

RAISE Act of 2025 (SB 431)

Registered Apprenticeship Investments for a Stronger Economy ("RAISE") Act

SUMMARY

The RAISE Act of 2025 seeks to expand and create new career pathways to good, middle class jobs through high-quality Registered Apprenticeships in Maryland.

REGISTERED APPRENTICESHIPS

Registered Apprenticeships (RA) are a gold standard of career preparation, blending classroom instruction with hands-on, mentor-guided (or "journeyperson") training in real-world settings.

As an "earn-while-you-learn" model, RAs provide workers with a paid job where they acquire valuable skills and increase their earning potential as they progress. Upon completion, apprentices earn a nationally recognized credential, ensuring their qualifications are portable and respected across industries nationwide. RAs offer a pathway to high-demand, family-sustaining careers with little to no student debt—a functional alternative to traditional education routes. This model fosters the development of a highly skilled workforce that enhances productivity, improves job site safety, and reduces turnover. With RAs, employers can cultivate talent internally, creating a pipeline of workers ready to meet evolving industry demands.

LEGISLATION

Establish the Maryland Office of Registered Apprenticeship Development within the Maryland Apprenticeship and Training Program of the Department of Labor

The Maryland Office of Registered Apprenticeship Development ("MORAD") will be charged with developing, sustaining, and tracking Registered Apprenticeship opportunities and will be empowered to do so by the programs proposed in the sections below. This Office will be located within the Maryland Apprenticeship and Training Program, staffed by state employees, and will complement its regulatory side by focusing on marketing and developing new Registered Apprenticeship opportunities and tracking the results.

Create the Registered Apprenticeship Development Advisory Board

This section establishes the Registered Apprenticeship Development Advisory Board ("the Board"). The purpose of the Board is to advise the Maryland Office of Registered Apprenticeship Development ("MORAD") in achieving its mission of expanding Registered Apprenticeship opportunities in Maryland. The Board will consult with MORAD on developing strategies and reviewing outcomes for apprenticeships, provide advice on the programs operated by MORAD, and evaluate MORAD to report to the General Assembly on the effectiveness and efficiency of the Office.

Establishment of the Registered Apprenticeship Qualified Intermediary Program

Apprenticeship Intermediaries are entities that play a critical role in supporting the development and expansion of Registered Apprenticeship programs by acting as a bridge between employers, apprentices and potential apprentices, training providers,

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and the State. Apprenticeship Intermediaries generally recruit employers or help sponsors learn the RA model and build a quality program. They may also help those entities develop apprentice recruitment strategies, but do not conduct recruitment themselves.

The Registered Apprenticeship Qualified Intermediary Program seeks to create bridges for employers to identify opportunities for apprenticeships and provide initial assistance to reduce barriers to entry. This Program will be a tool of the Office of Registered Apprenticeship Development to attract stakeholders to the RA model. Intermediaries may be funded through either grants or state contracts. To ensure careful oversight and regulation of the Program, it will be operationalized by a grant manager within the Maryland Apprenticeship and Training Program.

In particular, intermediaries will:

- 1. Connect sponsors, employers, or apprenticeship program participants with Registered Apprenticeship programs;
- 2. Convene stakeholders to develop Registered Apprenticeship programs; and
- 3. Carry out other key functions as deemed appropriate by the Department to successfully build and scale Registered Apprenticeship programs that achieve desired workforce outcomes.

Establishment of the Maryland Pay Per Apprentice Program

The initial costs for employers to start a Registered Apprenticeship program can be daunting, creating a significant barrier to expanding the number of apprenticeships offered in Maryland. The Maryland Pay Per Apprentice Program seeks to address this by offering financial assistance in the form of grants to employers to offset these costs. These grants will be issued on a rolling basis and are designed as reimbursements to ensure that the funds are appropriately and effectively deployed. However, should upfront costs continue to be a barrier for employers, the bill empowers the Department of Labor to shift the grant-awarding timeline to provide these funds upfront.

An employer or sponsor may apply for a grant for each newly Registered Apprentice who has been employed for at least seven months and is within their initial year of employment with the applicant.

The Department will track and report on key performance metrics such as job placement, post-apprenticeship wages, and retention and advancement data to ensure a continued quality return on investment for the State and the workers.

Expansion of Journeyperson-to-Apprentice Ratios

This section includes two distinct policies:

First, this section establishes a **default, minimum** journeyperson-to-apprentice ratio of 1:1. This will be particularly important because the Department expects that the USDOL Office of Apprenticeship will likely: (1) rescind its current Guidelines for Reviewing Apprentice to Journeyworker Ratio Requests, which protect against expanded ratios for hazardous occupations; and (2) resurrect the "Industry-Recognized Apprenticeship Program ("IRAP") model, which was introduced by the prior Trump Administration and later rescinded by the Biden-Harris administration for threats to quality, protections for

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workers, and dilution of federal investment into well-established RA infrastructure. Establishing Maryland's minimum ratio as 1:1 will protect the essential safety and quality of our Registered Apprentices regardless of federal action and will allow for exceptions only when prudent.

During the 2024 Legislative Session, the General Assembly passed legislation to require the Department to create a list of *vetted nonhazardous occupations* where it is safe for the public, journeypersons, apprentices, and other workers on-site for this ratio to be expanded within reason. The Department utilized USDOL Guidelines and other data to examine occupations where the work presented safety risks to the workers and for the general consuming public. <u>The final report</u> contains this vetted nonhazardous occupations list, which the Department will continue to maintain and update as circumstances change.

Second, this section creates an expedited pathway for the Maryland Apprenticeship and Training Council ("MATC") to consider expanded ratios for certain nonhazardous occupations at the time of program registration. Under current practice, Registered Apprenticeship program sponsors can request a deviation from the 1:1 ratio, but they must wait at least one year from the time that their apprenticeship program becomes registered.

This proposal will allow sponsors of programs in nonhazardous occupations to submit requests to MATC at the point of registration rather than waiting a year. This is expected to remove barriers and make RAs more appealing to non-traditional industries, like cybersecurity, while maintaining quality evaluations by MATC, including safety analysis, union sign-off for collectively bargained occupations, and other measures.

Repeal of the Youth Apprenticeship Advisory Committee

This final section seeks to repeal the Youth Apprenticeship Advisory Committee. The initial purpose of the Committee has been met and there is no longer a need for an advisory group. Future planning related to connecting Maryland's youth to Registered Apprenticeship opportunities is now covered by the Career and Technical Education ("CTE") Committee and the Maryland Apprenticeship and Training Council.