



Montana Department of LABOR & INDUSTRY

State Workforce Investment Board

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State Workforce Investment Board Minutes

December 2, 2014

7:30 a.m. – 3:00 p.m.

Holiday Inn Conference Center Downtown Helena

22 N. Last Chance Gulch, Helena, MT

Ball Room

BOARD MEMBERS PRESENT: Dave Crum, Chair; Nan LeFebvre, Vice-Chair; Dan Bernhardt; Casey Blumenthal; Commissioner Pam Bucy; Tina Bundtrock; Senator Edward Buttrey; John Danielson; Al Ekblad; Senator Tom Facey; Paul Gatzemeier; Larry Hall; Jasyn Harrington; Keith HeavyRunner; Jacquie Helt; Representative Brian Hoven; Niles Hushka; Fred Kellogg; Billie Lee; Representative Ryan Lynch; Tammy Pilcher; John Rogers; Brandon Schmidt; Scott Trent and Jane Weber

DESIGNEES PRESENT: Sean Becker-(Designee for Meg O'Leary); Margaret Bowles-(Designee for Denise Juneau); and Jim Marks- (Designee for Richard Oppen)

BOARD MEMBERS ABSENT: Dean Bentley; Sarah Calhoun; John Cech; Kirk Hammerquist; William Hunt; Maureen Kenneally; Mike McGinley; John McKee; Rodney Miller; Robert Minto; Kim Ormsby; Loren Rose; and Eric Smith

STAFF: Casey Schreiner and Greg Cano

GUESTS: Mary Berg (Career Futures); Sarah DeMoney (Career Futures); Suzanne Ferguson (Department of Labor & Industry); Carol Hanel (Department of Labor & Industry); Darrell Holzer (Apprenticeship); Kate Kahle (Department of Labor & Industry); Connie Kinsey (Department of Labor & Industry); Jackie Lynch (Experience Works); Jim Molloy (Senior Advisor-Governor's Office); Lisa Newman (Career Training Institute); Jeff Rupp; Melanie Schwarz (Big Sky Economic Development) Pam Watson (Department of Labor & Industry); Tanner Woodward (Department of Labor & Industry); and Kathy Yankoff (Department of Labor & Industry)

Welcome and Introductions

Chair Dave Crum called the meeting to order at 8:10 a.m. He welcomed Board members and guests. Chair Crum asked each Board member and Staff to state their name.

Roll call

Roll call was taken by Greg Cano. A quorum was reached.

Chair Crum introduced the new SWIB Director-Casey Schreiner. A new board member was also introduced: Eric Smith from Boeing, Helena. (Mr. Smith was not able to attend this meeting due to a previous engagement.)

Chair Crum discussed the idea of SWIB Board Members receiving a 3-ring binder for their materials. Member meeting packets contained a form to indicate their choice and return to staff.

Agenda

Chair Crum asked for a consensus to approve the agenda. Mr. Gatzemeier moved to approve the agenda as presented, Mr. Ekblad seconded the motion. The motion carried.

Chair Crum asked if there was a motion to approve the September 24-25, 2014 SWIB Meeting minutes. Ms. LeFebvre made the motion to approve the meeting minutes and Mr. Gatzemeier seconded the motion. The motion was carried.

I. Local Economic Development Activities Updates

Chair Crum asked each SWIB Board member to give a brief update regarding his/her workforce and/or economic region-Highlights include:

Representative Ryan Lynch: The partnership of SeaCast and GE Montana Precision Products in Butte is searching for funding to train certified welders.

Mr. HeavyRunner: There is a new commerce in Browning on the Reservation. Young Native American men and women are finding employment in the oil fields in North Dakota and Utah. Unemployment is still really high on the Reservation.

Ms. Lee: Sanders County is still high in unemployment. They have problems attracting manufacturing businesses in that rural area. Transportations costs are a hindrance, and keeping these costs in line is difficult.

Salish-Kootenai Tribe is working through a national grant, surveying tribal members in the evaluation of management and training skills of tribal members. The first survey is completed and in the upcoming year, a training program will be developed to assist tribal members become more effective in their jobs and establish new businesses.

Mr. Danielson: In Flathead, Lake, Lincoln and Sanders Counties, the WIA Youth program is looking to connect youth participants with employers looking to hire. The goal is to train youth, develop skills needed to be successful within the specific businesses, and ultimately an employment offer for the youth. Employers have direct impact on soft skills and other skills that are reportedly lacking in the general workforce.

Mr. Hushka: In Gallatin County, construction is booming with a shortage of trades' employees looming. Downtown Bozeman has 15 projects scheduled for the upcoming year. There is a shortage of laborers across the board. Welders, Instrumentation and controls, electricians and truck drivers are in demand.

Mr. Becker: The Montana Department of Commerce is "a mean economic development machine" which continues to do great things with its allocated resources.

Ms. Harrington: In the Helena area, there is an increase in the need for healthcare workers-both medical clinics and hospital settings. On the program operator side, they work with individual small businesses to provide their participants with paid work experience.

Mr. Schmidt: In Baker, there is a shortage of qualified trades' employees regarding construction. The same goes for restaurant and service workers. There is a holding pattern for the Keystone-XL pipeline.

Ms. Weber: Great Falls has seen steady change happening in their community. Calumet; an oil refinery, is installing hydro fracking-thus the creation of new employees and contractors to their community. This has created housing shortages and camping was provided on the fairgrounds for those who could not find housing. The Canadian based manufacturer, ADF Group has great synergy with Great Falls College/MSU regarding the welding program. There is always a need for welders.

Representative Hoven: Montana agriculture is in the 10th year of prosperity. Since 2004, grain and commodity prices have been excellent and Montana agriculture producers have done very well; as has Great Falls as a result. Grain prices have dropped in the last year. Cattle prices are out of sight and will continue for another 1 ½ years.

Senator Buttrey: Negotiations are in the works with a UAS (Unmanned Aircraft Company) in regard to drones and taking the military technology and commercializing for use for farming, ranching, pipeline inspection, movie making and other uses. The FAA has recently granted exemptions for drone use, hence, a business is planning to build a drone manufacturing facility in Great Falls.

Mr. Trent: The workforce is growing at a rapid pace: 13 % in Missoula. In regards to the rail industry, there is commodity movement to the west coast-exports-grain, forestry and coal products. There is vibrant building activity and lots of construction of retail and restaurants.

Senator Facey: He attended the Missoula Economic Partnership meeting and a public/private partnership is working on data speed. High speed internet is a must if a business wants to be competitive. Missoula is attempting to bring more airlines into the state. The high price of airline tickets in and out of Montana is a factor why companies won't locate in Montana.

Jim Marks: The Disability Determination Service has reported that the percentage of people who have applied for disability has dropped. WIOA is changing the services provided for people with disabilities in Montana. The focus is on competitive/integrated employment. Typically, people with disabilities are employed and/or placed in facilities where they are segregated. The law now expects people with disabilities to be employed in the community. Sub-minimum wages are allowed in approximately 35 facilities in Montana. The goal is to make sure that people with disabilities earn minimum wages. Vocational Rehabilitation Blind Services is expected to develop relationships with

employers. This will result in partnerships with the DOL and OPI to develop a better relationship.

Larry Hall: In Lake County, one of the issues regarding worker training and manufacturing is a size and number consideration of the training programs. There is training available for the smaller businesses, but the medium sized businesses don't qualify. In rural areas, businesses have to do their own training. Industry; especially manufacturing areas, do not supply as many jobs in the rural areas.

Fred Kellogg: Computer skills and soft skills are desired. He also concurs that there is a driver shortage in regard to shipping and receiving via manufacturing companies, though Montana has less problems with driver availability than other states.

Jacquie Helt: In home health services performed by homecare workers allow seniors and persons with disabilities to remain in their homes and communities. These services result in a financial savings to Medicaid and typically result in improved outcomes for clients. In mid-October, I accompanied Director Hogan and Commissioner Bucy to Seattle to tour our SEIU Training Partnership in Seattle. We met with the Executive Director of the Partnership along with her staff and focused on a discussion about apprenticeship programs for long term healthcare services and other career pathways.

Paul Gatzemeier: Billings is hitting on "all cylinders." City planning is moving forward with 20 year growth policy. Billings is projected to have a population of between 100,000-200,000 people in 20 years. Residential /commercial development is strong. A transportation improvement plan was just approved for the region. This is 200 billion dollars in infrastructure over the next 5 years. There is strong support in the community for energy development like the Keystone Pipeline. There is talk of additional refineries in the Billings area. The Crow Tribe is in the development of a hydroelectric project through Yellowtail. MSU/Billings is in the process of accrediting their nursing program.

Casey Blumenthal: Through the hospital association, a number of different initiatives address workforce problems around the state that we experience through the Montana Health and Education Foundation. Pipeline training gets students in high school interested in healthcare careers. Summer camps are available where students can job shadow in hopes to increase their interest to ensure that courses in school will direct them to those careers. Career pathways focused on healthcare occupations are being developed in the rural areas and bringing the education to them via two-year community. Paid apprenticeships are also being provided. There is a huge shortage of nurses throughout the state.

Mr. Ekblad: The Calumet project in Great Falls is a Union project, as is most refinery work. This is due mainly to the training and safety aspects. The Gordon-Butte Pumped Hydro-Storage Facility is a 400 megawatt project on a closed loop generating facility between two reservoirs. It is a billion dollar project. It has received its first licensing, but has not yet been funded. It is a Montana project-Montana developers partnering with a Montana construction company.

11. Main Street Montana Project

Jim Molloy, from the Governor's office, presented an update of the Main Street Montana project. In particular, he reported on the Key Industry Networks (KINs): There are 6 KINs that are currently active: Food & Agriculture, Energy & Utilities, Manufacturing, Tourism, Innovation & Technology, and Interconnectivity & Telecommunications. There will be the addition of a Non-Profit KIN. The first segment of his overview regarding the 4 dimensions of the implementation plan, can be read via the following link:

<http://www.mainstreetmontanaproject.com/>

He handed out copies of the Montana's Revised State Action Plan and in particular; the role that the SWIB Board will play in providing substantial input within the state plan: In particular, he mentioned the piece on Partnerships-Mutually Reinforcing Activities: Build Industry-Education Partnerships to Get Results. Three proposed strategies/activities to strengthen this component regarding SWIB as a Key Organization is: 1) Utilize Main Street Montana's 12 KINs to facilitate private sector involvement in workforce development across all Montana industries, and integrate existing private sector partnerships, such as the Montana State Employer Council, into the KIN strategy. 2) Partner with private employers to design meaningful work-based learning experiences so students and job seekers can earn and learn at registered apprenticeships, internships & externships, clinical practicum experiences, and on-the-job training assignments. 3) Engage regional two-year, community, and tribal colleges with regional industry sector partnerships to serve as the Program Advisory Committee for the respective program at the college. Mr. Malloy then pointed out two of the proposed strategies/activities for the SWIB in the Action Plan: 1) Create an asset map and use it to develop a joint action plan to align resources and activities, and to identify and address redundancies and inefficiencies in the delivery of services. 2) Enhance and expand role of SWIB in implementing Main Street Montana Pillar I goals, objectives and tasks. This strategy is tasked to SWIB staff as well as membership.

The timeline & deliverables of the above-mentioned proposed strategies/activities, as well as the other components of the Revised State Action Plan are outlined in the document found on the State Workforce Investment Board website: www.swib.mt.gov: Archived Meetings link: Tuesday, December 2, 2014 Full Board Meeting: 2014_1027_NGAWorkforceAcademy_RevisedActionPlan.

Mr. Molloy pointed out that eligible SWIB members who are not already doing so should serve on a KIN.

III. Legislative Update

Commissioner Bucy discussed the governor's budget proposal as it applies to economic workforce development. The proposal is comprehensive and the mission and vision of all of Montana's agencies are represented.

A highlight of the discussion was The Employer Tax Credit and Department of Labor & Industry (DOLI) Apprenticeship Credit Fiscal Note. Links can be viewed on the SWIB website-Archived Meetings-Tuesday, December 2, 2014 Meeting. Commissioner Bucy discussed these items in great length. This is a very significant investment in worker training that the Governor is proposing. The Montana Registered Apprenticeship Employer Tax Credit: Any employer that hires and trains an individual in an apprentice occupation, registered with the Montana Department of Labor & Industry, will be eligible to claim a 1,000 dollar employer tax credit, per apprentice, per year for a maximum period of 4 years.

Commissioner Bucy asked the SWIB Board to endorse the employer Tax Credit Bill. Chair Crum called for a motion. Ms. Helt made the motion with Ms. Lee seconding it. There was no discussion offered by the public. Board members asked many questions regarding registered apprenticeship ranging from eligibility requirements to funding issues. Chair Crum reiterated that there was a motion made and seconded to support the Montana Registered Apprenticeship bill that will go to the legislature. The motion passed unanimously.

IV. BillingsWorks Workforce Council

Melanie Schwarz, Big Sky Economic Development, reported that the BillingsWorks Workforce Council consists of approximately 80 members, consisting of representatives from commerce, Job Service, MSU Billings/City College, Rocky Mountain College, city and county leadership, School District # 2 and the Career Center, and Private Industry, who meet bi-monthly, to discuss workforce issues and develop strategic planning . The following hand-outs can be found on the State Workforce Investment Board website: www.swib.mt.gov: Archived Meetings link: Tuesday, December 2, 2014 Full Board Meeting: BillingsWorks Workforce Council-Workforce Indicators and SWIB PRESENTATION.

V. WIA Unit Reports

Suzanne Ferguson, Workforce Investment Act (WIA) Unit Supervisor from the Department of Labor and Industry, presented information regarding the Workforce Investment Act as it pertains to Montana. The presentation slides and two maps: Montana Local Workforce Investment Areas and WIA Service Providers by MACo District can be viewed on the State Workforce Investment Board website: www.swib.mt.gov: Archived Meetings link: Tuesday, December 2, 2014 Full Board Meeting.

VI. WIOA Update

Pam Watson, Special Projects Director from the Department of Labor and Industry presented an update on the Workforce Innovation Opportunity Act. Federal

regulations/guidance from the United States Department of Labor and Department of Education is due on January 18, 2015. States are making preparations for the enactment of the new law. The law goes into effect July 1, 2015. States are being given the opportunity to ask for clarification regarding the new law and the Federal government is seeking input from states as well. One major change is the addition of several required core partners: Adult Basic Education and Vocational Rehabilitation. These are programs within the Office of Public Instruction and The Department of Public Health and Human Services. Previously, the partners were the WIA programs and the Wagner/Peysner-which is the Job Service Programs. Now, all four programs must collaborate, develop and submit a state plan to the federal government as required under WIOA. Conversations between the programs have and will continue to happen as planning/implementation nears. The goal is to align services and assist the participants in the most sufficient and timely manner possible. There is also a list of required partners under the WIA. The state plan must demonstrate how partners are collaborating and partnering. There was a multi-state meeting in South Dakota. Most states such as North and South Dakota with similar populations only have one local area in their state. There are only 4 Concentrated Employment Programs (CEP's) in the United States-Montana being one of them. This was grandfathered under WIA. With WIOA, it is uncertain what will happen under the new regulations in terms of the distribution of funds. The Northwestern part of the state is now where the money is most needed. SWIB staff is attempting to learn about the best practices, most current and relevant information concerning WIOA. Leadership in the Department of Labor & Industry, Department of Public Health and Department of Commerce have met and are having discussions based on how to operate more efficiently and duplicating services. The Department of Public Health and Human Services has a component for employment training within the Supplemental Nutrition and Assistance (SNAP) program. The Governor's office recently submitted an application to the U.S. Department of Education to pilot a project in the state to double the number of SNAP Administration offices in our state. Montana currently has 3 locations in the state that offer the employment training component. This is a partnership between the Department of Labor and the Department of Health and Human Services. This is tied to the Montana HealthCARE grant and Chair Crum signed a letter explaining the relationship between the SWIB board and its support of the Montana HealthCARE grant and TAACCCT grants and their missions regarding those industries and occupations that are in demand.

VII. Committee Reports

Executive Committee: Chair Crum proposed that staff send out an email to the Executive committee asking for their input regarding the SWIB Mission statement language. He would like responses from them within one week.

Lifelong Learning Committee: Mr. Trent, Chair of the committee, moved the State Workforce Investment board to formally take a position of support for initiatives, programs, and collaborations that work to develop, promote, and provide career pathways

as a way to grow and strengthen our state workforce. After some discussion, the board voted and the motion was carried.

Sector Strategies Committee: Ms. LeFebvre reported for Chair John McKee, who was unable to attend the meeting. The Committee met via GoToMeeting and discussed Lindsey Woolsey's recommendation letter based on her facilitation of the September 24-25 SWIB meetings-both full board and subcommittees. They agreed to accept Ms. Woolsey's recommendations, but agreed that they needed more education regarding sector strategies.

Workforce Investment Act (WIA) Committee: Ms. Weber reported for Chair Mike McGinley, who was unable to attend the meeting. The committee is in a holding pattern and requests more education regarding WIOA.

Youth Council: Ms. Bowles reported for Mr. Hunt, who was unable to attend the meeting. The committee has not met since the last meeting.

VIII. Strategic Next Steps

Chair Crum wondered how the SWIB can effectively advise the Governor. He made recommendations to the Subcommittees that they focus on one or two goals. Mr. Schreiner suggested that members review Mr. Molloy's hand-out as it could serve as a tool to identify projects for the subcommittees that also support the Main Street Montana project.

This document: [2014_1027_NGAWorkforceAcademyRevisedActionPlan](#) can be viewed on the State Workforce Investment Board website: www.swib.mt.gov: Archived Meetings link: Tuesday, December 2, 2014 Full Board Meeting.

Chair Crum asked staff to identify the strategies/activities along with the timeline & deliveries for each subcommittee and send them to the subcommittees. He is hoping that this will provide a clear pathway for each committee. Chair Crum announced that the next full SWIB meeting will be held on June 2, 2015. The meeting was adjourned at 2:54.