Economic Development Council of Maine

Partnership For Prosperity

A
State of Maine Economic Development Agenda

May 2, 2002

Part I. Introduction

Maine needs more jobs that pay higher wages. All over the state. This is a perennial topic of debate every election year in Maine.

This year we thought we'd join in the discussion. We are the Economic Development Council of Maine. Our members work every day to develop business and create jobs. We know what it is that helps businesses succeed in Maine, and what it is that makes life harder. We know what attracts out-of-state companies to move to Maine, and what turns them off. In this white paper we put our knowledge to work by presenting a series of proposals for improving Maine's economic development performance. Were all to be adopted by the next Governor and Legislature, our economy would grow stronger, and the well being of all our people would increase. We offer these ideas to the candidates, the media, and the people of Maine, in the spirit of furthering public understanding and raising the level of economic development discussion.

The ideas in this paper are the result of intensive meetings and interviews with over 200 people and five subcommittees dealing with communities, regions, government, business and people. They have been reformatted and presented by a consultant firm that is a member of the Council, Planning Decisions, Inc.[1]

The second section of this paper contains recommendations. But first some context.

"Economic development is the process of creating wealth. Wealth is created by mobilizing resources – financial, natural, human, technological, managerial – to create marketable goods and services. The most common ways to measure wealth creation are in terms of new employment, increased incomes, and expansion of the tax base." [2]

In practical terms, economic development involves one or more of the following four activities. They can be thought of as the goals of economic development.

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[1] The Economic Development Council of Maine (EDCM) is a forty six-year old association of Maine economic development practitioners. The Council currently has over 200 members, and offers training and certification courses in the areas of development finance, business attraction, fiscal policies and other subjects of concern to economic development practitioners. Its programs are accredited by both the International and the Northeast Economic Development Associations. For more information on the Council and its activities contact Richard Kelso at Economic Management Services, 341 Water Street, PO Box 287, Augusta, ME 04332-0287. edcm@powerlink.net.

[2] Ronald Swager, "Contemporary Economic Development," Economic Development Review, Fall 2000, page 63.

Business Retention ***Helping businesses survive & stay in Maine***	**Business Expansion** ***Helping existing businesses expand in Maine***
Business Attraction ***Bringing new businesses into Maine***	**Business Creation** ***Helping entrepreneurs start in Maine***

The tools of economic development used to achieve these goals include:

- $ ***Tax Incentives***. Tax Increment Financing (TIF) for property tax rebates on new plant & equipment, state TIFs for income tax rebates for job creation, Business Equipment Tax Reimbursement (BETR) for rebates of property taxes paid on business equipment;
- $ ***Financial Assistance***. Loans and grants provided by the Finance Authority of Maine or local revolving loan funds or the Small Business Administration, or Rural Development Administration and development organizations;
- $ ***Job Training***. Reimbursement of training expenses through the Governor's Training Initiative and special training programs provided by technical colleges;
- $ ***Public Facilities Construction***, grants and bonds provided by municipalities, or State and Federal agencies;
- $ ***Industry Marketing Programs*** such as in tourism, agriculture and fishing as well as attraction efforts undertaken by Maine and Company in cooperation with the Department of Economic Development and regional and local providers;
- $ ***Individual Management & Technical Assistance***, individual counseling offered by business development specialists stationed in regional development agencies and business training programs offered by Small Business Development Centers, the Manufacturers Extension Program, Maine Center for Women, Work and Community, Women's Business Center and other programs.

To be successful a state economic development program requires ***balance***, ***coordination***, ***persistence*** and ***focus***. Economic development practitioners in all areas of the state must have ready access to all the tools so they can tailor assistance to the specific needs of specific businesses. All of the players at the local, regional, state and federal levels must work together. In addition, their effort must be persistent. Economic development requires year-to-year continuity. Programs can't be started up and dropped or they will never be effective. Businesses must become familiar with both the programs and the providers. Finally, a successful economic development program requires focus – the ability to identify the strongest possibilities and to concentrate resources on success.

The recommendations we present here are designed to create more balance, persistence, coordination and focus in Maine's economic development effort. They reflect the best thinking of the Economic Development Council of Maine's membership, and the many businesses, trade associations and agencies contacted.

Part II Recommendations

A. Support a strong, balanced, coordinated state-wide economic development system.

Background: As the list on the previous page demonstrates, Maine has a full range of economic development programs in its tool kit. It has property tax offsets, job training grants, venture capital and low interest loans, counseling, marketing, and research and development aid. The problem in Maine is that the full range of programs may not be available to, or known to, communities and businesses in all parts of the state. Part of the problem is the multiple funding resources for many of these programs including federal, local and private foundations dollars; as a result, eligibility for programs may be restrictive. For example, it is common to require new job growth as a condition for economic development aid; however, for mature manufacturing industries in rural Maine, where the need is to invest in new equipment and raise productivity rather than hire anyone new, such requirements make needed help unavailable. Because of the multitude of entities involved there is some confusion among local business owners and entrepreneurs about where to go to seek help. Another problem is related to differences in capacity of local and regional programs, which creates outreach for marketing and business support that is not equal across the state. The State has made successful efforts at coordination of state agency and partner efforts through the State Economic Development Strategy, monthly interdepartmental liaison meetings, state-funded economic development partner team meetings, the entrepreneurial working group and the OneMaine Advisory Council, but there is still more coordination that could be accomplished at the state, local and regional levels.

Recommendations:

A1. Commit to the principle that every business and community in Maine must have access to a common set of economic development tools for attracting, retaining, expanding, and starting up. *This means, in practice, that the State must insure a minimal base level of capacity in every region with regard to each of the economic development functions noted above, including small business assistance.*

A2. Create a flexible Regional Strategy Implementation Fund*. This would allow different regions to fund special local projects that don't fit into conventional boxes, but that are essential to area development strategies. This is a recommendation arising from the Mature and Dominant Industries Study.*

A3. Coordinate better at the state, regional, and local levels. *Several departments of State Government, regional agencies and Federal Agencies provide business assistance programs. This variety of funding sources can lead to a disjointed approach that requires close coordination for better strategic formulation and implementation. The OneMaine Advisory Council initiative should be active and supported by State Government to assist with this coordination along with the Department of Economic and Community Development.*

B. Reduce the state regulatory burden.

Background: This issue has been examined by a 1999 Legislative Task Force to Study the Effect of Government Regulation on Small Business. The Task Force reported that: 90% of Maine employers have 20 or fewer employees;[3] that it takes 17 licenses or permits to open a small convenience store; and that 41 Maine offices in 10 state departments issue permits for 270 business activities. Maine is a small state, with a relatively small state government, and we can establish a competitive advantage over larger states if we do a good job streamlining regulations including sunsetting those no longer necessary.

Recommendation:

B1. Implement a state government audit of regulations. *This was done with great success in New York State in 1999 and in Washington State.. For example, in Washington State since 1997, agencies have reviewed a total of 28,776 rules and have repealed more than 8,000. Agencies also rewrote more than 9,000 rules using a plain-English standard. In all, agencies eliminated more than 2,400 pages of the Washington Administrative Code.*[4] *See Appendix A for Washington State Executive Order.*

C. Promote lifelong learning among Maine workers and business managers.

Background: This is an area that received five red warning flags in Measures of Growth 2002, the annual report of the Maine Economic Growth Council. Maine lags behind the rest of the country in the education of its workforce (i.e., the proportion with college degrees), and in income level and income growth. There is a direct correlation between

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[3] Task Force to Study the Effect of Government Regulation on Small Business (December, 1999), chairs Sen Lloyd LaFountain III, Rep Douglas Ahearne, http://www.state.me.us/legis/opla/smbus.PDF

[4] *http://www.governor.wa.gov/press/press-view.asp?pressRelease=1028&newsType=1*
See Appendix A for Executive Order 97-02.

income and educational achievement for individuals and states. Because of low birth rates, the workforce now in place in Maine will continue to predominate over the next 10 years. Therefore, the only way to improve incomes in the near term is to improve the education level of existing workers. However, the proportion of front-line workers who attend training has dropped in half in the last 2 years.[5] The percent of citizens attending educational seminars is also declining (see MEGC benchmark 16). The community college initiative of Governor King has reached only hundreds of students – out of a labor force of 650,000. Maine's delivery system – of adult education, technical colleges, small UM campuses, UM outreach centers – is fragmented.

Recommendations:

C1. Support the Maine Technical College System plan to transform itself into a community college system. *The Technical Colleges seek to increase annual enrollment by 4,000 students by the year 2010 (from 6,400 today), reduce tuition, improve student career counseling, and modernize facilities. Symbolizing the transformation, they would re-name themselves the Maine Community College System. This would make two-year college degrees more accessible and affordable.*

C2. Create a state marketing program for lifelong learning for employers and employees. *If all Maine employers would provide free training to their employees, the rate of employee participation in training would rise by 30%[6]. Still, many employees need further encouragement to participate in lifelong learning. The State of Maine advertises to encourage people to try and get lucky with lottery tickets; it should also advertise to encourage people to pursue more education for better employment opportunities.*

C3. Include high quality, practical management training (such as the FASTRAC II program) in all community college centers. *The knowledge and skills of Maine's business managers must improve continuously just as those of their employees. Economic development education must address the needs of both.*

D. Redesign the Maine tax system from the ground up.

Background. Maine's tax burden is high. As measured by the nonprofit Tax Foundation, state and local taxes as a percent of income in Maine is the highest in the nation. As a percent of gross state product, Maine's state and local tax burden is also the highest in the nation according to the Beacon Hill Institute at Suffolk University. But

[5] Maine Economic Growth Council benchmark 18 http://www.mdf.org/megc/growth01/

[6] Maine Jobs Council Annual Report, 2002, Maine Department of Labor

that is not the only problem. Maine, like other states in New England, has a tax system left over from the industrial age, trying to get stable revenue from a post-industrial service economy. Thus it is heavily dependent on taxes on physical wealth – property and business machines. This makes Maine uncompetitive for manufacturers to locate here, and it is why the Business Equipment Tax Reimbursement (BETR) program has proved to be so important.[7] Finally, Maine's tax system is very volatile. Its sales tax revenues are highly dependent upon car and home supply sales – both rise faster than the overall economy in good times, and sink faster in recessions (thus reducing state revenues when they are most needed). The personal income tax is highly graduated, and likewise rises and falls rapidly during the business cycle. For reasons of economic competitiveness, of efficiency, and of fairness, the tax system needs an overhaul.

Recommendation:
D1. Modernize Maine's tax system.

E. Create incentives for regional cooperation and efficiency.

Background: In 1997 Maine's property tax collections per capita were $1,221, or 50% higher than the national average of $821. When the property tax burden is measured relative to incomes, Maine is 75% higher than the national average ($56/$1000 of income compared to $32/$1000). This is a burden on families and businesses, and an obstacle to economic development. One reason property taxes are high is that Maine local governments have redundant capacity. We have 489 municipal entities for about 1.2 million people – in other words, for every 2,500 on average, Maine has a town manager, a police chief, a fire chief, a public works director, etc. Were a person to begin from scratch and plan local service delivery in Maine, this would not be the way it would happen.

Sprawl aggravates the problem of costs. From 1970 to 1995 the number of elementary and secondary students in Maine declined by 27,000, yet state government spent $338 million to build new schools in fast-growing rural towns. The busing and transportation segment of school budgets grew from $8.7 to $54 million in the same period. During the 1980s Maine's crime rate dropped significantly, population increased by less than 10%, school enrollment dropped, but expenditures for education, roads, and police work increased by $1,300 per household.

Recommendations:
E1. Use state programs for local aid (for housing, transportation, infrastructure, education) to create incentives for regional

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[7] see http://www.bos.frb.org/economic/neer/neer2001/neer401b.htm for a detailed discussion of the inadequacy of modern state tax systems. See also How to Retain Businesses in Maine, Interim Report of the Mature and Dominant Industries Project, November 2001, pages 9-10.

cooperation, regional consolidation, and efficient land use patterns.

E2. Pass new enabling legislation to encourage intermunicipal consolidation. Years ago the communities of Dover and Foxcroft merged, and the result was a stronger and more economically viable community. There are other neighboring communities in Maine that already cooperate in many services, and could be encouraged to take the next step of consolidation.

F. Focus state investment on key industry sectors or clusters

Background: Maine has a competitive advantage over other states and countries in some business sectors and not in others ("sectors" are used here in the same sense as Michael Porter's "clusters," an interdependent combination of businesses and governmental institutions supporting a common activity, i.e., potato production). To be effective, Maine economic growth efforts must be focused on sectors most likely to succeed. These have been identified in past studies to be biotechnology, composites/advanced materials, high tech electronic manufacturing, financial services, environmental technology, marine science technology, and information technology. A current study underway will sharpen the focus on clusters needing the most attention. Maine must also pay attention to sectors that are traditionally key to Maine's economic performance – tourism, paper, precision metal manufacturing, small businesses, and natural resource-based businesses. Each sector needs a variety of types of public support, from financing to training/education to tax treatment to transportation to communications – in each case the mix is unique.

Recommendations:

F1. Use economic cluster analysis to determine what public & private investments need to be made to bring key industries to the next level of growth.

F2. Set up industry advisory groups for each identified cluster to advise on public and private investment in each sector.

F3. Make Applied Technology Development Centers (incubators) a success. The performance of these centers should be evaluated every 2 years with support given to those showing potential for the most success.

G. Better prepare Maine high school students for the world of work

Background: Even in a downturn, some Maine employers continue to complain that they cannot fill technical jobs with Maine high school graduates because those graduates lack the skills and attitudes needed to succeed. Also, many students are unaware of the opportunities that are offered to them through technical education so they do not choose courses in technical education at the high school level.

Maine has effective school-to-work programs developed over the past ten years. These programs offer the opportunity for entry into the workforce with marketable skills and/or entry into postsecondary education. Success in school-to-work efforts ultimately depends on beginning career education in the early grades.

The Career Preparation content area of the Maine Learning Results contains the standards and performance indicators that are the framework for career education in grades pre-K-12. Unfortunately, there is no state funding for implementing this content area of the Learning Results, so schools are not implementing it.

Recommendations:

G1. Fund and implement the Career Preparation *content area of the Maine Learning Results. See Appendix B for text of this section. As part of those standards, high school courses on entrepreneurship and the economy would be taught. Exposing students to the basics of how the economy works at an early age is important to their eventual career development.*

H. Aggressively seek to increase federal grant aid to Maine

Background: Maine is more successful than other states in attracting federal funds for defense and for retirement pensions. However, in key areas such as workforce development, economic development infrastructure, natural resource industry promotion (such as aquaculture), research and development, and urban development, Maine is not aggressive enough in seeking discretionary grants, and thus is losing the benefit of federal dollars in the Maine economy.

Recommendation:

H1. Establish a two-year pilot grantsmanship program, *funding individuals at the state and regional levels. This will be a simple program to evaluate in terms of effectiveness two years from now – did it bring in enough federal funds to justify the state expense or not?*

I. Promote Affordable Housing

Background: Maine is last in the nation in its production of multifamily housing. Yet most young people live in apartments as they try out jobs and find their careers. Maine needs to attract and keep a young workforce; thus providing lively communities and affordable apartments are essential to Maine's economic development strategy. Lack of housing threatens to choke off job growth in southern Maine. Greater Portland gained 23,300 jobs in the 1990s, but only 14,700 new houses (of which 3,000 were apartments).[7] The construction industry itself in Maine is a major employer – one in nine workers is involved in building, repairing, selling, planning, or serving those living in housing.

Recommendation:

I1. Expand Maine State Housing Authority and other housing development organizations production of affordable apartments.

I2. Create business-housing coalitions to encourage affordable housing production where needed, such as that active in Portsmouth, New Hampshire.

[7] See Houses, Jobs, and Maine People: 2001. Report to the 2001 Governor's Affordable Housing Conference, Maine State Housing Authority

Appendix A – Executive Order 97-02 from Washington State

97-02

EXECUTIVE ORDER

REGULATORY IMPROVEMENT

WHEREAS, administrative rules are necessary to implement laws that protect the public health, safety, welfare, and the environment, and to ensure efficient administration of state government.

WHEREAS, in recent years, there has been a steady growth in the number and complexity of administrative rules and their impact on businesses and the general public without a systematic review of their need, effectiveness, reasonableness, clarity, potential conflicting requirements, and consistency with legislative intent.

WHEREAS, to achieve meaningful regulatory reform, clear goals, timelines, and commitments must be established and adhered to by the Governor's office, the Subcabinet on Management Improvement and Results, and each agency head.

NOW THEREFORE, I, Gary Locke, Governor of the State of Washington, declare my commitment to better serve the people of the state of Washington by taking every step necessary to improve the effectiveness and fairness of our regulatory processes. It is, therefore, the purpose of this executive order to accomplish the following:

- To ensure that state regulations that have significant impact on labor, consumers, businesses, and the environment are reviewed on an open and systematic basis and to ensure that they meet standards of need, reasonableness, effectiveness, clarity, fairness, stakeholder involvement, coordination among regulatory agencies, and consistency with legislative intent and statutory authority.
- To ensure that state regulations are consistent with all requirements of the Administrative Procedure Act and that rule making occurs when required by law.
- To create a Subcabinet on Management Improvement and Results to oversee the regulatory review process and to ensure that state government pursues a fair, effective, and sensible regulatory strategy that emphasizes:
    - **Priorities**, whereby rules focus on issues of greatest need;
    - **Partnership**, whereby rule making involves participation of business, labor, the environmental community, non-profit groups, local government, and other stakeholders;
    - **Plain language**, whereby rules are written and organized so they may be easily understood and used by people who are affected by them; and
    - **Performance**, whereby rules are fair, effective, and achieve maximum public protection with reasonable requirements.

To accomplish these purposes, by virtue of the power vested in me, I hereby order and direct the following actions:

I. Regulatory Review

Upon the effective date of this executive order, each state agency shall begin a review of its rules that have significant effects on businesses, labor, consumers, and the environment. Agencies shall determine if their rules should be (a) retained in their current form, or (b) amended or repealed, if they do not meet the review criteria specified in this executive order. Agencies shall concentrate their regulatory review on rules or portions of a rule that have been the subject of petitions filed under RCW 34.05.330 or have been the source of complaints, concerns, or other difficulties that relate to matters other than the specific mandates of the statute on which the rule is based. Agencies that have already established regulatory review processes shall make them consistent with the requirements of this executive order. Each agency head shall designate a person responsible for regulatory review who shall serve as the agency's contact for regulatory review with the Office of the Governor and the Office of Financial Management.

The following criteria shall be used for the review of each rule identified for review:

- **Need.** Is the rule necessary to comply with the statutes that authorize it? Is the rule obsolete, duplicative, or ambiguous to a degree that warrants repeal or revision? Have laws or other circumstances changed so that the rule should be amended or repealed? Is the rule necessary to protect or safeguard the health, welfare, or safety of Washington's citizens?

- **Effectiveness and Efficiency**. Is the rule providing the results that it was originally designed to achieve in a reasonable manner? Are there regulatory alternatives or new technologies that could more effectively or efficiently achieve the same objectives?

- **Clarity**. Is the rule written and organized in a clear and concise manner so that it can be readily understood by those to whom it applies?

- **Intent and Statutory Authority**. Is the rule consistent with the legislative intent of the statutes that authorize it? Is the rule based upon sufficient statutory authority? Is there a need to develop a more specific legislative authorization in order to protect the health, safety, and welfare of Washington's citizens?

- **Coordination**. Could additional consultation and coordination with other governmental jurisdictions and state agencies with similar regulatory authority eliminate or reduce duplication and inconsistency? Agencies should consult with and coordinate with other jurisdictions that have similar regulatory requirements when it is likely that coordination can reduce duplication and inconsistency.

- **Cost.** Have qualitative and quantitative benefits of the rule been considered in relation to its cost?

- **Fairness.** Does the rule result in equitable treatment of those required to comply with it? Should it be modified to eliminate or minimize any disproportionate impacts on the regulated community? Should it be strengthened to provide additional protection?

Each state agency shall develop a plan for the review of its rules and submit the plan to the Governor no later than September 1, 1997. Agencies shall consult with their major stakeholders and constituent groups in the development of the plan. The plan shall: (a) Contain a schedule that identifies which rules will be reviewed and when the review will occur; (b) state the method by which the agency will determine if the rules meet the criteria listed above; (c) provide a means of public participation in the review process and specify how interested persons may participate in the review; (d) take into account the need and resources required, if any, to amend significant legislative rules; (e) identify instances where the agency may require an exception to regulatory review requirements; and (f) provide a process for on-going review of rules after the initial four-year review period provided for in this executive order has expired. Any new rules or significant amendments for which a notice of intent to adopt is filed after the effective date of this executive order shall be consistent with its principles and objectives and must also be adopted in accordance with applicable laws. Agencies shall provide the plan to any person who has requested notification of agency rule making and shall be submit the plan for publication in the Washington State Register.

By October 15, 1997, and on that date each year thereafter until the year 2000, each agency shall report to the Governor on the progress made toward completing its regulatory review and other measures taken to improve its regulatory program. The reports shall include, but not be limited to: (a) a summary of the number of rule sections amended or repealed and the number of pages eliminated in the Washington Administrative Code; (b) a summary of rules amended or repealed based on the review criteria in this executive order; (c) a summary of agency actions in response to petitions under RCW 34.05.330; (d) a summary of the results of the agency's review of policy and interpretive statements and similar documents; (e) a summary of the agency's review of reporting requirements imposed on businesses; (f) recommendations for statutory or administrative changes resulting from the regulatory reviews; and (g) other information the agency deems necessary or that may be required by the Governor. More frequent reports may be requested, as necessary. Agencies shall make the reports available to persons who have requested notification of agency rule making and shall submit them for publication in the Washington State Register.

As part of its regulatory review, each agency shall review its existing policy and interpretive statements or similar documents to determine whether or not they must, by law, be adopted as rules. The review shall include consultation with the Attorney General. Agencies shall concentrate their review on those statements and documents that have been the source of complaints, concerns, or other difficulties.

Each agency shall also review its reporting requirements that are applied generally to all businesses or classes of businesses to ensure that they are necessary and consistent with the principles and objectives of this executive order. The goals of the review shall be to achieve reporting requirements that, to the extent possible, are coordinated with other state agencies with similar requirements, are economical and easy to understand, and rely on electronic transfer of information.

The Office of Financial Management shall develop procedures to ensure that agencies notify and consult with the Governor or the Governor's staff on the substance of any significant legislative rules upon notice of proposed rule making by the agency.

The Governor may grant exceptions to regulatory review requirements in those instances where the substance of rules is mandated by federal law or where an agency can demonstrate an unreasonable conflict with established priorities.

II. Creation of the Governor's Subcabinet on Management Improvement and Results

There is created the Governor's Subcabinet on Management Improvement and Results to consist of the heads of the following agencies: Office of Financial Management, Department of Labor and Industries, Department of Ecology, Department of Social and Health Services, Department of Revenue, Department of Employment Security, and Department of Health. The chair of the Subcabinet shall be the Governor's Deputy Chief of Staff. Staffing for the Subcabinet shall be provided by the Office of Financial Management, with assistance from the member agencies. All state agencies shall provide the Subcabinet with periodic reports and other information and assistance as may be requested.

The responsibilities of the Subcabinet are:

- To study and make recommendations to the Governor for statutory, administrative, and organizational changes and for special pilot projects that result in regulatory improvements in state government. Recommendations shall be designed to improve service to citizens, provide effective and fair public protection, reduce the complexity of compliance, ensure reasonableness and effectiveness, simplify administrative processes, eliminate unnecessary procedures and paperwork, and reduce costs. The Subcabinet shall report to the Governor on these items no later that December 1, 1997. Subsequent reports shall be submitted in each future year no later than December 1.

. To oversee the regulatory review process established by this executive order and report to the

Governor on the progress of state agencies in complying with these requirements. The first such report shall be submitted to the Governor no later than December 1, 1997. Subsequent reports shall be submitted in each future year no later than December 1.

. To assist the Office of Financial Management in the preparation of reports to the Legislature required by RCW 34.05.328(6) and RCW 43.05.900.

. To convene work groups and other special committees for the purpose of assisting the Subcabinet in the development of recommendations and reports required by this executive order and in the design and implementation of special pilot projects for regulatory improvement. Depending on their purpose, membership of such groups may include representatives from business, labor, environmental organizations, state agencies, local government, nonprofit organizations, citizens, and other interests.

III. Effective Date. This executive order shall take effect immediately.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the State of Washington to be Affixed at Olympia this 25th day of March A.D., Nineteen hundred and ninety-seven.

GARY LOCKE
Governor of Washington

Appendix B. Career Preparation section of Maine Learning Results

A successful career in the twenty-first century will differ significantly from the model of career success that has prevailed in this century. New ways of working and new technology already dictate the importance of bringing new skills to the workplace, but other changes are even more fundamental. Lifelong employment for the same employer has virtually vanished. Initial career decisions are no longer seen as lifetime determinations, but rather as first steps in a career that is likely to include work for several employers in a variety of positions.

Career preparation helps students develop the ability to handle changes. In a world of work where being a "good worker" is no longer an assurance of continued employment, career preparation serves students in several ways. It helps them acquire the basic skills and attitudes for successful entry to the world of work, it teaches them to be effective career managers and to be knowledgeable about their talents, to acknowledge their strengths, and to address their weaknesses. Career preparation enables students to recognize that challenges present opportunities and that they must be prepared to acquire new skills and new knowledge to take advantage of those opportunities.
As part of career preparation, students learn to see education, not as something to be completed in 13 or 17 years, but as a continuing process, available throughout their lives, to assist in coping with a fast-changing world. As one community college president put it, "education is a train and students must be able to get on and off as their needs change."

A. PREPARING FOR THE FUTURE
Students will be knowledgeable about the world of work, explore career options, and relate personal skills, aptitudes, and abilities to future career decisions. *To interact successfully with people and organizations students need to adapt to the changing nature of the workplace. Strong interpersonal, teamwork, leadership, and negotiation skills are essential for this success.*

B. EDUCATION/CAREER PLANNING AND MANAGEMENT
Guided by self assessment and personal career interests, students will integrate school- and work-based experiences to develop their career goals. *Once career goals have been determined, students will evaluate continuously their progress and make necessary modifications. Students' success in the competitive world will depend on their ability to manage their own careers using job seeking, retention, and advancement skills.*

A.**INTEGRATED AND APPLIED LEARNING**
Students will demonstrate how academic knowledge and skills are applied in the workplace and other settings. *Students will select and apply appropriate technological resources and problem-solving strategies to real life situations using problem solving strategies in purposeful ways.*

D. BALANCING RESPONSIBILITIES
Students will acquire and apply skills/concepts required to balance personal, family, community, and work responsibilities. *The skills to manage work, family, and community responsibilities for the well being of themselves and others are critical for personal success.*

A. PREPARING FOR THE FUTURE
Students will be knowledgeable about the world of work, explore career options, and relate personal skills, aptitudes, and abilities to future career decisions. Students will be able to:

ELEMENTARY GRADES Pre-K-2
$Develop effective ways to interact with others during school and after-school activities.
$Identify strengths and interests required in a job, at home, at school, or in the community.
$Identify local career opportunities.
$Demonstrate workplace behaviors such as punctuality, flexibility, teamwork, and perseverance.

EXAMPLES

- Resolve playground conflict using negotiation skills.
- Identify favorite school subjects and special talents and relate them to jobs.
- Volunteer for specific roles in cooperative learning situations.

ELEMENTARY GRADES 3-4

- Demonstrate how positive and negative attitudes affect one's ability to work with others.
- Use communication and listening skills that result in successful interactions with others.
- Demonstrate an understanding of the connections between locally generated products and services and the efforts required to create those products and services.
- Explain the value of work to the individual and to society in general.
- Demonstrate awareness of their own interests, aptitudes, and abilities.

EXAMPLES

- Students are interviewed for a school newspaper to identify personal information which is used to develop a class profile.
- Select a career and role-play a scenario depicting why people do this work and how it benefits others.

MIDDLE GRADES 5-8

$Determine effective workplace behaviors and skills.
$Use teamwork strategies and apply communication and negotiation skills to decision making.
$Demonstrate an understanding of the characteristics of a successful business.
$Demonstrate an understanding of the relationship among personal interests, skills and abilities, and career research.

EXAMPLES

- Create a collage using advertisements from successful businesses and identify common elements.
- Given a variety of case studies showing an individual's problems on the job, create possible solutions (e.g., a worker, who is often late, has conflicts with a supervisor).

SECONDARY GRADES

- Demonstrate the leadership and membership skills necessary to succeed as a member of a team.
- Analyze skills and abilities required in a variety of career options and relate them to their own skills and abilities.
- Demonstrate an understanding of the relationship between the changing nature of work and educational requirements.
- Demonstrate an understanding of basic business concepts such as profit and loss, the availability of skilled labor, market share, and customer service.

EXAMPLES

- Prepare a personal balance sheet showing an inventory of acquired skills, qualities, and experiences needed for successful employment in a career option.
- As a member of a team or club, analyze the importance of using collective abilities in achieving group goals and objectives.
- Analyze and chart various aspects of personal work experiences.

B. EDUCATION/CAREER PLANNING AND MANAGEMENT
Guided by self assessment and personal career interests, students will integrate school- and work-based experiences to develop their career goals. Students will be able to:

ELEMENTARY GRADES Pre-K-2
$Explore reasons why people work.
$Identify preparation necessary for a career of interest.
$Identify personal strengths and interests.

EXAMPLES

- As a classroom, create a bar graph to classify hobbies, favorite school subjects, interests, and special talents and their relationship to working with people, information, or things.
- Brainstorm possible questions to ask invited guest speakers who represent different careers.

ELEMENTARY GRADES 3-4

- Use a variety of resources to learn about a personally interesting career topic.
- Gather data and information about personal interests, abilities, and aptitudes and project likely career options.
- Identify job-hunting strategies and the skills necessary to hold a job.

EXAMPLE

- Develop a personal career plan after interviewing family, relatives, or friends to determine the requirements for a career choice.

MIDDLE GRADES 5-8
$Develop a personal portfolio that contains critical personal, educational, and career information.
$Compare workplace environments and the education required for different occupations.
$Integrate school- and work-based experience to identify possible initial career goals.

EXAMPLES

- Develop a personal learning plan with a portfolio that contains a career information survey and its findings, results of interviews, and evidence of other career research.
- Use the World Wide Web to research a career and identify its skill standards, based upon a personal career interest.

SECONDARY GRADES

- Use a career planning process that includes self-assessment, personal development, and a career portfolio as a way to gain initial entry into the workplace.
- Demonstrate job seeking skills.
- Assess personal, educational, and career skills that are transferable among various jobs.
- Explain the problems and possible benefits of involuntary changes in employment, including information on what actions the employee can take to make it easier to find a new position or to become self-employed.

EXAMPLES

- Complete the School-To-Work Individual Opportunity Plan leading to a portfolio that contains aptitude and employability assessments, interview and research methods, and a learning plan.
- Develop a resume and model interviewing skills.
- Interview professional employment counselors to determine the top ten skills individuals must demonstrate to get and retain a job.

- Interview someone who has changed careers.

$INTEGRATED AND APPLIED LEARNING
Students will demonstrate how academic knowledge and skills are applied in the workplace and other settings. Students will be able to:

ELEMENTARY GRADES Pre-K-2

- Identify examples of technology being applied at home, school, or work.
- Demonstrate the effects of technology on where people choose to live, how they communicate, how they travel, and how they acquire goods and services.
- Use academic skills to solve real life problems.

EXAMPLES

- Relate a story about how a school cafeteria employee uses math and English language arts skills on the job.
- Make a diorama showing a person applying technology while at work.

ELEMENTARY GRADES 3-4
$Illustrate how products evolve as a result of technological systems.
$Identify the major components of a technological system (input, process, output, feedback) and cite examples in the school and/or community.
$Identify academic knowledge and skills required in specific careers.

EXAMPLES

- Prepare a presentation on a career of your choice and explain how academic skills are important to success.
- Illustrate graphically the evolution of the wheel.
- Identify the major components of the school's water supply system.

MIDDLE GRADES 5-8

- Research the need for ethical and legal standards concerning the application of technology (including communication systems, product liability, copyright/patent, and safety).
- Research recent technological developments and predict their possible spin-offs.
- Use academic knowledge and skills to solve career related problems.

EXAMPLES

- Use on-line sources to collect information about water quality in nearby areas and make recommendations to your local water company.
- Design and create a next generation product and research the steps needed for a patent.

SECONDARY GRADES
$Demonstrate an understanding of the integration and application of academic and occupational skills in school learning, work, and personal lives.
$Demonstrate knowledge of customer satisfaction strategies.
$Demonstrate an understanding of how humans change and adapt technology to their benefit.
$Use mathematical, scientific, and technological tools to design and apply solutions to a community problem.
$Demonstrate an understanding of workplace safety and human factors in the development of products, services or processes.

EXAMPLES

- Identify and examine a problem in the community or school, evaluate technological resources or systems that might be used to solve the problem, justify the technological resources or systems selected, and present the results.
- Work in a team to design and produce playground equipment for a local recreation site.
- Work in teams to formulate an historical presentation on specific careers and to demonstrate how job requirements and training are changing due to new technology.

D. BALANCING RESPONSIBILITIES
Students will acquire and apply skills/concepts required to balance personal, family, community, and work responsibilities. Students will be able to:

ELEMENTARY GRADES Pre-K-2

·Identify different roles they play.

·Demonstrate an understanding of the concept of saving.

·Demonstrate an understanding of the importance of the conservation of resources.

EXAMPLES

- Create a classroom recycling project.
- With their pictures in the center of a planning web, students will depict six roles they play.

ELEMENTARY GRADES 3-4

.Exhibit, during the school day, the personal qualities that lead to responsible behavior.

.Develop time management strategies for school and after-school activities.

.Demonstrate an understanding of earning, spending, and saving in relation to personal security and the economic stability of the family.

EXAMPLES

- Use computer technology to create a week-long schedule for school and after-school activities.
- Explain why arriving at school and completing assignments on time would be important to an employer.
- Create a family nutrition plan that includes basic budgeting and family menus.

MIDDLE GRADES 5-8

- Identify how critical factors such as history, the environment, the economy, or personal characteristics may affect individual and family choices.
- Understand and apply theories of child development and human behavior.
- Demonstrate an understanding of budgeting and the use of financial tools and services.
- Develop strategies to balance multiple responsibilities and conflicting priorities.
- Assume personal responsibility during their time in school.

EXAMPLES

- Create a data base to log progress in meeting three key personal responsibilities.
- Design a day care environment that promotes the growth and development of children.
- Create a budget for a class field trip.

SECONDARY GRADES

- Illustrate how resources and support systems, available within a community, assist individuals in their roles as workers and family members.
- Use knowledge and theories of growth and development to help balance multiple responsibilities.
- Demonstrate an understanding of the importance of community involvement to family and community life.
- Demonstrate an ability to manage personal resources.

EXAMPLES

  - Develop personal financial plans, justify the need for such plans, and explain their relationship to a career choice and desired lifestyle.
  - Document their current responsibilities; then, considering their own best interests and those of an elderly relative, decide whether nursing home or other types of care are indicated.
  - Create a community resource directory and put it on a World Wide Web site.