

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1627

H.P. 1081

House of Representatives, April 15, 2025

An Act Regarding Workforce Development, Education Reform and Talent Retention

Received by the Clerk of the House on April 11, 2025. Referred to the Committee on Education and Cultural Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative WHITE of Ellsworth.

Cosponsored by Representatives: BISHOP of Bucksport, FREDERICKS of Sanford, MCINTYRE of Lowell, MINGO of Calais, RUDNICKI of Fairfield, SIMMONS of Waldoboro.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 20-A MRSA §4722, sub-§2-C** is enacted to read:

3 **2-C. Internship.** Beginning January 1, 2027, before graduating from high school a
4 student must complete an internship, apprenticeship or cooperative education experience
5 that allows the student to attain workforce skills.

6 **Sec. 2. Department of Education to develop career pathway awareness**
7 **initiative.** The Department of Education shall develop and implement a career exploration
8 module for middle school and high school students that emphasizes the State's
9 high-demand fields as identified by the department. The initiative must include digital and
10 classroom-based resources and provide opportunities for students to engage with private
11 sector employers. The department shall develop a means to fund this initiative by
12 repurposing existing underperforming career readiness programs.

13 **Sec. 3. Department of Education to require accountability for post-**
14 **graduation outcomes.** The Department of Education shall require school administrative
15 units to track and report post-graduation data and outcomes, including employment of
16 Maine graduates in high-demand fields; enrollment in apprenticeships, technical schools
17 or certification programs; and retention rates for students attending 4-year postsecondary
18 education institutions. The department shall examine metrics that incentivize school
19 administrative units to guide students toward 4-year degree programs and develop
20 measures that incentivize placement in stable employment aligned with workforce needs
21 and enrollment in programs with high completion rates and career outcomes. The
22 department shall develop a method for school administrative units to submit to the
23 department annually a report detailing the percentage of graduates entering postsecondary
24 education institutions, technical schools or the workforce and retention rates for graduates
25 in postsecondary education institutions.

26 **Sec. 4. Department of Education to provide training on career counseling**
27 **standards.** The Department of Education shall provide professional development for
28 school counselors regarding career pathways in high-demand fields and workforce trends
29 and local employment opportunities.

30 **Sec. 5. Department of Education to remove incentives for school**
31 **administrative units.** The Department of Education shall remove incentives for school
32 administrative units that disproportionately steer students toward 4-year postsecondary
33 education institutions.

34 **Sec. 6. Department of Education to mandate information on post-**
35 **graduation options.** The Department of Education shall mandate that all high school
36 students receive information on a variety of post-graduation options, including
37 apprenticeships, certification programs and local employment opportunities in high
38 demand.

39 **Sec. 7. Department of Education to redirect infrastructure funds.** The
40 Department of Education shall redirect infrastructure funds to upgrade career and technical
41 education facilities and equipment to meet industry standards.

1 **Sec. 8. Department of Education to strengthen and expand extended**
2 **learning opportunity programs.** The Department of Education shall expand access to
3 extended learning opportunity program coordinators and prioritize underserved and rural
4 areas. The department shall provide support for extended learning opportunity program
5 coordinators to recruit local employers with tools and recognition programs for business
6 participation. The department shall align extended learning opportunity program activities
7 with the State's high-demand fields and workforce needs.

8 **Sec. 9. Department of Education to establish grant programs.** The
9 department shall establish a competitive grant program for employers to partner with
10 schools, career and technical education centers and the Maine Community College System
11 to create new training opportunities to address workforce gaps. The grant program must
12 require employers to co-invest through matching funds or in-kind contributions. The
13 department shall fund innovative pilot programs such as mobile training units or so-called
14 earn while you learn models for high school students that focus on measurable outcomes.

15 **Sec. 10. Department of Education to coordinate with Department of**
16 **Administrative and Financial Services, Bureau of Revenue Services to develop**
17 **employer tax incentives for workforce investments.** The Department of Education
18 shall coordinate with the Department of Administrative and Financial Services, Bureau of
19 Revenue Services to develop employer tax incentives for workforce investments. The
20 Department of Education and the bureau shall develop the following tax incentives:

21 1. A student loan assistance tax credit through which employers offering student loan
22 repayment assistance to Maine-based employees receive a state income tax credit equal to
23 50% of contributions capped at \$2,500 per employee annually. The assistance must reduce
24 employees' principal or interest on student loans and be conditioned upon a 2-year retention
25 agreement;

26 2. A child care support tax credit through which employers that provide on-site child
27 care or subsidies for employees receive a state income tax credit equal to 30% of child care
28 program costs, capped at \$10,000 per facility or \$2,000 per employee annually, whichever
29 is less;

30 3. A cultural and recreational investment tax credit through which employers that
31 contribute to local amenities, such as parks, community centers and recreational facilities,
32 receive a credit equal to 25% of direct contributions made by the employer, capped at
33 \$25,000 annually. The contributions must benefit the broader community and align with
34 regional workforce needs; and

35 4. A "stay and grow" tax credit that provides a graduated income tax credit for a person
36 employed in a high-demand field and who remains in the State for at least 5 years. The
37 credit must increase over time to reward longer commitments and must prioritize
38 employment in designated industries or in rural areas facing workforce shortages.

39 **Sec. 11. Department of Education and Department of Labor to coordinate**
40 **and offer stipends for employees in underserved regions.** The Department of
41 Education and the Department of Labor shall coordinate and address labor shortages in
42 underserved regions of the State by offering temporary housing and commuting or
43 relocation stipends for workers who take jobs in the State's rural areas. The benefits and
44 stipends must last for a period of up to 3 years and taper off gradually. The Department of

1 Education and the Department of Labor shall fund the grants by reallocating rural
2 development grants.

3 **Sec. 12. Department of Education to conduct efficiency and oversight of**
4 **workforce education.** The Department of Education shall conduct audits of workforce
5 education to identify inefficient programs. Upon the discovery of inefficient programs, the
6 department shall reallocate the savings to initiatives with measurable outcomes. The
7 department shall coordinate funding and incentives used by the department to metrics such
8 as job placements, retention rates and workforce satisfaction. The department shall
9 establish a committee to evaluate program effectiveness and recommend annual
10 adjustments.

11 **Sec. 13. Report.** The Department of Education shall submit a report to the Joint
12 Standing Committee on Education and Cultural Affairs detailing its progress on this
13 legislation no later than December 3, 2025. The report must include suggested legislation
14 to implement the initiatives under this legislation. The Joint Standing Committee on
15 Education and Cultural Affairs may report out legislation related to the report to the Second
16 Regular Session of the 132nd Legislature.

17 SUMMARY

18 This bill requires that students complete an internship prior to graduating from high
19 school beginning January 1, 2027. The bill also requires the Department of Education to:

20 1. Develop and implement a career exploration module for middle school and high
21 school students;

22 2. Require school administrative units to track and report post-graduation outcomes
23 and examine metrics that incentivize school administrative units to guide students toward
24 4-year degree programs;

25 3. Provide training on career counseling standards, including professional development
26 for school counselors regarding career pathways in high-demand fields;

27 4. Mandate that all high school students receive information on a variety of
28 post-graduation options, including apprenticeships, certification programs and local
29 employment opportunities in high demand;

30 5. Redirect infrastructure funds to upgrade career and technical education facilities and
31 equipment to meet industry standards;

32 6. Expand access to extended learning opportunity program coordinators, prioritizing
33 underserved and rural areas;

34 7. Establish a competitive grant program for employers to partner with schools, career
35 and technical education centers and the Maine Community College System to create new
36 training opportunities to address workforce gaps;

37 8. Fund innovative pilot programs, such as mobile training units;

38 9. Develop, in consultation with the Department of Administrative and Financial
39 Services, Bureau of Revenue Services, employer tax incentives for workforce investments;

40 10. Coordinate with the Department of Labor to address labor shortages in underserved
41 regions by offering temporary housing and commuting or relocation stipends;

- 1 11. Conduct audits of workforce education to identify inefficient programs and, upon
2 discovery, reallocate the funds to initiatives with measurable outcomes; and
- 3 12. Submit a report no later than December 3, 2025 to the Joint Standing Committee
4 on Education and Cultural Affairs with suggested legislation.