

SENATE BILL 922

K3, Q3

6lr1797
CF 6lr3102

By: **Senators Rosapepe, Bates, Benson, Conway, Currie, Feldman, Ferguson, Guzzone, Kagan, Kelley, Klausmeier, Madaleno, Manno, Mathias, McFadden, Muse, Nathan-Pulliam, Peters, Raskin, Salling, Simonaire, Waugh, Young, and Zucker**

Introduced and read first time: February 5, 2016

Assigned to: Finance and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Career Apprenticeship Opportunity Act of 2016**

3 FOR the purpose of requiring the State Board of Education to develop, on or before a certain
4 date, certain goals for percentages of certain students for completing certain career
5 and technical education programs and earning certain credentials; stating certain
6 goals of the State; requiring, on or before a certain date, the State Board to develop
7 a method to consider, under certain circumstances, a student's attainment of a
8 certain credential as equivalent to a certain Advanced Placement examination score
9 for a certain purpose; requiring the State Board to report to the Governor and the
10 General Assembly on or before a certain date regarding the progress towards
11 attaining certain goals; requiring the Division of Workforce Development and Adult
12 Learning to partner with certain State departments to identify, by a certain date,
13 opportunities to create certain registered apprenticeship programs for a certain
14 purpose; allowing a credit against the State income tax for the employment of a
15 certain eligible apprentice under certain circumstances; providing that the credit
16 may not exceed a certain amount; providing that any unused credit may be carried
17 forward to another taxable year; requiring a taxpayer claiming the credit to attach
18 certain proof to the taxpayer's return; requiring the Comptroller to adopt certain
19 regulations; providing for the application of this Act; defining a certain term; and
20 generally relating to career and technical education programs and certain
21 apprenticeships in the State.

22 BY adding to

23 Article – Education

24 Section 21–204

25 Annotated Code of Maryland

26 (2014 Replacement Volume and 2015 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,
2 Article – Labor and Employment
3 Section 11–102(a)
4 Annotated Code of Maryland
5 (2008 Replacement Volume and 2015 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – Labor and Employment
8 Section 11–103
9 Annotated Code of Maryland
10 (2008 Replacement Volume and 2015 Supplement)

11 BY adding to
12 Article – Tax – General
13 Section 10–737
14 Annotated Code of Maryland
15 (2010 Replacement Volume and 2015 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

18 **Article – Education**

19 **21–204.**

20 **(A) ON OR BEFORE DECEMBER 1, 2016, THE STATE BOARD, IN**
21 **CONSULTATION WITH THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION**
22 **AND THE GOVERNOR’S WORKFORCE INVESTMENT BOARD, SHALL ESTABLISH, FOR**
23 **EACH YEAR FOR 2016 THROUGH 2024, INCLUSIVE, STATEWIDE GOALS THAT REACH**
24 **THE GOAL IDENTIFIED IN SUBSECTION (C) OF THIS SECTION BY JANUARY 1, 2025,**
25 **FOR THE PERCENTAGES OF HIGH SCHOOL GRADUATES TO:**

26 **(1) COMPLETE EACH CAREER AND TECHNICAL EDUCATION**
27 **PROGRAM; AND**

28 **(2) EARN INDUSTRY RECOGNIZED OCCUPATIONAL OR SKILL**
29 **CREDENTIALS.**

30 **(B) ON OR BEFORE DECEMBER 1, 2016, THE DEPARTMENT OF LABOR,**
31 **LICENSING, AND REGULATION AND THE GOVERNOR’S WORKFORCE INVESTMENT**
32 **BOARD SHALL DEVELOP ANNUAL INCOME EARNINGS GOALS FOR HIGH SCHOOL**
33 **GRADUATES WHO HAVE NOT EARNED AT LEAST A 2–YEAR COLLEGE DEGREE BY AGE**
34 **25.**

1 **(C) IT IS THE GOAL OF THE STATE THAT, ON OR BEFORE JANUARY 1, 2025,**
2 **AT LEAST 45% OF THE STUDENTS DESCRIBED UNDER SUBSECTION (A) OF THIS**
3 **SECTION SHALL SUCCESSFULLY COMPLETE A CAREER AND TECHNICAL EDUCATION**
4 **PROGRAM OR EARN INDUSTRY RECOGNIZED OCCUPATIONAL OR SKILL**
5 **CREDENTIALS BEFORE LEAVING HIGH SCHOOL.**

6 **(D) ON OR BEFORE DECEMBER 1, 2016, THE STATE BOARD SHALL DEVELOP**
7 **A METHOD TO CONSIDER A STUDENT'S ATTAINMENT OF A STATE-APPROVED**
8 **INDUSTRY CREDENTIAL AS EQUIVALENT TO EARNING A SCORE OF 3 OR BETTER ON**
9 **AN ADVANCED PLACEMENT EXAMINATION FOR PURPOSES OF THE SCHOOL**
10 **PERFORMANCE INDEX ESTABLISHED BY THE DEPARTMENT, IF THE STUDENT:**

11 **(1) WAS ENROLLED IN THE STATE-APPROVED CTE PROGRAM OF**
12 **STUDY AT THE CONCENTRATOR LEVEL OR HIGHER; AND**

13 **(2) SUCCESSFULLY EARNED THE CREDENTIAL ALIGNED WITH THE**
14 **STATE-APPROVED CTE PROGRAM OF STUDY.**

15 **(E) ON OR BEFORE DECEMBER 1, 2016, AND DECEMBER 1 OF EACH YEAR**
16 **THEREAFTER, THE STATE BOARD SHALL REPORT TO THE GOVERNOR AND, IN**
17 **ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL**
18 **ASSEMBLY ON THE PROGRESS TOWARDS ATTAINING THE GOALS ESTABLISHED BY**
19 **THE STATE BOARD IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION AND**
20 **THE GOALS ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION.**

21 **Article – Labor and Employment**

22 11-102.

23 (a) There is a Division of Workforce Development and Adult Learning within the
24 Department of Labor, Licensing, and Regulation.

25 11-103.

26 (a) The Division shall:

27 (1) promote apprenticeship and training programs;

28 (2) administer job training, placement, and service programs;

29 (3) implement the provisions of the Workforce Investment Act;

30 (4) administer adult education and literacy services programs;

1 (5) conduct educational and job skills training programs in adult
2 correctional facilities;

3 (6) oversee any other units established pursuant to State or federal
4 employment, training, or manpower statutes; and

5 (7) administer those programs assigned to the Division by law or
6 designated by the Secretary.

7 (b) The Division shall meet and confer on a regular basis with representatives of
8 the State's community colleges, appointed by the Maryland Association of Community
9 Colleges, and the adult education community, appointed by the Maryland Association for
10 Adult Continuing and Community Education, to assure that adult education and literacy
11 services and job training activities and resources are effectively coordinated.

12 (C) **THE DIVISION SHALL PARTNER WITH STATE DEPARTMENTS TO**
13 **IDENTIFY, BEFORE JANUARY 1, 2017, OPPORTUNITIES TO CREATE REGISTERED**
14 **APPRENTICESHIP PROGRAMS TO HELP ADDRESS THE WORKFORCE NEEDS OF THOSE**
15 **DEPARTMENTS.**

16 (D) **IT IS A GOAL OF THE STATE THAT, ON OR AFTER JANUARY 1, 2026,**
17 **80,000 APPRENTICESHIPS SHALL BE REGISTERED EACH YEAR IN THE STATE.**

18 **Article – Tax – General**

19 **10-737.**

20 (A) **IN THIS SECTION, "ELIGIBLE APPRENTICE" MEANS AN INDIVIDUAL WHO:**

21 (1) **IS ENROLLED IN AN APPRENTICESHIP PROGRAM REGISTERED**
22 **WITH THE MARYLAND APPRENTICESHIP AND TRAINING COUNCIL IN ACCORDANCE**
23 **WITH § 11-405 OF THE LABOR AND EMPLOYMENT ARTICLE; AND**

24 (2) **HAS BEEN EMPLOYED BY THE TAXPAYER FOR AT LEAST 7 FULL**
25 **MONTHS OF THE TAXABLE YEAR.**

26 (B) **SUBJECT TO THE LIMITATIONS OF THIS SECTION, A TAXPAYER MAY**
27 **CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR THE FIRST YEAR OF**
28 **EMPLOYMENT OF AN ELIGIBLE APPRENTICE.**

29 (C) (1) **FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS**
30 **SECTION MAY NOT EXCEED THE LESSER OF:**

31 (I) **\$1,000 FOR EACH ELIGIBLE APPRENTICE; OR**

1 **(II) THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR**
2 **CALCULATED BEFORE THE APPLICATION OF THE CREDITS ALLOWED UNDER THIS**
3 **SECTION AND UNDER §§ 10-701 AND 10-701.1 OF THIS SUBTITLE BUT AFTER THE**
4 **APPLICATION OF ANY OTHER CREDIT ALLOWED UNDER THIS SUBTITLE.**

5 **(2) IF THE CREDIT OTHERWISE ALLOWABLE UNDER SUBSECTION (B)**
6 **OF THIS SECTION EXCEEDS THE LIMIT UNDER PARAGRAPH (1) OF THIS SUBSECTION,**
7 **AN INDIVIDUAL MAY APPLY THE EXCESS AS A CREDIT AGAINST THE STATE INCOME**
8 **TAX FOR SUCCEEDING TAXABLE YEARS UNTIL THE FULL AMOUNT OF THE EXCESS IS**
9 **USED.**

10 **(D) A TAXPAYER CLAIMING THE CREDIT ALLOWED UNDER THIS SECTION**
11 **SHALL ATTACH TO THE TAXPAYER'S RETURN, FOR EACH ELIGIBLE APPRENTICE FOR**
12 **WHICH THE CREDIT IS CLAIMED, PROOF OF:**

13 **(1) THE ENROLLMENT OF THE ELIGIBLE APPRENTICE IN A**
14 **REGISTERED APPRENTICESHIP PROGRAM; AND**

15 **(2) THE DURATION OF THE ELIGIBLE APPRENTICE'S EMPLOYMENT BY**
16 **THE TAXPAYER.**

17 **(E) THE COMPTROLLER SHALL ADOPT REGULATIONS TO:**

18 **(1) IMPLEMENT THE PROVISIONS OF THIS SECTION; AND**
19

20 **(2) SPECIFY CRITERIA AND PROCEDURES FOR APPLICATION FOR,**
21 **APPROVAL OF, AND MONITORING CONTINUING ELIGIBILITY FOR THE TAX CREDIT**
22 **UNDER THIS SECTION.**

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
24 1, 2016, and shall be applicable to all taxable years beginning after December 31, 2015.