

## Maine's LiLA Program Lifelong Learning Accounts



## Why LiLA for Maine?

- Maine had a higher share of high school graduates than the nation in 2000 (85.4 to 80.4 percent), but only 55% of graduates enrolled in college the following year.
- Maine lagged behind the nation in 2000 with those holding Bachelor's degree or higher (24.1 to 26 percent) and behind New England at 36%.
- Lifelong Learning Accounts help to close the funding gap for postsecondary education for working adults and gets them back to school!



## Maine's LiLA Program – Unique Characteristics



### Key Characteristics of the LiLA Program (National Model)

- Sponsored by Employer
- Employer Matched
- Portable – Employee Owned
- Career & Education Advising
- Broad Use of Funds
- Account Management (Bank)

### Key Characteristics of the Maine LiLA Program

- Sponsored by Employer
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- Broad Use of Funds
- Account Management (Maine's 529 Plan)
- NextGen Annual Matching Grants available to eligible employees
- Financial Advising Services available



## NextGen Account Management for LiLA

- NextGen 529 Accounts – LiLA Account Management
  - NextGen 529 accounting system in place for simplified investing and withdrawals
  - Initial Matching Grant of \$200 (Income eligibility: If family makes < \$54,500/year)
  - Annual 3<sup>rd</sup> Party Match of up to \$200 (\* If family makes < \$54,500/year)
  - Interest Accrued Tax-Free
  - Fees for LiLA account management In-kind



**Next Gen** *How does the NextGen Matching Grant benefit eligible LiLA Employees?* **LiLA**  
Lifelong Learning Account

**Employee Contribution + Employee Match + NextGen Matching Grant = Employees Replace Debt with Savings!**

	Initial Year	Subsequent Year(s)
Employee Contribution	\$300.00	\$300.00
Employer Match	\$300.00	\$300.00
NextGen Match	\$200.00	\$200.00
<b>Total \$\$ for Education</b>	<b>\$800.00</b>	<b>\$800.00</b>
<b>PLUS Proposed LiLA Wired Scholarship for Marine Trades</b>	<b>\$325.00</b>	<b>\$325.00</b>

**Maine LiLA Program Statewide Partnership**  
*LEVERAGING RESOURCES for Scalability and Sustainability*

- Maine Department of Labor – Outreach and Enrollment
- Maine’s Statewide Network of 22 CareerCenters – Outreach, Enrollment and Computer Based Tracking
- Maine Centers for Women, Work & Community - Career and Education Advising
- Finance Authority of Maine – Account Management (NextGen Account)
- Maine NextGen Distribution Agents – Financial Advising, Outreach and Enrollment
- **Several Other Champions**
  - Trade Associations
  - University of Maine System
  - Community College System
  - Local Workforce Investment Boards
  - Maine Jobs Council


**Funding for Maine’s LiLA**  
United States Department of Labor  
Ford Foundation

**Marketing Maine’s LiLA Program**

- **Network of 22 CareerCenters in Maine**  
All have relationships with businesses in their regions – LiLA prospects
- **FAME’s Distribution Agents/Financial Advisors**  
Already selling NextGen Accounts to employers, will now include LiLAs as a new education product for employers to consider.
- **Trade Association LiLA Marketing Packages**  
- Newsletter articles, LiLA display booths at conferences, LiLA presentations with boards of directors and identified employer prospects
  - Maine Metal Product’s Association
  - Maine Marine Trades Association
  - Maine Tourism Association
  - Maine Innkeepers Association
  - Maine Restaurant Association

**What Maine LiLA Participants Tell Us**

- **Employer Likes:**
  - Increase recruitment and retention of employees
  - Simplicity of LiLA enrollment
  - Setting a ‘cap’ on monthly and total annual LiLA contributions
  - Inexpensive addition to existing benefit package
  - Career & education advising for front-line staff
  - Industries with established ‘career tracks’ very interested
  - Concerns: Employee can take LiLA with them if leave
  - Employees enroll in non-industry sponsored courses
- **Employee Likes:**
  - Pursue a degree
  - Obtain additional training and knowledge
  - Continue education
  - Learn a new or different skill
  - Increase earning potential



## Enrolling Employers in Maine

Overall Goal: 50 employers & 350 employees ENROLL in 2 years!

### Employer #1. Ask...For Home Care

• **Motivation to enroll:**

- Employee Recruitment; FIRST in Pilot
- Daughter's Education; Education Track for Staff
- Strong belief education makes the world a better place!
- Relationship with Rockland CareerCenter Staff



- **Eligibility:** All employees working at least 30 hours a week and a minimum of 6 months at company

- **Match:** Up to \$1,300 a year per employee

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### Employer #2. Employment Times

• **Motivation to enroll:**

- Add to employee benefit package
- Identified staff who want to continue education
- Strong belief in education for Maine!
- Relationship with MDOL staff



- **Eligibility:** All employees working at least 20 hours a week and a minimum of 90 days at company

- **Match:** Up to \$650 a year per employee

## Maine LiLA Employers

September 2006

Employer	Industry	#Employees	Employer Match
Ask...For Home Care	Health Care	65	\$1,200 per year
Employment Times	Advertising	12	\$ 650 per year
Maine Metal Products	Manufacturing	3	\$ 300 per year
MaineOXY	Manufacturing	119	\$ 300 per year
Gold Bridge Partners	Technology	19	\$ 300 per year
Coastal Enterprises, Inc.	Nonprofit	90	\$ 300 per year

- One of these employers has a tuition reimbursement program, but for management staff only. Their LiLA program will be open for all staff who work at least 35 hrs wk.
- We have just begun to enroll employees (3 to date) with several 'LiLA informational sessions' planned for September and October
- We anticipate 15 Employers enrolled by January 2007

## Future of Maine's LiLA

- **Federal LiLA Legislation:** Co-Sponsored by Senator Snowe (R) Maine
- USDOL and FORD Grant Requirements
  - 50 employers enrolled
  - 350 employees enrolled
- FAME's Distribution Agent Workshops – TEN September 2006
- WIRED Grant: Includes LiLA 3<sup>rd</sup> Party Match, Kick-off - August
- Press Conference: LAUNCH of LiLA at Employer Sites – September
- Maine's Statewide LiLA Partnership Planning for Scalability and Sustainability



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