



Minnesota Workforce Council Association 2015 State Legislative Platform FOR DISCUSSION – January 12, 2015

It is the mission of the Minnesota Workforce Council Association to provide Minnesota with a skilled and competitive workforce through engaged and proactive local elected officials, Workforce Boards, and staff.

BEST IN THE NATION

Minnesota's workforce development system is known nation-wide as a model for partnership and innovation. Our employer-led Workforce Councilsⁱ in conjunction with local elected officials, are responsible for setting policy and priorities for their region, and act as the accountability agent for regional workforce funding. The Workforce Councils have a demonstrated track record of stimulating innovation in Minnesota's 49 One-Stop WorkForce Centers, and with community based partners. Minnesota's Boards are consistently recognized nationally for developing cutting edge strategies, and achieving outstanding performance results with their workforce programs.

STATE OF THE WORKFORCE - Recovered from Recession With New Challenges

Minnesota prides itself on having a top-notch workforce; yet some critical gaps exist. The reasons for these gaps are complex; however, employment and training are key elements in ensuring our employers have the workers they need.

Minnesota's economy has now re-gained the number of jobs lost in the recession. The problem is, they aren't the same jobs.ⁱⁱ There have been an increased number of part-time, low-wage jobs – and there has been continued advancement in high technology jobs. Living wage job growth has not been universally distributed in the past few years. Since the recession, the number of employed over age 65 has risen by over 20%, while the workforce participation rate for youth ages 16-19 has dropped.

With the stock market reaching all-time highs, we expect retirements to begin to occur en masse this year. The need to engage the entire workforce - including youth and previously underutilized talent segments - to take over for the retirees will be critical to the success of our economy.

A few statistics from 2013 help illustrate where some of the opportunities are: unemployment rates for Black or African Americans was 17.5%; for individuals with disabilities it was 12.2% and for youth ages 16 to 19 it was 15%. While the overall state unemployment rate is low, long term unemployment remains stubbornly high.ⁱⁱⁱ

Thus, to meet the needs of employers for employees, we need to ensure that we engage and equip individuals - no matter what the background - with the technical competence, work experience and leadership qualities to succeed in the workforce.

Now, more than ever, the state needs strong Workforce Councils and a *coordinated* and *responsive* public workforce development system. This system deserves reinvigorated interest and investment from our elected leaders. While the locally-led system has the expertise and experience in place to address Minnesota's workforce development needs, current resources do not meet demand.

MWCA FUNDING PRIORITIES

Investing in Our Future Workforce – Minnesota Youth Program

MWCA advocates for the restoration of general funds for the Minnesota Youth Program. MWCA is requesting an appropriation of **\$27 million** from the General Fund to provide career counseling, to address youth unemployment, and to provide work experience to economically disadvantaged and at-risk youth statewide. Recently, Congress dramatically decreased the funding available for the enrollment of in-school youth into federal workforce programs; the Minnesota Youth Program remains a flexible option for providing employment and career advising to these students.

WorkForce Center Modernization

MWCA recommends an appropriation of **\$14 million** to local Workforce Councils to modernize the workforce system and expand the reach of services. Minnesota WorkForce Centers were created over 17 years ago in an effort to physically streamline multiple programs related to employment and training. Special, unique funds were attracted at the start-up of the system that allowed for the leasing of equipment, lease abatements, and marketing to help make the proposition of One-Stop WorkForce Centers possible. Now, the need for advanced technology and software to connect people to jobs and to communicate with their counselors and other resources has radically expanded – at the same time, financial resources to the WorkForce Center partners have been dramatically reduced.

Creating Connections for Adult Career Pathways

MWCA recommends a general fund appropriation of **\$23 million** to advance career pathways and sector work. This demand-driven approach allows local areas identify strategies, create pathways for jobseekers and coordinate education and training services to meet the needs of local employers.

Workforce Councils are responsible for ensuring those who can work do work, for assisting individuals with career navigation, and for partnering with employers to increase the skills of those already employed. Minnesota businesses are demanding a pipeline of higher-skilled employees; however, no general funds are currently appropriated to Workforce Councils to initiate or further implement targeted, sustained workforce strategies in every region across the state.

Connecting Public Assistance Programs to Workforce Development

MWCA encourages continued investment in subsidized work programs, such as Supported Work, for those who do not have work experience.

MWCA advocates for sufficient funding to implement the Supplemental Nutrition Assistance Program (SNAP) program state-wide and to maximize federal match opportunities.

MWCA POLICY PRIORITIES

Expand Eligibility for Minnesota Youth Program

MWCA encourages the legislature to expand eligibility for the Minnesota Youth Programs to age 24.

Improve Transparency and Accountability

MWCA recommends directing Job Skills Partnership Board funds, Workforce Development Funds and any competitive RFPs to the local Workforce Councils for their administration. Any funds directed to other entities for workforce development or training efforts should at least be aligned with the local Workforce Council's strategic plan.

Long Term Unemployed

MWCA recommends adding the ability for state dislocated worker funds to be used as a wage subsidy in order to stimulate employment opportunities for long term unemployed.

Incumbent Worker Training

MWCA advocates for a definition of layoff aversion eligible worksites to include those who can demonstrate training needs due to an aging workforce.

OTHER WORKFORCE DEVELOPMENT INITIATIVES

- MWCA is supportive of restoring funding for childcare programs that help to encourage families to remain productively employed.
- MWCA supports efforts to fully invest in Minnesota's critical pre-K, K-12 and Post-Secondary education programs to prepare youth for competitive employment and life-long learning. A special effort should be made to support education in the Science, Technology, Education and Math (STEM) areas.
- MWCA is supportive of initiatives which ensure working low- and moderate- income people have access to stable and affordable housing, particularly near areas of employment growth.
- MWCA is supportive of efforts to fully invest in transportation infrastructures to allow for increased access and mobility for Minnesota's workforce.
- MWCA recommends restoration of funding to enhance the local capacity to train foreign-born individuals to become nurses, health care workers or to enhance skills needed to meet the demands of employers other high demand occupations, as identified by local areas.

ⁱ Referred to in federal statute as Workforce Investment Boards and in Minnesota state statute as Workforce Councils.

ⁱⁱ In the fourth quarter of 2013, 39% of the job openings in the state were part-time with a median wage of \$10.01 (Minnesota Economic Trends Job Vacancy Survey, September 2014).

ⁱⁱⁱ In Minnesota, the percent of unemployed Minnesotans who have not found work within six months is 28.3% – or over one in four – as of October 2014. (DEED Seeks Funding to Help Minnesota's Long-Term Unemployed; 12/15/2014)