



MORE IN THE MIDDLE INITIATIVE: A SUMMARY OF POLICY OPTIONS



ABC Associated
Black Charities



ABC Associated
Black Charities

MORE IN THE MIDDLE INITIATIVE: A SUMMARY OF POLICY OPTIONS

In addition to the policy options outlined in this report, we also encourage you to read “**Higher Education: Demography Does Not Define Destiny**”, “**African American Business Success Metrics**”, and “**African American Higher Education Readiness, Access, and Completion**” reports that identify additional policy issues and recommendations.

Table of Contents

Introduction	ii
Policy Options - Higher Education: College Access, Retention, and Completion.....	1
Policy Options – Workforce Development/Career Training and Advancement	14
Policy Options – Homeownership and Foreclosure Prevention	33
Policy Options – Business and Economic Development	49
Policy Options – Asset Building and Financial Literacy.....	66
More in the Middle Initiative Policy Agenda Recommendations	81

List of Figures and Tables

Table 1. Summary of Policy Options - Higher Education: College Access, Retention, and Completion.....	3
Table 2. Summary of Policy Options - Workforce Development/Career Training and Advancement.....	16
Table 3. Summary of Policy Options – Homeownership and Foreclosure Prevention	35
Table 4. Summary of Policy Options – Business and Economic Development	51
Table 5. Summary of Policy Options – Asset Building and Financial Literacy	68

Associated Black Charities extends its thanks and appreciation to:

*The Surdna Foundation
for its support of this project*

Introduction

Associated Black Charities (ABC) retained the services of the Maryland Budget and Tax Policy Institute to identify policy and program options related to ABC's More in the Middle Initiative (MitM) five core investment areas: (1) Higher Education, (2) Workforce Development and Career Training, (3) Homeownership and Foreclosure Prevention, (4) Business and Economic Development, and (5) Asset Building and Financial Literacy. To this end, Maryland Budget and Tax Policy Institute reviewed the work of research institutes, private nonprofit organizations, and Federal, state, and local government entities to identify policy and program options that will retain, grow, and attract more African American middle class residents in Baltimore City.

Here, several options are summarized. The policy and program options are grouped based on the level (i.e., Federal, state, city, or nonprofit), and each option is evaluated using the following criteria:

- Political and Administrative Feasibility (“Policy Champion(s)” and “Policy Challenger(s)”)
- Likelihood of Implementation (“Viability”); and
- Budget cost (“Costs”).

In addition, each option is identified as being of one or more of the following strategy types:

- Financial;
- Human capital; or
- Community Development.

This summary is a “working” document and is subject to modifications as policy and program outcomes materialize.

Policy Options - Higher Education: College Access, Retention, and Completion



Synopsis

Associated Black Charities' More in the Middle (MitM) initiative aims to ensure that African American youth and their parents/significant adults have access to information, supports and opportunities that promote a desire for college, increase college acceptance and graduation rates.¹ MitM policy-level objectives include expanding mentoring and internship programs, developing partnerships with schools to promote college preparation, and advocating for college affordability and equity in access to application and enrollment support services and scholarships. MitM individual-level objectives comprise increasing the participation in academic and extracurricular programs that offer skill enrichment and social networking opportunities among high school students and increasing participating in mentoring and leadership programs among college graduates. In spite of gains over the recent decades, differences in educational attainment persist between African American and White communities at the national, state, and local level.

As stated in the *More in the Middle Initiative Dashboard Report* (January 2008), accessing higher education is the most effective means to a successful, healthy, and independent lifestyle. Education has a high economic value as earnings increase with educational level.² The *Dashboard Report* found that Whites have nearly three times the percentage of Bachelor's degrees and four times the percentage of graduate or professional degrees compared to their African Americans counterparts in Baltimore City. To be specific, 17% of middle class African Americans have Bachelor's degrees and 14% have Graduate or Professional degrees. African American middle class residents have higher levels of educational attainment than African Americans in Baltimore City, but still lag behind White middle class residents. Lastly, the graduation rates of African Americans at local colleges and universities are lower than the graduation rates of Whites after four and five years.³

Table 1. Summary of Policy Options – Higher Education: College Access, Retention, and Completion

Policy Option	Strategy Type	Viability	Assessment
Federal Policy Option			
<p>Policy Option #1: Reduce the length and complexity of the Free Application for Federal Student Assistance (FAFSA) - Affordability of college and the complexity and intrusiveness of the financial aid process are ever-present barriers to access. FAFSA reform is a relatively low-cost reform with the potential for very significant benefits.</p>	<p>Financial; Human Capital</p>	<p>Medium</p>	<p>High Priority</p>
State Policy Option			
<p>Policy Option #2: Expansion of Eligibility Criteria for the H.P. Rawlings Guaranteed Access Grant - The State of Maryland offers several need-based financial aid programs. The program with the highest annual maximum award is Howard P. Rawlings Guaranteed Access (GA) Grant, which is a component of the Education Excellence Awards program that covers up to 100% of need when combined with the Federal Pell grant for the State’s lowest income students.</p>	<p>Financial; Human Capital</p>	<p>Medium</p>	<p>High Priority</p>
Local Policy Option			
<p>Policy Option #3: Implementation of the Kindergarten-to-College Program - The K2C program, started in San Francisco, California, provides a college account for every kindergartener entering the public school system. The program will</p>	<p>Financial; Human Capital; Community Development</p>	<p>Low</p>	<p>Low Priority</p>

Table 1. Summary of Policy Options – Higher Education: College Access, Retention, and Completion

Policy Option	Strategy Type	Viability	Assessment
<p>deposit a minimum of \$50 for every child entering primary school (low-income students will receive an initial \$100 deposit). Enrolling 100% of kindergarteners in the Baltimore City Public School System at the \$50 deposit rate would total \$337,600.</p>			
<p>Nonprofit of College/University Policy Options</p>			
<p>Policy Option #4: Expansion of the Federal Work Study Program to Provide Training in the Field - Internships on field placements offer students invaluable “real life” on-the-job experience in their chosen field. The Federal Work Study (FWS) program could serve as a career pipeline and should be leveraged to strengthen the link between postsecondary education, job experience, and career goals. Maryland is estimated to receive \$15.1 million for FWS.</p>	<p>Financial; Human Capital; Community Development</p>	<p>High</p>	<p>Medium Priority</p>
<p>Policy Option #5: Expansion of the College Forward Program - College Forward is a comprehensive college access and retention program location in Austin, Texas, that serves low-income and first-generation college students. While the Maryland Higher Education Commission (MHEC) seems to serve a similar function, it is important to compare the functional similarities and differences between a new nonprofit corporation that provides grants for</p>	<p>Financial; Human Capital</p>	<p>Medium</p>	<p>Low Priority</p>

Table 1. Summary of Policy Options – Higher Education: College Access, Retention, and Completion

Policy Option	Strategy Type	Viability	Assessment
college access, completion, and readiness to the established MHEC.			

Federal Policy Options

POLICY OPTION #1: REDUCE THE LENGTH AND COMPLEXITY OF THE FREE APPLICATION FOR FEDERAL STUDENT ASSISTANCE

Summary of Policy Option: To reduce the length and complexity of the Free Application for Federal Student Assistance (FAFSA) can help more students get the aid they need to attend and complete college. The FAFSA is complex, intimidating in tone, longer than the Federal tax form, and requires a great deal of personal and family financial information that can be especially difficult for low-income students to access and/or gather.⁴ Even the process after a student submits a FAFSA becomes complicated and time consuming for both students and colleges, and the red tape can prevent otherwise eligible students from receiving needed financial aid, according to The Institute for College Access & Success (TICAS).

Most FAFSA simplification proposals focus on reducing the amount of information used to determine Federal aid eligibility.⁵ TICAS' findings suggest that FAFSA verification process reduces eligible students' chances of receiving a Federal Pell Grant.⁶ Many colleges verify more students than they need to, and some verify all financial aid applicants. This causes unnecessary burdens on both the school and students. According to TICAS, the U.S. Department of Education (ED) recently proposed changes to the rules that govern the verification process at colleges, including the removal of a 30% cap on the share of applicants that colleges need to verify. The proposed changes may subject a greater share of students to the verification process; a move that TICAS suggests could prevent more eligible students from receiving aid. To avoid such unintended consequences, TICAS recommends that the ED: (1) retain a cap on the share of the number of applicants required to be verified and (2) allow all aid applicants to pre-populate their FAFSAs with their own IRS data.

Policy Champion(s): TICAS is an independent nonprofit organization based in Oakland, California, which works to make higher education more available and affordable for people of all socioeconomic backgrounds. By conducting and supporting nonpartisan research, analysis, and advocacy, the Institute aims to improve the processes and public policies that can pave the way to successful educational outcomes for students and for society.

Policy Challenger(s): FAFSA verification and simplification reforms have no known opposition.

Viability: **Medium**

This policy option has been researched and discussed in the higher education advocacy community; however, this policy option does not appear to have crossed into the mainstream Congressional agenda.

Costs: According to TICAS, concerns about equity and cost tend to stall such efforts, because they could change who qualifies for aid and how much aid they receive.⁷ In terms of verification costs to colleges, in TICAS' analysis of 13 colleges in California, 24,124 Pell-eligible students were selected for verification, and 16,711 were successfully verified. The verification process cost \$101.70 per student in 2007-2008.

TICAS' low-end total estimate of \$1.7 million includes only those students who were successfully verified. The cost of attempting to verify all selected applicants is an estimated \$2.5 million.⁸

Assessment: High Priority

FAFSA reform is critical to improving minority access to higher education. Affordability of college and the complexity and intrusiveness of the financial aid process are ever-present barriers to access. For the foreseeable future, student financial aid will be the key avenue to college affordability for low- and middle-income minority students. FAFSA reform is a relatively low-cost reform with the potential for very significant benefits.

State Policy Options

POLICY OPTION #2: EXPANSION OF ELIGIBILITY CRITERIA FOR THE H.P. RAWLINGS GUARANTEED ACCESS GRANT

Summary of Policy Option: The State of Maryland offers several need-based financial aid programs. The program with the highest annual maximum award is Howard P. Rawlings Guaranteed Access (GA) Grant, which is a component of the Education Excellence Awards program that covers up to 100% of need when combined with the Federal Pell grant for the State's lowest income students. Those who qualify for the GA grant are high school seniors that meet the following criteria: (1) minimum GPA of 2.5; (2) 22 years old or younger at the time of receiving the award; (3) a family income at or below threshold; (4) satisfactory academic progress while in college; and (5) other requirements.⁹

The GA grant can be a significant help for traditional college students who graduate from high school and attend colleges or universities within a year of graduation. However, this disqualifies low-income nontraditional students who take more than a year to matriculating at a college to work fulltime, to attend to family emergencies, etc. Therefore, the policy proposal is to consider expanding the eligibility criteria for the GA grant to include low-income individuals with GEDs and individuals for whom more than one year has passed since their graduation from high school.

Policy Champion(s): Prospective champions such as the Job Opportunities Task Force, Baltimore CASH Campaign, Maryland Creating Assets, Savings, and Hope (CASH) Campaign, Center for Enterprise Development (CFED), Center for Law & Social Policy (CLASP), and New America Foundation are Federal, state, and local champions of this and similar policy proposals. Other organizations who may not work directly on this issue but who agree with the overall purpose may be supporters as well.

Senator James Rosapepe (D-Prince George's and Anne Arundel-District 21) sponsored legislation in the 2007 Maryland General Assembly Session—SB834, entitled *Delegate Howard P. Rawlings Program of Educational Excellence Awards -Guaranteed Access Grants - Eligibility Determination*. The bill altered the eligibility requirements by prohibiting the Maryland Higher Education Commission (MHEC) Office of Student Financial Assistance from considering aid received as an earned income credit when determining the financial need of an applicant for a GA grant.¹⁰ Therefore, Senator Rosapepe may be a

champion of expanding the eligibility criteria for the GA grant to include nontraditional students.

Policy Challenger(s): This policy proposal has no known opposition; however, it would be best to determine where MHEC stands on this policy issue.

Viability: **Medium**

The Maryland Department of Legislative Services 2011 fiscal analysis of the MHEC scholarship programs projects that the number of students receiving the GA grants will follow recent trends (14.3% increase in fiscal year (FY) 2009; 3.0% increase in FY 2010 and increase by 1.5% in FY 2011.¹¹ Additionally, expanding eligibility more than likely will increase cost to the program. Nevertheless, it would be beneficial to discuss with a potential legislative sponsor (e.g. Senator Rosapepe) to determine if this is a viable policy option.

Costs: According to MHEC, a GA grant award amount is based on the student's level of financial need. A student's need for a GA grant is determined using the following formula:¹²

$$\begin{aligned} & \text{College Cost of Attendance} \\ & - \text{Expected Family Contribution (EFC) + or - Regional Cost of Living Adjustment} \\ & - \text{Certain State scholarship awards (if awarded)} \\ & \underline{- \text{Federal Pell Grant (if eligible)}} \\ & = \text{Level of Financial Need} \end{aligned}$$

The amount of a GA grant equals 100% of the student's financial need. The minimum annual award amount is \$400, and the maximum award is \$13,700.¹³ The average awards for FYs 2010 and 2011 were/is \$9,258 and \$9,443, respectively. With an estimate of 1,380 GA grants to be awarded in FY 2011¹⁴, the cost will total approximately \$13 million.

Given that MHEC confirmed that no data exists to determine the number of applicants denied GA grant funding because they were beyond their senior year of high school and they were above age 22, there is no credible estimate to figure out the additional costs of this policy proposal.

Assessment: **High Priority**

This policy proposal should be considered immediately. Given the planned 3% increase in tuition at Maryland's public four-year colleges and universities, it is necessary to consider this proposal for the next General Assembly session. Higher tuition costs will place further barriers on low-to-moderate income Marylanders who are considering continuing their education.

Local Policy Options

POLICY OPTION #3: IMPLEMENTATION OF THE KINDERGARTEN-TO-COLLEGE PROGRAM

Summary of Policy Option: Baltimore City Public School System should consider San Francisco, California’s accounts-at-kindergarten proposal better known as Kindergarten-to-College (K2C). According to the New America Foundation, the K2C program provides a college account for every kindergartener entering San Francisco’s public school program. The program is designed to be implemented gradually – 25% of incoming kindergarteners will be enrolled in the first academic year, 50% in the second academic year, and universal enrollment by the third year. The program will deposit a minimum \$50 for every child entering primary school (low-income students will receive an initial \$100). Furthermore, the Earned Assets Resource Network (EARN), a California-based nonprofit that promotes asset building for low-income families, has pledged to match the first \$100 of a family’s individual savings in each account.¹⁵ Moreover, a study from the Center for Social Development at Washington University in St. Louis found that children who had just some savings set aside for college were three to seven times more likely to go.¹⁶

Policy Champion(s): San Francisco Mayor Gavin Newsom was elected in 2003 as Mayor of the City and County of San Francisco. Newsom was re-elected in 2007. Among Mayor Newsom’s political accomplishments are his commitments to combating homelessness and his plan to provide universal health care coverage to all San Franciscans.¹⁷

The New America Foundation is a nonprofit, nonpartisan public policy institute that invests in new thinkers and new ideas to address the next generation of challenges facing the U.S. New America emphasizes work that is responsive to the changing conditions and problems of the 21st century information-age economy – an era shaped by transforming innovation and wealth creation, but also by shortened job tenures, longer life spans, mobile capital, financial imbalances, and rising inequality.¹⁸

EARN is an award-winning California-based nonprofit that gives low-income workers the power to create economic prosperity for their families for generations to come. Since 2001, EARN has helped tens of thousands of low-wage families through innovative financial products including matched savings accounts, checking accounts for the unbanked, micro-loans, and money management coaching.¹⁹

CFED is a multi-faceted organization working at the local, state, and Federal levels to create economic opportunity that alleviates poverty.²⁰

Policy Challenger(s): In a *Diverse*²¹ article, San Francisco Supervisor Sean Elsbernd suggested, “It’s a real nice idea if we’re swimming in money, but we’re drowning in debt,”... “This is not the time to create new entitlement programs when we’re drastically cutting the ones we already have.”²²

Viability: Low

Given the current state and local revenue crises, elected officials are likely to remain opposed to “new spending” on innovative programs. Nevertheless, there may be an opportunity to join forces with state and local child, education, and income security advocates to discuss this proposal and/or propose that a legislative task force to study San Francisco’s K2C outcomes. If the K2C outcomes appear successful, it would be within reason to propose legislation to establish this in Maryland or the City of Baltimore.

Costs: At the time of the New America Foundation’s report, San Francisco Mayor Gavin Newsom was expected to include \$400,000 in his budget submission to San Francisco’s Board of Supervisors for the first two years of the program. Ostensibly, such a policy could set off a wave of similar enterprises in municipalities and states across the country. On the Federal level, the America Saving for Personal Investment, Retirement, and Education (ASPIRE) Act of 2009 would provide a greater deposit amount of for every child born in the United States.²³

This translates to Baltimore City in the following (universal enrollment) scenario:

As of October 18, 2010, there are 6,752 kindergarteners enrolled in Baltimore City schools. Therefore, enrolling 25% or 1,688 kindergarteners in the college fund program with a minimum deposit of \$50 would amount total \$84,400. Enrolling 100% of them in the program with a \$50 deposit would amount to \$337,600.

This translates to Baltimore City in the following (low-income only enrollment) scenario:

For the 2009-2010 academic year, 83.6% of all pre-K through grade 12 students are low-income (based on Free or Reduced Price Meal eligibility).²⁴ Therefore, if Baltimore City would decide to only enroll kindergarteners from low-income families into the K2C program the cost would be approximately \$282,233.

Assessment: Low Priority

Given the revenue crisis at both the state and local level, this policy option should be placed on hold. Baltimore City Mayor Stephanie Rawlings-Blake stated, “This year, Baltimore City taxpayers faced the worst fiscal crisis in the City’s modern history. Because of the global recession, city revenues have been hit hard, while the cost of providing basic services continues to grow.”²⁵ This proposal should be proposed when state and local revenues can at least support baseline budget needs.

Nonprofit or College/University Policy Options

POLICY OPTION #4: EXPANSION OF THE FEDERAL WORK STUDY PROGRAM TO PROVIDE TRAINING IN THE FIELD

Summary of Policy Option: Once in college, internships or field placements offer students invaluable “real life” on-the-job experience in their chosen field. In many instances, internships do not offer a salary or employee benefits. Many students of modest means may need to earn income in their college years to stay afloat. Students who must choose gainful employment over career advancement opportunities miss out vital workforce experience that may serve as a career pipeline. If used effectively, this is where the Federal Work Study (FWS) program could serve as a career pipeline.

FWS should be leveraged to strengthen the link between postsecondary education, job experience, and career goals, by placing students in fields of study rather than on-campus jobs. Some college campuses have utilized FWS to place students in college cafeterias, libraries, gymnasiums, etc., and while this may provide needed income to these students, it does little to advance their careers. Instead, colleges and universities should consider connecting students to jobs that match their classroom experiences.

The University of Baltimore (UB) Career Center has partnered with outside organizations to provide students with meaningful FWS career experiences. For instance, UB has placed at least seven students at Maryland Nonprofits between 2009 and 2010. Students are typically matched to a program area that matches their career goals (i.e. finance and human resources, membership services and marketing, public policy, etc.).

Policy Champion(s): The Center for Law and Social Policy (CLASP) has highlighted this best practice at *The Cost of Advancement: Financial Aid & Savings Strategies for Post-Secondary Success Forum*, which took place in September 2010 in Baltimore, Maryland. Amy Ellen Duke-Benfield, Senior Policy Analyst with CLASP is the policy expert in this area.²⁶

Policy Challenger(s): The expansion of the FWS program has no known opposition.

Viability: High

This strategy can be implemented with existing resources.

Costs: According to the Maryland Department of Legislative Services, “The American Recovery and Reinvestment Act of 2009 provided \$17.0 billion to close the Federal Pell grant program shortfall and increased the maximum grant to \$5,350 in Federal fiscal year 2010. The Act also increased funding for the Federal Work Study program \$200.0 million, approximately \$3.1 million of which was directed to Maryland institutions.²⁷ Altogether, Maryland is estimated to receive \$15.1 million for FWS.²⁸

Assessment: Medium Priority

Work study-to-career linkages can provide career development benefits for a limited number of students. It is a policy that advocates should encourage higher education institutions to adopt and expand, but it is not a policy that will make dramatic improvements for a significant number of students. However, this proposal warrants an in-depth discussion. A roundtable discussion with actionable recommendations with Maryland college and university career center directors is a plausible option.

POLICY OPTION #5: EXPANSION OF THE COLLEGE FORWARD PROGRAM

Summary of Policy Option: College Forward is a comprehensive college access and retention program located in Austin, Texas, that serves low-income and first-generation college students.²⁹

According to Texas Guaranteed Loan Student Corporation (TG), “College Forward has documented exceptionally positive outcomes for their program participants. Between 2006 and 2008, between 97.9% and 100% of program participants were accepted to at least one college or university, and over 70% enrolled in four-year institutions. Over 90% enrolled in college within 12 months of graduating high school, with 81–91 % having received financial aid.”³⁰

Policy Champion(s): TG Loan Student Corporation, created by the Texas Legislature in 1979, is a public, nonprofit corporation that promotes educational access and success so that students can realize their college and career dreams. TG offers resources to help students and families plan and prepare for

college, learn the basics of money management, and repay their Federal student loans. In addition, TG administers Federal Family Education Loan Program (FFELP) loans made before July 1, 2010, on behalf of the U.S. Department of Education.³¹

Policy Challenger(s): A possible opponents is the Maryland Higher Education Commission (MHEC) as they serve a similar purpose.

The mission of the MHEC is to ensure that the people of Maryland have access to a high quality, diverse, adequately funded, effectively managed, and capably led system of postsecondary education. It accomplishes this mission through the provision of statewide planning, leadership, coordination and advocacy for the State's postsecondary educational institutions and through the administration of State financial aid programs.³²

Viability: Medium

Prior to proposing legislation to establish a Maryland version of the TG Loan Student Corporation , it is important to compare the functional similarities and differences between a new nonprofit corporation that provides grants for college access, completion, and readiness to the established MHEC. Another and more important option is to survey the foundation community in the Greater Baltimore area and determine which foundations, if any, fund initiatives like College Forward.

Costs: TG's Public Benefit Grant Program aligns almost perfectly with the goals of College Forward. Between the years of 2006 and 2008, TG provided multiple grants to College Forward. These grants contributed to the development and maturation of each of the organization's programs.

In the first year, funding from the Public Benefit Grant Program helped College Forward to form organizational development and expand partnerships with schools (i.e. to establish partnerships with higher education institutions, enhance its evaluation capacity, prepare marketing materials, and pay consulting fees for curriculum development). The first Public Benefit Grant helped College Forward bring its programs to scale at a pivotal point in their development.³³

In fiscal year (FY) 2008, College Forward received a Public Benefit Grant that funded the expansion of its retention program, which included a college-to-career exploration program, a summer bridge program, study skills workshops, and academic advising during a student's first year in college.

Aside from the College Forward initiative, TG's Public Benefit Competitive Grant Program has awarded more than \$23 million in grant funding since 2005.³⁴

Assessment: Low Priority

Taken on face value, it appears that MHEC fulfills a similar role to TG's Public Benefit Program, and therefore, it is not a high priority to consider this proposal. However, before either completely disregarding this proposal or proposing a new (and possibly redundant) entity, it would be sensible to: (1) analyze the purpose, functions and effectiveness of MHEC, as well as TG; (2) survey the foundation

community in the Baltimore area, as well as foundations that are not necessarily located in Baltimore City but may fund family economic security initiatives within the City; (3) decide how many foundations provide funds for initiatives like College Forward based on the survey outcomes; and (4) consider a strategic and targeted initiative that focuses on access and completion of higher education and provides resources to help students and their families plan and prepare for college.

Policy Options – Workforce Development/Career Training and Advancement



Synopsis

Associated Black Charities' More in the Middle (MitM) initiative aims to ensure that there is a skilled and expanded professional African American workforce in Baltimore City and a critical mass number of African Americans in leadership positions with nonprofit organizations. MitM policy-level objectives include securing support and participation from employers who are receptive to hiring a diverse pool of low-skilled workers, ensuring equity in access to job training programs, identifying individuals and organizations who are committed to developing and increasing racial diversity in nonprofit leadership, and ensuring an environment that offers accessible professional and social affinity options for African Americans. MitM individual-level objectives comprise providing job training for workers in sectors with greater wage and career options, decreasing cultural and informational barriers to workforce and career advancement opportunities, and instituting incentives that attract skilled African American workers to the Baltimore area.

In spite of gains over the recent decades, differences in employment, skill attainment, and wages persist between African American and White communities at a national, state, and local level. As stated in the *More in the Middle Initiative Dashboard Report* (January 2008), in today's technology-based global economy, a skilled workforce is indispensable. The *Dashboard Report* maintains that existing and potential workers and entrepreneurs, when equipped with the requisite job skills and when given access to training and other advancement opportunities, can be integral to the "rebirth" of Baltimore City and the Mid-Atlantic region. Better access to skill training and an increase in wages for individuals living at or below the poverty threshold is an essential part of breaking the cycle of poverty. Second, the *Dashboard Report* suggests that Baltimore City's ability to retain and attract a larger Black middle class will improve the quality of the future workforce thereby enhancing the competitiveness of Baltimore's corporate community and strengthening the region's non-profit sector. Forty-five percent of African Americans are not in the labor force in Baltimore City compared to 41% of Whites, and 14% of Baltimore City's African Americans are unemployed compared to 5% of Whites.³⁵

Table 2. Summary of Policy Options – Workforce Development/Career Training and Advancement

Policy Option	Strategy Type	Viability	Assessment
Federal Policy Options			
<p>Policy Option #1: Implementation of the High Job Growth Training Initiative’s Workforce Solutions - The Employment and Training Administration High Growth Job Training Initiative is a strategic effort to prepare workers to take advantage of new and increasing job opportunities in high growth, high demand, and economically vital sectors of the economy. The workforce solution elements include developing a pipeline of young workers; building competency models for new and incumbent workers; expanding postsecondary training alternatives including apprenticeships and community colleges’ workforce development programs; accessing new and/or untapped labor pools; transitioning workers from declining industries; developing strategies for retaining incumbent workers and updating their skills; and engaging small businesses.</p>	<p>Human Capital; Community Development</p>	<p>High</p>	<p>Medium Priority</p>
<p>Policy Option #2: Expansion of Program and Advocacy Initiatives Through the National Helping Individuals with Criminal Records Reenter Through Employment Network - The Network is a national clearinghouse for information on workforce development and criminal justice initiatives as well as an advocate for Federal and state policy change. The goal of the Network is to increase both the number and quality of job opportunities available to individuals with criminal records by changing public policies, employment practices, and public opinion. The Network also provides training and technical assistance to agencies working to improve the employment prospects for individuals with criminal records. Maryland-specific Network members include, but are not limited to, the Department of Public Safety and Correctional Services, the Department of Corrections, the Attorney General’s</p>	<p>Human Capital; Community Development</p>	<p>Medium</p>	<p>High Priority</p>

Table 2. Summary of Policy Options – Workforce Development/Career Training and Advancement

Policy Option	Strategy Type	Viability	Assessment
Office, the Department of Labor, Licensing and Regulation, Legal Aid Bureau, Inc., and local service providers such as the Job Opportunities Taskforce.			
State Policy Options			
<p>Policy Option #3: Amend Maryland’s Driver’s Licensing Laws- Maryland has some of the most restrictive driver’s licensing laws in the nation. In particular, the requirements that all new drivers take an expensive driver’s education course and complete 60 hours of supervised driving practice impedes adults’ ability to acquire a license in order to access a broader base of employment opportunities. Maryland must amend its driver’s licensing laws by reducing the amount of supervised driving practice that is required of individuals over the age of 18.</p>	<p>Financial; Human Capital; Community Development</p>	<p>Medium</p>	<p>High Priority</p>
<p>Policy Option #4: Expansion and Promotion of Maryland State List of Occupational Training Programs Eligible for Funding Through the Workforce Investment Act - Workforce Investment Act Title I program funds from the U.S. Department of Labor to the Division of Workforce Development are allocated by the Maryland Department of Labor, Licensing and Regulation (DLLR). The Division of Workforce Development, using a formula based on the population mix in each locality, allocates the WIA funds to Workforce Investment Areas (WIAs) throughout the State. Maintained by the Maryland Higher Education Commission, Maryland’s list of WIA training programs includes more than 800 occupational programs offered by over 90 institutions (community colleges, 4-year colleges and universities, private career schools, and other training providers) and also identifies over 50 prevocational Adult Education and Literacy activities overseen by DLLR.</p>	<p>Financial; Human Capital; Community Development</p>	<p>Medium</p>	<p>Medium Priority</p>
<p>Policy Option #5: Collaborate with Members/Member</p>	<p>Financial; Human</p>	<p>Medium</p>	<p>High Priority</p>

Table 2. Summary of Policy Options – Workforce Development/Career Training and Advancement

Policy Option	Strategy Type	Viability	Assessment
<p>Organizations of the Governor’s Workforce Investment Board and Skills2Complete Maryland Partners - The mission of the Governor’s Workforce Investment Board (GWIB) is to guide a nationally recognized workforce development system that is aligned with the economic and educational goals of the State of Maryland resulting in a qualified workforce available to employers across the state. To fulfill this mission, the GWIB has shifted to a demand-driven workforce development system. In March 2010, Governor O’Malley launched Skills2Compete Maryland, his vision for Marylanders to gain the skills and credentials they need to secure employment with family supporting wages. A highly skilled workforce is critical to attracting and expanding businesses and creating jobs. Training the middle- and high-skill workforce is critical to long-term economic recovery and success.</p>	<p>Capital; Community Development</p>		
<p>Policy Option #6: Advocate for the Maryland Job Applicant Fairness Act of 2011 - The Job Opportunities Task Force reports that 60% of employers use credit history checks as a tool in their pre-employment screening process. Given the recent economic and financial climate, many Marylanders are facing financial hardship, which negatively impacts their credit rating. Originally introduced by Maryland State Delegate Kirill Reznik (D-Germantown) in during the 2010 legislative session, Maryland SB 132/HB 87, called the Job Applicant Fairness Act, would prohibit Maryland employers, with a few exceptions, from using an applicant's or employee's credit report or credit history in determining whether to deny employment to the applicant, discharge the employee, or determine compensation or the terms, conditions, or privileges of employment.</p>	<p>Financial; Human Capital</p>	<p>Medium</p>	<p>High Priority</p>
<p>Policy Option #7: Advocate for the “Ban the Box”</p>	<p>Financial; Human</p>	<p>Medium</p>	<p>High Priority</p>

Table 2. Summary of Policy Options – Workforce Development/Career Training and Advancement

Policy Option	Strategy Type	Viability	Assessment
<p>Legislation on Behalf of Individuals with Criminal Records Who Are Seeking State Employment - While there are many factors that fuel the United States' 68% recidivism rate, policies that immediately screen out public sector job applicants on the basis of their criminal history are certainly a major contributor to the trend. The State of Maryland should encourage all qualified applicants, including those with a prior criminal conviction history, to apply for state employment. The fact that an applicant may have a criminal conviction history alone should not automatically disqualify a candidate if they are otherwise qualified for the job.</p>	<p>Capital; Community Development</p>		
<p>Local Policy Option</p>			
<p>Policy Option #8: Promote the Baltimore City Mayor’s Office of Employment Development and Partner with the Baltimore Workforce Investment Board to Identify and Engage African American Business Owners - The Mayor’s Office of Employment Development (MOED) coordinates and directs workforce development initiatives responsive to the needs of Baltimore City employers and job seekers in order to enhance and promote the local economy. The Mayoral-appointed Baltimore Workforce Investment Board (BWIB), in partnership with the MOED, creates “a public workforce engine driving Baltimore toward sustained prosperity.” BWIB members, many whom represent leading Baltimore employers and industries, are committed to serving as the spokespersons of business and contributing to the local economy through the promotion of stronger linkages among workforce system stakeholders.</p>	<p>Financial; Human Capital; Community Development</p>	<p>High</p>	<p>High Priority</p>
<p>Nonprofit Policy Option</p>			
<p>Policy Option #9: Foster New Partnerships Between Individuals with Disability-Owned Businesses and</p>	<p>Financial; Human</p>	<p>High</p>	<p>Medium Priority</p>

Table 2. Summary of Policy Options – Workforce Development/Career Training and Advancement

Policy Option	Strategy Type	Viability	Assessment
<p>Maryland Works, Inc. Employment Works Program Partners to Address Barriers to Employment in Baltimore City - Maryland Works, Inc. is a statewide membership association that advocates for and develops employment and economic opportunities for individuals with disabilities or other barriers to employment. Their members include non-profit community service organizations and individual workforce development professionals who specialize in creating workforce and economic opportunities for thousands of motivated and qualified Marylanders with disabilities and other barriers to employment. Maryland Works’ vision for Maryland is to attain economic and workforce conditions that create equal access and participation for all. The Employment Works Program strives to create quality employment opportunities for individuals with disabilities while providing the State of Maryland with high quality services and commodities. Maryland Works, Inc. coordinates contracting activity between the State, community service providers, and businesses owned by individuals with disabilities.</p>	<p>Capital; Community Development</p>		

Federal Policy Options

POLICY OPTION #1: IMPLEMENTATION OF THE U.S. DEPARTMENT OF LABOR EMPLOYMENT AND TRAINING ADMINISTRATION'S HIGH JOB GROWTH TRAINING INITIATIVE'S WORKFORCE SOLUTIONS TO MEET THE NEEDS OF HIGH GROWTH INDUSTRIES

Summary of Policy Option: The Employment and Training Administration (ETA) High Growth Job Training Initiative is a strategic effort to prepare workers to take advantage of new and increasing job opportunities in high growth, high demand, and economically vital sectors of the economy. The 14 vital sectors, defined as those that are (1) projected to add substantial numbers of new jobs to the economy or affect the growth of other industries or (2) existing or emerging businesses being transformed by technology and innovation requiring new skills sets for workers, are as follows: advanced manufacturing, geospatial technology, aerospace, health care, automotive, hospitality, biotechnology, information technology, construction, retail, energy, transportation, and financial services.³⁶ In addition to numerous industry specific solutions, ETA identified a core set of priority solution elements that are common to all 14 target industries. These solution elements include developing a pipeline of young workers; building competency models for new and incumbent workers; expanding postsecondary training alternatives including apprenticeships and community colleges' workforce development programs; accessing new and/or untapped labor pools; transitioning workers from declining industries; developing strategies for retaining incumbent workers and updating their skills; and engaging small businesses.

The Initiative is investing in national models and demonstrations of workforce solutions in these sectors designed to achieve the following outcomes:

- Targeted investment of workforce development resources and support for private and public sector partnerships to ensure the development of workers' skills in demand occupations based on industry need.
- Increased integration of community and technical college efforts with business and the public workforce system activities to meet the skills training needs of high growth industries.
- Increased opportunities for employers to use apprenticeship training as skills development methodology, combining on-the-job training and academics, to ensure a pipeline of skilled workers.
- Providing workers with paths to career enhancing opportunities in high growth occupations.

Policy Champion(s): Under the Obama Administration, job creation has become a key item on the Federal institutional agenda. The effects of the most recent recession were widespread and each state has struggled to reduce the employment rate and create job opportunities. In addition to strong support from state and local governments, the fourteen target industries identified above would be proponents

of this policy option. Prospective champions include institutions that provided career training and/or connect job seekers to employers would be supporters of this policy.

Policy Challenger(s): Businesses in underperforming industries may oppose this policy option as one of the main objectives is to transition incumbent workers and applicants to the “vital sectors.”

Viability: High

Many of the vital sectors listed above are well represented in the Baltimore area, e.g. geospatial technology, aerospace, health care, biotechnology, information technology, energy, and financial services.³⁷ In addition, Baltimore has the existing infrastructure to support the expansion of postsecondary training programs through community colleges or other workforce training entities.

Costs: There are no cost estimates for implementation High Growth Job Training Initiative workforce solutions as the required activities would vary by jurisdiction.

Assessment: Medium Priority

This policy proposal should be considered a medium priority. Despite the state and local government’s revenue crises, funding and programmatic supports must be put in place to address the urgent need to develop a pipeline of medium- and high-skilled young workers to meet the demand in the vital industries. A first step in this effort would be to ascertain Maryland and Baltimore City’s preparedness with respect to meeting the labor demands within the vital business sectors.

POLICY OPTION #2: EXPANSION OF PROGRAMS AND ADVOCACY INITIATIVES THROUGH THE NATIONAL HELPING INDIVIDUALS WITH CRIMINAL RECORDS REENTER THROUGH EMPLOYMENT NETWORK

Summary of Policy Option: Established by the Legal Action Center, the National Helping Individuals with criminal records Re-enter through Employment (H.I.R.E.) Network is a national clearinghouse for information on workforce development and criminal justice initiatives as well as an advocate for Federal and state policy change.³⁸ The goal of the Network is to increase both the number and quality of job opportunities available to individuals with criminal records by changing public policies, employment practices, and public opinion. The Network also provides training and technical assistance to agencies working to improve the employment prospects for individuals with criminal records. The Network does not provide direct job placement services but instead makes referrals to state and local government and community-based programs that directly assist applicants with job training, placement, and retention services. In addition, the Network does not fund programs; Network members receive updates about government and private funding opportunities as they become available. Maryland-specific Network members include, but are not limited to, the Department of Public Safety and Correctional Services, the Department of Corrections, the Attorney General’s Office, the Department of Labor, Licensing and Regulation, Legal Aid Bureau, Inc., and local service providers such as the Job Opportunities Taskforce, the National Women’s Prison Project, Inc., and Supporting Ex-Offenders in Employment Training and

Transitional Services.³⁹

As an active advocate, the Network produces model legislation and briefing papers to support specific policy priorities that improve labor market outcomes for individuals with criminal records. In addition, the Network educates employers on smart solutions to help them access qualified workers, protect themselves from negligent hiring concerns, and maximize cost-savings.

Policy Champion(s): Champions of the National H.I.R.E. Network include policymakers, direct service providers, researchers, and advocates from the fields of workforce development and criminal justice policy. The Maryland Alliance for the Poor maintains that a criminal record often prevents an individual from securing a job, and individuals who obtain stable employment are less likely to recidivate.

Policy Challenger(s): While there may be no direct opponents to the mission of the National H.I.R.E. Network, it still remains that individuals with a criminal record are stigmatized in the public and private sector labor markets.

Viability: **Medium**

Costs: Given the National H.I.R.E. Network's limited resources and limited amount of direct service provisions, they rely heavily upon the expertise of community-based programs to execute their missions. There are both government and private funding opportunities available to Network members. Membership, as started above, is free.

Assessment: **High Priority**

Creating equal opportunities for employment for individuals with criminal records should be a top priority as stable employment allows an individual to be more upwardly mobile and, as stated above, decrease the chance of recidivism.

State Policy Options

POLICY OPTION #3: AMEND MARYLAND'S DRIVER'S LICENSING LAWS

Summary of Policy Option: In addition to improving existing workforce development initiatives, it should be a priority of Associated Black Charities to advocate for the elimination of barriers to employment that disproportionately affect African Americans and other people of color. During the 2011 session, the Maryland General Assembly passed the Job Applicant Fairness Act, which prohibits employers from using an applicant's or employee's credit history against them during either the hiring process or the course of employment. Legislation such as this removes the cogs in the system that can undermine efforts for equity in workforce development.

Associated Black Charities' June 2010 report, entitled "Expanding Baltimore's Black Middle Class", published jointly with the Job Opportunities Task Force, suggests that Maryland's driver's licensing laws

can be a significant obstacle to job-seeking individuals facing limited employment opportunities within their immediate communities. Maryland has some of the most restrictive driver's licensing laws in the nation. In particular, the requirements that all new drivers take an expensive driver's education course and complete 60 hours of supervised driving practice impedes adults' ability to acquire a license in order to access a broader base of employment opportunities. Maryland must amend its driver's licensing laws by reducing the amount of supervised driving practice that is required of individuals over the age of 18.

During the 2011 session, Delegate Cheryl Glenn (D-45) and Senator Jamie Raskin (D-20) introduced a bill that would have codified this directive. In addition to shortening the amount of supervised driving practice that is required of adults from 60 hours to 6 hours, this bill would have considerably reduced the amount of time that an adult needs to wait to take a driver's skills test upon acquiring their learner's permit and would have allowed adults to enroll in online driver's education courses instead of the currently-mandated classroom instruction. This bill did not pass. The House's version of the bill received an unfavorable report by the Environmental Matters committee, which meant that it would not be sent to a full floor vote in that chamber. While the Senate's version of the bill passed in that chamber after being amended to apply only to individuals over the age of 21 (instead of 18), the House Environmental Matters committee did not vote on the bill but instead referred it for interim study. It is highly likely that this legislation will be introduced again next session. Given that it was referred for interim study by the House Environmental Matters committee, it would be beneficial to make contact with legislators on that committee and educate them about the benefits of this legislation.

Policy Champion(s): During the 2011 session, Delegate Cheryl Glenn (D-45) and Senator Jamie Raskin (D-20) introduced a bill that would have codified this directive. In addition to shortening the amount of supervised driving practice that is required of adults from 60 hours to 6 hours, this bill would have considerably reduced the amount of time that an adult needs to wait to take a driver's skills test upon acquiring their learner's permit and would have allowed adults to enroll in online driver's education courses instead of the currently-mandated classroom instruction. This bill did not pass.

Policy Challenger(s): In 2011, the House Environmental Matters Committee gave this bill an unfavorable report and referred it for interim study; the reasons for this vote are not public and members of the committee should be contacted to determine why an unfavorable report was given and whether the matter was taken up during the interim.

Viability: Medium

The Senate's version of this bill passed in that chamber during the 2011 session, after being amended to apply only to individuals over the age of 21 (versus 18). It is highly likely that this legislation will be introduced again next session. Given that it was referred for interim study by the House Environmental Matters committee, it would be beneficial to make contact with legislators on that committee and educate them about the benefits of this legislation.

Costs: Transportation Trust Fund expenditures increase by about \$70,000 in fiscal 2013 for MVA to

revise and reprint various materials to reflect the bill's changes. MVA advises that forms, brochures, handbooks, and driver education materials will need to be updated to reflect the bill's changes affecting license applicants that are age 21 or older. MVA also advises that reprogramming work will need to be undertaken, but it is assumed that this can be handled with existing budgeted resources.

Assessment: High Priority

Maryland's restrictive driver's licensing laws inhibit many job-seeking adults from securing employment. The statutory changes needed to mitigate these obstacles are relatively straightforward and could benefit thousands.

POLICY OPTION #4: EXPANSION AND PROMOTION OF MARYLAND STATE LIST OF OCCUPATIONAL TRAINING PROGRAMS ELIGIBLE FOR FUNDING THROUGH THE WORKFORCE INVESTMENT ACT

Summary of Policy Option: The objective of the Workforce Investment Act of 1998 is to provide workforce development services through statewide and local workforce investment systems that increase the employment, retention, and earnings of participants and increase occupational skill attainment by participants. The major objectives of the Act are to improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the State of Maryland and the U.S.⁴⁰

Workforce Investment Act Title I program funds from the U.S. Department of Labor to the Division of Workforce Development are allocated by the Maryland Department of Labor, Licensing and Regulation (DLLR). The Division of Workforce Development, using a formula based on the population mix in each locality, allocates the WIA funds to Workforce Investment Areas (WIAs) throughout the State. A WIA is a region with 200,000 or more residents and a common labor pool. Maryland has 12 local WIAs across the State.⁴¹ For each WIA there is a Local Workforce Investment Board (LWIB), and, by law, each Board is chaired by a business professional. Each LWIB comprises 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 from organized labor and community based organizations. Each LWIB develops job training programs for implementation in their respective WIAs, oversees the operation of those programs, and determines which companies, educational institutions, and community organizations will receive funding for program operation. The LWIB collaborates with employers and government agencies to select the workforce development programs most beneficial to the region and to tailor programs to meet the local employment training needs.⁴²

Maintained by the Maryland Higher Education Commission, Maryland's list of WIA training programs includes more than 800 occupational programs offered by over 90 institutions (community colleges, 4-year colleges and universities, private career schools, and other training providers) and also identifies over 50 prevocational Adult Education and Literacy activities overseen by DLLR.⁴³ Funding for training is provided to eligible individuals through WIA Individual Training Accounts or Career Advancement

Accounts.⁴⁴ Prospective participants must contact their LWIB One-Stop Center to receive core, intensive, and/or training services, employment counseling, WIA funding eligibility screening, and training application assistance funding.⁴⁵

Policy Champion(s): There are proponents of this policy options at each level of government. The training programs rely heavily upon the involvement of local business programs and training institutions.

Policy Challenger(s): There are no known opponents of this policy option.

Viability: Medium

Engaging members of the LWIB and promoting the services offered among various community outreach groups would be relatively straightforward. Modifying training programs in order to access more WIA funding would require buy in from the DLLR as well as community-based stakeholders.

Costs: Baltimore Mayor's Office of Employment Development (MOED) is both the grant recipient and the administrative entity representing the Baltimore City WIA. MOED estimated in 2009 that the average cost for training is approximately \$3,000 per person.⁴⁶

Assessment: Medium Priority

Given the current state budget outlook, government officials are likely to remain opposed to the expansion of state programs. WIA-related programming for LWIB-administered training or screening activities is not likely to receive additional state funds without a statewide assessment to shown specifically where expansion of the programs would be cost-efficient.

POLICY OPTION #5: COLLABORATE WITH MEMBERS/MEMBER ORGANIZATIONS OF THE GOVERNOR'S WORKFORCE INVESTMENT BOARD AND SKILLS2COMPETE MARYLAND PARTNERS IN TARGETING AFRICAN AMERICANS IN BALTIMORE CITY

Summary of Policy Option: The mission of the Governor's Workforce Investment Board (GWIB) is to guide a nationally recognized workforce development system that is aligned with the economic and educational goals of the State of Maryland resulting in a qualified workforce available to employers across the state. To fulfill this mission, the GWIB has shifted to a demand-driven workforce development system.⁴⁷ The GWIB is responsible for developing policies and strategies to form a coordinated workforce system from a variety of education, employment, and training programs. It brings together and focuses various 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) opportunities for all Marylanders to succeed in the 21st century workforce.

The GWIB is a business-led board of 45 members, a majority of whom represent the business community, as mandated by the Workforce Investment Act of 1998 (WIA). In addition to the governor

and the lieutenant governor, other members include cabinet secretaries, college and university presidents, the state superintendent of schools, elected officials, labor, and representatives of nonprofit organizations.⁴⁸

A 2010 GWIB report showed that Maryland is recovering from the national economic downturn. The State has added jobs in the past year. Maryland's unemployment rate (7.1% as of December 2010)⁴⁹ remains well below the national average (9.1% as of December 2010)⁵⁰, and the education and workforce investment systems continue preparing students and workers with the skills needed to succeed in today's workplace. The report also addressed some challenges, such as addressing Maryland's pool of untapped workers and reducing literacy and math remediation rates for students entering college. One theme found throughout the report is that skilled workers have the best job opportunities. Indicators such as earnings, current job growth, and projected job growth all point to the same conclusion: workers who attain the right education and training will have the best opportunities to succeed and thrive.⁵¹

In March 2010, Governor O'Malley launched Skills2Compete Maryland, his vision for Marylanders to gain the skills and credentials they need to secure employment with family supporting wages.⁵² A highly skilled workforce is critical to attracting and expanding businesses and creating jobs. Training the middle- and high-skill workforce is critical to long-term economic recovery and success. However, many Marylanders lack the necessary basic education, skills, and/or credentials to succeed in the workforce. Despite a strong record of providing post-secondary training, the State continues to experience shortages of middle- and high-skilled workers.⁵³

Policy Champion(s): Building on the "the Power of E3", it would follow that educators, employers, and economic development professionals would be strong proponents of this policy.

Policy Challenger(s): There are no known opponents of this policy option.

Viability: **Medium**

Despite the need for a more highly-skilled workforce in Maryland, it is unlikely that the State will increase appropriations to support the expansion of workforce development programs. Perhaps a discussion with action items with Baltimore-based stakeholders would be a best first approach for this policy option.

Costs:

The GWIB FY 2011 Total Funds Allowance totaled \$944,496, and the Maryland Department of Labor, Licensing, and Regulation, Division of Workforce Development and Adult Learning's FY 2011 Total Funds Allowance totaled \$85,879,278.⁵⁴ GWIB relies on support funds from the Federal government, General Funds, the Maryland Departments of Labor, Licensing, and Regulation, Human Resources, Education, Business and Economic Development, Juvenile Services, and Aging, and the Maryland Higher Education

Commission.⁵⁵

Assessment: High Priority

With respect to the More in the Middle Initiative, understanding the current status of the African American labor pool in Baltimore City with respect to job readiness and need services is crucial.

POLICY OPTION #6: ADVOCATE FOR THE MARYLAND JOB APPLICANT FAIRNESS ACT OF 2011

Summary of Policy Option: The Job Opportunities Task Force reports that 60% of employers use credit history checks as a tool in their pre-employment screening process. Given the recent economic and financial climate, many Marylanders are facing financial hardship, which negatively impacts their credit rating.⁵⁶ Under current law, employers can, with an applicant's permission, pull a credit history report and decline to hire a candidate based that report. The U.S. Equal Employment Opportunity Commission has repeatedly expressed concern that the use of credit in the hiring process discriminates against minorities. One study found that the average credit score for African Americans is 10% to 35% lower than the average score for whites.⁵⁷

Originally introduced by Maryland State Delegate Kirill Reznik (D-Germantown) in during the 2010 legislative session, Maryland SB 132/HB 87, called the Job Applicant Fairness Act, would prohibit Maryland employers, with a few exceptions, from using an applicant's or employee's credit report or credit history in determining whether to deny employment to the applicant, discharge the employee, or determine compensation or the terms, conditions, or privileges of employment. Exempt entities include financial institutions, including banks and credit unions, and law-enforcement agencies as they are required to perform credit checks. Furthermore, an applicant would be authorized to bring a civil action for a violation of the Act.⁵⁸

Washington, Oregon, Illinois, and Hawaii have passed legislation to limit the use of credit checks by employers. California twice passed legislation that was vetoed by the governor. Similar measures are under consideration in Connecticut, Washington, D.C., Georgia, Indiana, Louisiana, Michigan, Minnesota, Missouri, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, South Carolina, Vermont, and Wisconsin.⁵⁹

Policy Champion(s): Unemployed individuals and their advocates want to eliminate the barriers faced by many individuals seeking employment. As stated above, similar legislation has been passed or is under consideration to other states and cities across the country.

Policy Challenger(s): Credit history checks may be viewed by some employers as a credible and necessary screening in the hiring process. The opponent is Maryland's business lobby.

Viability: Medium

While this bill was not passed during the 2010 session, there is strong support among government officials and nonprofit group to assist individuals in securing gainful employment.

Costs: According the Department of Legislative Services fiscal note from Maryland General Assembly 2010 Session, the cost for this policy option should be zero. The fiscal note for the 2011 Session is not yet available.

Assessment: High Priority

This policy option should be considered immediately. Fairness in the hiring process must be enforced in both the public and private sectors.

POLICY OPTION #7: ADVOCATE FOR THE “BAN THE BOX” LEGISLATION ON BEHALF OF INDIVIDUALS WITH CRIMINAL RECORDS WHO ARE SEEKING STATE EMPLOYMENT

Summary of Policy Option: While there are many factors that fuel the United States' 68% recidivism rate, policies that immediately screen out public sector job applicants on the basis of their criminal history are certainly a major contributor to the trend.⁶⁰ The State of Maryland should encourage all qualified applicants, including those with a prior criminal conviction history, to apply for state employment. The fact that an applicant may have a criminal conviction history alone should not automatically disqualify a candidate if they are otherwise qualified for the job.

The “box” refers to the question on state job applications where prospective state employees are asked to indicate if they have ever been convicted of a crime. Removing the question from the application simply allows applicants to first prove their qualifications rather than be automatically dismissed because their past. By removing the question from state job applications, more qualified individuals will have a chance at gainful employment. A “Ban the Box” bill would simply remove the question from the application so that candidates have a chance to interview before the background check occurs. The State can still conduct background checks on applicants.

Banning the box on public employment applications will contribute to public safety because it will promote stable employment in communities. People with jobs and stable community lives are much less likely to return committing crimes in order to survive. California, Connecticut, Kansas, Massachusetts, Minnesota, New Mexico, and Hawaii as well as several cities, including Baltimore, already have the policy in effect. Others cities include Austin, Boston, Chicago, Minneapolis, San Francisco, Seattle, and St. Paul.⁶¹ Policies are under consideration in Nebraska, New Jersey, Rhode Island, and Wisconsin. The movement to "ban the box" in every state is a critical step toward trying to ensure that felony charges do not follow people around forever and that the 700,000 people released from U.S. prison each year have a chance at achieving success and independence through employment.

Policy Champion(s): Prospective champions for this policy proposal include criminal justice advocates, public safety officials, and employers in the private sector who face similar standards in hiring practices.

Policy Challenger(s): Prospective challengers include employers in the public sector, yet the State cannot ask private employers to consider hiring ex-offenders unless it does the same.

Viability: **Medium**

Several cities and states currently have “ban the box” policies in place. Advocacy communities and nonprofit organizations in Baltimore and Maryland that promote equity and fairness in hiring practices are likely to be vocal proponents of this legislation.

Costs: Modification of the application form is a zero cost policy.

Assessment: **High Priority**

Individuals with criminal records should not be disqualified from being hired for a public sector job on the basis of his or her criminal history alone. Support for this legislation would level the playing field and allow more individual to gain stable employment and become contributing members of their communities.

Local Policy Options

POLICY OPTION #8: PROMOTE THE BALTIMORE CITY MAYOR’S OFFICE OF EMPLOYMENT DEVELOPMENT AND PARTNER WITH THE BALTIMORE WORKFORCE INVESTMENT BOARD (BWIB) TO IDENTIFY AND ENGAGE AFRICAN AMERICAN BUSINESS OWNERS

Summary of Policy Option: The Mayor’s Office of Employment Development (MOED) coordinates and directs workforce development initiatives responsive to the needs of Baltimore City employers and job seekers in order to enhance and promote the local economy.⁶²

The Mayoral-appointed Baltimore Workforce Investment Board (BWIB), in partnership with the MOED, creates “a public workforce engine driving Baltimore toward sustained prosperity.” BWIB members, many whom represent leading Baltimore employers and industries, are committed to serving as the spokespersons of business and contributing to the local economy through the promotion of stronger linkages among workforce system stakeholders. In addition, BWIB are committed to identifying career pipelines within the City’s growth industries in hopes of matching well-trained job seekers with employment opportunities and preparing Baltimore’s youth for college and career exploration.⁶³ The Board’s vision spans beyond overseeing Workforce Investment Act funding and is founded on the basic premise of engaging local employers in a comprehensive strategy to match the City’s economic and workforce development initiatives.

Policy Champion(s): The City of Baltimore would be supportive of engaging more African American stakeholders in the City’s development initiatives.

Policy Challenger(s): Other stakeholder groups not currently represented on the BWIB may want the policy option to be more inclusive.

Viability: High

Identifying and engaging employers in the workforce development process is the mission of many organizations presented in this summary of policy options. Given the BWIB's commitment to promotion stronger linkages among stakeholders, this policy option is highly viable.

Costs: This policy option can be implemented with existing resources.

Assessment: High Priority

With respect to the intended outcomes of the More in the Middle Initiative, this policy option should be considered a top priority.

Nonprofit Policy Options

POLICY OPTION #9: FOSTER NEW PARTNERSHIPS BETWEEN INDIVIDUALS WITH DISABILITY-OWNED BUSINESSES AND MARYLAND WORKS, INC. EMPLOYMENT WORKS PROGRAM PARTNERS TO ADDRESS BARRIERS TO EMPLOYMENT IN BALTIMORE CITY

Summary of Policy Option: Maryland Works, Inc. is a statewide membership association that advocates for and develops employment and economic opportunities for individuals with disabilities or other barriers to employment. Their members include non-profit community service organizations and individual workforce development professionals who specialize in creating workforce and economic opportunities for thousands of motivated and qualified Marylanders with disabilities and other barriers to employment. Maryland Works' vision for Maryland is to attain economic and workforce conditions that create equal access and participation for all.⁶⁴

The Employment Works Program strives to create quality employment opportunities for individuals with disabilities while providing the State of Maryland with high quality services and commodities. Maryland Works, Inc. coordinates contracting activity between the State, community service providers, and businesses owned by individuals with disabilities. For all potential preference purchase contracts, before initializing the open bid process, a State agency purchaser must first determine if suitable supplies or services are available for procurement from the following agencies before initiating the open-bid process:

- Any department or agency of the State;
- Maryland Correctional Enterprises (MCE);
- Blind Industries and Services of Maryland; and

- The Employment Works Program.⁶⁵

Policy Champion(s): Advocates for individuals with disabilities, business owners with disabilities, and special interest groups are likely to want to tap into the resources and opportunities for development offered through Maryland Works, Inc.

Policy Challenger(s): There are no known opponents to the policy and practices of Employment Works Program.

Viability: High

Given Maryland Works, Inc. in working with partners across the state, this policy option can be implemented with existing resources.

Costs: This policy option can be executed with existing financial resources.

Assessment: Medium Priority

Creating quality employment opportunities for individuals with disabilities while providing the State of Maryland with high quality services and commodities should be a priority of the State and advocacy communities. It is necessary to promote and enforce equity and quality in the workforce and address the ever-present barriers to employment for individuals with disabilities.

Policy Options – Homeownership and Foreclosure Prevention



Synopsis

Associated Black Charities' More in the Middle (MitM) initiative aims to ensure that more African Americans residing in Baltimore City own their home, retain their property, and avoid foreclosure when faced with circumstances that could endanger homeownership, e.g. job loss or multiple missed mortgage payments. MitM policy-level objectives include gaining support from lending institutions in the prevention of predatory home loan lending practices, engaging the business community, and providing resources to organizations providing homeownership and foreclosure prevention counseling. MitM individual-level objectives comprise increasing the desire and preparedness for homeownership, increasing financial literacy, promoting participation in homeownership mediation programs⁶⁶, and promoting the use of other assistance services to protect against foreclosures.

In 2010, banks repossessed a record 1.2 million U.S. homes, up 33% from 2009.⁶⁷ Foreclosures increased as the housing market continued to struggle and as banks and other stakeholders exhausted options for keeping delinquent borrowers in their homes. The housing crisis, now in its fourth year, has resulted in a significant leakage of wealth for African Americans and Hispanics as homeownership represents 80% of the net wealth for these populations.⁶⁸ Certainly Baltimore was not unaffected by the housing crisis; Property foreclosures in Maryland declined by 57.5% to 5,984 events in the fourth quarter, representing the lowest quarterly filings in over three years.⁶⁹

As stated in the *More in the Middle Initiative Dashboard Report* (January 2008), approximately two-thirds of Baltimore City's population is African American and efforts that target the City's largest racial group will have the greatest impact. Attracting and retaining middle income residents as well as supporting potential middle income residents will undoubtedly improve the City's fiscal and economic well-being. To continue, the *Dashboard Report* cited that 50% of African Americans in Baltimore City owned their home. Sixty-six percent of African American middle class residents of Baltimore City owned their home compared to 73% of middle class Whites. The median value of a home owned by an African American was almost \$15,000 less than their White counterparts, and, in 2003, the average home loan for an African American was approximately \$53,000 less compared to Whites.⁷⁰

Table 3. Summary of Policy Options – Homeownership and Foreclosure Prevention

Policy Option	Strategy Type	Viability	Assessment
Federal Policy Options			
<p>Policy Option #1: Promotion of the Federal Making Home Affordable and Emergency Homeowners Loan Programs Among At-Risk Homeowners in Baltimore City - The Making Home Affordable Program (MHAP), created by the Obama Administration in partnership with the U.S. Department of Housing and Urban Development (HUD) in response to the widespread housing crisis, includes opportunities for homeowners to modify or refinance mortgages. The makinghomeaffordable.gov website is a repository of resources on counseling services, loan modifications, and mortgage lending. In addition, the MHAP includes the Home Affordable Foreclosure Alternatives Program for homeowners who are interested in a short sale or deed-in-lieu of foreclosure. Emergency Homeowners Loan Program will work through a variety of state and non-profit entities to offer a zero-interest “bridge loan” of up to \$50,000 to help eligible homeowners make their mortgage payments for up to 24 months. Maryland is eligible to receive a maximum of \$39,962,270 to assist both wage and salary workers and self-employed individuals. The funding is provided under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2009.</p>	<p>Financial; Community Development</p>	<p>High</p>	<p>High Priority</p>
<p>Policy Option #2: Advocate for Maryland and Baltimore City-based U.S. Department of Housing and Urban Development for Housing Counseling and Counseling Training Grant Applicants - In December 2010, the Obama Administration announced the approximately \$73 million in competitive annual housing counseling grants that will be made available to more than 500 national, regional, and local organizations. In December 2010, the Obama Administration announced the approximately \$73</p>	<p>Human Capital; Community Development</p>	<p>Medium</p>	<p>High Priority</p>

Table 3. Summary of Policy Options – Homeownership and Foreclosure Prevention

Policy Option	Strategy Type	Viability	Assessment
million in competitive annual housing counseling grants that will be made available to more than 500 national, regional, and local organizations.			
State Policy Options			
<p>Policy Option #3: Advocate for Maintain Current Staffing and Funding Levels for the Maryland Home Owners Equity (HOPE) Initiative - In 2007, Governor O’Malley created the Homeownership Preservation Task Force under the Home Owners Preserving Equity (HOPE) initiative to advance Maryland’s agenda to halt the alarming rate of foreclosures and address the information asymmetry that existed among homeowners and potential buyers. The primary goal of the Task Force was to assess the scope of the potential foreclosure problem in Maryland and recommend ways to prevent foreclosure and preserve homeownership. In order to help as many families affected by the foreclosure crisis as possible, the Maryland Department of Housing and Community Development (DHCD) provided counseling and financial assistance and in turn has become a national leader in foreclosure prevention. In FY 2008 and FY 2009, Maryland Housing Counselors assisted more than 23,000 individuals achieving more than 7,900 positive outcomes.</p>	<p>Financial; Human Capital; Community Development</p>	<p>Medium</p>	<p>High Priority</p>
<p>Policy Option #4: Advocate to Expand the House Keys 4 Employees and the Downpayment and Settlement Expense Loan Program Under the Maryland Department of Housing and Community Development, Community Development Administration’s Maryland Mortgage Program - The Community Development Administration’s newest homeownership initiative, House Keys 4 Employees (HK4E), is an employer partnership program intended to help Maryland’s workforce become homeowners through a creative match program with the State. HK4E enables eligible</p>	<p>Financial; Human Capital; Community Development</p>	<p>Low</p>	<p>Medium Priority</p>

Table 3. Summary of Policy Options – Homeownership and Foreclosure Prevention

Policy Option	Strategy Type	Viability	Assessment
<p>homebuyers who are using a Maryland Mortgage Program loan to purchase their home to receive more downpayment and/or closing cost assistance than is available through the standard downpayment and closing cost assistance programs. Any individual or family who receives a contribution for downpayment and/or closing cost assistance from an employer and is using a Maryland Mortgage Program loan to purchase their home may participate in HK4E.</p>			
<p>Policy Option #5: Advocate for the Maryland Housing Opportunities Made Equal Act of 2011 - The Maryland Housing Opportunities Made Equal (MD HOME) Act of 2011 would ensure fairness while increasing access to housing and economic opportunities by prohibiting landlords from discriminating against individuals seeking rental housing based on their source of income. Currently, source of income discrimination creates economic isolation while undermining both efforts to create mixed-income communities and to provide greater affordable housing. Neighborhoods with greater economic opportunity, higher income, and better schools are less likely to accept tenants with vouchers or other forms of public assistance. Source of income discrimination disproportionately effects vulnerable populations that rely on public assistance or rental subsidies to meet basic needs: people with disabilities, single mothers with children, veterans, senior citizens, low wage workers, and minorities.</p>	<p>Financial; Human Capital</p>	<p>Medium</p>	<p>High Priority</p>
<p>Local Policy Option</p>			
<p>Policy Option #6: Expansion of the Baltimore City, Department of Housing and Community Development, Housing Choice Voucher Homeownership Program - The Housing Choice Voucher Program is a Federally-funded, locally administered rental assistance program that helps low-income families, the elderly and the</p>	<p>Financial; Community Development</p>	<p>Low</p>	<p>Medium Priority</p>

Table 3. Summary of Policy Options – Homeownership and Foreclosure Prevention

Policy Option	Strategy Type	Viability	Assessment
<p>disabled afford decent, safe housing in the private market. More than 3,000 city landlords participate in Baltimore City's program, which serves approximately 12,000 families. The Housing Choice Voucher Homeownership Program is a federally funded, locally administered homeownership assistance program that helps individuals purchase homes. To qualify for the Housing Choice Voucher Homeownership Program, an individual must meet the following qualifications: (1) must have participated in the Housing Choice Voucher Program at least one year; (2) must be a first time home buyer; (3) must demonstrate at least one year of continuous full time employment (minimum of 30 hours per week); (4) cannot be in debt to the Housing Authority of Baltimore City (HABC); (5) must complete homeownership counseling, and (6) must contribute a minimum of 3% of sales price (1% from personal funds) toward the purchase. In addition, the property must be a single family home and it must be the buyer's primary residence.</p>			
<p>Nonprofit Policy Option</p>			
<p>Policy Option #7: Promotion and Expansion of Homeowner Counseling, Incentive, and Foreclosure Prevention Programs Through Existing Entities in the Baltimore Region - The following nonprofits should be targeted for expansion efforts: LiveBaltimore's Incentive and Homeownership Counseling Program; The Baltimore City Office of Homeownership incentive programs; Neighborhood Housing Services; Homeownership Preservation Foundation; St. Ambrose Housing Aid Center, Inc.</p>	<p>Financial; Human Capital; Community Development</p>	<p>High</p>	<p>High Priority</p>

Federal Policy Options

POLICY OPTION #1: PROMOTION OF THE FEDERAL MAKING HOME AFFORDABLE AND EMERGENCY HOMEOWNERS LOAN PROGRAMS AMONG AT-RISK HOMEOWNERS IN BALTIMORE CITY

Summary of Policy Option: In response to the recent economic crisis, the Obama Administration introduced a comprehensive Financial Stability Plan to address the key problems at the heart of the economic crisis and get the economy back on track. The Making Home Affordable Program (MHAP), created by the Obama Administration in partnership with the U.S. Department of Housing and Urban Development (HUD) in response to the widespread housing crisis, includes opportunities for homeowners to modify or refinance mortgages. The makinghomeaffordable.gov website is a repository of resources on counseling services, loan modifications, and mortgage lending. In addition, the MHAP includes the Home Affordable Foreclosure Alternatives Program for homeowners who are interested in a short sale or deed-in-lieu of foreclosure.⁷¹

In October 2010, the White House together with HUD and the U.S. Department of the Treasury announced additional support to help homeowners struggling with unemployment through two targeted foreclosure-prevention programs: The Hardest Hit Fund (HHF) and the Emergency Homeowners Loan Program (EHLF). The HHF will provide \$7.6 billion in targeted aid to homeowners in 18 states plus the District of Columbia; Maryland is not eligible to participate. The EHLF, designed to provide assistance to unemployed homeowners in HHF-ineligible states will provide \$1 billion.⁷² EHLF will work through a variety of state and non-profit entities to offer a zero-interest “bridge loan” of up to \$50,000 to help eligible homeowners make their mortgage payments for up to 24 months. Maryland is eligible to receive a maximum of \$39,962,270 to assist both wage and salary workers and self-employed individuals. The funding is provided under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2009.^{73, 74}

Policy Champion(s): The Maryland State Department of Housing and Community Development (DHCD) plans to administer EHLF funds through its existing Emergency Mortgage Assistance (EMA) Program beginning in January 2011.⁷⁵ At-risk homeowners are instructed to contact a DHCD-approved nonprofit housing counseling agency to verify eligibility. Housing counselors will assist eligible homeowners in completing an EMA application and help at-risk homeowners pursue other avenues of assistance if they do not qualify for EMA.

Policy Challenger(s): There are no known challengers of the MHAP the Federal , State, or local level.

Viability: High

The MHAP is currently administered under Maryland’s Home Owners Preserving Equity (HOPE) Program. As stated above, EHLF funds will be administered by the DHCD through the EMA Program.

Costs: The HUD has allocated to cover the administrative costs of performing the intake and housing

counseling and fiscal agent functions directly or indirectly through subcontracts with third parties. There is no indication that HUD will fund education and outreach activities.

Assessment: High Priority

In addition to the existing homeowner assistance programs offered through the DHCD, the resources offered through the MHAP and the EHP funds will provide very significant benefits to more eligible at-risk Baltimore City homeowners and statewide. Up to 799 at-risk homeowners can receive the maximum EHP amount of \$50,000.

POLICY OPTION #2: ADVOCATE FOR MARYLAND AND BALTIMORE CITY-BASED U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR HOUSING COUNSELING AND COUNSELING TRAINING GRANT APPLICANTS

Summary of Policy Option: In December 2010, the Obama Administration announced the approximately \$73 million in competitive annual housing counseling grants that will be made available to more than 500 national, regional, and local organizations. The grants represent a \$13 million, or 22% increase over the 2009 funding level. U.S. Department of Housing and Urban Development (HUD) Secretary Shaun Donovan has taken the position that it is crucial for HUD to support agencies that provide one-on-one assistance to help struggling families and individuals navigate the homebuying process.¹⁰ The proposed housing counseling grants will assist families in becoming first-time homeowners and remaining homeowners after their purchase. HUD-approved counseling agencies will provide homeownership counseling and offer financial literacy training to renters and homeless individuals and families as well.⁷⁶

Nearly \$68 million will support the direct provision of housing counseling services by 24 national and regional organizations, 5 multi-state organizations, and 484 state and local housing counseling agencies. In addition, HUD will award more than \$5 million to three national organizations to train approximately 4,500 counselors who will receive the instruction and certification necessary to effectively assist families with their housing needs. Currently, national and regional agencies distribute much of HUD's housing counseling grant funding to community-based grassroots organizations that provide advice and guidance to low and moderate-income families seeking to improve their housing conditions. In addition, these larger organizations help improve the quality of housing counseling services and enhance coordination among other counseling providers. These agencies will provide counseling for the rapidly growing number of elderly homeowners who seek to convert equity in their homes into income that can be used to pay for home improvements, medical costs, and other living expenses.

Policy Champion(s): Given the status of the housing market and the substandard living conditions of many Americans, HUD is eager to support more locally-based housing counseling and other housing-oriented supportive services.

Policy Challenger(s): There is no known opposition to the new HUD grant housing counseling grant opportunities at the Federal, State, or local levels.

Viability: Medium

Maryland and Baltimore-City based public or private nonprofit organizations are well positioned to apply for a housing training competitive grant awards. Applicants must have at least two years of experience providing the majority of types of housing counseling training services nationwide. The only exception to this requirement is that public or nonprofit organizations with at least 2 years experience providing Reverse Mortgage counseling training or Fair Lending Abuse and Mortgage Fraud training nationwide can apply for grants for providing reverse mortgage counseling training or Fair Lending Abuse and Mortgage Fraud training exclusively. Applicants may utilize in-house staff, sub-grant recipients, consultants, and networks of local organizations with requisite experience and capacity. However, one organization must be designated as the primary applicant. Sub-grantees must be public or private nonprofit organizations and must have “tax exempt” status. The applicant’s work plan must indicate that the applicant is capable of providing all the housing counseling training topics.

Costs: Funds are available to provide, under cooperative agreements with HUD, training activities designed to improve and standardize the quality of counseling provided by housing counselors employed by “participating agencies.” Participating agencies are all housing counseling and intermediary organizations participating in HUD’s Housing Counseling Program, including HUD-approved agencies, and affiliates and branches of HUD-approved intermediaries, HUD-approved multi-state organizations, and state housing finance agencies (e.g. the Maryland Department of Housing and Community Development).

Assessment: High Priority

Housing counseling services help people become or remain homeowners or find rental housing, and assist homeless individuals in finding the transitional housing they need to move toward a permanent place to live. Grant recipients also help homebuyers and homeowners realistically evaluate their readiness for a home purchase, understand their financing and downpayment options, and navigate what can be an extremely arduous process. In addition, grantees help combat predatory lending by helping unsuspecting borrowers review their loan documentation, and avoid potential mortgage scams, unreasonably high interest rates, inflated appraisals, unaffordable repayment terms, and other conditions that can result in a loss of equity, increased debt, default, and even foreclosure. Likewise, foreclosure prevention counseling helps homeowners facing delinquency or default employ strategies, including expense reduction, negotiation with lenders and loan servicers, and loss mitigation, to avoid foreclosure. With foreclosures at critical levels nationwide, these services are more important than ever.

State Policy Options

POLICY OPTION #3: ADVOCATE TO MAINTAIN CURRENT STAFFING AND FUNDING LEVELS FOR THE MARYLAND HOME OWNERS PRESERVING EQUITY (HOPE) INITIATIVE

Summary of Policy Option: In 2007, Governor O'Malley created the Homeownership Preservation Task Force under the Home Owners Preserving Equity (HOPE) initiative to advance Maryland's agenda to halt the alarming rate of foreclosures and address the information asymmetry that existed among homeowners and potential buyers.⁷⁷ The primary goal of the Task Force was to assess the scope of the potential foreclosure problem in Maryland and recommend ways to prevent foreclosure and preserve homeownership. In order to help as many families affected by the foreclosure crisis as possible, the Maryland Department of Housing and Community Development (DHCD) provided counseling and financial assistance and in turn has become a national leader in foreclosure prevention. Maryland continues respond to the foreclosure crisis with expanded counseling services and outreach efforts. Maryland has worked to target assistance to Maryland communities most affected by foreclosure through data analysis and research. DHCD supports a network of 31 nonprofit agencies to provide foreclosure prevention assistance statewide.⁷⁸ In FY 2008 and FY 2009, Maryland Housing Counselors assisted more than 23,000 individuals achieving more than 7,900 positive outcomes.⁷⁹ DHCD continues to provide quarterly training sessions for all the counselors in the network. Despite the relatively high number of positive outcomes in recent years, the Task Force and HOPE initiative activities are likely to be needed in Baltimore City and statewide for years to come.

Policy Champion(s): DHCD and their network of nonprofit agencies would be champions of this policy option.

Policy Challenger(s): Given the current economic climate, it is likely that DHCD will be required to make budget cuts for many fiscal years (FY) to come. There are no known opponents to the maintenance of the HOPE Initiative and its associated counseling and outreach programs.

Viability: **Medium**

The counseling services and outreach efforts offered through DHCD and the HOPE Initiative are likely to be needed for years to come. Through DHCD's programs, Marylanders receive the assistance they need to remain in their homes and nonprofit agencies and housing professionals stay up-to-date.

Costs: In FY 2010, a total of \$1,145.4 million funded various housing and community development programs in Maryland. The direct financial resources of DHCD were \$548.4 million accounting for 47.9% of all resources. Federal funds totaled \$374.3 million or 32.7% of the resources, the largest funding source. State funding from general and special funds, tax credits and general obligation bonds amounted to \$47.7 million, representing 4.2% of the resources. Bond funds accounted for \$126.4 million or 11.0% of the resources. These direct funds leveraged an additional \$597.0 million in private and Federal funds, representing the remaining 52.1% of all financial resources. Therefore, every dollar of direct DHCD resources generated an additional \$1.09 in leveraged funds.⁸⁰

Assessment: **High Priority**

Overall, the DHCD funding of various housing programs assisted 52,496 Maryland families with

affordable homeownership, foreclosure prevention counseling, affordable rental housing, and housing rehabilitation needs in FY 2010. A total of 19,942 homeowners facing foreclosures received counseling through the Department's HOPE initiative.

POLICY OPTION #4: ADVOCATE TO EXPAND THE HOUSE KEYS 4 EMPLOYEES AND THE DOWNPAYMENT AND SETTLEMENT EXPENSE LOAN PROGRAM UNDER THE MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, COMMUNITY DEVELOPMENT ADMINISTRATION'S MARYLAND MORTGAGE PROGRAM

Summary of Policy Option: The Community Development Administration's (CDA) newest homeownership initiative, House Keys 4 Employees (HK4E), is an employer partnership program intended to help Maryland's workforce become homeowners through a creative match program with the State.⁸¹ HK4E enables eligible homebuyers who are using a Maryland Mortgage Program loan to purchase their home to receive more downpayment and/or closing cost assistance than is available through the standard downpayment and closing cost assistance programs. Any individual or family who receives a contribution for downpayment and/or closing cost assistance from an employer and is using a Maryland Mortgage Program loan to purchase their home may participate in HK4E. The employer's contribution may be combined with assistance from local jurisdictions, unions, and/or nonprofit agencies; however, the HK4E match to the combined contributions will not exceed \$2,500. CDA will match the employer's contribution under its Downpayment and Settlement Expense Loan Program (DSELP).⁸² The DSELP loan is a 0% deferred loan that is repayable at the time of payoff or refinance or upon the sale or transfer of the house.⁸³ This assistance is over and above what is available through the standard downpayment and closing cost assistance programs, allowing some borrowers to have more choices in buying a home. So, for example, if the employer contribution is \$5,000, the DSELP loan would be \$5,000, the HK4E dollar-for-dollar match would be 2,500, and the total closing cost assistance would equal \$12,500. "Priority Funding Areas" are existing communities and places where local governments want State investment to support future growth. Areas within Baltimore City already designated as enterprise zones, neighborhood revitalization areas, heritage areas, and existing industrial land are qualified Priority Funding Areas.⁸⁴

Policy Champion(s): There are currently over 100 employers participating in the HK4E Program. This list includes the City of Baltimore, City of Baltimore School System, the Johns Hopkins Institutions, and the University of Maryland Medical System.⁸⁵

Policy Challenger(s): There is no known opposition to the Maryland Mortgage Program, the HK4E initiative, or the DSELP.

Viability: Low

Given the current economic climate, it is unlikely that participating employers will expand their matching programs or that non-participating employers will join the CDA's homeownership initiative. Similarly, given the sizable budget cuts at the state level, it is unlikely that DHCD will increase its budget to provide downpayment and closing cost assistance to eligible Marylanders.

Costs: HK4E expenditures for the CDA and/or specific employee programs are not available at this time.

Assessment: Medium Priority

This policy option is a medium priority. While many individuals and families could benefit from the HK4E at this time, many nonprofit organizations urge that potential buyers complete homeownership counseling and fiscal management training prior to beginning the home buying process. HK4E has no such requirements for participation. Linking potential HK4E participants with training opportunities as a first step may be better approach as it will allow prospective buyers to make a more informed decision and hopefully avoid foreclosure.

POLICY OPTION #5: ADVOCATE FOR THE PASSAGE OF THE MARYLAND HOUSING OPPORTUNITIES MADE EQUAL ACT OF 2011

Summary of Policy Option: The Maryland Housing Opportunities Made Equal (MD HOME) Act of 2011 would ensure fairness while increasing access to housing and economic opportunities by prohibiting landlords from discriminating against individuals seeking rental housing based on their source of income. Currently, source of income discrimination creates economic isolation while undermining both efforts to create mixed-income communities and to provide greater affordable housing.⁸⁶ Neighborhoods with greater economic opportunity, higher income, and better schools are less likely to accept tenants with vouchers or other forms of public assistance. Source of income discrimination disproportionately effects vulnerable populations that rely on public assistance or rental subsidies to meet basic needs: people with disabilities, single mothers with children, veterans, senior citizens, low wage workers, and minorities. Families frequently have no choice but to live in areas that are economically isolated with higher concentrations of poverty, making them vulnerable to crime and health problems, and limiting the educational opportunities for their children. The bill would not prohibit a landlord from determining the ability of a potential renter to comply with lease terms or pay the rental price by: (1) verifying the source and amount of income of the renter; (2) evaluating the stability and security of the renter's source of income; or (3) evaluating the renter's tenant history and suitability as a tenant. In addition, the bill would not prevent a landlord from refusing to consider income derived from any criminal activity.

In Maryland, Howard, Montgomery and Frederick Counties, as well as the Cities of Frederick and Annapolis have laws prohibiting source of income discrimination. Across the country, Utah, Oklahoma, New Jersey, nine other states (CA, CT, ME, MA, MN, ND, OR, VT, WI) and the District of Columbia have housing laws that prohibit source of income discrimination. More than thirty cities and counties also have such laws including New York City, Chicago, Philadelphia, Boston, and Seattle. Many of these states and localities have had source of income laws for over 20 years.

Policy Champion(s): Individuals seeking rental housing and advocates for fair and equitable housing practices are likely champions of this policy option.

Policy Challenger(s): While there are no known opponents to this policy option, it is reasonable to assume that some landlords will take issue with the changes under the Act.

Viability: Medium

Even though similar laws are already in place a few counties and cities within the state, one should be cautiously optimistic as the counties and cities mentioned above are the among the wealthiest in the state. Such a difference is worth noting when considering the magnitude of the impact of this law on low-income families or individuals experiencing homelessness in Baltimore City versus Frederick.

Costs: The legislation has no or, at maximum, a de minimis fiscal impact yet, nonetheless, serves to greatly expand housing choice and economic opportunities for veterans, poor families, individuals with disabilities, the unemployed, and individuals experiencing homelessness.⁸⁷

Assessment: High Priority

The MD HOME Act is an issue of fairness and would only require rental applicants to be evaluated as individuals. The legislation increases fairness in housing by requiring landlords to evaluate tenants receiving public benefits on the same playing field as those not receiving public benefits and ensures that rental applicants have greater housing choice in deciding what location to call home. In addition, Act increases access to economic opportunities by increasing housing options in communities with more stable economic growth.

Local Policy Options

POLICY OPTION #6: EXPANSION OF THE BALTIMORE CITY, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, HOUSING CHOICE VOUCHER HOMEOWNERSHIP PROGRAM

Summary of Policy Option: The Housing Choice Voucher Program is a Federally-funded, locally administered rental assistance program that helps low-income families, the elderly and the disabled afford decent, safe housing in the private market. More than 3,000 city landlords participate in Baltimore City's program, which serves approximately 12,000 families.⁸⁸ The Housing Choice Voucher Homeownership Program is a federally funded, locally administered homeownership assistance program that helps individuals purchase homes. To qualify for the Housing Choice Voucher Homeownership Program, an individual must meet the following qualifications: (1) must have participated in the Housing Choice Voucher Program at least one year; (2) must be a first time home buyer; (3) must demonstrate at least one year of continuous full time employment (minimum of 30 hours per week); (4) cannot be in debt to the Housing Authority of Baltimore City (HABC); (5) must complete homeownership counseling, and (6) must contribute a minimum of 3% of sales price (1% from personal funds) toward the purchase. In addition, the property must be a single family home and it must be the buyer's primary residence.⁸⁹

Policy Champion(s): The two major proponents of the Housing Choice Voucher Homeownership Program are the Maryland Department of Housing and Community Development and the HABC.

Policy Challenger(s): There are no known opponents to the Housing Choice Voucher Homeownership Program.

Viability: **Low**

The waiting list for the prerequisite Housing Choice Voucher Program is currently closed. Applications will only be accepted for families who are the victims of natural disaster, families who are being displaced due to public action, and families who are intimidated victims or witnesses of crime as referred by the Maryland State Attorney or Deputy Attorney, the United States Attorney's Office, or other authorized individuals within a law enforcement agency.

Costs: Costs associated with transition individuals from the rental assistance program to the homeownership program would be the administrative expenditures to process applications, maintain active waitlists, and conduct trainings.

Assessment: **Medium Priority**

Focusing efforts to transition some of the approximately 12,000 individuals in the rental assistance program to the homeownership program would both increase the number of homeowners and free up the rental assistance program slots for individuals and families on the waiting list.

Nonprofit Policy Options

POLICY OPTION #7: PROMOTION AND EXPANSION OF HOMEOWNER COUNSELING, INCENTIVE, AND FORECLOSURE PREVENTION PROGRAMS THROUGH EXISTING ENTITIES IN THE BALTIMORE REGION.

Summary of Policy Options: The following programs should be considered as targets for expansion.

LiveBaltimore's Incentive and Homeownership Counseling Program: LiveBaltimore's Incentive and Homeownership Counseling Program's agencies offer many services to homebuyers, including pre-purchase homeownership counseling. They will guide individuals through the process and help them decide whether or not they are ready for homeownership.⁹⁰

Baltimore City Office of Homeownership Incentive Programs: The Baltimore City Office of Homeownership incentive programs, including LiveBaltimore's "Buying into Baltimore" incentive, require individuals to participate in one-on-one homeownership counseling from a city-approved agency to earn the incentive. Many of these agencies also offer other services, such as post-purchase education, default and delinquency counseling, community outreach, and credit and budgeting classes.⁹¹

Neighborhood Housing Services of Baltimore: Neighborhood Housing Services (NHS) of Baltimore creates and sustains homeownership opportunities through customized lending and consumer education in the

Baltimore Region. NHS of Baltimore was founded through the efforts of several distinct groups that sought to reverse the decline of the Southeast Baltimore neighborhoods directly north of Patterson Park. Neighborhood residents, the Southeast Community Organization (SECO), the Ford Foundation, the Federal Home Loan Bank Board's Urban Reinvestment Task Force, Baltimore City government, and local savings and loan executives came together to create this important initiative. NHS of Baltimore's "business lines" are defined as: (1) consumer lending and (2) homeownership and financial fitness education. In 2008, NHS of Baltimore established the Emergency Bridge Loan Program to help homeowners who are facing foreclosure. The goal of the Emergency Bridge Loan Program is to bridge the gap for homeowners while they work with their housing counselor and lending institution to modify their current loan or refinance.⁹²

The Homeownership Preservation Foundation: The Homeownership Preservation Foundation (HPF)⁹³ is an independent national nonprofit dedicated to helping distressed homeowners navigate financial challenges, avoid mortgage foreclosure, and find the path to sustainable homeownership. Since 2007, the HPF has served over four million distressed homeowners who depend upon the HPF as a trusted, neutral source of assistance. The HPF develops innovative and sustainable solutions to preserve and expand homeownership through consumer education and counseling programs.

Through its Homeowner's HOPE Hotline, the HPF provides comprehensive homeowner education and foreclosure prevention counseling for free in over 170 languages. Statistics show that by acting as a neutral third party, the Homeowner's HOPE™ Hotline helps homeowners better manage their personal finances. Counseling partners provide homeowners with a specific, actionable plan that can help them avoid foreclosure. Counselors are available nationwide, in English and 170 other languages, 24 hours a day, 7 days a week.

The HOPE NOW Alliance, formed with the support of the U.S. Department of the Treasury and the U.S. Department of Housing and Urban Development (HUD), is an alliance between counselors, mortgage market participants and mortgage servicers that provides funding to the HPF. The HPF also receives support to provide counseling services from Fannie Mae, HUD, and the National Foreclosure Mitigation Counseling Program.

St. Ambrose Housing Aid Center, Inc.: The mission of St. Ambrose Housing Aid Center, Inc. is to create and maintain equal housing opportunities for low- and moderate-income people, primarily in Baltimore City, and to encourage and support strong and diverse neighborhoods. Since its founding in 1968, St. Ambrose has been committed to providing innovative, comprehensive housing services and quality affordable homes to meet the challenges facing vulnerable homeowners and neighborhoods.⁹⁴ St. Ambrose is a non-denominational, nonprofit organization that provides services to individuals and entities in the greater Baltimore area through the following programs: (1) Home Ownership program, which offers first-time homebuyers individual counseling sessions and group homebuyer workshops; (2) Homesharing program, which helps home owners stay in and maintain their homes who may be experiencing difficulty making ends meet because of age or some other life circumstance; (3) Rental Services program, which provides decent, affordable housing to low to moderate income individuals,

seniors, and families; (4) Housing Development program, which has grown into a major community development corporation that has renovated over 1,300 vacant houses and buildings, including 400 low-income rental units that St. Ambrose now manages; and (5) Foreclosure Prevention program, which counsels families who may be experiencing financial trouble with their mortgage or seeking a home equity conversion mortgage.⁹⁵

Policy Champion(s): The programs listed above have strong support (in the form of financial support and/or active membership) at the Federal, State, and/or local level.

Policy Challenger(s): There are no known opponents to the expansion of training and counseling program that would assist individuals in making the most informed decision to purchase

Viability: High

These existing programs are supported by a large, active membership/network. Outreach and education activities could build upon existing infrastructure.

Costs:

Assessment: High Priority

As the MitM Initiative continues to work toward expanding Baltimore City's African American middle class, each of these organizations has a unique niche that will be effective in reaching a greater number of individuals for outreach and education activities.

Policy Options – Business and Economic Development



Synopsis

Associated Black Charities' More in the Middle (MitM) initiative aims to ensure expansion and retention of the number of African Americans-owned businesses in Baltimore City that have a base of at least 10 employees. MitM policy-level objectives include gaining support from the business community to include African American business owners in current and future economic and business networking opportunities. MitM individual-level objectives comprise increasing the understanding of and participation in economic and business networking opportunities, helping current African American businesses with employees expand their employment base, and providing incentives that encourage African American businesses to relocate to Baltimore City.

The Associated Black Charities asserts that all actions taken to retain, grow and attract the African American middle class must be executed within an economic framework in order to effectively address the quality of life issues in Baltimore City and the Mid-Atlantic region. The promotion of entrepreneurship and sustained business development is a strategic way of decreasing the socioeconomic disparities between African Americans and Whites. As stated in the *More in the Middle Initiative Dashboard Report* (January 2008), social and professional networks are critical in gaining access to business development and other economic opportunities. The *Dashboard Report* also states that the acquisition of professional skills and knowledge of the basic components of business management are also vital to success. In 2008, 28% of the firms in Baltimore City were owned by African Americans, but only 7% of the firms with paid employees were owned by African Americans. In addition, the average number of employees of an African American owned firm in Baltimore City was slightly less than 11 individuals.⁹⁶

Table 4. Summary of Policy Options – Business and Economic Development

Policy Option	Strategy Type	Viability	Assessment
Federal Policy Options			
<p>Policy Option #1: Advocate for a Baltimore-based U.S. Department of Commerce Minority Business Development Agency Business Development Center - The Minority Business Development Agency, a part of the U.S. Department of Commerce, is an entrepreneurially-focused organization committed to wealth creation in minority communities. MBDA is the only Federal agency created specifically to foster the establishment and growth of minority-owned businesses. MBDA actively coordinates and leverages public and private-sector resources that facilitate strategic alliances in support of its mission. The MBDA currently has over 40 business development centers located in areas with the largest concentration of minority populations and the largest number of minority businesses. There are currently no centers located in Maryland; the nearest center is located in Washington, D.C.</p>	<p>Community Development</p>	<p>Low</p>	<p>Low Priority</p>
<p>Policy Option #2: Implementation of More Targeted Outreach Activities to Promote the Services Offered to Small Businesses Through the U.S. Small Business Administration 8(a) Business Development Program - The U.S. Small Business Administration (SBA) 8(a) Business Development Program is an important resource for small businesses seeking business-development assistance. Named for Section 8(a) of the Small Business Act of 1953, the Program was created to help small and disadvantaged businesses compete in the marketplace. The focus of the Program is to provide business development supportive services such as mentoring, procurement assistance, business counseling, training, financial assistance, surety bonding, and/or other management and technical assistance to small firms that are owned and controlled</p>	<p>Financial; Community Development</p>	<p>High</p>	<p>High Priority</p>

Table 4. Summary of Policy Options – Business and Economic Development

Policy Option	Strategy Type	Viability	Assessment
<p>at least 51% by socially and economically disadvantaged individuals. Participation in the program is divided into two phases over nine years: a four-year developmental stage and a five-year transition stage. Participants can receive sole-source contracts up to a maximum of \$4 million for goods and services and \$6.5 million for manufacturing. To make sure firms are on track to accomplish their goals and are following requirements, the SBA district offices monitor and measure the progress of participants through annual reviews, business planning, and systematic evaluations.</p>			
<p>Policy Option #3: Promotion of the Enhanced Loan Provisions Available to Small Businesses Through the Small Business Jobs Act of 2010 - On Sept. 27, 2010, President Obama signed into law the Small Business Jobs Act, the most significant piece of small business legislation in over a decade. The new law is providing critical resources to help small businesses continue to drive economic recovery and create jobs. The new law extended the successful SBA enhanced loan provisions while offering billions more in lending support, tax cuts, and other opportunities for entrepreneurs and small business owners. According to self-reported data, a significant share of previous Jobs Act loans went to rural (22%), minority-owned (21%), women-owned (16%) and veteran-owned (7%) businesses.</p>	<p>Financial</p>	<p>Medium</p>	<p>Medium Priority</p>
<p>State Policy Option</p>			
<p>Policy Option #4: Advocate for Maintenance of Existing Programs and Services Offered Through the Maryland Department of Business and Economic Development - It is the mission of the Maryland Department of Business and Economic Development to create, attract, and retain jobs and promote Maryland’s vibrant culture, heritage, and arts. According to the DBED, Maryland ranks second in the nation in the percentage</p>	<p>Financial; Human Capital; Community Development</p>	<p>High</p>	<p>High Priority</p>

Table 4. Summary of Policy Options – Business and Economic Development

Policy Option	Strategy Type	Viability	Assessment
<p>of African American-owned firms as a share of all firms (19.3%), first in the percent of African American-owned firms with employees (2.1%), and seventh in the total number of African American owned firms (102,130). While current statewide efforts to promote minority business enterprises (MBE) have undoubtedly been successful, there may be an opportunity to modify current DBED programs to increase the number of MBEs in Baltimore City.</p>			
Local Policy Options			
<p>Policy Option #5: Advocate for the Expansion of Services Offered by the Baltimore Development Corporation to African American-Owned Businesses - The Baltimore Development Corporation (BDC) was formed in 1991 through the merger of three nonprofit organizations with different areas of service but similar economic development goals. In 1996, a private sector Board of Directors was appointed and BDC took on its current operational structure. With a mission to retain and expand existing employers and attract new ones, the BDC works collaboratively within Baltimore City government and with private partners to deliver services that will help Baltimore-based businesses flourish. BDC’s economic development and service expertise is applied to a broad range of activities. They are a liaison between business owners and City agencies advocating for the interests of Baltimore City employers. BDC works with business owners to shepherd private development projects through public processes saving time and mitigating expense, and they are developers, facilitating the reuse of publicly owned property for new and expanding businesses.</p>	<p>Human Capital; Community Development</p>	<p>Low</p>	<p>Low Priority</p>

Table 4. Summary of Policy Options – Business and Economic Development

Policy Option	Strategy Type	Viability	Assessment
<p>Policy Option #5: Advocate for the Reauthorization of the Task Force on the Minority Business Enterprise Program & Equity Investment Capital - On June 1, 2010, the Task Force on the Minority Business Enterprise (MBE) Program and Equity Investment Capital was authorized. The Task Force will continue to review the State’s economic development strategies and the extent to which those strategies encourage investment in MBEs, study how minority business enterprises in Maryland might more easily acquire investment equity capital while still retaining operational control and protecting the equity investors, and make recommendations for increasing minority-owned firms’ access investment equity. To authorize and encourage equity investment in MBEs in Maryland, the Task Force also will recommend modifications to the Minority Business Enterprise Program. Based on these recommendations, the Task Force was tasked with drafting legislation for the 2011 legislative session. Authorization for the Task Force extends through May 31, 2011. A task force of the same name existed from October 2008 through December 2009. Authorization for the previous task force expired before a report was issued.</p>	<p>Financial</p>	<p>High</p>	<p>High Priority</p>
<p>Policy Option #6: Promote the Objectives of the Baltimore City Office of Minority and Women-Owned Business Development - The mission of the Mayor's Office of Minority and Women-Owned Business Development is to ensure that the City of Baltimore is prepared to create new opportunities for minority-owned (African American, Asian American, Hispanic American, or Native American) and women-owned (51% ownership) businesses. The objectives of this office are as follows: (1) to dramatically increase the number, magnitude and success rate of minority-owned</p>	<p>Financial; Human Capital; Community Development</p>	<p>High</p>	<p>Medium Priority</p>

Table 4. Summary of Policy Options – Business and Economic Development

Policy Option	Strategy Type	Viability	Assessment
<p>and women-owned businesses in Baltimore City; (2) to dramatically increase contracting and procurement dollars spent with minority-owned and women-owned businesses; and (3) to facilitate greater involvement of minority-owned and women-owned businesses in identified growth sectors of the City's economy (e.g. tourism, technology, real estate development). The Office's capacity building programs and partners include the Baltimore City Local Contractor Development Program, the Women's Business Forum, East Baltimore Development, Inc., Baltimore City Department of Housing and Community Development, and the Greater Baltimore Committee.</p>			
Nonprofit Policy Options			
<p>Policy Option #7: Promotion of Services Offered by the Maryland Small Business Development Center Network - Since 1988, the Maryland Small Business Development Center Network has provided counseling and support to entrepreneurs and small to mid-size businesses across the state. The MDSBDC Network, a partnership between the U.S. Small Business Administration and the University of Maryland-College Park, links private enterprise, government, higher education, and local economic development organizations to provide management, training and technical assistance to Maryland's small businesses. In FY 2009, through counseling and training activities, the staff assisted nearly 12,000 entrepreneurs. MDSBDC clients were awarded \$72 million in Federal, State, and local contracts, created 1,178 new jobs, trained 8,429 Entrepreneurs, provided one-on-one counseling to 2,957 small businesses, started 123 new business ventures, and received \$41 million in loans and capital infusion.</p>	<p>Financial; Human Capital; Community Development</p>	<p>High</p>	<p>High Priority</p>

Table 4. Summary of Policy Options – Business and Economic Development

Policy Option	Strategy Type	Viability	Assessment
<p>Policy Option #8: Expansion of the Maryland Economic Development Association’s Economic Development Initiatives - The Maryland Economic Development Association’s enhances the knowledge and skills of its members and encourages partnerships and networking among those committed to bringing jobs and investment to Maryland. MEDA is a nonprofit organization of economic development professionals. Established in 1961, MEDA members promote the economic well-being of Maryland by working to improve the state’s business climate and the professionalism of those in the field of economic development. The MEDA membership includes economic development practitioners employed by government, business, chambers of commerce and other professionals with an interest in the economy of Maryland. Through its regular meetings, special programs and projects, members address such diverse issues as local planning, workforce, transportation, international trade, tourism and finance.</p>	<p>Financial; Community Development</p>	<p>High</p>	<p>High Priority</p>

Federal Policy Options

POLICY OPTION #1: ADVOCATE FOR A BALTIMORE-BASED U.S. DEPARTMENT OF COMMERCE MINORITY BUSINESS DEVELOPMENT AGENCY BUSINESS DEVELOPMENT CENTER

Summary of Policy Option: The Minority Business Development Agency (MBDA), a part of the U.S. Department of Commerce, is an entrepreneurially-focused organization committed to wealth creation in minority communities. MBDA is the only Federal agency created specifically to foster the establishment and growth of minority-owned businesses. MBDA actively coordinates and leverages public and private-sector resources that facilitate strategic alliances in support of its mission.⁹⁷ MBDA provides funding for a network of minority business centers, and its business development centers provide minority entrepreneurs with one-on-one assistance in writing business plans, marketing, management and technical assistance, and financial planning to assure adequate financing for business ventures. The centers are staffed by business specialists who have the knowledge and practical experience needed to run successful and profitable businesses. Business referral services are provided free of charge. However, the network generally charges nominal fees for specific management and technical assistance services. The MBDA currently has over 40 business development centers located in areas with the largest concentration of minority populations and the largest number of minority businesses. There are currently no centers located in Maryland; the nearest center is located in Washington, D.C.⁹⁸

U.S. Department of Commerce established a National Advisory Council on minority business enterprise to provide advice to the Administration on key issues pertaining to the growth and global competitiveness of the nation's minority-owned and operated corporations. The main objective of the Council is to develop recommendations to the President through the Secretary of Commerce on a broad range of domestic and international issues that concern minority businesses including, but not limited to, the following: (1) developing strategies and policies to position minority-owned firms to compete in the global economy; (2) developing market based criteria and strategies for gaining access to global supply chains of major corporations; (3) developing strategies for eliminating domestic and global barriers to growth; (4) developing strategies to expand minority-owned firm participation in emerging industries; and (5) developing market based strategies to achieve economic parity by 2050.⁹⁹

Policy Champion(s): Given the number of Business Development Centers and the National Advisory Council, the MBDA has a strong presence at the Federal, State, and local level. MBDA's professional networks link both new and established businesses to contract and social opportunities and it fosters the development of strategic partnerships.

Policy Challenger(s): There is no known opposition to the establishment of a Baltimore-based MBDA Business Development Center.

Viability: Low

Establishing an additional Center would require office space and staff. A less costly alternative would be to expand the scope and size of the Washington, D.C.-based office to include more Baltimore-based initiatives and business specialists.

Costs: In FY 2010, MBDA requested \$437,000 to fund one additional minority business development grant and one additional district office to be located in the Midwest region.¹⁰⁰

Assessment: **Low Priority**

Baltimore-based entrepreneurs have access to MBDA's services via the Web or the Washington, D.C. office. A more feasible strategy to be for the Washington, D.C. office to train a few of their staff on the business and economic development issues pertinent to Maryland and Baltimore City.

POLICY OPTION #2: IMPLEMENTATION OF MORE TARGETED OUTREACH ACTIVITIES TO PROMOTE THE SERVICES OFFERED TO SMALL BUSINESSES THROUGH THE U.S. SMALL BUSINESS ADMINISTRATION 8(A) BUSINESS DEVELOPMENT PROGRAM

Summary of Policy Option: The U.S. Small Business Administration (SBA) 8(a) Business Development Program is an important resource for small businesses seeking business-development assistance. Named for Section 8(a) of the Small Business Act of 1953, the Program was created to help small and disadvantaged businesses compete in the marketplace. The focus of the Program is to provide business development supportive services such as mentoring, procurement assistance, business counseling, training, financial assistance, surety bonding, and/or other management and technical assistance to small firms that are owned and controlled at least 51% by socially and economically disadvantaged individuals.¹⁰¹ Under the Small Business Act, certain individuals are presumed socially disadvantaged (i.e., African-Americans, Hispanic Americans, Asian Pacific Americans, Native Americans (American Indians, Eskimos, Aleuts, or Native Hawaiians), and Subcontinent Asian Americans). An individual who is not a member of one of the aforementioned groups can be admitted to the program if he/she demonstrates that he or she is socially disadvantaged due to race, ethnic origin, gender, physical handicap, long-term residence in an environment isolated from the mainstream of American society.¹⁰² Participation in the program is divided into two phases over nine years: a four-year developmental stage and a five-year transition stage. Participants can receive sole-source contracts up to a maximum of \$4 million for goods and services and \$6.5 million for manufacturing. To make sure firms are on track to accomplish their goals and are following requirements, the SBA district offices monitor and measure the progress of participants through annual reviews, business planning, and systematic evaluations.¹⁰³

For its ongoing comprehensive size standards review and future regulatory actions relating to size standards, SBA has developed a "Size Standards Methodology White Paper" to explain how it establishes, reviews and modifies its small business size standards pursuant to the Small Business Act and related legislative guidelines.¹⁰⁴

Policy Champion(s): While DBED is a major promoter of the SBA's 8(a) Business Development Program in Maryland, for Baltimore City-based entrepreneurs who are not "tapped in," services, financial

support, and other opportunities offered through the Program are not easily accessible.

Policy Challenger(s): Prospective challengers include small and disadvantaged businesses that are not eligible by Section 8(a) standards but are in need of support.

Viability: High

Current Baltimore-based participants in the SBA 8(a) Business Development Program, given the nature of the program, are likely to be willing to promote the Program and serve as mentors to small and or disadvantaged businesses in the City.

Costs: Promotional events and outreach materials would constitute the most significant portion of the costs to implement this policy option.

Assessment: High Priority

This policy option builds on the proven success of SBA's presence in Maryland, and, with the support of the DBED, developing targeted outreach activities is highly feasible and desirable.

POLICY OPTION #3: PROMOTION OF THE ENHANCED LOAN PROVISIONS AVAILABLE TO SMALL BUSINESSES THROUGH THE SMALL BUSINESS JOBS ACT OF 2010

Summary of Policy Option: On Sept. 27, 2010, President Obama signed into law the Small Business Jobs Act, the most significant piece of small business legislation in over a decade. The new law is providing critical resources to help small businesses continue to drive economic recovery and create jobs. The new law extended the successful SBA enhanced loan provisions while offering billions more in lending support, tax cuts, and other opportunities for entrepreneurs and small business owners. According to self-reported data, a significant share of previous Jobs Act loans went to rural (22%), minority-owned (21%), women-owned (16%) and veteran-owned (7%) businesses.¹⁰⁵ This Act's capital investments include:

- More than \$12 billion in extended enhanced loan provisions will be available to eligible small businesses.
- The law expanded the number of small businesses eligible for SBA loans by increasing the alternate size standard to those with less than \$15 million in net worth and \$5 million in average net income.
- The law also provides for funding up to \$20 million per year over the next three years for a pilot program that leverages local nonprofit organizations and other organizations that help small businesses that need loans up to \$200,000 (target rollout mid-2011).
- The law will provide \$90 million in competitive grants over next three years for states to help small business owners with exporting (target rollout summer 2011).

- The law provides up to \$50 million in grants to Small Business Development Centers across the country starting January 2011.
- The law provides \$12 Billion in tax relief to help small businesses invest in their firms and create new job positions.
- U.S. Department of the Treasury’s provision established the State Small Business Credit Initiative. The law provides up to \$1.5 billion to support state-run small business lending programs.¹⁰⁶

Policy Champion(s): Given the current economy, it would be expected that State and local government would be eager to help Baltimore-based small business secure Small Business Jobs Act funds.

Policy Challenger(s): Prospective challengers may be on the local level. Other jurisdictions may feel that they are at a competitive disadvantage.

Viability: Medium

The current Federal and State Administrations, smalls businesses have more opportunities to receive government funding or other resources to sustain gainful employment and boost their local economies.

Costs: There is no guidance from the State on how prospective enhanced loan provision awardees will be supported in terms of offsetting some of the administrative costs associated with preparing a loan application or completing Federal reporting requirements.

Assessment: Medium Priority

This policy option focuses on supporting small businesses and promoting economic development and asset building on the local level.

State Policy Options

POLICY OPTION #4: ADVOCATE FOR MAINTENANCE OF EXISTING PROGRAMS AND SERVICES OFFERED THROUGH THE MARYLAND DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT PROGRAMS

Summary of Policy Option: It is the mission of the Maryland Department of Business and Economic Development (DBED) to create, attract, and retain jobs and promote Maryland’s vibrant culture, heritage, and arts.¹⁰⁷ DBED promotes the State’s many economic advantages as a business location. Choosemaryland.org is a portal to access Web sites that feature information on working, visiting, and enjoying Maryland. According to the DBED, Maryland ranks second in the nation in the percentage of African American-owned firms as a share of all firms (19.3%), first in the percent of African American-owned firms with employees (2.1%), and seventh in the total number of African American owned firms (102,130).¹⁰⁸ While current statewide efforts to promote minority business enterprises (MBE) have undoubtedly been successful, there may be an opportunity to modify current DBED programs to increase the number of MBEs in Baltimore City.

Policy Champion(s): The DBED partners with numerous state and local agencies to promote the economic well-being and interests of all Marylanders. Through the “Choose Maryland” campaign, DBED continues to connect businesses, families, and individuals to existing resources.

Policy Challenger(s): There are no known challengers of the Choose Maryland Program.

Viability: High

This policy option is supported by existing resources.

Costs: The FY 2012 fiscal analysis for DBED is not yet available.

Assessment: High Priority

Promoting Maryland as an attractive place to live and work will help to support the MitM Initiative. The DBED estimates there will be 375,000 unique visitors to the ChooseMaryland.org website in FY 2012.¹⁰⁹

POLICY OPTION #5: ADVOCATE FOR THE REAUTHORIZATION OF THE TASK FORCE ON THE MINORITY BUSINESS ENTERPRISE PROGRAM & EQUITY INVESTMENT CAPITAL (ESTABLISHED UNDER SB 2/HB 222)

Summary of Policy Option: On June 1, 2010, the Task Force on the Minority Business Enterprise (MBE) Program and Equity Investment Capital was authorized. The Task Force will continue to review the State’s economic development strategies and the extent to which those strategies encourage investment in MBEs, study how minority business enterprises in Maryland might more easily acquire investment equity capital while still retaining operational control and protecting the equity investors, and make recommendations for increasing minority-owned firms’ access investment equity. To authorize and encourage equity investment in MBEs in Maryland, the Task Force also will recommend modifications to the Minority Business Enterprise Program. Based on these recommendations, the Task Force was tasked with drafting legislation for the 2011 legislative session. Authorization for the Task Force extends through May 31, 2011. A task force of the same name existed from October 2008 through December 2009. Authorization for the previous task force expired before a report was issued.¹¹⁰

Policy Champion(s): The Maryland Department of Business and Economic Development and MBEs are champions of this policy option.

Policy Challenger(s): There is no known opposition to this policy option.

Viability: High

Costs: As stated above, a report on the operations of the prior Task Force was not issued.

Assessment: High Priority

This policy option directly addresses the business and economic development core investment area of the More in the Middle Initiative. Understanding how the State’s economic development strategies will encourage minority-owned firms’ access to investment equity is crucial to growing Baltimore City’s middle class.

Local Policy Options

POLICY OPTION #6: ADVOCATE FOR THE EXPANSION OF SERVICES OFFERED BY THE BALTIMORE DEVELOPMENT CORPORATION TO AFRICAN AMERICAN-OWNED BUSINESSES

Summary of Policy Option: The Baltimore Development Corporation (BDC) was formed in 1991 through the merger of three nonprofit organizations with different areas of service but similar economic development goals. In 1996, a private sector Board of Directors was appointed and BDC took on its current operational structure. With a mission to retain and expand existing employers and attract new ones, the BDC works collaboratively within Baltimore City government and with private partners to deliver services that will help Baltimore-based businesses flourish. BDC’s economic development and service expertise is applied to a broad range of activities. They are a liaison between business owners and City agencies advocating for the interests of Baltimore City employers. BDC works with business owners to shepherd private development projects through public processes saving time and mitigating expense, and they are developers, facilitating the reuse of publicly owned property for new and expanding businesses. Major BDC partners include the Baltimore Area Convention and Visitors Association, the Downtown Partnership of Baltimore, the Economic Alliance of Greater Baltimore, and the Maryland Department of Business and Economic Development.¹¹¹

Policy Champion(s): As noted above, the BDC has several key partners in the City.

Policy Challenger(s): There are no known challengers.

Viability: **Low**

The potential expansion of the BDC is probable, but such efforts may not reach small African American owned businesses in a way that is both gainful and sustainable.

Costs: The proposed FY 2011 operating costs for the BDC total 2,534,353.¹¹²

Assessment: **Low Priority**

Although the BDC serves as a liaison between the City and local business owners, its mission does not directly address the MitM Initiative directly.

POLICY OPTION #7: PROMOTE THE OBJECTIVES OF THE BALTIMORE CITY OFFICE OF MINORITY AND WOMEN-OWNED BUSINESS DEVELOPMENT

Summary of Policy Option: The mission of the Mayor's Office of Minority and Women-Owned Business Development is to ensure that the City of Baltimore is prepared to create new opportunities for minority-owned (African American, Asian American, Hispanic American, or Native American) and women-owned (51% ownership) businesses. The objectives of this office are as follows: (1) to dramatically increase the number, magnitude and success rate of minority-owned and women-owned businesses in Baltimore City; (2) to dramatically increase contracting and procurement dollars spent with minority-owned and women-owned businesses; and (3) to facilitate greater involvement of minority-owned and women-owned businesses in identified growth sectors of the City's economy (e.g. tourism, technology, real estate development).¹¹³ The Office's capacity building programs and partners include the Baltimore City Local Contractor Development Program, the Women's Business Forum, East Baltimore Development, Inc., Baltimore City Department of Housing and Community Development, and the Greater Baltimore Committee.¹¹⁴

Policy Champion(s): Minority communities and organizations are active champions of the Mayor's Office of Minority and Women-Owned Business Development.

Policy Challenger(s): There are no known opponents to the mission and programs of the Office of Minority and Women-Owned Business Development.

Viability: High

Increasing the number of minority-owned businesses in Baltimore City requires an increase in outreach and education activities in Baltimore City's communities.

Costs: The Fiscal 2011 recommendation for the Minority and Women's Business Opportunity Office was \$508,689 (a 30.3% increase from Fiscal 2010).

Assessment: High Priority

This policy option directly addresses the business and economic development core investment area of the More in the Middle Initiative.

Nonprofit Policy Options

POLICY OPTION #8: PROMOTION OF SERVICES OFFERED BY THE MARYLAND SMALL BUSINESS DEVELOPMENT CENTER NETWORK

Summary of Policy Option: Since 1988, the Maryland Small Business Development Center (MDSBDC) Network has provided counseling and support to entrepreneurs and small to mid-size businesses across

the state. The MDSBDC Network, a partnership between the U.S. Small Business Administration and the University of Maryland-College Park, links private enterprise, government, higher education, and local economic development organizations to provide management, training and technical assistance to Maryland's small businesses.¹¹⁵ As part of a national SBDC Network, the MDSBDC has rapid access to a number of information resources to deliver assistance that strengthens businesses, thereby contributing to the growth of local, state and national economies. The MDSBDC network is divided into six regions which provide services to budding entrepreneurs and existing businesses across the state. Each region offers a variety of training and outreach programs and one-on-one counseling with special emphasis on developing programs that meet the unique needs of businesses within their jurisdiction. Available training topics include business plan development, business structuring, market planning, research market development, financial analysis, control, strategic planning, accounting systems, business valuation, management techniques, debt and equity funding opportunities, flow analysis, and financial projections.¹¹⁶

In FY 2009, through counseling and training activities, the staff assisted nearly 12,000 entrepreneurs. MDSBDC clients were awarded \$72 million in Federal, State, and local contracts, created 1,178 new jobs, trained 8,429 Entrepreneurs, provided one-on-one counseling to 2,957 small businesses, started 123 new business ventures, and received \$41 million in loans and capital infusion.¹¹⁷

Policy Champion(s): Given the level of support offered through the Network, it would follow that small and mid-size businesses and entrepreneurs are champions of the SBDC and MDSBDC Networks and their activities.

Policy Challenger(s): There are no known opponents to the SBDC and MDSBDC Networks.

Viability: High

Costs: This is a zero cost policy option.

Assessment: Medium Priority

The Network comprises links private enterprise, government, higher education, and local economic development organizations. To move the MitM Initiative forward, organizations within each of these sectors must become educated on the Initiative and engaged in its mission.

POLICY OPTION #9: EXPANSION OF THE MARYLAND ECONOMIC DEVELOPMENT ASSOCIATION'S ECONOMIC DEVELOPMENT INITIATIVES

Summary of Policy Option: The Maryland Economic Development Association's (MEDA) enhances the knowledge and skills of its members and encourages partnerships and networking among those committed to bringing jobs and investment to Maryland. MEDA is a nonprofit organization of economic development professionals. Established in 1961, MEDA members promote the economic well-being of Maryland by working to improve the state's business climate and the professionalism of those in the

field of economic development. The MEDA membership includes economic development practitioners employed by government, business, chambers of commerce and other professionals with an interest in the economy of Maryland. Through its regular meetings, special programs and projects, members address such diverse issues as local planning, workforce, transportation, international trade, tourism and finance.¹¹⁸

Policy Champion(s): As stated above, MEDA's membership include economic development professionals in the public and private sector across several disciplines.

Policy Challenger(s): MEDA's initiatives have no known challengers.

Viability: High

MEDA's longstanding partnerships and commitment to the economic well-being of Maryland make it a major stakeholder in Maryland's future economic development.

Costs: This policy option can be implemented with existing resources

Assessment: High Priority

Given that MEDA is well established, it is likely that their programs are both well-developed and far reaching. MEDA may be able to inform future Baltimore City-focused business and economic development projects.

Policy Options – Asset Building and Financial Literacy



Synopsis

Associated Black Charities' More in the Middle (MitM) initiative aims to ensure that African American Baltimore City residents are financially literate and practice intentional/targeted financial planning to build wealth. MitM policy-level objectives include securing buy-in and support from the business and nonprofit communities to provide financial literacy, financial planning, and asset building workshops, and advocating for the reduction of predatory lending and practices that reduce the ability of African Americans to save and build wealth. MitM individual-level objectives comprise promoting the importance of participation in financial literacy, financial planning and asset building workshops and increasing the attitudes supportive of deferred gratification, debt reduction, financial planning and building assets and wealth.

The Associated Black Charities asserts that all actions taken to retain, grow and attract the African American middle class must be executed within an economic framework in order to effectively address the quality of life issues in Baltimore City and the Mid-Atlantic region. An increase in the number of individuals and households with middle class assets will increase the city's tax base and thus enrich the region. As stated in the *More in the Middle Initiative Dashboard Report* (January 2008), if successful in increasing the assets but also preventing loss of assets, an increased tax base from these efforts would also allow Baltimore City to provide improved City services, which could contribute to its attractiveness as a location for new residents.¹¹⁹ Finally, an increase to City's tax base creates a larger number of consumers with greater purchasing power to positively impact the City and region.

Table 5. Summary of Policy Options – Asset and Building Financial Literacy

Policy Option	Strategy Type	Viability	Assessment
Federal Policy Option			
<p>Policy Option #1: Partner with Stakeholders to Implement the Goals of New America’s 2011 Asset Building Agenda - The New America’s Foundation Asset Building Program public policy agenda aims to broaden savings and asset ownership opportunities for people who have limited resources at their disposal. The agenda includes calls for new structures and policies at the Federal level, as well as changes to existing tax systems, government programs, and financial products. Some of these policies are well developed, others need more seasoning, but all of them have the potential to contribute to the economic well-being of millions of American families. New America asserts that to successfully broaden savings and asset ownership, policy efforts must be expanded, strengthened, and directed toward those with the greatest need.</p>	<p>Financial; Human Capital</p>	<p>High</p>	<p>High Priority</p>
State Policy Options			
<p>Policy Option #2: Advocate for the Earned Income Credit Information Act of 2011 - Nationally, the earned income tax credit (EITC) provides over \$37 billion in tax relief annually to low-income individuals and families. The EITC elevates 4.5 million individuals above the poverty line each year, of which more than 50% are children. An EITC recipient is not required to work full-time to qualify, and any earned income may be considered. EITC funds can be distributed two ways, as a refund with an annual tax return or as a raise on clients’ monthly paychecks. If individuals were eligible for the EITC but missed out on claiming the credit, they can file for the EITC up to 3 years back and retrieve money for those credits. Individuals can also receive the Maryland EITC, which is the refundable state credit worth 25% of the Federal EITC. For some individuals, the credit results in as much as a 40% pay increase.</p>	<p>Financial</p>	<p>High</p>	<p>High Priority</p>

Table 5. Summary of Policy Options – Asset and Building Financial Literacy

Policy Option	Strategy Type	Viability	Assessment
<p>Under the Maryland Earned Income Credit Information Act (SB 638/HB 755), the Comptroller would be required to publish the maximum income eligibility for the State earned income tax credit on or before January 1 of each taxable year.</p>			
<p>Policy Option #3: Partner with the Corporation for Enterprise Development to Build a Maryland-Based Coalition that will Utilize the <i>Assets & Opportunities Scorecard</i> to Advocate for State Asset Building Policy Change - The Corporation for Enterprise Development’s (CFED) Assets & Opportunity Policy Campaign is an effort that began in 2009 to improve state-level policies related to asset building and protection as a means of expanding economic opportunity. This Campaign has 5 distinct objectives: (1) to build the capacity of organizations to formulate policy agendas and advocate effectively for state and federal policies; (2) to increase the number and diversity of organizations that see asset building as important to their missions; (3) to stay abreast of the latest state policy and campaign developments; (4) to educate policymakers, the public, and the media on asset building and the policies that can help Americans build and protect assets and financial security; and (5) to promote increased engagement of policymakers, asset advocates and the media on the racial dimension of wealth disparities.</p>	<p>Financial; Human Capital</p>	<p>High</p>	<p>High Priority</p>
<p>Local Policy Option</p>			
<p>Policy Option #4: Collaborate with the Maryland Consumer Rights Coalition to Support the Maryland Debt Settlement Entities and Ban Upfront Fees - For a myriad of reasons, many Maryland consumers have excessive debt, are unemployed or underemployed, face foreclosure, and are threatened with legal action; these individuals are easy prey for dishonest debt settlement business. Under SB 701/HB 392, debt</p>	<p>Financial</p>	<p>High</p>	<p>High Priority</p>

Table 5. Summary of Policy Options – Asset and Building Financial Literacy

Policy Option	Strategy Type	Viability	Assessment
<p>settlement services will protect the most vulnerable consumers from the abuses of many debt settlement businesses. This bill would prohibit unfair practices and provide essential disclosures for consumers. Individuals and families have accumulated unsecured debt both to meet their basic needs and to improve their lives. Now, as the availability of credit has tightened and credit card issuers have increased their annual percentage rates and fees, individuals and families are seeking ways to relieve their debt burden. SB 701/HB 392 does not prohibit debt settlement services or require additional licensing or regulatory agency action. The bill simply requires fair practices that reputable debt settlement businesses engage in.</p>			
Nonprofit Policy Options			
<p>Policy Option #5: Promote and Fund the Maryland Creating Assets, Savings and Hope Campaign’s Financial Social Work Initiative - The Maryland Creating Assets, Savings, and Hope (CASH) Campaign, housed under the Job Opportunities Task Force, is a statewide network of organizations and practitioners that promote financial stability for working families while focusing on the following three initiatives: capacity building and training, financial education, and research and advocacy. As a nonprofit organization, the Maryland CASH Campaign provides training opportunities for their partners (i.e. nonprofit organizations, government agencies, the financial service industry, higher education institutions, elected officials, and private foundations) and practitioners throughout the state as well as free and low-cost financial education courses through the all Maryland residents through the Maryland CASH Academy. The CASH Academy faculty comprises representatives from nonprofit organizations, banks, credit unions,</p>	<p>Financial; Human Capital</p>	<p>High</p>	<p>Medium Priority</p>

Table 5. Summary of Policy Options – Asset and Building Financial Literacy

Policy Option	Strategy Type	Viability	Assessment
<p>educational institutions, and other financial professionals. The Financial Social Work Initiative (FSWI), which will examine the social worker’s role in working with individuals around financial matters, hosts continuing education workshops for laypersons and professionals entitled <i>Introduction to Financial Stability for Clients</i>.</p>			
<p>Policy Option #6: Promote Solutions for America’s Thriving Neighborhood Asset Building Training Programs and Individual Development Accounts Initiative - Asset building programs aim to help low-income individuals accumulate funds for buying homes, obtaining post-secondary education, and job training, and attaining other investments. Owning these assets has both short and long-term benefits. In the short-term, those who hold assets are more likely to defer some purchases, enabling them to accumulate wealth. Assets are also a safety net for emergencies. In the long-term, assets strengthen individuals, their families, and neighborhoods by giving people a stake in their future and the community. Assets help to increase wealth, and their value can be passed down to following generations. Solutions for America maintains that in order to help the poor build assets, institutional incentives, information, and access are crucial. Researchers have found that the most important reason the poor build fewer assets is not due to a lack of motivation or impulsive buying habits, but because they do not possess the resources to take advantage of incentives</p>	<p>Financial; Human Capital; Community Development</p>	<p>Medium</p>	<p>Medium Priority</p>
<p>Policy Option #7: Development of Asset Building Activities in Baltimore City in Collaboration with the Maryland Asset Building and Community Development, Inc. - The Maryland Asset Building and Community Development (ABCD) Network, Inc., is a</p>	<p>Human Capital; Community Development</p>	<p>High</p>	<p>Medium Priority</p>

Table 5. Summary of Policy Options – Asset and Building Financial Literacy

Policy Option	Strategy Type	Viability	Assessment
<p>network of member organizations (community based nonprofits, community development corporations, branches of local government, related for-profit businesses, and committed individuals) that serve low-wealth communities and individuals of low-wealth in mixed-income communities throughout Maryland. The Maryland ABCD network develops and promotes asset building and community development activities through communication, advocacy, and capacity building activities. Their main goal is to ensure that the asset building and community development industry in Maryland is strong and dynamic.</p>			

Federal Policy Options

POLICY OPTION #1: PARTNER WITH STAKEHOLDERS TO IMPLEMENT THE GOALS OF NEW AMERICA'S 2011 ASSET BUILDING AGENDA

Summary of Policy Option: The New America's Foundation Asset Building Program public policy agenda aims to broaden savings and asset ownership opportunities for people who have limited resources at their disposal. The agenda includes calls for new structures and policies at the Federal level, as well as changes to existing tax systems, government programs, and financial products. Some of these policies are well developed, others need more seasoning, but all of them have the potential to contribute to the economic well-being of millions of American families.¹²⁰ New America asserts that to successfully broaden savings and asset ownership, policy efforts must be expanded, strengthened, and directed toward those with the greatest need. The key is to create and enable strategies that help deploy these resources in ways that create opportunities for economic empowerment and social development. For some, this may mean access to entrepreneurial opportunities; for others, it is to access education that can pay off down the line. Global asset-building strategy should analyze these webs and develop approaches that link to livelihoods and enterprise development, financial literacy, and access to education. Multi-disciplinary teams are needed to ensure projects are effectively implemented in ways that are responsive to varying local contexts.

Policy Champion(s): State and local government agencies, nonprofit organizations, and those deemed to be of "greater need" may support a sound policy that aims to advance New America's asset building policy initiative.

Policy Challenger(s): There are no known opponents to this policy option.

Viability: High

Costs: Cost estimates for forming a multi-disciplinary team to develop an asset-building strategy are not available.

Assessment: High Priority

Policy efforts must be directed toward those with the greatest need. The key is to create and enable strategies that create opportunities.

State Policy Options

POLICY OPTION #2: ADVOCATE FOR THE EARNED INCOME CREDIT INFORMATION ACT OF 2011

Summary of Policy Option: Nationally, the earned income tax credit (EITC) provides over \$37 billion in tax relief annually to low-income individuals and families. The EITC elevates 4.5 million individuals above

the poverty line each year, of which more than 50% are children.¹²¹ An EITC recipient is not required to work full-time to qualify, and any earned income may be considered. EITC funds can be distributed two ways, as a refund with an annual tax return or as a raise on clients' monthly paychecks. If individuals were eligible for the EITC but missed out on claiming the credit, they can file for the EITC up to 3 years back and retrieve money for those credits. Individuals can also receive the Maryland EITC, which is the refundable state credit worth 25% of the Federal EITC. For some individuals, the credit results in as much as a 40% pay increase.

Under the Maryland Earned Income Credit Information Act (SB 638/HB 755), the Comptroller would be required to publish the maximum income eligibility for the State earned income tax credit on or before January 1 of each taxable year. The Comptroller would also be required to prepare a specified notice and employers would then be required to provide said notice to employees who may be eligible for the State EITC. The Act would also prevent an employee from pursuing a private cause of action against an employer for the employer's failure to provide a specified notice.¹²²

Policy Champion(s): The EITC stimulates participation in the labor force by rewarding work. This credit has the potential to greatly increase an individual's annual earnings.

Policy Challenger(s): Employers would be directly responsible for informing employee about EITC.

Viability: High

Costs: The refund is earned by the individual. Costs to the state will be administrative costs to process refund applications.

Assessment: High Priority

The EITC is a hot button issue. Individuals earn their refund, and therefore should be able to receive this money. The hope is that this additional revenue will move more individuals to participate in asset building activities.

POLICY OPTION #3: PARTNER WITH THE CORPORATION FOR ENTERPRISE DEVELOPMENT TO BUILD A MARYLAND-BASED COALITION THAT WILL UTILIZE THE *ASSETS & OPPORTUNITY SCORECARD* TO ADVOCATE FOR STATE ASSET BUILDING POLICY CHANGE

Summary of Policy Option: The Corporation for Enterprise Development's (CFED) Assets & Opportunity Policy Campaign is an effort that began in 2009 to improve state-level policies related to asset building and protection as a means of expanding economic opportunity. This Campaign has 5 distinct objectives: (1) to build the capacity of organizations to formulate policy agendas and advocate effectively for state and federal policies; (2) to increase the number and diversity of organizations that see asset building as important to their missions; (3) to stay abreast of the latest state policy and Campaign developments; (4) to educate policymakers, the public, and the media on asset building and the policies that can help Americans build and protect assets and financial security; and (5) to promote increased engagement of policymakers, asset advocates and the media on the racial dimension of wealth disparities.¹²³

In addition to providing policymakers with comprehensive and timely data and assessments and broadly sharing the *Scorecard* findings and recommendations with allied organizations and the media, CFED also has partnered with organizations in 25 states to build coalitions that will utilize the *Scorecard* to advocate for state-level policy change. Maryland is not one of the participating states. Using the framework of the *Assets & Opportunity Scorecard*, partners advocate for policy change on a range of asset-building issues, engage new stakeholders from the public, nonprofit, and for-profit sectors, and inform a state policy agenda for a statewide assets coalition.

According to CFED, there are many policies that Maryland could enact to improve its climate for asset building and preservation. They include the following:

- *Encourage Savings*: To increase net worth and decrease the amount of debt households are burdened with, Maryland should match the deposits of those who save in Individual Development Accounts or 529 education savings accounts.
- *Increase Access to Health Insurance*: To decrease the number of low-income and minority uninsured Maryland residents, the state should expand coverage to more low-income people by raising eligibility limits.
- *Support Microenterprise*: To offset its negative rate of job growth, Maryland should support entrepreneurs by funding organizations that provide technical assistance and loans to microenterprises.¹²⁴

Policy Champion(s): Prospective champions include cabinet level State Departments such as the Department of Housing and Community Development, the Department of Business and Economic Development, the Department of Health and Mental Hygiene, and policy advocates.

Policy Challenger(s): There are no known opponents to this policy option.

Viability: High

As mentioned above, CFED has partnered with organizations in 25 states to build coalitions that will utilize the *Scorecard* to advocate for state-level policy change.

Costs: Cost estimates are not available at this time.

Assessment: High Priority

Currently, there is no state-run program in place to develop or fund innovative and/or targeted asset building initiatives in Maryland.

Local Policy Options

POLICY OPTION #4: COLLABORATE WITH THE MARYLAND CONSUMER RIGHTS COALITION TO SUPPORT THE MARYLAND DEBT SETTLEMENT SERVICES ACT TO REGULATE DEBT SETTLEMENT ENTITIES AND BAN UPFRONT FEES

Summary of Policy Option: For a myriad of reasons, many Maryland consumers have excessive debt, are unemployed or underemployed, face foreclosure, and are threatened with legal action; these individuals are easy prey for dishonest debt settlement business. Under SB 701/HB 392, debt settlement services will protect the most vulnerable consumers from the abuses of many debt settlement businesses. This bill would prohibit unfair practices and provide essential disclosures for consumers. Individuals and families have accumulated unsecured debt both to meet their basic needs and to improve their lives. Now, as the availability of credit has tightened and credit card issuers have increased their annual percentage rates and fees, individuals and families are seeking ways to relieve their debt burden. Debt settlement businesses promise to reduce unsecured debt by negotiating with creditors to settle for a lump sum that is less than the entire debt owed, but unfortunately, many debt settlement firms take advantage of the situation by collecting large fees upfront and promising to reduce the individual's debt. Debt settlement firms often encourage consumers to imprudently stop paying creditors on the promise that that the individual can save for a lump sum settlement. However, they do not adequately disclose the adverse impact this will have on a consumer's credit report or score. Firms often fail to effectively disclose that debt collection activities will continue. Most egregiously, they fail to effectively disclose that the first 3-6 months of savings will go directly to the firms' fees before any money is available for creditors. These practices wreak havoc on Maryland residents because their credit deteriorates and their debts increase. Individuals and families are worse off than when they began the debt settlement program.

SB 701/HB 392 does not prohibit debt settlement services or require additional licensing or regulatory agency action. The bill simply requires fair practices that reputable debt settlement businesses engage in. SB 701/HB 392 allows debt settlement firms to charge a small set up fee for their services and to collect up to 15% of the amount of debt settled after the debt is settled. Thus, debt settlement companies will only be paid for performance, not for the promise of performance. Also, under HB 392, debt settlement businesses must provide clear disclosures for consumers so that they can make an informed decision about whether debt settlement is the best option for them.¹²⁵

Policy Champion(s): Consumers are certain to be champions for this policy option.

Policy Challenger(s): Debt settlement agencies are likely challengers of this policy option as the Act will negatively impact their profit margin.

Viability: High

Costs: This is a zero-cost policy option.

Assessment: High Priority

This policy option directly addresses the asset building and financial literacy core investment area of the More in the Middle Initiative.

Nonprofit Policy Options

POLICY OPTION #5: PROMOTE AND FUND THE MARYLAND CREATING ASSETS, SAVINGS AND HOPE CAMPAIGN'S FINANCIAL SOCIAL WORK INITIATIVE

Summary of Policy Option: The Maryland Creating Assets, Savings, and Hope (CASH) Campaign, housed under the Job Opportunities Task Force, is a statewide network of organizations and practitioners that promote financial stability for working families while focusing on the following three initiatives: capacity building and training, financial education, and research and advocacy.¹²⁶ As a nonprofit organization, the Maryland CASH Campaign provides training opportunities for their partners (i.e. nonprofit organizations, government agencies, the financial service industry, higher education institutions, elected officials, and private foundations) and practitioners throughout the state as well as free and low-cost financial education courses through the all Maryland residents through the Maryland CASH Academy. The CASH Academy faculty comprises representatives from nonprofit organizations, banks, credit unions, educational institutions, and other financial professionals. In addition, the Maryland CASH Campaign advocates for policies at the state and national level that support financial stability for working families. The Financial Social Work Initiative (FSWI), which will examine the social worker's role in working with individuals around financial matters, hosts continuing education workshops for laypersons and professionals entitled *Introduction to Financial Stability for Clients*. The Financial Stability Toolkit follows Maryland CASH's asset-building continuum, and can be used by practitioners to support clients at any of the 4 stages of the asset-building process, namely (1) emergency and transitional services, (2) financial stability, (3) short-term asset ownership, and (4) long-term wealth creation.¹²⁷

Policy Champion(s): Nonprofit organization partners are prospective champions. In addition, the social work academic programs are likely to show interest in the FSWI.

Policy Challenger(s): There are no known opponents to this policy option.

Viability: High

The CASH Campaign is a local authority on asset building and financial literacy initiatives in Maryland.

Costs: Operational costs associated with implementing and executing the FWSI are not available.

Assessment: Medium Priority

The implementation of the FSWI is not urgent as the Maryland CASH Campaign’s Financial Stability Toolkit is currently being used in the field to support clients in the asset-building process.

POLICY OPTION #6: PROMOTE SOLUTIONS FOR AMERICA’S THRIVING NEIGHBORHOODS ASSET BUILDING TRAINING PROGRAMS AND INDIVIDUAL DEVELOPMENT ACCOUNTS INITIATIVES.

Summary of Policy Option: Asset building programs aim to help low-income individuals accumulate funds for buying homes, obtaining post-secondary education, and job training, and attaining other investments. Owning these assets has both short and long-term benefits. In the short-term, those who hold assets are more likely to defer some purchases, enabling them to accumulate wealth. Assets are also a safety net for emergencies. In the long-term, assets strengthen individuals, their families, and neighborhoods by giving people a stake in their future and the community. Assets help to increase wealth, and their value can be passed down to following generations. Solutions for America maintains that in order to help the poor build assets, institutional incentives, information, and access are crucial. Researchers have found that the most important reason the poor build fewer assets is not due to a lack of motivation or impulsive buying habits, but because they do not possess the resources to take advantage of incentives such as Individual Retirement Accounts that subsidize saving for the middle class.¹²⁸

Strategies for closing this asset gap usually try to make financial lending and banking institutions more accessible to low-income people through loans, no-cost saving accounts, and individual development accounts (IDAs). Created by community-based organizations with public and private funding, IDAs are matched savings accounts which can be withdrawn for purposes such as buying a house, starting a business, or obtaining post-secondary education or job training. There are several types of organizations that are committed to helping families build assets through IDAs and other programs. The most common are community development finance institutions, or CDFIs. CDFIs are financial institutions that have community development as their primary mission. CDFIs generally include:

- Community development banks
- Community development credit unions
- Community development loan funds
- Community development capital funds
- Microenterprise development loan funds

Solutions for America suggest that providing several hours of financial education increases the amount that IDA holders save. The best type of financial education combines general education (how to manage a budget, credit and debt management, credit repair) and education specific to the program (for example, how to use IDA matching funds to make purchases).¹²⁹

Policy Champion(s): Prospective champions include financial lending and banking institutions, advocates, and business and economic development community-based organizations.

Policy Challenger(s): There are no known challengers to this policy option.

Viability: Low

While there are no known opponents to this policy option, Solutions for American maintains that asset building programs are most helpful for the working poor who are trying to attain self-sufficiency. Participants with severe financial and personal problems should be referred to other, more appropriate assistance and cautions that many potential participants are suspicious of lending institutions.

According to George Warren Brown School of Social Work's Center for Social Development (2008), as early as 1997, legislation has been proposed to start a statewide IDA program in Maryland. Due to a budget shortfall and the lack of specificity for participants to undergo financial education, the bill did not pass.¹³⁰ However, under the guidance of the now, non-existent Maryland Center for Community Development (MCCD) programs began to form. By the summer of 2000, over 12 programs were operating or starting up across the state. Due to the programs growth and with federal, state and foundation support Maryland had a statewide IDA program from 2001-2006. Currently, none of the IDA programs in Maryland are state-supported, but several IDA programs are being administered by community organizations using other funding sources. These organizations include the Allegany County HRDC; Collective Banking Group of PG County & Vicinity; and Family Services Association.

Costs: Costs for implementing the Thriving Neighborhoods Asset Building Training programs are not available.

Assessment: Low Priority

As mentioned previously, there are local, well established asset building and financial literacy training programs. A possible next step is to compare the curricula of the Maryland-based programs to those of the Solutions for America's Thriving Neighborhoods Asset Building Training programs. If there are components of the Thriving Neighborhoods program that could supplement existing local programs, those components can be adopted where appropriate.

POLICY OPTION #7: DEVELOPMENT OF ASSET BUILDING ACTIVITIES IN BALTIMORE CITY IN COLLABORATION WITH THE MARYLAND ASSET BUILDING AND COMMUNITY DEVELOPMENT NETWORK, INC.

Summary of Policy Option: The Maryland Asset Building and Community Development (ABCD) Network, Inc., is a network of member organizations (community based nonprofits, community development corporations, branches of local government, related for-profit businesses, and committed individuals) that serve low-wealth communities and individuals of low-wealth in mixed-income communities throughout Maryland.¹³¹ The Maryland ABCD network develops and promotes asset building and community development activities through communication, advocacy, and capacity building activities. Their main goal is to ensure that the asset building and community development industry in Maryland is strong and dynamic.¹³² In addition, they work to ensure resources are utilized efficiently, membership organizations work collaboratively, and that the policies and programs they advocate for are sound. With the support of member and partnering organizations, the Maryland ABCD Network, certification courses, webinars, and technical assistance are offered at a heavily discounted rate.¹³³

Policy Champion(s): There are champions of the ABCD Network in both the public and private sector.

Policy Challenger(s): There are no known challengers of this policy option.

Viability: High

The ABCD Network's diverse membership base is an invaluable resource. Given that the Network is currently engaged in outreach activities that focus on low-wealth communities, this policy option is a natural extension of ongoing efforts.

Costs: Expenditures for the development and implementation of community-based asset building activities are not available.

Assessment: Medium Priority

As stated above this policy option would be the extension of ongoing work.

More in the Middle Initiative Policy Agenda Recommendations

The vision of the More in the Middle (MitM) is to improve economic well-being of Baltimore City by closing the wealth gap between White and African Americans. Through this collaborative effort that includes private and public educational, financial, business, and philanthropic communities and state and local government, the social and human capital of Baltimore metropolitan area will be strengthened, and Baltimoreans will have greater access to the resources and opportunities necessary for economic growth. Associated Black Charities policy agenda must include those policy options that directly address barriers to the expansion of the African American middle class and promote collaboration across providers and partners throughout Baltimore. The following policy options most closely align with the core investment areas and are believed to have the greatest likelihood of implementation:

Higher Education: College Access, Retention, and Completion Priority Policy and Program Options:

- Reduce the length and complexity of the Free Application for Federal Student Assistance (FAFSA)
- Expansion of Eligibility Criteria for the H.P. Rawlings Guaranteed Access Grant

Workforce Development/Career Training and Advancement Priority Policy and Program Options:

- Expansion of Program and Advocacy Initiatives Through the National Helping Individuals with Criminal Records Reenter Through Employment Network
- Collaborate with Members/Member Organizations of the Governor's Workforce Investment Board and Skills2Complete Maryland Partners
- Advocate for the Maryland Job Applicant Fairness Act of 2011
- Advocate for the "Ban the Box" Legislation on Behalf of Individuals with Criminal Records Who Are Seeking State Employment
- Promote the Baltimore City Mayor's Office of Employment Development and Partner with the Baltimore Workforce Investment Board to Identify and Engage African American Business Owners

Homeownership and Foreclosure Prevention Priority Policy and Program Options:

- Promotion of the Federal Making Home Affordable and Emergency Homeowners Loan Programs Among At-Risk Homeowners in Baltimore City
- Advocate for the Maryland Housing Opportunities Made Equal Act of 2011
- Promotion and Expansion of Homeowner Counseling, Incentive, and Foreclosure Prevention Programs Through Existing Entities in the Baltimore Region

Business and Economic Development Priority Policy and Program Options:

- Implementation of More Targeted Outreach Activities to Promote the Services Offered to Small Businesses Through the U.S. Small Business Administration 8(a) Business Development Program
- Advocate for Maintenance of Existing Programs and Services Offered Through the Maryland Department of Business and Economic Development
- Expansion of the Maryland Economic Development Association's Economic Development Initiatives

Asset Building and Financial Literacy Priority Policy and Program Options:

- Partner with Stakeholders to Implement the Goals of New America's 2011 Asset Building Agenda
- Advocate for the Earned Income Credit Information Act of 2011
- Partner with the Corporation for Enterprise Development to Build a Maryland-Based Coalition that will Utilize the Assets & Opportunities Scorecard to Advocate for State Asset Building Policy Change
- Collaborate with the Maryland Consumer Rights Coalition to Support the Maryland Debt Settlement Entities and Ban Upfront Fees

¹ Associated Black Charities. July 2002. Core Definitions, Action Steps and Possible Metrics. June 2009.

² U.S. Department of Commerce. U.S. Census Bureau. The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings. Retrieved from: <http://www.census.gov/prod/2002pubs/p-23-210.pdf>

³ Kachura, M. January 2008. Executive Summary, More in the Middle Initiative Dashboard Report: Analysis and Metrics of Baltimore City's African American Middle Class, An Overview of Economic Gaps in Black and White. Associated Black Charities and Strategic Collaborative. Retrieved from: <http://www.abc-md.org/wp-content/uploads/2009/06/dashboardreport.pdf>

⁴ TICAS. Simplifying the FAFSA. Retrieved from: http://ticas.org/program_view.php?idx=7

⁵ Ibid.

⁶ TICAS. July 2010. After the FAFSA. Retrieved from: <http://ticas.org/files/pub/AfterFAFSA.pdf>

⁷ TICAS. Simplifying the FAFSA. Retrieved from: http://ticas.org/program_view.php?idx=7

⁸ TICAS. July 2010. After the FAFSA. Retrieved from: <http://ticas.org/files/pub/AfterFAFSA.pdf>

⁹ Maryland Higher Education Commission. College 411-Student Outreach Kit. Guide 2010-11. Retrieved from: <http://www.mhec.state.md.us/publications/StudentOutreachKit/411Guide10-11.pdf> or Maryland Higher

Education Commission. Howard P. Rawlings Guaranteed Access Grant. Student Information and Instructions Academic Year 2009-10. Retrieved from:

<http://www.baltimorecashcampaign.org/Portals/0/GA%20Grant%20Application.pdf>

¹⁰ DLS. SB 843: Delegate Howard P. Rawlings Program of Educational Excellence Awards -Guaranteed Access Grants - Eligibility Determination. Maryland General Assembly. Session 2007. Retrieved from:

http://mlis.state.md.us/2007RS/fnotes/bil_0004/sb0834.pdf

¹¹ DLS. FY 2011 Analysis of MHEC Scholarship Programs. Retrieved from:

http://mlis.state.md.us/2010rs/budget_docs/all/Operating/R62I0010 - MHEC Scholarship Programs.pdf

¹² Maryland Higher Education Commission. Student Financial Assistance. Howard P. Rawlings Guaranteed Access Grant. Retrieved from: http://www.mhec.state.md.us/financialAid/ProgramDescriptions/prog_ga.asp

¹³ Ibid.

¹⁴ DLS. FY 2011 Analysis of Maryland Higher Education Commission Scholarship Programs.

¹⁵ New America Foundation. 28 May 2010. The Ladder – A Blog from the New America’s Asset Building Program. Retrieved from:

http://assets.newamerica.net/blogposts/2010/san_francisco_introduces_accounts_at_birth_proposal_for_college_-32386

¹⁶ Elliot, W. and S. Beverly. 2010. The Role of Savings and Wealth in Reducing “Wilt” between Expectations and College Attendance. Center for Social Development. Retrieved from:

<http://csd.wustl.edu/Publications/Documents/WP10-01.pdf>

¹⁷ About Mayor Newson. Retrieved from: <http://www.sfmayor.org/about-the-mayor>

¹⁸ About New America Foundation. Retrieved from: <http://www.newamerica.net/about>

¹⁹ About EARN. Retrieved from: <http://www.earn.org/site/downpage.php?NodeID=50>

²⁰ Corporation for Enterprise Development. About/Purpose. Retrieved from: <http://cfed.org/about/purpose/>

²¹ Diverse: Issues in Higher Education – is the only newsmagazine focusing exclusively on matters of access and opportunity for all in higher education. Retrieved from: <http://diverseeducation.com/page/74/1.php>

²² Diverse: Issues in Higher Education. 1 June 2010. San Francisco Mayor Wants College Accounts for Kindergartners. Retrieved from: <http://diverseeducation.com/article/13838/>

²³ Ibid.

²⁴ Baltimore City Public Schools. January 2010. By the Numbers 2010-11. Retrieved from:

<https://www.baltimorecityschools.org/2167104685314217/site/default.asp>

²⁵ Office of Baltimore City Mayor Stephanie Rawlings-Blake. 21 June 2010 Mayor Rawlings-Blake’s Remarks about Passage of City Budget that Balanced \$121 Million Deficit. Retrieved from:

http://www.baltimorecity.gov/OfficeoftheMayor/NewsPressReleases/tabid/66/ID/457/Mayor_Rawlings-Blakes_Remarks_about_Passage_of_City_Budget_that_Balanced_121_Million_Deficit.aspx

²⁶ CLASP. October 2010. Funding Career Pathways and Career Pathways Bridges: A Federal Policy Toolkit for States. Retrieved from: <http://www.clasp.org/postsecondary/pages?id=0003>

²⁷ Maryland Department of Legislative Services. FY 2011 Analysis of the Maryland Higher Education Scholarship Programs. Retrieved from: http://mlis.state.md.us/2010rs/budget_docs/all/Operating/R62I0010 - MHEC Scholarship Programs.pdf

²⁸ U.S. Department of Education. Retrieved from:

<http://www2.ed.gov/about/overview/budget/statetables/11stbystate.xls#Maryland>>

²⁹ Texas Guaranteed Student Loan Corporation. 2010. College Forward: A Comprehensive Approach to College Access and Retention. Retrieved from: <http://www.tgslc.org/pdf/Case-Study-College-Forward.pdf>

³⁰ Ibid.

³¹ Texas Guaranteed Student Loan Corporation. Corporate Overview. Retrieved from:

<http://www.tgslc.org/abouttg/overview/>

³² Maryland Higher Education Commission. Mission, Vision & Goals. Retrieved from:

www.mhec.state.md.us/higherEd/about/mission.asp

³³ Texas Guaranteed Student Loan Corporation. 2010. College Forward: A Comprehensive Approach to College Access and Retention. Retrieved from: <http://www.tgslc.org/pdf/Case-Study-College-Forward.pdf>

-
- ³⁴ Texas Guaranteed Student Loan Corporation. Public Benefit Program Overview. Retrieved from: www.tgslic.org/publicbenefit
- ³⁵ Kachura, M. January 2008. Executive Summary, More in the Middle Initiative Dashboard Report: Analysis and Metrics of Baltimore City's African American Middle Class, An Overview of Economic Gaps in Black and White. Associated Black Charities and Strategic Collaborative. Retrieved from: <http://www.abc-md.org/wp-content/uploads/2009/06/dashboardreport.pdf>
- ³⁶ U.S. Department of Labor. Employment and Training Administration. High Growth Job Initiative. Retrieved from: <http://www.doleta.gov/BRG/JobTrainInitiative/>
- ³⁷ U.S. Department of Labor. Employment and Training Administration. High Growth Job Initiative. Retrieved from: <http://www.doleta.gov/BRG/JobTrainInitiative/>
- ³⁸ Legal Action Center. October 2008. National Blueprint for Reentry. Retrieved from: http://www.hirenetwork.org/pdfs/National_Blueprint_For_Reentry_08.pdf
- ³⁹ National H.I.R.E. Network. Retrieved from: <http://www.hirenetwork.org/>
- ⁴⁰ Maryland Higher Education Commission. Maryland State List of Occupational Training Programs. Retrieved from: <http://www.mhec.state.md.us/career/wia/index.asp>
- ⁴¹ Maryland Department of Labor, Licensing and Regulation. Maryland's One-Stop Career Center. Retrieved from: <http://www.dllr.state.md.us/employment/jtpa.shtml>
- ⁴² Maryland Department of Labor, Licensing and Regulation. Maryland's One-Stop Career Center. Retrieved from: <http://www.dllr.maryland.gov/employment/jtpa.shtml#overview>
- ⁴³ Maryland Higher Education Commission. Career and Workforce Education. Retrieved from: <http://www.mhec.state.md.us/career/index.asp>
- ⁴⁴ U.S. Department of Labor. Employment and Training Administration. Career Advancement Accounts. Retrieved from: http://www.doleta.gov/reports/career_advancement_accounts.pdf
- ⁴⁵ Maryland Higher Education Commission. Career and Workforce Education. Retrieved from: <http://www.mhec.state.md.us/career/wia/index.asp>
- ⁴⁶ Mayor's Office of Employment Development Workforce Investment Act. 15 May 2009. Modification of Two Year Local Plan for Baltimore City. Retrieved from: <http://www.oedworks.com/resources/Two%20Plan%20Mod%20PY%202009.pdf>
- ⁴⁷ Department of Labor, Licensing and Regulation. Governor's Workforce Investment Board. Center for Industry Initiatives. Retrieved from: <http://www.gwib.maryland.gov/business/>
- ⁴⁸ Department of Labor, Licensing, and Regulation. Governor's Workforce Investment Board. About the Board. Retrieved from: <http://www.gwib.maryland.gov/>
- ⁴⁹ Maryland Department of Labor, Licensing, and Regulation. Division of Workforce Development and Adult Learning. Retrieved from: <http://www.dllr.state.md.us/lmi/laus/maryland.shtml>
- ⁵⁰ U.S. Department of Labor. Home. Retrieved from: <http://www.dol.gov/>
- ⁵¹ Sachs, E. December 2010. Maryland's Workforce Indicators. Governor's Workforce Investment Board. Retrieved from: <http://www.gwib.maryland.gov/pub/pdf/gwibindicators2010.pdf>
- ⁵² Skills 2 Complete Maryland. Home. Retrieved from: <http://www.skills.maryland.gov/>
- ⁵³ Skills 2 Complete Maryland. For Workforce Professionals and Policymakers. Retrieved from: <http://www.skills.maryland.gov/policy.shtml>
- ⁵⁴ Maryland Department of Budget & Management. FY 2011 Budget Highlights. Retrieved from: <http://www.dbm.maryland.gov/agencies/operbudget/Documents/2011/FY2011BudgetHighlights.pdf>
- ⁵⁵ Governor's Workforce Investment Board 2009 Annual Report. Retrieved from: <http://www.mdworkforce.com/lib/pdf/annualreport2009.pdf>
- ⁵⁶ Job Opportunities Task Force. General Assembly 2011 Session. Retrieved from: <http://www.jotf.org/Advocacy/AnnapolisWatch2011/tabid/74/Default.aspx>
- ⁵⁷ Job Opportunities Task Force. Support the Job Fairness Act. Retrieved from: <http://www.jotf.org/LinkClick.aspx?fileticket=Sy1ymSjdE%2fy%3d&tabid=74>
- ⁵⁸ Maryland General Assembly. Bill and Information Status. House Bill 87. Retrieved from: <http://mlis.state.md.us/2011rs/billfile/hb0087.htm>

-
- ⁵⁹ Job Opportunities Task Force. Support HB 87/SB 132 – The Job Applicant Fairness Act. Retrieved from: <http://www.jotf.org/LinkClick.aspx?fileticket=NFITvj4sZ1c%3d&tabid=74>
- ⁶⁰ Kelley, M. 13 May 2010. "Ban the Box" Campaigns Gain Steam. Change.org. Retrieved from: <http://news.change.org/stories/ban-the-box-campaigns-gain-steam>
- ⁶¹ All of Us or None. Ban the Box. Retrieved from: <http://www.allofusornone.org/campaigns/ban-the-box>
- ⁶² Mayor's Office of Employment Development. Home. Retrieved from: <http://www.oedworks.com/>
- ⁶³ Baltimore Workforce Investment Board. Retrieved from: <http://www.baltoworkforce.com/>
- ⁶⁴ Maryland Works, Inc. Retrieved from: <http://www.mdworks.com/>
- ⁶⁵ Maryland Works, Inc. Employment Works. Retrieved from: <http://www.mdworks.com/employmentworks.html>
- ⁶⁶ Maryland's Foreclosure Mediation Program. The Home Owner Preserving Equity (HOPE) Initiative. Retrieved from: <http://www.mdhope.org/ForeclosureMediation.aspx>
- ⁶⁷ Michaud, A. 29 December 2010. Foreclosure problem not fixed yet. <http://www.newsday.com/opinion/oped/foreclosure-problem-not-fixed-yet-1.2576145>
- ⁶⁸ Associated Black Charities. Homeownership & Foreclosure Prevention. <http://www.abc-md.org/homeownership-and-foreclosure-prevention/>
- ⁶⁹ Maryland Department of Housing and Community Development. January 2011. Property Foreclosures in Maryland Fourth Quarter 2010. Retrieved from: http://www.mdhope.org/documents/PropertyForeclosureEventsinMaryland_10Q4.pdf
- ⁷⁰ Kachura, M. January 2008. Executive Summary, More in the Middle Initiative Dashboard Report: Analysis and Metrics of Baltimore City's African American Middle Class, An Overview of Economic Gaps in Black and White. Associated Black Charities and Strategic Collaborative Retrieved from: <http://www.abc-md.org/wp-content/uploads/2009/06/dashboardreport.pdf>
- ⁷¹ U.S. Department of Treasury and the U.S. Department of Housing and Urban Development. Retrieved from: <http://www.makinghomeaffordable.gov/>
- ⁷² U.S. Department of Housing and Urban Development. Emergency Homeowner Loan Program-Summary. Retrieved from: <http://www.hud.gov/offices/hsg/sfh/hcc/mgs/EHLP100810.pdf>
- ⁷³ Hoyer, S. Hoyer Announces \$40 Million for Maryland as Part of Emergency Homeowner Loan Program Retrieved from: <http://www.hoyerforcongress.com/node/140>
- ⁷⁴ H.R. 4173: Dodd-Frank Wall Street Reform and Consumer Protection Act. 2009. Retrieved from: <http://www.govtrack.us/congress/bill.xpd?bill=h111-4173>
- ⁷⁵ Emergency Mortgage Assistance Program. Maryland Department of Housing and Community Development. Retrieved from: <http://www.mdhope.org/ema.aspx>
- ⁷⁶ U.S. Department of Housing and Urban Development. Obama Administration Announces Nearly \$73 Million in Counseling Grants to Help Families Find and Keep Housing: HUD funding critical to support more than 500 counseling agencies nationwide. Retrieved from: http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2010/HUDNo.10-269
- ⁷⁷ Maryland Department of Housing and Community Development. The Home Owners Preserving Equity Initiative. Retrieved from: <http://www.mdhope.org/>
- ⁷⁸ Maryland Department of Housing and Community Development. The HOPE Initiative – Combating Foreclosure in Maryland. Retrieved from: <http://www.mdhope.org/CombatingForeclosureInMD.aspx>
- ⁷⁹ Ibid.
- ⁸⁰ Maryland Department of Housing and Community Development. Economic Impact of Maryland Department of Housing and Community Development Fiscal Year 2010. December 2010. Retrieved from: http://www.dhcd.maryland.gov/website/About/PublicInfo/Publications/Documents/FY2010_Economic_Impact.pdf
- ⁸¹ Maryland Department of Housing and Community Development. Community Development Administration. Retrieved from: <http://www.mmprogram.org/>
- ⁸² Maryland Department of Housing and Community Development. Community Development Administration. House Keys 4 Employees Program. <http://www.mmprogram.org/documents/HK4EKit.pdf>
- ⁸³ Maryland Department of Housing and Community Development. Community Development Administration. DSELP Fact Sheet. Retrieved from: <http://www.mmprogram.org/dselp.aspx>

-
- ⁸⁴ Maryland Department of Planning. Priority Funding Areas. Retrieved from: <http://www.mdp.state.md.us/OurProducts/pfapmap.shtml>
- ⁸⁵ Maryland Mortgage Program. House Keys 4 Employees List of Participating Employers. Retrieved from: <http://www.mmprogram.org/hk4eParticipating.aspx>
- ⁸⁶ Coalition for the Maryland Housing Opportunities Made Equal Act. Facts Sheet.
- ⁸⁷ Currie, J. January 2011. Brief Background on the MD Home Act.
- ⁸⁸ Housing Authority of Baltimore City. Baltimore's Housing Choice Voucher Homeownership Program. Retrieved from: http://www.baltimorehousing.org/homeownership_hcvp
- ⁸⁹ Ibid.
- ⁹⁰ LiveBaltimore. Retrieved from: <http://www.livebaltimore.com/buy/counseling/>
- ⁹¹ Ibid.
- ⁹² Neighborhood Housing Services of Baltimore. Retrieved from: <http://www.nhsbaltimore.org/index.shtml>
- ⁹³ Homeownership Preservation Foundation. Retrieved from: <http://www.995hope.org/>
- ⁹⁴ St. Ambrose Housing Aid Center. About St. Ambrose. Retrieved from: <http://www.stambros.org/>
- ⁹⁵ St. Ambrose Housing Aid Center. Programs At A Glance. Retrieved from: <http://www.stambros.org/>
- ⁹⁶ Kachura, M. January 2008. Executive Summary, More in the Middle Initiative Dashboard Report: Analysis and Metrics of Baltimore City's African American Middle Class, An Overview of Economic Gaps in Black and White. Associated Black Charities and Strategic Collaborative Retrieved from: <http://www.abc-md.org/wp-content/uploads/2009/06/dashboardreport.pdf>
- ⁹⁷ U.S. Department of Commerce. Minority Business Development Agency. Retrieved from: <http://www.mbda.gov/main/offices>
- ⁹⁸ Ibid.
- ⁹⁹ U.S. Department of Commerce. Minority Business Development Administration. Retrieved from: <http://www.mbda.gov/main/advisory-council>
- ¹⁰⁰ Minority Business Development Administration. FY 2010 Budget in Brief. Retrieved from: <http://www.osec.doc.gov/bmi/budget/10BIB/MBDA.pdf>
- ¹⁰¹ U.S. Small Business Administration. Retrieved from: <http://www.sba.gov/content/8a-business-development>
- ¹⁰² Ibid.
- ¹⁰³ Ibid.
- ¹⁰⁴ U.S. Small Business Administration. Retrieved from: <http://www.sba.gov/content/small-business-size-regulation-and-methodology>
- ¹⁰⁵ U.S. Small Business Administration. Small Business Jobs Act of 2010. Retrieved from: <http://www.sba.gov/content/small-business-jobs-act-2010>
- ¹⁰⁶ Ibid.
- ¹⁰⁷ Maryland Department of Business and Economic Development. Retrieved from: <http://www.dbed.maryland.gov/Pages/Home.aspx>
- ¹⁰⁸ Maryland Department of Business and Economic Development. Rankings: Entrepreneurship. Retrieved from: <http://choosemaryland.org/factsstats/Pages/Rankings.aspx>
- ¹⁰⁹ Maryland Department of Business and Economic Development. Retrieved from: <http://dbm.maryland.gov/agencies/operbudget/Documents/2012/Proposed/busecon.pdf>
- ¹¹⁰ Maryland State Archives. The Task Force on the Minority Business Enterprise Program & Equity Investment Capital. Retrieved from: <http://www.msa.md.gov/msa/mdmanual/26excom/html/23minb2010.html>
- ¹¹¹ <http://www.baltimoredevelopment.com/>
- ¹¹² Fiscal 2011 Agency Detail Board of Estimates Recommendations. Retrieved from: <http://www.baltimorecity.gov/LinkClick.aspx?fileticket=d6GW7HzAShY%3d&tabid=215&mid=526>
- ¹¹³ City of Baltimore, Office of Minority and Women-Owned Business Development. Retrieved from: <http://www.baltimorecity.gov/OfficeoftheMayor/MayoralOffices/MinorityandWomenOwnedBusinessDevelopment.aspx>
- ¹¹⁴ Ibid.
- ¹¹⁵ Maryland Small Business Development Center Network. Retrieved from: <http://www.mdsbdc.umd.edu/>
- ¹¹⁶ Ibid.

-
- ¹¹⁷ Maryland Small Business Development Center. Faces & Impact of the Maryland SBDC. Retrieved from: <http://www.mdsbdc.umd.edu/documents/face09.pdf>
- ¹¹⁸ Maryland Economic Development Association. Retrieved from: <http://www.medamd.com/>
- ¹¹⁹ Kachura, M. January 2008. Executive Summary, More in the Middle Initiative Dashboard Report: Analysis and Metrics of Baltimore City's African American Middle Class, An Overview of Economic Gaps in Black and White. Associated Black Charities and Strategic Collaborative Retrieved from: <http://www.abc-md.org/wp-content/uploads/2009/06/dashboardreport.pdf>
- ¹²⁰ New America Foundation. Asset Building Program. Retrieved from: <http://assets.newamerica.net/>
- ¹²¹ Maryland Creating Assets, Savings, and Hope Campaign. Tax Credits for Working Families. Retrieved from: <http://www.mdcash.org/userfiles/file/TaxCredits.pdf>
- ¹²² Maryland General Assembly. Bill Information and Status. Retrieved from: <http://mlis.state.md.us/2010rs/billfile/hb0755.htm>
- ¹²³ The Corporation for Enterprise Development. Policy Campaign. Retrieved from: http://scorecard.cfed.org/main.php?page=policy_campaign
- ¹²⁴ The Corporation for Enterprise Development. 2009-2010 Assets & Opportunities Scorecard: Maryland. Retrieved from: http://scorecard.cfed.org/state_data/maryland.php
- ¹²⁵ Maryland Consumer Rights Coalition. In Support of HB 392. Retrieved from: <http://www.consumerfed.org/elements/www.consumerfed.org/file/debt%20settlement%20organizational%20signature%20on%20letter.pdf>
- ¹²⁶ Maryland Creating Assets, Savings, and Hope Campaign. Home. Retrieved from: <http://mdcash.org/>
- ¹²⁷ Maryland Creating Assets, Savings, and Hope Campaign. Capacity Building and Training. Retrieved from: <http://mdcash.org/?q=node/3>
- ¹²⁸ Solutions for America. Thriving Neighborhoods: Asset-Building and IDAs. Retrieved from: <http://www.solutionsforamerica.org/thrivingneigh/asset-building.html>
- ¹²⁹ Ibid.
- ¹³⁰ Washington University in St. Louis. George Warren Brown School of Social Work. Center for Social Development. Maryland IDA Legislative History. Retrieved from: http://csd.wustl.edu/AssetBuilding/SAP/Documents/MD_his.pdf
- ¹³¹ Maryland Asset Building and Community Development Network. Who We Are. Retrieved from: <http://www.abcdnetwork.org/>
- ¹³² Maryland Asset Building and Community Development Network. Capacity Building. Retrieved from: <http://www.abcdnetwork.org/capacity-building/>
- ¹³³ Ibid.

With Appreciation and Thanks

*Associated Black Charities extends its
thanks and appreciation to:*

The Surdna Foundation for its support

Associated Black Charities
is a public foundation that facilitates
the creation of measurably healthier and
wealthier communities throughout
the State of Maryland through responsible
leadership and philanthropic investment.



ABC Associated
Black Charities