

March 6, 2024

To: The Honorable C.T. Wilson, Chair, House Economic Matters Committee

Re: Letter of Support- House Bill 1128- Labor and Employment – Workforce Development – Talent Innovation Program and Fund

Dear Chair Wilson:

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to support House Bill 1128.

Maryland hospitals continue to experience workforce shortages. Registered nurses (RNs), licensed practical nurses (LPNs), and nursing assistants make up 59% of the hospital workforce. The Q4 2023 data show the positions with the highest vacancy rates in Maryland hospitals are:

- LPNs, 37%
- Surgical technicians, 17.9%
- Sterile processing technicians, 16.8%
- Radiology technicians, 12.6%
- Nursing assistive personnel, 10.5%
- RNs, 12.7%

A 2022 GlobalData report estimates a statewide shortage of 5,000 full-time registered nurses and 4,000 licensed practical nurses. Without intervention, shortages could double or even triple by 2035. MHA's 2022 State of Maryland's Health Care Workforce report outlines a roadmap to ensure Maryland has the health care workforce it needs now and into the future. One recommendation is to create programs that provide stipends or financial incentives to pursue careers in high demand health care fields. This recommendation aligns with the goal of HB 1128.

HB 1128 establishes a talent innovation program and fund that supports high-level job training in health care and cybersecurity sectors. The fund may be used to provide grant opportunities for employers, higher educational institutions, and registered apprenticeship sponsors. Additionally, grant funding can be used for employee training, support services, and administrative costs. Maryland's hospitals have participated in the EARN program with <u>proven success</u>. HB 1128 offers an additional opportunity for workforce development utilizing a more flexible framework than the EARN program. Maryland hospitals are committed to exploring innovative pathways to support the health care workforce and build the future pipeline.

For these reasons, we request a favorable report on HB 1128.

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