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## Senate Bill 868

Date: March 10, 2020  
Committees: Senate Education, Health, and Environmental Affairs  
Bill Title: Apprenticeship Maryland 2030  
Re: Letter of Concern regarding EARN provisions

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The Maryland Department of Labor continues to have discussions with the bill sponsor and has expressed concerns with the EARN spending mandates currently in SB 868 as well as proposed amendments. Discussions of amendments to SB 868 with the bill sponsor include increasing EARN mandated spending to \$12 million. Of the \$12 million, \$4 million would be reserved specifically for Registered Apprenticeship programs, while the rest would remain flexible to meet the original intent of the nationally recognized workforce training program. The Department has not reviewed draft amendments beyond initial discussions.

The Department welcomes EARN applicants to use the Apprenticeship model when applying for EARN funds, but does not support nor find it preferable to prescribe one certain delivery model as the preferred or required model. Apprenticeship is highly effective, but it is not a silver bullet nor does it meet every industry's occupational needs. **EARN is successful because it allows businesses to drive program development and training models. Mandating a certain workforce model limits the flexibility of EARN and could negatively impact jobseekers, especially jobseekers with significant barriers to employment, such as ex-offenders, person with disabilities, and homeless individuals, in gaining access to career opportunities.** Currently, EARN can and does support Apprenticeship programs. In fact, of the existing 72 EARN grantees, 3 are already affiliated with Registered Apprenticeship.

EARN continues to be a sound investment for the State in its current form. In a recent study on the economic impact of EARN, Salisbury University found that for every dollar the state invests into the program, an additional \$18.43 in economic activity is created. The national average for similar programs is about \$3.41.