

## The Manufacturing Innovation Fund Apprenticeship Program

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November 13, 2017 | 2017-R-0280

### Issue

This report describes the Connecticut Manufacturing Innovation Fund Apprenticeship Program.

### Summary

The [Connecticut Manufacturing Innovation Fund Apprenticeship Program](#) provides funding to (1) help manufacturing companies provide their registered apprentices with the occupational skills required to meet current and emerging market needs and (2) encourage a real-time, demand driven registered apprenticeship program that combines a structured work schedule of on-the-job training with related classroom instruction. The program is administered by the state's Department of Labor (DOL) and funded through the Department of Economic and Community Development's [Connecticut Manufacturing Innovation Fund](#).

The program provides funding to qualified employer-sponsors (i.e., registered apprenticeship program sponsors who contract to employ and train an apprentice) and DOL-approved registered apprenticeship related instruction providers. The funding is used to (1) help sponsors pay the costs of employing an apprentice, (2) pay DOL-approved instruction providers' apprentice tuition and training costs and (3) reimburse the costs for any necessary credentials required by the apprentice's employer-sponsor.

### *The Manufacturing Innovation Fund*

[PA 14-98](#) established the fund to support the growth, innovation, and progress of the state's advanced manufacturing sector. Among other things, it also supports the Manufacturing Innovation Fund Voucher Program, the Manufacturing Innovation Fund Incumbent Worker Training Program, and the Young Manufacturers Academy Summer Programs.

According to DOL, 142 companies applied to the program through July 2017. DOL has approved and contracted with 100 of these companies, which in turn have taken on a total of 285 registered apprentices. The program has provided over \$2.6 million in wage subsidies, \$51,000 in tuition reimbursements, and \$390,000 in credentialing funding.

## **Financial Assistance**

The program provides qualified employer-sponsors with a \$5 wage subsidy for each hour worked by a qualified apprentice. The total subsidy is capped at \$6,000 per apprentice for year one of the apprenticeship and \$7,000 for year two. The program also pays a qualified apprentice's tuition and training costs by making payments on behalf of the apprentice to a related DOL-approved instruction provider. The tuition and costs cannot exceed \$2,500 in year one of the apprenticeship and \$1,250 in year two. In addition, the program provides reimbursement for the reasonable and customary costs for any industry recognized credentials the employer-sponsor requires, up to \$1,000 in year one and year two.

The maximum funding for the three types of assistance is \$9,500 per apprentice in year one and \$9,250 for year two. The amount of funding awarded under the program for any program year cannot exceed the amount of money spent by, or on behalf of, an employer-sponsor during that program year. Employer-sponsors cannot use funding from the program for their debt restructuring, ongoing operational costs, loan payments, costs related to the sale or disposal of business assets, or lobbying.

## **Eligibility**

Under the program, funding recipients must be either (1) a DOL-registered apprenticeship program sponsor or (2) an approved registered apprenticeship related instruction provider in the manufacturing trades. Qualified apprentices must be at least 16 years old and registered with DOL's Office of Apprenticeship Training. Companies must be in "good standing" with DOL and the Department of Revenue Services (DRS) and they must obtain a "Letter of Good Standing" from DRS. If a company contracts with the state under the program, it must include DOL under its general liability insurance policy and provide copies of certain insurance document to verify the coverage.

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