

HOUSE BILL 1128

K3

(4lr4604)

ENROLLED BILL

— *Economic Matters/Finance* —

Introduced by **Chair, Economic Matters Committee (By Request – Departmental – Labor)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Labor and Employment – Workforce Development – Talent Innovation Program**
3 **and Fund**

4 FOR the purpose of establishing the Talent Innovation Program in the Maryland
5 Department of Labor to increase access to high-quality job training; establishing the
6 Talent Innovation Fund as a special, nonlapsing fund; requiring interest earnings of
7 the Fund to be credited to the Fund; and generally relating to the Talent Innovation
8 Program and Talent Innovation Fund.

9 BY adding to
10 Article – Labor and Employment
11 Section 11–1601 through 11–1604 to be under the new subtitle “Subtitle 16. Talent
12 Innovation Program and Fund”
13 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 (2016 Replacement Volume and 2023 Supplement)

2 BY repealing and reenacting, without amendments,
3 Article – State Finance and Procurement
4 Section 6–226(a)(2)(i)
5 Annotated Code of Maryland
6 (2021 Replacement Volume and 2023 Supplement)

7 BY repealing and reenacting, with amendments,
8 Article – State Finance and Procurement
9 Section 6–226(a)(2)(ii)189. and 190.
10 Annotated Code of Maryland
11 (2021 Replacement Volume and 2023 Supplement)

12 BY adding to
13 Article – State Finance and Procurement
14 Section 6–226(a)(2)(ii)191.
15 Annotated Code of Maryland
16 (2021 Replacement Volume and 2023 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
18 That the Laws of Maryland read as follows:

19 **Article – Labor and Employment**

20 **SUBTITLE 16. TALENT INNOVATION PROGRAM AND FUND.**

21 **11–1601.**

22 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
23 INDICATED.

24 (B) “BOARD” MEANS THE GOVERNOR’S WORKFORCE DEVELOPMENT
25 BOARD.

26 (C) “DIVISION” MEANS THE DIVISION OF WORKFORCE DEVELOPMENT AND
27 ADULT LEARNING.

28 (D) “FUND” MEANS THE TALENT INNOVATION FUND.

29 (E) “PROGRAM” MEANS THE TALENT INNOVATION PROGRAM.

30 **11–1602.**

31 (A) (1) THERE IS A TALENT INNOVATION PROGRAM IN THE
32 DEPARTMENT.

1 (2) THE DIVISION AND THE BOARD SHALL JOINTLY ADMINISTER THE
2 PROGRAM.

3 (3) THE PURPOSE OF THE PROGRAM IS TO INCREASE ACCESS TO
4 HIGH-QUALITY JOB TRAINING BY USING INNOVATIVE AND SUSTAINABLE TALENT
5 FINANCING MECHANISMS TO HELP MEET SKILL NEEDS IN THE STATE'S PROMINENT
6 AND EMERGING INDUSTRY SECTORS, INCLUDING:

7 (I) CYBERSECURITY;

8 (II) HEALTH CARE;

9 (III) BIOTECHNOLOGY;

10 (IV) MANUFACTURING; AND

11 (V) ARTIFICIAL INTELLIGENCE.

12 ~~(4) THE TALENT FINANCE MECHANISMS SUPPORTED BY THE~~
13 ~~PROGRAM MAY INCLUDE:~~

14 ~~(I) A "PAY IT FORWARD" REVOLVING DOOR FUNDING MODEL;~~

15 ~~(II) PAY FOR PERFORMANCE PROGRAMS; OR~~

16 ~~(III) FINANCING TO SUPPORT TRAINING MODELS, INCLUDING~~
17 ~~REGISTERED APPRENTICESHIP, WHICH SUPPORT TALENT DEVELOPMENT FOR~~
18 ~~HIGH DEMAND OCCUPATIONS.~~

19 (B) THE PROGRAM MAY CONDUCT PILOTS, CONVENE KEY STAKEHOLDERS,
20 AND CONDUCT RESEARCH TO DEVELOP AND SUPPORT NEW TALENT FINANCING
21 APPROACHES.

22 (C) THE PROGRAM SHALL ESTABLISH AN INITIAL PILOT PROGRAM THAT
23 FOCUSES ON THE CYBERSECURITY SECTOR BY SUPPORTING JOB TRAINING
24 THROUGH EXPANSION OF REGIONAL CYBER RANGES, WHICH IS A RECOGNIZED
25 METHOD FOR DEVELOPING TALENT AND MEETING THE SKILL NEEDS OF THE
26 CYBERSECURITY INDUSTRY.

27 11-1603.

28 (A) THERE IS A TALENT INNOVATION FUND IN THE DEPARTMENT.

1 (B) THE PURPOSE OF THE FUND IS TO SUPPORT THE PROGRAM.

2 (C) THE SECRETARY SHALL ADMINISTER THE FUND.

3 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
4 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

5 (2) THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE
6 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

7 (E) THE FUND CONSISTS OF:

8 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

9 (2) GRANTS AND DONATIONS TO THE FUND;

10 (3) ~~PRINCIPAL AND INTEREST PAYMENTS MADE ON ANY~~
11 ~~PAY IT FORWARD PROGRAM MADE FROM THE FUND;~~

12 ~~(4)~~ INTEREST EARNINGS OF THE FUND; AND

13 ~~(5)~~ (4) ANY MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE
14 BENEFIT OF THE FUND.

15 (F) THE DEPARTMENT MAY USE THE FUND TO:

16 (1) PROVIDE GRANTS:

17 (I) TO ENTITIES, INCLUDING EMPLOYERS, INSTITUTIONS OF
18 HIGHER EDUCATION, TAX EXEMPT ORGANIZATIONS, PUBLIC AGENCIES, LOCAL
19 WORKFORCE DEVELOPMENT BOARDS, AND REGISTERED APPRENTICESHIP
20 SPONSORS, AND RESIDENTS OF THE STATE; AND

21 (II) FOR COSTS INCLUDING SUPPORT SERVICES, SUBSIDIZED
22 WAGES, GRANTEE'S ADMINISTRATIVE COSTS, AND TRAINING;

23 (2) PROVIDE MATCHING FUNDS TO SECURE DONATIONS OR GRANTS
24 TO THE FUND;

25 (3) PROVIDE FUNDING FOR THE PROGRAM AND OTHER TALENT
26 FINANCE MECHANISMS, ~~SUCH AS A PAY IT FORWARD PROGRAM~~, APPROVED BY THE
27 DIVISION AND THE BOARD; AND

1 **(4) PAY EXPENSES FOR ADMINISTRATIVE, ACTUARIAL, LEGAL, AND**
2 **TECHNICAL SERVICES FOR THE PROGRAM.**

3 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
4 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

5 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
6 **THE FUND.**

7 **(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
8 **WITH THE STATE BUDGET.**

9 **(I) MONEY EXPENDED FROM THE FUND FOR TALENT INNOVATION FUND**
10 **PROGRAMS IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF**
11 **FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR WORKFORCE**
12 **DEVELOPMENT PROGRAMS.**

13 **11-1604.**

14 **(A) THE DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THIS**
15 **SUBTITLE.**

16 **(B) ON OR BEFORE JANUARY 1 EACH YEAR, BEGINNING IN 2025, THE**
17 **DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH §**
18 **2-1257 OF THE STATE GOVERNMENT ARTICLE, THE PRESIDENT OF THE SENATE**
19 **AND THE SPEAKER OF THE HOUSE OF DELEGATES ON PROGRAM ACTIVITIES AND**
20 **USE OF THE FUND.**

21 **Article – State Finance and Procurement**

22 **6-226.**

23 (a) (2) (i) Notwithstanding any other provision of law, and unless
24 inconsistent with a federal law, grant agreement, or other federal requirement or with the
25 terms of a gift or settlement agreement, net interest on all State money allocated by the
26 State Treasurer under this section to special funds or accounts, and otherwise entitled to
27 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
28 Fund of the State.

29 (ii) The provisions of subparagraph (i) of this paragraph do not apply
30 to the following funds:

31 189. the Teacher Retention and Development Fund; [and]

32 190. the Protecting Against Hate Crimes Grant Fund; AND

1 **191. THE TALENT INNOVATION FUND.**

2 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
3 1, 2024.

Approved:

_____ Governor.

_____ Speaker of the House of Delegates.

_____ President of the Senate.