

COUNCIL ON WORKFORCE INVESTMENT

Dislocated Worker Subcommittee September 24, 2009 Madison, Wisconsin Final Minutes

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

Members Absent: Phil Neuenfeldt and JoAnna Richard

DWD Staff Present: Annette Nekola, Ron Danowski and Dianne Reynolds

Others Present: John Milisaukas, Southeast WDA; Roger Hinkle and Paula Kenenakhone, Milwaukee WDA, Deborah Blum and Francisco Sanchez, WOW WDA; Cheryl Welch, Fox Valley WDA; Cindy Kiesling, North Central WDA; Jim Lindbo and Kris Pawlowski, West Central WDA; Beth Sullivan, Western WDA; Robert Borremans, Southwest WI WDA and Patricia Schramm, South Central WDA.

Key Issues/Discussion

1. **Call to Order and Approval of Minutes.** Chair Haney called the meeting to order at 9:03 a.m. Minutes of the meeting of June 17, 2009 were approved on a motion by Bates, 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 August DWD has received notice of 197 events affecting 14,401 workers. This is 112 more events and 3,500 more workers than for the same period last year. She also provided some additional analysis done by staff showing that manufacturing accounted for more than 9,900 of the layoffs reported to DWD with the majority of those in the fabricated metals, machinery and transportation equipment (including automotive) sectors. In 2009, most reported layoffs have been in the Milwaukee area, followed by the South Central and Bay Area WDAs.
 - b. **PY2008 Final Performance Summary.** Special Response Grant outcomes for the 2008 Program year that ended 6/30/2009 were reviewed. Program enrollments were 62% of the number planned. Thirty-two per cent of participants were enrolled in a training activity and 91% of funds awarded were expended. It is expected that there will be approximately \$325,000 of PY2008 funds unexpended once final grant closeouts are received.
 - c. **Funding Availability.** Annette Nekola reported that \$2,016,756 is available for Special Response Grants. This includes \$734,174 in PY2009 Rapid Response funds and \$1,282,582 in Recovery Act Rapid Response funds.
 - d. **Special Response Grant Requests – Additional Target Groups and Funding** Six Workforce Development Areas submitted grant applications requesting funds totaling

Funding Request A - Southeastern Wisconsin Workforce Development Area

Special Response Grant Request – additional \$196,317 for a total grant of \$290,317 (7/1/09-12/31/09). Proposed number served – 197

Continuing target groups – Conn-Selmer, Inc. (Kenosha), Conn-Selmer, Inc. (Elkhorn), Frank Wells, Sanmina, Hexion, Greatwide, Plymouth Tube, J.W. Peters

Additional target groups – Nitto Denko Permacel, Kenosha News, ZF Electronics, Stock Lumber, MeadWestVaco, Automated Building Components, MPC Matthews Paint, Chrysler

Staff Recommendation – Staff recommend the approval of the eight new target groups and an additional \$196,317 in funding as requested by the WDA.

Funding Request B - Milwaukee Workforce Development Area

Special Response Grant Request – additional \$240,000 for a total grant of \$600,000 (7/1/09-12/31/09). Proposed number served – 660

Continuing target groups – Viasystems, Midwest Airlines, E.R. Wagner Mfg., Harley-Davidson, Universal Brixius, Stroh Die Casting, Unilever Food Solutions, Actuant Power Packer, Liberty Mutual

New target groups – Milwaukee Ductile Iron

Staff Recommendation – Staff recommend the approval of one new target group and an additional \$240,000 in funding as requested.

Funding Request C - Waukesha-Ozaukee-Washington Workforce Development Area

Special Response Grant Request – additional \$214,022 for a total grant of \$718,309 (7/1/09-12/31/09). Proposed number served – 700

Continuing target groups – Ozaukee Bank, Cooper Power Systems, Quadgraphics, Kelch/Bemis Manufacturing, Husco, Simplicity, Broan-Nutone, Serigraph, Gehl, Waukesha Electric, Waukesha Foundry, Waukesha Engine, Harley Davidson, AGFA Healthcare, Invivo, International Paper, Ram Tool, Rockwell Automation, Milliken Millworks

New target groups – Travelers Insurance and Metalcraft. Start up grants issued for Wacker Neuson and Vishay Cera-Mite

Staff Recommendation – Staff recommend the approval of two new target groups. The WDA is requesting \$214,022 to provide retraining for dislocated workers not included in approved target groups. Staff do not recommend funding this request.

Discussion of WOW WDA Funding Request – The WOW WDA is requesting funds to provide retraining for dislocated workers from small layoffs that otherwise would not be

eligible for Special Response Grant funding. Francisco Sanchez explained that the request is for funds to allow 97 dislocated workers who have begun training to continue their programs for the term beginning in January, 2010. Staff does not recommend funding this request at this time, not because it does not have merit, but because other WDAs may have dislocated workers in similar circumstances and the Dislocated Worker Subcommittee may want to give others an opportunity to apply for funds as well. In the past, Special Response funds were used to fund “Retraining Grants” to address the training needs of dislocated workers outside of the target groups typically served by these grants.

The Subcommittee directed Annette Nekola to identify the total need, statewide, for funds for participants in training and on waiting lists. Funds to address these needs should be sought from the US Department of Labor; if additional federal funds cannot be available in a timely fashion, the Dislocated Worker Subcommittee may hold a special meeting to recommend Special Response Grant funding for this purpose.

Funding Request D - Fox Valley Workforce Development Area

Special Response Grant Request – additional \$300,140 for a total grant of \$771,540 (7/1/09-12/31/09). Proposed number served – 670

Continuing target groups – Appleton Paper, Appleton Coated, Brillion Iron Works, Cummins, Hoffmaster, Mercury Marine, Miller Electric, New Page, Presto Products, ThyssenKrupp, Walker Forge, Wilson Hurd, Gulfstream and Oshkosh B’Gosh.

New target groups – Gannett Press, GE Oil & Gas, Wausau Paper and Jeld-Wen. A Start Up Grant was issued for Wausau Paper.

Staff Recommendation – Staff recommend the approval of four new target groups - Gannett Press, GE Oil & Gas, Wausau Paper and Jeld-Wen – and \$300,140 in additional funding as requested to provide services to new and continuing target groups.

Funding Request E - Bay Area Workforce Development Area

Special Response Grant Request – This WDA is returning \$116,846 for target groups now being served under National Emergency grant; new grant total is \$446,949 (7/1/09-12/31/09). New Proposed number served – 293

Continuing target groups – New Page, Thomas Industries

New target groups – Palmer Johnson, Bay Shipbuilding

Staff Recommendation – Staff recommend the approval of the Palmer Johnson and Bay Shipbuilding target groups.

Funding Request F - North Central Workforce Development Area

Special Response Grant Request – additional \$117,620 for total grant of \$617,620 (7/1/09-12/31/09). Proposed number served – 736.

Continuing target groups – Domtar, SNE Enterprises Inc., Schreiber Foods, Wick Building Systems, Sartori Foods, Wausau Homes, Greenheck, Basic American Foods, Donaldson Company, Wisconsin Box, Marathon Electric, Cequent Trailer

New target groups – Chartwells and Marshfield Door Systems

Staff Recommendation – Staff recommend the approval of the two new target groups and additional \$117,620 in funding as requested by the WDA.

Funding Request G - West Central Workforce Development Area

Special Response Grant Request – additional \$224,541 for a total grant of \$906,449 (7/1/09-12/31/09). Proposed number served – 495.

Continuing target groups – Andersen Windows, Cummins, Hutchinson Technology, Lakeside Nursing, L.O. Simenstad, Minnesota Rubber and Plastic, Regal Beloit, Samina, SGI, Cummins, Donaldson Company, Mason Companies, MBI Quayside, Weathershield, Principle Fixture Millworks, Saturn of Eau Claire

New target groups – Clopay, Nortech, United Gear Assembly

Staff Recommendation – Staff recommend the approval of three new target groups and an additional \$224,541 in funding as requested by the WDA.

Funding Request H - Southwest Workforce Development Area

Special Response Grant Request – additional \$30,144 for a total grant of \$176,492 (7/1/09-12/31/09). Proposed number served – 150.

Continuing target groups – Woodbridge, Rockwell Industries, Chromalox

Additional target groups – Hufcor, Amtec

Staff Recommendation – Staff recommend the approval of two new target groups and an additional \$30,144 in funding as requested.

Action - Motion to approve the addition of new target groups as requested by all six WDAs and additional funding as requested by five WDAs and to delay the WOW WDA's request for additional funding pending discussion with US DOL made by Reihl, second by Chung. Motion passed.

- 3. Adjourn.** There being no further business, the meeting was adjourned. The next regular meeting will be held in mid-December. Members will be notified if it is necessary to call a special meeting to consider Retraining Grants.