



JOTF WELCOMES NEW EXECUTIVE DIRECTOR

By Kevin Griffin Moreno



Deborah Povitch and Jason Perkins-Cohen

When Jason Perkins-Cohen worked in the Sandtown-Winchester community center ten years ago, he encountered a great deal of unrealized potential among residents of the hard-hit Baltimore neighborhood. "Many people there lived on a precipice," he says. "They worked hard and had many assets, but job opportunities did not match their talents and skills."

This awareness of the gap between low-income workers and good jobs has helped shape the career of the 37-year-old Baltimore native, who takes over as JOTF's new executive director in February 2005. For the past seven years, Perkins-Cohen has run the District of Columbia's federal Welfare-to-Work program.

Perkins-Cohen will replace outgoing executive director Deborah Povitch, who is moving to the Charlottesville, Virginia area. Povitch has been with JOTF since November of 2002. Under her leadership the organization has grown and strengthened, particularly in the areas of advocacy and business relations.

Povitch is confident that her successor's experience in managing welfare-to-work programs and analyzing federal policy will move JOTF to the next level. "As JOTF works to solidify itself as a workforce intermediary, his expertise in program design and management will help JOTF develop and advocate for quality initiatives that meet the needs of workers and employers," she says.

Perkins-Cohen is no stranger to the partnership-building that comprises an integral part of JOTF's work in the Baltimore region. As chief of the Office of Performance Monitoring in D.C.'s Department of Human Services, he forged collaborations with businesses, community groups, and government agencies to meet the needs of employers and low-income workers.

Prior to that he drafted legislation and analyzed federal welfare policy for the U.S. Department of Health and Human Services. In addition to his work in Sandtown-Winchester as a Presidential Management Fellow, Perkins-Cohen's

past experience includes a research internship with the National League of Cities and a stint as an English teacher in Spain.

While he will miss working in the public sector, Perkins-Cohen says he is eager to work with JOTF to "affect workforce and economic development policies from a different angle." He is impressed by the work JOTF has already done on a broad range of issues, particularly reducing barriers to employment and leveraging investments for education and training.

"More funding is needed" to build the skills of the low-income workforce, he comments. "It's important to help people step up into good jobs." He believes that strong work supports, such as the Earned Income Tax Credit, are important because they can help low-wage workers supplement their paychecks while gaining the job skills needed to advance in their careers.

In selecting Perkins-Cohen, the JOTF board of directors wished to ensure that the important work Deborah started would be continued and expanded upon. "All of us at JOTF look forward very much to the special talents and the passion that Jason will bring to our work in Baltimore," remarks JOTF president Joanne Nathans.

Perkins-Cohen is excited at the prospect of returning to Baltimore after having lived in the D.C. area since 1993. "That was a big part of my choice [to accept the position]," he reflects. "Baltimore has always been home."

Programs for Low-Wage Workers Are Not Meeting Training Needs

Due to inadequate funding, workforce development programs reach only a small percentage of eligible workers. Furthermore, the emphasis on work activities in the state's welfare program means that few welfare recipients are able to participate in training activities.



- In program year 2001, Workforce Investment Act training programs served 628 adults, less than one percent of working age adults without a high school credential in the state.
- As of FY2005, the state dedicates none of its own funds towards training low-skill workers, but relies solely on federal funding for this purpose. In contrast, the state dedicates nearly \$4.4 million towards training for already highly skilled incumbent workers.
- Due to work requirements, only 3.7 percent of welfare recipients participated in education and training activities. The state does not count education as a 'core' work activity in 2001.

For further details, see JOTF's report, *Connecting Low-Income Families to Good Jobs: A Policy Road Map for Maryland* at <http://www.jotf.org/research>.

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WORKING HARD, FALLING SHORT

By Deborah Povich and Brandon Roberts

How do families achieve the American Dream?

Do they work hard, move up a career ladder and buy a home? Or do they play the lottery, believing their odds of achieving financial security are better when placed with chance?

For more than 100,000 working Maryland families, being able to regularly make ends meet is indeed a dream, remote and seemingly unobtainable, perhaps even more remote than winning the lottery.

These families, who constitute 17 percent of all working families in the state, are what we consider low-income, working hard but earning too little to make ends meet. Paying the rent might mean there is no money to pay for childcare. Health care costs leave no room for bus fare or car insurance



BALTIMORE RE-ENTRY PROGRAMS GET CONGRESSIONAL EARMARK

JOTF was instrumental in coordinating the successful joint application of three Baltimore City offender re-entry programs for a special federal grant of \$446,400 in the 2005 Omnibus Appropriations bill that was signed by President Bush in December. **Project Bridge**, the **Maryland Re-Entry Partnership (REP)**, and the **Mayor's Office of Employment Development (MOED)** made a joint request and will share the grant. The funds will be used for employment services, transitional housing, substance abuse and mental health counseling, and community support.

Senator Barbara Mikulski provided critical help in securing this funding. She noted that "one of the biggest challenges facing Baltimore today is ensuring that the thousands of men and women being released from prisons each year have the tools that they need to contribute to the community so that they do not become recidivists."

This grant gives an important financial boost to these three programs.

For more information about **Project Bridge**, contact **Karen Pearson** at (410) 837-1800. For more information about **REP**, contact **Rada Moss** at (410) 230-2115. For information about **MOED's ex-offender services**, contact **Felix Mata** at (410) 396-7336.

Forget any notion that these are people looking for a free ride. These are working families who are determined to make it on their own – but often blocked by steep obstacles.

They are more likely to go without health insurance than other working families in Maryland, and nearly two out of three must pay more than a third of their income on housing. Necessities such as childcare and transportation often strain their household budgets and one economic setback – a car repair or lost days on the job due to illness, for examples – can lead to a financial crisis.

Breadwinners in these families hold down important, but poorly paid jobs – as cashiers and waiters, home health aides and truck drivers. They clean up hotel rooms and take care of our sick parents or watch our pre-schoolers. The sobering bottom line: nearly one in five jobs in Maryland pay an average wage that is less than what the federal government considers a poverty income – putting us behind 19 other states in that sobering statistic.

The most effective way for them to earn more is through education and training, but too often in Maryland, the cost remains prohibitive for these workers.

The Working Poor Families Project, a national initiative supported by the Annie E. Casey, Ford and Rockefeller foundations, recently released a detailed report on low-income working families in Maryland and across the nation. Entitled "Working Hard, Falling Short," the report charts the economic conditions these families live in and measures each state's efforts to help them in areas such as need-based education aid, adult literacy and training efforts, and subsidized health and child care.

The new report provides hard evidence that despite its sometimes-progressive tendencies, Maryland trails many other states in important arenas:

- The state provides Medicaid health insurance only to those who earn less than 41 percent of the federal poverty threshold, the 40th most restrictive limit in the nation. Adults in some three-person families in Maryland, for example, lose eligibility for Medicaid when their annual earnings exceed about \$7,500; in 16 other states, eligibility extends to families earning more than \$15,000.
- Twenty-seven percent of Maryland's low-income working families have a parent who did not complete high school – a higher percentage than in 22 other states. Yet Maryland spends only \$18 a year on adult education per each Maryland resident without a high school diploma, the 28th lowest expenditure among the states.
- Maryland's unemployment insurance system, an important safety net for low-income workers, is the



fifth most restrictive in the nation, with only 25.3 percent of unemployed workers receiving benefits.

To be sure, the state has taken some encouraging steps, expanding need-based college scholarship aid and increasing the financial impact of the state's Earned Income Tax Credit, which benefits low-income workers, to cite two.

But much can be done.

Unlike the District of Columbia and six other states in the mid-Atlantic and Northeast, Maryland has not established a minimum wage that is higher than the federal government's. Childcare subsidies in Maryland have been slashed, depriving vital help to many working families. And much can be done to improve workforce training and adult literacy efforts in this, one of the best-educated states.

This is not just a moral call to help the less fortunate. "Working Hard, Falling Short" makes plain that the entire nation has a stake in how we respond to the challenges of low-income workers. The national economy will increasingly demand better-trained and better-educated workers. Without them, American companies will find it more and more difficult to compete. This is unacceptable and requires action now, a point made by many economic experts, including Federal Reserve Chairman Alan Greenspan. So far, though, national and state leaders have tended to ignore the issue.

It is time for Maryland to begin to take up this important challenge and improve the prospects for low-income workers.

JOTF PUBLIC POLICY AGENDA 2005

SKILLS, JOBS, INCOMES: CHALLENGES AND PROPOSED STRATEGIES



Despite its relative affluence, Maryland has a large population of low-income families who work in jobs with inadequate wages, benefits, and prospects for advancement. Employers often complain that they have difficulty finding a skilled and ready workforce to fill job openings. By revising state policies we can better meet the needs of both employers and job seekers.

SKILLS:

Increase opportunities for low-skill, low-income workers to upgrade their skills through education and training.

Challenges: One in six adults in Maryland does not have a high school degree or a GED; one in five Marylanders aged 16 and older reads at or below a 4th grade reading level; and most returning inmates have severely limited employment histories and experience. It is crucial to upgrade the skills of the workforce to meet the needs of employers and provide better economic opportunities for workers.

Proposed Strategies:

Increase funding for workforce training programs; prioritize training that meets employer needs in sectors with labor shortages.

- Increase funding for training to upgrade skills of entry-level and incumbent workers. Target half of the Governor's discretionary Workforce Investment Act funds for customized training programs for low-income workers.
- Increase funding for Maryland Business Works, a state matching grant program for incumbent worker training.
- Increase opportunities for low-skill workers to upgrade their skills through adult basic education.
- Increase access to adult education, particularly workplace-based education, for populations in need.

Remove financial barriers for low-income working adults seeking to upgrade their skills through post-secondary education.

- Allocate more funds for assistance based on financial need. Allow part-time students to be eligible for need-based aid.
- Update the cost-of-living allowance for commuter students, allowing childcare to be a counted expense.

Assist welfare recipients' long-term earnings capacity by providing increased education and training opportunities.

- Allow adult basic and vocational education to count as a Family Investment Program work activity for Temporary Cash Assistance recipients.

Prepare inmates for gainful employment upon release.

- Protect funding for correctional education programs to better prepare inmates for reentry into society.
- Promote State Use Industries as a skills training center for inmates.
- Support full implementation of **Project RESTART**, which would increase staff and resources for substance abuse treatment, job training, and counseling for Maryland inmates.

JOBS:

Enhance employment opportunities for low-skill, low-wage workers.

Challenges: Most of the state's current projected low-skill job openings fail to offer a road out of poverty for too many working families. The state does not adequately track whether publicly subsidized economic development efforts result in good jobs for low-income workers. Thousands of low-skill job seekers in Maryland possess criminal history records, extensive child support debt, or both. These challenges severely limit employment options.

Proposed Strategies:

Ensure economic development funds are used to create family-supporting jobs by increasing public accountability.

- Adopt a disclosure policy requiring businesses that receive state economic development subsidies to report the number and quality of jobs created or retained, and requiring the state to make this information publicly available.

Reduce the impact of a criminal record on employment.

- Allow the expungement of convictions for minor, non-violent offenses; allow the expungement of non-conviction items even in the event of a subsequent conviction.

Support mainstream employment among low-income non-custodial parents who owe child support.

- Establish a statewide debt-leveraging program that

allows eligible low-income child support obligors to reduce their state-owed arrears when they meet current child support obligations.

Renew state program to promote long-term employment among former prisoners

- Reauthorize legislation establishing a state tax credit for employers who hire ex-prisoners.

INCOMES:

Provide the supports needed for workers to stay employed.

Challenges: One sixth of Maryland's working families, over 110,000 families, earn less than 200 percent of the federal poverty threshold. Over 384,000 Maryland workers hold jobs that pay less than the federal poverty wage for a full-time worker in a family of four.

Proposed Strategies:

Restore funding for childcare support for low-income parents.

- Restore the \$25 million cut from the Purchase of Care childcare subsidy program, which provides vouchers for low-income families.

Expand access to health care for low-income working parents and children, since Maryland's Medicaid eligibility criteria are some of the strictest in the nation.

Modernize the unemployment insurance system to provide adequate benefits to workers who lose their jobs through no fault of their own.

- Increase the maximum benefit level to keep pace with inflation.
- Allow part-time workers and recent entrants to the workforce to access benefits when they lose their jobs through no fault of their own.

Allow individuals with drug-related convictions to receive Food Stamps.

- Lift the state ban that prohibits single individuals and non-custodial parents with drug-related convictions from receiving Food Stamps and federal Food Stamps Employment and Training Matching Funds.