Date: March 6, 2024
Committee: House Economic Matters Committee
Bill Title: Talent Innovation Program and Fund
Re: **House Bill 1128 - SUPPORT**

The Maryland Department of Labor is pleased to introduce House Bill 1128, which will create a Talent Innovation Program and Fund. We believe this legislation takes an innovative and strategic approach to building a strong workforce pipeline into emerging industry sectors. By creating a Fund that leverages private and philanthropic commitments, this legislation will unlock additional resources to serve as a force multiplier for our state's economic growth. Other jurisdictions, including Baltimore City, have established similar Funds that can more easily leverage resources and Maryland would benefit from establishing one to advance workforce needs across the state.

Workforce training in key industries is critical to supercharging Maryland's economy. Investing in our state's labor force is key to Maryland's economic competitiveness. There is high demand for skilled workers in health care, biotech manufacturing, sustainable infrastructure, and cybersecurity and information technology.[1] For example, there are currently thousands of unfilled cybersecurity jobs in Maryland and need in this field is projected to grow by as much as 20% for key cybersecurity occupations by 2030.[2] At the same time, although we are experiencing historic lows of unemployment,[3] not all Marylanders are benefitting from the strong economy. Workers with a high school degree or below are unemployed at rates two to three times that of workers with a bachelor's degree.[4] To drive greater economic growth we need to bring more Marylanders back into the labor force, and provide more workers with the skills needed to get good jobs in emerging industries.

HB 1128 would support innovative approaches to bring more Marylanders back into the labor force and grow emerging and strategic industry sectors. HB 1128 would enable the state to tap external resources for initiatives that more restricted state or federal workforce development funds cannot support. This approach is particularly needed since workforce resources are going to decline given that American Rescue Plan Act (ARPA) funds have largely been obligated and Maryland's federal formula share is likely to decrease. In addition, the

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[1] Maryland WIOA Combined State Plan 2024-2028 (under review by the Governor's Workforce Development Board)
[2] Maryland WIOA Combined State Plan 2024-2028 (under review by the Governor's Workforce Development Board)
[3] BLS. Unemployment Rates for States. 2024. https://www.bls.gov/web/laus/laumstrk.htm
[4] US Census Bureau. American Community Survey data. 2022.https://data.census.gov/table/ACSST1Y2022.S2301?q=S2301:%20Employment%20Status&g=040XX00US24&moe=false.

legislation provides that the Fund and Program would have the flexibility to invest in new solutions and different funding mechanisms that current programs cannot support,complementing Maryland's other workforce development efforts to improve our competitiveness in these emerging and growing industries. Finally, the legislation contemplates a first pilot of the Talent Innovation Program, aimed at expanding regional cyber ranges, a recognized method for developing work-ready talent in the cybersecurity industry. Such capital investments could have a longer-term return, since the ranges can be used for additional cohorts of learners after the pilot phase.

We know that bringing more Marylanders into the workforce, expanding access to good jobs, and growing our economy will take bigger and smarter investments in workforce training. This legislation seeks to unlock the state's ability to do just that, and to tap into additional resources to propel our economy forward.

The Maryland Department of Labor requests a Favorable Report on House Bill 1128.