ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024 COMMITTEE STATEMENT

LB993

| Hearing Date: | Monday January 22, 2024 | |
|---------------|------------------------------------|--|
| Committee On: | Business and Labor | |
| Introducer: | lbach | |
| One Liner: | Adopt the Apprenticeship Grant Act | |

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

| Vote Results: | | |
|------------------|-----|--|
| Aye: | 7 | Senators Blood, Halloran, Hansen, Hunt, Ibach, McKinney, Riepe |
| Nay: | | |
| Absent: | | |
| Present Not Voti | ng: | |
| | - | |

| Testimony: | |
|----------------------|---|
| Proponents: | Representing: |
| Senator Teresa Ibach | Opening Presenter |
| Joni Wheeler | Ignite Nebraska, Nebraska Chamber of Commerce, |
| | Nebraska Economic Developers Association, Lincoln |
| | Chamber of Commerce |
| Luke Grobeck | Blue Cross Blue Shield of Nebraska |
| James Denger | Bellevue University |
| Bobby Brumfield | Ignite Nebraska |
| Leslie Andersen | Blue Cross Blue Shield of Nebraska, Omaha |
| | Chamber of Commerce |
| Courtney Wittstruck | Nebraska Community College Association |
| Carter Thiele | Lincoln Independent Business Association |
| Opponents: | Representing: |
| Jon Nebel | Nebraska State Council of Electrical Workers |
| Neutral: | Representing: |
| Susan Martin | Nebraska State ALF-CIO |
| Shannon Grotrian | Department of Health and Human Services |
| | |

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 993 creates the Apprenticeship Grant Act, creating grants allowing individuals who are underemployed and receive economic assistance to enter a new workforce development apprenticeship program. The act allows businesses to apply for grants



through Department of Economic Development ("department") as long as certain requirements are met. Requirements such as apprenticeships be registered in Nebraska, the apprentice participates in the "SNAP Next Program" or programs affiliated with the Nebraska Workforce Innovation and Opportunity Act, and the business intends to offer full-time employment upon successful completion of the program. The bill would provide, section by section, as follows:

Section 1 identifies the name of the Act as the "Apprenticeship Grant Act".

Section 2 describes the Act.

Section 3 provides definitions for the terms: Apprentice, Apprenticeships, and Economic Assistance Program.

Section 4 describes how a business may apply for a grant to assist in providing an apprenticeship. The section provides how the department may provide grants to businesses who participate in a registered apprenticeship program, providing reimbursements for wages or tuition reimbursement for apprentices. The section provides a cap on the maximum amount per apprentice and limits the amount of grants per business over a twelve-month period.

This section also states the department must make grants available throughout the state and prepare a qualified action plan in each odd numbered year identifying the priorities and selection process for awarding grants and must be approved by the governor. The department will also create memorandums with the Department of Labor and the Department of Health and Human Services by the end of 2024 in regards to the apprenticeship program and SNAP Next Step Program, identifying those on SNAP and the program's estimated savings to SNAP. The department must also submit an annual report to the legislature and Governor describing; current demand for apprenticeship grants, a listing of recipients and grant amounts awarded, employment information of previous recipients, employment of SNAP recipients and the estimated savings to SNAP.

Finally, this section allows the department to enter into a contract with a Nebraska based nonprofit to carry out all of the provisions of this act.

Section 5 grants the authority for the department to adopt and promulgate rules and regulations to govern the award and disbursement of grants pursuant to the act.

Section 6 identifies the process of how the act will be funded through the Apprenticeship Nebraska Cash Fund. This fund will consist of money transferred by the Legislature and contributions from the public or private entities. This section allows the department to use up to five percent of any appropriation to carry out the administrative services required to carry out this act.

Explanation of amendments:

AM 2372 would amend LB 993 by limiting the total number of apprenticeship grants available to a business to 5 within a 12 month period. Additionally, the amendment also creates Section 7, establishing a sunset date of June 30, 2030.



Merv Riepe, Chairperson

