

THE MAINE SENATE 132nd Legislature

3 State House Station Augusta, Maine 04333

Testimony in Support of LD 1956

"An Act to Amend the Law Governing the Competitive Skills Scholarship Program and Establish the

Community Workforce Connections Program"

Presented to the Joint Standing Committee on Labor

May 13, 2025

Good afternoon Senator Tipping, Representative Roeder, and distinguished members of the Joint Standing Committee on Labor. My name is Peggy Rotundo, and I have the privilege of representing the City of Lewiston in Senate District 21. I am here today to introduce LD 1956, "An Act to Amend the Law Governing the Competitive Skills Scholarship Program and Establish the Community Workforce Connections Program."

I know, as Mainers, we work hard, we care about our families and our community, and we value a good education; one that leads to a good job so we can support our families and our community. At its core, that is what LD 1956 is about: connecting more Mainers to education, training, and the resources they need to participate fully in the workforce and thrive.

In 2024, the Maine Development Foundation identified <u>labor force growth</u> as one of the most challenging performance indicators in Maine's economy. While I am proud to see we have met two of the three goals in Maine's 10 Year Economic Development Plan, our labor force still lags behind For this reason I am proposing common sense legislation that supports Maine workers and builds Maine's workforce.

LD 1956 is about adding and keeping skilled workers in Maine's economy.

This bill makes improvements to the Competitive Skills Scholarship (CSSP) Program. Administered by the Department of Labor, CSSP helps low-income workers without an existing degree connect to education, training, and wrap-around services so they can successfully fill the in-demand jobs our local

² MDF (n 1)

¹ Maine Development Foundation (MDF), Measures of Growth Report - 2024 https://www.mdf.org/economic-policy-research/measures-of-growth-report/



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economies need. It's a program that addresses the realities of working people: they often need help beyond tuition to succeed in school—like support with childcare or car repairs—all of which CSSP can provide. LD 1956 also establishes the Community-Workforce Connections Program, based on the Peer Workforce Navigator pilot enacted by the legislature and supported by the Governors' Maine Jobs & Recovery Plan.³

LD 1956 is an investment in both Maine people and Maine's workforce. It's also an investment that does not use any General Funds – something I am heartened to share, especially during this difficult budget year.

What does LD 1956 do?

CSSP and peer workforce navigation achieve another key strategy named by DECD: they "remove barriers for marginalized groups by providing support and upskilling opportunities to boost workforce participation."

It does this by:

- 1. Modernizing aspects of the Competitive Skills Scholarship Program so more workers can more effectively make use of the program.
- 2. Establishing and funding the Community-Workforce Connections Program. The program is administered by MDOL in partnership with community organizations who employ navigators that serve populations facing substantial barriers to workforce participation.

Summary of CSSP changes:

- LD 1956 increases the income threshold for CSSP eligibility to 275% of the Federal Poverty Limit, which is more in line with Maine wages.
- The bill clarifies the definition of "marketable degree" so people with a credential that is not usable in our current economy can qualify.
- And, a change I am particularly excited about: LD 1956 introduces CSSP "Cohorts." This allows the Department to approve entire classes of students enrolled in the same program so all participants can benefit from CSSP support. This opens the door to more industry partnerships through educational institutions, employers and pre-apprenticeship and apprenticeship training

³ Press Release, Maine Department of Labor, March 22, 2022 - https://www.maine.gov/labor/news events/article.shtml?id=7066600

⁴ Strategy A5: Improve Equitable Workforce Participation - https://www.maine.gov/decd/strategic-plan



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programs. Cohort models⁵ are a recognized best practice, especially for adult learners⁶, first-generation college students⁷, and learners with high barriers or needs.

Summary of Community-Workforce Connections Program

- The Community-Workforce Connections Program builds on the success of the Peer Workforce Navigator pilot. The bill outlines the target populations community organizations must have relationships with, and describes the scope of the program, which must include peer support, case management, community outreach, and assisting MDOL to better serve harder-to-reach workers. Peer-to-peer resource navigation is a model that is proven effective across many fields ^{8 9 10} Workforce navigators are housed at community-based organizations and leverage their relationships, lived experience, and community trust to help people overcome common barriers to stable employment.
- The bill funds the program by allowing a very small portion of the Competitive Skills Scholarship Fund to be used to cover navigator services. CSSP is currently financed through cost-neutral payroll contributions from employers, which are entirely offset by an equal reduction in their Unemployment taxes. Use of this fund to support workforce navigation is in line with the purpose of CSSP as established in statute.¹¹

⁵ Wenger, E. (2011). Communities of practice: A brief introduction. STEP Leadership Workshop. University of Oregon. Available at: http://hdl.handle.net/1794/11736

https://scholarsbank.uoregon.edu/server/api/core/bitstreams/d1fddebc-8756-4647-9aef-80046f02df59/content Brooks, P. A. (1998). Cohort communities in higher education: The best example of adult education. Adult Education Research Conference. http://newprairiepress.org/aerc/1998/papers/12

Opacich KJ. A Cohort Model and High Impact Practices in Undergraduate Public Health Education. Front Public Health. 2019 May 29;7:132. doi: 10.3389/fpubh.2019.00132. PMID: 31192184;

⁸ Hailemariam M, Weinstock LM, Sneed RS, Taylor B, Corrigan PW, Johnson JE. Peer navigation intervention for individuals with serious mental illness reentering the community after jail incarceration: a qualitative case study. Pilot Feasibility Study. 2024 Oct 22

⁹ Corrigan PW, Kraus DJ, Pickett SA, Schmidt A, Stellon E, Hantke E, Lara JL. Using Peer Navigators to Address the Integrated Health Care Needs of Homeless African Americans With Serious Mental Illness. Psychiatr Serv. 2017 Mar 1.

¹⁰Abbott, Melissa, Landers, Patrick; Pratt, Eleanor, Office of the Assistant Secretary for Planning and Evaluation U.S. Department of Health and Human Services, Office of Human Service Policy, "Peer-to-Peer Supports: Promoting Employment and Well-Being" (May 2019) https://aspe.hhs.gov/sites/default/files/private/aspe-files/261791/promotingemploymentwellbeing.pdf

¹¹ 26 MRS §2033: "The purpose of the Program is to provide individuals with access to education, training and support leading to skilled, well-compensated jobs with anticipated high employment demand, to improve the economic well-being of the participants in the program, and to provide employers with a skilled labor force."



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The Value of Community Workforce Connections

The pilot Peer Workforce Navigator Project has helped over 1700 unique individuals from all over the state. ¹² But it is the individual stories of real people that helped me understand the deep value of these programs. I'll share a short story from my district, and you will certainly hear more from others behind me.

Two community members had just moved to Lewiston from another country. They were exhausted going from business to business, trying to figure out who was hiring and how to get a job. They felt overwhelmed and out of place at CareerCenter job fairs and didn't know what to do. Then a friend told them, "If you want to find a job, you should go meet with Hatim." Hatim is a Peer Workforce Navigator, an immigrant himself, with lots of community connections from his previous jobs and his mosque. He is effusive and friendly, but most of all he understands how hard it is to find a job in a new place and a new culture. He sat down with both workers for hours, explained to them different job search norms, helped them make resumes, and discussed their career aspirations. He offered to go with them next time to the job fairs. He learned that one of the women had previous experience as a nurse and so badly wanted to return to the field. Hatim showed her different opportunities at the local hospital, and she jumped at a paid apprenticeship listing. She was thrilled to know she could earn a paycheck while improving her English and learning the American healthcare system. Today she is working as a CNA. She recently went back to get help from Hatim to enroll at CMCC. Now she's working, studying to be a registered nurse, and filling a critical workforce need in my community.

LD 1956 has a positive return on investment.

Peer workforce navigators help reduce long-term reliance on unemployment insurance and other public benefits. Last year, a Columbia University researcher studied Maine's Navigator program and found that 97% of unemployed workers surveyed who connected with a navigator found a new job, compared to only 80% of workers who were not connected to a navigator. The survey also found Navigator clients moved off unemployment and found jobs more quickly.¹³

CSSP also helps to reduce future reliance on unemployment benefits as individuals who obtain higher levels of education are *less* likely to be unemployed. This is corroborated by national data¹⁴ and Maine

¹² Peer Workforce Navigator Q1 2025 KPI Report, submitted to Maine Bureau of Employment Services

¹³ Michele Evermore, Alexander Hertel-Fernandez, and David Madland, Community Navigators Can Increase Access to Unemployment Benefits and New Jobs While Building Worker Power (Washington, D.C.: The Center for American Progress, Oct 22, 2024) https://www.americanprogress.org/article/community-navigators-can-increase-access-to-unemployment-benefits-and-new-jobs-while-building-worker-power/

¹⁴ Bureau of Labor Statistics, "Education Pays," https://www.bls.gov/emp/chart-unemployment-earnings-education.htm



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data, which shows that unemployment rates for Mainers with only a high school diploma are twice as high as those with a bachelor's degree. Lower unemployment and faster re-employment rates reduce draws on the Unemployment Trust fund; therefore these programs can help keep employer tax rates lower too.

LD 1956 is a cost neutral investment in our workforce and a win-win for Maine workers, Maine employers, and Maine people.

These programs are an investment in the tremendous potential of <u>people</u> across our state. To quote the Maine Development Foundation in their most recent growth report "...<u>our economic success depends on our people</u>: attracting and retaining the talent pool that drives our economy; equipping kids and our current workers with the knowledge and skills to succeed; and tackling the physical, mental, and access barriers to enable all Mainers in all corners of the state to realistically achieve prosperity and selfworth." LD 1956 does just that.

I thank you for your time and your own investment in Maine's workforce through your work on this committee. I urge you all to support this bill.

¹⁵ Myall, James. Maine Center for Economic Policy, "State of Working Maine 2024" October 2024, https://www.mecep.org/wp-content/uploads/2024/10/State-of-Working-Maine-2024.pdf

¹⁶ Yellow Light Breen on Maine Devleopment Foundation's Measures of 2024 Growth Report - https://www.mdf.org/news/2024-measures-of-growth-report-highlights-30-years-of-economic-change-in-maine/