



March 18, 2024

VIA ELECTRONIC SUBMISSION

Brent Parton  
Principal Deputy Assistant Secretary  
Employment and Training Administration  
U.S. Department of Labor  
200 Constitution Ave NW  
Washington, DC 20210

Re: Notice of Proposed Rulemaking, "National Apprenticeship System Enhancements" (RIN: 1205-AC13)

Dear Mr. Parton,

On behalf of the National Restaurant Association, I appreciate the opportunity to comment on the above-referenced proposed rule on the Registered Apprenticeship Program, published in the Federal Register on January 17, 2024 (89 Federal Register 3118).

The National Restaurant Association Education Foundation (NRAEF), a designated Apprenticeship Ambassador and an apprenticeship intermediary for the Department of Labor (DOL), has submitted comments we fully endorse. As the NRAEF portends, the proposed rule threatens to fundamentally alter and potentially undermine the very structure of the Registered Apprenticeship Program, risking a reduction in the number of Registered Apprenticeships within our industry—a development that would be highly detrimental.

The Registered Apprenticeship Program is particularly significant for the restaurant industry, which, as the second-largest private sector employer in the United States, provided 15.5 million jobs at the end of 2023, accounting for 10% of the total U.S. workforce. Despite returning to pre-pandemic staffing levels, the industry faces a persistent and critical workforce shortage, with forty-five percent of restaurant operators reporting the need for additional employees to meet customer demand. Seventy percent have job openings that are hard to fill. This challenge is set against a backdrop of projected industry growth, with an expectation to add an average of 150,000 jobs per year from 2024 to 2032, potentially reaching a total of 16.9 million employees by 2032—if restaurants can find the necessary staff. In this context, apprenticeships emerge as an essential tool for the industry, facilitating employee recruitment and retention and serving as a cornerstone for career development and industry growth. The apprenticeship model's significance cannot be overstated; it offers a critical solution to bridging the employment gap and ensuring the continued vitality of the restaurant industry.

The existing Registered Apprenticeship Program thrives primarily due to its flexibility. Shifting from a competency-based system to a predominantly time-based model undermines the essence of apprenticeship by focusing solely on time spent rather than skills acquired. Such a change would disregard



the industry's ability to tailor programs to specific needs, replacing it with a one-size-fits-all approach that fails to recognize the unique requirements of the restaurant industry.

Moreover, the proposed rule introduces substantial administrative and paperwork burdens that could deter employers from participating in the program. Nine in ten restaurants are small businesses. Most lack the extensive HR resources needed to manage the demands of the proposed changes. Requirements for detailed documentation on trainer qualifications, recruitment efforts, and sponsor financial capacity will impose significant strains on employers. Additionally, the increased demands for data record-keeping and extensive follow-up data collection will require additional staffing and administrative hours, further compounding the challenges for small businesses.

The proposed rule risks altering the Registered Apprenticeship Program's core, potentially barring small businesses—the industry's cornerstone—from participation. This change, coupled with the shift to a time-based system and increased administrative demands, threatens to limit the program's effectiveness and accessibility for restaurant operators, crucial for industry growth and professional development. The added burdens could significantly impede the Registered Apprenticeship Program's ability to address the industry's unique needs and reduce opportunities for restaurant employees at all levels.

We support the DOL's objectives to enhance the apprenticeship system. However, we are concerned that the proposed changes, particularly the shift to a time-based model and the increased administrative burdens, may inadvertently stifle the very innovation and growth they aim to promote. We have witnessed firsthand how apprenticeships can transform lives and businesses, providing a structured pathway for career advancement and addressing critical staffing needs.

We urge the DOL to consider withdrawing the proposed rule. At the very least, we strongly recommend that DOL pay close attention to the concerns Registered Apprenticeship partners raise, especially those outlined by the NRAEF. Any changes to the Registered Apprenticeship Program must be made with a clear understanding of their potential impacts on industries like ours, which rely heavily on these pathways for workforce development and career advancement.

Thank you for considering our feedback.

Best,

A handwritten signature in black ink, appearing to read "JH", with a long horizontal line extending to the right.

Jordan Heiliczer  
Director of Labor and Workforce Policy  
National Restaurant Association