

Martin O'Malley Governor

Anthony G. Brown Lt. Governor

James T. Smith, Jr. Secretary

March 7, 2014

The Honorable Edward J. Kasemeyer Chair, Senate Budget and Taxation Committee 3 W Miller Senate Office Building Annapolis MD 21401-1991

The Honorable Norman H. Conway Chair, House Appropriations Committee 121 House Office Building Annapolis MD 21401-1991 The Honorable Thomas McLain Middleton Chair, Senate Finance Committee 3 E Miller Senate Office Building Annapolis MD 21401-1991

The Honorable Sheila Ellis Hixson Chair, House Ways and Means Committee 131 House Office Building Annapolis MD 21401-1991

Dear Chairmen:

Pursuant to the language set forth in the House Bill 457, Chapter 664, Acts of 2012, the Maryland Department of Transportation (MDOT) and the Governor's Workforce Investment Board (Board) are required to report on the status of programs administered in each workforce investment area. Also as required, this report acknowledges the entities, institutions, or organizations that provide the training and supported services. Specifically, the language directs:

- "(d) (1) By February 1 of each year, the Department and Board shall submit to the Senate Budget and Taxation Committee, Senate Finance Committee, House Appropriations Committee, and House Committee on Ways and Means, in accordance with § 2–1246 of the State Government Article, a report on the Department's and Board's compliance with subsections (b) and (c) of this section with respect to each of the 2 previous calendar years.
 - (2) The report shall:
- (i) Describe the highway or capital transit construction training, supportive services, and skill improvement programs the Department and Board have conducted and administered in each workforce investment area, including a description of:
- 1. Any entities, institutions, or organizations used by the Department and Board to provide the training and services; and
- 2. The individuals and organizations that have received training and services;
- (ii) Analyze the results of the training programs in each workforce investment area;
- (iii) State the amount of federal funds available to the State under 23 U.S.C. § 140(b); and
- (iv) Identify the amount spent in each workforce investment area to conduct and administer the programs."

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As explained in this report, the Board is a critical partner in the development of the training initiatives to meet the needs of the existing and emerging workforce. As well, the State Highway Administration (SHA) is committed to supporting the programs related to the State's highway construction and transportation industries to provide entry-level employment skills training to the underserved citizens of Maryland.

If you should need additional information, please contact Ms. Melinda B. Peters, SHA's Administrator, at 410-545-0400. Of course, please do not hesitate to contact me directly.

Sincerely

James T. Smith, Jr.

Secretary

cc: The Honorable Michael E. Busch, House Speaker, Maryland General Assembly

The Honorable Thomas V. "Mike" Miller, Jr., Senate President, Maryland General Assembly

Members of the Budget Committees

Ms. Melinda B. Peters, Administrator, SHA

A Report to the Maryland General Assembly

Senate Budget and Taxation Committee,

Senate Finance Committee, House Appropriations Committee

and

House Committee on Ways and Means

regarding

Highway and Capital Transit Training and Supportive Services Program (House Bill 457, Chapter 664, Acts of 2012)

The Maryland Department of Transportation

February 2014

OVERVIEW

With the passing of the Transportation Infrastructure Investment Act of 2013 (Transportation Act), the State can activate the first of many major transportation projects in more than eight years. The O'Malley Administration projects that the Transportation Act will yield approximately 57,000 jobs. The goal of the workforce development program is to prepare disadvantaged individuals for these projected employment opportunities in the highway and capital transit construction industries. At present, there are numerous major construction projects in Maryland that could benefit directly from an available and well-trained highway and capital transit construction workforce.

INTRODUCTION

Chapter 664 of the Acts of 2012 Maryland General Assembly requires the Maryland Department of Transportation (MDOT) and the Governor's Workforce Investment Board (Board) to submit a report containing the status of the programs administered in each workforce investment area (WIA). Entities, institutions, or organizations that provide the training and supported services are acknowledged in the report as well.

The Board is responsible for developing policies and strategies to form a coordinated workforce system from a variety of education, employment, and training sources. It brings together workforce development partners and stakeholders on two key outcomes: (1) a properly prepared workforce that meets the current and future demands of Maryland employers; and (2) providing opportunities for all Marylanders to succeed in the 21st century workforce. As such, the Board is a critical partner in the development of high-growth, high-demand training initiatives that meet the needs of the existing and emerging workforce.

GENERAL INFORMATION

Consistent with Governor Martin O'Malley's goal to create and sustain job growth in Maryland, MDOT is committed to supporting On-the-Job Training (OJT) programs related to the State's highway construction and transportation industries. In support of this commitment, the Maryland State Highway Administration (SHA), in close partnership with the Maryland Department of Labor, Licensing and Regulation (DLLR) and its local partners, developed and implemented the OJT program known as *BuildUP* to complement and expand upon existing federal OJT initiatives and Supportive Services programs administered by SHA that focus on skill-building, partnering, and joint venturing in the

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¹ A Workforce Investment Area (WIA) is a region with 200,000 or more residents and a common labor pool. Maryland has 12 local WIAs across the State. For each WIA, there is a Local Workforce Investment Board (LWIB). By law, each LWIB is chaired by a businessperson and comprised of private sector representatives, business owners, chief executives, managers, and policy-makers. Other LWIB members are drawn from public job service, education, social services, rehabilitation, and economic development agencies as well as organized labor, and community based organizations. The LWIBs in Maryland develop job training programs for implementation in their respective WIAs, oversee the operation of those programs and determine which companies, educational institutions, and community organizations will receive funding for program operation. The WIA cooperates with local employers and government to select the workforce development programs most beneficial to the region and tailor programs to meet the local employment training needs.

minority business community. The purpose of the program is to provide entry-level employment skills training to the underserved citizens of Maryland.

BuildUP was initially intended to be one year in length from the date of approval subject to funding availability. The program started in the Baltimore metropolitan region with the goal of expanding to other parts of the State. The enactment of House Bill (HB) 457 during the 2012 legislative session not only permanently commits 0.5 percent of the State's federal surface transportation and bridge funds to workforce development, but also ensures coordination with the Board to help facilitate the projected program expansion in the future.

SHA partnered with DLLR from the *BuildUP* program's outset, starting with press releases to assist in advertising and marketing the program. DLLR's Division of Workforce Development and Adult Learning (DWDAL) advised on and designed the process for applicant recruitment and screening, the identification of performance benchmarks and alignment of existing one-stop career center resources to train and place people in jobs.

BuildUP also utilized the assistance of community stakeholders including the Job Opportunities Task Force (JOTF), CASA of Maryland, and Baltimore City's BUILD Coalition. The program's evolution and achievements, as well as passage of HB 457 during the 2012 legislative session, would not have been possible without this collaboration.

PROGRAM TRANSFER TO DLLR

As mentioned in the FY 2012 Annual Report, the administration of the training programs, such as BuildUp, has been transferred to DLLR, which is responsible for twelve local WIAs as noted above. DLLR's One-Stop Career Centers are located throughout Maryland to serve businesses and job seekers providing a full range of job readiness assistance. The Centers are staffed with qualified professionals who can assist with training referrals, career counseling, job listings, and other employment-related services. This existing job placement infrastructure will provide the vehicle for the strategic deployment of programs and services designed to meet the requirements of HB 457 in the provision of relevant technical and highway construction trades-related training, as well as workplace-life skills for socially and economically disadvantaged individuals in Maryland.

DLLR's focus for FY 2013 was developing a comprehensive service delivery program that will be managed by DLLR in coordination with SHA. Simultaneously, the Board continues to promote career opportunities for Marylanders in the highway construction and transportation industries through its Center for Industry Initiatives' Maryland Center for Construction Education and Innovation (MCCEI). The MCCEI, located at Towson University, is a public-private partnership comprised of representatives from the business community, universities, community colleges, and secondary schools. The MCCEI promotes the economic vitality of construction in Maryland, serves as a resource for industry, education and government, and works to position construction as a career of choice for tomorrow's workforce.

HIGHWAY and CAPITAL TRANSIT TRAINING and SUPPORTIVE SERVICES

To date, the training and supportive services programs have included on-the-job training (OJT) such as *BuildUp*, which was discussed in the FY 2012 Report, and pre-apprenticeship training, discussed below. Pursuant to the law and a memorandum of understanding, DLLR has agreed to certain responsibilities with the understanding that LWIBs and Local Consortiums would be given the opportunity to compete to perform the relevant duties in their respective local areas.

In FY 2012, SHA partnered with DLLR's DWDAL to design the components of the Invitations for Proposals (IFP) and solicit proposals from LWIBs that will bring together local consortiums to develop a pilot transportation skills program. Therefore, annually, as funds are appropriated, DLLR will release competitive applications (i.e., IFPs) for funding. Local WIAs will be required to submit a comprehensive project plan and budget that includes employment forecasts, labor market needs, planned trainings, employer commitments, recruitment strategies, planned placements, and wage goals. These applications will be reviewed and ranked by an independent panel. Available program funds will be allocated based on the comprehensive, responsive, and cost effectiveness of the plan.

The initial IFP was issued on May 2, 2013. The Mayor's Office of Employment Development (MOED) in Baltimore City was selected to implement the program, which will target unemployed and underemployed individuals with barriers to employment, such as ex-offenders. MOED has formed a consortium with three workforce partners: the Job Opportunities Task Force (JOTF), Associated Builders and Contractors (ABC), and Catholic Charities.

Participants in the program must meet the following eligibility requirements:

- high school diploma, GED or certificate;
- 18 years of age;
- some work history;
- drug free status;
- Baltimore City, Maryland resident; and
- registration for Selective Service, if a male.

PROGRAM COMPONENTS

The Jump Start+ program is a 15-week training program that integrates hands-on, project-based highway, and capital transit construction-related occupational training, job readiness with life skills training, comprehensive case management and employment services. Thirty Baltimore City residents have been selected to participate in two class cycles composed of 15 students per cycle.

The outreach and recruitment for the trainees was performed through MOED's One-Stop Career Centers, in coordination with the Department of Human Resources, Department of Social Services, Office of Parole and Probation, East Baltimore Development Inc., Center for Urban Families, Maryland New

Directions, Job Corps, Jericho, Lutheran Social Services of the National Capital Area, Greater Homewood Community Corporation, and the Central Baltimore Partnership.

In an effort to build rapport, monitor progress and address any challenges as they arise, both the JOTF project manager and the Catholic Charities case manager will attend all classes during each 15-week training period. Associated Builders and Contractors (ABC) will have a placement director attend with the participants at least once per week. JOTF provided MOED with all of the program information and promotional materials required for distribution.

In addition to the technical and skilled craft training offered, participants will receive a stipend. In order to qualify for the stipend each week, the participants must arrive at class on time, follow all the rules, and remain for the entire class time. As needed, Drivers Education classes will be provided to participants.

Upon graduation, if needed for direct employment, the participants will be connected with Vehicles for Change. The participant will be provided with an initial \$2,400.00 towards a low cost vehicle to begin employment. Should other services be required, such as food or emergency housing, they will be addressed on an individual basis as a part of case management. This pre-apprenticeship program is very comprehensive in that it provides training as well as all of the supportive services required to get a potential trainee to a job.

FUTURE HIGHWAY and CAPITAL TRAINING SUPPORTIVE SERVICES PROGRAM

SHA and DLLR have been working towards the Statewide expansion of these training programs and are in the early stages of developing pre-apprenticeship programs in the Southern and Western Maryland. Similar to the focus of past and present programs, these pre-apprenticeships will target hard-to-serve populations, with an emphasis on those needing essential job development skills.

LESSONS LEARNED

In the deployment of these training programs, two significant barriers to successful outcomes have been identified, including- deficiencies in basic and applied construction math skills and prior hands-on experience. In conjunction with the Division of Labor and Industry at DLLR, the College of Southern Maryland and Allegheny College of Western Maryland, the pre-apprenticeship curriculum was customized to address these deficiencies.

The College of Southern Maryland launched the initial pre-apprenticeship training program in December 2013. Allegany College of Western Maryland will launch their pre-apprenticeship program in spring 2014.