

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1218 (Delegate C. Jackson)
Economic Matters

Maryland Department of Labor - Clean Energy Workforce Account - Grants

This bill requires the Maryland Department of Labor (MDL) to administer the existing Clean Energy Workforce Account and award grants from the account. The account must be used to provide grants to support clean energy workforce development programs, including programs relating to heating, ventilation, and air-conditioning (HVAC) systems. MDL must develop application guidelines for grants, provide reasonable opportunity for specified individuals to review and comment on the guidelines, and then incorporate their comments into the guidelines, as appropriate.

Fiscal Summary

State Effect: MDL can implement the bill with existing resources in subsequent rounds of awards. No effect on revenues.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Chapter 757 of 2019 requires the Maryland Energy Administration to use the Strategic Energy Investment Fund to invest in pre-apprenticeship, youth apprenticeship, and registered apprenticeship programs to establish career paths in the clean energy industry under the Maryland Employment Advancement Right Now (EARN) program. Subject to specified requirements, starting in fiscal 2021, \$1.5 million must be transferred for grants to pre-apprenticeship jobs training programs and \$6.5 million must

be transferred for grants to youth and registered apprenticeship jobs training programs until all amounts are spent.

The Clean Energy Workforce Account, established in the EARN program, receives and disburses the transfers as grants. Eligible clean energy industry jobs for a pre-apprenticeship jobs training program include positions in renewable energy, energy efficiency, energy storage, resource conservation, and advanced transportation. An apprenticeship sponsor must receive as a grant from the account up to \$150,000 for a program proposal and planning expenses and \$3,000 for each successfully completed apprenticeship. The youth apprenticeship jobs training programs and the registered apprenticeship jobs training programs must prepare workers for careers in the solar and wind sectors of the clean energy industry.

“Clean energy industry” refers to a group of employers and building and trade associations that are associated by their promotion of renewable and clean energy resources and products and services that improve energy efficiency and conservation. This includes products and services provided by electricians, HVAC installers, plumbers, and energy auditors.

Background: The Governor’s proposed fiscal 2021 operating budget includes \$7.0 million for the EARN program and \$450,000 for the Clean Energy Workforce Account.

MDL plans to award grants beginning in fiscal 2021 to eligible applicants in order to support registered apprenticeship, pre-apprenticeship, and youth apprenticeship programming in permissible clean energy fields. MDL has developed the grant application and intends to release a solicitation for these grants in mid-April 2020. MDL plans to make awards in September or October of 2021. As the grants will be awarded before the bill’s effective date, the bill’s requirements will be incorporated into the next round of grants.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 785 (Senator Klausmeier) - Finance.

Information Source(s): Maryland Department of Labor; Maryland Energy Administration; Department of Legislative Services

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