



LEGISLATIVE POSITION:

Favorable

House Bill 650 – Labor and Employment - Apprenticeship Standards - Ratio of Apprentices to Journeypersons

House Economic Matters Committee

Wednesday, February 21, 2024

Dear Chairman Wilson and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,800 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

HB650 seeks to expand the apprentice-to-journeyperson ratio in non-hazardous occupations in Maryland. The Chamber is invested in the economic prosperity and workforce development of our state and we believe that this legislation presents a critical opportunity to address current challenges and advance our shared goals for apprenticeship programs.

The Apprenticeship 2030 Commission set ambitious targets for the expansion of registered apprenticeships in Maryland, aiming for 60,000 registered apprenticeships by 2030 and 45% of high school graduates to complete a registered apprenticeship by 2031. However, the current apprenticeship landscape in Maryland falls short of meeting those goals.

Expanding the apprentice-to-journeyperson ratio from 1:1 to 3:1 is a crucial step and advancement in enhancing the accessibility and feasibility for apprenticeships, especially for small businesses. The adjustment enables employers to train multiple apprentices with reduced administrative obligations per apprentice, thereby lessening the administrative burden and rendering participation in registered apprenticeship programs. A higher apprentice-to-journeyperson ratio not only enhances cost-effectiveness but also fosters increased flexibility for employers in workforce planning. By training multiple apprentices simultaneously, businesses can spread training costs across a larger cohort, maximizing returns on their investment in workforce development. This flexibility enables employers to adjust apprenticeship intake according to business needs, ensuring efficient utilization of resources and encouraging greater participation in apprenticeship programs. HB 650 would result in broader participation from a diverse range of employers, enabling tailored programs that address specific skill requirements, industry needs, and workforce demands. This alignment ensures that apprentices receive training that is relevant and valuable, contributing to a skilled workforce equipped to meet the challenges of today's labor market.

Moreover, expanding apprenticeship opportunities is not only beneficial for businesses but also addresses equity concerns and promotes economic mobility. Apprenticeships offer individuals an alternative pathway to traditional 2- or 4-year college degrees, allowing them to earn a living

wage from day one without accruing student loan debt. Apprenticeships also provide valuable skills and qualifications that are in high demand by employers, making them a powerful tool for workforce development, in turn advancing Maryland's economic development goals.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **Favorable Report** on **HB 650**.

MDCHAMBER.ORG

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