
Senate Bill 26

Date: January 22, 2020

Committee: Senate Finance

Bill Title: *Partnership for Workforce Quality Program - Alteration*

Re: Letter of Support

SB 26, *Partnership for Workforce Quality Program - Alteration* proposes amendments to the existing statute governing the Department of Commerce's workforce training program, Partnership for Workforce Quality (PWQ).

PWQ is an incumbent worker program that provides training services to improve the competitiveness and productivity of the State's workforce and business community; upgrade employee skills for new technologies or production processes; and, assist employers located in the State in promoting employment stability.

As proposed, the amendments to the PWQ program would allow new employees (in addition to incumbent workers) to receive training via PWQ.

Maryland Labor implements an incumbent worker training program of its own, Maryland Business Works (MBW), using federal funds associated with the Workforce Innovation and Opportunity Act (WIOA). PWQ and MBW are similar in that both programs provide matching funds to eligible employers to upskill their business' employees. Both programs also require that participating employers match the training funds provided by the State. MD Labor and Commerce have developed procedures to ensure that the agencies are sharing information about PWQ and MBW effectively and as needed.

Maryland Labor is supportive of SB26, for it would allow PWQ to close a gap that neither agency can currently fill. MBW federal funds may only be used for incumbent workers who have been employed with an eligible business for a minimum of six months. It does not cover "new employees" as SB26 proposes for PWQ. Additionally, funds associated with WIOA are precluded from covering economic development-related activities.

With this information, the Department respectfully asks for a favorable report from the committee and stands ready to answer any questions the committee may have.