

HOUSE BILL 1128

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By: **Chair, Economic Matters Committee (By Request – Departmental – Labor)**

Introduced and read first time: February 7, 2024

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Labor and Employment – Workforce Development – Talent Innovation Program**
3 **and Fund**

4 FOR the purpose of establishing the Talent Innovation Program in the Maryland
5 Department of Labor to increase access to high-quality job training; establishing the
6 Talent Innovation Fund as a special, nonlapsing fund; requiring interest earnings of
7 the Fund to be credited to the Fund; and generally relating to the Talent Innovation
8 Program and Talent Innovation Fund.

9 BY adding to

10 Article – Labor and Employment

11 Section 11–1601 through 11–1604 to be under the new subtitle “Subtitle 16. Talent
12 Innovation Program and Fund”

13 Annotated Code of Maryland

14 (2016 Replacement Volume and 2023 Supplement)

15 BY repealing and reenacting, without amendments,

16 Article – State Finance and Procurement

17 Section 6–226(a)(2)(i)

18 Annotated Code of Maryland

19 (2021 Replacement Volume and 2023 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – State Finance and Procurement

22 Section 6–226(a)(2)(ii)189. and 190.

23 Annotated Code of Maryland

24 (2021 Replacement Volume and 2023 Supplement)

25 BY adding to

26 Article – State Finance and Procurement

27 Section 6–226(a)(2)(ii)191.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2021 Replacement Volume and 2023 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
4 That the Laws of Maryland read as follows:

5 **Article – Labor and Employment**

6 **SUBTITLE 16. TALENT INNOVATION PROGRAM AND FUND.**

7 **11-1601.**

8 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
9 INDICATED.

10 (B) “BOARD” MEANS THE GOVERNOR’S WORKFORCE DEVELOPMENT
11 BOARD.

12 (C) “DIVISION” MEANS THE DIVISION OF WORKFORCE DEVELOPMENT AND
13 ADULT LEARNING.

14 (D) “FUND” MEANS THE TALENT INNOVATION FUND.

15 (E) “PROGRAM” MEANS THE TALENT INNOVATION PROGRAM.

16 **11-1602.**

17 (A) (1) THERE IS A TALENT INNOVATION PROGRAM IN THE
18 DEPARTMENT.

19 (2) THE DIVISION AND THE BOARD SHALL JOINTLY ADMINISTER THE
20 PROGRAM.

21 (3) THE PURPOSE OF THE PROGRAM IS TO INCREASE ACCESS TO
22 HIGH-QUALITY JOB TRAINING BY USING INNOVATIVE AND SUSTAINABLE TALENT
23 FINANCING MECHANISMS TO HELP MEET SKILL NEEDS IN THE STATE’S PROMINENT
24 AND EMERGING INDUSTRY SECTORS, INCLUDING:

25 (I) CYBERSECURITY;

26 (II) HEALTH CARE;

27 (III) BIOTECHNOLOGY;

1 (IV) MANUFACTURING; AND

2 (V) ARTIFICIAL INTELLIGENCE.

3 (4) THE TALENT FINANCE MECHANISMS SUPPORTED BY THE
4 PROGRAM MAY INCLUDE:

5 (I) A "PAY-IT-FORWARD" REVOLVING-DOOR FUNDING MODEL;

6 (II) PAY-FOR-PERFORMANCE PROGRAMS; OR

7 (III) FINANCING TO SUPPORT TRAINING MODELS, INCLUDING
8 REGISTERED APPRENTICESHIP, WHICH SUPPORT TALENT DEVELOPMENT FOR
9 HIGH-DEMAND OCCUPATIONS.

10 (B) THE PROGRAM MAY CONDUCT PILOTS, CONVENE KEY STAKEHOLDERS,
11 AND CONDUCT RESEARCH TO DEVELOP AND SUPPORT NEW TALENT FINANCING
12 APPROACHES.

13 (C) THE PROGRAM SHALL ESTABLISH AN INITIAL PILOT PROGRAM THAT
14 FOCUSES ON THE CYBERSECURITY SECTOR BY SUPPORTING JOB TRAINING
15 THROUGH EXPANSION OF REGIONAL CYBER RANGES, WHICH IS A RECOGNIZED
16 METHOD FOR DEVELOPING TALENT AND MEETING THE SKILL NEEDS OF THE
17 CYBERSECURITY INDUSTRY.

18 11-1603.

19 (A) THERE IS A TALENT INNOVATION FUND IN THE DEPARTMENT.

20 (B) THE PURPOSE OF THE FUND IS TO SUPPORT THE PROGRAM.

21 (C) THE SECRETARY SHALL ADMINISTER THE FUND.

22 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
23 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

24 (2) THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE
25 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

26 (E) THE FUND CONSISTS OF:

27 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

1 **(2) GRANTS AND DONATIONS TO THE FUND;**

2 **(3) PRINCIPAL AND INTEREST PAYMENTS MADE ON ANY**
3 **PAY-IT-FORWARD PROGRAM MADE FROM THE FUND;**

4 **(4) INTEREST EARNINGS OF THE FUND; AND**

5 **(5) ANY MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE**
6 **BENEFIT OF THE FUND.**

7 **(F) THE DEPARTMENT MAY USE THE FUND TO:**

8 **(1) PROVIDE GRANTS:**

9 **(I) TO ENTITIES, INCLUDING EMPLOYERS, INSTITUTIONS OF**
10 **HIGHER EDUCATION, TAX EXEMPT ORGANIZATIONS, PUBLIC AGENCIES, AND**
11 **REGISTERED APPRENTICESHIP SPONSORS, AND RESIDENTS OF THE STATE; AND**

12 **(II) FOR COSTS INCLUDING SUPPORT SERVICES, SUBSIDIZED**
13 **WAGES, GRANTEE'S ADMINISTRATIVE COSTS, AND TRAINING;**

14 **(2) PROVIDE MATCHING FUNDS TO SECURE DONATIONS OR GRANTS**
15 **TO THE FUND;**

16 **(3) PROVIDE FUNDING FOR THE PROGRAM AND OTHER TALENT**
17 **FINANCE MECHANISMS, SUCH AS A PAY-IT-FORWARD PROGRAM, APPROVED BY THE**
18 **DIVISION AND THE BOARD; AND**

19 **(4) PAY EXPENSES FOR ADMINISTRATIVE, ACTUARIAL, LEGAL, AND**
20 **TECHNICAL SERVICES FOR THE PROGRAM.**

21 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
22 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

23 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
24 **THE FUND.**

25 **(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
26 **WITH THE STATE BUDGET.**

27 **(I) MONEY EXPENDED FROM THE FUND FOR TALENT INNOVATION FUND**
28 **PROGRAMS IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF**

1 FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR WORKFORCE
2 DEVELOPMENT PROGRAMS.

3 11-1604.

4 (A) THE DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THIS
5 SUBTITLE.

6 (B) ON OR BEFORE JANUARY 1 EACH YEAR, BEGINNING IN 2025, THE
7 DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH §
8 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE PRESIDENT OF THE SENATE
9 AND THE SPEAKER OF THE HOUSE OF DELEGATES ON PROGRAM ACTIVITIES AND
10 USE OF THE FUND.

11 Article – State Finance and Procurement

12 6-226.

13 (a) (2) (i) Notwithstanding any other provision of law, and unless
14 inconsistent with a federal law, grant agreement, or other federal requirement or with the
15 terms of a gift or settlement agreement, net interest on all State money allocated by the
16 State Treasurer under this section to special funds or accounts, and otherwise entitled to
17 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
18 Fund of the State.

19 (ii) The provisions of subparagraph (i) of this paragraph do not apply
20 to the following funds:

21 189. the Teacher Retention and Development Fund; [and]

22 190. the Protecting Against Hate Crimes Grant Fund; AND

23 191. THE TALENT INNOVATION FUND.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
25 1, 2024.