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**Testimony of Kimberley Moore, Director – Bureau of Employment Services,
Maine Department of Labor
Neither For Nor Against LD 1539,
An Act to Promote a Diverse, More Experienced Construction Workforce and Ensure High-
quality Careers by Increasing Registered Apprenticeship Programs
To the Joint Standing Committee on Labor and Housing**

Public Hearing April 19, 2023

Senator Tipping, Representative Roeder, and members of the Joint Standing Committee on Labor and Housing, my name is Kim Moore and I am the Bureau Director of Employment Services at the Maine Department of Labor (Department). On behalf of the Department, I am offering this testimony neither for nor against LD 1539, "An Act to Promote a Diverse, More Experienced Construction Workforce and Ensure High-quality Careers by Increasing Registered Apprenticeship Programs".

The bill sets specific standards for registered apprenticeship programs in the construction industry. This bill also requires establishment of a financial incentive program for registered apprenticeships and additional criteria for funding registered apprenticeship programs within the construction industry. It does not establish a funding source for the additional staff requirements to administer a Registered Apprenticeship program with rules, incentives, and measures solely applicable to the construction industry and the related incentive payments.

The Maine Apprenticeship Program is a key component of the state's workforce development strategy and has experienced an increased interest in the current labor market. In 2021, the Maine Apprenticeship Program received a \$5.5 million State Apprenticeship Expansion, Equity, and Innovation grant from the U.S. Department of Labor. Maine was one of 15 states to receive this grant funding dedicated to further develop, modernize, and diversify registered apprenticeship programs across the state. A significant focus of the funding is dedicated to supporting and expanding entry to and persistence in Registered Apprenticeship for underrepresented populations including women, people with disabilities, people of color, and justice-involved individuals. While this work is just beginning, the work is clearly aligned with

the proposed legislation.

We offer the following considerations to the Committee pertaining to three key sections of the bill.

- As written, the bill language applicable to minimum requirements around “total package value” which includes wages, the dollar value of employer-paid health insurance, and the dollar value of employer-paid retirement contribution benefits, appears to apply to all Maine Registered Apprenticeships. In conversation with the bill sponsor yesterday, we understand the requirement would only apply to the construction industry. MDOL will need to evaluate in which cases and how “total package value” is currently collected from the construction industry to determine potential impact.
- With regard to establishing a separate financial incentive program for recruitment of historically underrepresented populations into construction industry apprenticeships and providing 50% of funds to stipends for registered apprentices, we must emphasize this cannot be accomplished without specifically dedicated funding to support Department staff resources and the incentive payments themselves. The Department would encourage emphasis on persistence in or completion of a registered apprenticeship vs a recruitment incentive.
- Federal and state requirements for Registered Apprenticeship programs establish a minimum of 2,000 hours of on-the-job learning and 144 hours per year of related instruction. The majority of registered occupations in the construction industry are 8,000-hour programs. Out of 1,212 Apprentices registered (as of April 14, 2023), 14 Construction Laborer apprentices (1%) are in registered apprenticeship programs that meet state and federal program standards but would fall outside of these additional requirements. The Department does not recognize the need for or support establishing a separate minimum standard for the construction industry with regard to on the job and classroom training.
- Finally, we recommend adding “as funding permits” language, should the Committee decide to proceed with this legislation.

In summary, the Department appreciates the overall goal of this bill as it relates to supporting and strengthening apprenticeships, and we appreciate Representative Gere for bringing this bill forward. MDOL is committed to being an active participant in ongoing discussions with the sponsor, as well as conversations with impacted union and non-union apprenticeship sponsors. Thank you for your consideration of my testimony, and the Department will be available for the work session to assist with the technical aspects of this bill.