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COMPETITIVE SKILLS SCHOLARSHIP PROGRAM

2020 Annual Report

Submitted by Laura A. Fortman, Commissioner Maine Department of Labor



2020 Report of the Competitive Skills Scholarship Program

Transmitted to:

Joint Standing Committee on Labor and Housing

by:

Laura A. Fortman, Commissioner

Maine Department of Labor

February 2021

The information in this report is provided in accordance with Title 26 §2033 sub-§10 of Maine statute.

Introduction

The success of Maine's economy is tied directly to the skill of our workforce and the creativity and innovation of our employers. The Competitive Skills Scholarship Program (CSSP) was established to positively affect the skill of people in the workforce and to support employers' success. In order to do so, CSSP provides: postsecondary education; training for industry-recognized credentials; and, other support that lead to goodpaying in-demand jobs.

2020 represented CSSP's thirteenth year; since inception, it has helped 3,130 low-income Mainers attain the skills necessary in order to thrive in our state's economy. Supporting individuals in continuing education and skill development increases their ability to support themselves and their family thereby reducing potential need for unemployment benefits in the future. By reducing future unemployment payments, the unemployment trust fund will maintain a healthy balance, and employer taxes are stabilized or reduced. Because of the benefit to employers and the trust fund, CSSP is funded through assessments on Maine employers who contribute to the unemployment trust fund. An employer's unemployment tax is reduced by the amount paid into CSSP, as required by Title 26 §1221 sub-§4-A of Maine statute.

New enrollments for CSSP have been curtailed since November 2019 due to heavy participant enrollment activity and related funding commitments. CSSP continues to fully support those currently enrolled while the Department carefully monitors account balances to determine when the program may open for new participant funding commitments.

CSSP is aligned with and contributes to the vision of the 10-year Economic Development Strategy for Maineacross the state, the people of Maine will have access to an unmatched quality of life and good-paying jobs. The 3 goals of the plan are to:

- 1. Grow the average annual wage by 10%;
- 2. Increase the value of what we sell per worker by 10%; and,
- 3. Attract 75,000 people to Maine's talent pool.

By encouraging continued learning and credential attainment, CSSP increases an individual's ability to fully participate in Maine's workforce, to earn family-supporting wages, and to contribute more robustly to Maine's economy.

Summary of Program Outcomes

The Competitive Skills Scholarship Program (CSSP) is successfully moving our workforce and economy forward. Highlights of the 2020 Program include:

Improved wage earnings. Of those completing the program between April 2019 and March 2020, participants' average quarterly wage earnings increased by 51% after program completion.

Consistent demand. CSSP served 749 individuals during calendar year 2020. Between April 2019 and March 2020, a total of 421 individuals completed the program and 72% entered employment in Maine.





Relevant training for employers. CSSP trains individuals for in-demand jobs in Maine. According to Maine's Occupational Employment Outlook to 2026¹, the largest job gains are expected in Health Practitioner and Technician and Healthcare Support occupations. Thirty-seven percent of CSSP trainees choose healthcare occupations.

Positive credential attainment rate. In the most recent year, 421 individuals completed CSSP and 47% successfully earned their degree or industry recognized credential. Of those who exited in 2020, 15

¹https://cwri1.blogspot.com/2018/09/occupationalemployment-outlook-to-2026.html

earned associate degrees, 35 earned bachelor's degrees, and 133 earned post-secondary occupational skills certificates or credentials of value.



High school students Career and **Technical Education programs pursuing** degrees. CSSP Bridge Year students can graduate from Maine's Career and Technical Education High Schools with up to 24 college credits. At the end of 2020, 70 students were actively enrolled in the CSSP Bridge program, 16 in high school and 54 enrolled in college. Fifty-seven percent of CSSP Bridge's economically

disadvantaged students who enrolled in college after high school graduation, remain enrolled in college or have earned degrees. In comparison, the 2020 Educate Maine report indicates that only 47% of economically disadvantaged students enroll in college, and of those only 73% return for a second year while 48% complete college within six years of entering. ²

CSSP aligns with the goals of the Maine Economic Development Strategy 2020-2029.³ CSSP provides low-income Maine people with the financial resources and support services necessary to earn a post-secondary certificate of value. By gaining the knowledge, skills and abilities necessary to be successful in Maine's high-demand industries, successful CSSP participants contribute more fully to Maine's workforce and improve their wage earnings, allowing them and their families to thrive in Maine.

² https://educationindicators.me/post-secondary-education/#2

³ https://www.maine.gov/decd/sites/maine.gov.decd/files/inline-files/DECD 120919 sm.pdf

CSSP's Three Paths

CSSP is comprised of three components:

- CSSP for Individuals
- CSSP for Business
- CSSP Bridge

Each component has a slightly different focus, as described below. Eligibility is consistent across components and is based on individual circumstances. Each participant must:

- not have a marketable post-secondary degree;
- have an income lower than 200% of the federal poverty level for their family size;
- be working toward a job in a high-demand high-wage occupation; and,
- have the aptitude and ability to complete the desired educational program.

Competitive Skills Scholarship Program for Individuals

Established in 2007, CSSP for Individuals provides funding to individuals for education, training and necessary support services that lead to good-paying jobs. Eligible education and training must be universally recognized and accepted by the trade or industry in which the participant intends to seek employment. It must provide opportunity for employment in high-wage, in-demand jobs in Maine that lead to a substantial improvement in earnings and benefits.

Many individuals enrolled in CSSP also receive federal Pell Grants that typically cover most if not all tuition costs associated with attending college. Though Pell may cover tuition costs, low-income individuals often struggle to stay in school due to the high-cost of childcare, transportation, books, supplies and unanticipated situations that require money to resolve. CSSP provides support services to assist individuals with costs of attending college that go beyond tuition. CSSP participants benefit from the combination of these support services along with the career counseling, guidance and support provided through their case managers at Maine's CareerCenters.

In 2020, 76% of CSSP participants were enrolled in CSSP for Individuals. Of the 271 individuals exiting that component this year, 45% (122) earned a credential of value. Fifty-eight earned college degrees and 64 earned industry-recognized credentials.

Competitive Skills Scholarship Program for Business

First piloted in 2014, the CSSP Business Program (CSSP-B) helps businesses train their employees to take on hard-to-fill, high-wage occupations within their organization. CSSP-B participants are either CSSP income-eligible incumbent employees in entry-level jobs or income-eligible individuals recruited directly through the CareerCenter. At the conclusion of training, successful trainees earn an industry-recognized certificate or degree, leading to a new job and increased wages, while businesses have access to individuals trained for their industry.

In 2020, a total of 74 trainees were enrolled in CSSP-B. During 2020, 60% of those who finished CSSP-B successfully, earned a degree or credential. Five earned college degrees and 69 earned industry-recognized credentials.

Competitive Skills Scholarship Program - Bridge

Beginning in 2016, the CSSP Bridge Program was added to support high school students who are at least 16 years-old and enrolled in a Career and Technical Education (CTE) school. Students are dually enrolled in high school and college courses while attending their regional CTE school. CSSP Bridge students can obtain 24 or more college credits by high school graduation through dual enrollment. These credits are



offered at a reduced rate of \$40 per credit hour and are transferable to all University of Maine System schools, all Maine Community College System schools, and may be transferable to other public and private post-secondary institutions. Students enrolled in CSSP Bridge can graduate from high school and enter college with nearly a full year of college courses behind them. CSSP funding and CareerCenter consultants will support them as they pursue an

associate degree and/or complete a bachelor's degree. A total of 159 students were enrolled in CSSP Bridge since its inception in 2016. Fifty-six percent of those who enrolled while in high school continued enrollment in higher education after high school graduation. During 2020, 106 students were served in the CSSP Bridge Program. At the end of 2020, 16 CSSP Bridge students were seniors in high school, 34 were underclassmen in college and 20 were college upper classmen. By the end of 2020, 8 CSSP Bridge students have earned associate degrees and 11 have earned bachelor's degrees.

Individual Success Stories



Chris Daniels came to Maine in 2014 from Rwanda. While waiting to be issued his permanent U.S. resident card Chris and his family relied on the Portland General Assistance Program for rental and food assistance. Shortly after receiving his permanent residence card, Chris was hired by the Press Hotel in Portland as a housekeeper. While working as a housekeeper, Chris earned a Direct Support Professional certification and began working part-time as a Direct Support Professional (DSP). While working as a DSP, he applied for and

was accepted into the CSSP program which allowed him to earn his Certified Nursing Assistant (CNA) credential and pursue his goal of earning a bachelor's degree in nursing at the University of Southern Maine. CSSP support afforded Chris an opportunity to work less and focus on his nursing studies. Chris graduated from USM with a BS in nursing and is currently employed at Maine Medical Center earning a family-sustainable wage and contributing to Maine's economy.

Courtney Allen came to the CareerCenter in 2017 as a single mother of two and former homeless substance abuser looking for support to earn her college degree. At that time, the father of her children had died of an overdose, but she was clean and in the process of pulling her life together. She had developed an unwavering determination to help others affected by substance abuse. While enrolled in CSSP, attending UMA, and parenting fulltime, Courtney worked part-time at I-HOP and served as a mentor with Maine Pretrial Services. In honor of her late partner, Courtney established James Place, a recovery transitional housing program for women who are trying to stay clean. During her final semester in the Mental Health and Human Services B.S. Program at UMA, she was chosen to serve as an intern



in Senator King's office. Since earning her degree in the spring of 2020, Courtney has been working as the Policy Director for the Maine Recovery Advocacy Project, ran for and won an at-large seat on the Augusta City Council, and enrolled in the graduate program in public policy at the USM Muskie School. Courtney is an achiever and *insert personal quote here*.

Continued Development of Maine's Workforce

Workforce is a key component of the ongoing success of Maine's economy. Maine businesses need talented workers in order to succeed. Maine people need the skills that are in demand so that they can thrive. Through CSSP, the needs of businesses and workers are supported.

The Department is committed to a workforce development plan that:

- partners and responds to the talent needs of Maine employers;
- creates a system of lifelong learning and employment connection for Maine residents; and,
- builds an integrated workforce development infrastructure accountable to residents and businesses.

CSSP delivers on each of these components. By ensuring that participants are pursuing occupations that are in demand, CSSP is responding to the talent needs of Maine employers. By supporting individuals who are economically disadvantaged, CSSP is encouraging learning into adulthood and increasing connection to the workforce for those who might otherwise struggle. By supporting program participants through their educational attainment, CSSP ensures effective outcomes that benefit Maine's economy, residents and businesses alike.

The Department coordinates the CSSP program with other agencies that offer workforce programs. Programs and funding are provided through many agencies in Maine, including the Department of Health and Human Services, Local Workforce Investment Boards, Maine Community College System, Department of Education, as well as other Department of Labor programs. CSSP staff work collaboratively with other agencies to leverage the funding and supports available throughout the state.

Competitive Skills Scholarship Program 2020 By the Numbers

Total Trainees in 2020 749

Expense Summary 2020

Training	\$1,101,393
Support Services and Stipends	\$972,732
Case Management, Counseling and Administration	<u>\$918,858</u>
Total Expenditures in 2020	\$2,992,983

Revenue Balance as of December 31, 2020

\$1,890,760

These funds are obligated for the expected costs for current CSSP participants.

Average Annual Cost Per Person by CSSP Title

AVERAGE ANNUAL COST PER PERSON	All CSSP	Individual	Business	Bridge
Number of Trainees Served in 2020	749	569	74	106
Training	\$1,471	\$1,507	\$762	\$1,771
Support and Stipends	\$1,339	\$1,570	\$998	\$50
Case management, Counseling, Admin.	\$1,227	\$1,209	\$983	\$1,495
Average Annual Cost Per Person	\$4,037	\$4,286	\$2,743	\$3,316

Demographics of 2020 CSSP Participants

Percentage of Participants at or below Federal Poverty Income Line	73%
Supplemental Nutrition Assistance Program (SNAP) Recipients	44%
Female	69%
Percentage Unemployed at Time of Enrollment	65%
Percentage Unemployed After Exit	28%

Published by the Maine Department of Labor

February 2021



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