

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1207
Economic Matters

(Delegate Simmons)

Finance

Division of Labor and Industry - Youth Apprenticeship Advisory Committee

This bill establishes a Youth Apprenticeship Advisory Committee in the Division of Labor and Industry. The bill specifies the committee members, some of whom must be appointed by the Governor. The committee must evaluate the effectiveness of existing high school youth apprenticeship programs in the State, other states, and other countries based on a systematic review of data. The committee must review and identify ways to implement high school youth apprenticeship programs in the State and means through which employers and organizations can obtain grants, tax credits, and other subsidies to support establishment and operation of high school youth apprenticeship programs. The committee must set targets for the number of apprenticeship opportunities for youth that the State should reach over the next three years. The committee must report by December 1 of each year to the General Assembly regarding any recommended legislation to promote high school youth apprenticeship programs in the State.

Fiscal Summary

State Effect: None. It is anticipated that the Department of Labor, Licensing, and Regulation will provide staff support to the committee, which it can do with existing budgeted resources. The bill does not require the State to reimburse committee members for travel expenses.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: 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 training needs of the industry.

Apprenticeships are available to individuals ages 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 27 other states, Maryland has chosen to operate its own apprenticeship programs. In 1962, Maryland created the 12-member Maryland Apprenticeship and Training Council (MATC). Within the framework established in federal law, the State's apprenticeship and training law also established the guidelines, responsibilities, and obligations for training providers and created certain guarantees for workers who become apprenticed.

MATC serves in a regulatory and advisory capacity by providing guidance and oversight to the Maryland Apprenticeship and Training Program, which is responsible for the daily oversight of State apprenticeship programs. More specifically, MATC approves new apprenticeship programs and changes to current programs. 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. MATC also serves in an advisory role for legislation and regulations, recommending changes to update apprenticeship laws. It does not, however, focus on the administration of youth apprenticeship programs.

Chapter 665 of 2012 established the Task Force to Study Economic Development and Apprenticeships. One of its recommendations is to establish a Youth Apprenticeship Advisory Committee because youth apprenticeship programs are multifaceted and involve high school and college curriculum challenges. The task force's final report, published February 5, 2014, can be found at:
<http://msa.maryland.gov/megafile/msa/speccol/sc5300/sc5339/000113/018000/018962/unrestricted/20140038e.pdf>.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Business and Economic Development; Maryland State Department of Education; Department of Juvenile Services; Department of Labor, Licensing, and Regulation; Department of Legislative Services

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