

**Department of Legislative Services**  
 Maryland General Assembly  
 2024 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

Senate Bill 91  
 Finance

(Senator McCray)

Environment and Transportation

**Workforce Development and Adult Learning – Leasing Training Program – Establishment**

This bill establishes the Leasing Training Program (LTP), administered by the Division of Workforce Development and Adult Learning (DWDAL) in the Maryland Department of Labor (MDL), and also creates the LTP Fund, administered by MDL. The purpose of LTP is to train, prepare, and connect job seekers with careers in the residential rental housing industry in the State. Subject to budgetary constraints, DWDAL must award grants on a competitive basis to eligible designated partnerships that meet specified requirements. The Governor may include in the annual budget bill an appropriation of \$250,000 to the LTP Fund in fiscal 2026 through 2028.

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$290,600 in FY 2025 under the assumptions discussed below; future years generally reflect annualization and inflation. Special fund revenues and expenditures for the LTP Fund increase by \$250,000 annually beginning in FY 2025 to the extent discretionary funding is provided.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
SF Revenue	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
GF Expenditure	\$290,600	\$304,200	\$306,900	\$309,600	\$312,400
SF Expenditure	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Net Effect	(\$290,600)	(\$304,200)	(\$306,900)	(\$309,600)	(\$312,400)

*Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** Minimal. Local revenues may increase to the extent that local governments receive grants.

**Small Business Effect:** Minimal.

## Analysis

**Bill Summary:** A “designated partnership” is a partnership between organizations, including employers, trade associations, local boards, nonprofit organizations, and other relevant organizations, that train and connect job seekers with careers as leasing professionals in the residential rental housing industry in the State.

To be eligible for a grant, a designated partnership must (1) train and connect job seekers with careers as leasing professionals in the residential rental housing industry in the State and (2) have experience training and connecting job seekers with careers as leasing professionals with landlords that manage more than 100 residential rental units in the State and manage residential rental units in multiple counties. DWDAL must annually award \$250,000 in grants to eligible designated partnerships and may award a grant of up to \$250,000 each year to a single eligible designated partnership.

The LTP Fund may only be used to support the purposes of the program, and any investment earnings of the fund must be paid into the fund.

DWDAL may adopt regulations to carry out the program, and by January 1, 2026, and annually thereafter, DWDAL must submit a report with specified program information to the Governor and General Assembly.

**Current Law:** DWDAL has as its mission ensuring businesses have the skilled workforce they need to be competitive in today’s environment, as well as helping people get jobs. Specifically, DWDAL serves the unemployed, jobless veterans, newly dislocated workers, trade-impacted workers, New Americans, ex-offenders, low-wage workers, and individuals with barriers to employment. As the State’s main workforce development entity, DWDAL oversees operation of Maryland’s 30 American Job Centers, with at least 1 such center located in each county of the State. DWDAL also oversees the Maryland Workforce Exchange, which is Maryland’s job bank. Additionally, DWDAL oversees workforce programs for New Americans and veterans and the processing of a number of federal and State tax credits.

DWDAL oversees the Maryland Employment Advancement Right Now (EARN) program. The EARN program was established in 2013 to create industry-led partnerships to advance the skills of the State’s workforce, grow the State’s economy, and increase sustainable employment for working families. Specifically, the program provides general fund grants on a competitive basis for industry partnerships, workforce training programs, and job-readiness and skills training.

A strategic industry partnership (SIP) is a collaboration that brings together a regional group of businesses, educational institutions, and government agencies to (1) identify

common workforce needs for high-demand occupations within a target industry and (2) develop and implement industry strategies to meet the common workforce needs and shortages based on regional needs. SIPs may include employers, nonprofits, institutions of higher education, community colleges, local workforce development boards, local governments, or other relevant partners. MDL notes the EARN program does not currently fund any SIPs supporting residential leasing professionals; however, a multi-housing organization sought funding during the program's 2021 solicitation.

**State Fiscal Effect:** The bill authorizes the Governor to include an appropriation of \$250,000 to the LTP Fund in fiscal 2026 through 2028 but *requires* DWDAL to award \$250,000 in grants annually. The Department of Legislative Services assumes grant funding of \$250,000 is also provided in fiscal 2025 and beyond fiscal 2028 due to the requirement that DWDAL annually award \$250,000 in grants to eligible designated partnerships, subject to limitations in the State budget.

MDL reports existing staff can implement the bill. However, DWDAL is staffed largely with federally funded personnel who cannot work on State-funded programs without the program reimbursing the federal government for their time. MDL estimates a special grants program manager, a special grants administrator, and a fiscal administrator will spend a small portion of their time implementing the program, so general funds are needed to reimburse the federal government for the portion of employees' time spent fulfilling the bill's requirements.

Thus, general fund expenditures for DWDAL increase by \$290,553 in fiscal 2025, which accounts for the bill's October 1, 2024 effective date. This estimate reflects the cost to provide \$250,000 of annual funding to the LTP Fund and to reimburse the federal government \$40,553 for incidental time spent assisting the program by federally funded positions within DWDAL.

Future years reflect annualization with annual salary increases and employee turnover as well as annual increases in ongoing operating expenses and \$250,000 annually to the LTP Fund. Special fund revenues and expenditures for the LTP Fund increase by \$250,000 annually beginning in fiscal 2025.

---

### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 11 (Delegate J. Lewis) - Environment and Transportation.

**Information Source(s):** Department of Budget and Management; Department of Housing and Community Development; Maryland Department of Labor; Department of Legislative Services

**Fiscal Note History:** First Reader - January 24, 2024  
km/mcr Third Reader - March 18, 2024  
Revised - Amendment(s) - March 18, 2024  
Revised - Updated Information - March 18, 2024

---

Analysis by: Heather N. MacDonagh

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510