

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 905
Appropriations

(Delegate Bridges)

Education, Health, and Environmental Affairs

Education - Workforce Development Sequence Scholarships - Eligibility

This bill expands eligibility for the Workforce Development Sequence Scholarship to include a Maryland resident or graduate of a Maryland high school who is (1) a first-year student; (2) not receiving federal or State financial aid; and (3) enrolled directly in a registered apprenticeship program that partners with a public community college in the State. **The bill takes effect July 1, 2021.**

Fiscal Summary

State Effect: General fund expenditures increase by \$40,000 only in FY 2022 for information technology reprogramming costs to accommodate the change in eligibility. No effect on revenues.

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Current Law: For an overview of registered apprenticeship programs in Maryland, please see the **Appendix – Apprenticeship**.

The More Jobs for Marylanders Act of 2017 (Chapter 149) established Workforce Development Sequence Scholarships for eligible students who are enrolled in a Workforce Development Sequence at a community college, which was defined as courses that are related to job preparation or an apprenticeship, licensure or certification, or job skills enhancement. The Career Preparation Expansion Act of 2018 (Chapters 694 and 695)

expanded the definition of Workforce Development Sequence to include a registered apprenticeship program approved by the Division of Workforce Development and Adult Learning in the Maryland Department of Labor. The Governor is required to include \$1.0 million in the annual operating budget for the scholarships, which are administered by the Maryland Higher Education Commission.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 845 (Senator Benson) - Education, Health, and Environmental Affairs.

Information Source(s): Maryland Higher Education Commission; Maryland Department of Labor; Department of Legislative Services

Fiscal Note History: First Reader - March 1, 2021
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Appendix – Apprenticeship

Generally, apprenticeship is a voluntary, industry-sponsored system that prepares individuals for occupations typically requiring high-level skills and related technical knowledge. Apprenticeships are sponsored by one or more employers and may be administered solely by the employer or jointly by management and labor groups. An apprentice receives supervised, structured, on-the-job training under the direction of a skilled journeyman and related technical instruction in a specific occupation. Apprenticeships are designed to meet the workforce needs of the program sponsor. Many industry sponsors use apprenticeship as a method to train employees in the knowledge necessary to become a skilled worker. This also means the number of apprenticeships available is dependent on the current workforce needs of the industry and the capacity and willingness of employers to supervise them.

Apprenticeships are available to individuals age 16 and older; an employer, however, may set a higher entry age. By law, individuals must be age 18 to apprentice in hazardous occupations. Apprenticeships last from one to six years, although most are three to four years, and involve a minimum of 144 hours of classroom instruction per year and at least 2,000 hours per year of on-the-job training. A national apprenticeship and training program was established in federal law in 1937 with the passage of the National Apprenticeship Act, also known as the Fitzgerald Act. The purpose of the Act was to promote national standards of apprenticeship and to safeguard the welfare of apprentice workers.

Along with [24 other states and the District of Columbia](#), Maryland has chosen to operate its own apprenticeship programs under the federal law. The Division of Workforce Development and Adult Learning (DWDAL) within the Maryland Department of Labor is responsible for the daily oversight of State apprenticeship programs. More specifically, DWDAL approves new apprenticeship programs, changes to current programs, and compliance with State and federal requirements. The approval process involves assessing the appropriateness of an apprenticeship program in a proposed industry, the education that will be provided to the apprentice, the current staffing level of the entity proposing the program to determine whether adequate supervision can be provided, recruitment and retention efforts, and the overall operations of the entity. The Maryland Apprenticeship and Training Council serves in an advisory role for legislation and regulations, recommending changes to update apprenticeship laws.

As of December 2019, there were 10,442 apprentices registered, and there were 3,781 participating employers and 162 program sponsors. During calendar 2019, the State added 17 new apprenticeship programs and reactivated 2 apprenticeship programs. Since

2016, 77 new apprenticeship sponsors have been registered, 26 sponsors were reactivated, and nearly 200 sponsor reviews have been conducted.