

Testimony in Support of the RAISE Act by Robert Lerman

Members of the Senate Finance Committee:

My name is Robert Lerman. I am currently Chair of Apprenticeships for America and have studied apprenticeship issues in the US and abroad for over 30 years, most recently as principal investigator of the evaluation of the American Apprenticeship Initiative. In addition, I served as a consultant to the Maryland Apprenticeship 2030 Commission and am a resident of Maryland.

Before commenting on the RAISE Act, I am happy to celebrate the widening consensus for *why* apprenticeship expansion in Maryland and the US is vital to increasing the opportunities and the productivity of workers, especially young workers. I have made a detailed case for scaling apprenticeships and how to scale apprenticeships in a variety of publications.¹ The Blueprint for Maryland's Future has already embraced the goal that by the 2030-2031 school year, 45% of Maryland high school graduates will have completed the high school component of a registered apprenticeship. The Apprenticeship Commission is proposing an ambitious goal of apprentices becoming 2.3% of the Maryland labor force.

The RAISE Act represents a partial answer into *how* Maryland can scale apprenticeship. I strongly support the RAISE Act as a first step. I also recommend that the committee include a few amendments to the Act. In addition, I believe we require separate legislative and policy measures to meet the 45% goal for Maryland high school graduates.

Here are provisions I fully support.

1. *Waiving examination requirements to obtain plumbing licenses for workers who complete registered apprenticeship programs that meet industry standards and other licensure requirements.* The rationales for the proposal are that the registered apprenticeship programs can provide a sufficient quality control for those working in the plumbing field, that the written test is not necessary for apprenticeship completers who prove their competence by what they do, and that such changes would provide strong incentives for workers and employers to use registered apprenticeship over other training methods. The Act recommends similar approaches for other licensed occupations in Maryland. Registered Apprenticeships themselves are a gold standard for insuring workers learn the competencies to perform occupations at a high level. Licensing too often adds an unnecessary layer.

¹ See my essays "Scaling Apprenticeship to Increase Human Capital." In *Expanding Economic Opportunity for More Americans*. Edited by Melissa S. Kearney and Amy Ganz. The Aspen Institute. February 2019. 56-75. <https://www.aspeninstitute.org/wp-content/uploads/2019/01/1.3-Pgs-56-74-Scaling-Apprenticeship-to-Increase-Human-Capital.pdf> and "Expanding Apprenticeship Opportunities in the United States." In *Policies to Address Poverty in the United States*, edited by Melissa Kearney and Benjamin Harris. Brookings Institution. 2014. https://www.hamiltonproject.org/wp-content/uploads/2023/01/expand_apprenticeship_opportunities_united_states_lerman.pdf

2. *Increasing the flexibility of requirements specifying a ratio of journeyperson to apprentices.* For occupations subject to hazards that can be unsafe and cause injury, ratio requirements of at least one expert/mentor/journeyperson for each apprentice may be justified. But many if not most occupations face few if any safety hazards. Moreover, one mentor or supervisor in most professions teach and supervise more than one entry level worker. Having inflexible ratio requirements can deter the creation of apprenticeships, especially when the journeyperson level to employees is low.
3. *Establishing a Registered Apprenticeship Qualified Intermediary Program.* There is strong evidence from the US and other countries that apprenticeship intermediaries—including non-profit and for-profit organizations, unions, industry associations, and units of community colleges—are critical for success in recruiting employers to undertake apprenticeship programs and helping them organize programs. In addition, intermediaries assist employers through the registration process, selecting skill standards (work process schedules) and providers of off-the-job learning (related technical instruction or RTI). Intermediaries can work along with staff at the new Office of Registered Apprenticeship to overcome the most important constraint on expanding apprenticeship, which is generating enough employer offers for the apprenticeship workers seek.
4. *Funding financial assistance to employers to offset start-up costs of apprenticeship programs.* Ideally, Maryland would use a simple process to pay employers or group sponsors for each apprentice that employers hire and retain for 60 days. This program can provide an incentive for employers to start programs and increase the number of apprentices they hire.

The following provisions could be valuable but could be clarified or improved.

5. *Establishing the Maryland Office of Registered Apprenticeship Development.* This office is to be located with the Maryland Apprenticeship and Training Program (MATP) and focus on marketing apprenticeship programs and tracking the results. Since the current MATP is already undertaking some marketing and tracking, I recommend expanding the scope of the new office to include: a) setting annual and long-term goals for apprenticeship expansion; b) collaborating with MATP to expand apprenticeships in state and local government agencies; c) conduct research on the effectiveness of marketing efforts and on the impacts of apprenticeship on earnings. Washington State currently tracks earnings gains of apprenticeship programs alongside the effectiveness of other training strategies.² Such analyses are feasible and can be overseen by the new Maryland office.

Finally, I propose the legislature incorporate an amendment to simplify and speed up the registration process. My work at Urban Institute and with other apprenticeship intermediaries has highlighted that the registration process is often complex and time-consuming in ways that discourage employers from registering programs. At the same time, some states are making great progress in speeding the process. For example, the Kansas Office of Apprenticeship

² <https://wtb.wa.gov/research-resources/workforce-training-results/#open>

approves programs within 14 days. In Alabama and Florida and some other state agency states, the apprenticeship director has authority to register programs without waiting for an apprenticeship council to meet and approve individual programs. Maryland can also speed and improve the registration process by ensuring that the director of MATP exercise the authority to approve individual programs. A second step in improving the registration process, promoting transparency, and increasing the value of apprenticeships is to increase the utilization of occupational skill standards/frameworks for apprenticeship. High quality standards for many apprenticeable occupations are available through the Urban Institute National Apprenticeship Resource Hub, <https://apprenticeships.urban.org/design-program> Maryland could encourage sponsors and employers to use these high quality standards by giving them a fast track to registration.

In conclusion, I support the RAISE Act as a positive step toward the goal of scaling apprenticeships in Maryland and thereby widening the routes to rewarding careers.