

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 327
Economic Matters

Maryland Employment Advancement Right Now Program - Strategic Industry Partnerships - Definition

This bill expands eligibility to participate in the Maryland Employment Advancement Right Now (EARN) Program within the Maryland Department of Labor (MDL). Specifically, the bill allows a collaboration between *a single employer* and other partners in which the employer offers workforce development and training to address workforce needs and shortages to its employees to qualify as a strategic industry partnership (SIP) for the purpose of program participation.

Fiscal Summary

State Effect: MDL can likely implement changes to the program's eligibility requirements with existing resources. Revenues are not affected.

Local Effect: Minimal. Local governments and community colleges may be able to participate in a new single-employer SIP allowed under the bill.

Small Business Effect: Potential meaningful.

Analysis

Current Law: 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.

An 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 investment boards, local governments, or other relevant partners. As of October 2022, over 8,000 unemployed and underemployed individuals have obtained employment as a result of their participation in EARN, and more than 11,000 incumbent workers have received training that resulted in new credentials, certifications, and skills. More information can be found in the program's [2022 Annual Report](#).

Small Business Effect: To the extent small businesses were previously ineligible to apply for an SIP because they were not a part of an approved SIP, small businesses may benefit from being able to apply as a single employer. Conversely, to the extent EARN applications greatly increase such that funding is spread across newly eligible employers, the legislation may negatively impact small businesses currently participating in approved SIPs.

Additional Information

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

Designated Cross File: None.

Information Source(s): Department of Commerce; Maryland Higher Education Commission; Baltimore City Community College; University System of Maryland; Morgan State University; Maryland Department of Labor; Department of Legislative Services

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