

## COUNCIL ON WORKFORCE INVESTMENT

### Dislocated Worker Subcommittee June 19, 2008 Madison, Wisconsin Minutes

**Members Present:** James Haney, JoAnna Richard, Colleen Bates, Jayson Chung, Mark Reihl and Greg Gasper for Senator Joe Leibham

**Members Absent:** Phil Neuenfeldt

**DWD Staff Present:** Annette Nekola, Gary Denis and Dianne Reynolds

**Others Present:** Robert Borremans, Southwest WI WDA; John Milisaukas and Terri Johnson, Southeast WI WDA; Cindy Kiesling and Sally Cutler, North Central WDA; Betty Gregory-Paasch, Bay Area WDA; Jim Lindbo and Kris Pawlowski, West Central WDA and Deborah Blum, WOW WDA.

#### Key Issues/Discussion

1. **Call to Order and Approval of Minutes.** Chair Haney called the meeting to order with a quorum present. Minutes of the meeting of March 19, 2008 were approved on a motion by Richard, second by Chung. Motion passed.
2. **Special Response Funding.**
  - a. **Dislocated Worker Program Updates.** Annette Nekola provided updates on dislocation activity in the state. Through May, 2008, DWD has received notice of 46 dislocation events affecting 6,067 workers. For the same period in 2007, there were 39 events with 2,685 workers affected. Manufacturing still accounts for the majority of affected workers, including the automotive industry and paper mills. The closure of the NewPage mill in Niagara, originally scheduled for September, 2008, will occur by the end of June.
  - b. **PY2007 Second Quarter Performance Summary.** Program Year 2007 outcomes for the quarter ended 3/31/08 were reviewed. Overall, the outcomes are as planned for the period including 85% of projected program enrollments and 61% of funds expended. Thirty three percent of the individuals enrolled are participating in training and 78% of individuals completing services under the grants are employed. There was discussion about how better to represent the eventual outcome of workers that access Special Response Grant funded services.
  - c. **Funding Availability.** Annette Nekola reviewed the level of funding available for Special Response Grants at this time. For the program year 2008 that begins 7/1/2008, a total of \$5,578,093 is available for grants. This is an approximately 50% increase over the prior year. Final PY2007 expenditures, including any carry over, will be known in September as final grant close outs are done. There was a discussion of how the total federal allotment of dislocated worker funding to the state is distributed and used. Rapid Response funds, which includes Special Response Grants and state rapid response operations, is 25% of the total amount of dislocated worker funding provided to

Wisconsin. The remainder includes grants for the local dislocated worker program in each WDA (60% of the total, including administration), statewide projects (10% of the total), and state administration (5%). All WDAs received substantial increases in allocations for the PY2008 local dislocated worker program.

- d. **Special Response Grant Requests – Additional Target Groups and Funding** Eight WDAs submitted new grant applications requesting funds and new target groups. No applications were received for the Milwaukee, Western or South Central WDAs.

#### **Funding Request A - Southeastern Wisconsin Workforce Development Area**

New Special Response Grant Request - \$178,000 (7/1/08-12/31/08); \$371,416 (7/1/08-6/30/09); Proposed number served – 50

New target group – Conn-Selmer, Inc. (Kenosha)

Staff Recommendation - Staff recommend \$178,000 in funding through 12/31/2008 to serve the Conn-Selmer target group. The relatively high cost per person in this request is due to the high percentage (90%) expected to engage in retraining.

Action - Motion to approve the staff recommendation to serve the Conn-Selmer target group and to award \$178,000 made by Chung; second by Bates. Motion passed.

#### **Funding Request B - Waukesha-Ozaukee-Washington Workforce Development Area**

New Special Response Grant Request – \$440,132 (7/1/08–12/31/08); \$880,267 (7/1/08–6/30/09); Proposed number served – 489

Continuing target groups – Kerry Ingredients, Tecumseh Products, Midwest Building Systems, Amity/Rolfs, Carlisle Tire & Wheel, NECCO/Stark Candy, JC Penney, Huff

New target groups – Ozaukee Bank, Simplicity, Serigraph, Broan-Nutone

Staff Recommendation - Staff recommend \$440,132 to serve eight continuing and four new target groups.

Action - Motion to approve the staff recommendation made by Reihl; second by Richard. Motion passed.

#### **Funding Request C - Fox Valley Workforce Development Area**

New Special Response Grant Request – \$218,395 (7/1/08-12/31/08); \$415,896 (7/1/08-6/30/09), Proposed number served – 258

Continuing target groups – NewPage, Kimberly Clark- Lakeview Plant, Econo Foods, JMS Converters and Calumet County Homestead Nursing Home

New target groups – Hoffmaster and Home Depot

Staff Recommendation – Staff recommend funding in the amount of \$190,715 through 12/31/2008 to serve two new target groups (Hoffmaster and Home Depot) and five continuing target groups including NewPage (Kimberly), Kimberly Clark (Lakeview

Plant), Econo Foods, JMS Converters and Calumet County Homestead Nursing Home. The recommendation is less than the requested amount for the period based on the elimination of the staff position in Waupaca and a lower projected service level for the Home Depot store closure.

Action - Motion to approve the staff recommendation to add the Hoffmaster and Home Depot target groups and \$190,715 made by Bates; second by Chung. Motion passed.

#### **Funding Request D - Bay Area Workforce Development Area**

New Special Response Grant Request – \$148,649 (7/1/08-12/31/08); \$296,299 (7/1/08-6/30/09), Proposed number served – 151

Continuing target groups – Bay Area Medical, Emerson Motors and NewPage (Niagara)

New target groups – NewPage (Niagara) and Kohler

Staff Recommendation – Staff recommend funding in the amount of \$148,649 for the period 7/1/08-12/31/08 as requested to serve new layoffs at the NewPage Niagara plant and at Kohler Corporation and three continuing target groups (Bay Area Medical, Emerson Motors and NewPage, Niagara). Bay Area Medical and Emerson Motors workers are continuing nursing training to be completed in PY2008.

Action - Motion to approve the staff recommendation to add new target groups Kohler and NewPage, Niagara and to award \$148,649 made by Gasper; second by Bates. Motion passed with Richard abstaining.

#### **Funding Request E - North Central Workforce Development Area**

New Special Response Grant Request – \$94,000 (7/1/08-12/31/08); \$112,500 (7/1/08-6/30/09), Proposed number served – 225

Continuing target group – Domtar

New target group – Domtar

Staff Recommendation – Staff recommend \$94,000 in funding for the period 7/1/08 through 12/31/08 to serve workers affected by the closure of the Domtar paper mill in Port Edwards. DWD will also be applying for National Emergency Grant funding to serve this target group.

Action - Motion to approve the staff recommendation to award \$94,000 to provide services to new and continuing layoffs at Domtar made by Chung; second by Richard. Motion passed.

#### **Funding Request F - Northwest Wisconsin Workforce Development Area**

New Special Response Grant Request – \$25,000 (7/1/08-12/31/08); \$50,000 (7/1/08-6/30/09), Proposed number served – 75

New target group – General Mills Operations, Inc.

Staff Recommendation – Staff recommend funding in the amount of \$25,000 through 12/31/08 to serve the General Mills target group. The plant is TAA certified; that program will fund training for this group.

Action - Motion to approve the staff recommendation to provide \$25,000 to provide services to workers dislocated by the closure of General Mills in Poplar made by Bates; second by Reihl. Motion passed.

### **Funding Request G - West Central Workforce Development Area**

New Special Response Grant Request – \$338,795 (7/1/08-12/31/08); \$598,158 (7/1/08-6/30/09), Proposed number served – 206

Continuing target groups – 3M-EauClaire, AmTech, Andersen Windows-Menomonie, Fleetguard/Nelson, Hutchinson Technology, Kolpak, Lakeside Nursing, Northern Wisconsin Center, Regal Beloit-Leeson Electric, Wright Products

New target group – L.O. Simenstad Nursing Care Unit

Staff Recommendation – Staff recommend funding in the amount of \$187,250 for the period 7/1/08-12/31/08 to serve one new target group and five continuing target groups including 3M-Eau Claire, Hutchinson Technology, Lakeside Nursing, Northern Wisconsin Center and Regal Beloit-Leeson Electric. The reduced level of funding recommended is based on not continuing six groups laid off prior to PY2007 that are receiving job search or supportive services only. The recommended funding includes training funds for groups laid off prior to PY2007 but that are completing training programs in high-demand fields.

Action – Bates noted that UFE recently announced the layoff of 60. Motion to approve the staff recommendation to serve the Conn-Selmer target group and to award \$178,000 made by Gasper; second by Chung. Motion passed with Bates abstaining. New layoffs at UFE were noted.

### **Funding Request H - Southwest Workforce Development Area**

New Special Response Grant Request – \$190,518 (7/1/08-12/31/08); \$386,267 (7/1/08-6/30/09), Proposed number served – 823

Continuing target groups – Advance Transformer, Chrysler, Alcoa, Lear, General Motors, United Industries

New target groups – Chromalox, Logistics Services, Inc. (LSI)

Staff Recommendation – Staff recommend funding in the amount of \$190,518, as requested, for the period 7/1/08 through 12/31/08 to serve two new target groups and six continuing groups. DWD will be applying for National Emergency Grant Funds to provide services to workers affected by layoffs and closures in the automotive industry including General Motors, Lear, LSI and United Industries.

Action - Motion to approve the staff recommendation to serve two new target groups and six continuing groups and to award \$190,518 made by Bates; second by Chung. Motion passed.

3. **Adjourn.** There being no further business, the meeting adjourned at 2:18 p.m. The next meeting of the Subcommittee will be held in mid-November. Annette Nekola will poll the subcommittee to determine the date and time.