

**Department of Legislative Services**  
 Maryland General Assembly  
 2024 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 536 (Delegate Mireku-North)  
 Economic Matters and Judiciary

**Correctional Services Apprenticeship Start-Up Grant Program – Establishment**

This bill establishes the Correctional Services Apprenticeship Start-up Grant Program administered by the Maryland Department of Labor (MDL) to (1) provide opportunities to begin a career in correctional services in the State to high school students and career changers; (2) develop a cohort of individuals qualified to work in correctional services in the State; and (3) encourage correctional facilities to hire apprentices. MDL may award up to \$500,000 to a sponsor to develop and launch a correctional services apprenticeship program from State or federal funds. A program sponsor must establish a multi-year registered apprenticeship program that develops a career path that enables an individual to work in a correctional facility. **The bill takes effect July 1, 2024.**

**Fiscal Summary**

**State Effect:** General fund expenditures increase by as much as \$500,000 as early as FY 2025 to administer the program and award a grant to a sponsor under the assumptions discussed below. To the extent the program encourages individuals to enroll in correctional services training courses, revenues and expenditures for institutions of higher education may increase minimally.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	500,000	0	0	0	0
Net Effect	(\$500,000)	\$0	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** Local correctional facilities that choose to sponsor an apprenticeship program face potentially meaningful additional costs associated with providing paid apprenticeship opportunities, as specified. To the extent grant funding revenues are dedicated by the sponsor for correctional service apprentice wages, costs to local

governments are offset. To the extent the program encourages individuals to enroll in correctional services training courses, revenues and expenditures for community colleges may increase minimally.

**Small Business Effect:** None.

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## **Analysis**

**Bill Summary:** An organization that develops and implements a correctional services apprenticeship program is a “sponsor” for the purposes of the bill. A sponsor must consist of at least three local correctional facilities and at least one union that represents employees of correctional facilities. A sponsor must (1) consult with correctional facilities on the design of the apprenticeship program; (2) develop a high school-level registered apprenticeship program; (3) develop a registered apprenticeship program for individuals interested in changing careers; and (4) establish a multi-year registered apprenticeship program that develops a career path that enables an individual to work in a correctional facility. An employer in the apprenticeship program must pay apprentices compensation consistent with other employers in the same field.

A high school level apprenticeship program under a correctional services apprenticeship program must allow a participating student to maximize educational attainment through advanced placement courses and either an early college program or dual enrollment at a student’s high school and an institution of higher education. Programs must also allow a student to complete coursework and training through an innovative school scheduling model so that the student can complete the apprenticeship’s requirements during and outside regular school hours.

MDL must administer the grant program and award a grant to a sponsor who meets the requirements for a grant. To receive a grant under the program, a sponsor’s apprenticeship must meet program requirements, have union participation, and be approved by the Maryland Apprenticeship and Training Council.

Apprentices must comply with the requirements of the local correctional facility for background checks regardless of age or background. The Career and Technical Education (CTE) Committee must determine if any changes to the rules, regulations, procedures, or funding of the Maryland State Department of Education (MSDE) are necessary to implement the grant program.

**Current Law:** Chapter 36 of 2021 (Blueprint for Maryland’s Future – Implementation) created the CTE Committee as a unit within the Governor’s Workforce Development Board. The purpose of the committee is to build an integrated, globally competitive

framework for providing CTE to Maryland students in public schools, postsecondary institutions, and the workforce.

The CTE Committee must establish for each school year between the 2023-2024 school year and the 2030-2031 school year, statewide goals so that by the 2030-2031 school year, 45% of high students prior to graduation have completed the high school level of a registered apprenticeship or an industry-recognized occupational credential. To the extent practicable, the CTE Committee must ensure the largest number of students achieve this goal by completing a high school level of a registered apprenticeship program approved by the Division of Workforce Development and Adult Learning within MDL. Annually, by December 1 of each year, the committee must report to the Governor, the General Assembly, and the Accountability and Implementation Board on the progress, by high school, toward attaining the goals established by the committee.

The [final report](#) of the Public Safety Apprenticeship Workgroup included the following recommendations: (1) encourage government agencies to partner with MDL, the Department of Budget Management, local workforce development boards, and bargaining units to assess workforce needs and explore apprenticeship options; (2) promote group, regional, and jurisdictional apprenticeship programs for local public safety agencies; and (3) assess and reform policies, processes, and hiring requirements that may be limiting the success of workers, employers, and apprentices. The report also outlines specific barriers to employment in the public safety field and outlines ways apprenticeships can help overcome those barriers for public safety careers, including a career in correctional services.

For more information regarding apprenticeships in the State, see the **Appendix – Apprenticeship**.

**State Expenditures:** MDL advises that awarding a grant to a sponsor may require significant time commitment from its existing staff given the potential complexities of awarding a grant to a sponsor organization consisting of multiple correctional facilities and one or more unions. To the extent that MDL must use staff otherwise compensated with federal funds, this analysis assumes that funding appropriated for the program can be used to compensate the federal government for their time. MDL can otherwise administer the grant program with existing resources.

Specifically, MDL advises that, because the bill utilizes the existing process of apprenticeship registration, the Maryland Apprenticeship and Training Program can handle the registration of new apprentices and provide support to sponsors/grantees as necessary with existing resources. Similarly, the CTE Committee advises that it can likely work with local school systems to develop a high school apprenticeship program as needed with existing resources.

The bill authorizes MDL to award up to \$500,000 to a sponsor from State (assumed to be general) or federal funds; however, such grant funding is not mandated. As MDL advises that it does not have funding available to make an award, this analysis assumes that general funds are used. Therefore, general fund expenditures increase by as much as \$500,000, potentially as early as fiscal 2025, given the bill's July 1, 2024 effective date. If they become available, federal funds may be used in combination with or instead of general funds, and the grant may be awarded in a subsequent fiscal year or in installments over multiple fiscal years, with the grant award totaling no more than \$500,000. To the extent a portion of these funds are used for staffing, as discussed earlier, fewer funds are available for a grant to a sponsor.

**Local Fiscal Effect:** An employer in the apprenticeship program must pay apprentices compensation consistent with their position. Therefore, to the extent local correctional facilities participate as program sponsors, their apprentices must be compensated consistent with other employees. Exact costs to a local correctional facility will depend on the number of apprentices in a given facility, the hours worked by the apprentice, comparable wages for correctional service workers in the facilities, and the extent to which grant monies are used to provide local correctional facilities with revenues to offset the cost of compensating apprentices.

To the extent the bill encourages students to enroll at locally funded community colleges for credit, tuition revenues at institutions of higher education increase. Given the limited scope of the grant program, the overall impact to any one community college is likely minimal.

**Additional Comments:** This analysis assumes the bill is interpreted to allow, at most, a total of \$500,000 to be awarded to only one sponsor (as the bill specifies "a sponsor" rather than "each sponsor") and that such an award may be spread over multiple years as the sponsor develops and launches a correctional services apprenticeship program. If the bill is interpreted differently, costs may be higher to award multiple grants over more years.

Both MSDE and MDL advise that implementation of the high school apprenticeship aspect of the bill may be operationally difficult. MDL advises that individuals must be 21 years of age to work as a correctional officer in State facilities and at least age 18 to work as a county correctional officer. Thus, some participating high school students may not be able to participate in on-the-job learning until close to or after their high school graduation.

MSDE advises that, by allowing the CTE Committee to determine whether changes are necessary to MSDE's rules, regulations, and procedures to implement the bill, the bill potentially conflicts with current laws giving MSDE primary authority over CTE in the State.

## **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Harford and Montgomery counties; Maryland Association of Counties; Maryland State Department of Education; Maryland Higher Education Commission; Maryland Department of Labor; Department of Public Safety and Correctional Services; Department of Legislative Services

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## Appendix – Apprenticeship

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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 or jointly by a labor-management committee. 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 or employer groups 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, although there are some exemptions available to minors who are registered as apprentices. Time-based apprenticeships last from one to six years and involve a minimum of 144 hours of related technical instruction 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 [more than half of 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 as well as changes to current programs and ensures 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 November 28, 2023, there were 11,530 apprentices registered in 125 different occupations, with more than 400 approved registered apprenticeship programs and more than 3,800 employers. There were 1,825 Certificates of Completion for apprentices processed between January 1, 2023, and November 28, 2023. The State added 38 new apprenticeship programs in 2023. The diversity of Maryland's apprenticeship system has also increased since the transfer of the program to DWDAL in 2016. The percentage of minority apprentices increased from 36% in November 2016 to 44% in November 2023. Likewise, the percentage of female apprentices increased from 3.7% in November 2016 to 7.7% in November 2023.

Chapter 168 (Senate Bill 104) of 2023 established the Apprenticeship 2030 Commission. The purpose of the commission is to examine and make recommendations to reduce skill shortages in high-demand occupations and provide affordable training for career pathways for young people by:

- expanding registered apprenticeships in industry sectors with skill shortages;
- growing the number of registered apprentices to at least 60,000 by 2030; and
- reaching the Blueprint for Maryland's Future goal for 45% of high school graduates completing the high school level of a registered apprenticeship.

The Apprenticeship 2030 Commission met four times in 2023 and published the [Interim Report of the Apprenticeship 2030 Commission](#).