Department of Legislative Services

Maryland General Assembly 2020 Session

FISCAL AND POLICY NOTE Third Reader

House Bill 1141

(Delegate Haynes, et al.)

Economic Matters

Finance

Labor and Employment - Apprenticeship Career Training Pilot Program for Formerly Incarcerated Individuals - Report

This bill requires the Maryland Department of Labor (MDL) to report to the General Assembly, by September 30, each year on the progress in achieving the purpose of the Apprenticeship Career Training Pilot Program for Formerly Incarcerated Individuals for the immediately preceding calendar year. The report must also include the number and types of employers that received grants, the grant amount by employer, and the total number of apprentices and number of apprentices by employer that participated in the program. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: The bill's requirements can be absorbed within MDL's existing budgeted resources. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: Chapter 726 of 2019 established the Apprenticeship Career Training Pilot Program for Formerly Incarcerated Individuals in MDL. The purposes of the program are (1) to develop a well-trained, productive construction workforce that meets the needs of the State's economy; (2) to encourage employers to hire formerly incarcerated individuals in the construction industry; and (3) to help employers offset additional costs, if any, associated with hiring apprentices.

As provided in the State budget, MDL must administer the pilot program and provide grants on a competitive basis to employers that employ formerly incarcerated apprentices who live in Baltimore City or Dorchester County and meet specified criteria. The grant is a maximum of \$1,000 for each qualified apprentice. An employer is eligible to receive a grant for each formerly incarcerated employee who has worked for the employer for at least seven months, is engaged in a building or construction trade, and lives in Baltimore City or Dorchester County. Additionally, the apprentice must be enrolled in the first year of a registered apprenticeship program. The Governor must include at least \$100,000 annually in the State budget for fiscal 2021 through 2023 to provide grants to eligible employers and to cover administrative costs.

MDL advises that it is currently developing regulations and policies governing the program, and that program activity will begin later in the year.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland Department of Labor; Department of Legislative

Services

Fiscal Note History: First Reader - February 14, 2020 mr/mcr Third Reader - March 3, 2020

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