

**Department of Legislative Services**  
Maryland General Assembly  
2011 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 757  
Ways and Means

(Delegate Mitchell, *et al.*)

Finance

---

**Governor's Workforce Investment Board - Development of Educational Programs  
to Aid Unemployed State Residents**

---

This bill requires the Governor's Workforce Investment Board (GWIB) to establish an advisory committee on development of educational programs to aid unemployed State residents. GWIB must provide staff for the advisory committee and must report annually (by June 1) on its findings and recommendations.

---

**Fiscal Summary**

**State Effect:** GWIB expenditures may increase minimally to handle research, reporting, and staffing responsibilities. Any expenditures related to implementing a new grant program are not attributable to this bill but to future legislation. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

---

**Analysis**

**Bill Summary:** The advisory committee is charged with:

- identifying the workforce needs and the education and training requirements of employment fields with available or growing opportunities;
- identifying the workforce and education and training needs of regions of the State with the highest levels of unemployment;

- examining the use of individual educational training accounts by other states that assist residents in paying for education and training programs;
- making recommendations regarding an individual education training account pilot program; and
- recommending a “pathways for academic career and employment” program to provide grants to community colleges for the development of projects, in coordination with institutions of postsecondary education in the State; the Department of Labor, Licensing, and Regulation (DLLR); the Department of Business and Economic Development; and GWIB.

**Current Law/Background:** An “institution of postsecondary education” is defined as an institution that offers an educational program for individuals who are at least age 16 and have graduated or left high school. It does not include adult education or high school equivalency programs or approved apprenticeship programs.

The federal Workforce Investment Act (WIA) of 1998 requires Maryland to create workforce development activities to be undertaken in the State and to decide how special populations, including welfare recipients, veterans, and individuals with multiple barriers to employment, will be served. The WIA State plan also incorporates other services relating to the delivery of employment services, including the One-Stop Career Centers run by local workforce investment boards (LWIBs). One-Stop Career Centers provide job referral and placement assistance for job seekers, reemployment services to unemployment insurance claimants, and recruitment services to employers with job openings. LWIBs work to provide workforce development services to recipients of temporary assistance for needy families, those with disabilities, and ex-offenders – these populations are all primarily served by different State agencies. Within DLLR, GWIB coordinates the efforts among all of these agencies to deliver education and training for anyone seeking employment, as well as basic job-search skills development. GWIB is charged with performing duties specified in the federal WIA, including development of the State plan, development of allocation formulas for distribution of specified funds, and development and continuous improvement of comprehensive State performance, among other related duties.

One workforce development program authorized under WIA allows eligible unemployed individuals to access training assistance through individual training accounts (ITAs). ITAs can be thought of as a voucher that customers can use to pay for training of their choice, so long as the training program is on an approved list. More than 800 occupational programs offered by over 90 institutions (community colleges, four-year colleges and universities, private career schools, and other training providers) that are eligible for the State’s ITA program are listed on the Maryland Higher Education Commission’s website. To help customers make prudent training choices, the website

lists information about eligible programs, including cost, duration, and the employment rate of graduates.

WIA ITAs are funded through federal funds distributed by the U.S. Department of Labor. There are separate programs for adults classified as displaced workers and other adults in search of work. During fiscal 2010, approximately 700 displaced workers received an average of approximately \$13,400 in ITA funds, and approximately 900 adults not classified as displaced workers received an average of approximately \$8,600 in ITA funds.

Community colleges may apply for federal Community-based Job Training grants. The primary purpose of these grants is to build the capacity of community colleges to train workers, which include the underemployed, to develop the skills required to succeed in high-growth and high-demand industries. Several community colleges in the State have already done so, and work with LWIBs and local economic development offices to provide necessary training for emerging occupations. An example is the cyber security program at Anne Arundel Community College.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Higher Education Commission; Department of Labor, Licensing, and Regulation; Governor's Workforce Investment Board; Department of Legislative Services

**Fiscal Note History:** First Reader - March 8, 2011  
ncs/rhh Revised - House Third Reader - April 6, 2011

---

Analysis by: Caroline L. Boice

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510