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BALTIMORE CITY COUNCIL EDUCATION, WORKFORCE, AND YOUTH COMMITTEE

Mission Statement

The Committee on Education, Workforce and Youth (EWY) is responsible for creating opportunities for our young people, ensuring economic opportunity and prosperity for Baltimore's workforce, and supporting our most vulnerable neighbors. The committee's areas of jurisdiction include public education, labor relations, workforce development, employment, public parks, recreation, and youth affairs. Issue areas include, but are not limited to: education, including adult education, higher education, workforce development, labor, senior affairs, veterans, childcare, accessibility and disability issues, recreation and parks, and historical landmarks.

The Honorable Robert Stokes, Sr. Chairman

PUBLIC HEARING

THURSDAY, MAY 05, 2022 10:02 AM

COUNCIL CHAMBERS

WORK AND VOTING SESSION

Council Bill 21-0047

Charter Amendment – Dante Barksdale Career Technology Apprenticeship Fund

CITY COUNCIL COMMITTEES

ECONOMIC AND COMMUNITY DEVELOPMENT (ECD)

Sharon Green Middleton, Chair John Bullock – Vice Chair Mark Conway Ryan Dorsey Antonio Glover Odette Ramos Robert Stokes Staff: Jennifer Coates

WAYS AND MEANS (W&M)

Eric Costello, Chair Kristerfer Burnett Ryan Dorsey Danielle McCray Sharon Green Middleton Isaac "Yitzy" Schleifer Robert Stokes Staff: Marguerite Currin

PUBLIC SAFETY AND GOVERNMENT OPERATIONS (SGO)

Mark Conway – Chair Kristerfer Burnett Zeke Cohen Erick Costello Antonio Glover Phylicia Porter Odette Ramos

Staff: Samuel Johnson

EDUCATION, WORKFORCE, AND YOUTH (EWY)

Robert Stokes – Chair John Bullock Zeke Cohen Antonio Glover Sharon Green Middleton Phylicia Porter James Torrence Staff: Marguerite Currin

HEALTH, ENVIRONMENT, AND TECHNOLOGY (HET)

Danielle McCray – Chair John Bullock Mark Conway Ryan Dorsey Phylicia Porter James Torrence Isaac "Yitzy" Schleifer Staff: Matthew Peters

RULES AND LEGISLATIVE OVERSIGHT (OVERSIGHT)

Isaac "Yitzy" Schleifer, Chair Kristerfer Burnett Mark Conway Eric Costello Sharon Green Middleton Odette Ramos James Torrence Staff: Richard Krummerich

Effective: 01/04/21

CITY OF BALTIMORE

BRANDON M. SCOTT, Mayor



OFFICE OF COUNCIL SERVICES

LARRY E. GREENE, Director 415 City Hall, 100 N. Holliday Street Baltimore, Maryland 21202 410-390-7215 / Fax: 410-545-7596 email: larry.greene@baltimorecity.gov

BILL SYNOPSIS

Committee: Education, Workforce and Youth

Bill: 21-0047

Charter Amendment – Dante Barksdale Career Technology Apprenticeship Fund

WORKSESSION

Sponsor:

President Mosby, et al

Introduced:

March 8, 2021

Purpose:

FOR the purpose of establishing a continuing, non-lapsing Dante Barksdale Career Technology Education Fund, to be used exclusively to supplement pre-apprenticeship programs and other workforce development programs; requiring a minimum monthly appropriation to this Fund; authorizing the Mayor and City Council, by ordinance, to provide for the oversight, governance, and administration of this Fund; and submitting this amendment to the qualified voters of the City for adoption or rejection.

Effective: Upon the approval of the legal and qualified voters of Baltimore City.

Agency Reports

Law Department Favorable/Amend

Mayor's Office of Employment Development Favorable

Baltimore City Public School System Favorable/Comments

Department of Finance Unfavorable/Opposes

Analysis

Current Law

Article 1 – General Provisions of the Baltimore City Charter states:

"The inhabitants of the City of Baltimore are a corporation, by the name of the "Mayor and City Council of Baltimore."

"Voter" means any person whose name appears on the election records kept by the Board of Supervisors of Election of Baltimore City, as a qualified voter in the city.

Background

If adopted by the qualified voters in the city, a new subsection will be added to Article 1 of the City Charter to create a special fund for <u>Career Technology Education</u>; to be named in honor the late Dante Barksdale.

On <u>Thursday</u>, <u>April 7</u>, <u>2022</u>, the committee held a hearing and discussed the agency reports with the agency representatives. <u>See attached reports</u>. <u>Following are notes from the hearing</u>.

Major Speakers at the hearing

- McKenzie Garvin, Mayor's Office of Employment Development (MOED)
- Nina Themelis, Mayor's Office of Government Relations (MOGR)
- Hilary Ruley, Law Department
- Robert Cenname, Department of Finance

Major Issues Discussed

- 1. <u>Chairman Bullock</u> introduced the committee/council member in attendance and recognized other attendees. He stated the Bill's title and the purpose clause for same.
- 2. Chairman Bullock and committee members went over the agency reports with the representatives.
- 3. The representative from the Law Department talked about the proposed amendments listed in their report.
 - a. Other concerns/statements were:
 - i. Statement: There is a model/bill similar to this Ordinance on the State level
 - ii. Will contractors contribute money into the fund
 - iii. Concern: Funding coming from contractors and city having to reimburse them
 - iv. Bill as is may have potential conflict(s) with prevailing wages
- 4. The representative from MOED stood by their report and talked about a new apprenticeship program just recently launched and was created with American Rescue Plan funding. She also talked about a navigation program.
- 5. The representative from the Department of Finance talked about why the Department opposes the Bill
 - a. Concerns
 - i. Will be a separate special fund
 - ii. Bill have contractors paying costs
 - iii. Potential unforeseen cost to City

- 6. Chairman Bullock and committee members asked questions and stated some concerns. Some highlights of same were:
 - a. Questions
 - To the representative from MOED:
 - When did the apprenticeship program come online?
 - To representative from the Law Department:
 - What is the difference between this Bill and the Maryland/State's Apprenticeship Program?
 - To representative from the Department of Finance:
 - "How does your department and/or what is your model for projecting costs and/or cost analyses?

Direct Inquiries to: (443) 984-3485

- b. Concern/Statement
 - Please don't come to a hearing saying you don't have a fiscal cost analysis
- 7. Chairman Bullock thanked all participants for attending the hearing and stated, the committee will hold a work session sometime in the future to go over proposed amendments submitted by the Council President, primary sponsor of the bill. *A copy of the proposed amendment(s) is attached*.
- 8. No one signed up for public testimony. Hearing called to recess.

On <u>Thursday, May 5, 2022</u>, the committee will reconvene to discuss the proposed amendments; (will hold a work session/voting session).

Additional Information

Fiscal Note: None

Information Source(s): Notes taken during the April 7th hearing.

mangacita m. Curin

Analysis by: Marguerite M. Currin

Analysis Date: May 2, 2022

Mosby I 07APR22

Mosby I 07Apr22

AMENDMENTS TO COUNCIL BILL 21-0047 (1st Reader Copy)

By: President Mosby {To be offered to the Education, Workforce, and Youth Committee}

Amendment No. 1

On page 2, strike lines 21 through 28, inclusive; and, on that same page, in lines 29, 30, and 31, strike "(2)", "(3)", and "(4)", respectively, and substitute "(1)", "(2)", and "(3)", respectively.

Council Bill 21-0047 Agency Report(s)

SEE ATTACHED

CITY OF BALTIMORE

BRANDON M. SCOTT Mayor



DEPARTMENT OF LAW
JAMES L. SHEA, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

March 28, 2022

The Honorable President and Members of the Baltimore City Council Attn: Executive Secretary Room 409, City Hall 100 N. Holliday Street Baltimore, Maryland 21202

Re: Mayor and City Council Resolution 21-0047-Charter Amendment - Dante

Barksdale Career Technology Apprenticeship Fund

Dear President and City Council Members:

The Law Department has reviewed Mayor and City Council Resolution 21-0047 for form and legal sufficiency. Under Article XI-A, Section 5 of the Maryland Constitution, a resolution, such as City Council Resolution 21-0047, is an appropriate method of initiating an amendment to the Baltimore City Charter. If enacted, the Resolution would be placed on the ballot at the City's next election and would take effect thirty days after being approved by the voters. Md. Constit., Art. XI-A, § 5.

This resolution would add Section 17 to Article I of the City Charter to allow the Mayor and City Council to create by ordinance a special, non-lapsing fund to promote apprenticeship programs and other workforce development programs in the City's public secondary schools and colleges. The fund would consist of several possible funding sources, including gifts and future appropriations.

Section 17(c)(1) contains a funding source that is unable to be created by Charter amendment. Md. Const., Art. XI-A, § 3 (legislation for the City may only be made by City Council); §5 (Power of people to initiate Charter amendments does not include power of legislative initiative). A Charter amendment may not "serve or function as a vehicle through which to adopt local legislation." *Cheeks v. Cedlair Corp.*, 287 Md. 595, 607 (1980) (Charter is "limited in substance to amending the form or structure of government initially established by adoption of the charter."). The "council alone, and not the voters of the county, has the power to initiate local legislation" and "such legislative power cannot be exercised by means of an amendment to the charter." *Save our Streets v. Mitchell*, 357 Md. 237, 249 (2000) (citations omitted). This "distinction between the fundamental, general nature of a charter and the specificity characteristic of county council legislative enactments authorized by a charter framework, is essential to the system of representative democracy provided for in Article XI-A of the Maryland Constitution." *Save our Streets*, 357 Md. at 252; *accord Atkinson v. Anne Arundel County*, 236 Md. App. 139, 177 (2018)("the proper focus when deciding whether a charter amendment is impermissibly

legislative is 'the degree to which the county council retains discretion and control regarding an area under its authority pursuant to Article XI-A of the Maryland Constitution.'"); accord Mayor and City Council of Ocean City v. Bunting, 168 Md. App. 134, 148 (2006); but see Save our Streets, 357 Md. at 251 (tax caps have been upheld as proper Charter material and "fundamental in nature because they 'directly involved the relationship between the people and the government by limiting the power of the government to tax.") (citation omitted). Thus, page 2 of this Resolution must be amended to remove lines 21 through 28.

Additionally, the language in lines 21 through 28 may pose other legal issues, including how the contractor payment program would work considering state and federal laws like the Davis-Bacon Act. Md. Code, State Fin & Proc., § 17-601, et. seq.; 40 U.S.C. 3141 *et seq*. This report does not analyze these legal issues in depth because the conflict with the Maryland Constitution is determinative.

Assuming the bill is amended, the Law Department can approve the Resolution for form and legal sufficiency.

Very truly yours,

Hilary Ruley Chief Solicitor

cc: James L. Shea, City Solicitor
Nina Themelis, Mayor's Office of Government Relations
Elena DiPietro, Chief Solicitor, General Counsel Division
Victor Tervala, Chief Solicitor
Ashlea Brown, Chief Solicitor

AMENDMENTS TO COUNCIL BILL 21-0047

(1st Reader Copy)

Proposed by: Law Dep't

On page 2, delete lines 21 through 28.



Brandon M. Scott Mayor, City of Baltimore Johnette Richardson Chair, Baltimore City Board of School Commissioners Dr. Sonja Brookins Santelises Chief Executive Officer

City Council Charter Amendment 21-0047 Dante Barksdale Career Technology Apprenticeship Fund

April 4, 2022

Baltimore City Public Schools (City Schools) has reviewed Charter Amendment 21-0047, which would ultimately enable the Mayor and City Council to establish a continuing, non-lapsing fund for the purpose of promoting Baltimore City pre-apprenticeship programs and other workforce development programs in Baltimore City's public secondary schools and community colleges that assist students in preparing for and entering apprenticeship training programs.

City Schools believes that paid work-based learning (WBL) experiences for our students, including youth pre-apprenticeships, are essential to our students' success and persistence in their Career Technical Education (CTE) pathways and in preparing all our students for above-living wage, in-demand, and high-skilled careers.

The district primarily utilizes "Apprenticeship Maryland," a youth apprenticeship program with the Maryland State Department of Education and the Maryland Department of Labor, to bring these opportunities to our students. The goal of Apprenticeship Maryland is to create compensated, high quality youth apprenticeships that prepare students to enter employment in high-skilled, high growth sectors in manufacturing and STEM occupations such as healthcare, biotechnology, information technology, construction and design, and banking and financing. The program offers students paid opportunities to join the workforce while in school, pursue their interests, and in the adult apprentice program, even help with college tuition.

City Schools appreciates the City Council's consideration of Charter Amendment 21-0047 and looks forward to working with policymakers as well as industry and community partners to increase the number of apprenticeship opportunities and accessibility to our diverse population of students.

CITY OF BALTIMORE

Brandon M. Scott, Mayor



Mayor's Office of Employment Development

Jason Perkins-Cohen Director 417 E, Fayette Street, Suite 468 Baltimore, MD 21202

The Honorable President and Members of the Baltimore City Council Room 409, City Hall 100 N. Holiday Street Baltimore, Maryland 21202

Re: City Council bill- 21-0047-Charter Amendment - *Dante* Barksdale Career Technology Apprenticeship.

Dear President and City Council Members:

The Mayor's Office of Employment Development (MOED) is herein reporting on City Council bill-21-0047-Charter Amendment - *Dante* Barksdale Career Technology Apprenticeship.

The purpose of this bill is to establish a continuing, non-lapsing Dante Barksdale Career Technology Education Fund, to be used exclusively to supplement pre-apprenticeship programs and other workforce development programs; requiring a minimum monthly appropriation to this Fund; authorizing the Mayor and City Council, by ordinance, to provide for the oversight, governance, and administration of this Fund; and submitting this amendment to the qualified voters of the City for adoption or rejection.

The Mayor's Office of Employment Development (MOED) coordinates and directs workforce development initiatives responsive to the needs of Baltimore City employers and job seekers in order to enhance and promote the local economy. Our vision is for all city residents to maximize their career potential, and all employers to have the human resources to grow and prosper.

MOED has recently launched its first ever apprenticeship subsidy program and has hired its first apprenticeship coordinator utilizing state ARPA funds. The goal of the subsidy program is to incentivize employers to hire Baltimore City residents as an apprentice by providing \$2,500 per apprentice to supplement their training and wages. The program also supports the apprentices who may be new jobseekers, graduates from training or transitional jobs programs, and those with experience who are advancing within their companies or transitioning into new careers. In partnership with MD DOL, the goal is to register up to 100 apprentices.

MOED is willing and ready to strengthen partnership, scale or replicate existing programs, as well as to create new initiatives with the goal of connecting Baltimore City residents to apprenticeship opportunities.

MOED is support of City Council bill- 21-0047-Charter Amendment - *Dante* Barksdale Career Technology Apprenticeship Fund.

Sincerely,

Jason Perkins-Cohen

Jan Perke Ch

Director

F O M	NAME &	Robert Cenname, Budget Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall		CITY O
	SUBJECT	City Council Bill 21-0047 – Charter Amendment – Dante Barksdale Career Technology Apprenticeship Fund		1792

TO

The Honorable President and Members of the City Council City Hall, Room 400 April 1, 2022

DATE:

Position: Oppose

The Department of Finance is herein reporting on City Council Bill 21-0047, Charter Amendment – Dante Barksdale Career Technology Apprenticeship Fund, the purpose of which is to establish a continuing, non-lapsing fund that would be used exclusively to supplement pre-apprenticeship programs and other workforce development programs.

Background

This legislation would establish a continuing, non-lapsing fund that would be used exclusively to promote Baltimore City pre-apprenticeship programs and other workforce development programs in secondary schools and community colleges.

As written, the legislation aims to establish a funding source by requiring monthly payments from subcontractors that perform \$100,000 or more of work on construction projects valued at \$500,000 or more. The monthly fee, which is \$0.25 per hour per employee in certain crafts, is required for contractors or subcontractors that do not participate in apprenticeship training programs for the crafts of the covered projects or do not make payments to apprenticeship training programs or organizations that have apprenticeship training programs.

This funding mechanism is based on the State Apprenticeship and Training Fund, which went into effect in 2013 and applies contractors and subcontractors on State prevailing wage projects. The intent of the program is to provide funding support for apprenticeship and training programs through direct contributions, as well as promotion of these programs through the fund.

Fiscal Impact

The Department of Finance is opposed to the creation of special funds, such as the proposed fund, for a variety of reasons.

First, it limits the City's ability to access revenues during economic downturns. Mandating that funds cannot lapse, must be used for this Fund, and cannot revert to general revenues limits the City's ability to respond to urgent fiscal needs. The ability to reallocate funds across programs and services has been vital during this time to maintain core City services and ensure a strong response to the COVID-19 pandemic.

Second, to meet the requirements of this fund and anticipated increased costs of business, the City may be required to raise additional revenue or reallocate resources from other programs and services. City tax

rates are already the highest in Maryland, which limits the City's options for raising additional revenue for new programs without adding an additional burden for residents. In addition, the City faces an array of unfunded risks in the coming years, including but not limited to Police legal liabilities, additional consent decree costs, unmet capital needs across many agencies, education funding, and surplus schools.

While the legislation, as written, would establish funding through payments from subcontractors that do not participate in or make payments to an apprenticeship training program, the costs of those payments could be passed on to the City through the contract fees. The specific funding source presented in the legislation is a monthly payment made by City subcontractors based on the number of hours per employee working on the project. While the contributions to the fund would come from the subcontractors, Finance anticipates that the City could face increased costs for doing business because subcontractors would factor these monthly payments into their bids, essentially having the City contribute funds through contract payments to the Fund and local apprenticeship programs.

Finally, establishing funds that compromise the City's ability to quickly respond to fiscal needs could be viewed negatively by bond rating agencies. Baltimore has a long history of good fiscal stewardship and Baltimore's strong fiscal management is one of the reasons why the City has never gone into default, receivership, or bankruptcy.

Other Considerations

The Law Department's report states that the establishment of a funding mechanism through monthly fees cannot be established through this legislation, due to the nature of a Charter amendment. However, should the City Council decide to establish this funding mechanism through Ordinance, it should be noted that there would be operating costs for the City to implement a program similar to that run by the State. These costs would likely include personnel and specific systems or software to collect and manage the records that would be required to be collected from this program.

Conclusion

Dedicating a revenue source to a nonlapsing fund and not allowing funds to be used for any other purpose limits the City's ability to allocate resources as needed, especially during economic downturns. This could result in reduced funding for services and programs, or require that additional revenues are collected, placing an additional burden on City residents. In addition, the funding mechanism proposed in this legislation could result in increased costs in City contracts and the City funding apprenticeship programs through payments to contractors and subcontractors, instead of through the annual budget.

For the reasons stated above, the Department of Finance opposes City Council Bill 21-0047.

cc: Henry Raymond Natasha Mehu Nina Themelis

CITY OF BALTIMORE COUNCIL BILL 21-0047 (First Reader)

Introduced by: President Mosby and Councilmembers Middleton, Burnett, Bullock, Ramos, Schleifer, Torrence, Conway, Stokes, Cohen, McCray, Glover, Dorsey, Porter, Costello Introduced and read first time: March 8, 2021

Assigned to: Education, Workforce, and Youth Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Mayor's Office of Employment Development, Baltimore City Public School System, Department of Finance

A RESOLUTION ENTITLED

1	A RESOLUTION OF THE MAYOR AND CITY COUNCIL concerning
2	Charter Amendment – Dante Barksdale Career Technology Apprenticeship Fund
3	FOR the purpose of establishing a continuing, non-lapsing Dante Barksdale Career Technology
4	Education Fund, to be used exclusively to supplement pre-apprenticeship programs and other
5 6	workforce development programs; requiring a minimum monthly appropriation to this Fund; authorizing the Mayor and City Council, by ordinance, to provide for the oversight,
7	governance, and administration of this Fund; and submitting this amendment to the qualified
8	voters of the City for adoption or rejection.
9	By proposing to add
10	Article I - General Provisions
11	Section 17
12	Baltimore City Charter
13	(1996 Edition)
14	SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That the
15	City Charter is proposed to be amended to read as follows:
16	Baltimore City Charter
17	Article I. General Provisions
18	§ 17. SPECIAL FUND FOR CAREER TECHNOLOGY EDUCATION.
19	(A) DEFINITIONS.
20	(1) IN GENERAL.
21	IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

EXPLANATION: CAPITALS indicate matter added to existing law. [Brackets] indicate matter deleted from existing law.

Council Bill 21-0047

1	(2) APPRENTICESHIP TRAINING PROGRAM.
2	"APPRENTICESHIP TRAINING PROGRAM" MEANS AN APPRENTICESHIP TRAINING
3	PROGRAM LOCATED IN BALTIMORE CITY THAT IS REGISTERED WITH AND APPROVED BY
4	THE MARYLAND APPRENTICESHIP AND TRAINING COUNCIL OR THE U.S. DEPARTMENT
5	OF LABOR.
6	(3) COVERED CRAFT.
7	"COVERED CRAFT" MEANS A CLASSIFICATION OF WORKERS LISTED IN THE PREVAILING
8	WAGE DETERMINATION APPLICABLE TO THE COVERED PROJECT.
9	(4) COVERED PROJECT.
10	"COVERED PROJECT" MEANS A PROJECT FOR THE CONSTRUCTION OF A PUBLIC WORK
11	THAT IS VALUED AT \$500,000 OR MORE.
12	(B) AUTHORIZATION.
13	By Ordinance, the Mayor and City Council of Baltimore may establish a
14	CONTINUING, NONLAPSING FUND FOR PURPOSES OF PROMOTING BALTIMORE CITY PRE-
15	APPRENTICESHIP PROGRAMS AND OTHER WORKFORCE DEVELOPMENT PROGRAMS IN
16	BALTIMORE CITY'S PUBLIC SECONDARY SCHOOLS AND COMMUNITY COLLEGES THAT
17	ASSIST STUDENTS IN PREPARING FOR AND ENTERING APPRENTICESHIP TRAINING
18	PROGRAMS.
19	(C) REVENUE SOURCES.
20	THE FUND ESTABLISHED UNDER THIS SECTION SHALL COMPRISE:
21	(1) MONTHLY PAYMENTS BY A SUBCONTRACTOR THAT PERFORMS WORK VALUED AT
22	\$100,000 OR MORE FOR A COVERED PROJECT OF AT LEAST 25 CENTS PER HOUR PER
23	EMPLOYEE IN A COVERED CRAFT IF THE SUBCONTRACTOR:
24	(I) DOES NOT PARTICIPATE IN AN APPRENTICESHIP TRAINING PROGRAM FOR
25	EACH COVERED CRAFT IN WHICH IT WILL EMPLOY PERSONS FOR THE
26	COVERED PROJECT; OR
27	(II) DOES NOT MAKE PAYMENTS TO AN APPRENTICESHIP TRAINING PROGRAM OF
28	TO AN ORGANIZATION THAT HAS AN APPRENTICESHIP TRAINING PROGRAM;
29	(2) MONEY APPROPRIATED TO THE FUND IN THE ANNUAL ORDINANCES OF ESTIMATES;
30	(3) GRANTS OR DONATIONS MADE TO THE FUND; AND
31 32	(4) PROCEEDS FROM FINES, FEES, SURCHARGES, OR OTHER REVENUES DEDICATED TO THE FUND BY ORDINANCE.

Council Bill 21-0047

1	(D) CONTINUING NATURE OF FUND.
2 3	NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHARTER, UNSPENT PORTIONS OF THE FUND ESTABLISHED UNDER THIS SECTION:
4	(1) REMAIN IN THE FUND, TO BE USED EXCLUSIVELY FOR THEIR ORDAINED PURPOSES;
5	(2) DO NOT REVERT TO THE GENERAL REVENUES OF THE CITY; AND
6	(3) THEIR APPROPRIATIONS DO NOT LAPSE.
7	SECTION 2. AND BE IT FURTHER RESOLVED, That this proposed amendment to the City
8	Charter be submitted to the legal and qualified voters of Baltimore City, for adoption or rejection,
9	in accordance with Article XI-A, § 5 of the Maryland Constitution, in the form specified by the
10	City Solicitor.