



March 11, 2026

The Honorable Brian Feldman, Chair,  
Education, Energy, and Environment Committee  
2 West Miller Senate Office Building  
Annapolis, Maryland 21401

Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and Environment Committee,

Senate Bill 509 seeks to implement the federal Workforce Pell Grant Program in Maryland, a framework established by the federal One Big Beautiful Bill Act of 2025. The federal legislation authorizes federal Pell Grants for students enrolled in high-quality "short-term programs" of between 8 and 15 weeks or 150-599 hours of instruction, that meet high outcomes standards: 70% completion rate and 70% job placement rate. By aligning these programs with high-skill, high-wage, or in-demand industry sectors as defined by states, the federal act aims to bridge the gap between traditional higher education and immediate workforce needs through stackable, portable credentials.

SB 509 is intended to solidify Maryland's commitment to upholding several positive provisions of draft federal regulations regarding implementation of Workforce Pell Grants, particularly those regarding Registered Apprenticeship. Mirroring draft federal rule language, SB 509 articulates provisions that allow programs providing related instruction for Registered Apprenticeships to automatically be considered eligible against several key Workforce Pell eligibility criteria. These provisions are positive, allowing more students to access life-changing Registered Apprenticeships and incentivizing more institutions, including community colleges, to align their offerings to serve as related instruction in Registered Apprenticeships.

The Maryland Higher Education Commission strongly supports the intent of SB 509 in this regard. The Committee should be aware of some key information. First, several amendments are required to accurately assign roles between the GWDB and MHEC. SB 509 designates the MHEC for certain governance, oversight, and reporting tasks, which is inconsistent with federal law.

Second, the bill's text mirrors draft federal regulations that have not yet been finalized. Federal regulations will be posted for 30-day public comment beginning on March 9th. The State, via the GWDB, will then establish a policy articulating its eligibility definitions (including high-wage, high-skill, or in-demand jobs) and the State-level program eligibility determination process. Because the federal regulatory landscape is still in flux, enacting any additional requirements now may lead to future inconsistencies between state and federal law once the final U.S. Department of Education rules are finalized.

For example, SB 509 narrows the draft federal regulations regarding subcontracting portions of instruction. The draft federal regulations provide that a program may subcontract up to 25% of its instruction to a non-Title IV provider. SB 509 changes this to 0% (except for programs that are providing a component of related instruction for Registered Apprenticeships). This would mean that a program that successfully completes 70% of enrolled students, provides a recognized postsecondary credential that is stackable and portable, articulates to credit for additional degrees, and places 70% of students into jobs within 6 months of exiting the program, is *not* available to Maryland's Pell-eligible jobseekers if the program happens to contract out up to 25% of their instruction in order to meet these high-impact outcomes.

Furthermore, the implementation of federal Workforce Pell Grants places substantial new operational demands on all states. In Maryland's case, particularly on the GWDB and the Maryland Higher Education Commission.

Finally, regarding the impact on Maryland's apprenticeship system, Section 11-212(E)(1) prohibits institutions from partnering with entities other than a "joint apprenticeship committee" for certain instruction. In Maryland, joint apprenticeship committees primarily support union-based programs; however, approximately 310 of the state's 362 registered programs are "non-joint." As currently written, this would exclude the vast majority of Maryland's existing apprenticeship sponsors.

MHEC respectfully requests that the Committee consider this information during its deliberations on SB 509.

Yours in Service,

A handwritten signature in blue ink, appearing to read "S K Rai".

Secretary Sanjay Rai  
Maryland Higher Education Commission