

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1000
Economic Matters

(Delegate Harrison)

Education, Health, and Environmental Affairs
and Finance

Maryland Earn and Learn Act of 2022 - Establishment

This bill authorizes all professional and occupational regulatory boards and commissions within the Maryland Department of Labor (MDL) to establish a standard apprenticeship program that must include specified minimum thresholds. In addition, a board or commission must grant a professional or occupational license to an applicant if the applicant completes an apprenticeship as specified by the bill, passes a board required examination, and pays applicable licensing fees; the apprenticeship is not required to be under the purview of the board or commission. A board must adopt rules or regulations necessary to implement the bill. **The bill takes effect January 1, 2023.**

Fiscal Summary

State Effect: None. The bill is largely authorizing in nature but may have an operational effect on some occupational boards and commissions in MDL, as discussed below. Revenues are not materially affected.

Local Effect: Local governmental operations are not materially affected.

Small Business Effect: Minimal.

Analysis

Bill Summary: A board may require an examination for an apprentice to obtain licensure if the board requires any applicant for licensure to pass an examination. A board may not require an apprentice to achieve a higher score on a licensure examination than it requires for other applicants. A board may require a fee for an apprentice to obtain a license only if

the board requires an applicant for licensure to pay a fee and the fee does not exceed the fee a board requires for any applicant for licensure.

Current Law: In general, an individual must be licensed or certified by the respective occupational board or commission before the individual may practice in the State. Each board or commission sets its own standards for obtaining an occupational license or certificate that vary by profession, but may require specified education, experience, and passage of a national and/or State examination. Some boards and commissions provide a pathway to licensure or certification for individuals who successfully complete an apprenticeship program; these pathways are typically restricted to trades or professions that have registered apprenticeships available (including electricians, plumbers, *etc.*). However, the Maryland Board of Barbers and the Maryland Board of Cosmetologists each include a pathway to licensure for apprentices that complete specified apprenticeships that are not required to be registered with the State.

Apprenticeships

The Division of Workforce Development and Adult Learning (DWDAL) within MDL oversees the registered apprenticeship program. All registered apprenticeship programs consist of five components:

- **Business Involvement:** Businesses, including public employers, are the foundation of every registered apprenticeship program. The skills needed for workforce success, provided through business input, form the core of the model. Businesses play an active role in building registered apprenticeship programs and are involved in every step of their design and execution.
- **On the Job Learning:** Every registered apprenticeship program includes structured on-the-job training. Companies hire apprentices and provide hands-on training from an experienced mentor. This training is developed by mapping the skills and knowledge that the apprentice must learn over the course of the program to become fully proficient at the job. In Maryland, on-the-job training must consist of no less than 2,000 hours of full-time, W-2 paid employment per year of the apprenticeship and must take place at the work site under the direction of a highly skilled journeyworker.
- **Related Instruction:** Apprentices receive related instruction or classroom style training that complements the on-the-job learning. This instruction helps refine the technical and academic skills that apply to the job. Related instruction may be provided by a community college, technical school or college, an apprenticeship training school, nonprofit, community-based organization, industry, labor organization, business association, or by the business itself. The instruction may be provided at the school, online, or at the work site. Registered apprenticeships must include at least 144 hours of related instruction per year of the apprenticeship.

- **Rewards for Skill Gains:** Apprentices receive increases in pay as their skills and knowledge increase. Progressive wage gains help reward and motivate apprentices as they advance through training and become more productive and skilled at their job.
- **National Occupational Credential:** Every graduate of a registered apprenticeship program receives a nationally recognized credential, referred to as a Certificate of Completion. This portable credential signifies that the apprentice is fully qualified to successfully perform an occupation. Many registered apprenticeship programs, particularly in high-growth industries such as healthcare, advanced manufacturing, and transportation, also offer interim credentials as apprentices master skills as part of their career pathway.

For an overview of registered apprenticeship programs in the State, please see the **Appendix – Apprenticeship**.

State Revenues: Revenues are not materially affected because a board may only require a fee for an apprentice to obtain a license if the board requires an applicant for licensure to pay a fee. Thus, there is no new source of revenue as the apprentice would have likely paid the fee anyway as a licensee applicant.

State Expenditures: As noted above, MDL advises that some occupational licensing boards and commissions are affiliated with registered apprenticeship programs, such as those for plumbers, electricians, stationary engineers, and more. However, other boards or commissions, such as the Maryland Real Estate Commission or the Maryland Board of Public Accountancy, do not offer any type of “earn and learn” training model because there are no registered apprenticeship programs in those fields.

The bill’s requirement that MDL boards or commissions grant licenses to individuals who complete registered apprenticeships and meet other qualifications therefore has no effect on boards or commissions for which there are no available registered apprenticeships. It also has no effect on boards or commissions that already award certifications or licenses to successful apprentices. The boards or commissions that currently do not include a pathway to licensure/certification for apprentices may need to adjust their regulations to allow for that possibility should registered apprenticeships in those fields become available; that can be accomplished with existing resources.

The bill further authorizes, but does not require, MDL boards or commissions to establish registered apprenticeships in their respective fields. To the extent that a board or commission elects to establish a registered apprenticeship, it likely requires additional staff to develop the apprenticeship model, complete the registration process managed by DWDAL, and then oversee the operation of the program. However, any such staffing and

related expenditures are at the discretion of each board or commission, and thus are not reflected in this analysis.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

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

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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 [26 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 2020, there were 11,076 apprentices registered, and there were 3,713 participating employers. During calendar 2020, the State added 25 new apprenticeship programs.