

**Written Testimony of Secretary Tiffany P. Robinson
Maryland Department of Labor**

**Before the Subcommittee on Higher Education and Workforce Investment of the
Committee on Education & Labor
U.S. House of Representatives**

**“Reauthorizing the National Apprenticeship Act: Strengthening and Growing
Apprenticeships for the 21st Century”**

Wednesday, March 4, 2020

Chairman Scott, Ranking Member Foxx, and distinguished members of the Subcommittee: I am Tiffany Robinson, Secretary of the Maryland Department of Labor under Governor Larry Hogan. I am honored to be here today and thank you for the opportunity to discuss and share with you the successes and challenges the Maryland Apprenticeship and Training Program (MATP) has faced.

Today I will present to you the recent history of the program and the many developments that have led Maryland’s apprenticeship program to become the success story it is today. Through collaboration with the U.S. Department of Labor and Maryland’s education partners, industry leaders, jobseekers, businesses, and other stakeholders, we have developed a proven system of best practices that have made Registered Apprenticeship (Apprenticeship) the premier workforce development tool. Along this road, we have naturally faced challenges, and I am excited to share with you the actions we have taken to create lasting solutions.

We are proud that the Apprenticeship program has grown by leaps and bounds under the Hogan Administration.

HISTORY AND PROGRAM GROWTH UNDER GOVERNOR LARRY HOGAN

The federal Workforce Innovation and Opportunity Act (WIOA) was signed into law by President Obama in 2014 and became effective on July 1, 2015. The Act sought to align workforce development strategies and Apprenticeships. At the Maryland Department of Labor, we used the enactment of the new federal Act as an opportunity to critically analyze how we provided workforce services to Maryland’s jobseekers and businesses. Maryland’s job seekers deserve to have at their disposal a wide variety of options to place them on a career pathway. Maryland’s businesses need a pipeline of talented, well-trained workers that they can rely on for generations to come.

In order to make this vision a reality and to demonstrate Maryland’s commitment to growing Apprenticeship, the Maryland Department of Labor, under Governor Hogan’s leadership, introduced Senate Bill 92 during the 2016 legislative session. Senate Bill 92 transferred responsibilities of the State’s Apprenticeship Agency to the Division of Workforce Development and Adult Learning (DWDAL) from the Division of Labor and Industry (DLI), aligned Apprenticeship opportunities with workforce training programming, received bipartisan support,

and was subsequently signed into law. This shift was a critical realignment for Apprenticeship in terms of how services are delivered. While located in DLI, Apprenticeship was primarily utilized to train workers in the skilled trades of the construction industry and was rarely used in nontraditional industries. This relocation was an essential step forward in the continued, systemic growth of Maryland's Apprenticeship program and aligned with Governor Hogan's vision for the State of Maryland's workforce development system.

When the MATP relocated, a program review was conducted to determine best practices, find areas for growth, and ensure that Maryland was in compliance with all State and Federal regulations related to apprenticeship. As a result of this review, the three year period following the transition (2017-2020) resulted in a 40% increase in the total number of apprentices from 7,340 to 10,711.

A similar increase occurred in the registration of new Sponsors. The Department's increased level of staffing, outreach, and technical assistance offered to potential Sponsors led to the creation and registration of 65 Registered Apprenticeship Sponsors brand new to the Apprenticeship program. In comparison, the 65 Sponsors registered between January 2017 and January 2020 is more than double the total registered for the six year period of January 2011 through December 2016.

Due to the rapid growth of the MATP and a new program focused on the use of competency based testing, non-traditional occupations such as healthcare, cyber security, information technology, and advanced manufacturing became increasingly popular. Maryland began to track the comparison of the number of apprentices registered in the more traditional occupations, such as the construction trades, versus newer non-traditional occupations. This expansion has resulted in nearly 15% of all apprentices in Maryland now being registered in occupations outside of the construction trades.

Since 2016, Maryland has been awarded four federal grants totalling \$6,871,446 that have provided vital resources for innovative practices designed to spur Apprenticeship growth. In addition to receiving federal funding, the MATP has been supported by Governor Hogan and his administration's priority to create jobs and get more Marylanders back to work. The MATP particularly benefited from the Governor's "More Jobs for Marylanders Act", which included a Registered Apprenticeship tax credit that allows an employer a \$1,000 tax credit per apprentice hired, as long as the apprentice works seven or more months in the calendar year. Since inception, over 700 tax credits have been awarded. Legislation is currently pending to extend this tax credit, which is set to expire in July.

During this same timeframe, Maryland's youth apprenticeship program also expanded to 15 of 24 school systems, with 70 students and nearly 200 businesses registered. Coupled with the growth of the state's Registered Apprenticeship Program, it is anticipated that all 24 local school systems will have adopted the youth apprenticeship program by 2021.

Under Governor Hogan's leadership, the Maryland Apprenticeship and Training Program continues to have a profound impact on the businesses, jobseekers, and high school students

interested in the “earn as you learn” model, and there is no doubt that the program will continue to grow.

BEST PRACTICES AND SUCCESSES

In 2017, Maryland began a coordinated outreach campaign to expand Apprenticeship. These efforts included business led industry roundtables, webinars, and outreach events with community colleges, local school systems, and other government agencies. The Department also began to engage all active and inactive Apprenticeship Sponsors a minimum of two times per year by phone, email, letter, and even site visits. Each visit included information about how to reactivate their Apprenticeship, how to engage with the workforce system, the benefits of the Workforce Innovation and Opportunity Act (WIOA), and various tax and grant programs. As a result of this outreach, 27 Apprenticeship Sponsors reactivated their program. This was immediately recognized and implemented as a best practice.

Non-Traditional Industries and the Competency Based Approach:

Maryland’s emphasis on expanding Apprenticeships led to increased positive news coverage and enabled the Department to tap into new industries. Maryland is also experiencing a shift in the public perception of Apprenticeships and a growing realization that college is not the only option towards a fulfilling career path. As a result of this growth, nearly 60% of the new Apprenticeships registered over the past three years have been either non-traditional Apprenticeships or underutilized Apprenticeships. Engagement with new industries was made possible because of new innovations in Registered Apprenticeship and a culture shift in how instruction can be provided to apprentices.

Industries and occupations that have formerly been considered “non-apprenticeable” were suddenly available as a result of competency based Apprenticeships. The ability to provide On-the-Job Training and related instruction to the apprentice, where they learn and are measured in skill attainment as the result of achieving competencies, opened new opportunities in healthcare, cyber security, information technology, and advanced manufacturing. Employers who formerly shied away from the idea of multi-year occupations that consisted of thousands of hours began embracing the competency based approach and started participating in the apprenticeship movement. Examples of new industries and occupations registered are:

1. Healthcare
 - a. Patient Care Technician
 - b. Surgical Technologist
 - c. Licensed Practical Nurse
 - d. Central Sterile Processing Technician
2. Information Technology and Cyber Security
 - a. Cyber Security Analyst
 - b. Secure Software Programmer
 - c. Data Science and Analytics
3. Transportation and Logistics:
 - a. Truck Driver

- b. Diesel Technician
- 4. Manufacturing
 - a. Machinist
 - b. Additive 3D Printing Technician
- 5. Hospitality
 - a. Lodging Manager

Funding and Innovation:

Maryland was awarded an Apprenticeship Expansion Grant from USDOL in the amount of \$2,000,000 in 2016, followed by an additional grant award of just over \$1.8 million dollars in 2018, and a third award of slightly over \$2.8 million in 2019.

These grants enable Maryland to fund numerous activities:

1. Pre-Apprenticeship
2. New Sponsor registrations
3. New occupation development
4. Industry outreach events
5. New staff
6. Creation of the Apprenticeship Innovation Fund (AIF)

The AIF quickly emerged as a best practice for the State and allows Maryland to serve 1,402 total participants, of which 982 are Registered Apprentices. The AIF, in accordance with the Apprenticeship USA State Expansion Grant, enables Labor to invest in sustainable programs that support and engage in Apprenticeship expansion strategies, seed the implementation of new and promising ideas, and adapt proven strategies at the systems or service delivery level so as to expand the reach of Apprenticeship programs in Maryland.

In 2019, Maryland amended the AIF funding approach and raised the maximum award amount from \$50,000 to \$100,000 to allow longer term program development. With the most recent Apprenticeship Expansion Grant award, Maryland kept the AIF approach, but raised the maximum award amount. Rather than having upwards of 20 projects funded at \$50,000 each, Maryland will grant funding to support seven larger scale projects at \$250,000 each. The Competitive Grant Application opportunity for these projects is expected to be released in March 2020.

AIF projects successes include:

1. Mid-Atlantic Carpenters Training Centers Joint Apprenticeship Committee:
 - Pre-Apprenticeship Training for women and individuals with significant barriers
 - 7 participants trained
 - 7 were registered as Union Carpenter Apprentices
2. Finishing Trades Institute:
 - 10 participants were trained
 - 8 were registered as Union Glazier Apprentices
3. Childrens Guild:

- Created a new occupation: Behavioral Health Aide
- Registered 13 new apprentices to date
- 4. TranZed Apprenticeship Services;
 - Created 3 new occupations in Cyber Security and IT
 - Registered 41 new apprentices to date
- 5. 1199 SEIU Training and Upgrading Fund
 - Registered as a new Sponsor
 - Created new occupation: Patient Care Technician
 - Registered twenty-five new apprentices to date
- 6. Associated Builders and Contractors
 - Reactivation of dormant occupation in Baltimore City: Pipefitter
 - Registered 8 new apprentices to date
- 7. Independent Electrical Contractors, Chesapeake
 - Grant to offset related instruction costs to onboard new employers
 - 200 new apprentices registered

Additionally, grant funding was used to support the creation of a large Group NonJoint Apprenticeship Program in Baltimore City. A Group NonJoint Sponsor is a Sponsor who has registered Standards of Apprenticeship with Maryland, has a group of employers who participate in their Apprenticeship program and are not jointly managed with a union. For example, the Baltimore Alliance for Careers in Healthcare (BACH) was approved as a Registered Apprenticeship Sponsor in Maryland under this criteria. The BACH and area hospitals such as Johns Hopkins, University of Maryland Medical System, and Sinai Hospital have registered occupations such as Central Sterile Processing Technicians, Surgical Technologists, Licensed Practical Nurses, and Environmental Care Supervisors.

The BACH Apprenticeship Program serves a combination of 50% incumbent workers and 50% skilled immigrants who had backgrounds in healthcare prior to arriving in the United States. The Apprenticeship program offers a range of services for English Language Learners, barrier removal, and traditional On-the-Job Training and related instruction, all in a competency based format. The BACH and their employer partners have registered 53 apprentices to date.

Without a guarantee of continued federal funding, and in order to support the continued success and expansion of the BACH healthcare Apprenticeship program, Governor’s Set Aside Funding was awarded to BACH through 2021 and will create a minimum of 95 additional healthcare apprentices.

Youth Apprenticeship:

Utilizing the Apprenticeship Maryland Program (AMP) as an introduction to Registered Apprenticeship brings unique advantages. AMP gives Maryland businesses the unique opportunity to train, influence and shape high school students into top-performing employees by providing opportunities for Maryland’s high school juniors and seniors. Students are able to “earn while they learn” and not only obtain a wage, but gain academic and occupational skills leading to both a high school diploma and a State Skill Certificate in an Apprenticeship setting.

The program requires that eligible employers hire AMP participants that wish to enter high-skill, high-growth industries, such as healthcare, biotechnology, information technology, construction and design, banking and finance, and advanced manufacturing.

From the initial program start in 2016 with only 14 business partners, the program now boasts nearly 200 approved employers in nearly every county of the state and 70 youth apprentices, up from 11 in the initial pilot year. Additionally, occupations are now available to youth apprentices in diverse industries and occupations including:

- Government- Wastewater Operator
- Transportation and Logistics- Diesel Maintenance Technician
- Environmental Services
- Education- Financial Counselor
- Business- Retail Management Apprentice
- Engineering- Project Management
- Hospitality and Tourism- Chef Assistant
- Marine Trades- Outboard motor technician
- Information Technology- Computer Support Specialist
- Automotive- Auto mechanic, Body shop technician
- Healthcare- Patient Access Registrar, Laboratory Technician
- Manufacturing- Machine Operator, Mechanical Engineer, CNC Machinist
- Construction- Electrician Apprentices, Estimator, Plumber Apprentice

As Maryland enters the first full year of the AMP expansion, nearly 25% of all participating employers also participate in Registered Apprenticeship and 22% of all Youth Apprentices are also dual registered as Registered Apprentices. This trend is expected to not only continue, but to double as we enter the 2021 school year.

Employment Advancement Right Now:

Established in 2014, Employment Advancement Right Now (EARN) is the State's nationally-recognized workforce solution that works hand in hand with our Apprenticeship programs. The program is industry-led and designed with the flexibility to ensure that Maryland businesses have the talent they need by focusing on industry sector strategies that produce long-term solutions to sustained skills gaps and personnel shortages.

Based upon employer-identified training needs, Strategic Industry Partnerships (SIPs) provide education and skills training to unemployed and underemployed Marylanders, including support for individuals with specific barriers to employment. Some of these barriers include lack of transportation, homelessness, low educational attainment, limited work history, and involvement with the criminal justice system. Examples of barrier removal services include record expungement, transportation assistance, financial education, providing bridge instruction in math and reading, and stipends for training. The program also provides career advancement strategies for incumbent workers, leading to a more highly skilled workforce and improved business outcomes for employers.

The relationship between EARN and Apprenticeships is an important one. With Apprenticeship, the federal funding has specific uses that may not align with what a jobseeker needs to obtain entry into the workforce. The Department of Labor will assist a jobseeker by directing them to the EARN program to obtain the necessary skills or barrier removal. Upon completion of an EARN program, many participants join an Apprenticeship to continue their education and career path while obtaining wages.

Success Stories:

Registered Apprenticeships:

Evelyn Rhodes with the Association of Air Conditioning Professionals

After immigrating to the United States from Ecuador, Evelyn Rhodes found a job as a maintenance worker in Maryland. However, Rhodes' employer quickly recognized her potential for success in the HVAC trade and helped her secure a spot in the Association of Air Conditioning Professionals' (AACCP) Registered Apprenticeship program.

Despite the barriers Rhodes faced as a native Spanish speaker, she doubled her study efforts and taught herself English while completing the apprenticeship. Her hard work paid off and each year, she received scholarships for her excellent grades and hard work. Rhodes graduated from the program as the valedictorian and went on to complete her Associate's Degree in Building Trades Technology on a scholarship.

Rhodes now teaches basic electricity in AACCP's Apprenticeship program and serves as a tutor for the program's Spanish-speaking students. Thanks to Registered Apprenticeship, Rhodes was set on a path to a successful career in a growing industry that allows her to earn an income for her family while mentoring others following in her footsteps.

Kenneth Smith with the International Union of Elevators Constructors - Local 10

Kenneth Smith was self-employed for over 25 years in the restaurant and vending industries, but lost his entire livelihood during the recession. With encouragement from his son who had already completed the program, Kenneth took a leap of faith and applied to be a Registered Apprentice with the International Union of Elevator Contractors - Local 10. After a four year Apprenticeship, he graduated to journeyman status, earned 30 community college credits, and is successfully earning an income to support his family and goals of retirement.

According to Smith, "the past five and a half year journey has been great. It saved my family and probably my life. At one point I was working three jobs a day just to sustain myself and my family. Choosing the IUUEC was the best choice I could have ever made. My advice to anyone who is struggling and needs a career change is don't let your age stop you. I was 55 when I started and like I said previously it saved my life."

Youth Apprenticeships:

Humanim

An example of the success of integrating Youth and Registered Apprenticeship can be found with Humanim. Humanim is a non-profit founded in Howard County Maryland in 1971. The Humanim mission is to support and empower individuals who face social or economic challenges by building pathways to economic equity, opportunity, and independence. In July, 2019, Humanim added Registered Apprenticeship to the list of services and workforce training programs they offered with the occupation of Direct Support Professional.

Humanim immediately began to hire and register new apprentices. Maryland staff approached Humanim to discuss an opportunity to hire youth apprentices from local Howard County Public Schools and to provide them with a chance to also begin a formal Registered Apprenticeship program. Humanim immediately embraced the opportunity and revised their Standards of Apprenticeship to allow high school students on a path to graduate to participate in their program. Within 2 months, Humanim had hired and registered three youth apprentices to add to the 25 adult apprentices already registered. The experience has been so successful to date that Humanim has pledged to increase the number of youth apprentices they register for the next school year from 3 to 5.

Reentry Initiatives:

The Department of Labor works closely with the Maryland Department of Public Safety and Correctional Services to address the needs of incarcerated individuals “behind the fence” and prepares them for a successful transition back into Maryland’s workforce and communities. A new pre-apprenticeship program was recently developed with The Associated Builders and Contractors, Metropolitan Washington Chapter (ABC Washington) to support Maryland’s reentry initiatives.

This new program assists incarcerated individuals looking for a career in the skilled trades and currently provides construction skills training to 15 incarcerated individuals. Utilizing the pre-apprenticeship program, these individuals receive construction trades-related training that is designed to facilitate their direct entry into Registered Apprenticeship upon their release.

In addition to receiving hands on skills training, each individual learns essential life and workplace skills that include intensive barrier removal and wrap-around services. All who successfully complete the pre-apprenticeship will receive direct employment in the industry and registration as an apprentice within 90 days.

Participants who complete and enter the Registered Apprenticeship program will have the ability to choose from plumbing, HVAC and sheet metal occupations with starting wage rates averaging \$14.50 and completion rates averaging \$29.00. Inmates who participate in a Registered Apprenticeship program leave prison with a solid career pathway, increasing the likelihood they successfully transition back into society and become productive, stable, and ultimately self-sufficient.

CHALLENGES

Sustainable Funding:

Despite Maryland's successes, challenges remain as we continue to scale and fully integrate Registered Apprenticeship. A primary challenge is the lack of consistent funding that can be applied at the program level to ensure the state's ability to support and grow Apprenticeships, enable strategic planning for future growth and innovation, reach new partners, and better equip stakeholders with the integration of Apprenticeship into high schools, community colleges, and four year institutions.

Grant funding that does not have a multi-year strategy presents a similar challenge. Grants with terms of 24 to 36 months do not allow for system building for the future. The most successful Registered Apprenticeship Programs come from both the Building Trades Unions and the large Group NonJoint Association Apprenticeships that have had decades to take shape, build scale, and establish a generational presence. Sustainable funding, whether formula funding or long term grants of six to ten years, would allow true program building to scale. Sustained funding also reassures the business community, school systems, college systems, and community partners that Apprenticeship is being invested in for the long term and is a good partnership.

Youth Apprenticeship:

The success of Apprenticeship Maryland has been dynamic, but comes with its own challenges. Despite the opportunity to participate in an Apprenticeship, interaction with school jurisdictions and businesses is labor and time intensive. Staff are required to meet with businesses, vet the business, assist with developing the On-the-Job Training Processes and related instruction, and then get approval for the business to participate. This is sometimes coupled with different conditions required by the individual school jurisdiction. Staff working AMP are not funded with the USDOL Expansion grants because they require all participants served to be a Registered Apprentice. While becoming a Registered Apprentice is the ultimate goal, AMP does not currently allow for system building. Having the ability to lay the correct groundwork now will result in hundreds, if not thousands, of high school Registered Apprentices over the next three to five years.

CONCLUSION

The Maryland Apprenticeship and Training Program continues to have a profound impact on both the business community, as well as jobseekers in Maryland. The program offers a powerful workforce development tool that creates opportunities and opens doors for all individuals across the nation, regardless of any barriers they may face. The Hogan Administration is proud to support this program and excited to share its successes in the years to come.

I want to thank Chairman Scott, Ranking Member Foxx, and the distinguished members of the Subcommittee for your time, and I look forward to answering your questions.