



## Meeting Summary

**Agency:** DLLR

Following is a summary of issues discussed at the DLLR Stat on July 15, 2010. Analysis is provided by StateStat and the Governor's Delivery Unit (GDU).

### General Observations

- The following issues are highlighted:
- Follow-up Items
- GDU Goals Summary
- ARRA Issues
- Financial Regulation Issues
- Unemployment Insurance Issues
- Labor and Industry Issues
- Appeals Issues

### Follow Up Items

- **UI Overpayments.** DLLR is working with US DOL to try to obtain overpayment reports from other states in order to establish a benchmark. In its follow up response DLLR reported difficulty, because this data is not formally published for other states to view. DLLR plans to reach out to some of the states in our region to see if they would be willing to share the reports. The most common causes of fraud are false claims by desperate individuals; identity theft, which is rare, and "semi-fictitious employers," which are referred to DOL.
- **Prevailing Wage.** Federal agencies are responsible for making sure that employees on ARRA-assisted construction projects are paid the prevailing wage. Therefore, the Prevailing Wage Unit does not track ARRA-funded projects; the Unit is only triggered in the use of State General Fund contracts.

### GDU Goals Summary

- DLLR has recently completed their Skills Delivery Plan. This plan does a good job of framing the Administration's up-skilling efforts within the context of the Skills2Compete initiative and articulates the strategies and actions that are being undertaken to achieve it. DLLR and its partners have decided upon the following strategies, categorized by those that directly increase the skills of workers and those that encourage workers to register for programs that provide direct training.

- Strategy 1: Increase the number of degrees and certificates awarded by Maryland’s sixteen community colleges and increase enrollment in workforce-related non-credit courses including enrollment in continuing education that leads to a government or industry required certificate or license.
- Strategy 2: Increase outreach, leverage additional funds, and utilize the Green Job Training Grant. Additionally, increase veteran enrollment in occupational skills training by 20% between 2010 -2012.
- Strategy 3: Expand the Maryland Business Works Program (MBW) incumbent worker training initiative to advance the skills of over 3,000 incumbent workers annually in Maryland by 2012.
- Strategy 4: Increase the number of programs and registered apprentices and graduates of the Maryland Apprenticeship and Training Program
- Strategy 5: Expand participation of inmates in apprenticeships and nationally recognized certificate programs.
- Strategy 6: Increase the number of adult education participants that enter post-secondary education or training.
- Strategy 7: Increase the number of Maryland Career and Technology Education (CTE) graduates attaining industry certification, licensure and/or early college credit in the technical program area.
- Strategy 8: Increase the number of MD RISE (Reaching Independence and Stability through Employment) customers who complete occupational skills training and receive an industry-recognized certificate.
- Strategy 9: Increase the number of persons with disabilities in post-secondary education and career technology training programs and the number of persons with significant disabilities obtaining a degree/certificate/ certification after completing a post-secondary education or career technology program.
- Strategy 10: DHCD and MEA will continue to partner on the development and expansion of the Maryland Weatherization training program conducted through the State’s community colleges.
- Strategy 11: Increase outreach and promotion of S2C to Maryland workers and increase collaboration with the private sector, advocacy groups, local workforce agencies, and post-secondary institutions.

**Strategies Directly Managed by DLLR**

**Expand the Maryland Business Works Program (MBW) to Advance the Skills of 3,000 Incumbent Workers in Maryland by 2012**

This expanded effort was launched in January 2009, facilitated by the Maryland Business Works program. It is designed to be responsive to business needs and is targeted at businesses that are investing and growing in Maryland.

<b>Implementation Targets</b>	<b>Baseline Data (July 1, 2009)</b>	<b>Agency 2012 Goal(s)</b>
Number of incumbent workers receiving MBW funded training*	2461	3105
Number of employers receiving MBW funded training	210	275
Number of employer projects receiving MBW training	475	600

- **The Maryland Apprenticeship and Training Program will increase the number of Registered Apprentices and Graduates of Apprenticeship Programs and will increase the number of Registered Apprenticeship Programs by 2012**

- The Maryland Apprenticeship and Training Program will increase Registered Apprenticeship Programs by registering at least 15 new programs by 2012, including at least 5 new non-construction programs, and will increase the number of Registered Apprentices by 720 by 2012. Targeted areas for recruitment in non-traditional occupations include Healthcare, Information Technology, Higher Education, and Environmental Industries. Recruitment will aim to build upon existing training programs and to register existing programs as apprenticeships in order to offer employers in these industries access to experienced and highly trained apprenticeship graduates.
- **Increase Basic Adult Education Skills by 2012**
  - DLLR/DWDAL plans to improve the self-sufficiency and employability of adult learners in Maryland by:
    - 1) improving basic skills by the equivalent of one grade level or more;
    - 2) increasing the number of adults by 4% who attain a Maryland High School Diploma through the GED Testing Program or the National External Diploma Program;
    - 3) increasing the number of adults who transition to post secondary education/ training programs and employment by 1%; and
    - 4) coordinating with DPSCS's Correctional Education Division to facilitate the educational aspect of DPSCS's mission.
- **Coordinated Communications Strategy**
- DLLR Communications staff is heading up an interagency communications team to promote Skills 2 Compete. The communications effort will be modeled after the Smart, Green & Growing initiative.. They have redesigned and built out a much improved S2C web site ([www.skills.maryland.gov](http://www.skills.maryland.gov)) with resource information, live updates, and other features. It will also involve the development and distribution Skills 2 Compete information and material. Additionally, the communications team will also develop and continuously update a shared calendar of public events and opportunities centered on Skills 2 Compete related topics to which the Governor, Lt. Governor other relevant state official could attend. DLLR has asked every agency to contribute at least one event each month to this calendar once it is set up and to make the appropriate asks. There will be a monthly conference call of agency communications staff to interagency teams work.

### **American Recovery and Reinvestment Act (ARRA) Issues**

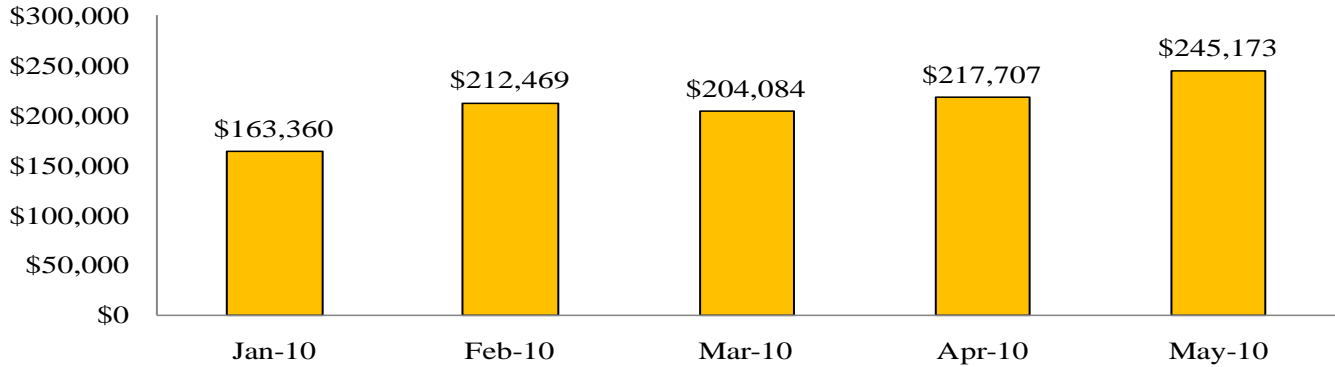
- **New Grants.** The State Highway Administration (SHA) received a \$240,000 ARRA grant for minority job training in the highway construction industry. At the RecoveryStat meeting on June 24<sup>th</sup> SHA indicated it would contact DLLR regarding implementation of this grant.
- DLLR received a new grant of \$955,000 to work with the Center for Employment Security Education and Research (CESER), Information Technology Support Center (ITSC), and USDOL ETA to “facilitate a National Workgroup focused on UI and Workforce System Integration to define and support a national vision for such.”

### **Financial Regulation Issues**

- **Fines, Recoveries, and Collections.** According to a press release by DLLR, \$246,000 was refunded to Marylanders from three loan companies that unfairly collected prepayment penalties from 200 homeowners. The StateStat template shows recoveries from a sample of loans by Saxon Mortgage Services of Texas (\$70k) and Bayview Loan Servicing, of Coral Gables, Fla. (\$71k) comprising \$141k of the reported \$163k mortgage compliance recoveries in May. Litton Loan Servicing refunded \$71,000

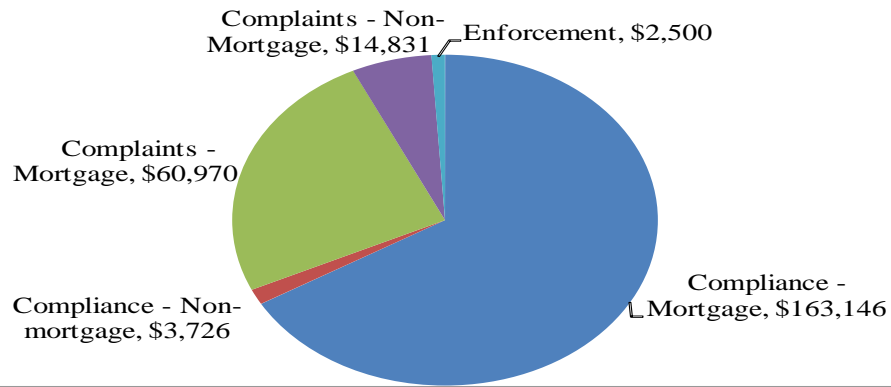
to consumers in June. The press release included all recoveries from the three companies, and the June StateStat template will include all of the recoveries as well.

**Recoveries Total 2010 YTD**



**Recoveries May 2010**

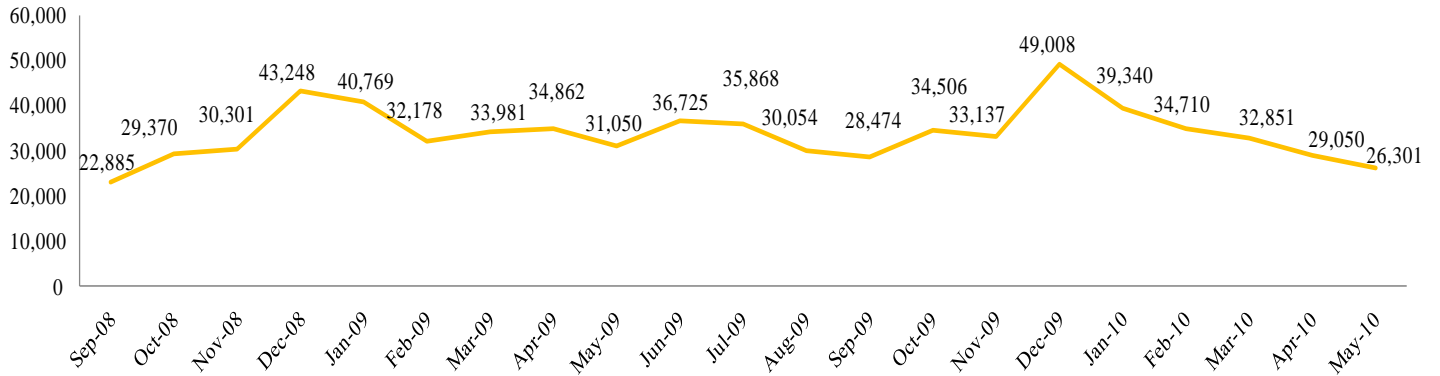
**Total: \$245,173**



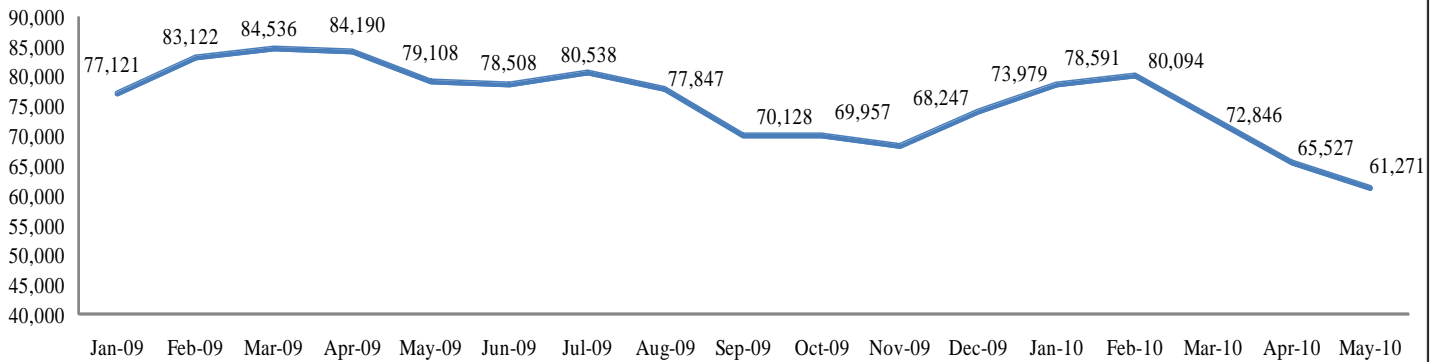
**Unemployment Insurance Issues**

- New claims for Unemployment Insurance continued to decrease in May 2010 to the lowest point since September 2008. The number of persons currently drawing UI benefits also continued to decrease, from 65,527 in April to 61,271 in May, the lowest point since November 2008. Dollars paid in UI benefits decreased in May, following the same trajectory as the same time period in 2009. Meanwhile, the UI trust fund balance increased from \$78 million to \$521 million.

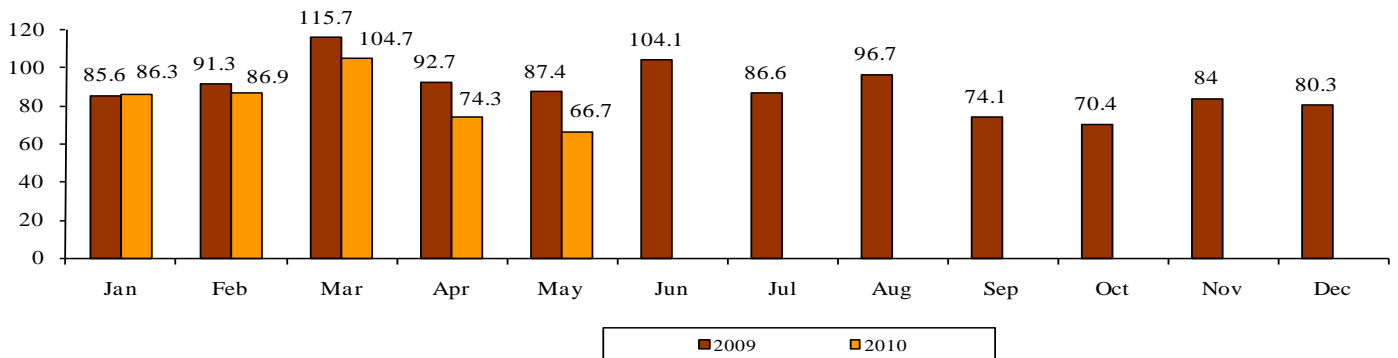
**New Claims for Unemployment Insurance January 2009 to May 2010**



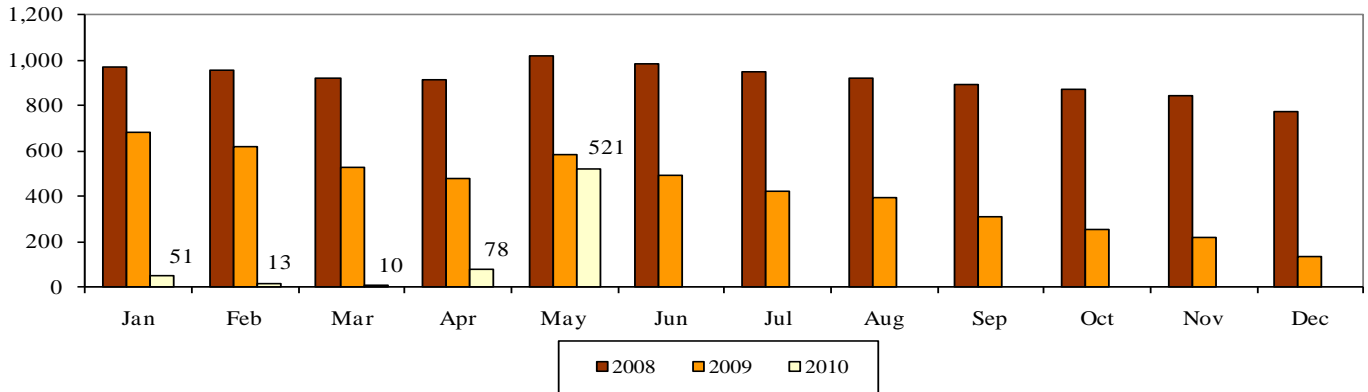
**Persons Currently Drawing UI Benefits January 2009 to May 2010**



**Dollars Paid in UI Benefits (in millions \$)  
January 2009 to May 2010**



**UI Trust Fund Balance (In Millions \$) January 2009 to May 2010**



**Unemployment Insurance Appeals Issues**

- The number of pending lower appeals has been decreasing since January 2010, while the number of pending higher appeals has been increasing. Increased manpower in Lower Appeals has contributed to the decrease. More cases coming to Higher Appeals from Lower Appeals have contributed to the increase. The Department plans to knock the higher appeals backlog back down after analyzing the causes of the increase.

