 percent change. Another commenter also noted that the gains in the share of Hispanic/Latino apprentices outpace gains in the share of Hispanic/Latinos in the total labor force. One commenter reasoned that these increases in representation demonstrate the success of current Federal regulations and feared the proposed rule's rescissions would reverse increases in diversity within the National Apprenticeship System. However, one commenter acknowledged that, while the National Apprenticeship System has diversified over the last decade, there is no clear evidence of a causal relationship between the issuance of the 2016 regulation and increases in participation rates among certain demographic groups.

Some commenters also stated that demographic groups targeted by the existing part 30 regulation are still underrepresented within the apprenticeship system. A commenter said that despite progress, women remain significantly underrepresented in apprenticeship programs, making up just 14.3 percent of apprentices according to the OA data, while comprising nearly half (47.1 percent) of the labor workforce. Similarly, another commenter noted that only 9 percent of apprentices are Black despite Black workers making up 12.3 percent of the national labor force. These commenters asserted that removing the existing part 30 regulations would further exacerbate current demographic imbalances in the representation of certain demographic groups in apprenticeship. One commenter further argued that reducing these disparities could expand the talent pool available to employers, and that apprenticeship programs would need to reflect the full diversity of the U.S. population to effectively meet employer needs. Another commenter argued that if equal access were ensured for women, people of color, and other historically excluded groups, apprenticeship programs would better fulfill the goal of providing opportunity for all workers.

However, a commenter that expressed support for the Department's proposed revisions to part 30 argued that demographic disparities between apprenticeship programs and the broader workforce should not justify race-preferential programs. This commenter argued that history and culture can explain why certain groups are more common in some jobs, rather than discrimination. The commenter also observed that national and ethnic groups are not evenly distributed across most occupations, including apprenticeship programs.

Several commenters also discussed lower wages and occupational segregation among women who are apprentices and within the broader economy and, said that rescinding elements of part 30 would harm economic gains by women within apprenticeship. For example, one commenter stated that when you compare the full-time

annualized salary of female versus male apprentices based on median hourly wage rates, female apprentices only earn 63.4 percent of their male counterparts earnings. The commenter added that women's median hourly earnings were significantly lower than men's across all races and ethnicities and were lowest for Native Hawaiian or Pacific Islanders and Black women who completed an apprenticeship. Another commenter stated that women comprise over 80 percent of all nursing assistant apprentices whereas the most common apprenticeship field for men in 2023 was higher paying electrician occupations. The commenter attributed this discrepancy to a lack of proactive outreach and persistent discrimination towards women in apprenticeship. Other commenters similarly noted that non-White Apprentices—and non-White workers within the economy generally—earned lower wages and are in less lucrative occupations than their White counterparts and the proposed rescissions to part 30 would not address these differences and could worsen them.

Commenters also stated that there is ongoing discrimination within the broader economy and the National Apprenticeship System, citing research, documented instances of discrimination, and surveys regarding discrimination and harassment. For example, a commenter said that, contrary to the Department's position, racial disparities in employment and positions are the result of discriminatory practices rather than lack of skills or personal preferences, citing research showing that equally qualified Black workers remain at a disadvantage compared to White workers when trying to enter certain industries, and referencing a 2023 National Bureau of Economic Research study concluding that occupational segregation in the United States today is substantially higher than what would be expected in a race-neutral environment. The commenter added that other studies show that resumes with White-sounding names were 10 percent more likely to get chosen for an interview than resumes with Black-sounding names. Another commenter suggested that the recent charges brought by the EEOC against

apprenticeship programs and construction companies for sex and race discrimination is evidence that discrimination continues to be a rampant problem.

One commenter, who identified herself as a Black woman, described her experience as a second-year apprentice; she discussed being passed over for training in favor of a White, male, first-year apprentice, despite being told by their foreman and general foreman that they would receive training on the next stage of the project. Another commenter cited their own 2021 national survey of tradeswomen, which found that one in four female apprentices reported never or rarely being treated equally when it came to lay-offs and about one out of five reported never or rarely being treated equally in work assignments, OJL, or in hiring.

Additionally, some commenters discussed how discrimination can impact apprentices after they are enrolled in the program as well. For example, one commenter reasoned that discrimination in hiring and access to hours of work means it will take longer to reach the hours required for apprenticeship progression and completion, delaying access to higher rates of hourly pay. The commenter also said that discrimination in access to work assignments, tools, and OJL means that women may have acquired fewer skills during their apprenticeship, making it harder for them to compete for skilled trades opportunities after completion.

Finally, several commenters maintained that diversity benefits more than just minority groups, citing research stating that more diverse companies have higher average profits, higher rates of innovation, and report higher revenues from launching new products, and also record higher worker satisfaction and worker longevity rates. A commenter suggested diversity could therefore help reduce turnover and help address existing skills gaps within the construction industry. Another commenter cited reports emphasizing the importance of human capital development (including critical thinking, emotional intelligence, and cross-cultural competencies) and diversity, rather than

technical efficiency, in national economic and individual corporate performance. Similarly, a commenter remarked that actively encouraging individuals of color to consider jobs in teaching is important because research has consistently shown that a diverse educator workforce results in improved academic performance for all students, and especially for students of color.

Department Response: The Department acknowledges certain commenters' use of demographic and economic data purporting to show the beneficial impact of diversity initiatives pertaining to apprenticeship. However, the Department fundamentally disagrees with the underlying premise advanced by several of these commenters: namely, that a central policy goal of the part 30 regulation should be to achieve and maintain a level of representation of certain groups in Registered Apprenticeship that mirrors the demographic prevalence of such groups in the broader labor force. Instead, in this final rule, the Department maintains that the central goal of the part 30 regulation must be the prohibition of all forms of illegal discrimination in Registered Apprenticeship.

As stated earlier in the preamble of this final rule, the Department asserts that compulsory, nonremedial, group-based preferences and affirmative action schemes are inherently discriminatory because they treat individuals differently based upon their race, sex, or ethnicity. Therefore, the use of data on the existence of demographic imbalances in the overall apprenticeship workforce to justify the indefinite continuation of affirmative action requirements runs counter to the Department's paramount goal of prohibiting all forms of illegal discrimination in Registered Apprenticeship. The Department reiterates its conviction that apprenticeship programs should be free to recruit, hire, and retain apprentices solely on the basis of merit, and without reference to an applicant's group identity, ancestry, or demographic characteristics.

The Department notes that commenters failed to provide any authoritative, persuasive, or conclusive evidence to support their assertions that the part 30 regulation

has been effective in improving participation rates and outcomes for apprentices in certain demographic groups, or that the removal of part 30 requirements would lead to adverse impacts on apprentices or apprenticeship programs. While some commenters asserted that there have been meaningful gains in representation of certain groups in apprenticeship, other commenters maintained that demographic imbalances and issues of underrepresentation have persisted over the past decade. Some commenters also acknowledged that increases in representation of certain demographic groups could be tied to other factors unrelated to the part 30 regulations, including investments to expand apprenticeship, or broader labor market or economic trends. One commenter opposed to the elimination of the affirmative requirements acknowledged that there was no proof of a "robust causal link" between the part 30 regulation and any improvements in demographic representation in apprenticeship. As noted previously, the Department disagrees with the premise that a central policy goal of the part 30 regulation should be to achieve and maintain a level of representation of certain groups in Registered Apprenticeship that mirrors the demographic prevalence of such groups in the broader labor force. However, in order to be responsive to commenters, the Department reviewed its own apprenticeship data, labor market and economic data, and other resources to ascertain the impact of its proposal, and similarly did not identify any direct causal link between the part 30 regulation's requirements and increased representation of certain demographic groups in apprenticeship.

The Department has reviewed data on active apprentices across the prior two decades to assess changes in demographic representation in the National Apprenticeship System in developing this final rule.[36] An analysis of this data fails to demonstrate a direct correlation nor causal link between the updated affirmative action and EEO

[36] Data discussed in the following paragraphs are available to the public on OA's website, "Apprenticeship – Data and Statistics," *https://www.apprenticeship.gov/data-and-statistics*.

requirements in the 2016 version of the part 30 regulation and significant increases in representation of demographic groups in Registered Apprenticeship programs nationwide. From FY 2006 through FY 2015, the average annual growth rate in the total number of active apprentices was 2.3%, and from FY 2016 through FY 2025, the average annual growth rate in the total number of active apprentices was 7%. The average annual growth rate for women in Registered Apprenticeship from FY 2006 through– FY 2015 was 3.1%, and the average annual growth rate for women from FY 2016 – FY 2025 was 12.3%. For Hispanic and Latino apprentices, average annual growth rates were 7.1% from FY 2006 through– FY 2015, and 11.1% from FY 2016 through– FY 2026. For African Americans, average annual growth rates were 3.7% from FY 2006 – FY 2015 and 7.6% from FY 2016 through FY 2025. As discussed further below, increases in the representation of certain demographic groups in Registered Apprenticeship programs may be attributable to increases in demographic representation in certain occupations or industries outside of the Registered Apprenticeship context, increases in Federal funding to support apprenticeship expansion, or other labor markets factors and trends. The Department does not agree with commenters who posited that the part 30 regulation's requirements, such as the affirmative action program or EEO requirements established in the 2016 regulation, directly caused increases seen in representation of certain demographic groups in Registered Apprenticeship programs.

It is important to consider a comprehensive analysis of labor market trends, both within and outside Registered Apprenticeship, in assessing the impact of the part 30 regulation on representation of certain demographic groups in Registered Apprenticeship programs over the past two decades. As mentioned earlier, across this time frame, Registered Apprenticeship has expanded and evolved from a training model primarily used in the skilled trades to include more occupations, industries, and economic sectors. Two key growth areas for Registered Apprenticeship are the information technology and

healthcare sectors; Registered Apprenticeship programs in the information technology sector grew from 20 programs in FY 2016 to 132 programs in 2025, while programs in healthcare grew from 533 programs in FY 2016 to 1,170 programs in 2025. Meanwhile, women's overall representation in the workforce in those two sectors has increased substantially in recent decades. The share of women in the information technology workforce has grown from a baseline of around 9% in the early 2000s to around 23% of today's information technology workforce in the United States.[37] The growth of women's participation in the healthcare workforce is even more striking. Based on data from the American Community Survey, a study from the U.S. Census Bureau reported that women have driven 80% of labor force growth in the healthcare sector since the early 2000s, with the number of full-time women in health care occupations nearly doubling from around 5 million employees in 2000 to around 9 million employees in 2019.[38]

These examples of broader demographic trends in the labor market demonstrate that it is not possible to conclusively attribute any growth in the representation of certain demographic groups in Registered Apprenticeship to the affirmative action provisions of the part 30 regulation. The slight increases in representation of certain demographic groups over the prior two decades corresponds with an overall increase in the average annual growth rate for all apprentices, and also could be attributable, in part, to the expansion of the model into new industries (outside of construction and the skilled trades), such as information technology and healthcare. In addition, overall increases in apprenticeship numbers and the slight increases in representation of certain demographic groups coincides with the introduction of increased, sustained Federal funding to support Registered Apprenticeship growth.

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[37] WomenTech Network, "Women in Tech Stats 2026: Uncovering Trends and Unseen Data by WomenTech Network," *https://www.womentech.net/women-in-tech-stats* (last visited June 26, 2026).
[38] Jennifer Cheeseman Day and Cheridan Christnacht, "Women Hold 76% of all Health Care Jobs, Gaining in Higher-Paying Occupations," U.S. Census Bureau, Aug. 14, 2019, *https://www.census.gov/library/stories/2019/08/your-health-care-in-womens-hands.html*.

In summary, several of the commenters who supported the retention of the affirmative action provisions found in the 2016 version of the part 30 posited or inferred a correlation between the compulsory regime of group-based preferences contained in the regulation and increases in the demographic representation of certain groups (particularly women and Latinos) in Registered Apprenticeship programs that occurred after the issuance of that rule. In addressing such comments, the Department reiterates its firm commitment to the principle that individuals from all backgrounds – regardless of their race, ethnicity, sex, religion, or national origin – must be afforded the opportunity to compete on an equal, nondiscriminatory basis for admission into a Registered Apprenticeship program, and that apprentices must be selected and hired by program sponsors on the basis of their qualifications alone. Furthermore, as one commenter acknowledged, the available demographic data does not provide sufficient evidence of a "robust causal link" between the affirmative action requirements of the part 30 regulation and the subsequent increase in the representation of discrete groups in Registered Apprenticeship programs.

Some commenters offered assertions positing a direct correlation between certain economic outcomes and benefits and the increased participation of underrepresented groups in apprenticeship, such as improved profits, greater innovation, higher wages, and improved worker satisfaction and longevity. The Department maintains that not only are these supposed correlations unsubstantiated, they do not alter the Department's conviction that affirmative action requirements induce sponsors to treat individuals differently based on demographic characteristics and are therefore inherently discriminatory.

The Department acknowledges the concerns raised by commenters that, over time, illegal discrimination has persisted in both the broader labor market and in Registered Apprenticeship. As stated earlier, the Department's primary focus with this

final rule is to clarify and strengthen the nondiscrimination requirement for Registered Apprenticeship in the part 30 regulation. In eliminating a duplicative, apprenticeship-specific regulatory framework for resolving issues related to discrimination, apprentices will better understand how to obtain individualized relief (which the existing part 30 regulation fails to provide). The Department maintains that establishing a stronger and more streamlined nondiscrimination framework in the revised part 30 regulation better aligns with the Department's mandate to protect apprentice welfare under the NAA.

Other Recommendations Related to Women in Apprenticeship

Comments: A commenter stated that equitable pathways into the construction trades are sorely needed, particularly given recent legislation that provides significant investment in the Nation's infrastructure and economy. The commenter mentioned the Infrastructure Investment and Jobs Act (IIJA), the CHIPS and Science Act, and the Inflation Reduction Act as bills that would create jobs, rebuild infrastructure, and increase economic competitiveness. The commenter argued that removing equal opportunity provisions from regulations that impact Registered Apprenticeship programs—a primary pathway into the construction trades—is a move in the wrong direction.

Department Response: The Department takes the position that the investments advanced in other Federal legislation, including the IIJA, the CHIPS and Science Act, or the Inflation Reduction Act, and their potential labor market impacts, have no bearing on the Department's decision to include a streamlined nondiscrimination standard for Registered Apprenticeship in this final rule.

The Department maintains that Registered Apprenticeship opportunities will be more accessible to all qualified individuals regardless of their demographic background under this final rule, because sponsors will no longer be subject to onerous regulatory

mandates regarding the recruitment and hiring of apprentices based on demographic characteristics.

The Department disagrees with the commenter's assertion that the final rule is a step backwards and maintains that this final rule is an important step forward in making economic opportunities more accessible for all individuals. Equal opportunity does not depend on maintaining race- or sex-based affirmative-action requirements. The final rule preserves robust nondiscrimination protections while removing requirements that encourage sponsors to make decisions based on demographic characteristics. The Department believes apprenticeship opportunities are most accessible when all individuals compete under a uniform merit-based framework.

V. Section-by-Section Analysis of the Final Rule—Rescissions of Current Part 30

A. Rescission of Equal Opportunity Standards for All Sponsors

In the NPRM, the Department proposed to remove a number of requirements that the 2016 version of the part 30 regulation had applied to all program sponsors, regardless of size; these mandates included, among other things, the internal dissemination of a sponsor's equal opportunity policy, the sponsor's ongoing maintenance of a list of current recruitment sources for apprentices, the sponsor's provision of anti-harassment training to apprentices and journeyworkers who work with apprentices, and the sponsor's establishment of a procedure for handling and resolving complaints involving such harassment. After due consideration of the comments received concerning the proposed removal of these requirements, the Department has determined to rescind these previous part 30 mandates in this final rule.

Comments: A commenter said that by revising 29 CFR 30.3 to direct program sponsors to comply with all applicable Federal and State laws and regulations prohibiting illegal discrimination, the proposed rule would relieve sponsors from establishing or

undertaking a complex array of goals, analyses, outreach, and annual reviews. More specifically, the commenter also expressed support for removing the requirement to establish an EEO coordinator.

A commenter supported the simplification and streamlining of the existing nondiscrimination regulations into one standard, stating that the protected bases in proposed § 30.3 mirror the bases protected by civil rights laws passed by Congress and enforced by the EEOC—Title VII of the Act, the ADEA, the Genetic Information Nondiscrimination Act of 2008, and the ADA. The commenter added that, unlike the revised version of part 30 contained in this final rule, the content of § 30.3 overreaches by imposing nondiscrimination requirements not found in the text of statutes passed by Congress, such as requiring nondiscrimination on the basis of sexual orientation and gender identity.

However, several other commenters expressed strong opposition to the rescission of the foregoing provisions of § 30.3. One commenter opposing the rescission maintained that the equal opportunity pledge, the assignment of a person responsible for EEO, and information sessions on EEO requirements remain necessary due to continued prevalence of harassment in Registered Apprenticeship programs, as well as the need to reiterate sponsors' commitment to EEO and communicate that commitment internally to all affected parties. Another commenter asserted that the proposed rule's rationale for rescinding these requirements does not consider the end goal of Registered Apprenticeship programs, which is to ensure that sponsors receive a return on investment, adding that where appropriate accommodations and support are not provided, programs see premature apprentice dropouts. A commenter remarked that Federal standards still matter because many sponsors operate in multiple States, and without a consistent Federal framework, employers may lower compliance across the board. Another commenter expressed concern that removing EEO requirements would make it difficult

for programs to demonstrate compliance with civil rights laws and protect themselves from legal risk.

Department Response: The Department agrees with the commenter that characterized the requirements under existing § 30.3 as unnecessary and complex. Accordingly, the Department notes that it is maintaining a simpler and more streamlined Federal standard under this final rule through the new nondiscrimination standard contained in § 30.3 of this final rule. Additionally, and as described in greater detail below, sponsors covered by Federal nondiscrimination laws are already obligated to post a notice describing the protections afforded under Federal laws that prohibit job discrimination based on race, color, sex, national origin, religion, age (40 and older), equal pay, disability, or genetic information, and retaliation.

The Department recognizes that many sponsors may find EEO coordinators, anti-harassment training, internal complaint procedures, and similar practices useful. Nothing in this final rule prohibits sponsors from maintaining such programs. The Department has concluded, however, that these practices need not be mandated through a separate apprenticeship-specific regulatory regime because sponsors are already subject to Federal and State nondiscrimination laws and possess strong incentives to maintain workplaces free from unlawful discrimination and harassment. Sponsors remain free to adopt compliance structures they determine are appropriate for their workforce, operations, and legal obligations. To the extent commenters assert that such practices help sponsors demonstrate compliance with applicable civil-rights laws or reduce litigation risk, sponsors remain free to retain those practices under this final rule.

1. Assertions Made About Reduced EEO Protections

Comments: A commenter expressed concern that the practical effect of rolling back comprehensive EEO protections could be to limit remedies to address discrimination in apprenticeship programs. This commenter stated that the proposed rule

incorrectly asserts that "the protected characteristics contained in § 30.3(a) of the current part 30 are duplicative of the nondiscrimination requirements contained in a number of Federal civil rights statutes." The commenter argued that, consequently, the proposed rule fails to account for potential harms to apprentices, as well as resultant limitations to DOL's authority to remedy discrimination in apprenticeship programs because of this change. The commenter stated that "by eliminating the longstanding prohibition on discrimination against apprentices based on certain protected characteristics . . . and instead aligning the regulation with existing civil rights laws applicable in the private sector, the Proposed Rule adopts the small employer carveouts of these civil rights laws." The commenter asserted this would limit the coverage of nondiscrimination requirements and eliminate the authority of the Department to take enforcement action against small employer sponsors who engage in discrimination.

A commenter opined that, contrary to the Department's assertion in the NPRM, the current part 30 regulations do not duplicate Title VII, and instead go well beyond Title VII in providing substantive protections from discrimination and mechanisms for preventing discrimination. Specifically, unlike 29 CFR part 30, this commenter asserted that Title VII likely does not apply to all program sponsors, or to all of the apprenticeship activities of sponsors. The commenter noted that Title VII applies to employment discrimination by "employers, labor unions, and joint labor-management committees controlling apprenticeship or other training or retraining, including on-the-job training programs," and makes it unlawful for such entities "to discriminate against any individual because of his race, color, religion, sex, or national origin in admission to, or employment in, any program established to provide apprenticeship or other training." In contrast, the commenter said 29 CFR part 30 applies to "sponsors of apprenticeship programs registered with either DOL or a recognized SAA." The commenter noted that sponsors are responsible for not only for overseeing admission to and employment in training

programs, but also a wide range of other activities, and it is unclear whether Title VII would cover the full scope of activities that sponsors engage in. Another commenter expressed concern that removing these EEO requirements would make it difficult for programs to demonstrate compliance with civil rights laws and protect themselves from legal risk.

Department Response: In response to some commenters' concerns surrounding protected characteristics, the Department notes that covered apprentices are protected from discrimination on the bases of all the same protected characteristics as under existing § 30.3(a) through the following Federal statutes or precedent set by Supreme Court cases interpreting them: Title VII of the Act, the ADEA, the ADA, and the Genetic Information Nondiscrimination Act of 2008.

In response to concerns raised by certain commenters about the statutory thresholds excluding small employers from coverage under Title VII and other Federal nondiscrimination laws, the Department notes that Congress purposefully excluded small employers from these statutory nondiscrimination requirements. The application of nondiscrimination requirements to private employers is fundamentally a matter of legislative judgment. In statutes ranging from Title VII to the ADA and ADEA, Congress made explicit policy determinations regarding which employers should be subject to Federal nondiscrimination requirements and which should be exempt. Congress repeatedly chose not to extend those statutory obligations to certain smaller employers, reflecting a legislative balancing of the benefits of nondiscrimination regulation against the burdens such requirements impose on small businesses.

The Department declines to exercise its authority under the NAA in a manner that effectively subjects small employers to regulatory obligations that Congress expressly determined should not apply to them. The Department believes that the better exercise of its authority is to respect the coverage determinations embodied in Federal civil-rights

statutes and to align apprenticeship requirements with the scope of those statutes rather than creating a separate apprenticeship-specific regime that expands their reach to small employers. Congress remains free to revise the coverage thresholds contained in those laws should it determine that broader coverage is warranted.

Moreover, the alignment of part 30 with the employee size-based exclusions contained in existing Federal nondiscrimination laws or relevant State nondiscrimination laws will reduce administrative burdens on certain program sponsors—particularly small- and medium-sized enterprises—that could inhibit the accelerated establishment and expansion of programs. As certain small entities that sponsor apprenticeship programs have been excluded from coverage by applicable Federal nondiscrimination laws such as Title VII, the Department should refrain from extending apprentice nondiscrimination protections on a broader basis than Congress expressly authorized under those statutes.

The Department defers to the EEOC or other relevant enforcement agencies in determining which employment practices of sponsors are covered under the various civil rights statutes. The Department notes, however, that courts have interpreted Title VII's training program provision at section 703(d) to cover more than mere "admission to" such programs, contrary to the commenter's assertion. *See, e.g., Langford v. Int'l Union of Operating Eng'rs, Loc. 30,* 765 F. Supp. 2d 486, 499 n.6 (S.D.N.Y. 2011) (acknowledging that section 703(d) of Title VII provides a valid basis for a hostile work environment claim); *Herrera v. Int'l Brotherhood of Electrical Workers, Local No. 68,* 228 F.Supp.2d 1233, 1242 (D.Colo. 2002) (stating that "[t]he plain language of [section 703(d)] prohibits sex discrimination against an individual who is 'employed in' an apprenticeship training program" and citing to 29 CFR 30.1 as providing similar protections).

The Department maintains that, under the final rule, the Department retains the authority to deregister an apprenticeship program in instances where there has been a

finding of discrimination by a governmental agency or a court made pursuant to applicable statutory standards. In response to those commenters that expressed concern about the Department losing authority to issue individual remedies under the final rule, the Department notes that the existing part 30 does not offer individualized remedies for apprentices who suffer employment discrimination based upon their race, sex, or ethnicity, but only provides for the issuance of program-level sanctions such as deregistration. Under existing part 30, individual apprentices seeking make-whole remedies are free to pursue rights of action under other statutes such as Title VII. With respect to the steps that existing part 30 prescribes to prevent discrimination, the Department acknowledges that these steps are not required under Title VII. Removing these excessive requirements is, again, in line with the goals of this Administration and with Congressional intent in enacting Title VII. Sponsors are, however, encouraged to continue adopting any lawful preventative measures that they find effective. The Department will simply not dictate the specific measures a program must take to do so.

2. Alternative Approaches and Questions About the Proposed Changes

Comments: A commenter asked if, under the proposed rule, existing programs in SAA States would be permitted to continue using their current processes and procedures, as long as they are in compliance with applicable Federal and State nondiscrimination laws. Another commenter raised a question regarding whether, in those instances where a program operating in an SAA State experiences an increase in diversity in race or sex demographics, such a program would be considered out of compliance, or presumed to be out of compliance, with the proposed rule.

A commenter recommended establishing a simplified set of requirements in the final rule to preserve accountability while reducing compliance complexity. The commenter recommended requiring sponsors to inform apprentices of their rights in writing, and requiring sponsors to affirm, in writing, that they will follow all relevant

Federal and State nondiscrimination laws. The commenter also recommended that sponsors conduct universal outreach and employ facially neutral selection procedures to the extent possible. The commenter further recommended that the Department take certain actions to clarify compliance requirements, including integrating a review of nondiscrimination compliance into a sponsor's basic program oversight, and clarifying that youth apprenticeship programs do not violate nondiscrimination laws.

Another commenter recommended that the Department continue to consider measures to lower administrative burdens and provide incentives to participate in apprenticeship, including creating a system that promotes flexible program models that contain the most essential components of apprenticeship, and incentivizing organizations, like local industry associations, to serve as intermediaries. The commenter also recommended expanding financial incentives, such as apprentice wage reimbursement, and allowing more efficient and effective delivery of programming, including by removing the apprenticeable occupations framework.

Department Response: In response to questions posed by a commenter, and as described in § 30.5 of this final rule, a Registered Apprenticeship program only will be deregistered if there is a final determination made by an enforcement entity or court that the program has violated an applicable nondiscrimination law and the Registration Agency determines that a compliance action plan is not being implemented in accordance with the remedy prescribed by the enforcement entity or court. Accordingly, programs will not be deregistered for continuing to conduct their current activities or if their program experiences increased diversity so long as the program has not violated any applicable Federal or State nondiscrimination laws.

With respect to the commenter that suggested the inclusion of a provision in this final rule that a sponsor affirm in writing that they are in compliance with all applicable Federal and State employment nondiscrimination laws and will utilize facially neutral

selection procedures, the Department takes the position that such written affirmations are unnecessary and would not necessarily enhance program accountability, as such obligations are already mandated under applicable Federal nondiscrimination laws. Nothing in this final rule prohibits sponsors from voluntarily providing written notices regarding apprentice rights, obtaining written acknowledgments or certifications from program participants, or adopting other compliance measures that sponsors determine are appropriate for their operations. Although the Department declines to mandate such practices through part 30, sponsors remain free to maintain them if they believe they assist with compliance, workforce management, apprentice retention, or risk mitigation.

Similarly, this commenter's recommendation that sponsors inform apprentices of their part 30 rights in writing is redundant, as employers with 15 or more employees that sponsor Registered Apprenticeship programs are already obligated to post a notice describing the Federal laws prohibiting job discrimination based on race, color, sex, national origin, religion, age (40 and older), equal pay, disability or genetic information, and retaliation. Title VII of the Act imposes a monetary penalty for covered employers who fail to post these notices. The "Know Your Rights: Workplace Discrimination is Illegal" poster, prepared by the EEOC, summarizes these laws and explains how employees or applicants can file a complaint if they believe that they have experienced discrimination.

The Department also declines to adopt this commenter's suggestion that the part 30 regulation should clarify that youth apprenticeship programs do not violate nondiscrimination laws, as such a determination should be made by the EEOC. In response to the other comments summarized above, the Department notes that the thoughtful suggestions advanced by these commenters for taking non-regulatory measures to reduce administrative burdens on program sponsors and to provide financial incentives to apprenticeship stakeholders fall outside of the scope of the part 30

rulemaking initiative; accordingly, as this final rule does not constitute a suitable regulatory or policy vehicle for addressing such suggestions, the Department refrains from providing a response to these commenters.

B. Rescission of Affirmative Action Requirements

1. Affirmative Action Programs (§ 30.4)

In the NPRM, the Department explained that existing § 30.4 required non-exempt sponsors to establish affirmative action programs, document them in a written plan, and implement components specified in §§ 30.4 through 30.9 and 30.11. These compulsory, nonremedial, and ongoing sponsor requirements included conducting demographic utilization analyses, and setting numerical hiring goals and undertaking targeted outreach, recruitment, and retention activities where apprenticeship workforce underutilization based on race, sex, and ethnicity was determined to exist. These sponsor requirements also included annually reviewing personnel processes, as well as disability-related obligations, such as tracking progress toward an OA established utilization goal and inviting apprenticeship applicants to self-identify as individuals with disabilities. The NPRM articulated the Department's position that, taken together, these affirmative action program requirements across §§ 30.4 through 30.9 and 30.11 are unduly burdensome and legally questionable. In the NPRM, the Department also solicited comments from all interested parties, including Registered Apprenticeship stakeholders, on its proposal to remove the affirmative action requirements from part 30, and invited public input on how the administrative burdens associated with these regulatory mandates affected program operations or decisions to participate in Registered Apprenticeship.

After due consideration of the comments discussed below, the Department has determined, as proposed in the NPRM, to rescind the requirements set forth in §§ 30.4 through 30.9 and 30.11 in this final rule.

Comments: A commenter expressed its appreciation for the Department's observation in the NPRM that the current part 30 requirements have limited, rather than promoted, apprenticeship opportunities without corresponding gains in program effectiveness or integrity. The commenter asserted that simplifying sponsors' EEO obligations would better achieve the Secretary of Labor's obligations under the NAA and promote expansion of Registered Apprenticeship programs, which the commenter asserted would expand opportunities for women, minorities, and underrepresented groups to enter and succeed in the construction trades. The commenter specifically supported rescinding the affirmative action program requirements, which the commenter described as burdensome. The commenter stated that currently, these plans must be updated annually, even when there are no material changes in workforce composition or recruitment practices, and that sponsors must maintain detailed records related to these affirmative action programs because they are subject to records requests and audits. Another commenter reiterated its previous objections (expressed at the time of the 2016 part 30 rulemaking) to the affirmative action program requirements that were imposed on small programs under § 30.4, and generally supported eliminating such requirements. In particular, the commenter asserted that affirmative action program requirements were difficult for nonunion program sponsors to implement.

Another commenter critiqued the existing part 30 regulation's affirmative action requirements, stating such requirements are based on the fundamentally flawed and abstract premise that any demographic disparities in a sponsor's or employer's workforce constitute *per se* discrimination. This commenter argued that there could be nondiscriminatory reasons why the demographic makeup of a given workforce may not mirror the demographic makeup of the local labor market, and that disparities alone without evidence of actual disparate treatment should not be used as a proxy for unlawful discrimination. The commenter further asserted that the part 30 regulation simultaneously

prohibits discrimination while incentivizing and inducing disparate treatment of applicants through utilization analysis, utilization goals, and targeted outreach. According to the commenter, such disparate treatment is not supported by the text of neither the NAA nor Federal nondiscrimination laws, and that in *Ames*, the Supreme Court unanimously held that "the standard for proving disparate treatment under Title VII does not vary based on whether or not the plaintiff is a member of a majority group."

Another commenter expressed their support for the Department's proposal, stating that the affirmative action program provisions contained in part 30 and the related emphasis on achieving particular demographic results are "in tension with the 1963 prohibition on discrimination." The commenter argued that the emphasis on "numbers for their own sake" in the development of apprenticeship affirmative action programs encourages employers to focus on tailoring their hiring practices to achieve the numerical goals mandated by the part 30 regulation, rather than on identifying and eliminating actual discrimination.

However, the Department also received some comments opposing the proposed rescission of the affirmative action provisions contained in part 30. A commenter maintained that the nondiscrimination protections contained in Title VII are not an adequate substitute for the affirmative action measures required by part 30, and supported the Department's prior analysis (contained in the preamble to the 2016 version of the part 30 final rule) that such measures are necessary because of the "residual impact of longstanding discrimination." The commenter asserted that such active measures can be successful, as illustrated by another statement from the Department in the preamble to the 2016 part 30 final rule that "women do participate and succeed in apprenticeship programs at higher levels when provided equal opportunity and support." The commenter discussed a survey which, according to the commenter, illustrates that diversity goals are key contributors to tradeswomen's success in their occupations. The commenter

concluded that the Department could make these active requirements less burdensome without eliminating them entirely.

Similarly, another commenter cited surveys showing that only a small percentage of apprentices and females working in manufacturing trades were directed toward their career by a school counselor or an American Job Center. The commenter concluded that in the absence of systematic outreach, many women may miss out on the opportunities presented by apprenticeships in high-paying fields, and employers would lose out because they only would access a very incomplete talent pool.

A commenter criticized the Department's assertion in the NPRM that the current regulation "has not demonstrated clear benefits in terms of improved protections against unlawful discrimination for apprentices." This commenter maintained that the outreach and affirmative action tools and mandates contained in part 30 have added value for program sponsors seeking new talent. The commenter said that 36.5 percent of States identify the "challenge of recruiting qualified applicants" as a barrier to apprenticeship expansion. The commenter added that firms have indicated that some of the best practices for meeting labor shortages include setting realistic goals for inclusion and diversity, regularly evaluating the status of those goals, and adjusting appropriately to meet them, arguing that these are all tenets of affirmative action plans. The commenter also provided examples of successful efforts to expand diversity in apprenticeships, including a program in Massachusetts where the proportion of women in construction apprenticeships grew by over 200 percent across a 5-year period thanks to partnerships among job training providers, firms, developers, community organizations, and local government. The commenter further asserted that affirmative action practices can be valuable to new apprenticeship industries, citing that 90 percent of hiring managers in information technologies consistently report difficulties in finding and hiring talent, and 83 percent report that this worker shortage is slowing company revenue growth.

Department Response: After considering these comments, the Department remains convinced that the affirmative action requirements contained in the existing part 30 regulation effectively undermined genuine equality of opportunity for apprentices and candidates for apprenticeship, imposed excessive administrative burdens on program sponsors, and may effectively induce such program sponsors to engage in discriminatory and illegal employment practices. The existing part 30 regulation requires outreach initiatives and incentivizes hiring decisions based not upon the merits or qualifications of individual candidates, but rather upon a candidate's race, sex, and ethnicity. By abandoning this divisive and pernicious framework in this final rule, the Department is seeking to maximize apprenticeship opportunities for qualified individuals from all backgrounds, irrespective of a person's race, sex, ethnicity, national origin, disability status, or religion.

The Department also asserts that this final rule will ease the administrative burden on sponsors generally, and particularly on those smaller sponsors that have five or more apprentices but that may not possess the resources or personnel needed to conduct the complex workforce demographic analyses required under the current part 30. Similarly, the Department acknowledges one commenter's assertion that these requirements posed particular implementation challenges for non-joint group programs that do not exert close control over the hiring process for employers participating in the program. (See *Associated Builders & Contractors, Inc. Baltimore Metro. Chapter v. O'Connor*, 75 F. Supp. 2d 440, 441 n.3 (D. Md. 1999) ("[N]onjoint' refers to apprenticeship programs without any participation by labor interests.")). The Department asserts that all programs will benefit from the removal of these burdensome affirmative action requirements and this final rule's emphasis on alignment with existing, congressionally enacted nondiscrimination law.

To the extent certain outreach efforts have been helpful to sponsors, sponsors may

continue to engage in such efforts as part of a broad, nondiscriminatory outreach program to all qualified individuals (regardless of their race, sex, or ethnicity). Eliminating specific, inflexible targeted outreach requirements that go beyond complying with nondiscrimination law, and that focused on recruiting from only a limited, "underutilized" applicant pool, will reduce burdens on sponsors by enabling them to conduct outreach and recruitment in whatever lawful way they deem makes the most sense for their program. The Department is simply rescinding the one-size-fits-all approach that was imposed upon sponsors in the 2016 version of the part 30 rule. Additionally, eliminating the requirement for covered sponsors to maintain race-, sex-, and ethnicity-based affirmative action programs removes unlawful pressure on sponsors to recruit and hire apprentices from specific demographic groups, and also eliminates potential confusion and conflict with operating under various State law interpretations of nondiscrimination requirements. *See*, e.g., Tex. Att'y Gen. Op. No. KP-0505 (2026) (re: "Diversity, Equity, and Inclusion" in Texas); Op. Att'y Gen. Fla.2026-02 (2026) ("Attorney General Opinion: State Laws Requiring Racial Discrimination are Unconstitutional").

In summary, the Department encourages program sponsors to promote genuine equality of opportunity for all apprentices and applicants for apprenticeship in any lawful manner and, under this final rule, will hold accountable those programs found to have engaged in unlawful discrimination.

2. Utilization Analysis for Race, Sex, and Ethnicity (§ 30.5) and Establishment of Utilization Goals for Race, Sex, and Ethnicity (§ 30.6)

Existing § 30.5 requires those sponsors maintaining affirmative action programs to evaluate and analyze the demographic composition of their apprenticeship workforce by race, sex, and ethnicity, and to compare the representation of those groups in their workforce with the availability of those populations within the sponsor's relevant

recruitment area. After conducting this analysis, if the sponsor determines that the representation of women, Hispanics or Latinos, or a specific racial minority group in their apprenticeship workforce is significantly lower than what would be reasonably anticipated, the sponsor is obligated to establish a utilization goal for the underrepresented group in accordance with § 30.6. Pursuant to § 30.6, that utilization goal must be "at least equal to the availability" of the underutilized group in the relevant recruitment area.

As previously discussed, the Department remains convinced that the foregoing part 30 provisions, which have required programs to analyze and to calibrate the racial, sex, and ethnic composition of their apprenticeship workforces, effectively conflict with the express Congressional prohibition on the mandatory conduct of such utilization analyses contained in section 703(j) of the Act, and also confront the sponsors of apprenticeship programs with insoluble practical and legal dilemmas. Despite the admonitory language at § 30.6(d)(2) of the part 30 regulation stipulating that the establishment of utilization goals "may not provide a sponsor with a justification to extend a preference to any individual, select an individual, or adversely affect an individual's status as an apprentice, on the basis of that person's race, sex, or ethnicity," the regulation's compulsory imposition of such goal-setting upon certain sponsors may nevertheless induce those sponsors to engage in unlawful race- and sex-based apprenticeship hiring decisions in order to avoid the prospect of adverse administrative actions or sanctions by the Department (including program deregistration). As discussed earlier in the preamble, the contradictory and incoherent regulatory mandates in part 30 that simultaneously impose nondiscrimination and affirmative action requirements upon Registered Apprenticeship programs are plainly irreconcilable, contravene the fundamental policy objectives expressed in landmark Federal employment nondiscrimination statutes enacted by Congress (such as Title VII), and effectively

induce sponsors to engage in impermissible group-based discrimination in the hiring and employment of apprentices based upon their race, sex, and ethnicity.

From a constitutional standpoint, the Supreme Court's recent decision in *SFFA* makes clear that race-based selection decisions would be subject to exacting scrutiny; a system of apprenticeship that codifies and incentivizes such improper preferences would likely not withstand legal scrutiny. The relevant inquiry is whether the regulatory scheme encourages, induces, or effectively requires employment decisions because of race. *See Anderson v. Martin*, 375 U.S. 399, 402 (1964). Where such pressure exists, courts treat the regulatory framework itself as a racial classification subject to strict scrutiny. *Lutheran Church*, 141 F.3d at 352–53; *MD/DC/DE Broadcasters Ass'n*, 236 F.3d at 19–20. And that is precisely what the regulatory framework does. Similarly, while intermediate scrutiny is less demanding than strict scrutiny, the Department also concludes that the sex-based affirmative action requirements of the existing part 30 raise serious constitutional concerns and are unlikely to survive constitutional scrutiny.

Additionally, the Supreme Court's recent decisions in *Ames v. Ohio,* 605 U.S. 303 (2025), and *Muldrow v. St. Louis*, 601 U.S. 346 (2024) increase the likelihood that such affirmative action policies could be challenged by clarifying that the standard for proving disparate treatment under Title VII does not vary based on whether or not the plaintiff is a member of a majority group and that plaintiffs need only demonstrate that they suffered "some harm" in relation to an allegation of unlawful discrimination in employment (such as being adversely impacted by an employer's affirmative action policy).

After due consideration of the comments received concerning these part 30 provisions, as well as the administrative burden and legal vulnerability concerns identified above, the Department has decided to rescind, in this final rule, the foregoing part 30 affirmative action-related provisions that required sponsors to conduct a utilization analysis that takes into account the race, sex, and ethnicity of the apprentices

enrolled in their programs, and to set utilization goals to address and rectify any group-based demographic imbalances revealed by such an analysis.

Comments: Several commenters expressed support for the Department's proposal to rescind the requirement that sponsors with five or more apprentices conduct utilization analyses of their apprenticeship workforces. One commenter stated that their organization's members characterized these utilization analysis requirements as "confusing," "very expensive," and "onerous." Another commenter stated that the Department's proposed revision of part 30 would appropriately eliminate the mandate for program sponsors to adopt separate affirmative action programs in favor of aligning compliance requirements with existing Federal and State laws prohibiting discrimination. This commenter reasoned that by focusing on compliance with established nondiscrimination laws, the proposed revisions eliminate costly and duplicative requirements. The commenter added that sponsors would be able to apply existing equal employment frameworks—already in place for their broader workforce—to apprenticeship programs. The commenter concluded that this would lead to an increase in sponsorship opportunities.

However, several other commenters expressed their opposition to the Department's proposed rescission of the utilization analysis requirement. One commenter claimed that eliminating the utilization analyses would make it more difficult for sponsors to identify disparities in their workforces and determine if they are complying with nondiscrimination law. The commenter maintained that the § 30.5 analysis should be retained to help sponsors avoid litigation risks because it is a proactive version of the burden of proof required by the courts in disparate impact cases; the commenter conceded, however, that part 30's utilization analysis does not require sponsors to identify the cause of any disparity as would be required in a disparate impact case. Finally, this commenter opined that existing legal remedies under nondiscrimination law

"are merely reactionary to incidents of discrimination" and therefore a framework of "proactive" affirmative action policies, such as those outlined in §§ 30.5 through 30.10 of the 2016 part 30 regulation, are necessary to sustain "the increased diversity of the apprenticeship workforce."

A commenter stated that, in the NPRM, the Department misconstrued the utilization analysis provision, arguing that it is only intended to establish a benchmark to determine whether barriers to equal opportunity may exist, not to establish discrimination. The commenter added that a sponsor's determination that a utilization goal is required does not constitute a finding or admission of discrimination, and that the current regulation is carefully tailored to ensure that the availability analysis excludes nondiscriminatory factors that may explain differences between the two. The commenter further noted that sponsors are only required to establish goals when there is a "significant disparity" in a "Major Occupation" and that only 25 percent of programs are large enough to be subject to the utilization goal-setting requirement.

A group of commenters similarly stated that the Department's proposal to rescind the existing utilization goals for race, sex, and ethnicity is problematic because the proposed rule rests largely on speculation that the program provisions "may induce" or "incentivize" sponsors to engage in illegal race- or sex-based decision-making in selection decisions, even though making selection decisions based on race and sex violates existing regulations.

Department Response: The Department agrees with the comment describing the utilization analyses as confusing and onerous. Indeed, in the 2016 final rule, the Department received some comments from sponsors expressing confusion over how to complete the analyses. In response, the Department committed to working "closely with each sponsor at its regular compliance reviews to develop and conduct an availability analysis and to set or reassess utilization goals for race, sex, and ethnicity, if necessary."

81 FR 92057 (Dec. 19, 2016). The Department has determined that conducting these analyses has been overly time-consuming for both sponsors and Registration Agency staff and therefore it will now devote its limited resources to more effective solutions. Maintaining §§ 30.5 and 30.6 without devoting substantial staff support only would increase the burden on sponsors in completing the analyses – a burden that the Department concludes is no longer justified or supportable.

In response to the commenter expressing concern that sponsors will not have the ability to monitor their compliance with nondiscrimination laws in the absence of the current requirements of § 30.5, the Department echoes the point made by another commenter that the utilization analyses were never intended to serve as indicators of unlawful discrimination. In fact, § 30.6(b) made clear that "[a] sponsor's determination under § 30.5 that a utilization goal is required constitutes neither a finding nor an admission of discrimination." The Department therefore rejects the commenter's contention that "[i]t is exactly the means to prove such a claim of discrimination that the Proposed Rule seeks to end."

While the goal-setting process required by current § 30.6 and a claim of disparate-impact discrimination both rely on statistical disparities, the analyses are not identical and cannot be used interchangeably. A determination as to whether discrimination exists requires an examination of personnel activity data such as hires, promotions, or terminations, and an analysis of the affected selection process, qualification requirements, positions at issue and the reasons for the sponsor's actions. Thus, the requirement that sponsors then set a race-, ethnicity-, or sex-based utilization goal is unrelated to the detection of discrimination. Furthermore, the Department never looked to the utilization analyses in assessing whether a sponsor had engaged in unlawful discrimination or

harassment. Finally, such quota-like measures are illegal under section 703(a) of Title VII.[39]

However, sponsors are encouraged to continue taking any legal steps that they find helpful in assessing their programs to prevent unlawful discrimination. And, pursuant to proposed § 30.5, the Department will continue to have the authority to deregister programs for conducting illegal discrimination against apprentices, as determined by a relevant court or agency, and thereby safeguard the welfare of apprentices in Registered Apprenticeship programs. The Department maintains that, by eliminating confusing requirements regarding utilization analyses, Registered Apprenticeship will grow and create more opportunities for all workers.

In response to this commenter's concern that the remedies available to apprentices under current Federal civil rights statutes are essentially "reactive" and do not address workplace cultures that create "barriers to entry" for apprentices from certain groups, the Department again notes that these civil rights statutes provide apprentices with additional potential remedies, such as forms of individualized relief that are not available under part 30. As one commenter noted, only about 25 percent of sponsors are currently required to comply with the current affirmative action program provisions, thereby limiting any utility claimed by the commenters. Furthermore, sponsors may choose to employ lawful, race-neutral proactive means to remove barriers to entry in their programs, rather a compulsory, nonremedial regulatory regime of hiring preferences.

Comments on the Impact on Women and Underrepresented Groups in Apprenticeships

Comments: A commenter expressed concern that the proposed removal of utilization goals for race, sex, and ethnicity in certain apprenticeship programs would have devastating consequences on women's participation in apprenticeships, particularly

[39] 42 U.S.C. 2000e-2(a).

in higher paying fields where women are a small minority of apprentices. Another commenter asserted that eliminating these regulatory provisions could hinder individuals from certain underrepresented groups from gaining access to apprenticeship opportunities on an equal basis.

A commenter expressed opposition to the Department's proposed removal of utilization goals for race, sex, and ethnicity in apprenticeship programs. This commenter asserted that, because such goals are not quotas but rather benchmarks for measuring representation, they help sponsors to identify existing workforce gaps and disparities, and also help sponsors assess next steps to correct them. The commenter further asserted that eliminating these goals would undermine data-driven equity efforts and hinder progress for underrepresented groups in apprenticeship.

Department Response: The Department completely rejects the notion advanced by these commenters that the rescission of the provisions of the 2016 version of the part 30 regulation that mandated that certain program sponsors adopt preferential utilization goals based upon the race, sex, and ethnicity of apprentices will hinder individuals from these groups "from accessing opportunities on an equal basis." The Department reiterates that this final rule's removal of the pernicious, group-based demographic analyses and affirmative action mandates that were contained in the previous version of part 30 is intended to reaffirm that *all* employment discrimination against apprentices based upon their race, color, religion, sex, or national origin is illegal, and that the use of group-based preferences to promote "equity efforts" for select populations is legally questionable and completely contrary to the policy thrust of Title VII. The Department also challenges the assertion made by one of these commenters that the rescission of these utilization goals would result in "devastating consequences on women's participation in apprenticeships, particularly in higher paying fields where women are a small minority of apprentices." The Department fundamentally rejects the abstract and invidious notion that group-based

outcomes, rather than demonstrated individual merit, should influence or determine whether a person should be admitted to a Registered Apprenticeship program.

Costs Associated with Rescinding Utilization Analysis and Goals for Race, Sex, and Ethnicity

Comments: A commenter opined that rescinding the utilization analysis requirements under § 30.5 would render the Department incapable of reviewing the rule's efficacy with respect to claims of harassment and discrimination. The commenter questioned how the Department would know if its claims of more effective relief for victims would come to fruition without tracking demographic data. The commenter stated that by failing to offer any solution to collect relevant demographic data or enforcement outcomes, the Department is skirting its responsibility to ensure the welfare of apprentices as mandated by Congress.

Department Response: The Department disagrees with this commenter's assertion that the final rule's removal of the demographic data collection requirements contained in the 2016 version of the part 30 regulation will harm the welfare of apprentices. If an individual apprentice believes that they have been harmed by an employer's or program sponsor's discriminatory or harassing conduct, that person may still have recourse under Title VII and other Federal and State nondiscrimination laws to file a complaint with the EEOC or a State's FEPA. As noted earlier in this preamble, 29 CFR part 30 has never provided individualized, make-whole remedies to apprentices or applicants who have been injured by such illegal conduct, while Title VII and other employment nondiscrimination laws do provide such potential individual relief. Contrary to the commenter's assertion, the Department maintains that the removal of these burdensome and cumbersome demographic data collection requirements – requirements that were imposed on sponsors primarily to support the onerous group-based preferences and affirmative action mandates contained in the 2016 version of part 30 – will serve to

accelerate apprenticeship growth and will enhance the welfare of apprentices by promoting the hiring of apprentices solely on the basis of individual merit. The Department also wishes to note that, pursuant to a technical amendment to 29 CFR 29.7(l) made by this final rule with respect to the required content of apprenticeship agreements, the Department will nevertheless retain the right to request demographic data regarding individual apprentices.

Alternative Approaches

Comments: A commenter stated that while the revision and elimination of numerical goals and requirements may simplify the registration process for new and existing program sponsors, the Department should replace these eliminated regulations with a focus on and investment in activities that support veterans, individuals with disabilities, and discouraged workers in accessing Registered Apprenticeship programs.

This commenter argued these requirements help programs reach diverse candidates, especially as apprenticeships expand beyond traditionally White and male-dominated trades. The commenter suggested an alternative approach that would maintain workforce analysis requirements without specific targets, which would help modernize the apprenticeship system while ensuring diverse representation.

Department Response: The Department notes that nothing in §§ 30.5 and 30.6 specifically addressed the employment of veterans or discouraged workers. Sponsors will remain free to engage in any lawful recruitment and retention efforts focused on these groups, particularly as targeted outreach to veterans and workers with disabilities does not raise the same legal concerns as doing so on the basis of race, ethnicity, or sex. And, as stated above, removing only the goals themselves, while still requiring a race-, ethnicity-, and sex-based utilization analysis would not fully address the Equal Protection concerns identified by the Department.

No alternative option would satisfy the Department's goals of aligning the regulations with recent court decisions regarding affirmative action if the regulation continued to improperly require that sponsors take race, sex, and ethnicity into account in evaluating their program's employment processes. Additionally, removing only the requirement to set goals themselves, while still requiring the collection of demographic data, the review of personnel processes, targeted outreach, and the invitation to identify as an individual with a disability would do very little to address the associated burden identified by several commenters.

3. Utilization Goals for Individuals with Disabilities (§ 30.7) and Invitation to Self-Identify as an Individual with a Disability (§ 30.11)

As emphasized throughout this final rule preamble, the Department contends that the central goal of a program sponsor's hiring process should be to attract, admit, and retain those individuals—regardless of their group identity—who possess the right mix of the relevant skills and capabilities that are required for the successful completion of an apprenticeship program. Accordingly, ensuring that all qualified candidates, including people with disabilities, are eligible for consideration in the hiring and promotion process on an equal, nondiscriminatory basis is critically important to realizing this goal. Similarly, in keeping with the workplace protections for individuals with disabilities that were enacted by Congress in the ADA, the Department is committed to facilitating the hiring and retention of skilled and capable workers through the provision of effective job accommodation for apprentices and other employees with disabilities. While this final rule rescinds the burdensome and problematic regulatory mandates imposed on program sponsors by §§ 30.7 and 30.11 of existing part 30, the Department nevertheless continues to encourage program sponsors to establish supportive workplace policies and practices for individuals with disabilities. The voluntary implementation of such initiatives on behalf of these workers can be instrumental in advancing the broader goal of ensuring

genuine equality of opportunity for all qualified individuals who seek to participate in the American workforce.

In the NPRM, the Department noted that the current regulation, at § 30.7, requires sponsors to conduct a utilization analysis of the participation of individuals with disabilities in their program, and establishes a specific utilization goal of 7% that sponsors must aim to achieve. Under the current regulation, if the share of apprentices with disabilities in a program are found to be below this threshold, sponsors are required to identify barriers to equal opportunity and to implement targeted measures to mitigate such barriers. The Department proposed eliminating this requirement in the NPRM, as well as the requirement that sponsors invite apprentices (or applicants for apprenticeship) to self-identify as having a disability. The Department maintained that these obligations were burdensome, and that sponsors faced practical and legal challenges in meeting these requirements.

The Department also noted in the NPRM that sponsors with 15 or more employees are already subject to title I of ADA, which affords important protections against discrimination to individuals with disabilities. The apprenticeship-specific nondiscrimination requirements in part 30, including the 7% utilization goal for sponsors, do not afford apprentices with meaningful access to remedies for alleged workplace discrimination. Instead, this goal requires sponsors to consider factors other than merit and qualifications in making decisions about outreach, recruitment, and hiring for their program. Therefore, the Department proposed eliminating the requirement to conduct a disability-focused utilization analysis and the regulation's specific 7% utilization goal, in line with the Department's broader objectives to emphasize merit-based hiring and expand employment and training opportunities for all American workers, including individuals with disabilities.

The Department also proposed rescinding § 30.11, which requires sponsors maintaining an affirmative action program to invite applicants and current apprentices to self-identify as an individual with a disability. In the NPRM, the Department asserted that this requirement creates confusion among sponsors and other apprenticeship stakeholders, and that the requirement has resulted in a high level of administrative burden for program sponsors. Additionally, the Department maintained that compliance with this requirement presents practical and legal challenges for program sponsors, who must protect apprentice confidentiality and privacy while simultaneously taking actions to meet a specific 7 percent utilization goal for individuals with disabilities. Sponsors' invitations to applicants and apprentices to disclose disabilities under § 30.11 constitute "inquiries" prohibited by section 102(d)(2)(A) and (d)(4)(A) of the ADA.[40]

Accordingly, for the reasons discussed in the NPRM and in response to the comments summarized below, the Department is finalizing the rescission of these disability-related provisions in this final rule.

Comments Regarding the Proposals to Remove the 7-Percent Utilization Goal for People with Disabilities and the Disability Self-Identification Requirement

Comments: A commenter supported the rescission of the 7 percent utilization goal for individuals with disabilities. One commenter opined that they supported the removal of the 7 percent utilization goal for qualified individuals with disabilities and the "voluntary self-identification" as it was an onerous and arbitrary requirement. Another commenter stated that utilization goals require knowledge of a protected disability, which is presumably why there is an invitation to self-identify as an individual with a disability. However, the commenter asserted that the ADA prohibits disability-related inquiries prior to employment and after employment if not job-related and consistent with business

[40] 42 U.S.C. 12112(d)(2)(A) and (d)(4)(A).

necessity. The commenter argued that the ADA does not give the Department authority to create exceptions to the ADA's statutory requirements via regulations.

However, several commenters expressed opposition to the Department's proposed rescission of both the 7 percent disability goal and the requirement that all current apprentices (as well as individuals who have been approved for admission to a Registered Apprenticeship program) be provided with an opportunity to confidentially disclose to the program that they have a disability. One commenter said that individuals with disabilities are an underrepresented population that are underemployed and represent an underutilized talent pool. Another commenter cited Registered Apprenticeship Partners Information Data System (RAPIDS) data to justify that these current regulatory requirements are still necessary, noting that only 1.1 percent of participants in Registered Apprenticeship programs reported having a disability, and these participants were more likely to be in nonunion apprenticeships. This commenter added that individuals with disabilities are less likely to have work experience, a college degree, or the means to afford postsecondary career training.

Several commenters opposed removing the disability utilization analysis, stating that these requirements help sponsors identify, assess, and eliminate existing workforce gaps and encourage businesses to look at all types of talent for apprenticeships. Specifically, one commenter maintained that the existing rule has been effective at increasing apprentices with disabilities, as the number of apprentices self-identifying as having disabilities has tripled in the last 5 years (2019–2024).

A commenter also asserted that eliminating these utilization goals for individuals with disabilities would undermine data-driven equity efforts and hinder progress for underrepresented groups. One commenter expressed concern that rescinding this requirement would undermine decades of established practice and deprive Registered Apprenticeship programs of critical information necessary to assess the inclusivity of

their recruitment and hiring efforts. Several commenters worried removing these requirements could result in heightened inequality, making it more difficult for affected individuals to access the same employment opportunities and exacerbating existing disparities.

Some commenters also asserted that there was no legal or factual basis for eliminating these regulatory provisions. Regarding the 7 percent utilization goal for individuals with disabilities, a commenter noted that the current regulation explicitly prohibits quotas, and asserted that the Department did not provide evidence that program sponsors were imposing quotas to meet this benchmark. One commenter asserted that the utilization goal instead functions as a neutral benchmark allowing sponsors to evaluate whether their recruitment and outreach strategies effectively create equitable opportunities for people with disabilities. A group of commenters asserted that the Supreme Court's decision in *SFFA* has no bearing whatsoever on disability-related affirmative action efforts, which are subject only to rational basis review, citing *Cleburne v. Cleburne Living Center, Inc*.

Similarly, several commenters disagreed with the proposition that the disability self-identification requirement in the existing part 30 is burdensome, and asserted that the Department did not provide evidence in support of this claim. For example, one commenter referenced research that the commenter described as showing that employers of apprentices do not perceive the collection of demographic apprenticeship data as a major cost or inhibitor to the growth of apprenticeship programs. Another commenter asserted that if the requirement was onerous there would be limited voluntary compliance for sponsors with fewer than five apprentices—which the commenter said is not true. Specifically, the commenter said that sponsor behavior above and below the threshold is similar, citing RAPIDS data that programs with four apprentices had a 64.7 percent disability status reporting rate compared to 67.8 percent for programs with five

apprentices. This commenter concluded that sponsors must view the benefits to their program and apprentices as outweighing any administrative burden, contradicting the Department's characterization of the provision as burdensome.

Additionally, one commenter expressed concern with the proposed rescission of the utilization goal as the requirement implements section 503 of the Rehabilitation Act of 1973, which requires Federal contractors and subcontractors to "take affirmative action to employ and advance in employment qualified individuals with disabilities."[41] The commenter added that in 2014, the Office of Federal Contract Compliance Programs (OFCCP) issued regulations setting a nationwide benchmark for employers to aim for 7 percent employees with disabilities and annual tracking for data collection.

Finally, a commenter expressed opposition to the elimination of requirements that sponsors invite applicants to self-identify as individuals with disabilities, asserting that this allows sponsors to access certain funding streams to grow apprenticeships depending on the population they serve. The commenter suggested that the Department could achieve its goals of reducing unnecessary paperwork while still collecting information on disability by including a self-declaration on apprenticeship intake forms.

Department Response: The Department agrees with the commenters expressing concerns over the administrative burden imposed on programs by the disability utilization analysis, as well as concerns with potential ADA conflicts resulting from the requirement to invite applicants and apprentices to identify as individuals with disabilities.

In response to commenters who discussed the benefits and value of collecting information on individuals with disabilities participation in workforce training programs and pursuing increased representation of such individuals in the workforce, the Department notes that nothing in this final rule prohibits sponsors from exercising their own judgment in making inquiries or proactive efforts to employ qualified individuals

[41] 29 U.S.C. 793(a).

with disabilities, so long as any such actions are consistent with the ADA and its implementing regulations. With this final rule, sponsors will no longer be subject to the current part 30 regulation's mandates concerning the collection of information on individuals with disabilities, nor its requirements concerning the employment of individuals with disabilities.

In response to the commenter who suggested changing the nature of the inquiry to a "declaration," the Department is not persuaded that such a recharacterization would eliminate the Department's concerns with improperly requesting disability information under the ADA, which were echoed by other commenters in response to the NPRM. In addition, the Department takes the position that such an adjustment would neither eliminate, nor meaningfully reduce, the administrative burden associated with storing responses to disability inquires in a secure and confidential manner. The Department also agrees with the commenter who suggested that the existing part 30 regulation specifies that the utilization goals should not be construed as rigid quotas.[42] However, the Department has determined that these utilization goal requirements, along with other affirmative program requirements in the existing regulation, have had the practical effect of inducing sponsors to make preferential hiring decisions based on demographic characteristics. Accordingly, the Department has decided to remove the legally questionable affirmative action requirements from the revised part 30 regulation.

The rescission of the disability utilization analysis within part 30 is consistent with the Department's decision to rescind the similar utilization analysis and goal as a form of required affirmative action under the implementing regulations for section 503 of the Rehabilitation Act of 1973. 90 FR 28494 (July 1, 2025). While the utilization goal required by existing § 30.7 was not issued pursuant to section 503, the part 30 disability

[42] The existing part 30 regulation, at § 30.6(d)(1), states that "Utilization goals may not be rigid and inflexible quotas, which must be met, nor are they to be considered either a ceiling or a floor for the selection of particular groups as apprentices. Quotas are expressly forbidden."

utilization goal was designed to mirror the one issued by OFCCP under section 503 and the reasons for removing both goals are related. In both cases, the Department contends that the analyses and goals are unnecessarily burdensome, rely on ambiguous statutory authority, create the possibility of conflicts with the ADA, and put pressure on sponsors to use hiring quotas despite regulatory prohibitions on doing so.

The Department recognizes that the disability goal and utilization analysis would not be subject to strict scrutiny review under equal protection principles in the same way that the race- and ethnicity-based utilization goals and analyses would be pursuant to *SFFA*. The Department did not rely on *SFFA* in proposing to rescind existing § 30.7. However, the regulatory mandate that sponsors not treat the disability goal as a quota is inherently at odds with the expectation that sponsors undertake good faith efforts to attain a workforce that meets the 7 percent utilization goal. This tension creates confusion among sponsors regarding their obligations with respect to ensuring equal opportunity for individuals with disabilities.

The Department emphasizes that, while it is no longer requiring covered sponsors to conduct these utilization analyses, sponsors remain free to assess their programs and encourage the participation of qualified apprentices with disabilities in any lawful way. As is the case for Federal contractors under section 503, the Department encourages sponsors to continue supporting the employment and advancement of qualified apprentices with disabilities in ways that do not involve the setting of a numerical goal or that depend on the sponsor's knowledge of a particular applicant's or apprentice's disability status.[43]

Legal Interpretation of ADA and Self-Identification

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[43] In this connection, the Department's Office of Disability Employment Programs (ODEP) offers several resources to help sponsors at *https://www.dol.gov/agencies/odep/program-areas/employers/recruitment-retention*—including the Job Accommodation Network (which is available to provide free, expert and confidential guidance on work placement accommodations and other disability employment matters) at *https://askjan.org/* and other resources on the ODEP website at: *https://www.dol.gov/agencies/odep*.

Comments: A commenter stated that asking applicants to voluntarily disclose a disability is not a violation of the ADA's prohibition on disability-related pre-employment inquiries. This commenter opined that the affirmative action requirements in section 503 were in place when the ADA was passed in 1990, although the utilization goal would come later in regulations. The commenter added that implementing an affirmative action plan and reporting on its success required employers to know whether they are hiring individuals with disabilities but did not end either the prohibition on pre-employment inquiries or affirmative action for people with disabilities. The commenter also cited a 2018 EEOC declaration which stated that for more than 20 years it had been recognized that "the ADA permits affirmative action on behalf of individuals with disabilities, whether legally required or voluntarily undertaken," and also reaffirmed enforcement guidance from 1995 on "Preemployment Disability-Related Questions and Medical Examinations Under the ADA," which explained that employers may ask job applicants to voluntarily self-identify as individuals with disabilities for affirmative action purposes under certain conditions. Similarly, another commenter stated that the EEOC has consistently upheld voluntary self-disclosure of disability at the applicant stage as permissible under the ADA.

Another commenter noted that a 2013 letter from the EEOC legal counsel indicated that such inquiries are permissible under the ADA but argued that this letter should not be relied on by DOL. The commenter said that the letter is from a single attorney at the EEOC and does not represent the Commission, does not make a statutory argument, and its conclusion contradicts the best reading of the ADA. The commenter added that, even assuming the ADA is ambiguous, whatever deference the EEOC had to interpret ambiguous provisions of the ADA is gone following *Loper Bright Enterprises v. Raimondo*, which directs agencies and courts to determine the best reading of a statute.

Department Response: The Department maintains that requiring covered sponsors to invite applicants and apprentices to self-identify as individuals with disabilities is in tension with the best reading of the ADA's text. With respect to job applicants, section 102(d)(2)(A) of the ADA states that an employer "shall not … make inquiries of a job applicant as to whether such applicant is an individual with a disability."[44] But this inquiry is what § 30.11(a)(1) currently requires. ("A sponsor adopting an affirmative action program pursuant to § 30.4 must invite applicants for apprenticeship to inform the sponsor whether the applicant believes that he or she is an individual with a disability as defined in § 30.2.") Although the disability inquiry requirement is framed as an "invitation" for applicants to "self-identify" disability status, this is a requirement imposed on the sponsor. And while congressional committee reports may have suggested that the ADA's ban on preemployment inquiries would not apply to data collected for certain affirmative action purposes, *see, e.g., Associated Builders & Contractors v. Shiu,* 30 F.Supp.3d 25, 37–38 (D.D.C. 2014), legislative history cannot overcome the statute's plain meaning because "legislative history is not the law." *Epic Sys. Corp. v. Lewis*, 584 U.S. 497, 523 (2018). DOL must interpret the statute based on "what the statute means," not "what the legislature meant." *Id.* (quoting *Schwegmann Bros. v. Calvert Distillers Corp.*, 341 U.S. 384, 397 (1951) (Jackson, J., concurring)). Therefore, legislative history cannot change what section 102(d)(2)(A) and (B) of the ADA commands: a covered entity "shall not" make preemployment "inquiries" as to an applicant's disability status, except in only a few situations expressly enumerated in the ADA.[45] *See Milner v. Dep't of Navy*, 562 U.S. 562, 574 (2011). ("Legislative history, for those who take it into account, is meant to clear up ambiguity, not create it.").

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[44] 42 U.S.C. 12112(d)(2)(A); see also 29 CFR 1630.13(a).
[45] 42 U.S.C. 12112(d)(2)(A) and (B).

With respect to current apprentices/employees, section 102(d)(4)(A) of the ADA states that an employer "shall not make inquiries of an employee as to whether such employee is an individual with a disability . . . unless such . . . inquiry is shown to be job-related and consistent with business necessity."[46] Current § 30.11(c), which requires all covered sponsors to annually remind apprentices that they may voluntarily update their disability status, does not limit this requirement to situations where the sponsor determines that such an inquiry is job-related and consistent with business necessity. Current § 30.11 therefore requires sponsors to make disability inquiries that likely run afoul of the ADA and the rescission of this requirement ensures that part 30 does not compel conduct that the ADA either prohibits or permits only in limited circumstances not reflected in current § 30.11.

As some commenters noted, the EEOC has issued subregulatory guidance indicating that otherwise-prohibited disability-related inquiries are lawful when made in order to benefit individuals with disabilities. Most notably, this guidance has been captured in the 1995 Enforcement Guidance and in the 2013 letter from the EEOC's Office of Legal Counsel. *See* 78 FR 58682, 58691 (Sept. 24, 2013). Upon consideration, DOL concludes that this guidance is inconsistent with the best reading of the statute and will not defer to it.

The Department first notes that it agrees with the commenter regarding the reliability and authority of the 2013 EEOC Office of Legal Counsel Letter in that it does not reflect the views of the entire Commission but only those of single attorney. Second, the substance of the letter is not clearly in line with the statutory text of the ADA. Recent Supreme Court precedent reinforces the need to adhere to the statute's best reading. In *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369 (2023), the Court emphasized that "'statutes … have a single, best meaning'" that is "'fixed at the time of enactment.'" 603

[46] 42 U.S.C. 12112(d)(4)(A); see also 29 CFR 1630.13(b).

U.S. at 400 (quoting *Wisconsin Central Ltd. v. United States*, 585 U.S. 274, 284 (2018)). Applying that principle here, the Department concludes that the best reading of section 102(d)(2)(A) of the ADA[47] is that employers may not make disability-related inquiries of job applicants prior to an offer of employment, regardless of the employer's intent or the framing of the question.

Although sponsors are required to keep disability disclosures confidential and not use them in employment decisions, confidentiality requirements do not eliminate the practical pressures or risk of distress that individuals may experience when presented with an employer-initiated request to disclose disability status. Additionally, sponsors have indicated confusion over how best to keep such data confidential while integrating their program data with RAPIDS. This practical confusion, along with the questionable legality of the invitation itself, places sponsors in a challenging position. Through this final rule, the Department aims to ease any confusion sponsors may have experienced resulting from the requirement to invite disability self-identification.

Alternative Approaches and Recommendations

Comments: A commenter recommended that, while the revision and elimination of numerical goals and requirements may simplify the registration process for new and existing Registered Apprenticeship program sponsors, DOL should replace these eliminated regulations with a focus on and investment in activities that, among other groups, assist individuals with disabilities in accessing Registered Apprenticeship programs.

Department Response: The Department is committed to the expansion of Registered Apprenticeship programs for all qualified workers and encourages the full participation of individuals with disabilities in those programs. At the same time, the Department contends that mandating the use of burdensome and prescriptive analyses

[47] 42 U.S.C. 12112(d)(2)(A).

that fail to respect the privacy of individuals with disabilities is not the best means of accomplishing these objectives. As discussed previously, the Department maintains various resources that can assist sponsors in making their Registered Apprenticeship programs more accessible to individuals with disabilities. For example, the Department's Office of Disability Employment Policy has created an Apprenticeship Toolkit, which is designed to provide information on a series of topical areas focused on Registered Apprenticeship and how it can be used to provide employment opportunities for people with disabilities. The Department encourages sponsors to take advantage of these, and other resources, to support apprentices with disabilities.

4. Targeted Outreach, Recruitment, and Retention (§ 30.8)

Existing § 30.8 mandates that sponsors who identify instances of underutilization engage in focused outreach, recruitment, and retention strategies designed to enhance the number of applications from, and improve the retention of, apprentices belonging to the targeted group(s) or individuals with disabilities, as applicable. However, given that these requirements involve race- and sex-based data that could impact final recruitment decisions, the Department has determined that they carry similar legal risks as those associated with the utilization goals based on race, sex, and ethnicity.

These regulatory requirements may exert pressure on sponsors to prioritize recruiting candidates from specific racial, sex-based, or ethnic backgrounds, potentially resulting in unequal treatment of individuals in different demographic categories. This pressure could lead sponsors to allocate their limited recruitment resources disproportionately to benefit certain minority groups. *MD/DC/DE Broadcasters Ass'n v. FCC,* 236 F.3d 13, 15, 20-21 (D.C. Cir. 2001), *cert. denied*, 534 U.S. 1113 (2002). Thus, for the same reasons discussed in § 30.5, the Department is rescinding these requirements.

Additionally, the Department's rescission of existing §§ 30.5 and 30.7 removes the circumstances under which findings to engage in such activities might occur. Accordingly, the "targeted" activities in current § 30.8 are no longer required and the Department will proceed with rescission.

Support and Concern Regarding Reducing Outreach Requirements

Comments: A commenter stated that current rules prescribe targeted outreach strategies that may be ill-suited for certain industries or regions, and that smaller sponsors in particular often lack the staff and systems to efficiently manage the requirements of the current EEO regulations. A different commenter stated that they opposed burdens related to the outreach, recruitment, and selection processes for apprentices, particularly with regard to merit-based programs that the association does not control.

In contrast, several commenters opposed rescinding outreach requirements. One commenter asserted that current outreach, recruitment, and retention requirements do not require preferences, do not put employers at legal risk, and maintaining target outreach requirements supports pathways for opportunity for youth and other underrepresented groups in apprenticeship programs. Another commenter asserted that removing the regulatory basis for sponsors' existing outreach, recruitment and retention programs would limit the pool of apprentices available for selection. Another commenter agreed and stated growth is needed in the construction industry (which has faced an ever-increasing shortage since the mid-2000s) and that part 30's approach aligns with the measures in President Trump's plan for "engaging and supporting the disconnected workforce." Several commenters stated that requiring program sponsors to consider the diversity of their apprentices in their recruitment process positively impacts Registered Apprenticeship expansion to underrepresented groups in their industry, and described successful programs that have implemented recruitment and outreach goals, especially within the construction industry. For example, one commenter said there has been a

notable uptick in Registered Apprenticeship programs conducting affirmative outreach to populations underrepresented in the construction trades, and cited that in the last 4 years, there have been two new direct-entry pathways formally created in the Chicago area between local trade union apprenticeship programs and local pre-apprenticeship programs. The commenter also described a July 2024 roundtable hosted by Chicago Women in Trades with the EEOC Vice Chair where industry leaders shared the efforts they were making through the framework of 29 CFR parts 29 and 30 regulations that were improving their recruitment and retention of apprentices from diverse sex, racial, and ethnic backgrounds.

Similarly, a commenter expressed that several Registered Apprenticeship programs have identified recruitment strategies targeting certain protected classes which have proved fruitful in building and maintaining robust apprenticeship registrations, and shared concerns about their ability to continue to employ those strategies after the proposed rule is adopted. The commenter requested guidance regarding the extent to which such recruitment strategies are not compliant and specific examples of types of recruitment strategies that would not be deemed compliant under the proposed rule. Another commenter asserted that the part 30 regulation gives non-White and nonmale individuals a chance to enroll in apprenticeship without them having to "know someone on the inside," or other historical practices that have resulted in denied equal opportunities for women and people of color.

A commenter stated that removing outreach requirements risks employers misinterpreting this as a reason to reduce deliberate recruitment of veterans, who often face barriers transitioning to civilian careers, and recommended that DOL explicitly clarify that nothing in the rule prevents or discourages sponsors from prioritizing veteran recruitment through engagement with veteran-serving organizations and workforce partners.

Department Response: The Department appreciates the comments discussing the recruitment challenges faced by sponsors. The Department maintains that this final rule gives sponsors more flexibility to lawfully recruit apprentices. By rescinding the overly prescriptive provisions in existing § 30.8, sponsors will no longer be required to expend resources on recruitment and retention activities that may not have benefited their programs. To the extent sponsors have found any partnerships or recruitment strategies to be useful, sponsors remain free to continue using those methods on a nondiscriminatory basis. The Department defers to the respective EEO enforcement agencies in determining whether specific recruitment methods are consistent with applicable nondiscrimination laws. Ultimately, the Department is confident that the removal of the onerous requirements under the existing part 30 regulation will spur expansion of the National Apprenticeship System generally, creating more opportunities for women, Americans of color, and all Americans across all demographic groups to access the training model.

In response to those commenters raising concerns about recruitment targeted towards veterans, the Department notes that targeted outreach on this basis does not raise the same constitutional concerns as outreach targeted to members of a specific race or sex. Sponsors are encouraged to continue engaging in efforts to recruit veterans. Existing § 30.8 did not contain any requirements specific to the recruitment of veterans; the rescission of this section, therefore, will not impact the ability of sponsors to continue engaging in such efforts. The same is true of other recruitment strategies relying on non-protected bases, such as geography and income status. The Department supports programs that seek to reach all potential applicants, and the rescission of existing § 30.8 enables sponsors to conduct outreach and recruitment in line with their business needs and in a lawful manner.

Impact on the Construction Industry

Comments: One commenter who opposed the proposed changes to outreach and recruitment requirements described difficulties in recruiting potential employees to the construction industry due to the nature of the work, and asserted that growing the apprenticeship pool in the industry involves successfully recruiting from every part of the population. The commenter described how apprenticeship programs conduct outreach to veterans, community groups, and institutions within relevant geographic areas; support all candidates to maximize success; and eliminate completion barriers based on factors such as language, learning deficits, addiction, and childcare responsibilities. The commenter opined that these practices are not discriminatory, but instead advance the legitimate objectives of sponsors to grow the workforce.

Another commenter stated that in the construction industry, there are legitimate business reasons for Registered Apprenticeship programs to develop geographically focused outreach and recruitment plans, including proximity to training centers and job sites to which apprentices would be dispatched for OJL. The commenter stated that recruitment in the construction industry typically involves outreach to community colleges, high schools, county or State fairs, unemployment offices, veterans groups, parks and recreation, and other entities that have historically been viable sources of candidates for admission to JATCs. The commenter added the 2016 final rule offered sponsors flexibility in defining pertinent geographic areas so long as they justify the scope of the recruitment area and do not exclude individuals based on race, sex, or ethnicity. The commenter also maintained that due to the fluctuating nature of business demands in the construction industry, development of geographic lines for recruitment based on volume of work at anticipated job sites is a legitimate business interest.

Impact on the Education Sector

Comments: A national labor union stated that teaching apprenticeships are new in the last four years and have been transformative for non-traditional students and adults

who show an interest in teaching. The commenter described traditional sex-based imbalances in the teaching profession, saying that apprenticeship programs under existing regulations are making efforts to recruit more male teachers from varying backgrounds, and labeling this approach as "illegal discrimination" may negate recruitment efforts. The commenter cited research showing that diversifying the teacher workforce is beneficial for students. A professional association similarly expressed concern about the proposed restriction on recruitment activities under the proposed rule and the impact this change would have on the expansion of apprenticeship programs in education.

Impact on Women and Other Groups

Comments: A commenter stated that the Department's proposed changes to targeted outreach requirements would threaten participation for women in apprenticeships, particularly in high-paying fields where women are a small minority of apprentices. The commenter described research they said shows apprentices are often provided with limited information on career opportunities, particularly among women. The commenter cited additional research indicating that women who do pursue higher paying apprenticeship fields often do not have the benefit of merit-based recruitment and must be more qualified and persistent.

Another commenter stated that as apprenticeships continue to grow into new sectors, the analysis, recruitment, and reporting parameters as currently written in part 30 would serve as guidelines to allow program sponsors to strategically build apprenticeships in new job categories. The commenter stated that many types of careers benefit from intentional promotion and recruitment, and the proposed rule not only eliminates requirements for this analysis and effort but would likely chill programs from acting on their recruitment efforts to engage diverse candidates. Another commenter stated that requirements for outreach and recruitment grew out of the insular nature of the construction trade which uses informal networks and referrals to recruit for

apprenticeships, and which perpetuates issues of underrepresentation particularly for women.

Department Response: As stated elsewhere in this preamble, a fundamental purpose of this final rule is to rescind all provisions of the part 30 regulation that aimed to impose legally problematic "equitable" outcomes on the demographic composition of apprenticeship programs through a systematic regime of group-based preferences that are tied to an individual's race, sex, or ethnicity. Accordingly, any arguments advanced by commenters to justify retaining the targeted recruitment provisions found at existing § 30.8 and that are grounded upon the general notion of achieving or maintaining greater demographic "balance" or "diversity" in a sponsor's apprenticeship workforce through targeted recruitment efforts are contrary to the fundamental principle of hiring individuals solely on the basis of merit and without considering demographic characteristics. Additionally, nothing in the final rule precludes individual sponsors from voluntarily conducting lawful outreach or recruitment activities to attract qualified apprenticeship candidates from all backgrounds or from engaging in hiring practices they believe to be in their business interest, provided that such activities and practices conform with applicable nondiscrimination laws.

Reliance Interests and Existing Investments in Outreach Programs

Comments: A commenter stated that the rescission of outreach and recruitment requirements would strongly impact the reliance interest of their training network. The commenter stated that existing § 30.8 currently requires programs that identify underutilization to engage in neutral outreach activities (that are not race- or sex-based) but that are designed to reach underrepresented communities. The commenter stated that, relying upon these part 30 regulatory provisions, sponsors affiliated with the commenter's organization have invested significant funds and human resources to build a variety of strategies and programs that support growth. The commenter stated that the

rescission of these regulations would seriously undermine these programs and imperil the years of investments which have gone into their creation, particularly by the labor-management organizations that are responsible for JATCs. The commenter also asserted that outreach and recruitment activities under § 30.8 are legal under Federal and State nondiscrimination laws.

Another commenter stated that the Department's proposed rescission of § 30.8 would adversely impact the significant reliance interests of Registered Apprenticeship programs that have adapted outreach and recruitment to comply with the part 30 regulation. The commenter stated that, under the regulation, sponsors have been required to develop a list of recruitment sources that generate referrals of women, minorities, and persons with disabilities, with contact information for each source, and to notify these sources in advance of any apprenticeship opportunities. The commenter continued that the broad rescission of this provision would disrupt past success by JATCs in developing recruitment sources and partnerships particularly in blue collar professions due to vocational training and careers becoming less popular. The commenter asserted that its recruitment efforts in schools, community colleges, and community-based organizations have been successful, but expressed concern that, under the Department's proposal, such efforts would cause a Registered Apprenticeship program to risk deregistration.

Department Response: The part 30 regulation mandated that sponsors subject to utilization goals under § 30.8 of that regulation conduct "targeted outreach, recruitment, and retention activities that are likely to generate an increase in applications for apprenticeship and improve retention of apprentices" from "underutilized groups" based upon race, sex, and ethnicity. The Department has determined that preferential treatment in the recruitment of apprentices is inherently discriminatory in nature, and thus legally suspect. The Department takes the position that the deliberate targeting of individuals from "underutilized" groups in apprenticeship outreach and recruitment based upon

shared characteristics of race, sex, or ethnicity necessarily disadvantages the recruitment of individuals who do not belong to such groups.

In rescinding this preferential and discriminatory recruitment provision, the Department reaffirms the view that individuals from all backgrounds – regardless of their race, ethnicity, sex, religion, or national origin – must be afforded the opportunity to compete on an equal, nondiscriminatory basis for admission into a Registered Apprenticeship program. The Department takes the position that every apprentice should be recruited without regard to their race, sex, or ethnicity, and that every apprentice should be hired or retained by a program sponsor on the basis of their qualifications and performance alone.

While the Department acknowledges that certain program sponsors have made significant investments to satisfy the requirements that were contained in § 30.8 of the 2016 regulation, the Department nevertheless takes the position that a sponsor's recruitment activities must be nondiscriminatory in their operation. Accordingly, in accordance with this final rule and governing nondiscrimination law, program sponsors that have made significant investments in apprenticeship recruitment and outreach activities are free to continue such initiatives, provided that these efforts are designed to attract and retain qualified candidates from all backgrounds, and do not constitute preferential, discriminatory conduct based upon an individual's race, sex, and ethnicity.

Some commenters implicitly acknowledged the burden associated with the part 30 regulation's outreach and recruitment requirements in stating they have invested significant resources into complying with the existing § 30.8. By rescinding these provisions, the Department is reducing the administrative and regulatory burden placed on sponsors to comply with part 30 requirements. Finally, because the Department is not infringing on sponsors' ability to voluntarily maintain legally compliant outreach activities, the Department maintains that removing part 30 requirements will not

adversely impact sponsors' reliance interests associated with part 30 regulatory requirements that are being rescinded with this final rule.

5. Review of Personnel Processes (§ 30.9)

As noted in the NPRM, the Department explained that existing § 30.9 required sponsors maintaining an affirmative action program to perform an annual assessment of their personnel processes concerning the administration of the apprenticeship program to ensure that the program is not operating in a discriminatory manner. The Department has concluded that this requirement is both confusing and burdensome, as sponsors are already subject to Federal and State nondiscrimination laws and have established procedures to maintain compliance, rendering this additional regulatory obligation unnecessary.

Moreover, the Department expressed the view in the preamble to the NPRM that eliminating this requirement would enable sponsors to explore innovative strategies, reduce redundancy in compliance efforts, and align with the Administration's commitment to promoting efficiency and effectiveness in apprenticeship programs. The Department also opined that rescinding this mandate would allow sponsors to pursue innovative approaches, reduce duplication, and align with the Administration's stated policy to "significantly reduce the private expenditures required to comply with Federal regulations to secure America's economic prosperity . . ." as established by E.O. 14192, Unleashing Prosperity Through Deregulation.

The Department did not receive public comments specifically related to its proposed rescission of § 30.9. Therefore, for the reasons discussed in the NPRM and reiterated in this final rule, the Department is finalizing the rescission of this provision.

C. Rescission of the Anti-Harassment Training Requirement and the Provision Relating to Retaliation Against Apprentices

In the NPRM, the Department proposed rescinding the existing regulatory mandate contained in § 30.3(b)(4), which requires all Registered Apprenticeship program sponsors to conduct anti-harassment training. The Department also proposed rescinding existing § 30.17, which prohibits intimidation, retaliation, discrimination, and coercion against apprentices for filing a complaint, opposing a prohibited practice, assisting investigations, or exercising rights or privileges provided under part 30. The Department proposed eliminating these provisions in the NPRM to remove unnecessary administrative burdens or duplicative regulatory requirements on program sponsors, and to align the content of part 30 with governing Federal nondiscrimination laws prohibiting harassment in the workplace. After consideration of the comments received concerning the proposed rescission of these regulatory provisions, which are summarized and addressed below, the Department has determined to finalize these proposed changes in this final rule.

As a general matter, the Department has consistently maintained that harassing conduct in the workplace is plainly unacceptable. Depending on the facts, the harassment of an apprentice on the basis of their race, sex, or other protected characteristics may give rise to a hostile work environment allegation under Title VII of the Act or other applicable employment nondiscrimination laws, a claim which may be appropriate for further investigation by the EEOC or a State FEPA. From a labor standards perspective, the Department recognizes that the prevalence of such conduct in the workplace, including in Registered Apprenticeship programs, could undermine the dignity of individual employees and diminish worker productivity and morale.

Accordingly, while this final rule removes the overbroad and administratively burdensome requirement that all Registered Apprenticeship programs, regardless of their size, must conduct comprehensive anti-harassment training for those individuals connected with the program, the Department does not seek to discourage sponsors from

voluntarily adopting lawful strategies and measures that are carefully tailored to minimize the occurrence or mitigate the impact of such impermissible conduct in their respective programs. However, the Department cautions sponsors that, to avoid giving rise to potential hostile work environment claims under Title VII or other nondiscrimination laws, any anti-harassment strategies or measures that are voluntarily instituted by a program must avoid unlawfully stereotyping or demeaning any group of employees or apprentices based upon their sex, race, or other protected characteristics.

Comments: One commenter expressed support for rescinding the part 30 anti-harassment training requirements because it would provide regulatory relief to employers while preserving nondiscrimination protections. However, another commenter opposed these rescissions, asserting that the removal of the anti-harassment training requirements would remove essential apprentice safeguards, would undermine the standard and value of Registered Apprenticeship, and would likely worsen the work environment for many apprentices, particularly those who are in occupations where they are the minority of workers. Several commenters also cited data purporting to demonstrate that the compulsory provision of anti-harassment training by sponsors has resulted in tangible benefits that have outweighed the costs of these trainings, such as higher apprenticeship completion rates, reduced levels of harassment in the workplace, and a lower risk of potential sponsor liability.

Several commenters also maintained that the anti-harassment training requirement contained in the existing part 30 remains necessary because of the ongoing prevalence of sex- and race-based harassment, intimidation, bullying, and retaliation, both generally and within the construction trades, and particularly against women. For example, one commenter cited a report stating that the majority of apprentices who failed to complete their programs identified harassment and discrimination as the reason they resigned from their apprenticeship or as one of the biggest challenges they faced during their

apprenticeship, and that more than half of the apprentices who left or seriously considered leaving the trades cited harassment or lack of respect as the reason. Another commenter stated that 57.9 percent of tradeswomen who made the decision to speak up about discrimination or harassment to someone in authority felt their concerns were not addressed satisfactorily. Other commenters cited other surveys, research, and apprentice testimony as well to illustrate the prevalence of harassment.

Several commenters asserted that, in contrast to the data and research they provided purporting to show the need for retaining the compulsory anti-harassment training provisions of part 30, the Department did not offer any compelling rationales in the NPRM to support its proposed removal of the anti-harassment training requirement. One commenter asserted that, in the preamble to the proposed rule, the Department had argued that the anti-sexual harassment training regulations in part 30 conflicted with merit principles, and that the only legal standard cited for this proposition was the *SFFA* decision, which did not address the issue. The commenter stated that the proposed rule's suggestion that anti-harassment training is potentially unlawful is unfounded and likely to have a chilling effect on Registered Apprenticeship program sponsors. This commenter stated that they were not aware of an instance in which a court held that a training aimed at preventing sexual harassment was unlawful, and that numerous courts have upheld the lawfulness of trainings to encourage diversity and respect. Lastly, the commenter suggested there are other ways to reduce the burdens related to the mandatory provision of anti-harassment training without eliminating the requirement.

One commenter stated that pointing to Title VII as adequate protection for apprentices from discrimination and harassment is not accurate, considering the special contexts of the apprenticeship model and the limitations of an enforcement mechanism almost solely dependent on worker complaints. Similarly, another commenter urged the Department to retain all provisions expressly stipulating that harassment will not be

tolerated, such as the anti-intimidation and anti-retaliation provisions; this commenter maintained that removing these regulatory provisions would deprive apprentices of a viable means of redress for intimidation and retaliation.

A commenter recommended that, rather than eliminating the anti-harassment training requirement, the Department should instead require stronger diversity training for employers and mentors, covering topics including but not limited to cultural competency, inclusivity, bias awareness, and nondiscrimination law. Another commenter added that the Department should continue to provide free online trainings.

Several commenters also expressed opposition to the proposed rescission of the regulatory prohibition on intimidation and retaliation found at § 30.17, contending that the removal of this provision would reduce awareness of such protections, create delays in the resolution of complaints, and create barriers for apprentices to assert their rights if they are experiencing intimidation or retaliation. One commenter urged the Department not to rescind this provision because it would burden youth apprentices with navigating complex Federal court systems. Some commenters also stated that the elimination of this provision could discourage apprentices from speaking up about discrimination, unsafe, or unfair practices and may result in higher attrition and lower completion rates among the most vulnerable apprentices. A commenter expressed particular concern about the proposed change in combination with the other changes that require Registration Agencies to await final determinations of discrimination, reasoning that apprentices who are retaliated against for having witnessed discrimination would have to undergo lengthy processes before receiving any remedy.

Department Response: The Department agrees with those commenters who asserted that the rescission of these regulatory provisions would remove burdensome or duplicative mandates from part 30, thereby providing meaningful regulatory relief to program sponsors. Importantly, the Department notes that, by dispensing with such

mandates, the final rule will enable sponsors to align their compliance obligations with the requirements of applicable nondiscrimination laws and protections with which they may be most familiar.

While the Department acknowledges the existence of reports that illustrate the harmful effects of workplace harassment on apprentice retention, the Department also notes the absence of data demonstrating the efficacy of compulsory anti-harassment training in counteracting such outcomes. As such, it disagrees with the conclusion reached by some commenters that the rescission of the existing part 30 training requirement removes an integral tool for protecting apprentices from harassing conduct. Rather, the Department maintains that existing legal protections against harassment or retaliation that are afforded under existing Federal and State nondiscrimination laws are sufficiently robust.

Title VII prohibits workplace harassment, which may occur when an employee is subjected to unwelcome remarks or conduct based on protected characteristics. As noted earlier, harassment based on a protected characteristic is illegal when it results in an adverse change to a term, condition, or privilege of employment, *Muldrow v. City of St. Louis*, 144 S. Ct. 967 (2024), or it is so frequent or severe that a reasonable person would consider it intimidating, hostile, or abusive. *See* Title VII of the Act, section 703(a)(1).[48] Title VII also prohibits retaliation by an employer because an individual has engaged in protected activity under the statute. *Id.* at section 704.[49]

Because of the foregoing Title VII prohibitions against harassment and retaliation, which are grounded in the language of the statute and elaborated under subsequent case law, the Department considers the existing regulatory provision at § 30.3(b)(4) mandating the provision of anti-harassment training by all Registered Apprenticeship programs to be

[48] 42 U.S.C. 2000e-2(a)(1).
[49] 42 U.S.C. 2000e-3.

unduly burdensome, and the existing regulatory provision at § 30.17 prohibiting retaliation for engaging in a protected activity to be largely redundant of existing Federal protections and therefore unnecessary. Moreover, under the foregoing Title VII provisions, individual apprentices who allege that they have been subjected to such impermissible employer conduct or work environments may file a complaint with, and request relief from, the EEOC or a State FEPA – and a final agency or court determination that a program sponsor has engaged in such behavior could potentially result in the Department's deregistration of that program. Given these existing protections under nondiscrimination law, the removal of these burdensome or duplicative requirements from part 30 aligns with E.O. 14278's mandate that the Department seek to expand Registered Apprenticeship and improve efficiency.

The Department does not dispute that anti-harassment training may be beneficial in some workplaces. Rather, the Department has concluded that the decision whether, how, and how often to provide such training should be left to sponsors rather than prescribed through a uniform Federal apprenticeship-specific mandate. The Department's decision to rescind the mandatory anti-harassment training requirement should not be construed as prohibiting such training. Sponsors remain free to provide anti-harassment training, establish workplace-conduct policies, and undertake other measures they determine are appropriate for their workplaces and apprenticeship programs. The final rule merely eliminates the Federal regulatory mandate that all program sponsors conduct such training regardless of their size, circumstances, and need for such training. Some sponsors may find anti-harassment training beneficial and may voluntarily choose to provide such training. The Department's conclusion is simply that Federal law does not require a separate apprenticeship-specific mandate in light of existing statutory protections against harassment and retaliation.

D. Rescission of Apprenticeship Selection Procedure Requirements

Under the NPRM, the Department suggested rescinding § 30.10, which outlined the permissible methods for sponsors to select apprentices. This provision allowed sponsors to utilize any selection method or combination of methods, so long as those methods adhered to the criteria established in the regulation. The Department concluded that these provisions were unnecessary, as they either duplicated the prohibitions against discrimination in selection and related employment practices already established under Title VII or imposed additional regulatory burdens on sponsors beyond those mandated by Title VII.

For the reasons discussed in the NPRM and in response to comments discussed below, the Department has determined to finalize the rescission of this regulatory provision as originally proposed.

Comments: Several commenters opposed rescinding the apprenticeship selection procedure requirement. For example, one commenter opposed the rescission because it enables Registration Agencies to know the minimum requirements for entry into a Registered Apprenticeship program, thus helping to ensure nondiscrimination in such a program. Several commenters also said that the apprenticeship selection procedure recruitment was intended to expand access and representation in apprenticeship programs. These commenter suggested retaining this requirement is important for building pipelines for individuals into the system and to ensure the apprenticeship system is accessible to all workers. One commenter stated that this apprenticeship selection requirement helps support the success of quality pre-apprenticeship and apprenticeship readiness programs in their State, as sponsors may specify in their selection procedures that completers of these preparatory programs can receive advanced standing, direct interviews, or direct entry into their Registered Apprenticeship program.

However, another commenter disagreed and supported the rescission because they said that the current apprentice selection procedure requirement is burdensome and

complicates the process to recruit apprentices, particularly for industries facing shortages like construction.

Department Response: In response to these comments, the Department takes the position that the inclusion of a sponsor's procedures for the selection of apprentices in the program's standards of apprenticeship (as was required in § 30.10(b)(1) of the 2016 part 30 regulation and in § 29.5(b)(21) of the 2008 part 29 regulation) was unnecessary and unduly burdensome, and that the rescission of this requirement in this final rule is therefore appropriate.

Requiring sponsors to include selection procedures in their apprenticeship standards is not necessary to ensure compliance with applicable nondiscrimination laws or to safeguard apprentice welfare. Questions concerning the legality of selection practices are appropriately addressed under generally applicable Federal and State nondiscrimination laws and by the agencies charged with enforcing those laws. Accordingly, the Department concludes that mandatory inclusion of selection procedures in apprenticeship standards is not necessary to ensure equal opportunity within Registered Apprenticeship programs. Sponsors remain free to include selection procedures in their standards or other program materials if they determine that doing so promotes transparency, consistency, or effective program administration.

The Department also reiterates that § 30.10(b)(1) of the part 30 regulation imposed obligations on program sponsors beyond those mandated under Title VII by requiring compliance with the Uniform Guidelines on Employee Selection Procedures (UGESP), which provides discretionary guidance to the EEOC and employers regarding validation of selection procedures rather than binding substantive standards. *See* 29 CFR 1607.1. Accordingly, the rescission of that regulatory provision was appropriate in order to align part 30 with the scope of Title VII's requirements and to reduce regulatory burden upon program sponsors. Furthermore, the Department has proposed in a separate

rulemaking to rescind its codification of UGESP at 41 CFR part 60-3 as applied to covered contractors because of the revocation of E.O. 11246, which provided the underlying authority for that rule. Finally, the Department of Justice's Office of Legal Counsel recently issued an opinion concluding that the EEOC's existing interpretations of the disparate impact provisions in Title VII, including as reflected in UGESP, "embrace an unconstitutional reading of Title VII." *See Constitutionality of Disparate-Impact Liability Under Title VII*, 50 Op. O.L.C. __, at *2 (June 9, 2026) ("Disparate-Impact Liability").

Similarly, the requirements contained in § 30.10(b)(3) of the part 30 regulation were redundant of the obligations already imposed upon certain program sponsors by the ADA and the EEOC's implementing regulations at 29 CFR part 1630. However, the Department notes that nothing in this final rule precludes program sponsors from voluntarily including selection procedures in their standards. This rescission simply removes a description of the program's selection procedures as a mandatory requirement. Overall, the Department maintains that the rescission of § 30.10 of the existing part 30 regulation in this final rule will significantly reduce compliance burdens on program sponsors, thereby facilitating the accelerated establishment and expansion of Registered Apprenticeship programs, particularly in those sectors and occupations that are currently facing acute labor shortages.

In response to one commenter, the Department is clarifying that nothing in this final rule prohibits sponsors from providing advanced standing, direct interviews or direct entry into their Registered Apprenticeship program for individuals that complete a pre-apprenticeship or other preparatory program. Sponsors should record their policy for granting advanced standing to preparatory program completers and must ensure this policy allows all applicants to be equally granted such standing as required by 29 CFR 29.5(b)(12).

E. Rescission of Sponsor Recordkeeping Requirements

The Department proposed to rescind § 30.12, which imposed certain recordkeeping requirements on program sponsors.

Comments: A commenter expressed concern that by eliminating recordkeeping requirements, data from sponsors about the availability of apprenticeship opportunities across demographic categories would become inconsistent and impossible to assess, significantly weakening the effectiveness of 29 CFR part 30. However, another commenter stated that it would rescind burdensome recordkeeping requirements including the obligation of retaining detailed demographic information about each apprentice and applicant for multiple years.

Department Response: The Department disagrees with commenters who suggest that the rescission of § 30.12 will prevent meaningful oversight. As discussed elsewhere in this preamble, the Department does not view the assessment of demographic proportionality as an appropriate purpose of part 30. Rather, the purpose of part 30 is to prohibit unlawful discrimination and ensure that apprenticeship opportunities are made available on an equal basis to all individuals. Therefore, the continued maintenance of extensive sponsor-level demographic records is not necessary to safeguard apprentice welfare or enforce applicable nondiscrimination laws. In the NPRM, the Department clarified that apprenticeship agreements must still include "a request for demographic data about the apprentice." The elimination of sponsors' recordkeeping obligations for part 30 requirements does not eliminate part 29's requirements to collect and maintain demographic data on apprentices through the apprenticeship agreement requirements at 29 CFR 29.7(l) and recordkeeping requirements at 29 CFR 29.5(b)(23).

VI. Section-by-Section Analysis—Revised Part 30 Under the Final Rule

A. Section 30.1 – Purpose and Applicability

The proposed introductory "Purpose and Applicability" section would have significantly updated and condensed the previous "Purpose, applicability, and relationship to other laws" provision in part 30. In alignment with the policy approach described above, proposed § 30.1 eliminated references to affirmative action and removed redundant language concerning protected bases and complaint processes, which are addressed elsewhere in the regulation.

Proposed § 30.1 of this final rule explicitly stated that the part 30 regulation establishes a uniform Federal standard that prohibits unlawful discrimination against apprentices and applicants in Registered Apprenticeship programs. It also reaffirmed that these nondiscrimination requirements apply to program sponsors and must be enforced by SAAs. Furthermore, it clarified the scope of compliance reviews, compliance assistance, and enforcement actions to be conducted by the Registration Agency. For the reasons discussed in the NPRM and in response to comments discussed below, the Department is finalizing this provision as proposed.

Comments: A commenter asked if the Department considered applying the proposed changes only to employers greater than a certain size (e.g., 500 or more employees).

Department Response: As stated in the final regulatory language at § 30.1, this final rule creates a uniform, non-burdensome Federal standard for all Registered Apprenticeship program sponsors to follow applicable Federal and State nondiscrimination laws. The Department considered applying the changes to the part 30 regulation only to employers greater than a certain size, but it determined that doing so would not serve the interest of establishing a uniform rule. The Department has determined that uniformity promotes greater clarity for Registered Apprenticeship program sponsors on their obligation to prevent and address illegal discrimination against apprentices, as well as part 30's applicability to all programs.

B. Section 30.2 – Definitions

Under the NPRM, the Department proposed to eliminate all definitions in the current part 30 regulation and to adopt by reference the applicable existing definitions from the labor standards of apprenticeship regulation at 29 CFR part 29. In the NPRM, the Department maintained that the definitions found in existing § 30.2 are either duplicative of those in 29 CFR 29.2 or would no longer be relevant due to the significant revisions proposed to the substantive provisions of part 30.

The Department asserts that consolidating all apprenticeship-related definitions within the existing regulatory framework of 29 CFR part 29 will reduce administrative burdens on sponsors of Registered Apprenticeship programs and other stakeholders by providing a single point of reference for definitions within the Federal apprenticeship regulations. For the reasons discussed in the NPRM and in response to comments discussed below, the Department is finalizing the provision as proposed.

Comments: A commenter agreed with the proposed revision to remove definitions in 29 CFR 30.2 and adopt by reference the existing definitions found in 29 CFR 29.2, stating that the definitions in both parts should be aligned and that doing so would "reduce confusion for the regulated community" and simplify compliance for sponsors and employers.

This commenter recommended retaining certain definitions proposed for removal, such as "pre-apprenticeship program," which is not currently defined in 29 CFR 29.2. The commenter opposed removing this as a defined term in the apprenticeship regulations, asserting that defining key terms provides clarity for apprenticeship stakeholders. Alternatively, if the Department does not retain the definition in regulation, the commenter recommended that the Department update Training and Employment Notice No. 23-23 to align with recent E.O.s, or with the definition of "pre-apprenticeship program" under the Workforce Innovation and Opportunity Act (WIOA) regulations at

20 CFR 681.480. The commenter also urged the Department to preserve the definition of "selection procedure" in a revised 29 CFR 29.2 to ensure Registration Agencies understand program entry requirements and to help prevent discrimination. Lastly, the commenter recommended preserving definitions for "race," "ethnicity," and "disability," either in revised § 29.2 or by citing other Federal definitions, to facilitate effective data collection.

Department Response: The Department appreciates the comments regarding the consolidation of definitions within part 29 as proposed by the NPRM. Regarding a commenter's concerns about eliminating the definition for "pre-apprenticeship," the Department notes that pre-apprenticeship programs are not registered by the Department pursuant to the NAA. As such, the Department does not regulate such programs. The Department maintains that this rulemaking updating part 30 requirements is not an appropriate vehicle for establishing any regulatory definitions or other regulations for pre-apprenticeship programs. The Department agrees with the commenter's suggestion to align any future guidance on pre-apprenticeship with the Administration's E.O.'s, as well as the definition for pre-apprenticeship from the WIOA regulation at 20 CFR 681.480, to support alignment among workforce development programs overseen by the Department.

In response to comments on the removal of the definition of "selection procedures," the Department asserts that a definition of this term is not necessary in this final rule due to the substantial revisions to part 30 and the conforming edits to 29 CFR 29.5(b)(21), which remove all references to the term "selection procedure" from parts 29 and 30. Furthermore, the Department notes that the definition of "selection procedure" was drawn from the UGESP. As noted earlier in the preamble, the Department has proposed in a separate rulemaking to rescind its codification of UGESP at 41 CFR part 60-3.

Regarding maintaining definitions for race, ethnicity, and disability, the final rule's conforming edits to existing § 29.7(l) eliminate the requirement that a sponsor must specifically request information from apprentices on their race, sex, ethnicity, and disability status. Instead, under this final rule, sponsors only are required to include "a request for demographic data about the apprentice" within apprenticeship agreements. Accordingly, the Department has determined it is not necessary to include a regulatory definition for these terms to assist with data collection.

C. Section 30.3 – Nondiscrimination Standards Applicable to All Sponsors

Under the NPRM, the Department proposed obligating all sponsors of a Registered Apprenticeship program to comply with all applicable Federal and State laws and regulations prohibiting illegal discrimination on the basis of race, color, religion, national origin, sex, age (40 or older), genetic information, or disability. The Department explained in the NPRM that this list of protected bases is fully consistent with the content and scope of currently applicable Federal civil rights statutes, including Title VII of the Act and its subsequent amendments, the ADEA, as amended, the ADA, as amended, and the Genetic Information Nondiscrimination Act of 2008.

The proposed regulatory provision additionally specified that non-compliance by a Registered Apprenticeship program sponsor with relevant Federal and State nondiscrimination laws may lead to enforcement actions or deregistration proceedings by a Registration Agency, in accordance with § 30.5 of the proposed rule, if the non-compliance pertains to illegal discrimination against an apprentice or an apprenticeship applicant regarding any aspect of employment benefits, terms, or conditions related to the apprenticeship. The Department's intent is to confer the benefits of registration upon those sponsors that conduct their programs in a manner consistent with applicable Federal and State nondiscrimination laws. Further, the Department has an interest in carrying out

the Administration's directive to undertake deregulatory actions where existing regulations impose unnecessary and burdensome requirements on businesses.

Accordingly, for the reasons discussed in the NPRM and in response to comments discussed below, the Department is finalizing the provision as proposed.

1. General Comments on the Proposed Nondiscrimination Standards Provision

Comments: A couple of commenters expressed support for revising § 30.3 to direct Registered Apprenticeship program sponsors to comply with all applicable Federal and State laws and regulations prohibiting illegal discrimination to eliminate unnecessarily complex requirements.

However, other commenters opposing the change stated that the proposed rule would replace § 30.3's robust protections with a generic requirement to comply with "applicable Federal and State laws" governing discrimination, which would weaken safeguards, reduce accountability, and would leave certain apprentices unprotected. One of these commenters concluded that, under the proposed rule, sponsors that are not joint labor-management committees or do not have at least 15 employees or members would not be covered by any nondiscrimination law. Other commenters noted that, while Title VII of the Act provides that it is unlawful for employers, labor organizations, or joint labor-management committees controlling apprenticeship to discriminate, there are apprenticeship programs run by other entities (such as non-profit trade associations) that do not fall under any of these categories. These commenters asserted that current § 30.3 helps bridge this gap and provide protections to apprentices in programs not covered by Title VII. Some of these commenters cited the case of *Salas v. Independent Electrical Contractors Inc*. (W.D. Wash. May 6, 2013), where an apprentice sued his non-joint apprenticeship program alleging discrimination, but the Federal district court held that because the apprentice was not an employee of the apprenticeship program and the program had only five employees, the program did not constitute an "employer" under

Title VII. Moreover, the court noted that because the program was not associated with a union, it did not constitute a "joint labor-management committee," thus leaving the apprentice without legal recourse. One of these commenters further remarked that several States' nondiscrimination laws do not seem to cover non-joint apprenticeship programs, including Kentucky, New York, Louisiana, Utah, Virginia, and Montana, and provided language from those States' nondiscrimination laws to support their position.

Department Response: The final rule adopts this provision as proposed. The Department agrees with the commenters that the revisions to § 30.3 will eliminate unnecessarily complex requirements, focusing instead on compliance with laws with which employers are already familiar.

The Department disagrees with the commenters that the proposed protections are not sufficiently robust and reiterates that apprentices retain safeguards available under Federal and State nondiscrimination laws. To the extent that certain apprentices are not covered by those existing laws, Congress and State legislatures have chosen the relevant jurisdictional thresholds, and they could seek to amend them in the future. For example, Congress specifically contemplated coverage of apprentices in Title VII, including in sections 703(d) and 704(a) and (b),[50] while also setting in section 701(b) a statutory minimum of 15 employees for covered employers.[51] In response to comments citing the *Salas* case—which dealt with the definition of "employee" under Title VII, the ADEA, and Washington State law—the Department recognizes that there are some entities with apprentices that are not covered by Federal or State nondiscrimination laws, including those that have fewer employees than statutory minimums. Congress and some State legislatures likewise determined that nondiscrimination laws apply to employers, labor organizations, and joint labor-management committees.

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[50] 42 U.S.C. 2000e-2(d) and 2000e-3(a) and (b).
[51] 42 U.S.C. 2000e(b).

As indicated earlier in this preamble, the Department is convinced that it would be manifestly improper to retain any of the regulatory provisions contained in part 30 (such as the regulatory language delineating the scope of coverage of the nondiscrimination provision available under existing § 30.3) that may have operated to either circumvent or contravene the foregoing coverage provisions of Title VII or of other applicable Federal or State employment nondiscrimination statutes. Were the Department to retain such broadly encompassing regulatory coverage language in this final rule – as it was urged to do by several commenters – the Department would be essentially subverting the legislative intent of Congress and of State legislatures via an agency regulation, which is a plainly inadmissible course of action. The Department does not wish to exercise its authority under the NAA in a manner that contravenes clear Congressional instruction. Accordingly, as Congress did not include non-joint committees as entities falling under Title VII's definition of "employer" or "labor organization," the Department defers to the apparent legislative intent of the Nation's elected representatives and declines to adopt these commenters' recommendations.

In this connection, the Department has consistently maintained that the sponsor of a Registered Apprenticeship program is the entity that bears responsibility for ensuring that the program is conducted and operated in a manner consistent with all governing apprenticeship-related statutes and regulations, including compliance with the nondiscrimination requirements contained in this final rule. This broad compliance obligation applies to all models of program sponsorship, regardless of whether the sponsor directly employs each of the apprentices enrolled in their program, or instead operates a "group" program (administered on either a joint or a non-joint basis) in which one or more participating employers have agreed, in writing, to adopt the sponsor's apprenticeship standards for the training of their respective apprenticeship cohorts. There may be instances where the sponsor of a group program receives information – either

through their own monitoring or as a result of a program review by the Registration Agency – that a participating employer has not met their contractual obligation to follow the program's standards of apprenticeship, or has failed to comply with governing apprenticeship-related laws (such as applicable Federal employment nondiscrimination statutes or the part 30 requirements contained in this final rule). In such cases, the group sponsor should promptly implement effective corrective measures to ensure participating employers' ongoing compliance with their program standards, which includes the requirement to comply with part 30.

Further, the Department notes that the current part 30 enforcement structure was largely duplicative of other Federal and State law protections, and that these revisions will remove this duplication, thereby reducing burden and confusion among sponsors, who should already be familiar with Federal and State nondiscrimination laws. This aligns with E.O. 14278's mandate that the Department seek to expand Registered Apprenticeship and improve efficiency.

2. State Law Requirements

Comments: A commenter expressed concern about the proposed regulatory provision at § 30.3, which would require compliance with "all applicable" Federal and State laws and regulations prohibiting discrimination. The commenter interpreted this as requiring compliance with all nondiscrimination laws that apply to a program sponsor but reasoned that "applicable" State laws and regulations could be read more narrowly to refer only to those that pertain exclusively to nondiscrimination in apprenticeship, as in proposed § 30.7(b)(1)(i). Therefore, the commenter asked the Department to clarify its intent and the scope of laws covered by § 30.3. Regardless, the commenter urged DOL to drop the requirement to comply with State nondiscrimination laws and regulations, expressing concern that requiring compliance with State laws would undermine the Trump administration's goals and executive orders on "restoring biological truth,

protecting women and girls, and eradicating gender ideology." Furthermore, the commenter cautioned that State nondiscrimination laws and regulations may not be as solicitous as Federal laws and regulations, citing *Union Gospel Mission v. Ferguson*, No. 23-2606, 2024 WL 3755954 (9th Cir. Aug. 12, 2024), regarding protections for religious organizations to run their organizations in accordance with their religious beliefs. Citing *World Vision v. McMahon*, the commenter argued, that while the First Amendment applies to State nondiscrimination laws, Federal statutory protections for religious liberty do not. The commenter proposed specific alternative regulatory text for § 30.3 to address these concerns.

Similarly, another commenter supported retaining the prohibition on religious discrimination but remarked that religious employers should have the ability to apply religious criteria when making workforce decisions. However, the commenter expressed concern that removing the language referring to legal standards and defenses applied under Title VII could prevent religious employers from invoking Title VII's exemptions in the apprenticeship context.

A commenter expressed concern that removing the detailed language currently in § 30.3 would leave SAAs with fewer tools to train sponsors and employers on compliance and to prevent discriminatory practices before they escalate to legal action. The commenter recommended that if finalized, the Department should offer guidance, training, and tools to address this concern.

A commenter recommended that the Department issue subregulatory guidance outlining when OA would exercise its authority to register apprenticeship programs in SAA States, as permitted under § 29.13(j)(2), in the context of SAAs found to be out of compliance with the proposed rule because of nondiscrimination policies that do not "conform only" to the rule. Refer to section V.F.7.a for additional commentary on State nondiscrimination laws and their conformity to the requirements of part 30.

Department Response: The Department agrees with the commenters' interpretation that § 30.3 requires program sponsors to comply with all applicable State laws that prohibit illegal discrimination on the delineated bases. The Department notes that there is a distinction between the language set out in § 30.3 and § 30.7. Under the final rule's revised language, § 30.7 clarifies that its provisions cover State laws, regulations, policies, and operational procedures specific to nondiscrimination or equal opportunity in apprenticeship. In this way, the Department intends for the scope of laws subject to § 30.7 to be narrower than § 30.3, as § 30.3 requires compliance with all applicable Federal and State laws prohibiting illegal discrimination on the listed bases. In response to the commenter's concern about undermining the Administration's goals if State law compliance is required, the Department notes that, absent the language in § 30.3, entities that serve as program sponsors will still be required to comply with applicable State laws as long as such laws have not been held to conflict with Federal law**,** regardless of whether the entity chose to become a program sponsor. Additionally, the language in § 30.5 directs Registration Agencies to assess compliance based on any final determinations of a sponsor's violation of an applicable nondiscrimination law made by an enforcement entity or court - a determination that would have been made regardless of the language in § 30.3. Thus, the final rule does not place any additional regulatory burdens or coverage requirements onto sponsors.

The Department appreciates commenters' concerns surrounding religious liberty and the availability of religious exemptions for program sponsors. The Department acknowledges that, under the United States' system of federalism, religious liberty protections are dependent on whether State or Federal law applies. The Department points out that, federally, Title VII of the Act and the ADA, provide exemptions for religious organizations, which would apply to all employers covered by those laws, including in the apprenticeship context. While Federal statutory protections for religious

liberty do not apply to State nondiscrimination laws, many States have chosen to enact their own statutory and regulatory schemes to protect religious liberty and provide religious exemptions. For example, several States have enacted their own religious freedom laws that are modeled after the Religious Freedom Restoration Act.[52] The Department asserts that agencies including the EEOC and State FEPAs are better positioned to further address the applicability of religious exemptions as they enforce the applicable statutes.

Additionally, the Department notes that the provisions of part 30 have no bearing on the availability of religious exemptions under Title VII (or other nondiscrimination statutes), and that the Department will respect a court's determination that a sponsor has properly invoked an exemption when considering the sponsor's compliance with the standard in § 30.3. As such, in response to commenters requesting that the Department change the proposed text at § 30.3 to remove the requirement that sponsors must comply with State nondiscrimination laws, the Department declines to adopt the suggestion, but notes that the existing part 30 exemption provision is being retained in this final rule. This provision allows sponsors to request exemptions from part 30 requirements in writing, supported by an explanation of the reasons for the request. Where a sponsor has been found to be in violation of a State law that the sponsor views as infringing on its religious liberties, the sponsor may request an exemption pursuant to § 30.8 from the Registration Agency and the Registration Agency will consider whether the sponsor has presented good cause sufficient to avoid deregistration on the grounds of such violation.

In response to the comment expressing concern that SAAs will have less compliance assistance and resources to help prevent illegal discrimination, the Department provides that it will engage in technical assistance as requested. Additionally,

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[52] 42 U.S.C. ch. 21B. *See, e.g.,* DOL, "Workforce Discrimination Resources by State," *https://www.dol.gov/agencies/faith/workforce-discrimination-resources-by-state* (last visited June 26, 2026).

the Department notes that the relevant Federal and State enforcement agencies can engage in compliance assistance and may have guidance, training, and other resources available that covered entities can utilize in their compliance efforts.

3. Youth Apprenticeship

Comments: A commenter requested clarification or subregulatory guidance from the Department on how the proposed § 30.3's prohibition of discrimination based on age (40 or older) can be navigated when developing youth apprenticeship programs. The commenter said that while they are supportive of this provision to ensure no age discrimination is allowed, dedicated youth apprenticeship programs with upper age requirements at 24 may be considered discriminatory based on age. The commenter remarked that this is further challenging for instances where high school Career and Technical Education programs may seek to be sponsors of Registered Apprenticeship programs, but in most instances, a student cannot be in high school after age 21. The commenter elaborated that this tension is compounded by the fact that on April 2, 1996, the EEOC adopted a rule that ended the longstanding policy exemption for apprenticeship programs from coverage under the ADEA. The commenter noted that OA issued a policy in Circular 96-01 on May 30, 1996, which communicated that upper age limits on programs were no longer allowed, but this circular was rescinded on June 4, 2020, by Circular 2020-01.

Department Response: The Department appreciates the commenter's interest in expanding Registered Apprenticeship opportunities for youth. Under the final rule, what activity constitutes illegal discrimination on the basis of age is a matter for the EEOC to determine in their enforcement of the ADEA. Furthermore, the Department maintains that this part 30 rulemaking is not a suitable regulatory vehicle for addressing the topic of Federal registration of youth apprenticeship programs.

D. Section 30.4 – Complaints

In the NPRM, the Department proposed to remove the complaint provision in the current part 30 regulation and to replace it with a substantially simplified complaint process set forth at proposed § 30.4. Under that proposal, the Registration Agency would direct individuals alleging unlawful discrimination to an enforcement authority with the appropriate jurisdiction and expertise to investigate compliance with Federal or State nondiscrimination statutes or regulations. Examples of such authorities include the EEOC, the U.S. Attorney General or a State Attorney General, and relevant State enforcement agencies (such as FEPAs). The Department proposed this change after determining that the existing part 30 complaint procedures are burdensome, difficult to navigate, and ineffective, and that Registration Agencies are less well-suited to investigating or resolving apprentice discrimination complaints than the enforcement entities identified in proposed § 30.4.

As explained in the NPRM, replacing a duplicative, apprenticeship-specific complaint mechanism with a straightforward referral process advances the Administration's deregulatory objective to eliminate unnecessary regulatory burdens, ensures that complaints are handled by agencies with the requisite expertise, and serves apprentices' interests by providing a single, clear avenue for filing complaints. Accordingly, for the reasons discussed in the NPRM and in response to comments discussed below, the Department is finalizing the provision with minimal edits. In response to comments discussed below, the Department is revising the proposed language to eliminates language in § 30.4(c) that could have been interpreted as only allowing SAAs to refer complaints to State FEPAs. The Department is also adding that a Registration Agency may refer complaints to any Federal or State enforcement entity with jurisdiction over discrimination issues. Under the revised language as adopted by this final rule, the Department is clarifying that complaints can be referred by any Registration Agency to the EEOC, the U.S. Attorney General, a State FEPA, or another

Federal or State enforcement agency with jurisdiction over discrimination issues as appropriate. Furthermore, a complaint may be referred to several of these entities as appropriate.

1. **Support for the Proposed Provision**

Comments: A commenter expressed support for proposed § 30.4 and shifting enforcement of nondiscrimination laws and regulations to the EEOC, the U.S. Attorney General, and for an SAA, to its FEPA. The commenter stated that this change would eliminate duplicative oversight and enforcement by DOL without sacrificing necessary oversight and enforcement and still retaining the possibility of deregistration by DOL after a final determination of unlawful discrimination. The commenter also stated that nothing in the proposal would prohibit an apprentice from filing a charge of discrimination with the EEOC or State agencies directly.

Department Response: The Department appreciates the commenter's support for the proposed changes and agrees with the commenter that these changes would eliminate duplicative oversight and enforcement measures.

2. **Concerns About Removing Registration Agency Authority**

Comments: Several commenters expressed opposition to the proposal to eliminate the authority of Registration Agencies to investigate discrimination complaints. These commenters expressed concern that the proposal would eliminate the existing compliance review framework and restrict enforcement actions to cases where a final determination of discrimination had already been made by a court or enforcement entity, which would limit the ability of Registration Agencies to address discrimination effectively.

Several commenters further reasoned that referral-only enforcement would delay remedies, reduce the deterrent effect on noncompliant sponsors, leave apprentices unprotected during lengthy Federal investigations, severely restrict Registration Agencies' options for timely interventions, and erode the cooperative Federal–State

framework that has long underpinned the success of the National Apprenticeship System. For example, one commenter said that requiring complaints to be referred to other agencies would mean that sponsors that discriminate would virtually never face deregistration because of how long final determinations will take to reach Registration Agencies. The commenter remarked that under Title VII, a party alleging illegal discrimination can file a lawsuit in Federal court after completing the prerequisite administrative requirements, but the percentage of Federal EEOC or State FEPA investigations that result in a Federal-court lawsuit is very small. Of these, only a small proportion become final through a court decision where an appeal is not filed, because most cases are settled. The commenter also said that the EEOC itself does not issue final determinations, but complainants must pursue their complaints in court after the EEOC makes a preliminary determination.

A commenter expressed concern that the proposal would render Registration Agencies as passive intermediaries and said that research suggests OA and SAAs are often able to resolve discrimination complaints with technical advice and by intervening informally. The commenter warned that such interventions, which the commenter described as timely and cost effective, may be lost under the proposed changes. The commenter further stated that under the proposed rule, if implemented, apprenticeship agencies may be less likely to become aware of potential misconduct because they would no longer be the primary recipient of complaints, thus they may be less likely to help resolve and address complaints. Another commenter stated that eliminating program complaint investigation authority without analysis of its impact on apprentices' ability to seek relief is inconsistent with the NAA's mandate, particularly in terms of how its impact on the timeline for relief for apprentices would affect the welfare of apprentices.

As a result of these concerns, several comments recommended that Registration Agencies should retain their authority to investigate and pursue remediation of

discrimination complaints under the existing regulation. One commenter said the retention of this authority is particularly important for issues that implicate both nondiscrimination and broader part 29 compliance. Similarly, another commenter recommended that to align with the NAA's directive to safeguard apprentice welfare, the final rule should consider: (1) retaining investigative and enforcement authority for Registration Agencies to address complaints of discrimination, harassment, or intimidation; (2) enhancing agencies' capability to provide technical assistance in resolving issues with employers collaboratively before they escalate; and (3) clarifying referral protocols to ensure coordination with EEOC or State FEPAs.

Department Response: The Department disagrees with the concerns raised by these commenters. The Department has determined that investigation of discrimination complaints and related tasks are better left with the EEOC or State-level FEPAs because such agencies have the appropriate subject matter expertise and jurisdiction over such matters. For example, the EEOC is the most appropriate enforcement agency for making a determination that a program sponsor violated an applicable Federal nondiscrimination law. Registration Agencies, by contrast, are apprenticeship administrators whose primary responsibility is the registration, oversight, and promotion of Registered Apprenticeship programs. The Department therefore concludes that the investigation and adjudication of discrimination complaints should be conducted by entities specifically established for that purpose rather than by Registration Agencies operating under the NAA.

Under this final rule, once the Registration Agency is made aware of such a determination concerning a Registered Apprenticeship program sponsor, it may initiate appropriate administrative actions, including establishing a compliance action plan or initiating deregistration proceedings, as described in the section-by-section discussion of the nondiscrimination compliance and enforcement section at § 30.5 of this final rule.

The Department is unpersuaded that a referral-based framework will undermine apprentice welfare. To the contrary, the Department maintains that apprentice welfare is best served when allegations of unlawful discrimination are investigated by agencies with the expertise, procedural safeguards, and remedial authority necessary to resolve such claims. The EEOC, State FEPAs, the Department of Justice, and similar entities possess the expertise, jurisdiction, procedural safeguards, and remedial authority necessary to investigate discrimination claims and adjudicate alleged violations of Federal and State civil-rights laws. Registration Agencies, by contrast, lack these key capabilities. The Department is convinced that directing complainants to the appropriate enforcement authority better aligns discrimination enforcement responsibilities with the institutions specifically established to carry out those functions, rather than maintaining a parallel apprenticeship-specific process.

The Department also disagrees with some commenters' suggestion that the ability of Registration Agencies to provide informal technical assistance or facilitate voluntary resolutions justifies retaining investigative authority over discrimination complaints. While the Department recognizes that Registration Agencies have occasionally assisted sponsors and apprentices in resolving workplace disputes, the commenters' observations merely demonstrate that Registration Agencies have historically referred many discrimination complaints to appropriate Federal or State enforcement agencies while providing ancillary assistance where appropriate. Indeed, the report cited by one commenter noted that SAAs frequently refer discrimination complaints to State or Federal FEPAs, particularly where the SAA lacks the means or expertise to investigate the allegations independently.[53] This report thus confirms that the referral-based approach

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[53] Zach Boren and Shruti Nayak, "State-Level Policies Develop Skilled Workforces through Registered Apprenticeship Programs Lessons from the Office of Apprenticeship and Four State Apprenticeship Agencies," Urban Institute, Apr. 2025, *https://www.urban.org/sites/default/files/2025-04/State-Level%20Policies%20Develop%20Skilled%20Workforces%20through%20Registered%20Apprenticeship%20Programs.pdf.*

proposed in the NPRM is already common practice for both OA and SAAs. The final rule formalizes and clarifies this practice by directing discrimination complaints to the agencies specifically charged with enforcing nondiscrimination laws.

The Department further maintains that significant administrative consequences, including the development of compliance action plans, suspension of the right to register new apprentices, or deregistration, should be predicated upon findings made by entities possessing legal authority to investigate and adjudicate claims of unlawful discrimination. Registration Agencies should not independently make de facto determinations regarding violations of Federal or State nondiscrimination laws, which risks inconsistent enforcement and conflicting interpretations of nondiscrimination requirements.

Similarly, the Department disagrees with some commenters' assertions that a referral-based approach undermines the NAA's directive to safeguard the welfare of apprentices. The Department has determined that referring complaints alleging illegal discrimination to appropriate enforcement agencies will better safeguard the welfare of apprentices by ensuring that the substance of the complaint will be investigated by entities with the appropriate expertise and providing apprentices with a legitimate opportunity to receive individualized relief in response to the alleged illegal conduct. The Department notes that such individualized forms of relief are available under Title VII and other Federal statutes, but have never been included in the part 30 regulation.

Separately, in response to one commenter who asserted that the EEOC does not issue final determinations and that complainants must pursue complaints in court after a preliminary determination by the EEOC, the Department maintains that this and other similar enforcement agencies are the most appropriate venues for apprentices to raise allegations of discriminatory conduct by an apprenticeship program. In response to the commenter raising concerns about delayed enforcement, while the Department

acknowledges that it is possible that the referral of complaints to other agencies may take additional time, such referrals nevertheless ensure that such complaints are investigated and handled appropriately, and that determinations are made accurately by entities with the relevant expertise.

3. Concerns About Reliance on Complaints

Comments: Some commenters expressed concern about the proposal's reliance on complaints to address discrimination. These commenters stated that most individuals who experience discrimination do not file formal complaints due to, among other reasons, fear of retaliation, a lack of resources, or concerns that final determinations are rare and often take years to resolve. One commenter cited research which it found that only between 6 and 13 percent of harassment incidents are formally reported in the construction trades, in part due to fears of retaliation or that their compliant will not be acted upon. Some commenters also asserted that relying on a complaints-driven civil rights compliance system would place the burden of preventing discrimination on apprentices, and maintained that such a system would be ineffective and unfair.[54] Another commenter added that the EEOC recommends that multiple people in an organization should be authorized to receive complaints, so that complainants have more reporting options.

Department Response: The Department understands commenters' concerns that some apprentices who experience discrimination may choose not to file formal complaints. The Department is not persuaded, however, that retaining apprenticeship-specific compliance reviews would meaningfully uncover instances of unlawful discrimination.

The compliance reviews conducted under the prior regulation were principally designed to assess compliance with the affirmative action requirements contained in part 30, including utilization analyses, utilization goals, action taken to meet such goals, and

related recordkeeping requirements. As discussed elsewhere in this preamble, the Department has determined that these requirements were burdensome and, in many cases, likely unlawful. While there is no longer a need to conduct compliance reviews that assess compliance with the rescinded provisions of part 30, the final rule at § 30.5 does preserve a mechanism for monitoring compliance with the revised part 30 requirements pursuant to the program review provision under 29 CFR 29.6.

While affirmative action requirements can be assessed through the review of records and other objective indicators, individual allegations of intentional discrimination frequently involve fact-specific disputes concerning motive, intent, harassment, or other conduct directed at particular individuals. Such matters are frequently identified only through complaints, witness testimony, and investigative procedures conducted by agencies and courts with expertise in enforcing nondiscrimination laws. It is unsurprising that Congress and State legislatures have generally relied on complaint-driven processes to enforce nondiscrimination laws. Therefore, allegations of unlawful discrimination are more appropriately addressed through the established Federal and State nondiscrimination enforcement framework than through apprenticeship-specific compliance reviews.

Commenters' concern over the chilling effect on employees who file complaints is addressed by Federal and State nondiscrimination laws that prohibit retaliation against individuals who file complaints or otherwise participate in protected activities. If a sponsor is found to have engaged in unlawful retaliation under one of these laws or any other applicable nondiscrimination law, the EEO agency and the Department can hold the sponsor accountable pursuant to revised § 30.5. Finally, in response to one commenter's concern, the Department also clarifies that nothing in the rule prohibits sponsors from designating multiple people within their organizations as being responsible for receiving complaints related to nondiscrimination law.

4. **Comments Alleging Certain Harmful Impacts That Would Result From the Department's Proposed Streamlining of Enforcement and Oversight Activities**

Comments: A commenter asserted that the proposed rule would reduce Registration Agency oversight and intervention in cases of discrimination and harassment and would therefore likely increase non-completion of apprenticeship programs, preventing employers and labor markets overall from the benefits of investments in apprenticeship. The commenter also cited research finding that the lifetime costs of workplace sexual harassment and retaliation were particularly high for those pushed out of well-paid occupations, reaching $1.3 million for an apprentice in the construction trades.

Another commenter also raised questions on how Registration Agencies would become aware of final determinations. One commenter recommended that the Department consider data sharing practices or subregulatory guidance on how it will receive final judgments and pursue enforcement actions for consistency.

Department Response: While these commenters raised concerns regarding the proposed rule's adverse impacts upon apprenticeship completion rates and the lifelong costs of discrimination and harassment, they did not provide persuasive evidence that the compliance review provisions in the existing part 30 regulation have been effective in mitigating the prevalence of discrimination and other forms of egregious conduct in the apprenticeship workplace. As with discrimination, it is unclear how, for instance, compliance review can detect unreported harassment allegations. Since apprentices will retain the opportunity to file complaints in response to such conduct, and will have a more streamlined and clear approach to filing such complaints, the Department does not agree that the proposed regulatory revisions will harm completion rates or will result in an increase in the prevalence of discrimination or harassment in apprenticeship programs.

The Department received comments requesting clarity regarding how Registration Agencies will be made aware when a final determination from an enforcement entity or court regarding a violation of applicable nondiscrimination against a program's apprentice or applicant for apprenticeship. The Department appreciates these comments and has included a provision in the "Nondiscrimination Compliance and Enforcement" section of this final rule, at § 30.5(b)(1) and (2), that requires sponsors to report any final determinations that an applicable nondiscrimination law has been violated with respect to an apprentice or applicant for apprenticeship to the Registration Agency within 60 days. The Department asserts that this requirement will strengthen transparency and accountability regarding sponsors' compliance with applicable nondiscrimination laws.

Further, the Department maintains that there are several ways Registration Agencies can work with the EEOC or State FEPAs and the court system to be informed of final determinations of illegal discrimination against apprentices or applicants to an apprenticeship program. For example, Registration Agencies could review court filings or could send inquiry letters to the relevant Federal and State FEPAs as part of the program review process. To the extent possible and appropriate, Registration Agencies are also encouraged to develop MOUs and other partnerships with Federal and State FEPAs to receive notifications of final determinations concerning nondiscrimination violations against apprentices or applicants to an apprenticeship program by Registered Apprenticeship program sponsors from such governmental entities or establish a mechanism by which Registration Agencies can make inquiries. The Department maintains that the addition of a self-disclosure requirement for sponsors whose program is the subject of a final determination will facilitate Registration Agencies' awareness of any relevant nondiscrimination law violations among the Registered Apprenticeship programs they oversee and declines to add any specific requirements for Registration Agencies to establish information-sharing agreements to verify such violations. Given

that different options may be suitable based on different administrative structures across States, the Department maintains that imposing a uniform approach for Registration Agencies to conduct any additional verification of such information through regulatory text is not appropriate.

5. Other Administrative Concerns Related to Complaints

Comments: A commenter remarked that, among other issues, one concern with requiring complaints to be referred to State FEPAs is that in two SAA States, Alabama and Arkansas, there is no such State agency, and that in some other SAA States, there may be multiple applicable agencies, but the proposed rule does not provide clarity on identifying the correct agency. The commenter also expressed concern about the lack of discretion for Registration Agencies allowed under the proposed rule, specifically posing a hypothetical where the EEOC's budget were to shrink to the point where it could not accept additional complaints from OA. Additionally, another commenter expressed concern that the proposed changes would place investigative and resource strains on already under-resourced agencies.

A commenter warned that the proposed rule's reliance on complaints would largely inhibit Registration Agencies' ability to perform compliance reviews. The commenter stated that while the rule nominally retains the compliance review provision, the Registration Agency would not be able to initiate any enforcement action against a sponsor unless there was a final determination of wrongdoing, which would rely on the filing of complaints by apprentices. As a result, the commenter warned that the proposed reliance on complaints would mean that Registration Agencies would have no authority to take any action if they observe blatant discrimination that violates part 30 while they are conducting a part 29 review unless and until there is a final determination.

Department Response: Regarding the concern that some States do not have a State FEPA, as the preamble above clarifies, this final rule does not limit SAA States to

referring complaints to their State FEPA. Under the final rule, SAA states may refer the complaint to any Federal or State agency with appropriate subject matter expertise and jurisdiction over matters concerning illegal discrimination. In response to this concern, and as noted above, the Department has changed the regulatory text at § 30.4 in this final rule to clarify that the list of enforcement entities is not limited to the EEOC, U.S. Attorney General, or State FEP, and that Registration Agencies may refer the complaint to any other appropriate enforcement entities with appropriate subject matter expertise and jurisdiction. In addition, the Department changed the regulatory text at § 30.4 to clarify that Registration Agencies are not limited to referring complaints to one enforcement entity, and may refer complaints to multiple entities as appropriate.

In response to commenters' concerns that the EEOC is facing restraints on its resources that could impact its capacity to handle complaints effectively, the Department notes that the budgetary resources and staffing capacity of the EEOC are determined by Congress and not the Department. Additionally, the Department has received only a small number of discrimination complaints from apprentices under the existing regulation, and notes that its longstanding practice has been to refer such complaints to the EEOC as the appropriate Federal agency for determining whether an allegation of discriminatory conduct has merit. EEOC data indicates that the agency received over 88,000 charges of workplace discrimination in FY 2024 alone, whereas the Department has received fewer than 60 complaints of discrimination under part 30 from apprentices since the beginning of FY 2021.[55]

Finally, the Department does not share commenters' concerns that the proposed rule would limit the ability of Registration Agencies to initiate any enforcement actions against a sponsor unless there was a final determination of illegal discrimination. The

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[55] EEOC, "Enforcement and Litigation Statistics" *https://www.eeoc.gov/data/enforcement-and-litigation-statistics-0* (last visited June 26, 2026).

Department maintains that it is appropriate to defer adverse administrative actions under part 30 against a program sponsor until the Department has received confirmation that a violation of an applicable nondiscrimination law has occurred from an enforcement agency with the appropriate subject matter expertise and jurisdiction to make such determinations.

E. Section 30.5 – Nondiscrimination Compliance Reviews and Enforcement

In the NPRM, the Department proposed eliminating the extensive EEO and affirmative action requirements in the current part 30 regulation and revising the existing compliance and enforcement framework in §§ 30.13 and 30.15 by consolidating and simplifying those provisions into a new § 30.5. Under the current rule, the Department conducts routine "EEO compliance reviews" to evaluate sponsors' adherence to the comprehensive set of requirements across part 30, with particular attention to the development and implementation of an affirmative action program required for programs with five or more apprentices under current § 30.4, the contents of which are detailed in §§ 30.5 through 30.9 and 30.11. Accordingly, the Department proposed to merge the compliance review and enforcement components of the regulation into a single section—"Nondiscrimination compliance reviews and enforcement"—at proposed § 30.5.

This proposal was designed to focus Departmental resources—principally OA staff's expertise in apprenticeship program quality—on labor standards rather than on making legal determinations regarding compliance with the extensive EEO and affirmative action obligations in the existing part 30 regulation. Consistent with this approach, the Department proposed to rely solely on final determinations issued by an enforcement entity or court with jurisdiction over the matter. The Department anticipated that deferring to the authority and expertise of these entities to decide whether sponsors or other apprenticeship stakeholders (such as employers participating in Registered Apprenticeship programs) have engaged in unlawful discrimination under applicable

Federal or State statutes or regulations would yield a more efficient oversight system, strengthen accountability, provide clearer expectations for stakeholders, and result in more appropriate and effective remedies for individuals subjected to discrimination, harassment, or other unlawful treatment in Registered Apprenticeship.

The Department also proposed that compliance reviews related to the streamlined part 30 nondiscrimination requirement occur alongside the program's routine review for compliance with part 29, and that Registration Agencies initiate enforcement actions for violations of the part 30 nondiscrimination requirement only after a court with jurisdiction over employment discrimination (including alleged discrimination involving apprentices or applicants to apprenticeship programs) issues a final, non-appealable determination finding a violation of applicable nondiscrimination laws or regulations. This sequencing was intended to ensure that Registration Agencies do not act while related matters are pending adjudication, consistent with due process principles. Proposed § 30.5(c) outlined the enforcement initiation process, including collaborating with the sponsor to develop a compliance action plan that aligns with the remedy prescribed by the enforcement entity or court. Under proposed § 30.5(c), if a Registration Agency determines that a sponsor is not carrying out the compliance action plan in accordance with the enforcement entity's or court's remedy, the Agency may take additional enforcement steps, including suspending the sponsor's authority to register new apprentices or commencing formal deregistration proceedings under 29 CFR 29.8.

The Department concluded that this streamlined compliance and enforcement framework preserves Registration Agencies' essential role in conferring the benefits of registration and, when necessary, rescinding registration. The Department received several comments requesting clarity on how the proposed compliance framework would work in practice; specifically, how Registration Agencies would be made aware when an enforcement entity or court makes a final determination that an applicable

nondiscrimination law was violated with respect to an apprentice or an applicant for apprenticeship. The Department appreciates these comments and agrees that additional clarity on the enforcement framework will benefit stakeholders and support transparency and accountability regarding Registered Apprenticeship program sponsors' compliance with applicable nondiscrimination laws. Accordingly, in this final rule, the Department has added a requirement that sponsors notify the Registration Agency of any final determinations regarding a violation of an applicable nondiscrimination law with respect to an apprentice or applicant for apprenticeship made by a relevant enforcement entity or court within 60 days at § 30.5(b)(1). In addition, at § 30.5(b)(2) of this final rule, the Department has added a requirement for sponsors to disclose the details of any remedies prescribed by the enforcement entity or court to the Registration Agency. The Department has determined that this additional disclosure requirement will facilitate the requirement that the Registration Agency work with the sponsor to develop a compliance action plan that aligns with any such remedy set forth in § 30.5(c) of this final rule. Aside from these additions to the final rule, the Department is adopting § 30.5 as proposed.

Support for the Proposed Compliance Review and Enforcement Provision

Comments: A commenter expressed support for the proposed review and enforcement provision. This commenter reasoned that empowering sponsors to tailor compliance plans to their unique operations, rather than imposing a rigid, one-size-fits-all model, would more effectively promote adherence to Title VII and other nondiscrimination laws in apprenticeship programs. This commenter expressed further support for the proposed enforcement regime, stating that the proposed rule appropriately recognizes that Congress established particular enforcement regimes for nondiscrimination laws and established specific remedies, and that it does not seek to add new enforcement regimes or sanctions on top of those established by Congress. However, the commenter expressed concern about the discretion that would be granted to

Registration Agencies to assess whether a compliance plan is being followed and when a violation is resolved, stating that these determinations should remain the purview of the court or agency that issued the original order.

While expressing general support for the provision, a commenter recommended that the Department consider establishing a new regulatory provision that creates a "rebuttable presumption of compliance" for programs that demonstrate adherence to key voluntary practices in nondiscrimination and equal opportunity. This commenter remarked that this approach is used successfully by other agencies, and suggested that this approach could assist in addressing reliance interests of existing sponsors who are already complying with the 2016 final rule and reduce the overall regulatory burden while still providing regulatory incentives for programs to exceed the minimum nondiscrimination requirements with good practices and behaviors. The commenter provided alternative regulatory text to effect this suggestion.

Department Response: The Department appreciates these supportive comments. The Department understands the concern regarding the wide degree of discretion available to Registration Agencies under the proposed rule. The Department agrees that it is crucial that there be consistency across Registration Agencies in determining if compliance plans are being followed and that Registration Agencies defer to the remedial actions that enforcement agencies direct sponsors who have been found to have engaged in discriminatory conduct to undertake. In response to comments discussing the need for compliance action plans to adhere to the remedies to nondiscrimination violations provided by enforcement entities or courts, the Department has added a disclosure requirement for sponsors whose programs are the subject of such final determinations. This disclosure requirement will ensure that Registration Agencies are aware of the remedy provided by the enforcement entity or court, and that any compliance action plans established to address violations of nondiscrimination laws are suitably aligned with any

such remedies. The Department confirms that the enforcement framework established in this final rule does not add any new enforcement mechanisms beyond those established by Congress.

In response to a commenter's suggestion to create a "rebuttable presumption of compliance," the Department maintains that the proposed enforcement framework would effectively establish such a presumption of compliance, as a program only would be found noncompliant if there is a final determination that the program violated an applicable nondiscrimination law.

1. **Comments on the Status Quo and the Department's Reasoning**

Comments: One commenter stated that compliance reviews serve important functions in an enforcement scheme that are not and cannot be served by relying solely on complaints. The commenter remarked that apprentices and applicants are not always aware of discriminatory practices, especially with regard to recruitment and hiring decisions, and that compliance reviews can uncover such practices. The commenter further argued that the Department's reasoning for the proposed change, that Registration Agency staff do not have the required expertise to enforce nondiscrimination requirements, does not stand up to scrutiny. The commenter said that the Department underestimates staff abilities and knowledge; that the Department has substantial resources it can provide to Registration Agency staff to train and support them in their enforcement of nondiscrimination requirements; and that while other enforcement authorities may have more expertise in nondiscrimination law, they are unlikely to have expertise in apprenticeship, which may be necessary to understand forms of discrimination unique to the apprenticeship setting. The commenter also stated that the Department has extensive resources in other departments, mainly the Solicitor's Office, that could provide training, back-up, assistance, and legal analysis to Registration Agency

staff and that the Department did not evaluate utilizing the Solicitor's or other existing resources as an alternative to the proposed rule.

Another commenter stated that the proposed rule is correct in arguing that OA lacks the capacity to properly enforce the EEO regulations under 29 CFR part 30, and there are not enough career staff to perform compliance reviews, as required under § 30.13. However, the commenter did not agree that Registration Agency staff lack the knowledge and experience to ensure compliance with the affirmative action requirements. The commenter concluded that any challenges with enforcing the existing framework could be solved by hiring additional staff to perform compliance reviews of affirmative action requirements or utilizing SAAs to perform compliance reviews.

Department Response: In response to these comments, the Department reiterates that, as a general matter, FEPAs are better suited than Registration Agencies to make authoritative administrative determinations regarding whether a program sponsor's hiring practices or other workplace practices constitute illegal discrimination against apprentices or applicants. One commenter acknowledged this reality, agreeing with the Department that FEPAs possess more subject-matter expertise in assessing and identifying discriminatory conduct by employers. Accordingly, the Department has determined that it is wasteful and duplicative for a Registration Agency to conduct investigations into allegations of illegal discrimination, to attempt to resolve issues locally, or to make determinations with respect to discriminatory workplace practices when a referral to the EEOC or other FEPA with subject-matter expertise may be the most appropriate course of action. The Department maintains that providing additional training on nondiscrimination law for Registration Agency staff would be an inefficient use of limited agency resources, particularly since there are other enforcement agencies, such as the EEOC and State FEPAs, that have been directed by Federal and State laws to evaluate allegations of illegal discrimination.

In response to the commenter who suggested Registration Agencies' expertise in apprenticeship matters is useful in determining whether discrimination has occurred in a Registered Apprenticeship program, the Department notes that nothing in this final rule prevents Registration Agency staff from responding to inquiries from enforcement agencies during their investigation. The commenter did not provide any concrete examples of how the expertise of Registration Agencies regarding apprenticeship matters is specifically beneficial in investigating discrimination complaints. The Department maintains that investigating complaints alleging discrimination against apprentices should not differ from the investigation of complaints in other employment settings.

F. Section 30.6 – Reinstatement of Program Registration

The Department proposed to retain the "Reinstatement of program registration" provision at current § 30.16. As part of the streamlined part 30 framework under the NPRM, sponsors would retain the right to request reinstatement of registration by demonstrating—to the Registration Agency and to the court that issued the final determination of a violation of applicable nondiscrimination law or regulation—that the program was being operated in compliance with nondiscrimination law and this part. The proposal preserved the existing requirement that sponsors present "adequate evidence" of compliance with part 30. Because violations under part 30 would have been confirmed by a court of competent jurisdiction, sponsors would have been required to provide evidence satisfactory to that court that they had addressed the issues underlying the nondiscrimination complaint, including implementing any ordered remedies. Retaining a reinstatement provision was consistent with the proposed compliance approach and supported the Department's objective, in streamlining the regulation, to enhance regulatory flexibility for Registered Apprenticeship stakeholders.

The Department did not receive public comments related to proposed § 30.6. Accordingly, for the reasons discussed in the NPRM, the Department finalizes the provision as proposed.

G. Section 30.7 – State Apprenticeship Agencies

In the NPRM, the Department proposed to rescind parts of current § 30.18, the provision covering SAAs, in the existing part 30 regulation. The Department explained that the current part 30 regulation, and the existing regulatory requirements for SAAs under part 30, have not been fully successful in achieving a uniform national standard for nondiscrimination and equality of opportunity in Registered Apprenticeship, as evidenced by the variations in content and requirements in the State EEO plans required by existing § 30.18. Given the inconsistencies the existing part 30 regulation has created across SAAs, the Department proposed a new section for SAA requirements related to the part 30 regulation, at proposed § 30.7, that reflects the Department's determination that sponsors operating Registered Apprenticeship programs should not be required to comply with excessive and legally suspect requirements that only apply to Registered Apprenticeship and not their general workforce. In the NPRM, the Department argued that proposed § 30.7 would facilitate the establishment of a uniform Federal standard governing nondiscrimination in Registered Apprenticeship and reduce administrative burdens for SAAs by stipulating that compliance with applicable Federal and State nondiscrimination laws is sufficient to conform with the requirements of an updated part 30 regulation.

As proposed, § 30.7(a) would have required that, within 1 year of the effective date of the final rule, all SAAs seeking to obtain or maintain recognition under current § 29.13 must ensure that their State's apprenticeship laws, regulations, policies, and procedures specifically pertaining to nondiscrimination for apprentices "conform only to the requirements of this part [30]." This provision was proposed to relieve SAA States

from having to impose the complex, burdensome, and legally suspect set of regulatory obligations that are found in current version of part 30 and would substitute a straightforward requirement that such states conform to the nondiscrimination requirements found in applicable Federal and State laws. The Department explained that the purpose of this proposed provision was to establish a nationally uniform standard for nondiscrimination protections across all States participating in the National Apprenticeship System.

In proposing to establish a uniform Federal standard at proposed § 30.7(a), the Department sought to ensure that State laws and regulations concerning nondiscrimination or equality of opportunity in Registered Apprenticeship were coextensive in their substance and scope with the requirements of the proposed revision to part 30 and consistent with Federal and State nondiscrimination laws. The Department explained that attaining a uniform standard across all States would be particularly helpful for sponsors that register and operate their programs in multiple States, and would foster an environment that is conducive to accelerating the expansion of Registered Apprenticeship programs. In addition, proposed § 30.7(a) would have allowed States to seek an extension for "good cause" to provide needed flexibility for States with differing legislative or regulatory processes to enact and implement laws that conform only to the requirements stipulated at proposed § 30.7.

Proposed § 30.7(b) and its subordinate paragraphs set forth the elements of State plans for nondiscrimination in apprenticeship for States seeking new or continued SAA recognition. Proposed § 30.7(b)(1)(i) stipulated that State plans include all of a State's statutes, regulations, and policies pertaining specifically to nondiscrimination in apprenticeship, and that such statutes, regulations, and policies conform only to the requirements of the proposed part 30. The Department explained that this language would help to prevent operational fragmentation among State-registered programs and would

ensure consistent application of nondiscrimination standards. Proposed § 30.7(b)(1)(ii) further stipulated that all State-registered programs comply with a State's Department-approved State plan within 180 days from the date that the Department approved the State plan submitted under proposed § 30.7(a). The Department determined that a 180-day compliance window would allow for an orderly and timely transition to full implementation at the program level, particularly since sponsors must already be operating their apprenticeship program in compliance with the applicable Federal and State nondiscrimination laws.

Proposed § 30.7(b)(2) mirrored the purpose of existing § 30.18(a)(2)(i-iii) in outlining the review process that OA will undertake upon receipt of the State plan, including providing technical assistance to support conformity with Federal regulations. Similarly, proposed § 30.7(b)(3) stipulated that if an SAA State did not submit a revised State plan that adequately responded to OA's provision of technical assistance on nonconformity issues within 90 days, OA may initiate derecognition proceedings set forth in § 29.14 and proposed § 30.7(e) to formally derecognize the SAA. The Department explained that this provision was intended to provide both due process and accountability for the State. Proposed § 30.7(b)(4) reaffirmed the requirement at existing § 30.18(a)(4) that any subsequent amendments to the State plan for nondiscrimination in apprenticeship must be submitted to the OA Administrator for review and approval prior to implementation to promote alignment between State plans and the Federal nondiscrimination framework described herein.

The recordkeeping requirements stipulated by proposed § 30.7(c) largely replicated the SAA recordkeeping obligations currently found in § 30.18(b), which require a recognized SAA to keep records pertaining to program compliance reviews, complaint investigations, and any other records pertinent to a determination of compliance with the part 30 regulation. These records must be maintained for five years

from the date of their creation. The proposed recordkeeping provision was intended to reinforce OA's ability to continue overseeing and auditing compliance over time, including by requiring SAAs to maintain adequate documentation to enable OA to make informed decisions about SAAs' recognition status.

Proposed § 30.7(d)(1) stated that OA would retain full authority to conduct compliance reviews of all registered programs for Federal purposes, even programs registered by an SAA. Similarly, proposed § 30.7(d)(2) reiterated that any SAA that fails to comply with the requirements of this proposed rulemaking would be subject to deregistration proceedings as provided in the part 29 regulation at §§ 29.8(b) and 29.10. The Department explained that the rescission of existing § 30.18(c)(2) and (4)(i) through (iii) was intended to align with proposed § 30.4, which proposed a significantly streamlined complaints framework for complaints alleging illegal discrimination against apprentices. The Department determined that these revisions would more efficiently deploy agency resources and would prevent duplication of investigatory efforts with those civil rights enforcement agencies that possess the statutory authority and expertise to conduct such inquiries. Under this approach, the Department would no longer independently investigate or resolve complaints of discrimination in Registered Apprenticeship. However, OA would retain the authority to refer complaints to appropriate civil rights enforcement agencies (under proposed § 30.4), and to take appropriate enforcement action (under proposed § 30.5) based on another agency's findings regarding discriminatory conduct by program sponsors.

Proposed § 30.7(e) replicated the content of current § 30.18(d). This derecognition provision may be utilized by the Department in appropriate circumstances to assure full conformity by SAA states with Federal nondiscrimination obligations contained in this part.

The Department received some public comments on proposed § 30.7, with some focused on the proposed standard that State laws, regulations, and policies on nondiscrimination in apprenticeship conform only to the revised part 30 regulation. The Department considered all public comments, including comments discussing the proposed "conform only to" standard for SAAs, in developing this final rule. In response to concerns raised by public commenters, the Department has made adjustments to the final regulatory text at § 30.7, including changing the standard to require that SAAs' State laws and regulations "conform to" the revised part 30 regulation, and specifying in the regulatory text throughout § 30.7 that such standard applies to State laws and regulations that pertain specifically to nondiscrimination or equal opportunity in apprenticeship. The Department also clarified its requirements for the content of State plans for nondiscrimination in apprenticeship necessary for recognition or continued recognition. These changes to the final rule regulatory text are described below in the Department's responses to public comments on this proposed provision, as are instances where the Department is adopting the regulatory text proposed in the NPRM.

1. Comments on the proposed requirement that State laws relating to nondiscrimination in apprenticeship must "conform only to the requirements of [part 30]" (§ 30.7(a))

Clarification of the "Conform Only to" Requirement

Comments: A commenter expressed concern that the proposed rule did not describe how SAAs' autonomy would be maintained or clarify the extent to which it would supersede SAAs' prerogatives for addressing specific needs within their jurisdictions. Another commenter criticized the proposed provision as contradicting the cooperative federalist model of the NAA. These commenters recommended allowing SAAs to continue exercising their current level of apprenticeship system oversight to preserve innovation and local regulatory responsiveness. A group of commenters opined

that the NPRM contains contradictory statements about States' ability to establish their own nondiscrimination laws (e.g., that States have the ability to establish nondiscrimination laws but that States must "conform only" to part 30) and expressed concern that, as written, the proposed rule would create confusion about the interaction of State and Federal laws, thereby undercutting States' rights. One commenter requested that the Department clarify whether SAAs are prohibited from retaining or enforcing additional EEO-related provisions, how the Department would treat enforcement of requirements that are "in addition to" but not inconsistent with part 30, and what options would be available to sponsors in SAA States where such additional EEO-related provisions are being enforced.

One commenter requested that the Department provide guidance on situations where apprenticeship programs may be subject to conflicting State and Federal requirements, such as if a State maintains nondiscrimination provisions that go beyond the streamlined Federal requirements. This commenter recommended that the Department establish clear procedures for resolving such conflicts, adding that failure to do so could burden sponsors and deter prospective sponsors from registering their programs. This commenter also requested that the Department clarify that the requirement for regulatory uniformity would be confined to part 30 nondiscrimination requirements, and not expand to apprenticeship registration requirements under part 29. The commenter reasoned that the flexibility of the existing OA-SAA system is important for allowing programs to reflect local- and State-level labor market conditions, trade-specific considerations, and collective bargaining agreements, such as setting wages appropriate to local cost of living and journeyworker-to-apprentice ratios and training curricula appropriate for an occupation's safety and training requirements. The commenter also requested that the Department affirm that the proposed rule would not override State laws or policies governing apprenticeship program standards outside the scope of EEO requirements.

One commenter expressed support for the Department taking steps to ensure that SAAs conform to Federal standards and do not discriminate against merit-based apprenticeship programs. Another commenter, which expressed support for this provision and recommended removing the State law requirement from the § 30.3 nondiscrimination standard, opined that the Department may need to modify the provision to clarify that sponsors are not obligated to comply with State nondiscrimination requirements where they go beyond or conflict with Federal requirements.

Some commenters opposed the provision at proposed § 30.7(a), arguing that it would improperly impede States' constitutional authority to implement their own State laws and programs that meet local needs. Some commenters asserted that this change would set a "concerning" precedent for undermining States' rights. One commenter expressed opposition to what it characterized as the Department's effort to reduce proactive and innovative policymaking at the State level. This commenter opined that women's participation rate in apprenticeships varies widely across States, but that women have made significant strides in high-paying fields in SAA States due to proactive policies, such as data analysis and reporting, research, funding, and cooperation among industry stakeholders; the commenter concluded that limiting States' ability to innovate and take initiative would stifle these gains.

A commenter expressed opposition to limiting States' authority to promote EEO and advance civil rights beyond Federal requirements. The commenter reasoned that the NAA contemplates shared authority between the Federal Government and the States. This commenter asserted that the NAA's language on shared authority means that States can meet or exceed the minimum requirements set by OA, adding that States have implemented additional protections, such as for marital status and gender identity. The commenter characterized the proposed conformity requirement as improper overreach.

Another commenter expanded on these sentiments, arguing that the NPRM exceeds the Department's authority under the NAA by restricting the ability of States to go above and beyond the Federal rules for preventing discrimination, and reasoning that, while Congress may preempt State laws, it declined to do so with respect to apprenticeship standards. This commenter opined that the plain meaning of the statute is that States have their own authority to effectuate standards of apprenticeship, and that Federal requirements are a floor that States must meet, not a ceiling they cannot exceed. The commenter further asserted that the rule would force many SAAs to abandon their unique protective nondiscrimination and affirmative action requirements.

While similarly arguing that the Congress did not intend for the NAA to have a preemptory effect, a group of commenters asserted that Title VII expressly disavows preemption of State nondiscrimination laws, adding that a State law exceeding the proposed rule's narrow standards does not mean that there is a conflict with Federal law warranting preemption.

Department Response: The Department appreciates commenters' concerns and requests for clarity as to the scope of this rule's nondiscrimination standard and SAA conformity. Upon review and analysis of the comments, the Department views it as necessary to clarify its intent regarding the applicability of the conformity analysis to State laws, regulations, or policies that specifically pertain to nondiscrimination in Registered Apprenticeship. The Department intends to focus solely on any additional nondiscrimination or equal opportunity requirements imposed upon sponsors that are specific to Registered Apprenticeship. Because SAAs are recognized by the Department to register apprenticeship programs for Federal purposes, the Department is exercising its authority under the NAA to review State requirements that are specific to Registered Apprenticeship to determine conformity with Federal requirements. In other words, the Department is not purporting to regulate generally applicable State nondiscrimination

laws and requirements but rather to ensure that, in exercising the Department's delegation of authority to register apprenticeship programs for Federal purposes to SAAs, such delegated authority is not provided to States with nondiscrimination or equal opportunity laws and requirements that apply specifically to Registered Apprenticeship that conflict with Federal nondiscrimination law or the overall purpose of the NAA. This is in furtherance of the Department's interest in uniformity within the Registered Apprenticeship system, reduced burden on sponsors, and facilitation of the growth of Registered Apprenticeship. Thus, the Department only will consider State laws and requirements specifically pertaining to nondiscrimination or equal opportunity in apprenticeship when determining whether to confer initial or continued recognition to an SAA under the revised part 30 regulation.

To that end, and to address commenters' concerns about the interaction of Federal and State nondiscrimination requirements, the final rule modifies § 30.7(a) to clarify that § 30.7 of this final rule only applies to State statutes, regulations, policies, and operational procedures that specifically pertain to nondiscrimination or equal opportunity in apprenticeship. This refers to those nondiscrimination or equal employment requirements that apply to sponsors by virtue of their participation in the Registered Apprenticeship system; it does not refer to laws that specifically include program sponsors among the covered entities but that do not impose obligations that are unique to such sponsors. This modification is responsive to commenters' concerns that the Department's proposed language sought to infringe upon States' authority to regulate nondiscrimination requirements in their States, which may exceed Federal nondiscrimination laws, and clarifies the Department's intent to analyze any additional nondiscrimination or equal opportunity requirements that are specific to Registered Apprenticeship. As stated throughout the preamble, with this final rule, the Department intends to remove burdensome, duplicative, and legally questionable requirements for

Registered Apprenticeship program sponsors that discourage or disincentivize sponsors from participating in Registered Apprenticeship.

This change to the final rule at § 30.7 clarifies that the Department will review State-level laws, regulations, and policies specific to nondiscrimination or equal opportunity in apprenticeship when assessing a State's request to obtain or retain recognition as an SAA. SAAs must include any State laws, regulations, or policies that contain nondiscrimination or equal opportunity requirements specific to Registered Apprenticeship in their State plans for nondiscrimination in apprenticeship so that the Department can assess whether any apprenticeship-specific requirements are unduly burdensome, unlawful, or detrimental to the expansion of Registered Apprenticeship opportunities for all qualified individuals. The Department does not intend to preempt State nondiscrimination laws; however, it does intend to create a uniform Federal standard for nondiscrimination and equal opportunity in Registered Apprenticeship that applies to SAAs seeking to register apprenticeships for Federal purposes.

In conjunction with this modified language in the final rule, the Department has also modified the conformity language from "conform only to" to "conform to" in § 30.7(a) and (b). The Department acknowledges the concerns raised by the commenters regarding federalism, States' authority to regulate nondiscrimination laws in their states, and the various questions raised about the impact of a "conform only to" analysis on the recognition of SAAs. The Department has determined that using the "conform to" language in part 30 provides consistency across the apprenticeship regulations, meets the Department's goals of streamlining nondiscrimination requirements, and provides sufficient basis for review, technical assistance, and SAA derecognition, if necessary. The Department has also determined that this change addresses concerns about Federalism and the balance between State and Federal authority in regulating nondiscrimination within each State. As described below, the Department views this

change from "conform only to" to "conform to" as addressing commenters' concerns by: (1) providing consistency in the review of SAAs across parts 29 and 30; (2) mitigating concerns about preemption of State nondiscrimination laws; and (3) allowing the Department to review SAA recognition under the revised part 30 with an individualized analysis of whether each SAA conforms to the revised regulations.

In addition, in this final rule, the Department has added "equal opportunity" to the regulatory text at § 30.7(a), and at § 30.7(b)(1)(i) and (ii), to clarify that the Department intends to review any State-level laws, regulations, and policies on equal opportunity that are specific to Registered Apprenticeship in determining whether a State's laws, regulations, and policies conform to the requirements of this part. The Department's decision to add "equal opportunity" to the apprenticeship-specific State laws, regulations, and policies that it will review in determining whether a State's laws, regulations, and policies conform to the requirements of this part provides clarity to Registered Apprenticeship stakeholders on the scope of the Department's part 30 analysis for SAA recognition. The Department recognizes that States have established apprenticeship-specific equal opportunity requirements based on the existing part 30 requirements that are being revised, including the requirements for the State EEO plan contained in § 30.18 of the existing regulation. The Department is concerned that such requirements may have restricted growth of the Registered Apprenticeship system by discouraging employers from becoming sponsors, and that some of those requirements may induce disparate treatment of applicants for apprenticeship programs based on their race or sex. Both of these impacts run counter to the Department's goals with this rulemaking, which include removing barriers to participation in Registered Apprenticeship, aligning the Department's apprenticeship regulations with applicable Federal and State nondiscrimination laws, and safeguarding apprentice welfare by removing requirements

for sponsors to consider factors other than an applicant's merit in recruiting and hiring apprentices.

Consistency in the review of SAAs

The Department has long applied the "conform to" analysis when recognizing SAAs. This is the standard articulated in part 29 under which the Department reviews State applications for recognition as SAAs and under which the Department has successfully derecognized an SAA due to its failure to conform to part 29 regulations. The "conform to" analysis is familiar to SAAs and ensures consistency in SAA review across both parts 29 and the revised part 30. This more uniform approach across the regulations allows for consistency in review and recognition of SAAs and avoids differing approaches to monitoring conformity with both parts 29 and 30. This approach is also responsive to commenters' concerns that SAAs continue exercising their current level of apprenticeship system oversight, innovation, and responsiveness to local conditions – indeed, this uniformity across both parts 29 and 30 will allow for a continuation of this same level of SAA autonomy within the requirements of the revised part 30. This change relaxes the rigidity of the "conform only" language, allows flexibility to the States to consider their own unique circumstances so long as they conform to the revised part 30, and ensures that the Department maintains the ability to recognize or derecognize SAAs based on their conformity to the revised part 30 regulations.

Federalism and State Nondiscrimination and Equal Opportunity Laws

The Department intends to review State plans for nondiscrimination in apprenticeship to ensure that State laws, regulations, policies, or operational procedures specific to nondiscrimination or equal opportunity in apprenticeship conform to the nondiscrimination standard in § 30.3. This does not mean that State laws must mirror exactly the language of the regulations, nor does it mean that any deviation will result in

a finding of nonconformity. The Department does, however, expect that the part 30 revisions will create greater uniformity in the application of nondiscrimination in Registered Apprenticeship across the Registered Apprenticeship system as a whole and expects SAAs to adopt their laws, regulations, policies, or operational procedures in accordance with the revised part 30 requirements in order to obtain or maintain recognition as SAAs. With respect to commenters' concerns about State nondiscrimination laws that may be in addition to those in part 30, the Department views its clarification regarding the scope of its review of SAAs and the adjustment of the conformity language to be responsive to these concerns. Indeed, the Department envisions review of SAAs to largely follow the review process in part 29, whereby the Department reviews for conformity, provides technical assistance as needed, and works cooperatively with the State to ensure conformity with the revised part 30 regulations. The Department does not view its interest in uniformity and clarity in nondiscrimination requirements specific to Registered Apprenticeship across the National Apprenticeship System to be a barrier to State innovation as the nondiscrimination standard is firmly rooted in Federal nondiscrimination law that is applicable across the National Apprenticeship System. Further, the nondiscrimination standard in § 30.3 does not serve to supplant State nondiscrimination law (instead, the standard incorporates such laws), and States laws regarding nondiscrimination are not preempted by this rule; rather, States must conform to the revised part 30 regulations should they include or wish to include additional nondiscrimination or equal opportunity requirements, beyond any broadly applicable State nondiscrimination requirements, that are specific to registering apprenticeship programs for Federal purposes. In this vein, the Department is acting well within its authority to promote standards of apprenticeship applicable across the National Apprenticeship System as a whole; ease the regulatory burden upon sponsors, employers, and SAAs alike; and further its goal of expanding Registered Apprenticeship.

Additionally, with respect to concerns about the Department's review of affirmative action requirements, as discussed more fully below, it is indeed the Department's intent to eliminate illegal consideration of protected characteristics in Registered Apprenticeship, and it will consider any SAA affirmative action provisions—in addition to other nondiscrimination requirements—that require consideration of protected characteristics that may induce race-based decision-making in Registered Apprenticeship, as determined by an enforcement authority or court with jurisdiction over such claims. Furthermore, the Department will review an SAA's additional nondiscrimination requirements, affirmative action or otherwise, to assess whether they infringe upon the Department's authority under the NAA and its core duties of overseeing and expanding the Registered Apprenticeship system.

Individualized assessments of conformity

The Department intends to analyze SAA plans to ensure that they do not interfere with the Department's goals of expanding the National Apprenticeship System and establishing a more uniform set of requirements for Registered Apprenticeship programs across all States. The Department's review for conformity under the well-established "conform to" standard will allow for the flexibility necessary to make an individualized determination as to each SAA's conformity to revised part 30 requirements. The Department also intends to take any such action that it deems necessary under the authority of the NAA and the regulations at parts 29 and 30 to deny recognition to SAAs that fail to conform to the revised part 30 requirements. In reviewing for conformance, the Department will analyze whether a State's statutes, regulations, policies, and operational procedures specific to nondiscrimination or equal opportunity in apprenticeship comply with this part and with the Department's responsibilities under the NAA, including whether they limit the expansion of apprenticeship opportunities.

With respect to the concerns and requests for clarity about sponsors' rights if there are additional EEO protections within a State with a recognized SAA, the Department expects sponsors to follow State laws regarding nondiscrimination so long as the SAA continues to be recognized by the Department. Should sponsors have concerns about an SAA's compliance with the revised part 30 regulations, they may submit complaints to the Department through the established complaint process in part 29. Further, should sponsors encounter barriers to registration with an SAA for any reason, they may seek to register directly with OA. The Department emphasizes that sponsors must continue to follow State nondiscrimination laws that are applicable to them as sponsors of Registered Apprenticeship programs or employers of apprentices and that the Department's recognition of an SAA should provide the necessary assurance to the sponsors of their obligations under nondiscrimination laws as applicable to Registered Apprenticeship. Conversely, with respect to concerns about the Department's impeding of progress made in increasing women's participation rate in Registered Apprenticeship, the Department's analysis of SAA nondiscrimination requirements will not prohibit SAAs from taking merit-based actions to increase participation in Registered Apprenticeship; rather, the Department will consider whether SAAs have requirements that limit or inhibit the growth of Registered Apprenticeship or that permit unlawful discrimination, such as affirmative action requirements that may induce Registered Apprenticeship program sponsors to treat applicants for apprenticeship programs differently based on their race or sex.

2. State Plan for Nondiscrimination in Apprenticeship (§ 30.7(b))

Comments: A commenter requested that the Department clarify the meaning and scope of its reference to the "policies and operational procedures related to nondiscrimination" that would be required to conform only to the revised part 30 and to provide examples of what is meant by those terms. Another commenter requested that

SAAs be permitted to continue to impose requirements contained in the existing part 30 regulation, such as its universal outreach, anti-harassment, and selection procedure requirements. The commenter described these requirements as important elements of a comprehensive approach to increasing participation in Registered Apprenticeship.

Department Response: As discussed above, the Department has adjusted the "conform only to" requirement to "conform to" and has also specified that the State laws, regulations, or policies affected by this rule are those that specifically pertain to nondiscrimination or equal opportunity in apprenticeship. For example, if a State has a law that extends certain protections specifically for apprentices in Registered Apprenticeship programs, then it would be required to include that law in its State plan. Similarly, if the State has requirements for outreach policies and procedures that involve outreach to certain demographic groups for the purpose of increasing Registered Apprenticeship participation, the SAA would be required to include such policies in its State plan.

With respect to the suggestions to include additional requirements for SAAs and their State plans, including universal outreach or other requirements from the part 30 regulation that the Department is rescinding with this final rule, the Department appreciates these suggestions but declines to add additional requirements in the State plan beyond those discussed below. This final rule streamlines nondiscrimination requirements in the part 30 regulation, and the Department's requirements for State plans follow a similar streamlining. As such, the Department declines to impose additional affirmative requirements in State plans that would include policies and procedures not required by the final rule.

Based on the Department's review and analysis of the NPRM and the public comments submitted in response to the NPRM, however, the Department has added additional provisions to the State plan requirements to clarify the contents of the State

plan necessary for the Department's review of conformity. These additions further clarify the final part 30 regulatory text to explain how the Department will conduct analyses of State plans to determine whether they conform to the regulation, as requested by public commenters. The Department expects that these additions will provide additional clarity for States on what to include in State plans such that they include all relevant information regarding State nondiscrimination requirements specific to Registered Apprenticeship. The Department's review for conformity will include an assessment of whether any additional requirements frustrate or impede the Department's authority under the NAA to expand Registered Apprenticeship, including whether they impose additional unnecessary burden or cost upon sponsors, disincentivize the establishment of new Registered Apprenticeship programs or growth of existing programs, or create unnecessary bifurcation within the National Apprenticeship System. The Department additionally expects SAAs to adhere to their responsibility to prohibit illegal discrimination in Registered Apprenticeship by removing requirements that promote illegal discrimination, such as requirements that may induce sponsors to make apprentice employment decisions based on their race or sex rather than their merit and qualifications, as determined by enforcement entities or courts with jurisdiction over such claims. As the Department discussed at length above regarding affirmative action programs, whether a particular law or policy constitutes illegal discrimination is a final determination made by an enforcement entity or court. The Department emphasizes that its focus is on eliminating unnecessary barriers for the growth of Registered Apprenticeship and removing legally questionable requirements imposed upon sponsors of Registered Apprenticeship programs. SAAs are recognized by the Department to carry out the responsibilities of a Registration Agency. As such, in order to obtain or maintain recognition as an SAA, States have the responsibility to change any State laws or regulations specific to nondiscrimination or equal opportunity in apprenticeship that

create such unnecessary barriers. In developing State plans for nondiscrimination in apprenticeship, the Department expects States seeking to obtain or maintain recognition as an SAA to adjust any such laws or regulations.

The Department modified § 30.7(b)(1)(i) in this final rule to remove the word "only" so that the provision adheres to the "conform to" standard that the Department has adopted in the final rule. This is consistent with the change in § 30.7(a) of this final rule and the rationale described above for using a "conform to" standard rather than "conform only to" when evaluating State plans. The Department also included a provision at § 30.7(b)(1)(ii) in this final rule to clarify that State plans must "[i]nclude a description of any State statutes, regulations, policies, and operational procedures pertaining specifically to nondiscrimination or equal opportunity in apprenticeship which impose requirements in addition to those prescribed in this part" to provide increased clarity for on what laws, regulations, and policies the Department will review when evaluating State plans. This is necessary to confirm that the SAA is submitting all State statutes, regulations, policies, and operational procedures relevant to the analysis of the State plan. This provision complements § 30.7(b)(1)(i) in the final rule because it serves to ensure that any State-level requirements specific to nondiscrimination in Registered Apprenticeship that go beyond the requirements of this final rule are assessed and evaluated by the Department for conformity. The Department will assess any additional requirements to determine whether they conflict with, contradict, or undermine the Department's authority under the NAA and its goal of expanding Registered Apprenticeship.

The Department also added a new § 30.7(b)(1)(iii) to this section outlining requirements for State plans for nondiscrimination in apprenticeship, which provides that States must "Not require any sponsor seeking to register a program with the State for Federal purposes, through any State statutes, regulations, policies, or operational procedures, to engage in any activity that is unlawful under Federal or State

nondiscrimination law." This directly addresses the Department's concerns articulated throughout this rulemaking about illegal discrimination in Registered Apprenticeship and explicitly prohibits States seeking to obtain or maintain recognition as an SAA from retaining laws or regulations specific to nondiscrimination or equal opportunity in apprenticeship that incorporate such illegal preferences. The provision also provides clarity, as requested by commenters, on legal or regulatory requirements specific to apprenticeship that do not conform to this part. The Department is particularly concerned about legally questionable affirmative action plans that may run afoul of nondiscrimination law and will be paying particular attention to this issue as it evaluates State plans for conformity. SAAs are expected to update their statutes, regulations, policies, and operational procedures pertaining to nondiscrimination or equal opportunity in apprenticeship to remove any requirements for Registered Apprenticeship programs to engage in practices that would constitute illegal discrimination under Federal and State law.

As discussed in sections pertaining to the revised procedures for complaints and compliance reviews above, the Department will not make an independent determination about the legality of any preferential program but will rely on decisions by agencies or courts with competent jurisdiction. The Department did not receive any comments on proposed § 30.7(b)(2) through (4) regarding OA's review of the State plan for nondiscrimination in apprenticeship and adopts the provision as proposed. Similarly, because the Department did not receive any comments on proposed § 30.7(c) (Recordkeeping requirements) nor on proposed § 30.7(d) (Retention of authority), the Department adopts the provisions as proposed.

3. Program Compliance Timelines for programs and SAAs

Comments: A commenter expressed concern about the proposed 1-year compliance timeline for States to update their laws and regulations to conform with the

proposed rule, reasoning that in their State, the legislature would likely only have one session in which to complete the revisions, and that the SAA only can request that the legislature make the necessary changes, not demand it. Another commenter expressed a similar concern about the length of time necessary for the administrative rulemaking process and legislative process. A commenter criticized the proposed rule for not acknowledging the burden that States would face in updating their laws and policies. These commenters therefore recommended extending the compliance timeline to at least 2 years. Similarly, a commenter disagreed with the Department's estimate of the burden on SAAs, State legislatures, and OA staff, and commented that the time and effort involved would detract from other work necessary to support and expand Registered Apprenticeship.

Department Response: The Department appreciates commenters' concerns regarding the timeline for SAA compliance to conform with the proposed rule. The Department is well aware that State legislative timelines and processes dictate the speed with which a State can update its laws to conform with the revised part 30. The Department anticipates that its adjustments to § 30.7(a) and (b) in the final rule provide additional clarity of the Department's review of SAA State plans for nondiscrimination in apprenticeship that conform to the requirements of this part and anticipates that this will ease the burden on SAAs.

The Department has also accounted for delays and internal processes by allowing an extension for good cause to be sought by the SAA and granted by the Administrator. This balances the Department's goals of effectuating this rule in a timely manner with the understanding that States may need to seek an extension of time from the Administrator should there be barriers to achieving compliance within 1 year of the effective date of this rule. The Department has determined that the SAAs' ability to seek and be granted an extension sufficiently addresses these concerns.

Finally, the Department appreciates that this change will require effort by SAAs and the Department alike. SAAs will be required to update their laws and policies to conform to this part, and OA will be required to devote time and effort to review SAA plans. The Department disagrees, however, that this will detract from its goal of expanding Registered Apprenticeship. On the contrary, the Department has determined the revised part 30 will result in efficiencies and reduced requirements that are well worth any time and effort spent on effectuating this rule and are fully consistent with the goal of expanding Registered Apprenticeship.

Comments: A commenter expressed concern that it would be challenging for SAAs to ensure program compliance with the proposed rule within 180 days of a State plan being approved, based on their past experiences with seeking statewide changes to apprenticeship programs. The commenter recommended extending the program compliance timeline to 1 year.

Department Response: The Department appreciates commenters' concern about the ability of sponsors to comply with the new requirements of the State plan within 180 days. Nonetheless, given that the State plan requirements in this final rule are fewer and less burdensome on sponsors than the existing part 30 requirements and that entities are already subject to and required to comply with applicable State and Federal nondiscrimination laws, the Department does not anticipate that there will be a need for additional time. This rule requires that sponsors comply with the nondiscrimination standard in § 30.3. To the extent that the State plan includes any additional requirements specific to nondiscrimination or equal opportunity in apprenticeship, such requirements must conform to the requirements of the revised part 30; therefore, the Department anticipates that requirements on sponsors will decrease, and compliance with the State plan will not result in additional burden on sponsors. As such, the Department is

finalizing the compliance timeline for programs registered in SAA States at 180 days in this final rule at § 30.7(b)(iv).

4. Comments on Changes to SAA Compliance and Review Requirements in Part 30

Comments: A commenter expressed concern about changes to provisions related to reviews of SAAs, warning that they would result in regulatory uncertainty for SAAs and adversely impact Registered Apprenticeship programs and apprentices. The commenter recommended DOL establish clear guidelines and process descriptions that would ensure system stability and program continuity, including a description of review metrics, how reviews would be conducted, and available remedies for improvement. The commenter also recommended a description of enforcement mechanisms that include whether penalties would extend beyond loss of recognition and include other impacts such as funding. The commenter further recommended regulatory guidance framing how existing programs and apprentices would be impacted if a State were found to be noncompliant, whether options would be available to programs and apprentices, and the role of OA in that process.

A commenter recommended that the Department clarify a compliance review schedule for SAAs, including frequent program reviews or audits and the provision of actionable technical assistance. The commenter further recommended that the Department include other requirements for SAAs, including requiring that SAAs measure program success through equity indices that show the representation of apprentices from underserved demographic groups, publish disaggregated data and center data in determining priorities, making investment decisions, and developing staff trainings and technical assistance programs. The commenter further recommended that the Department require SAAs to conduct regular, anonymized surveys of apprentices to gauge their experiences in Registered Apprenticeship programs, and to address issues that interfere with apprentices' entry into and completion of Registered Apprenticeship programs

(citing aptitude tests that, according to the commenter, tend to screen out applicants from underserved groups).

Another commenter expressed support for the potential to ease the burden for small and medium size business sponsors but anticipated an added burden on SAAs to comply with the regulatory changes and a need for technical assistance regarding outreach to populations not traditionally served by Registered Apprenticeship in order to meet the Administration's goal of one million new apprentices.

Department Response: The Department appreciates that there may be a need for subregulatory guidance, technical assistance, and other cooperation with SAAs to ensure successful implementation of this final rule. The Department notes that OA already conducts SAA reviews for compliance with parts 29 and 30, and such compliance reviews will continue under the revised part 30 requirements. The Department further notes that mechanisms for accountability, review, the processing of complaints, SAA derecognition and associated impacts are addressed by part 29's conforming edits that incorporate an SAA's State plan for nondiscrimination in apprenticeship and other sections of part 30. These mechanisms are reinforced in proposed § 30.7(d) (Retention of authority), which cites to OA's authority in § 29.13 to conduct compliance reviews of all Registered Apprenticeship programs and in §§ 29.8(b) and 29.10 to deregister for Federal purposes an apprenticeship program registered with an SAA, and § 30.7(e) (Derecognition), which cites to § 29.14's derecognition proceedings for SAAs that fail to comply with the requirements of § 30.7. Given the integration into part 29 of the review of SAAs and their State plans for nondiscrimination in apprenticeship, the Department declines to create additional unnecessary and duplicative processes and procedures for review of SAA compliance with part 30 and adopts § 30.7(d) and (e) as proposed.

Finally, with respect to concerns about SAA outreach to populations less familiar with Registered Apprenticeship, the Department is eager to work with States on

recruitment of apprentices and remains committed to working with SAAs to reach the goal of 1 million active apprentices in a manner that is merit-based and consistent with Federal law.

H. Section 30.8 – Exemptions

The Department proposed to maintain the "Exemptions" provision from the current part 30 at § 30.19. The proposed revisions were intended to reduce burdens on Registered Apprenticeship stakeholders, and the Department determined that preserving the part 30 exemptions supports this objective and maintains the regulatory flexibility embedded in the existing rule. Under the existing provision, which the Department proposed to keep, sponsors were required to submit written requests for exemptions from part 30 requirements to the Registration Agency, which could grant exemptions for good cause. The Department also proposed to retain the requirement that SAAs receiving exemption requests from sponsors in their State obtain OA approval before issuing an exemption. Therefore, proposed § 30.8 reflected the same regulatory text as § 30.19.

Accordingly, for the reasons discussed in the NPRM and in response to comments discussed below, the Department is finalizing the provision as proposed.

1. Religious Exemptions

Comments: A commenter expressed support for adding a specific religious exemption to the regulations, arguing that religious organizations have protections under the First Amendment, the Religious Freedom Restoration Act, and Title VII, proposing specific regulatory text stating that regulations "do not apply to a religious organization to the extent that application of these regulations would be inconsistent with the religious tenets of the organization," similar to title IX exemption language.

Another commenter expressed support for religious employer exemptions on the basis of "sex," "disability," and "religion" as protected characteristics, and stated that religious employers should be able to invoke the ADA's religious exemption in the

apprenticeship context. The commenter maintained that some courts have held that "gender dysphoria" is a disability, despite the exclusion in the ADA and section 7(20)(F) of the Rehabilitation Act of 1973[56] of "gender identity disorders" from the definition of "disability," and that religious program sponsors would not be able to invoke the ADA's religious exemption, and that program sponsors would be required to accommodate the "disability" of gender dysphoria. Additionally, because of the proposal to remove the language at § 30.3 referring to legal standards and defenses applied under Title VII, the commenter recommended that the Department include an explicit exemption for religious employers from applications of the nondiscrimination rule that conflict with their religious tenets and suggested incorporating language, with necessary revisions, from the religious exemption in title IX of the Education Amendments of 1972 and its implementing regulations.

This commenter and another also objected to particular terminology used in the NPRM. A commenter said that in several instances, the NPRM used the term "gender-based," which is inappropriate because it is not as clear as "sex-based," because "sex" mirrors the text of the statutes from which the Department derives its authority to issue the rule, and because the use of "gender" is inconsistent with the directives of E.O. 14168. Another commenter echoed this concern, reasoning that "sex" is commonly understood to refer to genetic and biological, attributes of human beings, but "gender" is a less precise term.

Department Response: The Department appreciates the comments raising concerns about the need for religious exemptions. The Department will take seriously any request for an exemption from this regulation under proposed § 30.8, including those citing religious freedom as the reason supporting the request. Because the Department will, pursuant to this final rule, defer to other enforcement agencies in determining

[56] 29 U.S.C. 705(20)(F).

compliance with applicable nondiscrimination laws, it no longer needs to incorporate into part 30 the standards and exemptions from external statutes, such as Title VII and the ADA. As noted earlier in the preamble, the Department will respect the application of religious exemptions as determined by the relevant enforcement agency in determining a sponsor's compliance with proposed § 30.3. As such, the Department does not think a specific exemption for religious sponsors is necessary, particularly as such an exemption would not relieve the sponsor from complying with the applicable nondiscrimination law in general, and would instead only apply as it pertains to the sponsor's standing as a program sponsor. Accordingly, the Department declines to incorporate the suggestion to establish a specific religious exemption provision in this final rule.

In response to some commenters' preference for different terminology, including using "sex" instead of "gender," the Department agrees that the terminology the Department uses should align with the terminology used in relevant Federal nondiscrimination statutes, such as Title VII. The Department concurs that aligning its language with existing nondiscrimination laws promotes clarity for the regulated community.

2. Other Exemption Comments

Comments: A commenter urged the Department to clarify the exemption process by providing examples and guidance on when exemptions may be granted, expressing concern that exemptions in industries with prevailing wage projects could create unfair competitive advantages, particularly in high-hazard industries like construction and energy. The commenter recommended developing guidance detailing the exemption process and evaluation criteria.

Department Response: Under the text of proposed § 30.8, which mirrors the existing exemption provision at § 30.19, exemption requests must be in writing and must identify the provision(s) of part 30 from which the applicant is seeking exemptive relief.

The provision further clarifies that all exemption requests to the Registration Agency must demonstrate "good cause" to support the applicant's exemption request.

The Department declines to provide specific examples of permissible exemptions in this final rule, as the exemption provision is meant to provide flexibility to sponsors on a case-by-case basis. The Department notes, however, that an exemption issued pursuant to § 30.8 of this final rule only would extend to requirements covered by part 30 (as has been the case under existing § 30.19). This final rule's exemption provision does not authorize a Registration Agency to grant an exemption from the part 29 requirements, or any other applicable law, including those related to prevailing wages.

I. Section 30.9-Severability

As a prudential measure, the Department has decided to add (at § 30.9) a severability provision to the text of this revised and streamlined part 30. This new provision states that, to the extent that any provision of part 30 is declared invalid by a court of competent jurisdiction, the Department intends for all other provisions of part 30 that are capable of operating in the absence of the specific provision that has been invalidated to remain in effect. The Supreme Court has previously held that a statute or regulation is severable if its separate provisions are "wholly independent of each other" and can operate independently. *Brockett v. Spokane Arcades, Inc.*, 472 U.S. 491, 502 (1985). In the case of this final rule, the Department takes the position that no other provisions of the revised part 30 would be affected if a particular provision of the regulation is found to be unlawful or invalid. Moreover, the Department expects that courts and regulated parties would be able to apply the remaining provisions of this final rule if one of its provisions was held to be invalid. See *Department of Education et al v. Louisiana*, 603 U.S. 866, 868 (2024) (*per curiam*) (denying the government's request to stay a preliminary injunction against an entire rule where only parts of the rule were found to be invalid).

J. Technical and Conforming Edits to Part 29

The Department proposed limited technical and conforming amendments to 29 CFR part 29 to align that part with the proposed revisions to 29 CFR part 30. The Department proposed updating cross-references and terminology in part 29 to reflect the revised nondiscrimination framework in part 30. For example, the Department proposed to amend part 29 at §§ 29.3(b)(2) and 29.5(b)(21) to align with the streamlined nondiscrimination requirements in revised part 30, including referencing the proposed "State plan for nondiscrimination in apprenticeship" in § 29.5(b)(21) and removing other references to requirements from the existing part 30 regulation (such as the equal opportunity pledge and affirmative action requirements) in the part 29 section covering standards of apprenticeship.

The Department proposed revising part 29 at § 29.12 (Complaints) to clarify that allegations of unlawful discrimination—based on race, color, religion, national origin, sex, age, disability, genetic information, or other protected characteristics—would be referred by the Registration Agency to the appropriate enforcement authority, consistent with proposed § 30.4. This revision conformed to the proposed structure under which enforcement for discrimination would be handled by agencies with jurisdiction to administer applicable nondiscrimination laws, such as the EEOC, the U.S. Department of Justice, State FEPAs, or other enforcement agencies as appropriate.

The Department proposed amendments to § 29.7 (Apprenticeship Agreement) to reflect the protected characteristics specifically covered by applicable Federal nondiscrimination statutes. As proposed, § 29.7(j) would prohibit discrimination in apprenticeship on the bases of race, color, religion, national origin, sex, age (40 or older), genetic information, and disability, thereby ensuring consistency with the statutory text of Title VII of the Act, the ADEA, the ADA, and the Genetic Information Nondiscrimination Act.

The Department also proposed modifying § 29.7(l) by removing explicit references to an apprentice's race, sex, ethnicity, and disability status and replacing them with a general request for demographic information. The Department determined that a broad authorization to request "demographic information" would provide greater flexibility for apprenticeship stakeholders and Registration Agencies regarding the collection of demographic information in Registered Apprenticeship.

In addition, the Department proposed edits to the provisions governing SAA recognition and operation. The Department proposed revising §§ 29.13 and 29.14 to require State apprenticeship statutes, nondiscrimination plans, and enforcement procedures to conform to the streamlined Federal requirements in revised part 30. These changes were intended to reduce divergence between OA and SAA jurisdictions, eliminate inconsistent nondiscrimination standards across States, and promote uniform application and enforcement nationwide.

Finally, the Department proposed conforming updates throughout part 29 to replace outdated references and to clarify that nondiscrimination enforcement responsibilities rest with the appropriate governmental entities with jurisdiction to administer Federal or State nondiscrimination laws. These included proposed revisions to § 29.11 (Limitations) to reflect applicable law and Executive Orders, and updates to recordkeeping provisions in §§ 29.13 and 29.14 to align with the proposed updates to the part 30 regulation and the recordkeeping requirements for SAAs that would be necessary under the revised part 30 regulation and its updated requirements for SAAs.

The Department received public comments on several of these proposed technical and conforming edits to the part 29 regulation, which are discussed below.

1. Section 29.7 – Apprenticeship Agreements

Proposed Changes Would Reduce Quality and Quantity of Data

Comments: Some commenters expressed concern that the proposed revisions to 29 CFR 29.7 would reduce the quality and quantity of data collected and published about apprenticeships, and that a lack of uniformity in the collected demographic data for apprenticeship agreements would generate significant challenges. Some commenters suggested that the proposed changes would reduce accountability and transparency. One commenter echoed this argument, indicating that without consistent definitions and demographic reporting, employers and apprenticeship stakeholders would face significant challenges in integrating data across systems and operationalizing the data to evaluate progress.

Commenters also expressed concern that poor quality data would complicate the understanding of current participation rates and eliminates the ability to measure progress towards serving the intended populations. One commenter said that the change would undermine efforts to understand who is participating in apprenticeships, in which fields, and with what outcomes, as well as progress or innovative best processes for outreach and inclusive practices. The commenter concluded that rather than providing greater flexibility or minimizing confusion, as DOL claims, such changes would instead hinder individual apprentices, apprentice stakeholders, and Registered Apprenticeship programs from gaining valuable insights for strategic ventures—including efforts to build a workforce development system that can meet the challenges of the 21st-century labor market through apprenticeship. Several commenters therefore urged the Department to continue demographic data collection in a uniform manner and to retain demographic specificity in its data collection activities. Alternatively, a group of commenters urged the Department to allow States to use their own discretion in what demographic data they collect to ensure Registered Apprenticeship is reaching as many people as possible and ensure compliance with State programs and law.

A commenter also raised concerns that a lack of uniform data would complicate aggregation and assessment of data. One commenter argued that at the Federal level, standardized demographic data are used to demonstrate adherence to regulations and policies. The commenter suggested that States have invested in systems to aggregate cross-agency data and, the commenter argued, without standardized demographic fields these States would face challenges in aggregating data. The commenters suggested that educational institutions also use these demographic data to demonstrate the value of apprenticeships across the community and population and researchers rely on these demographic data to understand how different groups respond to different program designs or policy interventions. The commenter also mentioned that apprenticeship stakeholders have repeatedly called for higher data quality and validation processes to inform return on investment calculations, inform outreach, and improve program design and outcomes.

A commenter argued that evidence shows that employers do not perceive the collection of apprenticeship demographic data as a major cost or inhibitor to growth of Registered Apprenticeship. Another commenter stated that the Department made it voluntary for apprentices to provide their demographic data to avoid undue burden and protect privacy, and with a response rate of over 80 percent for apprentices' race, the commenter suggested that the data submission and collection is not overly burdensome.

Another commenter requested additional guidance on the bounds of the collected data including whether the proposed rule would give autonomy to State agencies to mandate a set of demographic data requests in all apprenticeship agreements or whether the proposed rule would allow program sponsors to request whatever demographic data they wish. One commenter asked the Department to clarify what demographic information it intends to collect, and recommended collecting information pertaining to veteran status, as it applies to the Post 9-11 Veterans Educational Assistance Act of 2008

(title V of Pub. L. 110-252), the Veterans Apprenticeship and Labor Opportunity Reform Act (VALOR Act) (Pub. L. 115-89), and the Support for Veterans in Effective Apprenticeships Act (Pub. L. 116-134). Another commenter recommended that the Department utilize tools, such as artificial intelligence, to minimize reporting burden, create public dashboards to track this data, and use that data to evaluate the impact of the final rule within 3 years of its implementation and every 5 years thereafter.

Department Response: The Department understands the comments raised by commenters but disagrees that the conforming edits raise concern for data collection. The Department maintains that a general request for demographic information is consistent with existing practice, and that removing reference to specific categories of demographic information would not adversely affect data quality nor stakeholders' ability to aggregate, analyze, and identify trends, outcomes, and other data-drive insights related to Registered Apprenticeship. The Department expects a general request for apprentices' demographic information will still yield valuable data on apprentices' race, sex, and ethnicity, along with other demographic characteristics that apprentices may report about themselves. In response to one commenter specifically, the Department confirms that it intends to continue to collect information on veteran status. Veteran status is not listed in the description of demographic characteristics at existing § 29.7(l), and as such, the Department's conforming edit to that provision does not alter the section of ETA Form 671, Section II (the apprenticeship agreement form), that provides for the collection of information on apprentices' veteran status, which supports compliance with the VALOR Act and the other laws cited by the commenter.

The Department notes that the collection of additional demographic data at the SAA level is not necessarily precluded under this final rule. However, the Department encourages SAAs to align demographic data collections with the Department's approach and afford stakeholders with flexibility in the collection of demographic data to reduce

burdens and challenges associated with requiring that sponsors solicit particular demographic information in apprenticeship agreements.

In response to one commenter's request that the Department review and make accessible data to evaluate the impacts of the rule in the years following publication, the Department notes it will continue to monitor and evaluate the impacts of this rule (and other policies implemented throughout the National Apprenticeship System) using relevant apprenticeship data.

K. Final Rule Implementation

Under the NPRM, the Department proposed requiring SAAs to submit a State plan for nondiscrimination in apprenticeship that demonstrates that the State's apprenticeship laws, regulations, policies, and operational procedures related to the nondiscrimination obligation conform only to the requirements of this part. The NPRM required the plan's submission within 1 year of the effective date of the final rule and provided that extensions may be granted for good cause by the OA Administrator. The proposed rule further stipulated that SAAs must require all apprenticeship programs registered with the State for Federal purposes to comply with the requirements of the State's plan within 180 days from the date that OA provides written approval of the State plan for nondiscrimination in apprenticeship.

The NPRM did not include a specific transition date for sponsors registered with OA directly to comply with the new rule. In this final rule, the Department clarifies that these sponsors are expected to comply with the final rule when it becomes effective 60 days after its publication in the *Federal Register*. In addition, the Department reiterates that it has changed the provision at § 30.7 of this final rule to require that SAAs' laws, regulations, and policies specific to nondiscrimination or equal opportunity in apprenticeship conform to the requirements of this part.

To provide clarity regarding implementation of the final rule, the following tables summarize the applicable compliance timeframes for Registration Agencies and sponsors.

Compliance Timeframes Under the Final Rule

For Sponsors

Entity	Registration Agency	Requirement	Compliance Timeframe
Sponsors with a Registered Apprenticeship Program	DOL Office of Apprenticeship	Comply with the applicable requirements of this final rule.	Beginning on the effective date of the final rule, 60 days after publication in the Federal Register.
Sponsors with a Registered Apprenticeship Program	State Apprenticeship Agency	Comply with the applicable requirements of the State's OA-approved plan for nondiscrimination in apprenticeship.	Within 180 days after OA provides written approval of the State plan.

State Plans for Non-Discrimination

Entity	Requirement	Compliance Timeframe
State Apprenticeship Agency	Submit to OA a State plan for nondiscrimination in apprenticeship that satisfies the requirements of § 30.7.	Within 1 year after the effective date of the final rule, unless OA grants an extension for good cause.

Based on this clarification and the response to comments below, the Department is adopting the final rule implementation timeline as proposed.

1. Effective Date and Timeline for Implementation

Comments: A few commenters expressed concern that the 1-year implementation timeline for SAAs to submit State plans for nondiscrimination in apprenticeship that

reflect the proposed rule's requirements would not be sufficient. The commenters remarked that State processes that would be required for full implementation of the final rule include public comment and public hearings by legislative bodies and enacting legislation to revise statutory provisions that conflict with the rule, a process that can vary by State and may require longer than 1 year. The commenters provided several suggestions for extending the implementation timeline, including extending to 2 years or allowing for two legislative sessions.

Department Response: The Department maintains that 1 year is sufficient for SAAs to comply with the final regulation, especially given the final rule adopts a "conform to" instead of a "conform only to" standard for State plans for nondiscrimination in apprenticeship. Additionally, through a review of relevant State laws, regulations, and policies, the Department determined that many SAAs are presently complying with the requirements of current part 30 because they incorporate the Federal part 30 regulation by reference in their State laws, regulations, or policies. Therefore, these States will not need to undertake State legislative or administrative rulemaking, or other processes, to comply with and implement the final rule.

For States that will require updates to State laws, regulations, or other policies to implement this final rule, the Department has determined that the 1-year implementation timeline is sufficient for States to make any such changes. Because of the nature of the revisions to part 30, any updates to State laws, regulations, or policies would primarily involve the removal of elements that are no longer required by part 30. The Department acknowledges that changes to State laws or regulations may require additional time, and the final rule accounts for this possibility by providing the OA Administrator with the authority to grant extensions of the implementation timeline for good cause. The Department intends to provide extensions for good cause to any State that needs an

extension of the implementation timeline to make updates to State laws, regulations, and policies if the State is making good faith efforts to comply with this final rule.

2. Other Comments on Sponsor and SAA Compliance

Comments: A commenter recommended establishing a clear process for Registered Apprenticeship programs to maintain their Federal registration status if an SAA is derecognized as a result of failing to comply with the final rule by the implementation deadline. The commenter suggested that the Department could adopt a similar process to the approach used when California's SAA was derecognized in 2007, where apprenticeship programs had 30 days to register with DOL if they wished to retain authority. The commenter recommended allowing programs 60 days (rather than 30) to register with OA to ensure continuity and minimize disruption, particularly since multiple States could be faced with the need to register programs in multiple jurisdictions.

A commenter asked for clarification on the consequences for SAAs and Registered Apprenticeship programs that fail to comply with the rule, and whether DOL would seek immediate derecognition or deregistration of non-compliant entities, or whether those entities be given opportunity to come into compliance via a corrective action plan or similar means of achieving compliance. The commenter further asked whether there would be any attempt to seek penalties or other types of punitive enforcement actions not currently contemplated by the Federal apprenticeship statutes or rules. The commenter also suggested that more than 180 days are needed for apprenticeship programs to comply with proposed rule, given the need to update all apprenticeship agreements and policies related to nondiscrimination in apprenticeship.

A commenter expressed concern that once the rule is implemented, all existing apprenticeship standards would be out of compliance and require updates, creating significant burden for sponsors, employers, State agencies, and OA. The commenter recommended that the Department issue guidance for transition arrangements, allowing

programs to operate under existing standards for a specified period, or creating a process for programs to opt into a blanket modification of program standards.

A commenter requested that the Department provide clear technical assistance and guidance to existing sponsors regarding any required activities or updates to their standards of apprenticeship, and that the Department establish a reasonable implementation timeframe. The commenter suggested such technical assistance could include updating the Department's Boilerplate Standards of Apprenticeship through a bulletin or other public method and should identify the Department's process for updating existing apprenticeship program standards.

Department Response: The Department appreciates these comments requesting clarification on compliance expectations under the final rule for program sponsors. As noted above, the Department will require sponsors registered with OA to comply with the final rule beginning on its effective date, which is 60 days after publication. Programs registered with SAAs must comply within 180 days from the date that OA provides written approval of the SAA's State plan for nondiscrimination in apprenticeship submitted pursuant to the final rule. The Department maintains that this approximately 6-month period provides sufficient time to update program standards, especially given that sponsors will mainly be required to remove elements from their standards instead of drafting new components from scratch. As such, the Department is finalizing the compliance timelines for programs registered with OA and with SAAs as proposed.

The Department agrees with commenters who suggested that technical assistance and subregulatory guidance would support systemwide compliance. The Department further agrees that updating technical assistance tools such as the Boilerplate Standards of Apprenticeship will be an important aspect of the Department's implementation of this final rule. OA's Apprenticeship Training Representatives and other staff whose roles include providing technical assistance to sponsors will play a key role in supporting

sponsors' transition under the final rule, including answering questions, identifying elements of program standards that are no longer required under the revised part 30 regulation, and otherwise providing technical assistance to Registered Apprenticeship stakeholders. The Department will also consider providing an extension for sponsors to comply with the final rule, if needed, and is available to review and approve case-by-case exemption requests, as needed.

In response to one commenter's question regarding whether the Department intends to immediately pursue derecognition or deregistration of SAAs or program sponsors that have not come into compliance with the revised part 30 regulation within the specific compliance timeline, the Department confirms that this final rule includes provisions on providing technical assistance to SAAs and a process for establishing a compliance action plan for program sponsors as proposed in the NPRM. At § 30.5(c) of this final rule, the Department specifies that when Registration Agencies learn of a final determination regarding a sponsor's violation of a relevant nondiscrimination law, it may work with the sponsor to establish a compliance action plan aligned with any remedies prescribed by the enforcement entity that issued the determination, and will monitor the sponsor's adherence to the established compliance action plan to ultimately bring the program into compliance with the part 30 regulation. Similarly, at § 30.7(2)(ii) of this final rule, the Department specifies that OA will provide any necessary technical assistance to SAAs regarding State plans for nondiscrimination in apprenticeship to facilitate SAA conformity with the revised part 30 regulation. In addition, at § 30.7(a) of this final rule, the Department included language allowing States to request extensions on the 1-year timeline for submitting a conforming State plan for nondiscrimination in apprenticeship for good cause.

In response to a commenter's request that the Department establish a clear process for sponsors to maintain their program registration should the SAA that registered their

program be derecognized, the Department notes that 29 CFR 29.14(e) provides such a process and is appropriate to address this potential scenario. The Department maintains that the 30 days provided under § 29.14(e) is sufficient for sponsors to request registration with OA. Finally, the Department confirms that it will not pursue any enforcement or punitive actions not currently contemplated under the existing apprenticeship regulations against program sponsors or SAAs.

VII. Procedural Issues and Regulatory Review

A. Executive Orders 12866 (Regulatory Planning and Review), 13563 (Improving Regulation and Regulatory Review), and 14192 (Unleashing Prosperity Through Deregulation) and Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996

Under E.O. 12866, the Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs (OIRA) determines whether regulatory action is significant and, therefore, subject to the requirements of the executive order and review by OMB. *See* 58 FR 51735 (Oct. 4, 1993). This final rule is an economically significant regulatory action under section 3(f)(1) of E.O. 12866, and OIRA has reviewed it.

E.O. 13563 directs agencies to propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs; the regulation is tailored to impose the least burden on society, consistent with achieving the regulatory objectives; and in choosing among alternative regulatory approaches, the agency has selected those approaches that maximize net benefits. E.O. 13563 recognizes that some benefits are difficult to quantify and provides that, where appropriate and permitted by law, agencies may consider and discuss qualitatively values that are difficult or impossible to quantify.

The Department derived costs and cost savings for this final rule by comparing the baseline (the costs and benefits of the current part 30 regulation) with the costs and benefits of implementing the provisions in the final rule. Only the additional impacts that

are expected to be incurred due to the changes in this regulation are included in the analysis.

The Department sought to quantify and monetize the costs and cost savings of the final rule where feasible. Where we were unable to quantify impacts – for example, due to data limitations – we describe them qualitatively. This analysis covers a 10-year period (2026 through 2035) to ensure it captures major impacts that accrue over time. In this analysis, we have sought to present impacts both undiscounted and discounted at 7 and 3 percent, respectively.[57]

This rule is considered a deregulatory action under E.O. 14192, "Unleashing Prosperity Through Deregulation." Using a perpetual time horizon to allow for cost comparisons under that order, the Department estimates that the annualized cost savings amount to $93 million in 2024 dollars, using a 7 percent discount rate. For the purpose of this analysis, the Department assumed the cost savings from the rule remain constant after the last year of the analysis period, resulting in a perpetual cost savings estimate that may have a tendency toward understatement.

Pursuant to subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA),[58] also known as the Congressional Review Act,[59] OIRA has found that this rule meets the criteria at 5 U.S.C. 804(2).

1. Relevant Federal Rules Duplicating, Overlapping, or Conflicting with the Proposed

The Department has not identified any Federal rules that may duplicate, overlap, or conflict with this final rule. Instead, this final rule is removing duplication that currently exists because sponsors will no longer be required to refer complaints to SAAs.

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[57] OMB, Circular A-4, "Regulatory Analysis," Sept. 17, 2003, *https://trumpwhitehouse.archives.gov/sites/whitehouse.gov/files/omb/circulars/A4/a-4.pdf*. As noted in E.O. 14192, "Unleashing Prosperity Through Deregulation," on January 31, 2025, regulations should be consistent with the 2003 version of Circular A-4.

[58] Title II of Pub. L. 104–121 (Mar. 29, 1996).

[59] 5 U.S.C. 801-808

Requiring sponsors to refer complaints to the SAAs is duplicative because, in practice, SAAs referred complaints to the appropriate nondiscrimination enforcement agencies and employers are already required to refer such complaints to the relevant nondiscrimination enforcement agency.

2. Summary of the Analysis

The Department estimates that the rule will result in costs and cost savings. As shown in Exhibit1, the rule is expected to have an annualized quantifiable cost of $1.31 million and a 10-year quantifiable cost of $9.23 million, each at a discount rate of 7 percent. All costs from the final rule are incurred in the first year. The rule is estimated to result in annualized quantifiable cost savings of $100.18 million and a total 10-year quantifiable cost savings of $703.64 million at a discount rate of 7 percent. Additional benefits of the final rule were not monetized.

Exhibit 1: Estimated Monetized Costs and Cost Savings of the Final Rule (2025 $millions)

	Costs	**Cost Savings**
Undiscounted 10-Year Total	$9.87	$1,016.11
10-Year Total with a Discount Rate of 3%	$9.58	$861.39
10-Year Total with a Discount Rate of 7%	$9.23	$703.64
Annualized Undiscounted	$0.99	$101.61
Annualized at a Discount Rate of 3%	$1.12	$100.98
Annualized at a Discount Rate of 7%	$1.31	$100.18

After considering both the quantified and non-quantified impacts of the final rule, the Department has concluded that the estimated cost savings would justify the costs of the final rule. Below, we present an analysis of the costs and cost savings of the final rule in the year and over the 10-year analysis period.

3. Significant Issues Raised in Public Comments

Several commenters submitted feedback in response to the NPRM's RIA or otherwise addressing the potential impact of this rulemaking on affected entities. This section describes how the Department adjusted the regulatory analysis in response to public comment.

Comments: A commenter submitted feedback that the RIA was incomplete because it should consider: (1) whether eliminating certain part 30 requirements could cause some individuals to miss apprenticeship opportunities and therefore experience lower career earnings; and (2) whether apprentices may incur costs from lengthier investigative processes at Federal or State agencies due to the requirement that sponsors refer all complaints to relevant civil rights agencies.

Department Response: In response to these comments, the Department examined available data sources, including a Government Accountability Office report and EEOC case load data to determine whether such impacts could be quantified or monetized.[60] With respect to potential missed opportunities or reduced lifetime earnings, the Department found no reliable data sources that would allow for assessing case-specific impacts, and such considerations are beyond the scope of this rulemaking. Furthermore, the Department does not anticipate, and commenters did not provide evidence that, the final rule will cause individuals to miss apprenticeship opportunities.

Additionally, the Department concluded that there is no evidence indicating investigative processes would lengthen as a result of the rule, or sufficient data to determine that any hypothetical impacts might not occur within existing investigation timeframes (and thereby not lengthen the response time).

Comments: Several commenters expressed skepticism about the NPRM's estimated cost savings associated with removing affirmative action requirements. The commenters cited a study finding that compliance with existing 29 CFR part 30 accounts for only 0.13 percent of total sponsor costs and noted that sponsors generally do not identify regulatory compliance as a major barrier to program operation. Some of the commenters further stated that, based on their estimate of an average annual total cost of

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[60] The Government Accountability Office report provides estimate charge processing times, and can be found at *https://www.gao.gov/assets/gao-23-106245.pdf*; the U.S. Equal Opportunity Commission case load data can be found at *https://www.eeoc.gov/data/enforcement-and-litigation-statistics-0.*

program delivery of $80,768 per apprentice, compliance with part 30 amounts to approximately $102 per apprentice annually. The commenters also referenced an analysis indicating that the NPRM's estimate of regulatory compliance at registration is 1.88 times the total median registration costs reported by employers and more than 37 percent of total mean registration costs, concluding that the NPRM's characterization of part 30 as a "substantial barrier to employer entry and program sustainability" is incorrect.

Department Response: In response to these comments, the Department acknowledges the data and comparisons submitted but disagrees with the conclusion that existing part 30 requirements are not burdensome. In the Department's view, the 2016 final rule imposed excessive administrative requirements, as well as affirmative action obligations that are legally vulnerable, and that impede the goal of apprenticeship expansion. Revisions to part 30 are necessary to eliminate a duplicative EEO framework that applies only to Registered Apprenticeship. This final rule therefore adopts a streamlined approach consistent with the Administration's directive to reduce regulatory burdens. Recent U.S. Supreme Court decisions have clarified the legal limitations on race- and sex-based measures under the Equal Protection Clause and Federal nondiscrimination laws. These developments raise serious questions about the validity of certain affirmative-action-related provisions in part 30, particularly those that incentivize or induce sponsors to make decisions based on protected characteristics. In light of recent court decisions, the Department has determined that revising part 30 is necessary to ensure the regulatory framework for Registered Apprenticeship is fully aligned with nondiscrimination standards and legal precedent.

The Department also notes that comparisons expressing part 30 compliance costs as a share of total apprenticeship program costs are of limited value. The majority of program costs identified in the analyses cited by commenters consist of apprentice wages, which are associated with well-documented benefits to sponsors. These wages lead to

increased productivity and improve long-term workforce development, which are the benefit returns that are under study in the source provided by the commentor. By contrast, the administrative and affirmative action obligations imposed by part 30 represent non-productive overhead costs that do not generate operational benefits. Accordingly, even when expressed as a relatively small share of total program expenditures, compliance costs may nonetheless constitute a meaningful barrier to employer entry and program sustainability, particularly for small or first-time sponsors, because these costs are not an investment with meaningful returns to the sponsor. The Department therefore does not agree that a per-apprentice compliance cost of approximately $102 annually is inconsequential, or that such figures undermine the NPRM's conclusion that existing part 30 requirements impose a substantial and disproportionate administrative burden. The Department maintains that the NPRM's estimates reflect the best available data on the administrative activities required of sponsors under part 30 and that the projected cost savings from removing these requirements remain appropriate.

Comments: A commenter said that the analysis conflates the one-time cost of developing anti-discrimination training materials from scratch with the smaller, ongoing cost of periodically updating those materials. The commenter also suggested that routine updates to anti-discrimination training, under the current regulation, do not require extensive time or the senior-level involvement assumed in the Department's calculations.

Department Response: The Department disputes the notion that this is a one-time cost, and disagrees that the cost estimates for developing and maintaining anti-discrimination training materials are inflated. The Department finds it reasonable to assume that human resources personnel conduct periodic orientation and informational sessions that include anti-harassment and anti-discrimination content, and that a fee for updating materials as needed is assessed by the sponsor. Additionally, the Department acknowledges the cyclical administrative burden related to the preparation, review, and

implementation of updated materials. Accordingly, the Department has not adjusted the cost estimates in response to this comment.

Comments: Some commenters commented that the six requirements in 29 CFR part 30 do not impose a substantial burden, comparing the cost estimates in the 2016 final rule with the cost-savings estimates in the NPRM. The commenters stated that the assumptions underlying the 2016 final rule and the NPRM were similar and noted that the 2016 final rule estimated $63.9 million in costs for the selected provisions, whereas the NPRM estimated $75.1 million in savings for those same provisions, contributing to a total estimated savings of $77.4 million when all provisions are considered. The commenters further asserted that the NPRM's estimate of regulatory compliance costs at registration is unrealistically high, stating that their analysis shows the NPRM estimate is 1.88 times the total median registration costs reported by employers and more than 37 percent of the total mean registration costs. They also cited a return-on-investment study in which only one of six manufacturing sponsors listed administrative costs, suggesting minimal burden under existing 29 CFR part 30 requirements.

Department Response: In response to these comments, the Department acknowledges the comparison submitted. The Department notes that the commenters' comparison relies on the median registration cost reported in the cited study rather than the mean. The study itself reflects a highly skewed distribution of costs, with a median of approximately $240 but a mean exceeding $1,200, indicating that some sponsors incur substantially higher registration-related costs. The presence of this long right tail is likely driven by variations in sponsor size and structure, particularly for those establishing new programs. The Department also notes that the return-on-investment study cited by the commenters does not assess the ongoing compliance obligations imposed by current 29 CFR part 30. Rather, the study is limited to a small sample of six program sponsors and focuses primarily on initial program establishment costs and sponsor perceptions relevant

to return-on-investment calculations. The study does not attempt to measure the ongoing administrative, recordkeeping, reporting, or affirmative action activities required under the current 29 CFR part 30. Accordingly, the Department does not consider the study an appropriate basis for evaluating the regulatory burden of the existing rule, and the Department disagrees with the conclusion that the requirements of current 29 CFR part 30 are not burdensome. The Department maintains that the NPRM's burden estimates reflect the best available data and appropriately account for the administrative activities required of sponsors under the regulation.

Comments: A commenter commented that the Department's regulatory analysis should include the expenses that employers and SAAs would incur to familiarize themselves with the new regulations, asserting that these costs were omitted due to difficulties in quantification and that including them would temporarily reduce projected savings.

Department Response: The Department agrees in part with this comment and has updated the analysis to include familiarization costs for SAAs, including time required by human resources managers and attorneys. The Department, however, did not separately value familiarization costs for employers who are not sponsors, as sponsors are the entities required to review and comply with the rule, while non-sponsor employers will not need to do so.

Comments: A commenter submitted feedback that the Department relied on inaccurate data and underestimated the time and effort required for sponsors to update compliance standards in response to the regulatory changes proposed in the NPRM. The commenter disagreed with the Department's estimate that these updates only would require 20 minutes of administrative assistant time, arguing instead that meaningful revisions demand substantial involvement from management and key stakeholders and would exceed the Department's estimated labor costs.

Department Response: In response to these comments, the Department reviewed its assumptions and determined that the RIA's time estimates appropriately reflect the typical tasks required for these updates. Accordingly, the Department has made no changes to the RIA.

Comments: Several commenters submitted feedback that the proposed rule would impose a greater burden on SAAs and State legislatures than estimated, particularly regarding the work required to update State apprenticeship plans and related State laws. These commenters stated that the Department's 1-year estimate for a full-time staff member to complete plan updates understates the complexity and duration of the multi-stage approval processes, including legal review, legislative cycles, and regulatory revisions, and urged the Department to significantly simplify the approval process for State plans for nondiscrimination in apprenticeship in the final rule to reduce burden on OA and SAA staff.

Department Response: In response to these comments, the Department reviewed these assumptions and acknowledges that State plan revisions can involve multi-stage processes and varying legislative timelines. The Department added explanatory text accompanying the RIA calculations to note that State apprenticeship plans may proceed on different schedules; however, the best available data support the Department's existing estimates, and the RIA was not adjusted in response to this comment.

Although the original estimates in the RIA were found to be reasonable, several methodological adjustments were made to the analysis and assumptions, in addition to adding rule familiarization costs for SAAs, to better align with the approach used in the 2016 final rule and to respond to public comments. These revisions included updating the annualization formula for cost savings to reflect methodologies applied in prior rulemakings, adjusting the assumed average annual sponsor growth rate to be consistent with historical trends, and revising wage and fringe benefit rates based on 2025 historical

data and published 2026 wage rates. Detailed descriptions of the assumptions and methodologies and assumptions used in the analysis are presented in the sections below.

Comments: Commenters expressed concern that the proposed requirement that SAA nondiscrimination laws "conform only to" part 30 could undermine State autonomy, conflict with the cooperative federalism framework, and create uncertainty regarding the interaction between Federal and State requirements, including whether States could maintain or enforce additional EEO provisions and how potential conflicts would be resolved. Several commenters requested clarification on the scope of the requirement and its application to State policies and procedures, while others emphasized the importance of preserving flexibility for States to address local labor market conditions and maintain broader apprenticeship program authorities.

Department Response: As discussed earlier in the preamble, the Department revised the regulatory text to require that State laws "conform to" part 30. Retaining a "conform to" standard preserves State flexibility by allowing SAAs to maintain or adopt requirements that are compatible with, but not limited to, Federal rules. This approach avoids Federal preemption of State policies while maintaining Departmental oversight to ensure consistency with baseline Federal standards. Because the existing CFR framework already requires State plans and programs to "conform to" Federal requirements, this provision does not introduce new compliance obligations. As a result, the final rule is not expected to impose incremental costs or generate additional regulatory impacts relative to the current baseline.

4. Estimates of Sponsors Impacted by the Rule Across the 10-year Period

The Department's analysis considered the expected costs, cost savings, and benefits of the changes to part 30. This analysis measured the costs, cost savings, and benefits as they accrue to sponsors and State agencies. It is estimated that the number of sponsors will grow over time and our annual cost calculations reflect this growth. The

Department based its estimate of the number of sponsors in each year using data from RAPIDS regarding the number of Registered Apprenticeship programs and based its estimate of the annual growth in Registered Apprenticeship programs on the average annual growth rate from FY 2021 to 2025. Because 2025 program data became available between publication of the NPRM and issuance of the final rule, the Department updated growth rates to reflect changes observed between FY 2021 and FY 2025, where data permitted. In addition, the average annual sponsor growth rate used to project future program participation was revised to align more closely with historical patterns. The final RIA presents updated sponsor data incorporating these revisions. The Department also used the same RAPIDS data to develop an estimate of the number of Registered Apprenticeship programs that have five or more apprentices in each year of the analysis.[61] While the Department expects that the number of apprentices will increase after part 30 is streamlined, we used prior data to estimate future growth because it is common practice in cost-benefit analysis and because it is difficult to quantify how much the streamlining of part 30 will increase the growth of apprenticeship programs.[62]

This analysis primarily discusses how the first-year costs were calculated and indicates that the analysis repeats that calculation across the 10-year time frame using the appropriate number of sponsors in any given year. Exhibit 2 presents the estimated number of total active and new active program sponsors, and the estimated number total and new active sponsors with five or more apprentices projected for each year in the analysis.

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[61] The Department identified 26,466 total programs and 7,429 programs with five or more apprentices in RAPIDS as the starting point. The annual average growth rate for all programs was 1.30 percent and 5.17 percent for programs with five or more apprentices between FY 2021 and FY 2025. For the purpose of this analysis, we assume that each program is supported by a single sponsor. Therefore, these data are used to estimate the projected number of total programs and total sponsors as well as those with five or more apprentices for each year in the analysis.

[62] The Department's cost-benefit analysis finds that the majority of the benefits from streamlining part 30 accrue to sponsors of Registered Apprenticeship programs. If the Department estimated a higher growth rate to Registered Apprenticeship, the estimated benefits of the final rule would be higher.

***Exhibit* 2**

A	B	C	D	E
Year	**Total Active Sponsors**	**New Sponsors[a]**	**Total Active Sponsors With Five or More Apprentices**	**New Sponsors with Five or More Apprentices**
2026	26,810	344	7,813	384
2027	27,158	348	8,217	404
2028	27,511	353	8,642	425
2029	27,869	358	9,089	447
2030	28,231	362	9,559	470
2031	28,598	367	10,053	494
2032	28,970	372	10,573	520
2033	29,346	377	11,119	547
2034	29,728	381	11,694	575
2035	30,114	386	12,299	605

[a] New sponsors (column C) includes only sponsors that newly register in a given year. In contrast, new sponsors with five or more apprentices (column E) includes both (1) newly registered sponsors that have hired five or more apprentices, and (2) existing sponsors that expand their programs to reach the five-apprentice threshold for the first time. As a result, the annual growth rate and count of new sponsors with five or more apprentices exceeds that of the total number of newly registered sponsors.

5. Cost Savings

The Department first presents the cost savings that will accrue under the final rule. Most of these cost savings accrue to the sponsors of Registered Apprenticeship programs because the final rule eliminates several requirements for sponsors under the current part 30 regulations. The savings from eliminating these requirements are discussed in greater detail below.

Eliminating One-Time Costs for Sponsors of New Registered Apprenticeship Programs

Under the current part 30 regulation, sponsors must post their equal opportunity pledge on bulletin boards and through electronic media, such that it is accessible to all apprentices and applicants to apprenticeship programs. This requirement imposes costs on sponsors operating a Registered Apprenticeship program for the first time, as they are

required to take staff time to post this pledge. Under Title VII[63] and the ADA,[64] employers are already required to post a notice summarizing Federal laws prohibiting discrimination in employment. Removing this comparable requirement from part 30 would therefore lead to savings for new sponsors of Registered Apprenticeship programs without depriving apprentices of crucial information about their employment rights.

The Department assumed that new sponsors would choose to put up a physical copy of the pledge and also post it on their website. The Department assumed it takes a sponsor 5 minutes (0.08 hours) to post the pledge and that this task is performed by an administrative assistant. To calculate the hourly compensation rate, the Department used the median hourly wage rate for Secretaries and Administrative Assistants, Except Legal, Medical, and Executive (Standard Occupational Classification code 43-6014) of $22.70,[65] and assumed a 17% overhead cost[66] and a 42-percent benefit cost.[67] The total hourly compensation rate is [$22.70+($22.70×42%)+($22.70×17%)], or $36.10. We multiplied the time estimate for this provision by the hourly compensation rate to obtain a total labor cost per sponsor of $2.89 ($36.10×0.08). To estimate the materials cost, the Department assumed that the pledge is one page, and that the cost per page for photocopying is $0.10, resulting in a materials cost of $0.10 ($0.10×1) per sponsor. The total cost of putting up a physical copy of the pledge per sponsor is therefore $2.99 ($2.89+$0.10). Additionally, the Department also assumed it takes a sponsor 10 minutes (0.17 hours) to post the pledge on its website and that this task is performed by a web developer at an hourly

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[63] 42 U.S.C. 2000e-10.
[64] 42 U.S.C. 12115.
[65] Bureau of Labor Statistics (BLS), "2024 National Occupation Employment and Wage Estimates for Secretaries and Administrative Assistants, Except Legal, Medical, and Executive (43-6014), Hourly median wage," last modified May 15, 2026, *https://www.bls.gov/oes/tables.htm*.
[66] Cody Rice, EPA, "Wage Rates for Economic Analyses of the Toxics Release Inventory Program," June 10, 2002, *https://www.regulations.gov/document?D=EPA-HQ-OPPT-2014-0650-0005.*
[67] Benefit cost is derived from the "Employer Costs for Employee Compensation Summary" for June 2025 release from BLS, can be found at *https://www.bls.gov/news.release/ecec.t04.htm.* The total benefits value was compared to the wages and salary amount at the 50th wage percentile for private industry workers. This calculation, $13.58÷$32.07, produced a benefits cost of 42 percent of wages.

compensation rate of $72.57.[68] The cost of posting the pledge on the sponsor's website is $12.34 ($72.57×0.17). In total, the Department estimated the cost of the current provision requiring the posting of physical copy of the pledge and the posting of the pledge on the sponsor's website of $15.32 ($2.99+$12.34) per new sponsor.

The Department estimated that there are 344 new sponsors in the first year (see Exhibit 2) that would incur these costs. Multiplying this sum ($15.32) by the estimate of new sponsors (344) in the first year (2026) resulted in a cost savings of $5,271 from eliminating this provision. Looking over the full ten-year period, we estimated the annualized cost savings from eliminating the cost of posting the EEO pledge of $5,573 with 3 percent discounting and $5,551 with 7 percent discounting.

Eliminating Ongoing Costs for All Sponsors

The current part 30 regulations also require that each sponsor conduct orientation and periodic information sessions for apprentices, journeyworkers who directly supervise apprentices, and other individuals connected with the administration or operation of the sponsor's apprenticeship program to inform and remind such individuals of the sponsor's EEO policy with regard to apprenticeship (current § 30.3(b)(2)(iii)). Under current § 30.3(b)(4)(i), sponsors are also required to provide anti-harassment training, which we assume is incorporated into periodic orientation and information sessions. This training must include active participation by trainees, such as attending a training session in person or completing an interactive training online and includes, at a minimum, communications to apprentices and journeyworkers who directly supervise apprentices that harassing conduct will not be tolerated, the definition of harassment and types of conduct that constitute harassment, and the right to file a harassment complaint.

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[68] Median wage for Web Developer (Occupation code: 15-1134) is $45.64. BLS, "National Occupation Employment and Wage Estimates by Ownership," accessed January 15, 2026, *https://www.bls.gov/oes/current/000001.htm#11-0000*. The fully adjusted wage rate for a web developer accounting for overhead and benefits is 45.64+(45.64×0.17)+(45.64×0.42), which equals $72.57.

Using data from RAPIDS, the Department calculated that there are on average 25.4 apprentices per sponsor, rounded down to 25 apprentices per program.[69] The Department further assumed a one-to-one ratio between apprentices and journeyworkers in estimating the cost of orientations and periodic information sessions. The Department first estimated that the 26,810 program sponsors in the first year (2026) will hold one 45-minute regular orientation and information session with an average of 25 apprentices ($37.07 per hour)[70] and 25 journeyworkers ($57.18 per hour)[71] per sponsor. The Department estimated that a human resources manager ($113.78)[72] will need to spend 2 hours to develop and prepare written materials for the session in the first year, and 2 hours to maintain and update the training materials in subsequent years.

Using this calculation, we estimated a total cost savings for removing this provision of approximately $53.48 million in the first year (2026). The Department assumed that all sponsors would hold one 45-minute regular orientation and information session annually if this requirement was not eliminated by the rule. We therefore repeated this calculation in subsequent years. We estimated the annualized savings from the elimination of this cost at $56.54 million with 3 percent discounting and $56.31 million with 7 percent discounting.

Additionally, under the current part 30, all sponsors are required to reach out to a variety of recruitment sources, including organizations that serve individuals with

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[69] This estimate is from RAPIDS data at the end of FY2024.

[70] We calculated the hourly compensation rate for an apprentice by multiplying the average hourly wage of $23.32 (inflation adjusted annual average hourly rate published by ZipRecruiter, last updated Mar. 4, 2026), *https://www.ziprecruiter.com/Salaries/Apprenticeship-Salary*) by 1.59 to account for private-sector employee benefits and overhead. Thus, the hourly compensation rate for an apprentice is $37.07 ($23.32×1.59).

[71] We calculated the hourly compensation rate for a journeyworker by multiplying the average hourly wage of $35.96 (inflation adjusted annual average hourly rate published by ZipRecruiter, last updated Mar. 4, 2026, *https://www.ziprecruiter.com/Salaries/Journeyman-Salary*) by 1.59 to account for private-sector employee benefits and overhead. Thus, the hourly compensation rate for a journeyworker is $57.18 ($35.96×1.59).

[72] We calculated the hourly compensation rate for a human resources manager (Occupation code 11-3121) by multiplying the median hourly wage of $71.56 by 1.59 to account for private-sector employee benefits and overhead. Thus, the hourly compensation rate for a human resources manager is $113.78 (71.56×1.59).

disabilities, to ensure universal recruitment (current § 30.3(b)(3)). Sponsors are required to develop a list of recruitment sources that generate referrals of women, minorities, and persons with disabilities with contact information for each source. Further, sponsors are required to notify these sources in advance of any apprenticeship opportunities and while a firm deadline is not set, the part 30 regulations suggest 30 days' notice if possible. This current outreach protocol may lead employers to incur costs due to the additional delay it introduces into the hiring process. The Department, however, does not have enough information to estimate the potential costs sponsors currently incur from these delays.

The kinds of activities sponsors engage in to satisfy this outreach requirement include distributing announcements and flyers detailing job prospects, holding seminars, and visiting some of the sources who are likely able to provide access to designated groups. The Department assumed that the cost to sponsors to distribute information to designated groups will be the labor cost to comply with this provision. We also assumed that the activity to satisfy this provision will be performed by a human resources manager and an administrative assistant with hourly compensation rates of $113.78 and $36.10, respectively. We assumed this task takes 30 minutes (0.5 hour) of a human resources manager's time and 30 minutes (0.5 hour) of an administrative assistant's time per targeted source. We calculated the cost of this provision per affected sponsor by multiplying the time each staff member devotes to this task by their associated hourly compensation rates. We then multiplied the total labor cost by the assumed number of outreach sources (5) and by the total number of sponsors. All sponsors are assumed to conduct this outreach in all years. We estimated the cost savings from eliminating this outreach provision at $10.05 million in the first year, with an annualized savings from the elimination of this cost for sponsors at $10.62 million with 3 percent discounting and $10.58 million with 7 percent discounting.

Savings from Eliminating Costs of Performing Utilization and Workforce Analysis Costs for Sponsors with Five or More Apprentices

The current part 30 regulations require sponsors with five or more apprentices to establish utilization goals for women and minorities (current §§ 30.5 through 30.7). First, sponsors conduct a workforce analysis to identify the racial, sex, and ethnic composition of their apprentices. Second, an availability analysis will establish a benchmark against which the existing composition of apprentices will be compared. Sponsors establish utilization goals and engage in targeted outreach, recruitment, and retention efforts when the sponsor's utilization of women, Hispanics or Latinos, or individuals in racial minority groups are "significantly less than would be reasonably expected given the availability of such individuals for apprenticeship." Registration Agencies work closely with sponsors during compliance reviews to assist in the development of an availability analysis and setting or reassessing utilization goals for race, sex, and ethnicity. The Department also provides a data tool to assist in the collection and analysis of relevant demographic data for the purposes of goal setting.

The Department determined that eliminating the utilization goal requirement will create three types of cost savings: Savings from the elimination of costs associated with the familiarization with the data tool for new sponsors, savings from the elimination of costs associated with the workforce analysis, and savings from the elimination of costs associated with the utilization analysis.

To quantify the savings from the elimination of costs associated with new sponsors' familiarization with the data tool, the Department assumed that new sponsors with five or more apprentices (384 in 2026) will incur one hour of human resources manager labor ($113.78 per hour) to familiarize the organization with the tool. We estimated this will create $43,700 in cost savings from the elimination of these tool

familiarization costs in the first year of 2026. We repeated this calculation for the following years. We estimated that removing the utilization goal requirement from part 30 therefore creates an annualized savings of $54,729 with 3 percent discounting and $53,872 with 7 percent discounting from the elimination of new sponsors' tool familiarization costs.

To calculate the savings from removing the workforce analysis requirements from part 30, the Department determined that the methodology for conducting workforce analyses under the current part 30 results in 2 hours of human resources manager labor ($113.78 per hour) for all sponsors with five or more apprentices (7,813 in 2026). Under the current part 30 regulations, all sponsors with five or more apprentices must conduct workforce analysis every 2.5 years. In calculating the savings for each year, the Department divided the number of applicable sponsors in each year by 2.5 to reflect the assumption that sponsors would have conducted the analysis once per the 2.5-year timeline. This means that in any given year 40 percent of sponsors with five or more apprentices would have conducted the workforce analysis, or that it would have taken 2.5 years to have these sponsors conduct new workforce analyses. We estimated the cost savings from eliminating the requirement to conduct workforce analyses in the first year at $711,149 (7,813×0.4×$113.78×2 hours). We repeated this calculation for the following years using the appropriate number of sponsors in any given year, resulting in an annualized savings from the removal of the workforce analysis requirement of $890,620 with 3 percent discounting and $876,680 with 7 percent discounting for sponsors.

To calculate the savings from the removal of the utilization analysis requirement, the Department determined that the utilization analysis resulted in 0.5 hour of human resources manager time ($113.78 per hour) for all sponsors with five or more apprentices (7,813 in 2026) every 5 years (because the utilization analysis is completed in support of the compliance review process, which has typically been performed at 5-year intervals

for programs in OA States). The cost savings from removing the requirement to conduct utilization analyses in the first year is $88,894 (0.5 hour×$113.78×(7,813/5 years)). We repeated this calculation for the following years, and the savings to sponsors from not having to conduct utilization analyses results in an annualized cost savings of $111,327 with 3 percent discounting and $109,585 with 7 percent discounting for sponsors.

In addition to the normal outreach, recruitment, and retention activities required of all sponsors under current part § 30.3(b), current § 30.8 requires a sponsor of an apprenticeship program to engage in targeted outreach, recruitment, and retention, if: (1) the sponsor's utilization analyses revealed underutilization of a particular designated group or groups of individuals pursuant to current § 30.6; or (2) the sponsor has determined pursuant to current § 30.7(e) that there are impediments to EEO for individuals with disabilities. We assumed that this additional outreach happens in the same manner as the universal outreach discussed above.

We assumed that the current cost to sponsors to distribute information about apprenticeship opportunities to organizations serving individuals with disabilities is the labor cost. We also assumed that the labor for this provision will be performed by a human resources manager and an administrative assistant with hourly compensation rates of $113.78 and $36.10, respectively. The Department estimated that this dissemination task takes 30 minutes (0.5 hour) of a human resources manager's time and 30 minutes (0.5 hour) of an administrative assistant's time per targeted source. We estimated the cost of the current provision per affected sponsor is the time each staff member devotes to this task multiplied by their associated hourly compensation rates. Based on this calculation we estimated a labor cost of $74.94 (($113.78×0.5)+($36.10×0.5)) per source.

We estimated that the number of sponsors who need to engage in targeted outreach and recruitment for at least one relevant demographic group is 95 percent of the total sponsors with five or more apprentices. We understand this is likely an over-

estimate of the number of sponsors that must conduct this outreach, as more than 5 percent of sponsors may meet their utilization goal for all demographic groups and may not have to conduct outreach; however, the Department does not have complete or reliable data to produce an alternative estimate. We then multiplied this total labor cost by the number of sponsors with five or more apprentices (7,813 in 2026), the share of sponsors that undertake a utilization analysis in any given year (20 percent), and the share of sponsors that are estimated to identify underutilization or problem areas in one or more of the relevant demographic groups (95 percent).[73] This calculation ($74.94×7,813×0.20×0.95) results in a total cost of the current outreach provision of approximately $111,242 in 2026. The cost savings from eliminating this requirement is equal to these estimated costs since sponsors will no longer need to conduct this outreach. We repeated this calculation for the following years using the appropriate number of sponsors in any given year. We estimated the annualized cost savings to sponsors from not having to conduct this additional outreach at $139,316 with 3 percent discounting and $137,135 with 7 percent discounting.

Savings from Eliminating Affirmative Action Program Review Costs for Sponsors with Five or More Apprentices

EEO compliance reviews in the current part 30 regulations result in three additional costs for sponsors: personnel process reviews, written affirmative action plan updates during compliance reviews, and written affirmative action plan updates within 3 years of compliance reviews. The current part 30 requires sponsors with five or more apprentices to review personnel processes annually (§ 30.9). The Department estimated the current costs of each of these components and summed them to estimate the cost savings to sponsors from eliminating EEO compliance reviews.

[73] This is the percentage of sponsors that undergo compliance review each year, as determined by the 5-year schedule on which sponsors undergo compliance reviews.

To calculate the current costs imposed on sponsors from personnel process reviews, the Department estimated that each review takes 8 hours for a human resources manager ($113.78 per hour). Therefore, we estimated this provision to result in an undiscounted cost, for all sponsors in 2026 with five or more apprentices (7,813), of $7.11 million (7,813×8 hours×$113.78).

To determine the current cost of the written affirmative action plan update at the time of the compliance review, the Department calculated the cost for all sponsors in 2026 with five or more apprentices (7,813) to spend 12 hours of human resources manager labor every 5 years at the time of the compliance review.[74] With the existing compliance review rate at 20 percent, this means that approximately one in five of these sponsors undergoes a compliance review every year. We estimated this provision to currently result in an undiscounted cost of approximately $2.13 million in 2026 (7,813× 12 hours×0.20×$113.78).

To determine the cost of the written affirmative action plan update within 3 years of the compliance review, the Department calculated the cost for all sponsors in 2026 with five or more apprentices (7,813) to spend 6 hours (estimated to be less because of the lesser workload from not overlapping with the compliance review) of human resources manager time every 5 years.[75] We estimated this provision to result in an undiscounted cost of $1.07 million in 2026 (7,813×6 hours×0.20×$113.78). We repeated this calculation for the following years using the appropriate number of sponsors in any given year.

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[74] A compliance review includes: (1) a workforce analysis; (2) a utilization analysis; (3) goal-setting (if necessary); and (4) a full update of the written affirmative action plan. Because we have already costed out items (1), (2), and (3), the sponsor would need additional 12 hours to fully update the written affirmative action plan.

[75] An EEO compliance review within three years of compliance reviews contains (1) workforce analysis and (2) updating the written affirmative action plan to include the updated workforce analysis and a description of the review of personnel practices and any changes made as a result of that review (see § 30.9(b)). Because we have already costed out (1), the 6 hours are for including updated the workforce analysis and a description of the review of personnel practices and any changes made as a result of that review (see current § 30.9(b)).

Based on the assumptions above, we estimated the total cost of the current affirmative action plan program provision, and therefore the cost savings from it being eliminated, to be $10.31 million in 2026 ($7.11 million+$2.13 million+$1.07 million). We estimated the annualized savings from eliminating EEO compliance reviews to be $12.91 million and $12.71 million at 3 percent and 7 percent discounting, respectively.

Invitation to self-identify as an individual with a disability

Current § 30.11 requires sponsors with five or more apprentices to invite applicants for apprenticeship to voluntarily self-identify as an individual with a disability protected by this part at two stages: (1) at the time they apply or are considered for apprenticeship; and (2) after they are accepted into the apprenticeship program but before they begin their apprenticeship. Additionally, all sponsors with five or more apprentices are required to administer the invitation to self-identify to existing apprentices annually.

The Department estimated that sponsors will post 42 positions in 2026 and receive 15 applicants per posting.[76] Of those positions, the Department estimated that 42 offers of enrollment are made and 42 apprentices choose to enroll in 2026. The Department estimated that it would take an apprentice ($37.07 per hour) 5 minutes (0.08 hours) to complete the form. Furthermore, an administrative assistant ($36.10 per hour) would need to spend 0.5 hour annually to record and keep the forms. For the final RIA, the Department reevaluated and revised the calculation of this cost to more accurately account for labor costs associated with inviting applicants and hired apprentices to self-identify as an individual with a disability. As a result, we estimated this requirement to have an undiscounted cost in 2026 of $15.71 million (7,813 sponsors×((15 applications×42 job listings×0.08 hours)+(42 offers of apprenticeship×0.08 hours))×$37.07+7,813 programs×0.5 hour×$36.10). For the 10-year analysis period, we

[76] The Department determined the number of positions posted from conversations with programs of various sizes. We determined that the largest, statewide programs post more than 15 jobs, but the Department used this as an average for all apprentices to avoid under-estimating the costs.

estimated this provision's annualized cost as $19.68 million and $19.37 million (at 3 percent and 7 percent discounting, respectively).[77]

In addition, sponsors with five or more apprentices are required to remind apprentices yearly that they can update their invitation to self-identify. The Department assumed that these sponsors send out an annual reminder email at the cost of $22,563 (7,813×0.08 hour×$36.10). We repeated this calculation for each remaining year in the analysis period using the estimated number of sponsors for each year. We therefore estimated that eliminating this provision will result in an annualized cost savings of $28,257 and $27,814 (at 3 percent and 7 percent discounting, respectively).

Non-Quantified Cost Savings

In addition to the cost savings discussed above, there are several other cost savings from streamlining the nondiscrimination requirements under part 30 that are not included in the Department's quantitative analysis. Under the final rule, sponsors will benefit from a more streamlined and less complex part 30 regulation, reducing confusion and the time required to answer questions or address confusion regarding compliance requirements. The final rule will also benefit sponsors by removing the legally questionable components of the current part 30 regulations, thereby eliminating legal risk that sponsors could be sued or legally challenged for actions taken to comply with part 30, such as setting utilization goals regarding the race or sex of program participants. Additionally, the final rule will eliminate the costs associated with discrimination complaint investigations involving obtaining full complaint information, gathering relevant materials (e.g., interview statements, transcripts, pertinent documents), and developing a narrative report of the allegations and investigation findings.[78]

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[77] It is assumed that there will be 100 percent participation in the invitation to self-identify and therefore, the cost of this provision is likely overestimated.

[78] The Department did not quantitatively estimate the cost savings from the elimination of discrimination complaint investigations due to the lack of data and the lack of understanding of the frequency with which investigations occurred.

Since the final rule reduces the barriers for sponsors to create and operate Registered Apprenticeship programs, it may also lead to the registration of additional apprenticeship programs. The enhanced growth of Registered Apprenticeship programs could improve access for individuals to enroll in apprenticeships and receive high-quality job training – boosting their long-term earnings and having spill-over effects in the local economy. The proliferation of Registered Apprenticeship programs also could benefit local employers, as the training of additional skilled apprentices could expand local talent pools and allow employers to more easily fill positions for in-demand occupations.

Finally, chief among these cost savings is the elimination of regulatory provisions that have the effect of encouraging the use of race- and sex-based preferences in apprenticeship selection and advancement decisions. By removing these requirements, the final rule promotes a return to individual, merit-based evaluation, consistent with the principle that all Americans should be treated as individuals rather than as members of demographic groups. This shift will strengthen public confidence in the fairness of the apprenticeship system, reduce legal uncertainty, and encourage broader participation by sponsors who may have been deterred by the prior rule's prescriptive and group-based mandates.

While these cost savings could be substantial, the Department did not estimate these cost savings because of data limitations that impede our ability to accurately quantify these cost savings. Collectively, however, these cost savings reinforce the Department's conclusion that the advantages of this proposal outweigh any potential costs.

6. Costs

Below, the Department presents the costs estimated to be incurred by relevant stakeholders, mainly program sponsors and SAAs, from this final rule. These costs are broken into three major categories: costs to sponsors and SAAs of familiarizing

themselves with the regulatory change, costs to sponsors and Registration Agencies of updating standards for compliance, and costs to SAAs of updating State plans for nondiscrimination in apprenticeship. The following sections present estimates for each of these cost categories imposed by the final rule.

Familiarization with Regulatory Change

To estimate the cost of rule familiarization for sponsors, we multiplied the number of program sponsors in 2026 (26,810), the first year in which the change will be in effect, by the amount of time required to read the new rule (which we estimate to be 1 hour) and by the average hourly compensation of a private-sector human resources manager with fringe benefits included ($113.78). This cost is only incurred in the first year of the change, so the total cost to sponsors for time spent on familiarization is approximately $3.05 million in labor costs.

In response to public comments, the Department also estimated the cost of rule familiarization for SAAs. The Department assumed that for SAAs, both a human resources manager and a lawyer would review the regulatory change in the first year. The Department estimated the cost of rule familiarization by SAAs by multiplying the number of SAA states (33) by the amount of time required to read the new rule (1 hour) and by the sum of the average hourly compensation of a public-sector human resources manager ($92.04) and a State-level lawyer ($98.84). The total cost to SAAs for time spent on familiarization is approximately $6,299 in labor costs.[79]

There are no familiarization costs for future years because sponsors and SAAs will already be familiar with the rule and new sponsors would have had to familiarize

[79] The Department notes that there are 32 officially recognized SAA. Additionally, one State, California, also operates a SAA that is not recognized by the Department but registers apprenticeship programs for State purposes. Many of the programs registered by the Department's OA for Federal purposes in California are also recognized by California's SAA for State purposes. The Department therefore anticipates that the California SAA will review the final rule, despite not being recognized by the Department to register programs for Federal purposes under the NAA and its regulations. To ensure the most accurate estimate of burden, the Department is choosing to include costs related to the California SAA's review of this final rule within the RIA.

themselves with the prior part 30 regulations. Therefore, we estimated the total cost of initial rule familiarization of $3.06 million in labor costs, realized entirely in the first year.

Updating Standards for Compliance

Pre-existing sponsors of Registered Apprenticeship programs will also need to develop language or make adjustments and updates to existing standards to comply with the changes to part 30. The Department estimated that this will be a one-time cost only imposed on pre-existing sponsors that already had standards prior to the publication of the final rule. The Department estimated that updating standards to comply with part 30 will mainly involve removing items currently required by part 30 and therefore estimated the burden will be minimal. Accordingly, the Department estimated the average response time for the projected 26,466 pre-existing apprenticeship programs in 2026 to ensure standards comply with part 30 is 20 minutes (0.33 hours).[80] We estimated an annual burden of 8,734 hours (26,466×0.33). The Department assumed the standards will be updated by an administrative assistant. Therefore, the Department estimated a one-time cost of $315,266 (8,734×$36.10).

Registration Agency staff are responsible for reviewing and providing input on a sponsor's apprenticeship program standards to ensure compliance with the requirements in part 30. Registration Agencies will therefore incur a one-time cost to review updated standards for pre-existing programs. The Department estimated that the review and input provided by Registration Agency staff for program sponsors will take 10 minutes, which resulted in 4,499 annual burden hours (26,466×0.17 hours). Using the State employee wage calculated above, we estimated a total cost to Registration Agencies of this one-time review of $399,891 (4,499 hours×$88.88).

[80] There are 26,466 pre-exiting sponsors in FY 2026 because there are 26,810 projected sponsors in FY 2026 and 344 of these sponsors are new. (26,810-344=26,466).

Revision of State Plan

The process of updating a State plan (under current part 30, a "State EEO plan," and in the final rule, a "State plan for nondiscrimination in apprenticeship") may potentially involve various people at different stages of implementation. Updating the plan will include drafting the new plan, ensuring conformity and that State laws and practices do not exceed the final rule, and completing all administrative procedures that may apply, such as revisions to a State's apprenticeship law or policy that may require a public notice-and- comment period, training for SAA staff on the revised State plan, and outreach to program sponsors to inform them of the relevant aspects of the revised State plan once it has been approved by the Department. The updates to State plans include changing language and existing requirements such that they align with the regulatory changes herein. To calculate the costs, the Department assumed that the process to revise the State plan will take a full year of effort (2,080 hours) to complete.[81] The Department acknowledges that State plan revisions can involve multi-stage processes and varying legislative timelines, but these assumptions used in the analysis represent the best data available and the Department's best estimate for updating the existing State plan. As noted above, many State apprenticeship laws incorporate part 30 requirements through referencing the Federal regulations and will not need to be updated, likely leading to lower costs for some SAA States than others. However, the Department assumes that all SAA States will experience the same cost. As a result, the Department is likely overstating the true cost of revising State plans. For simplicity, we assumed that an SAA human resources manager will complete the task at an hourly compensation rate of

[81] Note that this calculation is only the administrative costs of updating the State plan, as opposed to the costs of implementing the new plan, or any new burdens on State Agencies. Since the updated State plan for nondiscrimination in apprenticeship should reflect the Federal regulations, these costs should be accounted for and addressed elsewhere in the analysis under discussions of costs.

$88.88.[82] Based on this calculation we estimated a one-time cost of $6.10 million in the first year (2,080 hours×$88.88×33 SAA States).[83]

Complaint Referral Procedures

Section 30.4, Complaint referral procedures, directs the Registration Agencies to refer complainants alleging illegal discrimination against apprentices to the appropriate enforcement agency. Since the complaint process is not a new process, the Department does not expect that these provisions will result in any incremental change in the burden on Registration Agencies as these agencies are already required to refer complaints to other EEO agencies under current § 30.14(c)(3). Therefore, the Department does not estimate any additional costs associated with complaint referrals under the final rule.

Nondiscrimination Compliance Reviews and Enforcement

In response to public comment, the section on nondiscrimination compliance reviews and enforcement (§ 30.5) within the final rule adds a requirement that sponsors disclose to the Registration Agency any final determinations by an enforcement entity or court with jurisdiction over an applicable nondiscrimination law that the sponsor violated such law with respect to an apprentice or applicant for apprenticeship. Sponsors must provide this written disclosure within 60 days of the final determination and must include, at a minimum, copies of relevant final determinations, judgments, decisions, and

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[82] We calculated the hourly compensation rate for a human resources manager at a State agency by multiplying the hourly wage of $48.07 (GS-13 step 5) by 1.63 for public sector employee benefits. BLS, "National Compensation Survey, Employer Costs for Employee Compensation," last modified June 12, 2026, *https://www.bls.gov/news.release/ecec.t03.htm*. For State and local government workers, wages and salaries averaged $49.38 per hour worked in 2025, while benefit costs averaged $24.63, which is a benefits rate of 63 percent) and 1.17 to account for overhead costs. Cody Rice, EPA, "Wage Rates for Economic Analyses of the Toxics Release Inventory Program," June 10, 2002, *https://www.regulations.gov/document/EPA-HQ-OPPT-2014-0650-0005* to account for State and local employee benefits. The hourly compensation rate for a human resources manager at a State agency is thus $88.88 (($49.38×1.17)+($49.38×1.63)).

[83] The estimated time to complete the revisions is 12 months (2,080 hours). The calculation used the hourly compensation rate for a State human resources manager ($88.88) multiplied by 2,080 (the assumed number of work hours in a year) and by the total number of State Apprenticeship Agencies (33) to obtain the total cost. This cost only accrues in the first year of the ten-year analysis period.

orders. Sponsors must also include, as part of this disclosure, a description of any remedies prescribed by the enforcement entity or court to address the violation.

The Department expects that this requirement may impose some administrative burden on sponsors in the limited circumstances in which a final, non-appealable determination of a violation of a nondiscrimination law has been made. In such cases, a sponsor may need to review the final determination and related orders, prepare a written disclosure to the Registration Agency, and describe any prescribed remedies. The Department expects these activities will involve legal, managerial, or administrative staff time, depending on the sponsor's size, organizational structure, and the complexity of the final determination or ordered remedy.

The Department is not aware of prior instances in which sponsors have been subject to final, non-appealable determinations of nondiscrimination violations that would trigger this requirement, and it expects such events to occur infrequently. The Department does not have data that would allow it to estimate how often enforcement entities or courts will issue such determinations involving apprentices or applicants, nor how often those determinations will result in prescribed remedies that sponsors must describe to the Registration Agency or the extent to which any such disclosures will vary in complexity. Because the requirement is triggered only when an external enforcement entity or court has issued a final determination of a nondiscrimination violation relating to an apprentice or applicant, the Department cannot estimate whether this requirement will be triggered frequently, infrequently, or at all for many sponsors. For these reasons, the Department discusses the potential administrative costs of this disclosure requirement qualitatively but does not include a quantified estimate in the RIA.

7. Analysis Summary

Exhibit 3 presents a summary of the first-year cost savings and costs of the final rule, as described above. As shown in the exhibit, the total first-year cost savings of the final rule are $90.53 million and the total first-year costs are $9.87 million.

***Exhibit* 3**

Provision	Entity Affected	Monetized Costs ($ Million)
No longer posting equal opportunity pledge	Sponsor	-$0.01
No longer conducting equal opportunity training	Sponsor/ Apprentice	-$53.48
No longer conducting universal outreach	Sponsor	-$10.05
No longer conducting utilization and workforce analysis	Sponsor	-$0.95
No longer conducting EEO compliance reviews	Sponsor	-$10.31
No longer providing an invitation to self-identify as an individual with a disability	Sponsor/ Apprentice	-$15.73
Familiarization with regulatory change	Sponsor	$3.05
Familiarization with regulatory change	SAA	$0.01
Updating standards to align with revised part 30 regulation	Sponsor/ Registration Agencies	$0.72
Revision of State plan for nondiscrimination in apprenticeship	SAA	$6.10
Total First-Year Costs		-80.66

Exhibit 4 presents a summary of the monetized costs and cost savings associated with the final rule over the 10-year analysis period. The monetized costs and cost savings displayed are the yearly summations of the calculations described above. Costs and cost savings are presented as undiscounted 10-year totals, and as present values with 7 and 3 percent discount rates.

***Exhibit* 4**

Year	Monetized Cost Savings *$Million*	Monetized Cost *$Million*
2026	$90.53	$9.87

2027	$92.75	
2028	$95.06	
2029	$97.45	
2030	$99.93	
2031	$102.51	
2032	$105.19	
2033	$107.97	
2034	$110.86	
2035	$113.86	
Undiscounted	$1,016.11	$9.87
7% Discounted	$703.64	$9.23
3% Discounted	$861.39	$9.58
Annualized Undiscounted	$101.61	$0.99
Annualized 7%	$100.18	$1.31
Annualized 3%	$100.98	$1.12

As mentioned above, due to data limitations, the Department did not quantify several important benefits to society provided by the final rule. The final rule is expected to result in several overarching benefits to apprenticeship programs and specific benefits resulting from a less legally ambiguous and more streamlined part 30. The final rule will reduce barriers to register and operate an apprenticeship program, allowing the creation of additional programs that allow more individuals to receive training and benefiting businesses in meeting their skills needs.

8. Regulatory Alternatives

In addition to the final rule, the Department considered three regulatory alternatives: (a) repeal part 30 entirely; (b) only eliminate the additional affirmative action requirements pertaining to sponsors with five or more apprentices while retaining the reminder of the 2016 final rule; and (c) take no action (i.e., leave the 2016 final rule intact).

The Department conducted economic analyses of the three alternatives to better understand their costs and cost savings and the implied tradeoffs (in terms of the costs and cost savings that would be realized) relative to the final rule. Below is a discussion of

each alternative along with an estimation of their costs and cost savings. All costs and cost savings use the 2016 final rule as the baseline for the analysis.

Repeal Part 30 Entirely

This alternative yields many of the same cost savings as the final rule but also would remove the cost to Registration Agencies (OA or SAAs) related to the referral of complaints, leading to additional cost savings.

The Department assumed that, when a Registration Agency receives a complaint, it takes 15 minutes (0.25 hours) for a public-sector human resources manager ($88.88 per hour) to refer the complaint to the correct entity. The Department estimated that 421 apprentices will file a complaint in the first year and that the number of complaints rises by 9 percent each year.[84] Based on this assumption, the Department estimated that the savings to Registration Agencies from not having to refer complaints would be $37,507 in the first year. The Department estimated that this would have an annualized savings of $56,428 and $54,889 (at 3 percent and 7 percent discounting, respectively).

Additionally, removing part 30 would remove the costs associated with deregistering programs and derecognizing SAAs that are violating part 30. However, instance in which a program or an SAA has been deregistered or derecognized because of failure to comply with part 30 (current §§ 30.15, 30.16, and 30.18(d)) are rare. The Department therefore assumed that removing the deregistration or derecognition components of the current part 30 rule would create minimal to no cost savings. The Department estimated that the cost savings of this alternative would therefore be the same

[84] The EEOC reports that there were 88,531 charges in FY2024 and that the number of complaints between FY 2023 to FY 2024 rose by 9.22%. EEOC, "Enforcement and Litigation Statistics," https://www.eeoc.gov/data/enforcement-and-litigation-statistics-0 (last visited June 26, 2026). Based on this growth rate, we estimate there will be 105,616 complaints in 2026. We assume apprentices file the same percentage of complaints as their share of the workforce. We understand this may be an over or underestimate as apprentices may be less or more likely to fill complaints than the broader workforce. Since apprentices make up 0.4% of the workforce, we assumed that they file 422 complaints a year (105,616×0.4%). We repeat this calculation each year to account for the growth in complaints each year.

in each year as the final rule, with additional cost savings from the elimination of referral requirements.

In estimating costs, the Department expects that the elimination of part 30 entirely would remove conformity across the Registered Apprenticeship system by creating an inconsistent regulatory framework across states. If some States left their current apprenticeship affirmative action laws in place, it may be harder for sponsors to navigate and comply with this system and these sponsors may not receive the same amount of regulatory relief. This lack of conformity would therefore create confusion and hinder the deregulatory goals of the rulemaking from being achieved on a nationwide basis. Additionally, if some states retained the use of race- and sex-based preferences in apprenticeship selection and advancement decisions, the apprenticeship system in these states would continue to conflict with the merit-based principles that the apprenticeship system, and overall American workforce, should represent.

Eliminating part 30 entirely also would remove an important standard of apprenticeship that was designed to safeguard the welfare of apprentices. As mentioned previously, a Registration Agency's grant of registration to an apprenticeship program serves as an official recognition of that program's overall quality and represents the conferral of a valuable governmental benefit upon the program sponsor. Accordingly, the Department takes the position that there should be appropriate sanctions available (such as program deregistration) if it is determined that a sponsor has engaged in illegal discriminatory conduct against the apprentices enrolled in its program. Rescinding part 30 entirely would remove this important quality safeguard protecting the welfare of apprentices and the mechanism for holding sponsors accountable for illegal discrimination.

While the Department expects that the costs associated with a lack of conformity and conflicts with merit principles could be substantial, these costs are largely intangible

and would be difficult to estimate. As a result, the Department estimated that the only monetized costs would be the one-time cost of removing references to part 30 in apprenticeship program standards, which we estimated to be $715,157, and due to data and other limitations referenced above, there would be no quantifiable costs to repealing part 30 entirely because States would not have to submit updated State plans and sponsors would not need to familiarize themselves with the rule change. Exhibit 5 presents a summary of the monetized costs of this alternative over the 10-year analysis period. Costs are presented as undiscounted 10-year totals, and as present values, using 7 percent and 3 percent discount rates.

Exhibit 5

Year	**Monetized Cost Savings** *$Million/year*	**Monetized Cost** *$Million/year*
2026	$ 90.57	$ 0.72
2027	$ 92.79	
2028	$ 95.10	
2029	$ 97.50	
2030	$ 99.99	
2031	$ 102.57	
2032	$ 105.25	
2033	$ 108.04	
2034	$ 110.93	
2035	$ 113.95	
Undiscounted	$ 1,016.68	$ 0.72
7% Discounted	$ 704.03	$ 0.67
3% Discounted	$ 861.88	$ 0.69
Annualized Undiscounted	$ 101.67	$ 0.07
Annualized 7%	$ 100.24	$ 0.10
Annualized 3%	$ 101.04	$ 0.08

Only Remove Additional Requirements Pertaining to Programs with Five or More Apprentices

This alternative yields only the cost savings that come from eliminating the provisions under the current part 30 regulations that require sponsors with five or more apprentices to take additional affirmative action steps. This more limited change would

therefore eliminate the following costs: new sponsors' familiarization with the apprenticeship utilization data tool, the cost of the workforce analysis, the cost of the utilization analysis, the additional dissemination of resources for designated demographic groups if a sponsor is found to be underutilizing said group, costs related to EEO compliance reviews, and the cost of inviting apprentices to self-identify as an individual with a disability (as well as sending email reminders about this self-identification). Sponsors would still incur the costs of orientation and information sessions and universal outreach. New sponsors also would continue to incur the cost of posting EEO pledges.

Under this alternative, the Department assumed that sponsors and SAAs would still incur the same rule familiarization costs and SAAs would still have to submit revised State plans under current § 30.18. Only pre-existing programs with five or more apprentices would incur costs from updating standards. The Department estimated that there will be 7,429 pre-existing programs with more than 5 apprentices in 2026.[85] Based on the methodology described above, we estimated sponsors with five or more apprentices would incur $88,495 from the cost of updating standards and Registration Agencies would incur $112,249 in costs from reviewing updated standards, for a total cost of $200,372 for updating standards for programs with five or more apprentices. This cost is lower because fewer sponsors (i.e., only those with five or more apprentices) would need to update standards. We estimated the total cost of this option at $9.36 million.

Exhibit 6 presents a summary of the monetized costs of this alternative over the 10-year analysis period. Costs are presented as undiscounted 10-year totals, and as present values, using 7 percent and 3 percent discount rates. As shown in the table, this alternative option of only removing additional requirements pertaining to programs with

[85] There were estimated to be 7,813 sponsors with five or more apprentices in total in FY 2026, 401 of which would be new sponsors. Subtracting new programs, it is estimated that there will be 7,501 pre-existing sponsors with five or more apprentices in FY 2026.

five or more apprentices fails to provide the same cost-savings as the final rule because, as outlined above, sponsors would still need to conduct several additional activities to comply with part 30.

Exhibit 6

Year	**Monetized Cost Savings** *$Million/year*	**Monetized Cost** *$Million/year*
2026	$27.00	$9.36
2027	$28.40	
2028	$29.87	
2029	$31.41	
2030	$33.03	
2031	$34.74	
2032	$36.54	
2033	$38.43	
2034	$40.41	
2035	$42.50	
Undiscounted	$342.33	$9.36
7% Discounted	$233.79	$8.75
3% Discounted	$288.45	$9.09
Annualized Undiscounted	$34.23	$0.94
Annualized 7%	$33.29	$1.25
Annualized 3%	$33.82	$1.07

Take No Action

This alternative yielded no additional costs or cost savings to society because it does not deviate from the baseline, that is, the 2016 final rule. However, the Department notes that taking no action would prevent the cost savings that would accrue from this final rule. In addition to decreasing the burden on sponsors and Registration Agencies, chief among the cost savings from the final rule is the elimination of regulatory provisions that have the effect of encouraging the use of race- and sex-based preferences in apprenticeship selection and advancement decisions. By removing these requirements, the final rule promotes a return to individual, merit-based evaluation, consistent with the principle that all Americans should be treated as individuals rather than as members of demographic groups. Without this change, the Department is concerned that the public's

confidence in the fairness of the apprenticeship system could be undermined, that legal uncertainty would remain for current sponsors, and that prospective sponsors may be deterred by the 2016 final rule's prescriptive and group-based mandates.

Additionally, as noted throughout the preamble, the Department anticipates that the removal of these burdensome requirements from part 30 will spur further growth of the National Apprenticeship System, providing more opportunities for American workers to up-skill and for employers to fill their workforce shortages. While the Department has not monetized these benefits due to data limitations, they are likely to be significant. However, if the Department took no action and did not streamline the part 30 regulation, these benefits would not occur.

B. Regulatory Flexibility Act, Small Business Regulatory Enforcement Fairness Act of 1996, and Executive Order 13272 (Proper Consideration of Small Entities in Agency Rulemaking)

The Regulatory Flexibility Act of 1980,[86] as amended by subtitle D of SBREFA, requires agencies to prepare an initial regulatory flexibility analysis when proposing, and a final regulatory flexibility analysis when issuing, regulations that will have a significant economic impact on a substantial number of small entities.

The Department conducted the analysis below of the burden on small entities from the proposed rule, and based on that analysis, certifies that the costs of this rule will not have a significant economic impact on a substantial number of small entities.

1. Why Action is Being Taken

The Department has determined that this deregulatory action is necessary to remove administrative barriers to participation in Registered Apprenticeship. As described throughout the preamble for this final rule, in the Department's view, this final

[86] 5 U.S.C. 601 et seq.

rule's changes to the regulation at 29 CFR part 30 will significantly reduce administrative burdens for existing program sponsors, and will alleviate concerns expressed by employers (including small businesses) regarding the amount of administrative burden they would have to take on to participate in Registered Apprenticeship. The Department is finalizing these changes to the regulation at 29 CFR part 30 because these outcomes will help accelerate the expansion of Registered Apprenticeship, in line with the Administration's and the Department's ambitious goals to grow the system, including in industries and sectors where Registered Apprenticeship is not currently widespread. In addition, the Department is finalizing this deregulatory action in light of the Administration's call for Federal agencies to review their regulations and remove regulations that impose undue or unnecessary burdens on stakeholders. Finally, as discussed throughout the preamble in depth, the Departments finds that the existing part 30 regulations impose mandates that may induce the utilization of race and sex-based preferences in a manner that is unlawful and in direct conflict with controlling Supreme Court precedent. Accordingly, the Department is removing these requirements.

2. Objectives of, and Legal Basis for, the Final Rule

A primary objective of the final rule is to alleviate administrative burden for Registered Apprenticeship stakeholders and promote a more straightforward framework for the regulated community to participate in the system and maintain compliance with the governing regulations (at 29 CFR parts 29 and 30). In addition, this final rule seeks to eliminate a duplicative and ineffective (and, in light of recent case law, legally questionable) regulatory framework for nondiscrimination protections in Registered Apprenticeship. These objectives align with the broader goals of the Administration and the Department to identify and modify burdensome regulations, preserve limited enforcement resources, and keep pace with evolving issues in nondiscrimination law. The

NAA stands as the Department's statutory basis for promulgating regulations on apprenticeship.

3. Classes of Small Entities

A small entity is one that is independently owned and operated and that is not dominant in its field of operation.[87] The definition of small entity varies from industry to industry to properly reflect industry size differences. 13 CFR 121.201. An agency must either use the SBA definition for a small entity or establish an alternative definition for the industry. Using SBA size standards, the Department has conducted a small entity impact analysis on small entities in the five industry categories with the most Registered Apprenticeship programs and for which data were available: Construction, Educational Services, Manufacturing, Other Services, and Healthcare.[88]

One industry, Public Administration, made the initial top-five list but is not included in this analysis because no data on the revenue of small local jurisdictions were available. Local jurisdictions are classified as small when their population is less than 50,000.[89]

Registered Apprenticeship program sponsors may be employers, employer associations, industry associations, or labor management organizations and, thus, may represent businesses, multiple businesses, and not-for-profit organizations. The requirements of the final rule, however, fall on the sponsor, and therefore we used sponsor data to create industry breakdowns.

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[87] 5 U.S.C. 601(3); 15 U.S.C. 632.
[88] According to RAPIDS, the percent of programs (of all sizes) in the selected sectors in 2024 were as follows: Construction, 33.5 percent; Educational Services, 24.1 percent; Manufacturing, 4.3 percent; Other Services, 3.7 percent; Health Care and Social Assistance, 3.6 percent. Public Administration was 24.1 percent, and 11.6 percent of programs did not have an industry available.
[89] 5 U.S.C. 601(5).

4. Impact on Small Entities

The Department estimated the incremental costs for small entities from the baseline of the 2016 final rule.[90] This analysis reflects the incremental cost of the final rule, as it adds to the requirements of the 2016 final rule. Using available data, we estimated the costs to sponsors of familiarizing themselves with the rule change. A significant economic burden results when the total incremental annual cost as a percentage of total average annual revenue is equal to or exceeds 3 percent.[91] Because the estimated annual burden of the final rule is less than 1 percent of the average annual revenue of each industry category, the final rule is not expected to cause a significant economic impact to small entities. These entities include individual employers, groups of employers, labor management organizations, or industry associations that sponsor apprenticeships. As explained in detail below, the total impact amounts to approximately $125.69 per affected small entity in the first year. All costs are incurred in the first year. Because all the final rule provisions will have a similar impact on entities across economic sectors, we calculated impacts to a representative single entity.[92]

Costs

Familiarization with Regulatory Change

During the first year after implementation of the final rule, sponsors will need to learn about the new regulatory requirements. We estimated this cost for a hypothetical small entity by multiplying the time required to read the new rule (1 hour) by the average hourly compensation rate of a human resources manager ($113.78, as calculated above). Thus, the resulting cost per small entity is $113.78 ($113.78×1). This cost occurs only in the year after the final rule is published.

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[90] 81 FR 92102 (Dec. 19, 2026).
[91] See SBA, "A Guide for Government Agencies: How to Comply with the Regulatory Flexibility Act," pp.17-19, (Aug. 2017), *https://advocacy.sba.gov/wp-content/uploads/2019/07/How-to-Comply-with-the-RFA-WEB.pdf*. The Department has used the 3 percent threshold in previous regulations.
[92] A large entity could have a single apprentice or a small entity could have multiple apprentices.

Updating Standards for Compliance

Sponsors of Registered Apprenticeship programs will also need to develop language or make adjustments and updates to existing standards to comply with the proposed changes to part 30. The Department assumed that updating standards to comply with part 30 will mainly entail removing items currently required by part 30 and therefore estimated the burden will be minimal. The Department assumed new sponsors will take a similar amount of time to ensure the standards they develop do not conflict with part 30. Accordingly, the Department estimated the average response time for sponsors to ensure standards comply with part 30 is 20 minutes (0.33 hours). Thus, the Department estimated a cost per small entity of $11.91 (0.33×$36.10).

Total Cost Burden for Small Entities

Based on the cost estimates above, for a hypothetical small entity in the top five industry categories, the estimated first-year cost of this rule is $125.69 ($113.78+$11.91). There are no costs in subsequent years. The total cost impacts, as a percentage of revenue, are all well below the 3 percent threshold for determining a significant economic impact.

The Department used the following steps to estimate the cost of the final rule per Registered Apprenticeship program sponsor as a percentage of annual receipts. First, the Department used the SBA's Table of Small Business Size Standards to determine the size thresholds for small entities within each major industry.[93] Next the Department obtained data on the number of firms, number of employees, and annual revenue by industry and firm size category from the Census Bureau's Statistics of U.S. Businesses.[94] Then, the Department divided the estimated first-year cost per sponsor by the average annual

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[93] SBA, "Table of Small Business Size Standards," Mar. 17, 2023, *https://www.sba.gov/document/support-table-size-standards.* The size standards, which are expressed in either average annual receipts or number of employees, indicate the maximum allowed for a business in each subsector to be considered small.
[94] U.S. Census Bureau, "Statistics of U.S. Businesses," last revised March 11, 2025, *https://www.census.gov/programs-surveys/susb.html*.

receipts per firm to determine whether the final rule will have a significant economic impact on sponsors in each size category.[95] Finally, the Department divided the number of firms in each size category by the total number of small firms in the industry to determine whether the final rule will have a significant economic impact on a substantial number of small entities.[96]

The results are presented in the following five tables, one for each major industry sector with the most Registered Apprenticeship programs and for which data are available: Construction, Educational Services, Manufacturing, Other Services, and Healthcare. As shown in the five tables below, the first-year costs for sponsors in these five industries are not expected to have a significant economic impact (3 percent or more) on small entities of any size. Therefore, the Department certifies that the final rule is not expected to have a significant economic impact on a substantial number of small entities.

Construction Industry

Small Business Size Standard: $19.0 million - $45.0 million

Enterprise Category	Number of Firms[1]	Number of Firms as Percent of Small Firms in Industry[2]	Total Number of Employees[1]	Annual Receipts[1]	Average Receipts per Firm[3]	First Year Cost per Firm[4]	First Year Cost per Firm as Percent of Receipts[5]
Enterprises with receipts below $100,000	167,522	24.0%	156,090	$ 8,725,609,000	$ 52,086	$126	0.2%
Enterprises with receipts of $100,000 to $499,999	247,074	35.5%	544,141	$ 59,292,938,000	$ 239,980	$126	0.1%
Enterprises with receipts of $500,000 to $999,999	89,351	12.8%	444,318	$ 64,312,630,000	$ 719,775	$126	0.0%
Enterprises with receipts of $1,000,000 to $2,499,999	95,739	13.7%	828,261	$ 151,543,429,000	$ 1,582,881	$126	0.0%
Enterprises with receipts of $2,500,000 to $4,999,999	45,814	6.6%	707,745	$ 106,596,928,000	$ 3,505,412	$126	0.0%
Enterprises with receipts of $5,000,000 to $7,499,999	17,860	2.6%	416,512	$ 108,352,122,000	$ 6,066,748	$126	0.0%
Enterprises with receipts of $7,500,000 to $9,999,999	9,233	1.3%	283,971	$ 79,262,068,000	$ 8,584,649	$126	0.0%
Enterprises with receipts of $10,000,000 to $14,999,999	9,925	1.4%	401,418	$ 119,793,304,000	$ 12,069,854	$126	0.0%
Enterprises with receipts of $15,000,000 to $19,999,999	5,029	0.7%	270,176	$ 85,738,468,000	$ 17,048,810	$126	0.0%
Enterprises with receipts of $20,000,000 to $24,999,999	3,089	0.4%	200,568	$ 67,308,726,000	$ 21,789,811	$126	0.0%
Enterprises with receipts of $25,000,000 to $29,999,999	2,011	0.3%	150,472	$ 53,427,466,000	$ 26,567,561	$126	0.0%
Enterprises with receipts of $30,000,000 to $34,999,999	1,396	0.2%	119,403	$ 43,667,793,000	$ 31,280,654	$126	0.0%
Enterprises with receipts of $35,000,000 to $39,999,999	1,056	0.2%	99,968	$ 37,941,329,000	$ 35,929,289	$126	0.0%
Enterprises with receipts of $40,000,000 to $49,999,999	1,466	0.2%	166,727	$ 63,454,897,000	$ 43,284,377	$126	0.0%

[1] Source: U.S. Census Bureau, Statistics of U.S. Businesses
[2] Number of Firms ÷ Small firms in the industry
[3] Annual receipts ÷ Number of firms
[4] First year cost per firm with 7% discounting ÷ Average receipts per firm
[5] Annualized cost per firm with 7% discounting ÷ Average receipts per firm

Manufacturing Industry

Small Business Size Standard: 500 - 1,500 employees

Enterprise Category	Number of Firms	Number of Firms as Percent of Small Firms in Industry	Total Number of Employees	Annual Receipts	Average Receipts per Firm	First Year Cost per Firm	First Year Cost per Firm as Percent of Receipts
Enterprises with 0–4 employees	102,242	41.5%	188,002	$ 41,641,473,000	$ 407,283	$126	0.0%
Enterprises with 5–9 employees	45,821	18.6%	306,025	$ 54,272,680,000	$ 1,184,450	$126	0.0%
Enterprises with 10–19 employees	37,549	15.2%	511,380	$ 97,477,689,000	$ 2,596,013	$126	0.0%
Enterprises with 20–99 employees	46,089	18.7%	1,872,005	$ 434,974,512,000	$ 9,437,708	$126	0.0%
Enterprises with 100–499 employees	12,397	5.0%	2,162,360	$ 684,189,119,000	$ 55,189,894	$126	0.0%
Enterprises with 500–749 employees	1,127	0.5%	526,397	$ 212,921,994,000	$ 188,928,122	$126	0.0%
Enterprises with 750–999 employees	608	0.2%	370,263	$ 145,396,128,000	$ 239,138,368	$126	0.0%
Enterprises with 1,000–1,499 employees	578	0.2%	487,897	$ 230,429,698,000	$ 398,667,298	$126	0.0%

[95] For purposes of this analysis, the Department used a 3-percent threshold for "significant economic impact." The Department has used a 3-percent threshold in prior rulemakings.
[96] For purposes of this analysis, the Department used a 15-percent threshold for "substantial number of small entities." The Department has used a 15-percent threshold in prior rulemakings.

Educational Services Industry							
Small Business Size Standard: $9.0 million - $47.0 million							
Enterprise Category	Number of Firms	Number of Firms as Percent of Small Firms in Industry	Total Number of Employees	Annual Receipts	Average Receipts per Firm	First Year Cost per Firm	First Year Cost per Firm as Percent of Receipts
Enterprises with receipts below $100,000	22,439	24.3%	42,944	$ 1,072,093,000	$ 47,815	$126	0.3%
Enterprises with receipts of $100,000 to $499,999	37,156	40.3%	197,950	$ 9,253,888,000	$ 249,055	$126	0.1%
Enterprises with receipts of $500,000 to $999,999	11,425	12.4%	139,745	$ 8,015,282,000	$ 701,556	$126	0.0%
Enterprises with receipts of $1,000,000 to $2,499,999	9,837	10.7%	237,256	$ 15,395,145,000	$ 1,565,024	$126	0.0%
Enterprises with receipts of $2,500,000 to $4,999,999	4,483	5.4%	227,231	$ 17,812,220,000	$ 3,472,559	$126	0.0%
Enterprises with receipts of $5,000,000 to $7,499,999	2,051	2.2%	142,147	$ 12,111,348,000	$ 5,905,094	$126	0.0%
Enterprises with receipts of $7,500,000 to $9,999,999	1,085	1.2%	99,135	$ 8,953,268,000	$ 8,251,860	$126	0.0%
Enterprises with receipts of $10,000,000 to $14,999,999	1,217	1.3%	149,025	$ 13,862,557,000	$ 11,390,762	$126	0.0%
Enterprises with receipts of $15,000,000 to $19,999,999	788	0.9%	130,304	$ 12,669,721,000	$ 16,078,326	$126	0.0%
Enterprises with receipts of $20,000,000 to $24,999,999	405	0.4%	83,052	$ 8,138,742,000	$ 20,095,659	$126	0.0%
Enterprises with receipts of $25,000,000 to $29,999,999	266	0.3%	72,713	$ 6,484,352,000	$ 24,377,263	$126	0.0%
Enterprises with receipts of $30,000,000 to $34,999,999	193	0.2%	53,118	$ 5,395,885,000	$ 27,957,953	$126	0.0%
Enterprises with receipts of $35,000,000 to $39,999,999	157	0.2%	49,519	$ 4,946,014,000	$ 31,503,274	$126	0.0%
Enterprises with receipts of $40,000,000 to $49,999,999	230	0.2%	84,073	$ 8,636,464,000	$ 37,549,843	$126	0.0%

Other Services Industry							
Small Business Size Standard: $8.0 million - $47.0 million							
Enterprise Category	Number of Firms	Number of Firms as Percent of Small Firms in Industry	Total Number of Employees	Annual Receipts	Average Receipts per Firm	First Year Cost per Firm	First Year Cost per Firm as Percent of Receipts
Enterprises with receipts below $100,000	170,346	24.6%	255,297	$ 8,652,069,000	$ 50,675	$126	0.2%
Enterprises with receipts of $100,000 to $499,999	317,048	45.7%	1,077,568	$ 78,960,123,000	$ 249,048	$126	0.1%
Enterprises with receipts of $500,000 to $999,999	102,517	14.8%	754,571	$ 71,799,849,000	$ 700,370	$126	0.0%
Enterprises with receipts of $1,000,000 to $2,499,999	68,210	9.8%	955,461	$ 103,187,937,000	$ 1,512,798	$126	0.0%
Enterprises with receipts of $2,500,000 to $4,999,999	20,419	2.9%	564,101	$ 69,277,561,000	$ 3,392,790	$126	0.0%
Enterprises with receipts of $5,000,000 to $7,499,999	6,414	0.9%	280,574	$ 37,605,902,000	$ 5,863,097	$126	0.0%
Enterprises with receipts of $7,500,000 to $9,999,999	2,783	0.4%	161,164	$ 22,887,699,000	$ 9,825,110	$126	0.0%
Enterprises with receipts of $10,000,000 to $14,999,999	2,571	0.4%	195,893	$ 28,880,096,000	$ 11,233,024	$126	0.0%
Enterprises with receipts of $15,000,000 to $19,999,999	1,264	0.2%	119,626	$ 19,348,930,000	$ 15,307,689	$126	0.0%
Enterprises with receipts of $20,000,000 to $24,999,999	692	0.1%	72,568	$ 13,156,352,000	$ 19,012,026	$126	0.0%
Enterprises with receipts of $25,000,000 to $29,999,999	506	0.1%	63,522	$ 11,408,983,000	$ 18,312,836	$126	0.0%
Enterprises with receipts of $30,000,000 to $34,999,999	325	0.0%	42,921	$ 8,458,331,000	$ 26,035,634	$126	0.0%
Enterprises with receipts of $35,000,000 to $39,999,999	292	0.0%	37,383	$ 6,844,270,000	$ 24,609,003	$126	0.0%
Enterprises with receipts of $40,000,000 to $49,999,999	326	0.0%	49,042	$ 10,596,957,000	$ 32,506,003	$126	0.0%

Health Care and Social Assistance Industry							
Small Business Size Standard: $9.0 million - $47.0 million							
Enterprise Category	Number of Firms	Number of Firms as Percent of Small Firms in Industry	Total Number of Employees	Annual Receipts	Average Receipts per Firm	First Year Cost per Firm	First Year Cost per Firm as Percent of Receipts
Enterprises with receipts below $100,000	105,782	16.3%	144,258	$ 5,157,367,000	$ 48,755	$126	0.3%
Enterprises with receipts of $100,000 to $499,999	247,723	38.0%	919,768	$ 66,746,907,000	$ 269,932	$126	0.0%
Enterprises with receipts of $500,000 to $999,999	130,435	20.0%	1,066,795	$ 92,688,993,000	$ 710,614	$126	0.0%
Enterprises with receipts of $1,000,000 to $2,499,999	102,005	15.7%	1,733,292	$ 155,576,671,000	$ 1,525,187	$126	0.0%
Enterprises with receipts of $2,500,000 to $4,999,999	32,793	5.0%	1,269,403	$ 112,848,383,000	$ 3,441,234	$126	0.0%
Enterprises with receipts of $5,000,000 to $7,499,999	11,292	1.7%	768,478	$ 67,880,384,000	$ 6,011,369	$126	0.0%
Enterprises with receipts of $7,500,000 to $9,999,999	6,073	0.9%	587,923	$ 51,322,879,000	$ 8,450,993	$126	0.0%
Enterprises with receipts of $10,000,000 to $14,999,999	6,282	1.0%	843,098	$ 74,388,140,000	$ 11,841,474	$126	0.0%
Enterprises with receipts of $15,000,000 to $19,999,999	3,193	0.5%	582,465	$ 52,937,196,000	$ 16,579,141	$126	0.0%
Enterprises with receipts of $20,000,000 to $24,999,999	1,945	0.3%	432,978	$ 41,376,894,000	$ 21,273,467	$126	0.0%
Enterprises with receipts of $25,000,000 to $29,999,999	1,297	0.2%	333,840	$ 33,402,569,000	$ 25,753,715	$126	0.0%
Enterprises with receipts of $30,000,000 to $34,999,999	939	0.1%	287,523	$ 28,762,117,000	$ 30,630,583	$126	0.0%
Enterprises with receipts of $35,000,000 to $39,999,999	672	0.1%	251,011	$ 23,637,148,000	$ 35,174,327	$126	0.0%
Enterprises with receipts of $40,000,000 to $49,999,999	903	0.1%	357,594	$ 37,602,128,000	$ 41,641,338	$126	0.0%

5. Alternatives to the Final Rule

Regarding significant alternatives to the final rule that accomplish the objectives of applicable statutes and minimize any significant economic impact of the final rule on small entities, there are limited options. Repealing part 30 entirely would still require sponsors that are small entities to update their standards to remove reference to part 30, costing $11.91 per sponsor. There could be lower to no rule familiarization costs for small entities if part 30 was removed entirely, since there would be no rule that entities would have to be familiarized with, but sponsors would still need to be informed of the change and may review the Federal Register notice. However, the Department is

concerned that removing part 30 entirely would prevent conformity across the National Apprenticeship System, as some states may choose to impose additional requirements for sponsors to conduct legally questionable affirmative action or other EEO activities that expand beyond the scope of the Department's proposed part 30 rule. If part 30 was repealed entirely and states were to impose additional EEO requirements, these new requirements and the resulting confusion from a patchwork of different requirements across jurisdictions could ultimately lead to greater costs for small entities.[97]

Alternatively, the Department considered publishing a direct final rule or an interim final rule to make changes to the part 30 regulation. However, the Department determined that these approaches to rulemaking would have given smaller entities no advanced notice of changes to the part 30 regulation, given that the changes would take effect immediately upon (or soon after) publication, and would have denied small entities the opportunity to provide robust feedback on the changes. Accordingly, the Department determined notice-and-comment rulemaking to be more appropriate, in part because it would allow the Department to better account for small businesses' viewpoint and needs.

C. Paperwork Reduction Act

The purpose of the Paperwork Reduction Act (PRA)[98] includes minimizing the paperwork burden on affected entities. The PRA requires certain actions before an agency can adopt or revise a collection of information, including publishing for public comment a summary of the collection of information and a brief description of the need for and proposed use of the information.

As part of its continuing effort to reduce paperwork and respondent burden, the Department conducts a preclearance consultation program to provide the public and

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[97] The Department is not able to estimate or monetize the cost of the additional potential EEO requirements states may pursue if part 30 is repealed, because it is unknown what requirements states would impose on small entities.

[98] 44 U.S.C. 3501 et seq.

Federal agencies with an opportunity to comment on proposed and continuing collections of information in accordance with the PRA.[99] Furthermore, the PRA requires all Federal agencies to analyze proposed and final regulations for potential time burdens on the regulated community created by provisions in the regulations that require any party to obtain, maintain, retain, report, or disclose information. The information collection requests (ICRs) also must be submitted to OMB for approval. Such submissions often accompany a proposed and final rulemaking that seeks to modify an existing information collection (IC), introduce new ICs, or both.

A Federal agency may not conduct or sponsor a collection of information unless it is approved by OMB under the PRA and displays a currently valid OMB control number. The public also is not required to respond to a collection of information unless it displays a currently valid OMB control number. In addition, notwithstanding any other provisions of law, no person will be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number.[100]

This rulemaking affects specific ICRs (OMB Control Number 1205-0223, which includes OMB-approved forms ETA-671, ETA-9186, and ETA-9039). Changes to these collections will be communicated through an upcoming 60-day Federal Register Notice.

1. Labor Standards and Equal Employment Opportunity for Registered Apprenticeship Programs – Registration and Reporting Requirements.

Agency: DOL-ETA.

Title of Collection: Labor Standards and Equal Employment Opportunity for Registered Apprenticeship Programs – Registration and Reporting Requirements.

Type of Review: Revision.

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[99] *See* 44 U.S.C. 3506(c)(2)(A).
[100] See 44 U.S.C. 3512.

OMB Control Number: 1205-0223.

Description:

Affected Public: State, Local, and Tribal Governments; Private Sector; Individuals or Households.

Obligation to Respond: Required to Obtain or Retain Benefits.

Estimated Total Annual Respondents: placeholder

Estimated Total Annual Responses: placeholder

Estimated Total Annual Burden Hours: placeholder

Estimated Total Annual Burden Costs: placeholder

Estimated Total Annual Other Burden Costs: placeholder

Regulations Sections: placeholder

Comments: A commenter expressed confusion about whether the Department will continue to collect apprentice data, through ETA Form 671, related to race, sex, ethnicity, and disability. The commenter recommended that, given the Department's proposed removal of the definitions for those terms, and because the Department proposed to revise § 29.7 to only require "demographic data," rather than specific types of demographic data, that the Department clarify what data would be collected under a revised Form 671.

Department Response: As noted in the ICR referenced in an August 25, 2025, Federal Register Notice (90 FR 41414) following the NPRM's publication, there is no change to the collection of demographic data under ETA Form 671, Section II. Accordingly, race, sex, and ethnicity will still be collected through this form on a voluntary basis. As noted in the ICR, Form 671, Section IIA, which allows an apprentice to voluntarily self-report their disability status, is discontinued and therefore the Department will cease collecting disability information on apprentices.

D. Congressional Notification

As required by 5 U.S.C. 801, once finalized, DOL will report to Congress on the

promulgation of this rule at least 60 days before its effective date. The report will state that it has been determined that the rule meets the criteria set forth in 5 U.S.C. 804(2).

Comments: The Department did not receive any comments on its congressional notification analysis.

E. Executive Order 13132 (Federalism)

The Department has reviewed this final rule in accordance with E.O. 13132 and found that it will have Federalism implications because it will have substantial direct effects on States. As stated in the Federalism analysis that accompanied the Department's NPRM, matters of Federalism in the National Apprenticeship System are primarily related to the regulatory requirements established in part 29, Labor Standards for Registration of Apprenticeship Programs, which establishes the requirements for the recognition of SAAs as Registration Agencies. However, this final rule's revisions to the part 30 regulation also have direct effect on a State's method of administering Registered Apprenticeship for Federal purposes. In particular, the final rule requires a State that seeks to obtain or maintain recognition as a Registration Agency to submit State apprenticeship legislation, regulations, policies, and operational procedures that pertain specifically to nondiscrimination or equal opportunity in apprenticeship to the Department so that the Department may assess whether any such laws, regulations, policies, and operational procedures conform to the revised part 30 regulation.

The Department has determined that requiring States to submit State laws, policies, regulations, and procedures that pertain specifically to nondiscrimination or equal opportunity in apprenticeship to the Department is essential to ensure that SAAs conform to the new requirements of part 30. OA regularly consults and collaborates with State partners and organizations, including on matters pertaining to the Federal regulations governing Registered Apprenticeship at 29 CFR parts 29 and 30. More specifically, such engagement with State partners often relates to States' conformity with

these regulations, in particular those States with State agencies that have been recognized (or are seeking recognition) as SAAs that serve as the Registration Agency responsible for registering apprenticeship programs for Federal purposes in the State. These engagements are critical for determining whether the Department should confer the distinct responsibility of acting as a Registration Agency to a State agency. The Department and OA will continue consulting and collaborating with State partners, which the Department views as central to OA's role in promoting and maintaining quality Registered Apprenticeship programs.

Comments: The Department did not receive any comments on its Federalism analysis required under E.O. 13132. The Department did receive several comments raising Federalism concerns in the context of the Department's proposal to require SAAs to "conform only to" the part 30 requirements in proposed § 30.7. As discussed above in addressing SAA requirements in § 30.7, the Department has considered this issue and has determined to change the language in § 30.7 of this final rule to require that States' laws, regulations, policies, and procedures specific to nondiscrimination or equal opportunity in apprenticeship "conform to" to the part 30 regulation. In addition, in this final rule, the Department has made additional clarifications regarding the scope of the Department's analysis of State laws, regulations, policies, and procedures, specifically clarifying that the Department only will assess those laws, regulations, policies, and procedures specific to nondiscrimination in Registered Apprenticeship in determining whether the Department will confer recognition to a State agency as a Registration Agency for Federal purposes.

F. Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA)[101] requires each Federal agency to prepare a written statement assessing the effects of any Federal

[101] 2 U.S.C. 1532.

mandate in a final rule that may result in $100 million or more in expenditures (adjusted annually for inflation) in any 1 year by State, local, and Tribal governments, in the aggregate, or by the private sector. The current threshold after adjustment for inflation is $177 million, using the most current (2022) Implicit Price Deflator for the Gross Domestic Product.

This final rule does not meet or exceed the expenditure threshold in any 1 year when adjusted for inflation. The requirements of title II of UMRA, therefore, do not apply, and the Department has not prepared a statement under UMRA.

Comments: The Department did not receive any comments on its UMRA analysis.

G. Executive Order 13175 (Indian Tribal Governments)

The Department has reviewed this final rule in accordance with E.O. 13175 and has determined that it does not have Tribal implications. The final rule does not have substantial direct effects on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

Comments: The Department did not receive any comments on its Indian Tribal Governments analysis.

List of Subjects

29 CFR Part 29

Administrative practice and procedure, Employment, Intergovernmental relations, Labor, Licensing and registration, Manpower training programs, Reporting and recordkeeping requirements, State and local governments.

29 CFR Part 30

Administrative practice and procedure, Employment, Equal employment opportunity, Manpower training programs, Reporting and recordkeeping requirements.

For the reasons stated in the preamble, the Department amends 29 CFR parts 29

and 30 as follows:

PART 29—LABOR STANDARDS FOR THE REGISTRATION OF APPRENTICESHIP PROGRAMS

1. The authority citation for part 29 continues to read as follows:

Authority: 29 U.S.C. 50; 40 U.S.C. 3145; 5 U.S.C. 301; 5 U.S.C. App. P. 534.

2. Amend § 29.3 by revising paragraph (b)(2) to read as follows:

§ 29.3 Eligibility and procedure for registration of an apprenticeship program.

* * * * *

(b) * * *

(2) It is in conformity with the requirements of the Department's nondiscrimination in apprenticeship regulation at 29 CFR part 30, as amended.

* * * * *

3. Amend § 29.5 by revising paragraph (b)(21) to read as follows:

§ 29.5 Standards of apprenticeship.

* * * * *

(b) * * *

(21) Compliance with 29 CFR part 30, including a statement that the program will be conducted, operated, and administered in conformity with applicable provisions of 29 CFR part 30, as amended, or if applicable, an approved State plan for nondiscrimination in apprenticeship.

* * * * *

4. Amend § 29.6 by revising paragraph (b)(1)(ii) to read as follows:

§ 29.6 Program performance standards.

* * * * *

(b) * * *

(1) * * *

(ii) Compliance Reviews; and

* * * * *

5. Amend § 29.7 by revising paragraphs (j) and (l) to read as follows:

§ 29.7 Apprenticeship agreement.

* * * * *

(j) A statement that the apprentice will not be illegally discriminated against on the basis of race, color, religion, national origin, sex, age (40 or older), genetic information, or disability in any phase of apprenticeship employment and training.

* * * * *

(l) A request for demographic data about the apprentice.

6. Amend § 29.11 by revising paragraph (b) to read as follows:

§ 29.11 Limitations.

* * * * *

(b) Any special provision for veterans in the standards, apprentice qualifications or operation of the program, or in the apprenticeship agreement, which is not prohibited by law, Executive order, or authorized regulation.

7. Amend § 29.12 by revising paragraph (a) to read as follows:

§ 29.12 Complaints.

(a) This section is not applicable to any complaint concerning illegal discrimination; all such complaints received by a Registration Agency must be submitted to the relevant enforcement authority, as set forth in 29 CFR 30.4, or according to applicable provisions of the State plan for nondiscrimination in apprenticeship.

* * * * *

8. Amend § 29.13 by revising paragraphs (a)(3), (b)(4), (h)(2), and (j) to read as follows:

§ 29.13 Recognition of State Apprenticeship Agencies.

(a) * * *

(3) The State Apprenticeship Agency must submit a State plan for nondiscrimination in apprenticeship that conforms to the requirements published in 29 CFR part 30;

* * * * *

(b) * * *

(4) Establish policies and procedures to prohibit illegal discrimination in registered apprenticeship programs in conformity with the requirements set forth in 29 CFR part 30;

* * * * *

(h) * * *

(2) Provide all apprenticeship program standards, apprenticeship agreements, completion records, cancellation and suspension records, Compliance Review files, and any other documents relating to the State's apprenticeship programs, to the Department; and

* * * * *

(j) *State apprenticeship programs*. (1) An apprenticeship program submitted to a State Registration Agency for registration must, for Federal purposes, be in conformity with the State apprenticeship law, regulations, and with the State plan for nondiscrimination in apprenticeship as submitted to, and approved by, the Office of Apprenticeship pursuant to 29 CFR part 30.

(2) In the event that a State Apprenticeship Agency is not recognized by the Office of Apprenticeship for Federal purposes or that such recognition has been withdrawn, or if no State Apprenticeship Agency exists, registration with the Office of Apprenticeship may be requested. Such registration must be granted if the program is conducted, administered, and operated in accordance with the requirements of this part

and the nondiscrimination in apprenticeship regulation in 29 CFR part 30, as amended.

9. Amend § 29.14 by revising paragraphs (a) and (h)(1) to read as follows:

§ 29.14 Derecognition of State Apprenticeship Agencies.

* * * * *

(a) Derecognition proceedings for failure to adopt or properly enforce a State plan for nondiscrimination in apprenticeship must be processed in accordance with the procedures prescribed in this part.

* * * * *

(h) * * *

(1) Provide all apprenticeship program standards, apprenticeship agreements, completion records, cancellation and suspension records, Compliance Review files, and any other documents relating to the State's apprenticeship programs, to the Department.

* * * * *

10. Revise part 30 to read as follows:

PART 30—PROHIBITING ILLEGAL DISCRIMINATION IN REGISTERED APPRENTICESHIP PROGRAMS

Sec.

30.1 Purpose and applicability.

30.2 Definitions.

30.3 Nondiscrimination standards applicable to all sponsors.

30.4 Complaints.

30.5 Nondiscrimination compliance reviews and enforcement.

30.6 Reinstatement of program registration.

30.7 State apprenticeship agencies.

30.8 Exemptions.

30.9 Severability.

Authority: Sec. 1, 50 Stat. 664, as amended (29 U.S.C. 50; 40 U.S.C. 276c; 5 U.S.C. 301); Reorganization Plan No. 14 of 1950, 64 Stat. 1267, 3 CFR, 1949–53 Comp., p. 1007.

§ 30.1 Purpose and applicability.

(a) *Purpose.* The purpose of this part is to establish a uniform Federal standard prohibiting illegal discrimination against apprentices (including applicants for apprenticeship) in registered apprenticeship programs. To achieve this purpose, this part sets forth nondiscrimination requirements for program sponsors and State Apprenticeship Agencies (SAAs), and clarifies the scope and content of compliance reviews, compliance assistance, and enforcement actions by Registration Agencies.

(b) *Applicability.* This part applies to all sponsors of apprenticeship programs registered with either the U.S. Department of Labor or a recognized SAA.

§ 30.2 Definitions.

The definitions in § 29.2 of this title also apply to this part.

§ 30.3 Nondiscrimination standards applicable to all sponsors.

Registered apprenticeship program sponsors must comply with all applicable Federal and State laws and regulations prohibiting illegal discrimination on the basis of race, color, religion, national origin, sex, age (40 or older), genetic information, or disability. Failure to comply with such nondiscrimination laws is grounds for deregistration or the imposition of other enforcement actions in accordance with § 30.5(c), if such non-compliance is related to illegal discrimination against apprentices or an applicant to an apprenticeship program with respect to any benefit, term, or condition of employment associated with an apprenticeship.

§ 30.4 Complaints.

If the Registration Agency receives any complaints from apprentices (including applicants for apprenticeship) alleging illegal discrimination, it will immediately refer the individual to any of the following:

(a) The Equal Employment Opportunity Commission;

(b) The U.S. Attorney General;

(c) A State Fair Employment Practices Agency; or

(d) Another Federal or State enforcement entity with jurisdiction over discrimination issues, as appropriate.

§ 30.5 Nondiscrimination compliance reviews and enforcement.

(a) *Conduct of compliance reviews.* Concurrently with a Registration Agency's review of a registered apprenticeship program for conformity with the requirements of part 29 of this title, a Registration Agency will assess a program's compliance with the nondiscrimination requirement of § 30.3.

(b) *Determining compliance*. For the purpose of determining compliance under this part, the Registration Agency may initiate enforcement actions against a sponsor for failure to comply with the nondiscrimination requirement at § 30.3 in instances where a final determination of a violation of an applicable nondiscrimination law, without any remaining right to appeal, has been made by an enforcement entity or court with jurisdiction over a matter, and authority to issue a final determination, relating to an apprentice or an applicant to an apprenticeship program.

(1) Sponsors must disclose in writing to the Registration Agency any instances when an enforcement entity or court with jurisdiction over an applicable nondiscrimination law has rendered a final determination, without any remaining right to appeal, that the sponsor has violated such laws relating to an apprentice or an applicant to an apprenticeship program within 60 days of the final determination. The disclosure must include, at a minimum, a copy of all relevant final determinations, judgments, decisions and orders.

(2) As a part of the self-disclosure requirement under paragraph (b)(1) of this section, sponsors must include a description of any prescribed remedies mandated by the

enforcement entity or court to address the violation of applicable nondiscrimination law.

(c) *Compliance and enforcement actions.* Upon learning of a final determination made by an enforcement entity or court with respect to a sponsor's violation of an applicable nondiscrimination law (as described in paragraph (b) of this section), the Registration Agency may work with the sponsor to develop a compliance action plan that aligns with the remedy prescribed by the enforcement entity or court and brings the program into compliance with this part. If the Registration Agency determines that a compliance action plan is not being implemented in accordance with the remedy prescribed by the enforcement entity or court, the Registration Agency may initiate enforcement actions that will remain in place until the violation is resolved to the satisfaction of the Registration Agency. Enforcement actions by the Registration Agency include:

(1) Suspension of the sponsor's right to register new apprentices; or

(2) The initiation of deregistration proceedings set forth in part 29 of this title.

§ 30.6 Reinstatement of program registration.

An apprenticeship program that has been deregistered pursuant to this part may be reinstated by the Registration Agency upon presentation of adequate evidence that the apprenticeship program is operating in accordance with this part.

§ 30.7 State apprenticeship agencies.

(a) *State laws specific to nondiscrimination in apprenticeship.* Within 1 year of [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER], unless an extension for good cause is sought and granted by the Administrator, an SAA that seeks to obtain or maintain recognition under § 29.13 of this title must submit a State plan for nondiscrimination in apprenticeship, as described in paragraph (b) of this section, that demonstrates that the State's laws, regulations, policies, and operational procedures specific to nondiscrimination or equal opportunity in

apprenticeship conform to the requirements of this part and part 29 of this title.

(b) *Elements of the State plan for nondiscrimination in apprenticeship.* (1) The State plan for nondiscrimination in apprenticeship must –

(i) Include all State statutes, regulations, policies, and operational procedures pertaining specifically to nondiscrimination or equal opportunity in apprenticeship that conform to the requirements of this part;

(ii) Include a description of any State statutes, regulations, policies, and operational procedures pertaining specifically to nondiscrimination or equal opportunity in apprenticeship which impose requirements in addition to those prescribed in this part;

(iii) Not require any sponsor seeking to register an apprenticeship program with the State for Federal purposes, through any State statutes, regulations, policies, or operational procedures, to engage in any activity that is unlawful under Federal or State nondiscrimination law; and

(iv) Require all apprenticeship programs registered with the State for Federal purposes to comply with the requirements of the State's plan within 180 days from the date that the Office of Apprenticeship (OA) provides written approval of the State plan submitted under paragraph (a) of this section.

(2) Upon receipt of the State plan, OA will review the plan to determine if the plan conforms to this part. OA will:

(i) Grant the SAA continued recognition during this review period;

(ii) Provide technical assistance, if necessary, to facilitate conformity, and provide written notification of the areas of nonconformity, if any; and

(iii) Upon successful completion of the review process, notify the SAA of OA's determination that the State plan conforms to this part.

(3) If the State does not submit a revised State plan that adequately responds to OA's technical assistance within 90 days from the date that OA provides the SAA with

written notification of the areas of nonconformity, OA is authorized to initiate the process set forth in § 29.14 of this title to rescind recognition of the SAA.

(4) An SAA that seeks to obtain or maintain recognition must obtain the Administrator's written concurrence in any proposed State plan, as well as any subsequent modification to that plan, as provided in § 29.13(b)(9) of this title.

(c) *Recordkeeping requirements.* A recognized SAA must keep all records pertaining to program compliance reviews and any other records pertinent to a determination of compliance with this part. These records must be maintained for 5 years from the date of their creation.

(d) *Retention of authority.* As provided in § 29.13 of this title, OA retains the full authority to:

(1) Conduct compliance reviews of all registered apprenticeship programs; and

(2) Deregister for Federal purposes an apprenticeship program registered with a recognized SAA as provided in §§ 29.8(b) and 29.10 of this title.

(e) *Derecognition.* A recognized SAA that fails to comply with the requirements of this section will be subject to derecognition proceedings, as provided in § 29.14 of this title.

§ 30.8 Exemptions.

Requests for exemption from this part, or any part thereof, must be made in writing to the Registration Agency and must contain a statement of reasons supporting the request. Exemptions may be granted for good cause by the Registration Agency. SAAs must receive approval to grant an exemption from the Administrator, prior to granting an exemption from this part.

§ 30.9 Severability.

Should a court of competent jurisdiction hold any provision(s) of this part to be invalid, such action will not affect any other provision of this part.

Marek Laco,

Acting Assistant Secretary for Employment and Training, Labor.

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