



April 8, 2021

The Honorable Representative Mohamud Noor
Chair, House Workforce and Business Development Finance and Policy Committee
379 State Office Building
St. Paul, MN 55155

Dear Chair Noor,

On behalf of Minnesota Association of Workforce Boards (MAWB), I am writing to provide feedback on the House Workforce and Business Development Finance and Policy Committee Omnibus bill. MAWB, which represents Minnesota's 16 local workforce development boards, would like to thank you for your ongoing engagement with workforce board members, directors, and local elected officials.

The local workforce boards operate the State Dislocated Worker (DW) program which provides employment and training services to workers laid off through no fault of their own.

MAWB appreciates the Committee's discussion on the Dislocated Worker program in recent weeks. We have been working with DEED to expand eligibility for program participants to allow us to serve a more diverse pool of jobseekers. We want to thank you and DEED for including expanded eligibility and flexibility for the DW program in your bills.

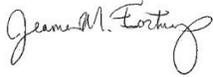
Accordingly, we want to ensure adequate funding is available to meet the needs of those who have been laid off and require reemployment services. Our analysis of the proposed changes to the Workforce Development Fund (WDF) in the bill shows a reduction in funding to the program. We look forward to further discussions with the Committee and DEED to reach a shared understanding of the fiscal impact of the budget proposals and to ensure adequate funding for these important services remain.

We would like to clarify one point regarding underspending in the program. Local workforce boards spend down their DW program funds annually or carryover a small percentage to the following year as allowed in statute. Currently, data from the Minnesota Job Skills Partnership (MJSP) Board reflects that underspending is in the categories of funding for which the MJSP and/or DEED have oversight. The MJSP Board currently has authority to spend down these funds as they see fit. This is important to note and recognize the local workforce boards' mindful usage of the funds for both dislocated worker services and incumbent worker training which is necessary to upskill Minnesota's workforce.

Finally, the last comment we would like to offer is regarding the Minnesota Youth Program (MYP). While the House proposal recognizes the importance of operating MYP, it does not allocate a specific amount of funding for this critical program that provides formula funding to the local workforce development boards to serve youth with barriers to education and employment. In the DEED bill, \$8.1 million is allocated for the program. By providing a specific dollar amount in your bill, the Committee can ensure this program is adequately funded and distributed equitably and efficiently.

We recognize the challenge this Committee faces in helping to ensure Minnesota's workforce needs are met during this critical and unprecedented time and appreciate this is a significant effort. Thank you for your attention to this feedback and I look forward to connecting with you.

Sincerely,

A handwritten signature in cursive script that reads "Jeanna M. Fortney".

Jeanna Fortney
Director, Minnesota Association of Workforce Boards
jfortney@mncounties.org

CC: Representative Rod Hamilton, Minority Lead
Travis Reese, Committee Administrator