

### CHANGES IN MARYLAND LAW: WORKERS OBTAIN FLEXIBLE LEAVE, CERTAIN MINOR CONVICTIONS NOW ELIGIBLE FOR EXPUNGEMENT

By Melissa Chalmers Broome

During the 2008 session of the Maryland General Assembly, the Job Opportunities Task Force advocated for legislation to improve the economic opportunities of Maryland's low-skill, low-income workers and their families. Several important victories were achieved.

#### **FLEXIBLE LEAVE FOR WORKING FAMILIES**

Starting October 1, 2008, Maryland workers will be able to use the sick leave they have earned to care for an ill child, parent, or spouse. Working with a coalition of 40 organizations and bill sponsors Delegate Ann Marie Doory and Senator Rob Garagiola, JOTF helped to pass the Flexible Leave Act which updates the definition of sick leave to reflect the reality of today's working families. Flexible Leave only applies to employees working for organizations with 15 or more employees. Maryland now becomes just the 9th state in the nation to adopt such a measure which could help as many as 500,000 workers across the state.

#### **NUISANCE CRIMES EXPUNGEMENT**

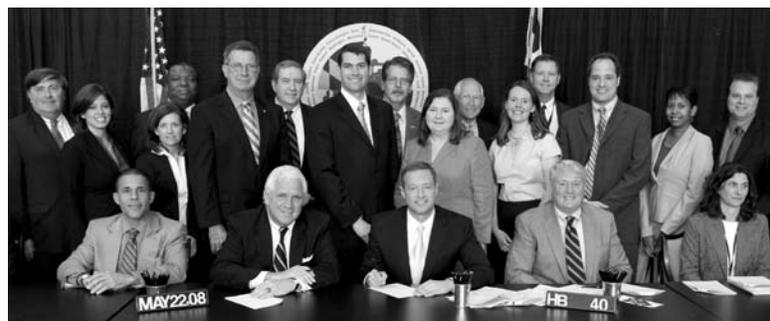
A coalition worked closely with sponsors Delegate Sandy Rosenberg and Senator Lisa Gladden to pass a bill allowing for the expungement of certain nuisance crimes convictions. In Maryland, until now, convictions of any kind could not be expunged from an individual's criminal history record, even in the case of minor, non-violent offenses. The new law will help reduce barriers to employment for persons wishing to turn their lives around. Starting on October 1, 2008, the following crimes can be expunged from an individual's criminal record provided they meet certain criteria: public urination; panhandling; drinking an alcoholic beverage in a public place; sleeping on park structures; loitering; vagrancy; and riding a transit vehicle without paying the appropriate fare.

#### **ADULT EDUCATION**

Though legislation to establish a funding formula for adult education did not advance, the legislature did approve a measure to transfer Adult Education and Literacy Services to the Department of Labor, Licensing and Regulation. The transfer should help establish stronger linkages between adult education and employment. The bill also includes language that requires the Department to report on outcomes for adult education students.

#### **MARYLAND CORRECTIONAL ENTERPRISES & JOB TRAINING FOR INMATES**

The legislature unanimously passed a bill to enable Maryland Correctional Enterprises to offer a construction training program for inmates. Studies show that persons who learn a trade while incarcerated have a significantly better chance of becoming employed once they return to the community. With nearly 15,000 people returning from Maryland prisons each year, investing in transitional services is more important than ever.



Legislators and supporters joined Governor O'Malley as he signed the *Flexible Leave Act* into law on May 22, 2008.

*Despite their importance to low-income workers, the following pieces of legislation were not passed by the General Assembly:*

#### **UNEMPLOYMENT INSURANCE BENEFITS**

For workers who lose their jobs, the unemployment insurance system provides a critical safety net. A bill that would have granted unemployment insurance benefits to Maryland's part-time workers passed the Senate but received an unfavorable report from the House Economic Matters committee after a deadlock committee vote of 10 to 10. Currently, Maryland requires all workers to seek full-time employment in order to receive unemployment insurance benefits. This restriction is outdated, and was established in a time when many families relied on one full-time breadwinner.

In addition, a bill failed that would have increased Maryland's maximum weekly benefit level.

#### **MARYLAND AUTO INSURANCE FUND**

Legislation failed that would have allowed the Maryland Auto Insurance Fund to accept premiums on an installment basis. Under current law, MAIF is only allowed to take lump-sum payments on its yearly premiums. As a result, most policyholders are forced to use premium finance companies, which charge interest at an APR of 25-30%.

*For more information on JOTF's advocacy work during the 2008 session, visit [www.jotf.org](http://www.jotf.org) or contact Melissa Chalmers Broome at [melissa@jotf.org](mailto:melissa@jotf.org) or (410) 234-8046.*

# NEW CHILD SUPPORT INCENTIVE PROGRAM ENCOURAGES PARENTS TO SUPPORT THEIR CHILDREN BY REDUCING STATE-OWED DEBT FOR THOSE THAT PAY CHILD SUPPORT

The Maryland Department of Human Resources has recently launched the new **Child Support Payment Incentive Program** for non-custodial parents with accrued state-owed arrears. The goal of the program is to encourage low-income non-custodial parents to make consistent child support payments in exchange for a reduction of permanently assigned state-owed arrears.

Once enrolled in the program, non-custodial parents who make twelve consecutive child support payments can have their state-owed arrears reduced by 50%. Those who make 24 consecutive payments will have their state-owed arrears forgiven entirely. The program does not impact arrears owed to the family.

In order to qualify for the program, applicants must have permanently assigned arrears owed to the State of Maryland and gross income must be less than 225% of the federal poverty level. (Refer to the chart for a precise description of income requirements.) It is important to note that for the purposes of this program, total household size also includes any children not residing in the household but for whom the obligor is required to pay child support.

## 225% of Federal Poverty Level

Persons in Household	Gross Income Must Not Exceed
1	\$ 23,400
2	\$ 31,500
3	\$ 39,600
4	\$ 49,950
5	\$ 55,800
6	\$ 63,900

For more information regarding eligibility criteria or to apply for the program, contact Melissa Chalmers Broome at (410) 234-8046, visit your local child support office or contact the Maryland Department of Human Resources at (800) 332-6347.

## NEW (AND OLD) TAX INCENTIVES AVAILABLE FOR HIRING EX-OFFENDERS

The federal government and the state of Maryland offer significant tax breaks to employers for hiring ex-offenders. These incentives can be worth up to \$5,400 in tax savings for each employee hired that meets the criteria. Some employers have saved over \$100,000 in taxes by hiring workers with a criminal background. Listed below are the tax incentives available.

### THE FEDERAL WORK OPPORTUNITY TAX CREDIT

Businesses that hire workers with barriers to employment may be eligible for a federal tax credit of up to \$2,400 per qualifying employee. The Consolidated Work Opportunity Tax Credit Program (WOTC) encourages employers to hire workers from nine target groups, including ex-felons with a hiring date within a year of conviction or release from prison.

Businesses can claim the credit for an unlimited number of qualified workers. The credit is worth up \$1,500 for employees who have worked at least 120 hours, and up to the full value of \$2,400 for those who have worked at least 400 hours.

### THE MARYLAND LONG-TERM EMPLOYMENT OF EX-FELONS TAX CREDIT

Maryland also provides tax credits for the long-term employment of ex-felons. The credit can be claimed for an unlimited number of employees, once they have been certified as eligible and worked for the employer for at least one year.

The credit can be worth up to \$3,000 per employee, claimed over two tax years. The credit can be taken against corporate or personal income tax, and for certain tax exempt organizations, state and local taxes withheld.

### HOW TO CLAIM THE CREDITS

Both credits are administered through the Maryland Department of Labor, Licensing & Regulation (DLLR). For an employer to claim the credit, DLLR must first certify that the worker is eligible. The certification process must begin on or before the date the ex-offender is hired. Employers interested in taking advantage of the credit should therefore contact DLLR as soon as they have a job candidate they feel may be eligible.

To learn more about the benefits and challenges of hiring ex-offenders, visit JOTF's new PastForward campaign website at [www.pastforwardmd.org](http://www.pastforwardmd.org).

### TO START CLAIMING THE CREDITS:

MARYLAND DEPARTMENT OF LABOR, LICENSING & REGULATION  
David Ghee, Tax Credit Program Administrator  
1100 N. Eutaw Street, Room 201  
Baltimore, MD 21201  
(410) 767-2080

# BACK TO SCHOOL: WHAT MARYLAND MUST DO TO HELP LOW-SKILLED ADULTS SUCCEED IN COLLEGE

By Andrea Payne

## Almost 40 percent of first-time college students in the state are not directly out of high school, and half are over 25.

According to a new JOTF report, over half of all Marylanders in their prime working years lack a college degree. In today's knowledge-based economy, these workers have a hard time keeping up. Many go back to school later in life to gain marketable job skills.

In Maryland, those who follow the traditional college path are actually in the minority. Almost 40 percent of first-time college students in the state are not directly out of high school, and half are over 25. Since many students must also work, nearly half are enrolled part-time.

Unfortunately, many of these students encounter barriers that make it hard to advance through education and training programs and into higher-skilled jobs. This creates a mobility issue, leaving workers who want to advance stuck in dead-end jobs, and it's becoming an economic development issue for the state. There is a strong demand for skilled workers, and in some industries, it's leading to a workforce shortage—mostly prominently in health care.

We need to re-focus our state policies to move low-skilled, non-traditional, and adult students more smoothly through the education pipeline. Legislators took the first step by funding a tuition freeze at state schools for the third consecutive year. This is a commitment that needs to be upheld, as we still have a long way to go in making college affordable to everyday Maryland families.

In 2006, the National Report Card on Higher Education gave Maryland an 'F' for affordability. This grade reflects that fact that we're a high-tuition, limited-aid state. To reduce this burden, we must continue to hold the line on tuition, but also increase state investment in need-based aid programs for low-income students.

Maryland also needs to transform its approach to development education—the remedial courses that help bring under-prepared students up to speed. At community colleges in the state, these courses are where the majority of students begin their college career. And their outcomes are not ideal. After four years, only a quarter have graduated or transferred, and one-third are still enrolled, moving at a frustratingly slow pace towards their goal.

Some schools are taking innovative approaches to moving students through developmental courses and towards their goals. The state should take an active role in evaluating their effectiveness and promoting their replication. They should also support schools with creative and effective approaches by ensuring they have the funding to implement and expand them. And the tallest but most important order? Getting our K-12, adult education, and higher education systems to align to reduce the need for such an extensive transition phase.

## ISSUE BRIEF<sub>no.2</sub>

JOB OPPORTUNITIES TASK FORCE  
*Advocating better skills, jobs, and incomes*

### PATCHING THE LEAKY PIPELINE: Helping Low-Skill Marylanders Access and Succeed in College

January, 2008 - For more information contact Andrea Payne at 410-234-8303, [andrea@jotf.org](mailto:andrea@jotf.org)

Education and opportunity go hand in hand. While the knowledge economy absorbs Maryland's most educated workers, those without any college experience are often left behind. Unfortunately, over 1.3 million working-age Marylanders lack a college degree. More education could help many of these workers move into high-demand, better-paying jobs. But major barriers stand in the way. Many Marylanders find it difficult to meet program entrance requirements. Others can get in, but can't pay for it or find enough financial assistance. Of those that can get in and find a way to pay, many do not graduate. The barriers to college success are magnified for working adults. Despite stereotypes to the contrary, non-traditional students make up a significant portion of the college population. Half of Maryland college students are over the age of 25, and nearly half of all students are enrolled part-time.<sup>1,2</sup> Even more telling—almost 40 percent of first-time students do not enroll directly out of high school.<sup>3</sup> Unfortunately, state policies often overlook these non-traditional students, and are biased toward students transitioning directly from high school to full-time college enrollment. Maryland needs to focus more on moving low-skill adults through the education pipeline. National labor force projections show that 65 percent of the 2020 workforce is already beyond high school.<sup>4</sup> Therefore, we must craft education and training policies geared towards students of all ages and backgrounds. Addressing the barriers to post-secondary access and success will increase the economic security of Maryland families and help ensure that employers have access to a skilled pool of workers.

Source: American Community Survey, 2005 microdata. Compiled by the Working Poor Families Project.

Education Level	Percentage
Associates Degree or Higher	44.5%
Only High School	25.5%
Some College	20.6%
No High School Credential	9.5%

For more information, visit the JOTF website to read our latest report, *Patching the Leaky Pipeline: Helping Low-Skill Marylanders Access and Succeed in College*.

It's also critical that we give students the supports they need to succeed. Right now, most students who enroll in college never make it to graduation. To improve retention and completion, Maryland must help students manage the outside issues that impact academic performance. There are models that work, but they require some investment at the state level. Luckily, student success translates into a more productive workforce, and it's an investment that the state will see back many times over.

It's time to get our state policies and investments in line with the changing demographics of the college classroom. Making education and training more affordable and accessible to non-traditional students will strengthen the workforce help keep the Maryland economy competitive.

## Job Opportunities Task Force

231 East Baltimore Street  
Suite 1102  
Baltimore, Maryland 21202

*Advocating better skills, jobs, and incomes*



Emmett McGee, a partner from DLA Piper, discusses liability issues in hiring and retaining workers.

## JOTF HOSTS FORUM FOR EMPLOYERS:

### **“The Benefits and Challenges of Hiring a Person with a Criminal Background”**

On May 23, 2008, JOTF hosted a forum for employers entitled *“The Benefits and Challenges of Hiring a Person with a Criminal Background.”* The event featured presentations from the following:

- **Emmett McGee**, a partner from DLA Piper, discussed liability issues in hiring and retaining employees (including people with a criminal background). Mr McGee discussed the concept of negligent hiring and ways in which employers could ameliorate their exposure to liability concerns.
- **Mathew B. Hitt**, a certified public accountant, described the significant government tax credits that are available to employers when hiring people with a criminal background; and
- **Amelia Lazarus**, Esq. of the Homeless Person’s Representation Project described how to accurately read and interpret a criminal background check.

If you would like to know more about this event or receive a copy of the material that was presented, please contact Gerald Ford at (410) 234-8931.

## Meet Our Board and Staff:

### **BOARD OF DIRECTORS**

**Diane Bell**  
JOTF President

**Patrice Cromwell**  
Annie E. Casey Foundation

**Phil C. Holmes**  
Goodwill Industries of the Chesapeake

**Jason Frank, ESQ**  
Frank, Frank, and Scherr, LLC

**Kevin Jordan**  
Bon Secours Foundation

**David Kandel**  
The Algebra Project

**John Kortecamp**  
Home Builders Assoc. of MD

**Constance Maddox**  
Community Volunteer

**Pat McLaughlin, SSND**  
Caroline Center

**Lynda Meade**  
Catholic Charities

**Molly Nash**  
Catholic Charities

**Joanne Nathans**  
JOTF Founding President

**Pamela Paulk**  
Johns Hopkins Hospital

**Michael Pinard**  
University of Maryland School of Law

**Marion Pines**  
JHU Institute for Policy Studies

**Avis Ransom**  
Morgan State University

**Don Scheeler**  
Catapult Learning

**Melanie Styles**  
Abell Foundation

**Tanya Terrell**  
Empower Baltimore Management Corporation

**Ellen Yerman**  
EMY & Associates

### **STAFF**

**Jason Perkins-Cohen**, Executive Director

**Melissa Chalmers Broome**, Senior Policy Advocate

**Andrea Payne**, Policy Analyst

**Gerald Ford**, Business Liaison

**Jessica Traskey**, Office Manager