

**Testimony on LR 1046: Biennial Budget
Competitive Skills Scholarship Program**

March 21, 2013

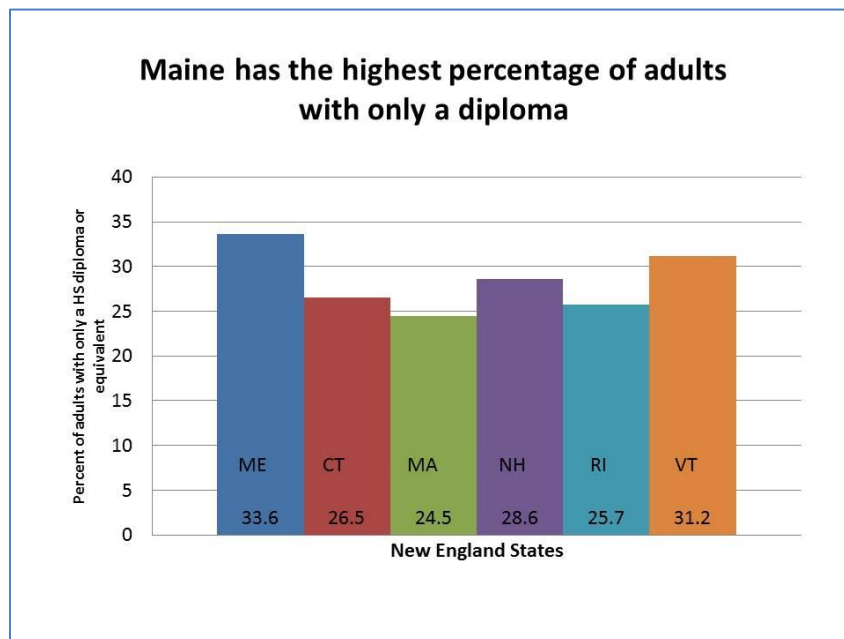
Jody Harris, Maine Center for Economic Policy

Good afternoon Senator Hill, Representative Rotundo, Senator Patrick, Representative Herbig, and distinguished members of the joint standing committees on Appropriations and Financial Affairs and on Labor, Commerce, Research and Economic Development. My name is Jody Harris with Maine Center for Economic Policy and I am here today to oppose cuts to the Competitive Skills Scholarship Program.

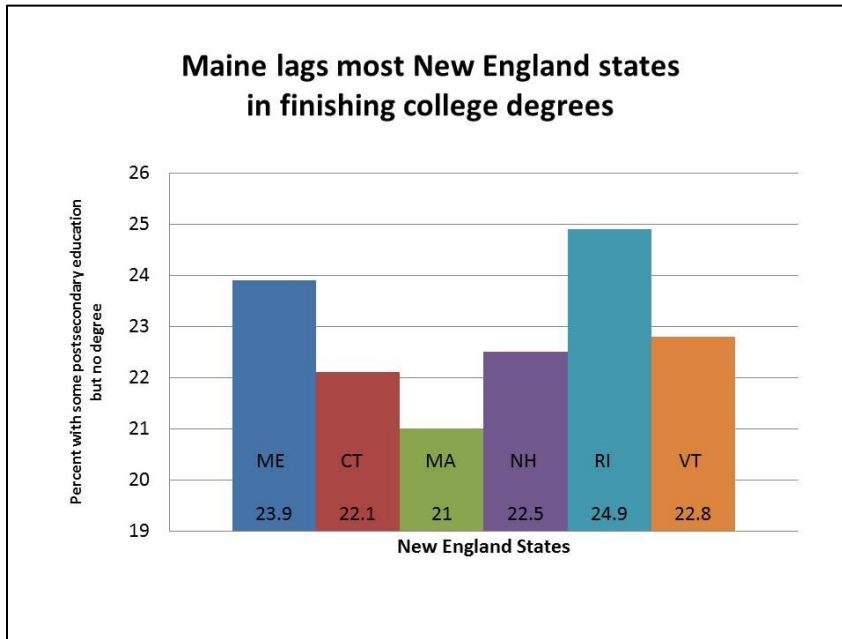
The hard fact is that low educational attainment in states is associated with high rates of unemployment and poverty.

And Maine lags behind New England in educational attainmentⁱ:

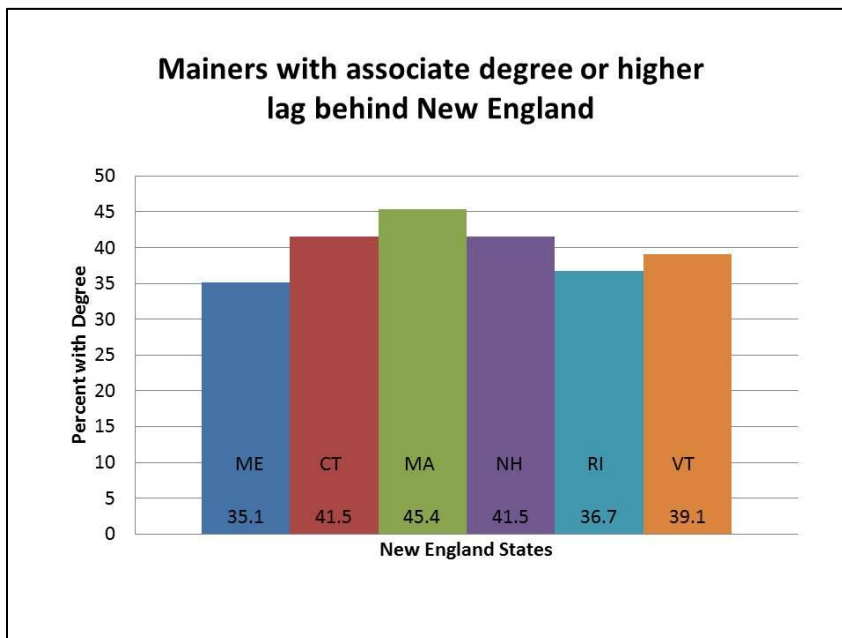
- Nearly 34 percent of Mainers ages 18 to 64 have only a high school diploma or equivalent; the highest in New England.ⁱⁱ



- 24 percent of Mainers ages 18 to 64 have some post-secondary education, but no degree. The rate of degree completion in Maine is less than all other New England states, except Rhode Island.ⁱⁱⁱ



- 35 percent of Mainers ages 18 to 64 have an associate degree or higher. Maine lags behind New England in rate of attainment for higher education.^{iv}



Today, the vast majority of jobs today that pay wages sufficient to support a family require some postsecondary education. Mainers without postsecondary education are mostly in low-paying jobs. In Portland, a single parent supporting one child and earning minimum wage needs

to work 108 hours per week –that’s more than two full-time jobs –to meet her family’s simplest needs.^v

Conversely, Mainers earning a credential (with as little as one year of a college) can pull themselves out of poverty, earning \$8,500 per year more than an adult with a high school diploma.^{vi} An individual with a bachelor’s degree earns on average \$20,000 per year more than workers with a high school diploma.^{vii}

It is telling that Maine has nearly a quarter of a million adults who have some postsecondary education, but have not completed a degree. UM Chancellor Page calls this a “stranded investment.” But I believe it is more than that. It is holding back our state’s economic growth, leaving employers without the skilled workforce they need, and trapping thousands of Maine families in low-paying jobs.

For low-income working adults to succeed in higher education, the hurdles are immense. Courses are expensive. Financial aid often doesn’t pay for part-time schooling. Adult students may lack study skills or computer skills needed to succeed in college. Many are working one or more jobs. Others, especially in rural Maine, lack transportation to and from campuses.

Adult students with children to care for are hardest-pressed. In one state (Kentucky), the ***demand of family responsibilities was the most common reason given for leaving community college before earning a degree.***^{viii}

In order for low-income, adult students to successfully complete a degree or credential, they often need supports in addition to—and different from—those available to traditional students.

The Competitive Skills Scholarship program (CSSP) provides grants to low-income students not only for tuition and books, but, more important, for child care and transportation that are critical for adult students to enter and stay in school. CSSP has the added advantage of being designed to educate students in high-demand careers like health care, computer technology, and library science^{ix} and thus meeting Maine employers’ needs as well.

The Maine Center for Economic Policy values the Maine Apprenticeship Program (MAP), which assists businesses with increasing the skills of its employees. However, MAP is primarily geared toward young workers and without regard to financial need. We support the MAP, but not at the expense of CSSP’s educational scholarships, which benefit low-income working adults.

Clearly for Maine to grow and prosper as a state, for our businesses to have access to the educated workers they need, and for our hard-working, low-income families to have the same economic opportunities as the rest of us, Maine needs to do everything it can to support educational attainment of its working adults. CSSP is an effective way to accomplish these goals.

ⁱ Working Poor Families Project using the American Community Survey (ACS), the Current Population Survey (CPS), and the Occupational Employment Survey (OES). Available on-line at <http://www.workingpoorfamilies.org/indicators/>. Accessed March 14, 2013.

ⁱⁱ Ibid.

ⁱⁱⁱ Ibid.

^{iv} Ibid.

^v Martin, Garrett. Fostering Financial Stability in Cumberland County. Maine Center for Economic Policy: Augusta ME, February 2012.

^{vi} Washington State Board for Community and Technical Colleges. Building Pathways to Success for Low-Skill Adult Students: Lessons for Community College Policy and Practice from a Longitudinal Student Tracking Study, April 2005.

^{vii} U.S. Bureau of Census. Educational Attainment in the United States: 2009, February 2012.

^{viii} Spaulding, Ashley. Crossing the Finish Line: Overcoming Barriers to Community College and Credential Attainment in Kentucky. Kentucky Center for Economic Policy: Berea, KY, undated.

^{ix} Librarians are one of the teaching areas identified by the US Department of Education where there are shortages in Maine through 2012. See:

http://www.shorter.edu/academics/financial_aid/high_need_teaching_fields_state.pdf.