ASE Education Foundation Transportation Automotive Technician Apprenticeship Incentive Fund

Program Requirements for Sponsor Participants

Expanding Registered Apprenticeship across the Automotive, Truck, and Collision Repair industry

Program Overview

The ASE Education Foundation (ASEF) is administering a $25-million incentive fund on behalf of the U.S. Department of Labor (USDOL) to provide incentive payments to Registered Apprenticeship (RA) program sponsors to launch or expand RA programs across the automotive, truck/diesel, and collision repair industry. Sponsors can earn up to $3,500 per new apprentice across two milestone-based payments. Jobs for the Future (JFF) is ASEF's payment partner who qualify and deliver the incentive payments.

Who Gets Paid?

- Payments go to **RA program sponsors**—not directly to employers or apprentices. A program sponsor is an organization that formally registers a RA program with USDOL or a recognized State Apprenticeship Agency (SAA).
- **A sponsor may also be an employer.** Many companies register and run their own in-house RA programs. If your organization is both the employer of record and the registered sponsor of the apprenticeship program, you qualify as a sponsor and are eligible for payments.
- **A sponsor does not have to be an employer.** Some RA programs are registered and operated by organizations that are not themselves employers, for example:

    - ✓ Local or Regional Auto Dealer Associations that manage programs on behalf of members.
    - ✓ Aftermarket industry associations or trade groups that register programs serving member companies.
    - ✓ Schools, co-op training programs, workforce intermediaries, and apprenticeship organizations that develop and run programs across multiple employers.

    In these cases, the sponsoring organization—not the individual, participating employer—receives incentive payments.

If your organization participates in someone else's RA program as an employer, but does not hold the program's registration, you are not eligible to apply as a sponsor. The employing entity may still benefit through the program, but only the registered sponsor may submit a payment request.

If you are unsure whether your organization qualifies as a sponsor, contact ASEF at apprenticeship@ase.com.

Payment structure:

A $3,500-maximum total per eligible apprentice, paid to the program sponsor via ACH direct deposit.

- $2,500 per apprentice—paid after 90 days of continuous employment as an apprentice enrolled in the approved RA program (Payment 1).
- $1,000 per apprentice—paid after 9 months of continuous employment as an apprentice enrolled in the approved RA program (Payment 2).

Incentive payment requests are reviewed on a rolling basis. Sponsors may submit requests anytime eligible apprentices have reached Payment 1 or Payment 2 milestones and may submit multiple requests as cohorts expand. There are no specific limits on the number of apprentices for which any program sponsor may request incentive payments.

Apprentice Eligibility Requirements for incentive payments:

- ✓ **Apprentices first enrolled in your RA program on or after July 1, 2026.** Incentive payments apply to new apprenticeship starts only; existing or previously enrolled apprentices do not qualify. Sponsors may include multiple apprentices in a single request. Cohort size is not capped.
- ✓ **Each apprentice is training in an approved occupation included in the RA program.** The occupation must be on the incentive fund-approved occupation list below. Do not include apprentices training in other occupations. The current list of eligible occupations for the ASEF program includes the following:

O*NET-SOC Code	Apprenticeship Title (or Similar)	RAPIDS Code
49-3023	Automotive Service Technician	0023, 1034, or 4014
51-9061	Auto or Truck/Diesel Service Advisor	0638
41-2022	Auto or Truck/Diesel Parts Counterperson	0753
51-4041	Automotive Engine Machinist	0294 (**NOT** 0296 or 0300)
49-3022	Auto Glass Installer/ADAS Calibration Technician	0714
49-3021	Collision Repair Technician or Painter	0024, 0446, or 0598
13-1032	Collision Damage Estimator	4028
49-3031	Truck/Diesel Service Technician	0022, 0124, 0153, or 0589
49-3042	Industrial/Ag/Offroad Equipment Service Technician	0319 or 0336
49-3092	RV Service Technician	0807
49-3053	Outdoor Power/Motorsports Service Technician	0176, 0230, or 0525
49-3052	Motorcycle Service Technician	0356

- ✓ **Each apprentice for whom Payment 1 is requested has completed at least 90 days** of continuous employment as an apprentice enrolled in the RA program.
- ✓ **Each apprentice for whom Payment 2 is requested has completed at least 9 months** of continuous employment as an apprentice enrolled in the RA program.

Program Sponsor Eligibility Requirements for incentive payments:

- ✓ **Your organization is an active RA program sponsor** with a current registration on file with USDOL or a recognized SAA. You must hold a valid RA sponsor registration in your company's name; being an employer that participates in a third-party RA program does not qualify you to request incentive payments. If you are not currently a RA program sponsor and wish to create your own RA program, contact ASEF at apprenticeship@ase.com – we are here to help.
- ✓ **Your RA program is registered for at least one approved occupation** in auto, truck/diesel, collision repair, or related occupations in the transportation service industry listed in the table above.
- ✓ **Your organization is not suspended or debarred** from participation in federal programs or contracts. ASEF and JFF will use SAM.gov to verify all applicants' eligibility.
- ✓ **Your organization completes the program sponsor application and agrees to ASEF's program terms and conditions.** Program sponsors must faithfully administer their Registered Apprenticeship programs according to the DOL and/or SAA requirements.
- ✓ **Your organization provides a valid employer identification number (Federal tax ID) and banking information.** ASE and JFF require your W-9 and ACH banking authorization for direct-deposit payment. Tax and banking information is collected securely after the application is reviewed and approved. Payments are issued exclusively via ACH direct deposit—no checks are issued.
- ✓ **Your RA program is above the DOL-determined Substantial Growth Threshold at the time you request incentive payments.** You may only request incentive payments for the number by which your program's current number of active apprentices exceeds the substantial growth threshold.

Understanding Your Substantial Growth Threshold (SGT)

The substantial growth threshold is the enrollment threshold a sponsor with pre-existing RA program must exceed before additional apprentices are counted as "new" and become eligible for incentive payments. The substantial growth threshold helps ensure that incentive funds support rapid growth in apprentice enrollment.

How it is calculated:

- The USDOL determines each RA program's median number of active apprentices (apprentices having an active status in the DOL's RAPIDS database or equivalent State Apprenticeship Agency database) across 12 quarters, specifically from July 1, 2023 to June 30, 2026. For programs operating fewer than 3 years, the median is based on all available quarters of operation through June 30, 2026.
- Each RA program's substantial growth threshold is 125% of the program's median number of active apprentices.

- Each RA program's substantial growth threshold is fixed throughout this incentive payment program, which started on July 1, 2026.

How it is applied:

- For example, if a RA program had a median number of 10 active apprentices between July 1, 2023 and June 30, 2026, the USDOL would calculate a substantial growth threshold of 12.5 for that program. The program sponsor would be eligible to request incentive payments for the 13th active apprentice they enroll in that program on or after July 1, 2026 and every additional active apprentice above this threshold thereafter, as long as the number of active apprentices in the program remains above 12.5.

Additional Substantial Growth Threshold Rules:

1) **New RA Program Sponsor:** Registered Apprenticeship Programs approved on or after July 1, 2026, have a substantial growth threshold of **zero**. That means every apprentice enrolled counts as a "new" apprentice, eligible for payment.
2) **New Occupations:** Existing RA program sponsors who register a new RA program for a different approved occupation on or after July 1, 2026, have a substantial growth threshold of **zero** for that new RA program. That means every apprentice enrolled in that program counts as a "new" apprentice, eligible for payment.
3) **New Employers:** Sponsors who add new employers to existing RA programs must still meet their substantial growth threshold before additional apprentices are counted as "new" and become eligible for incentive payments.

If you have a RA program that was registered before July 1, 2026, ASEF will let you know what the USDOL-provided Substantial Growth Threshold for your RA program is.

Steps for Program Sponsors to Qualify for and Receive Incentive Payments:

1. **Either have or create and register a Registered Apprenticeship program in one of the occupations listed above.** If you don't already have a RA program or aren't sure if you fit as a program sponsor, reach out to ASEF at apprenticeship@ase.com; we are here to help.
2. **Hire apprentices on or after July 1, 2026, or partner with employers who hire them.** Program sponsors must faithfully administer their Registered Apprenticeship programs according to the DOL and/or SAA requirements.
3. **Add your apprentices to the DOL's RAPIDS database (or equivalent SAA database) and keep it up to date.** All new apprentices must be added to RAPIDS within 45 days of their apprenticeship program start date. You can add data to RAPIDS one apprentice at a time, or you can use a spreadsheet to submit a group of apprentices all at once. Any apprentices that complete the program or leave the program before completion must be updated in RAPIDS as soon as possible. Rules for SAA databases may vary; check with your state apprenticeship agency and ASEF to confirm the details.

4. **Complete the ASE Education Foundation Transportation Automotive Technician Apprenticeship Incentive Fund Sponsor Application Form** found at https://www.aseeducationfoundation.org/apprenticeship/sponsor-application. You will need to upload documentation from the DOL or SAA that shows the Apprenticeship Registration Number, the Registered Apprenticeship Occupation Title, the O*NET-SOC Code, and the RAPIDS Code (if registered with the DOL.) ASEF will send you an automated email confirming that your application was received. ASEF will review your application and contact you with any questions.
5. **Read, understand, and agree to the Terms and Conditions found at https://www.aseeducationfoundation.org/apprenticeship/sponsor-application/mou-terms/.** If you are completing the application but are not authorized by the company to agree to the terms, you must identify someone who is. ASEF will contact that person by email to get their agreement.
6. **Claim your Registered Apprenticeship Program Sponsor account in ASE Connects.** If your application is approved, ASEF will reach out with credentials allowing you to establish your online portal account. This is where you will submit requests for incentive payments and be able to view and track the status of all requests.
7. **Add your apprentices to your ASE Connects account.** By adding basic apprentice information including their start date, you will create the table needed to request incentive payments. You can add data to ASE Connects one apprentice at a time, or you can use a spreadsheet to submit a group of apprentices all at once.
8. **Provide your organization's W-9 and banking information for ACH payments.** JFF collects this information one time using a secure Docusign system. All payments are made by ACH only.
9. **Request incentive payments once apprentices pass the 90-day or 9-month thresholds.** Your ASE Connects account makes it easy to sort and filter your list of apprentices, so you can quickly see who is eligible for an incentive payment vs those for whom an incentive payment has already been paid. You must provide information to verify that each apprentice claimed is still employed as an apprentice and is actively making progress in their apprenticeship program.
10. **Receive your incentive payments.** Once your request is received, JFF will review it to ensure that the information provided matches RAPIDS and employer records and that the apprentice qualifies for the incentive payment. All requests will be reviewed on a rolling basis. All requests submitted and validated each month will be paid in a batch the following month.

The total cost of the Transportation Automotive Technician Apprenticeship Incentive Fund is $25,000,000. $25,000,000 (100%) is funded through a U.S. Department of Labor Employment and Training Administration grant.

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