

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

House Bill 758

(Delegate Mitchell, *et al.*)

Ways and Means

Education, Health, and Environmental Affairs

Task Force on Funding a Green Technology, Life Science, and Health
Information Technology Loan Assistance Repayment Program

This bill establishes a Task Force on Funding a Green Technology, Life Science, and Health Information Technology Loan Assistance Repayment Program (LARP). The task force must study and make recommendations on sources of funding for a LARP that assists graduates who earned a degree from an institution of higher education in the State in a field relating to green technology, life science, or health information technology with repayment of any federal or State higher education loan. The Governor's Workforce Investment Board (GWIB) must provide staff support for the task force. A report of findings and recommendations is due by December 31, 2011.

The bill takes effect June 1, 2011, and terminates December 31, 2011.

Fiscal Summary

State Effect: Staff support and expense reimbursements for task force members are assumed to be minimal and absorbable within existing resources of the Governor's Workforce Investment Board. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Background: In a broadly uncertain job market, the employment and wage outlook for green technology, life science, and health information technology jobs in Maryland is also unclear. One challenge in determining the market outlook is defining which jobs meet these qualifications.

According to the Pew Charitable Trust, in 2007 there were a total of 1,145 green businesses with total employment of 12,908 or 0.5% of total nonfarm employment in the State. From 1998 to 2007, the number of green jobs in Maryland was estimated to decrease by 0.11% annually. Meanwhile, the GWIB report *Preparing Today's Workers for Tomorrow's Opportunities* from September 2009 found that there are an estimated 250,000 green jobs in the State, half of which are related to green building.

Maryland is home to more than 400 core bioscience companies, representing approximately 8% of the U.S. industry, which only represents a portion of the "life science" jobs in the State. In 2009, the Milken Institute ranked Maryland second on its State Technology and Science Index. According to the Maryland Biotechnology Center, the average salary of a bioscience employee in the State is approximately \$80,000.

A report by GWIB found that it is difficult to estimate the size of the health information technology workforce in the State, because the field includes both those who are working in computer jobs within the health care industry (estimated at 1,600 workers) and those who work for information technology firms exclusively on projects related to health care. The Community College of Baltimore County was recently named in a federal grant as part of a consortium of community colleges to deliver training in health information technology. The purpose of the grant is to develop a cadre of new health information technology professionals.

The current Janet L. Hoffman LARP provides educational loan repayment assistance in exchange for certain service commitments to individuals providing public service in State or local government or the nonprofit sector. Awards of up to \$10,000 annually are made for up to three years to eligible applicants. Funding is as provided in the State budget. According to statute, priority for participation is to be given to individuals who (1) graduated from an institution of higher education in the last three years; (2) work full time; (3) are State residents; and (4) provide legal services, nursing, or other eligible services to low-income and underserved residents. The Maryland Higher Education Commission (MHEC) annually designates other occupations that are eligible for the program.

The Governor's proposed fiscal 2012 budget includes \$1.5 million in general funds for LARP. In fiscal 2010, under the current LARP program, MHEC received 639 applications. MHEC was able to grant 316 awards, with an average award of approximately \$5,400.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Higher Education Commission, Governor's Workforce Investment Board, Pew Charitable Trust, Milken Institute, Maryland Biotechnology Center, Department of Legislative Services

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