



*The Senate of Maryland*  
ANNAPOLIS, MARYLAND 21401-1991

**SB 228 – Maryland Corps Program – Revisions**  
Testimony of Senate President Bill Ferguson  
On February 9, 2022  
Before the Budget and Taxation Committee

**Why This Bill Matters:**

The fabric of our civic society has been fraying for years because we tend to silo ourselves in like-minded communities with others of similar backgrounds. Democracies thrive when a marketplace of ideas exists, and individuals communicate and work together across lines of difference.

Service is a powerful tool for bringing people together with a shared purpose and vision for what's possible. Individuals, regardless of political affiliation or background, generally believe in building a society where opportunity is foundational no matter one's circumstance. As a Teach for America alumni, I know from firsthand experience that service has the power to bring people together in a setting where learning from one another is integral to outcomes.

**Background:**

Originally created in 2016 by statute, Maryland Corps is meant to serve as the mechanism for expanding service year and national service opportunities in Maryland. The 2016 legislation ([HB1488](#)) set a framework for recruiting 100 young people to do a service year in Maryland through providing a \$15,000 per year stipend, as well as \$6,000 educational award. The Maryland Corps board has not been appointed yet and the Maryland Corps Program Fund has never been fully-funded as doing so was at the discretion of the Governor. A mandatory appropriation of \$150,000 was passed in 2020 ([SB845](#)), but was vetoed and will not be available until FY23.

**Primary Objectives of SB 228:**

1. Creating and funding a quasi-public agency focused on coordinating service opportunities in the State of Maryland that match 21st century needs of participants and communities.
2. Removing barriers to entry so those who would benefit most from service years have the ability to participate in the program.

3. Building new pathways to service through scaling up service slots with existing organizations, incentivizing large-scale employers to offer service year opportunities, and building opportunities within State and local government.

### **Overview of the Legislative Provisions:**

#### Maryland Corps as a Quasi-Public Agency

The creation of a quasi-public agency is necessary to administer the Maryland Corps program as an intermediary with both the federal government and the private sector. This will allow the Maryland Corps Board, described below, to receive and leverage additional funding streams beyond the State general fund allocation. SB 228/HB 443 creates an instrumentality of the State with the following provisions:

1. Maryland Corps will be overseen by a seven member Board, including representatives of a current service organization, a current service corps member or recent alumni, and a representative of the Governor's Office of Service and Volunteerism.
2. The Board is empowered to adopt regulations regarding the administration of the Maryland Corps program including:
  - Selecting regional operating partners that understand the unique needs of different parts of the State;
  - Assessing additional opportunities to expand service in the State to address workforce development needs; and
  - Administering monetary stipends, health insurance, education awards, workforce development programming, and the potential for wraparound services;
  - Creating eligibility requirements for participating organizations broken into two categories:
    - Community employers (small, hyperlocal organizations); and
    - Large-scale employers (organizations with the capacity to quickly scale up service slots);
      - Prioritization will be given to large-scale employers that have a demonstrated capacity for transitioning participants to full-time employment after their service year;
      - A matching fund requirement may be included for large-scale employers to increase the number of service slots;
  - Evaluating potential service year programs for participation, as well as measuring participants' experiences; and
  - Determining the efficacy of the program over time.
3. A mandatory appropriation of \$5 million is created for FY 24, ramping up by an additional \$5 million per year until an annual appropriation of \$20 million per year is reached in FY 27.

- This gradual increase of funds will allow Maryland Corps to ramp up with an intentional approach, ensuring funds are not left unspent.
4. The Board can hire an executive director and staff to administer the program.
  5. Maryland Corps shall act as an intermediary with AmerCorps to secure federal funds and minimize the administrative burden placed on participating organizations.

### Removing Barriers to Service

Many existing service programs create unintentional barriers to entry, largely based on providing insufficient monetary stipends and benefits. SB 222/HB 443 ensures that individuals who are currently unable to participate in existing programs, many of whom would benefit the most from taking part in a service year, have the ability to serve through Maryland Corps funded programs. The following provisions accomplish that objective:

1. Unnecessary requirements from the 2016 legislation for participating, including age and a recent graduation, are eliminated.
2. All service slots funded through Maryland Corps must receive the equivalent of a \$15 an hour stipend, health insurance, and the potential for wraparound services including (but not limited to):
  - Child care;
  - Transportation;
  - Housing;
  - Mental health services;
  - Financial literacy programming; and
  - College and career application support.
3. A \$6,000 education award is provided to participants that complete a nine month term of service through a tax-exempt Maryland 529 account.
  - This approach eliminates issues of unforeseen tax burdens created through similar programs, like the AmeriCorps education award.
4. Similarly, individuals who complete a service year through Maryland Corps also become automatically eligible for in-state tuition.
5. The Maryland Corps Board will work with regional operating partners to create an online portal of service opportunities throughout the State that allows interested individuals to find programs that fit their skills and interests.

### Expanding Service Opportunities

Removing barriers to entry for participants is only one end of the equation. The other end is actually expanding service opportunities in every region of the State to meet each area's individual needs. SB 228/HB 443 provides a sustainable funding mechanism to do that with specific priorities, as outlined below:

1. By Maryland Corps acting as an intermediary with AmeriCorps, the administrative burden placed on hyperlocal organizations will be mitigated, thereby allowing them to access funding and create service slots.
2. A matching fund for large-scale employers will incentivize institutions like hospitals, universities, and other private sector employers to create service slots to meet growing workforce needs.
3. The Chesapeake Conservation Corps is already hugely successful and has the capacity to grow.
4. A Maryland Civilian Climate Corps can leverage federal funding allocated for that purpose and create pathways to employment with State and local governments in the Department of Natural Resources, or departments of parks and recreation.
5. A Maryland Historic Trades Corps can be scaled to place young adults and young veterans in regionally based work crews tasked with rehabilitation of Maryland's historic resources.

#### **Why You Should Vote For This Bill:**

Our best hope for creating a thriving civic infrastructure in Maryland, and across the country, is by drastically expanding opportunities for individuals to serve and learn together. Maryland has the potential to be a national leader in building a service ecosystem built for the 21st century.

Historically, service has excluded marginalized communities who literally could not afford to participate in a service year that provided a miniscule stipend and minimal support like housing, transportation, and workforce development training.

Maryland Corps is a State-level solution to expand on and run parallel to AmeriCorps, supplementing funding and expanding service slots in a way that is accessible to those who would benefit most from service years and education stipends.

Thank you for your consideration of SB 228 and I urge the committee to move this bill with a favorable report.