



Regional Strategies...Global Results



Talent Driving Prosperity

July 11-13, 2006 • Anaheim, CA

Focusing on Customer Choice: Research on Account Mechanisms



**Lifelong Learning
Account**



Regional Strategies...Global Results



Talent Driving Prosperity

July 11-13, 2006 • Anaheim, CA

What are LiLAs?

- **Lifelong Learning Accounts (LiLAs) are employer-matched individual investment accounts to finance lifelong learning, similar to 401(k)s but for education and training.**
- **The vision is for any individual worker to contribute to these accounts and be matched by their employer and, in some cases, third parties.**
- **LiLAs leverage employer and employee co-investment in education and training to help close the funding gap for adult workers.**



July 11 - 13, 2006



Key Characteristics of LiLA

- Sponsored by Employer
- Employer-Matched Contributions
- Portable (Employee-Owned)
- Career & Education Advising
- Broad Use of Funds for Career-related Education and Training



Regional Strategies...Global Results



Talent Driving Prosperity

July 11-13, 2006 • Anaheim, CA

Demonstration Sites in U.S. It's WORKING!

- Chicago, IL - 125 employees of the restaurant and foodservice industry
- Northeast Indiana - 75 manufacturing employees and 75 public sector employees
- San Francisco - 75 employees of the allied health care industry
- Maine - FIRST Statewide Initiative (strong partnership)

July 11 - 13, 2006

4



Preliminary Lessons

- ✓ Appeals to wide range of employers
- ✓ Employers report modest improvement in productivity, morale and retention in preliminary findings
- ✓ Participants use LiLAs to advance and/or retool
- ✓ 97% of participants report that they found their advisor to be somewhat or very helpful.
- ✓ Active participant savings rate average about \$24 per month
- ✓ Sectors matter



LiLA Policy Initiative

- Federal
 - Federal Tax Demonstration
 - National Innovation Act
- State
 - State-based pilot (ME)
 - State planning research (IL)
 - Legislative initiatives
 - State tax incentives (OK)
 - State matching pilot (IL and IN)
 - WIRED (Coastal Maine and Kansas City regions)

How to Bring LiLAs to Your State

Join the Maine DOL and CAEL tomorrow at 9 a.m. for the “Leveraging Funds from Both the Employer and Employee: Lifelong Learning Accounts for Education and Training” Learning Lab

Regional Strategies...Global Results



Talent Driving Prosperity

July 11-13, 2006 • Anaheim, CA

Contact Information

Amy Sherman

Public Policy Director

Council for Adult and Experiential Learning

55 East Monroe St., Ste. 1930

Chicago, Illinois 60603

312-499-2635 (phone)

312-499-2601 (fax)

asherman@cael.org

www.cael.org

July 11 - 13, 2006

8

