

## Chapter 795

## (House Bill 1542)

AN ACT concerning

**Department of Commerce – Employment in the State’s Defense Industry – ~~Army~~  
Alliance Study**

FOR the purpose of requiring, subject to the receipt of certain funding, the Department of Commerce, in conjunction with the Department of Veterans Affairs and the Department of Labor, Licensing, and Regulation, to conduct a study on employment in the State’s defense industry; specifying the minimum requirements of the study; requiring the Department of Commerce to consult with certain entities; requiring the Department of Commerce to report, on or before a certain date, to the General Assembly on the findings of the study; providing for the termination of this Act; and generally relating to a study on employment in the State’s defense industry.

Preamble

WHEREAS, The State is home to 12 major military installations and 20 military facilities; and

WHEREAS, The State is also home to a number of defense industry organizations that, as major employers, provide substantial economic benefit to the State, accounting for almost one-fifth of the Maryland economy; and

WHEREAS, The workforce required to support these organizations, both public and private, is highly specialized and often requires a security clearance; and

WHEREAS, The personal income tax structure of the State may affect the availability of qualified employees for the State’s defense industry, including employees with experience in cybersecurity matters; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That:

(a) ~~The~~ Subject to the receipt of funding from a grant provided by the Office of Economic Adjustment within the United States Department of Defense or from any other source, the Department of Commerce, in conjunction with the Department of Veterans Affairs and the Department of Labor, Licensing, and Regulation, shall conduct a study of employment in the State’s defense industry.

(b) The study required under subsection (a) of this section shall, at a minimum:

(1) identify the types, and estimate the approximate number, of jobs in the State's defense industry facing shortages of qualified employees for employment in the next decade at the qualification requirement for each broad occupational category;

(2) determine the factors affecting the availability of qualified employees for employment in the State's defense industry;

~~(2)~~ (3) calculate the approximate number of retired military personnel in the State who are eligible for employment in the State's defense industry, including those retired military personnel who hold, have held, or are qualified to hold security clearances;

~~(3)~~ (4) identify and report any recommendations to facilitate the recruitment of retired military personnel for positions in the State's defense industry;

~~(4)~~ (5) identify, assess, and quantify the effects, if any, of the State's personal income tax structure on the employment decisions of retired military personnel to:

(i) reside in the State for employment in the State's defense industry;

(ii) not relocate to the State for employment in the State's defense industry; and

(iii) leave the State for employment in another state's defense industry; ~~and~~

~~(5)~~ (6) examine the following issues related to the accessibility of positions in the State's defense industry:

(i) the number of jobs in the State that require a security clearance; and

(ii) the number of retired military personnel who are employed in State defense industry jobs that require a security clearance; and

(7) consider implications on employment at military installations and military facilities in the State that have been, or may be, under threat to close in a future Base Realignment and Closure (BRAC) process.

(c) In conducting the study required under subsection (a) of this section, the Department of Commerce shall consult with:

(1) the State's defense industry;

(2) State employers who employ individuals in positions where a security clearance is required;

(3) public-private partnerships that serve to support military installations in the State;

(4) nonprofit organizations that exist to support the mission of military installations in the State; and

(5) nonprofit associations that serve to support retired military personnel.

(d) On or before ~~December 31, 2018~~ *June 30, 2019*, the Department of Commerce shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, the findings of the study required under subsection (a) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018. It shall remain effective for a period of 1 year and, at the end of June 30, 2019, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

**Approved by the Governor, May 15, 2018.**