



POSITION STATEMENT

TESTIMONY PRESENTED TO THE SENATE FINANCE COMMITTEE

SENATE BILL 26 – PARTNERSHIP FOR WORKFORCE QUALITY PROGRAM - ALTERATIONS

January 22, 2020

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support

The Greater Baltimore Committee (GBC) supports Senate Bill 26, which alters the provisions of the Partnership for Workforce Quality (PWQ) Program to expand the eligibility of the program and modify the restrictions on funding allocation by company size. The PWQ Program was legislatively established in 1989 to support Maryland companies' investment in training for employees. Program funds are provided as grants to eligible Maryland companies to provide: (1) training in manufacturing, professional, scientific and technical services; (2) job-specific training and training to upgrade or retain existing employees; or (3) training related to strategic goals of a company.

The proposed modifications to the program in Senate Bill 26 expand the eligibility of the program to include training for new employees. This modification will increase employers' ability to attract new employees and/or those who are entering a new field and also support training for business growth and expansion.

Senate Bill 26 also alters the funding allocation restrictions based on company size. In the current statute, at least 60 percent of funds are awarded to employers with 150 or fewer employees and up to 20 percent of the funds may be awarded to an employer with more than 500 employees. Senate Bill 26 would expand the eligibility of mid-sized businesses with more than 150 but less than 500 employees to be eligible for grant funding. This change also mirrors the requirements of the Maryland Business Works program which has no restrictions or limitations on eligibility for employers with fewer than 500 employees.

This bill is consistent with a key tenet in *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth:

Workforce that is highly educated and meets Maryland's business needs. Maryland's secondary and higher education institutions must offer access to quality instruction at all levels and cultivate a workforce that is well-suited to a modern economy and to the specific needs of Maryland's business sectors.

Finally, the Greater Baltimore Committee's 2020 Legislative Priorities state that a key priority is strengthening education and workforce systems to prioritize equity, accountability, and alignment with Maryland's high-growth industry sectors. The 2020 Legislative Priorities specifically call for increased funding for key workforce training programs.

GREATER BALTIMORE COMMITTEE

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For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 26.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 65-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.