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THE MARYLAND HOUSE OF DELEGATES
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Testimony in Support of HB 314
Automation Technology Deployment Assessment and Displaced Employee
Retraining Fund – Established

Testimony by Delegate Vaughn Stewart
February 5, 2026 | Economic Matters Committee

Introduction

HB 314 addresses a reality that is already reshaping Maryland's economy: automation is changing how work is done, who gets displaced, and how quickly workers must adapt. The bill does not attempt to stop automation. It ensures that when automation displaces workers, Maryland has a fair, data-driven, and responsible system to help those workers transition into new employment.

What HB 314 Does

HB 314 establishes a straightforward framework built around transparency, accountability, and reinvestment in Maryland's workforce.

First, the bill requires large employers—those with at least 100 employees in Maryland—that deploy automation resulting in significant workforce reductions to report basic information to the Department of Labor. This includes the number of workers displaced due to automation. Maryland currently lacks reliable data on where and how automation is affecting jobs. This reporting requirement closes that gap and enables evidence-based workforce policy.

Second, when a covered employer displaces workers due to automation, the bill requires a modest assessment of \$900 per displaced employee. That assessment is reduced by half when the employer provides severance, retraining, redeployment, or job placement assistance with smaller Maryland-based businesses. In other words, employers that take responsibility for worker transitions are rewarded.

Third, the bill creates the Displaced Employee Retraining Fund—a dedicated, non-lapsing fund that can only be used for job training, job placement, and support services for workers who lose jobs due to automation. Every dollar collected is reinvested directly into helping Maryland workers reenter the labor market.

Why This Matters Now

Automation—including robotics, artificial intelligence, and advanced software—is accelerating across nearly every sector of the economy. These technologies improve productivity and competitiveness, but they are also displacing workers at a pace our current workforce systems were not designed to absorb.

National research consistently shows that a significant share of jobs—particularly routine, administrative, and blue-collar roles—are highly susceptible to automation. Many workers are already experiencing job loss tied directly to automated systems and AI-driven tools, and projections indicate that the risk will grow substantially over the next decade.

When displacement happens without planning, the consequences are predictable: prolonged unemployment, reduced earnings, and barriers to reentry into growing industries. Communities feel the strain. Taxpayers shoulder the cost through emergency assistance and reactive workforce programs. Meanwhile, small and mid-sized businesses struggle to find trained workers, even as experienced workers sit on the sidelines.

Maryland can—and should—do better.

Why HB 314 Is the Right Approach

HB 314 does not punish innovation. It recognizes that automation creates shared benefits and shared responsibilities.

The reporting requirement gives policymakers clear, reliable data to understand labor market disruptions as they happen—not years later. The assessment is modest, predictable, and avoidable through responsible employer behavior. And the retraining fund ensures that resources follow workers, not bureaucracies.

Importantly, the bill encourages employers to invest in their workforce. Employers that retrain, redeploy, or help place displaced workers pay less. Those that do not still contribute to rebuilding the talent pipeline they depend on. That is a balanced and market-aware approach.

Why a Favorable Report Is Warranted

At its core, HB 314 reflects a simple principle: economic progress should not come at the expense of working families. Maryland can embrace technological advancement while also ensuring that workers are not left behind.

This bill strengthens the workforce, supports responsible modernization, and reduces long-term costs to taxpayers by shifting from crisis response to planned transition. It helps Maryland remain competitive while building a more resilient, adaptable labor force.

For these reasons, I respectfully urge the Committee to issue a favorable report on House Bill 314.