**Massachusetts Workforce Development Board Meeting**

Tuesday March 7, 2017

Year Up

45 milk street

Boston, MA

9:00 a.m. to 11:00 a.m.

***Members Present:***

*Aixa Beauchamp, Anne Broholm, Jesse Brown, Donna Cupelo, Sherry Dong, Senator Eileen Donoghue, Mayor Kimberley Driscoll, Pam Eddinger, Cassius Johnson, Susan Mailman, Beth Mitchell, Joanne Pokaski, Mayor Dan Rivera, Elizabeth Skidmore, Juan Vega, Representative Joseph Wagner, Secretary Ronald Walker, Beth Williams*

***Members Absent:***

*Joanne Berwald, Kristin Broadley, Gerard Burke, Tricia Canavan, James Cassetta, Kathleen Cullen-Cote, Driscoll DoCanto, Eric Hagopian, Robert LePage, John Mann, Juliette Mayers, Carol Ozelius, Warren Pepicelli, Ray Wrobel.*

***Staff and Guests:***

*Robert Bower (Massachusetts AFL-CIO), Greg Bunn (Exec. Office of Labor and Workforce Development), Jesse Cohen (Harvard Kennedy School), Bob Dame (Year Up Greater Boston), Pahola DeLeon (Exec. Office of Labor and Workforce Development), Amy Kershaw (Dept. Transitional Assistance), Dan Lee (Office of the Governor), Alexis Lian (MA Exec. Office of Education), Louise Lynch (Massachusetts Department of Transitional Assistance), Kathie Mainzer (The Workforce Solutions Group), Jeffrey McCue (Department of Transitional Assistance), William McKinney (Department of Labor Standards), Rory O’Hanlon (Office of Chairman Joseph Wagner), Charles Pearce (Exec. Office of Labor and Workforce Development), Maegan Pedemonti (HAP Housing), Nathan Pham (Verizon New England), Joan Phillips (Massachusetts Rehabilitation Commission), Susan Quinones (Massachusetts Workforce Professionals Associations), Nicole Rodriguez (Massachusetts Budget and Policy Center), Kimberly Rowe- Cummings (Massachusetts Department of Transitional Assistance), Scott Salesses (GED Testing Service), Cheryl Scott (Exec. Office of Labor and Workforce Development), Ethan Snow (New England Joint Board UNITE HERE), Nancy Snyder (Commonwealth Corporation), Sacha Stadhard (Department of Career Services), Karen Sullivan (SAO), Alice Sweeney (Department of Career Services), Earl Tate (Exec. Office of Labor and Workforce Development), Jeffrey Turgeon (Central Massachusetts Workforce Investment Board), Geoff Vercauteren (Department of Higher Education), Dorothy Walsh (Office of the State Auditor), Marina Zharvoronkova (Exec. Office of Labor and Workforce Development), Joseph Viana (Fall River Career Center),*

**Meeting Minutes**

**Welcome & Introductions**

Donna Cupelo called the meeting to order, and welcomed board members and guests. Members and guests introduced themselves. Bob Dame, Executive Director of Year Up Greater Boston provided an overview of Year Up’s the mission and vision. Mr. Dame invited Board members and guests to participant-led tour of the facility after the meeting is adjourned.

Ms. Cupelo provided an update from the National Governors Association’s State Workforce Board Chairs’ Conference that she attended with Cheryl Scott in February. Key highlights from the conference include polls showing that people tend to trust state leadership more than federal government, and Americans look to state leadership on issues that matter to them such as job creation, which presents opportunities for the Board on policy development and thought-leadership. Ms. Cupelo and Ms. Scott also participated in a workshop on building a high performing state workforce board and learned about best practices from their counterparts around the nation. One idea for consideration is holding board retreat in the fall to have a focused dialogue among the Board about the Board’s mission and vision.

Ms. Scott reviewed the meeting materials and the agenda. Ms. Scott announced that board members will be sent a board member survey to collect feedback on the Board and its activities. Ms. Scott also encouraged members to attend the Regional Workforce Skills Planning Initiative Kick-Off on April 5, 2017 in Worcester.

**Review and Approval of December 2016 Meeting Minutes**

Donna Cupelo asked for a motion to approve the meeting minutes for the Workforce Development Board’s December 14th 2016 meeting. The motion was raised, and passed unanimously.

**Massachusetts State Budget Overview**

Ms. Cupelo introduced Nicole Rodriguez, Senior Policy Analyst at the Massachusetts Budget and Policy Center (MassBudget). Ms. Rodriguez provided an overview of MassBudget, a non-partisan organization that provides policy research, analysis, and data-driven recommendations focused on improving the lives of low- and middle-income children and adults, strengthening the state’s economy, and enhancing the quality of life in Massachusetts. Ms. Rodriguez presented an overview of the state budget, its composition and the process to develop and to pass the budget. To help people navigate and understand the state budget, the MassBudget developed and published on their website a [Jobs & Workforce Budget](http://workforce.massbudget.org/) tool to provide information and analysis on the state budget. The Jobs & Workforce Budget Tool had four areas of focus: education, workers with disabilities, workforce development and youth engagement. A question was raised as to how education is defined for the purposes of the tool. Ms. Rodriguez responded that education includes those education programs that support workforce development. Included in the budget tool are specific state-funded programs such as Adult Basic Education, Adult College Transition Services, the Statewide College and Career Readiness Program, and the STEM Pipeline Fund. The Budget Tool also provides a description of budget line items, funding history since fiscal year 2001 and state budget proposals. Ms. Rodriguez shared that every year MassBudget releases reports that provide a snapshot of economic conditions facing workers in Massachusetts, examines how the state can leverage more federal dollars, and examines the state’s workforce budget and its long-term trends.

Sue Mailman asked how the MassBudget is funded, and the size of its budget. Ms. Rodriguez responded that MassBudget is primarily funded through philanthropic organizations and donations; she directed interested people to the organization’s [website](http://massbudget.org/about_funding.php), which has detailed information about MassBudget’s funding sources and budget.

Elizabeth Skidmore noted that perhaps the reason apprenticeship did not get as much attention is because it is not funded through the state. Funding is a method to express importance and value.

**Massachusetts Legislation and Budget Overview**

**Secretary Walker**

Secretary Walker highlighted the Executive Office of Labor and Workforce Development’s top priorities in the Governor’s FY 18 budget. The first priority stems from the work of the Task Force on Populations Facing Chronically High Rates of Unemployment (also known as the Economic Opportunity Task Force or the Task Force for the Chronically Unemployed) which examined barriers to employment facing Blacks/African Americans, Hispanics/Latinos, Native Americans, persons with disabilities and Veterans. The Learn to Earn Initiative (LTE) proposed in the budget ($4 million) is a joint effort across multiple state agencies to assist in addressing these barriers such as the “cliff effect”, credential costs and transportation. Other workforce priorities in the budget include the Workforce Competitive Trust Fund ($500,000); continued support and replication of successful re-entry programs ($250,000); YouthWorks ($9.9 million); and the ability for the Department of Unemployment Assistance to communicate with constituents via email.

**Senator Donoghue**

Senator Eileen Donoghue stated that ahead of the Senate taking up the budget from the House in May, she wanted to share some of the Senate’s priorities. These areas of focus for the state’s workforce system include job training in advanced manufacturing and the innovation economy, and the role that public higher education is playing in shaping future generations of citizens and workers. There is also an interest in the intersection between workforce and the criminal justice system.

Senator Donoghue stated that after talking with citizens, educators, and business leaders, one of the Senate’s major concerns is the Commonwealth’s growing skills gap – there are areas with high unemployment, yet employers cannot seem to find skilled workers to fill their jobs. This is particularly acute in fields such as life sciences, clean energy, information technology, and advanced manufacturing, which are critical to the state’s “knowledge economy”. The Commonwealth needs to finds ways to give people the skills they need to fill these jobs. One of the ways that the Senate is assisting closing the skills gap is by partnering with the House of Representatives, the Governor and the Secretary Walker to support pipeline programs such as the Workforce Competitive Trust Fund and to strengthen career pathways at the high school level, especially through vocational technical high schools. The Senate is especially interested in expanding access to these programs that have been effective in preparing people from all backgrounds for future success in the workforce. The Senate will also like to increase access to higher education by increasing state support for the public higher education system and loosening the state’s financial aid program while also finding new solutions to reducing debt that students incur. This is essential to creating a workforce for the 21st Century for critical sectors of the economy such as financial services, healthcare, clean energy, and advanced manufacturing who need workers with skills in science, software programming, mathematics, engineering, cyber security, information technology. The Senate would also like to support community colleges who have been leading the way in aligning curriculum with economic needs. The STEM Starter Academy is one example of a program that has been successful in attracting and preparing students for STEM careers by supporting them through completion of a certificate or a degree. Many community colleges have used the Community College Training Incentive Program to prepare students for in-demand jobs. Senator Donoghue filed a bill that will allow funding to support for-credit courses, thereby reducing the unhelpful wall between degree and non-credit workforce development programs.

Criminal justice reform is another workforce development area of focus for the Senate. Senator Donoghue believes the legislature is likely to consider the Governor’s recidivism reduction bill that incentivizes incarcerated individuals to participate in workforce development programs, knowing that employment is an important factor for people striving to turn their lives around. There have also been dozens of other criminal justice reform bills that have been filed this session, and many of them involve job training. The Senate will also look for bills that enhance workforce development opportunities, and expand programs for youth at-risk of re-offending.

Senator Donoghue also sponsored the Recover Act, which was filed in response to the opioid epidemic. Much has been focused on substance abuse treatment, but less attention has been paid to what happens after addicts are in recovery, and how to help them build stable and successful lives. The bill focuses on individuals who are in recovery who often face significant barriers to employment such as housing, lingering health issues, as well as the stigma of addition. The bill supports partnerships between substance abuse treatment providers and vocational service providers; it expands the Secure Jobs Initiative to recovering addicts who are at risk of homelessness who need housing stabilization and job training; the bill also ensures former addicts are eligible for the state’s rehabilitation services program.

Senator Donoghue will also keep the Board apprised of the specific legislation the Senate will consider as the budget session progresses.

s

**Representative Wagner**

Representative Joseph Wagner stated the budget is the most important piece of legislation for the legislature because the impacts are far ranging over the course of the fiscal year. He supported Senator Donoghue’s remarks by stating that the opioid crisis and the legislative community’s response to it is one that is also important to business who rely on a workforce in order for their businesses to run. Representative Wagner shared his perspective as a legislator on the budget development process, stressing the importance of compromise among both chambers and the Governor.

Representative Wagener provided an overview of the House of Representatives’ workforce development-related accomplishments over the years. The House championed the minimum wage bill to set the highest minimum wage at the highest in the nation (at that time.) The Skills Capital Grant program was funded through the previous legislative session; it provided $45 Million to purchase and install equipment and building related improvements for career technical training programs that align with regional economic developments and workforce development priorities. This resource will create pathways for people into the workforce. The House has also supported the Workforce Competitiveness Trust Fund as part of the economic development bill for each year that Chairman Wagner served as chair of the Economic Development and Emerging Technologies Committee. Unfortunately, some WCTF funding was eliminated by Governors due to budget shortfalls.

The challenge for the legislature every year is that non-discretionary spending tends to outpace revenue growth. Massachusetts has realized $1 billion in new tax revenues from year to year, but that growth is more than offset by non-discretionary spending, with health care taking the largest share. This presents a challenge in trying to provide money for the programs and initiatives that the Board and others care about. However, the Baker Administration has been outstanding partner in setting workforce development as a priority. Because of the Baker Administration’s prioritization of workforce development, Representative Wagner foresees that the House and the Governor will find common ground in the budget.

The manufacturing sector in Massachusetts, especially western Massachusetts, is very important to the economy. There has been a great deal of attention on how well Massachusetts’ is doing (low unemployment, #1 state according to U.S. News and World Report.) Yet the challenges for economic and workforce growth are not addressed as much. There are employers who would like to hire people, so the legislature needs to support policies that will allow people that want to work, work and businesses that want to grow, grow. This means addressing challenges like childcare, healthcare, and transportation.

Representative Wagener cited a number of things that are critical for the Board and the work of policy makers: (1) bring more money to the table so we could move priority issues forward; (2) thinking creatively about how we approach issues; (3) work collaboratively; (4) create career pathways and career exploration opportunities for young people.

**Questions & Answer**

Mayor Rivera asked what attention and focus has there been on the ESOL as a workforce development strategy. Representative Wagner said he would look into the issue, but a strong education system would also help to address the issue. Secretary Walker mentioned that Massachusetts supported Social Impact Bonds – one of the few states in the nation to do so. And, through the Workforce Training Fund businesses can provide ESOL training, but it’s a challenge to get people offsite to participate in the training, although business are doing this.

Mayor Driscoll asked whether there will there be resources allocated to support programs and initiatives like Year Up and Roca that have been proven to work. Might there be an opportunity for Social Impact Bonds? Secretary Walker responded that we may look into this in the future as we see the data and outcomes from our current Social Impact initiative. There is interest in replicating successful demand-driven models like UTEC. Senator Donoghue mentioned that they are working UTEC, which is based out of Lowell, but serves reaches a wider population city. They are making a case that their approach (job training, wrap around services) is successful and does pay off. Representative Wagner shared that there is also interest in reaching the younger at-risk youth, so he would not want to see investment in one area at the expense of others.

**Youth Committee Update**

Cassius Johnson presented an initiative the Committee is pursuing to boosting employment among Opportunity Youth while meeting talent recruitment needs of businesses. The initiative, called *Grads of Life – Massachusetts* launches an employer-focused campaign to shift employer perception of Opportunity Youth using collateral from a national Grads of Life campaign. The initiative will also build capacity among Youth Training Providers through technical assistance and competitive grants, and enhance policy to bolster workforce system effectiveness. Mr. Johnson shared with the audience some of the public service announcements that were produced as part of the national [*Grads of Life*](http://gradsoflife.org/) campaign that Massachusetts will use in its statewide effort.

Pam Eddinger suggested that the committee look to other organizations and efforts that are doing something similar for examples and opportunities for alignment.

**Workforce System Performance Dashboard Update**

Jesse Cohen provided an overview of the work he performed for the Board’s WIOA Oversight Committee to develop a performance dashboard of the Massachusetts Workforce Development system. Mr. Cohen recommended that a performance management dashboard have measures that capture the necessary conditions for success in serving jobseeker and achieving desired job placement outcomes. He also recommended that business performance measures include a goal to measure activities that create necessary conditions for success in serving businesses finding the right talent. Mr. Cohen further recommended that the Board convene a working group, collect baseline data, perform statistical analysis and establish targets, in order to fully implement the performance management dashboard.

**Labor Market Information Dashboard Preview**

Joanne Pokaski and Pam Eddinger provided an overview of the Labor Market Information dashboard that the Board’s Labor Market and Workforce Information Committee produced. The committee plans to update and present the dashboard as part of the quarterly Board meetings.

Donna Cupelo adjourned the meeting at 11:10 a.m.