

BERNARD C. "JACK" YOUNG MAYOR

Office of Government Relations 88 State Circle Annapolis, Maryland 21401

SB 26

January 15, 2020

TO: Members of the Senate Finance Committee

FROM: Nicholas Blendy, Deputy Director of Government Relations

RE: SENATE BILL 26 – Partnership for Workforce Quality Program -

Alterations

POSITION: SUPPORT

Chair Kelley, Vice Chair Feldman, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 26.

The PWQ Program is an important tool that assists in upgrading and improving the skills of Maryland's workforce. PWQ provides reimbursable grants that match investments made by manufacturing and technology companies in employee training. With increasing labor shortages, increased competition for skilled workers, and the need for increased worker productivity, the PWQ program will allow both smaller and midsize businesses to compete, grow, and remain within Baltimore City.

This bill accomplishes several things to improve the ability of the program to assist Baltimore City manufacturing or technology-based businesses. Both of these business segments are vital to the City's economic vitality and growth. By expanding the program to include costs related to training new employees, employers will be able to hire workers who might not otherwise have qualified due to a skills gap. The bill also eliminates a funding gap for businesses with 151 to 500 employees. The bill also increases the amount of program funding reserved each year for smaller businesses, from 60% to 80%; however, and increases the maximum size of businesses eligible to receive program funds from 150 employees to 500 employees.

We respectfully request a favorable report on Senate Bill 26.

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