



# ***BWIB Memberandum***

**Week of February 6, 2009**

- **House-Passed Stimulus Package Includes Workforce Funding**

Last week, the U.S. House of Representatives passed its version of the proposed federal stimulus package, entitled The American Recovery and Reinvestment Act (HR. 1). Positively, the bill includes up to \$4.0 billion for workforce development and employment services, including: \$500 million for adult job training, \$1.2 billion in formula grants for youth programs, \$1 billion for dislocated worker formula grants, and programs. In addition, the summary mentions funding for \$500 million in dislocated worker national emergency grants, a new \$750 million competitive grant program for job training in high growth and emerging industry sectors (with priority for green jobs and healthcare), and \$50 million additional support for YouthBuild programs.

Importantly, the \$1.5 billion in adult and \$1.2 billion in youth formula funding passed by the House of Representatives would serve to stimulate local economies while also helping adult, youth, and dislocated workers connect to available job opportunities. Assuming that established allocation formulas would be used to distribute these additional WIA funds, Baltimore would receive approximately \$3.6 million for youth programs, and \$1.5 for adult worker initiatives. Presently, the U.S. Senate is debating its version of this legislation. It is anticipated that final passage of this stimulus package could be as soon as mid-to-late February.

- **First Baltimore Regional Employer Institute Forum Held**

This year's first session of the Baltimore Regional Employer Institute was held recently at the Franklin Square Hospital Center (FSHC), located in eastern Baltimore County. Staff from FSHC, a member of MedStar Health, utilized this session to describe the process they used for developing an innovative RN training program designed to build and keep a highly qualified staff in the face of such workforce shortages.

Session presenters focused on the fact that this initiative represents a successful partnership with the Community College of Baltimore County. This partnership leverages each organization's resources and strengths, and helps workers continue their education in order to take a step up the career ladder. Simultaneously, the RN training program supports employee retention - a big value-add aligned with FSHC's strategic goal to promote and foster a staff of loyal, long-term employees. Of the original 24 program participants, six of 10 FSHC incumbent workers completed the training, and 10 graduates (6 FSHC incumbent workers and 4 non-employee learners) are now employed at the hospital.

The next session of the Baltimore Regional employer Institute, featuring Pevco, will be held on Thursday, February 26<sup>th</sup>. For additional details, or to sign up, please go to the Institute's website at: <http://baltimoreregionalemployerinstitute.com>.

## • National and Local Job Losses Continue

The U.S. Department of Labor recently released data which show that the number of Americans continuing to claim unemployment insurance (for the week ending Jan. 17<sup>th</sup>) was a seasonally adjusted 4.78 million, the highest level on record, dating back to 1967. This figure represents an increase of 159,000 over the previous week and in excess of major economists' expectations of 4.65 million. As a proportion of the work force, the tally of unemployment benefit recipients is the highest since August of 1983.

The U.S. economy lost another 598,000 jobs in January, a larger-than-expected decline that highlighted a weak global economy and the pressure building on companies to cut costs and payrolls. It was the largest one-month job loss since December 1974, and pushed the domestic unemployment rate to 7.6 percent, from 7.2 percent in December.

Nationally, employers as diverse as Ford Motor Company (1,200 jobs), Eastman Kodak (3,500 – 4,500 jobs), and Starbucks (6,700 jobs) have recently announced cuts to their respective workforces. Local employers have also announced layoffs in recent weeks. Erickson Retirement Communities laid off 260 of 13,000 employees this week, most in areas such as construction, development, and corporate support functions. Severstal North America Inc., which owns Baltimore County's Sparrows Point steel plant, said temporary voluntary and involuntary layoffs will continue there and at plants elsewhere. Towson toolmaker Black & Decker said it will be eliminating 1,200 jobs, many of them outside the Baltimore area. The Baltimore Examiner newspaper also announced that it will cease publishing as of February 15<sup>th</sup>, affecting 88 people.

## • Dates of Interest

Thursday, Feb. 12<sup>th</sup> (8:00 am) – BWIB Training & Postsecondary Education Committee Meeting  
Thursday, February 26<sup>th</sup> (8:00 am) – Baltimore Regional Employers Institute: PEVCO  
**Tuesday, March 3<sup>rd</sup> (7:30 am) – BWIB Full Board Meeting**  
Thursday, March 5<sup>th</sup> (7:45 am) – BWIB Youth Council Meeting  
Thursday, March 5<sup>th</sup> (8:00 am) – Workforce Investment Network for MD Legislative Breakfast  
Thursday, March 26<sup>th</sup> (8:00 am) – Baltimore Regional Employers Institute: Johns Hopkins Hospital  
Monday, April 13<sup>th</sup> – Last Day of 2009 Maryland General Assembly Session  
Thursday, April 23<sup>rd</sup> (8:00 am) – Baltimore Regional Employers Institute: Johns Hopkins – Bloomberg School of Public Health  
Thursday, April 30<sup>th</sup> (8:00 am) – Baltimore Regional Employers Institute: Dietrich Industries

*\*\*\*If you would like additional information regarding any of the issues or events discussed throughout this publication, please feel free to contact Jeff Smith.\*\*\**