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FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 618

(Senator Klausmeier, *et al.*)Education, Health, and Environmental Affairs
and FinanceWays and Means and Appropriations
and Finance

Career Youth and Public Sector Apprenticeship Act

This bill authorizes a local board of education to count specified time spent in a registered apprenticeship program toward high school attendance and either high school graduation or a postsecondary credential, or both. A higher education institution may not refer to a noncredit or credit course as an apprenticeship or apprenticeship training course unless the course is an approved registered apprenticeship training program. The Division of Workforce Development and Adult Learning (DWDAL) and the Department of Budget and Management (DBM) must develop position classifications, which would include incremental salary adjustments, for employees who are selected to participate in specified registered apprenticeship programs.

Fiscal Summary

State Effect: Many provisions of the bill codify existing practice. Otherwise, the bill's requirements can be handled with existing budgeted resources.

Local Effect: Local government finances are not materially affected.

Small Business Effect: Minimal.

Analysis

Bill Summary: A local board of education, notwithstanding any other law, may award a high school student credit toward a high school diploma or a postsecondary credential for the work-based training and classroom instruction completed under a registered apprenticeship program. A local board of education, notwithstanding any other law, may

count toward high school attendance the time an apprentice or youth apprentice spends during work-based training with an employer under a registered apprenticeship program.

The State Board of Education must report on the progress by high school and community college toward attaining the goals established under Chapter 149 of 2017 relating to earnings goals for high school graduates who have not earned at least a two-year college degree by the age of 25 and the percentage of high school students who, prior to graduation, complete a career and technical education (CTE) program, earn industry-recognized occupational or skill credentials, or complete a registered youth or other apprenticeship.

DWDAL must partner with State departments and their exclusive representatives to identify opportunities to create registered apprenticeship programs to help address workforce shortages. The bill specifies reporting requirement for DWDAL to report to the General Assembly annually by June 30.

Current Law: With the advice of the State Superintendent of Schools, the State Board of Education must establish minimum requirements for issuing certificates and diplomas by public and private high schools.

Public High School Diploma Requirements

According to regulations, to be awarded a high school diploma, a student must be enrolled in a Maryland public school system and have earned a minimum of 21 credits in specified subjects as detailed in **Exhibit 1**.

Exhibit 1
Distribution of Credits Required to Graduate High School

<u>Subject</u>	<u>Credits</u>
English	4.0
Fine Arts	1.0
Mathematics ¹	3.0
Physical Education	0.5
Health Education	0.5
Science	3.0
Social Studies	3.0
Technology Education	1.0
World Language <i>or</i> American Sign Language <i>or</i> Advanced Technology Education ²	2.0
Electives ²	3.0

Note: The credits must meet other requirements specified in the Code of Maryland Regulations. Elective programs and instruction must be developed at the discretion of the local school system, be open to enrollment for all students, and focus on in-depth study in required subject areas, exploration, or application and integration of what has been learned. In addition, all students must complete a locally designed high school program of environmental literacy approved by the State Superintendent of Schools.

¹However, beginning with students entering grade 9 in the 2014-2015 school year, each student must enroll in a mathematics course in each year of high school that the student attends, up to a maximum of four years of attendance, unless in the fifth or sixth year a mathematics course is needed to meet a graduation requirement.

²Alternatively, a student may successfully complete a State-approved career and technology program for four credits and one credit in an elective.

Source: Code of Maryland Regulations; Department of Legislative Services

Apprenticeships

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. The Department of Labor, Licensing, and Regulation (DLLR) advises that the State currently has nearly 10,000 active apprentices and 133 active registered apprenticeship sponsors.

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.

DWDAL, within DLLR, must partner with State departments and their exclusive representatives to identify, before January 1, 2018, opportunities to create registered apprenticeship programs to help address the career workforce needs of those departments. The division must identify opportunities to create registered apprenticeship programs, including specified goals.

Career and Technical Education

The federal Carl D. Perkins Career and Technical Education Act of 2006 (Perkins) provides approximately \$1.1 billion in formula grants to states to implement CTE programs in their secondary schools and postsecondary institutions. Perkins requires states to develop sequences of academic and CTE coursework, called programs of study, that prepare students for postsecondary degrees or industry-recognized credentials. Many of the programs of study – which range from plumbing and culinary arts to aerospace engineering and cybersecurity – include or encourage apprenticeship or pre-apprenticeship opportunities. At a minimum, a program of study must:

- incorporate and align secondary and postsecondary education elements;
- include academic and CTE content in a coordinated, nonduplicative progression of courses;
- offer the opportunity, where appropriate, for secondary students to acquire postsecondary credits; and
- lead to an industry-recognized credential or certificate at the postsecondary level or an associate's or baccalaureate degree.

The Maryland State Department of Education (MSDE) has developed several dozen programs of study grouped within 10 career clusters. Each program of study includes a sequence of four courses that begin in either grade 10 or 11 and prepares students for either further study or industry certification; students that complete the course sequence by high school graduation are considered “CTE completers.” Almost one-quarter of the class of 2016 completed a CTE program of study, and more than half of those also completed the requirements for admission to the University System of Maryland (*i.e.*, “dual completers”).

Chapter 149 of 2017 requires the State Board of Education, in consultation with DLLR and the Governor's Workforce Development Board (GWDB), to develop statewide goals each year, from 2018 through 2024, so that by January 1, 2025, 45% of high school students successfully complete a CTE program, earn industry-recognized occupational or skill credentials, or complete a registered youth or other apprenticeship before graduating from high school. By December 1, 2017, the Maryland Longitudinal Data System Center and GWDB must develop annual income earnings goals for high school graduates who have not earned at least a two-year college degree by age 25. Also by December 1, 2017, the State Board of Education must develop a method to consider a student's attainment of a State-approved industry credential as equivalent to earning a score of 3 or better on an advanced placement examination for purposes of the Maryland Accountability Program if the student was enrolled in, and earned the credential aligned with, the State-approved CTE program of study at the concentrator level or higher or successfully completed an apprenticeship program approved by the Maryland Apprenticeship and Training Council (MATC). By December 1, 2017, and annually thereafter, the State Board of Education must report to the Governor and the General Assembly on the progress toward attaining specified goals.

State Fiscal Effect: MSDE advises that some provisions of the bill codify existing practice since students participating in work-based learning experiences, like apprenticeships, that are supervised and approved by a representative of the local school system, have their participation count toward their high school diploma as well as the time spent in the experience to count toward their high school attendance. Students are still required to meet all of their graduation requirements.

MSDE can report by high school and community college with existing resources, but it notes that federal law prohibits the release of an individual's personally identifiable information to the public, so if fewer than 10 students participate in a program, MSDE cannot report the data.

DWDAL is currently working with State agencies to create apprenticeships in the public sector, so it can continue to do so with existing resources. DWDAL has already met with DBM to discuss how registered apprenticeship opportunities could fit within the State's personnel classification system. DWDAL worked with the Department of Natural Resources to reactivate standards of apprenticeship for natural resources police officers; the standards were approved by MATC at its November 2017 meeting.

Higher education institutions determine what high school courses, including participation in registered apprenticeship programs, count as credit toward a postsecondary credential. To the extent that institutions count registered apprenticeships as credit, it is assumed this can be done with existing resources.

Additional Information

Prior Introductions: None.

Cross File: Although HB 1234 (Delegate Clippinger, *et al.* - Ways and Means and Appropriations) is designated as a cross file, it is not identical.

Information Source(s): Baltimore City; Prince George's County; Maryland State Department of Education; Maryland Higher Education Commission; Baltimore City Community College; Department of Budget and Management; Department of Labor, Licensing, and Regulation; Department of Legislative Services

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