

Employer Incentive Fund Pilot Program

KENTUCKY FIRST: NO OTHER STATE HAS TAKEN THIS APPROACH



Program will combat the labor crisis



Advance young people to lucrative careers

Registered Apprenticeship Model

- CONSISTS OF PAID ON-THE-JOB TRAINING (OJT) AND CLASSROOM INSTRUCTION (RTI)
- INSULATES A SUSTAINABLE AND SKILLED TRADE PIPELINE
- LEADS TO A NATIONALLY-RECOGNIZED CREDENTIAL



Registered Apprenticeship Facts

- ✓ "Earn as you Learn" and "Grow Your Own" approach
- ✓ National retention rate of completers is 91% (KY 87.2%)
- ✓ KY currently has 4,059 apprentices in 259 occupations
- ✓ Leads to a nationally recognized credential
- ✓ "The Other Degree"
- ✓ Method to combat \$1.7 trillion in national student loan debt



How it works:

- Employers hire someone entry level, with little to no experience, and teach them along the way.
- Job seekers learn about the apprenticeship model and express interest. The job seeker is hired as an employee for a specific employer.
- Apprentices complete 144 hours of instruction/year that complements the hands-on training they receive from the employer.
- The apprentice is rewarded for skills and educational gains through progressive wage increases at designated points during the apprenticeship.
- Upon completion, the apprentice receives a nationally recognized credential from the US Department of Labor.

TRACK: Tech Ready Apprentices for Careers in Kentucky

Youth Apprenticeship Model

- Designed to accelerate opportunities for Career and Technical Education (CTE) students in apprenticeship programs.

Currently, there are more than 70,000 CTE students in the pipeline who are concentrating in career pathways in Kentucky.

Utilizes the current high school Career and Technical Education (CTE) infrastructure at no cost.

The U.S. Department of Labor and U.S. Department of Education recognize this program as a national best practice model

3 years post-graduation, TRACK students are 100% employed and earn an average of \$41,000/year

TRACK Process:

- ✓ The model is a minimum of 3 CTE courses related to the apprenticeship and a paid work experience (co-op) for course credit.
- ✓ The employer works with the school(s) to identify students and selection process.
- ✓ The employer determines if a student successfully completes and transitions as a full-time apprentice after graduation.
- ✓ Credit for prior learning through CTE courses can count towards the Related Technical Instruction component of the apprenticeship.

GOAL: 833 KENTUCKY APPRENTICES HIRED OVER THE NEXT 2 YEARS

- **Requesting \$2.5 million for seed money to entice employers to take on registered apprentices**
- **Each employer hiring a NEW apprentice would be eligible for \$2,000**
- **Employers that hire a youth apprentice inside the TRACK program would be eligible for an additional \$1,000 for a total of \$3,000.**
- **Funds would be directed to the Kentucky Office of Employer & Apprenticeship Services to be allocated directly to the employer.**
- **Funds would incentivize employers who are assuming all training cost burdens**
- **For the 2024-2026 budget cycle**

The following groups
support this initiative:

