



# **American Recovery and Reinvestment Act**

**Wisconsin Legislative Council  
Special Committee on Building  
Wisconsin's Workforce**

**Secretary Roberta Gassman**

**March 30, 2009**

# Overview

- **Economic Update**
- **Workforce Challenges**
- **Governor Doyle's Workforce Agenda**
  - **21<sup>st</sup> Century Workforce Wisconsin**
- **Recovery and Reinvestment Act**

# Economic Update

## Wisconsin's jobless rate hits 8.8%

Number lost during last year is highest since 1939; rate nears national figure

By JOEL DRESANG  
jdresang@journal-sentinel.com

Wisconsin employers cut more jobs in the last 12 months than in any year-to-year comparison in records dating back to 1989. And unemployment rose to 8.8%, its highest rate for February since 1982, according to data released Thursday.

For labor market analysts, the numbers offer further evidence of a sour economy. For job seekers, they pose another psychological hurdle to step over.

"I've just become numb to the numbers. It's the same thing month after month, especially after the first of the year," said Jessi-

ca Frank, 29, who's been seeking a full-time marketing position since November 2007. Even the project work that Frank has been doing for a research firm in Thiensville since October has been less frequent since January.

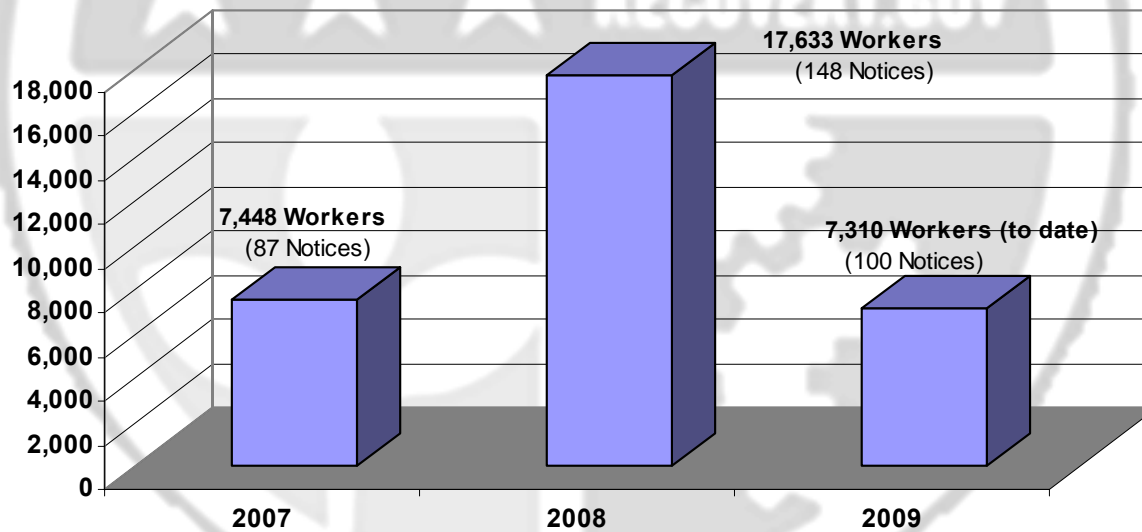
"Unfortunately those numbers don't shock me because I've been watching the labor market for the past year plus," Frank said.

The 8.8% unemployment rate, up from 5.1% the year before — nudged closer to the U.S. rate of 8.9% in February, the Wisconsin Department of Workforce Develop-

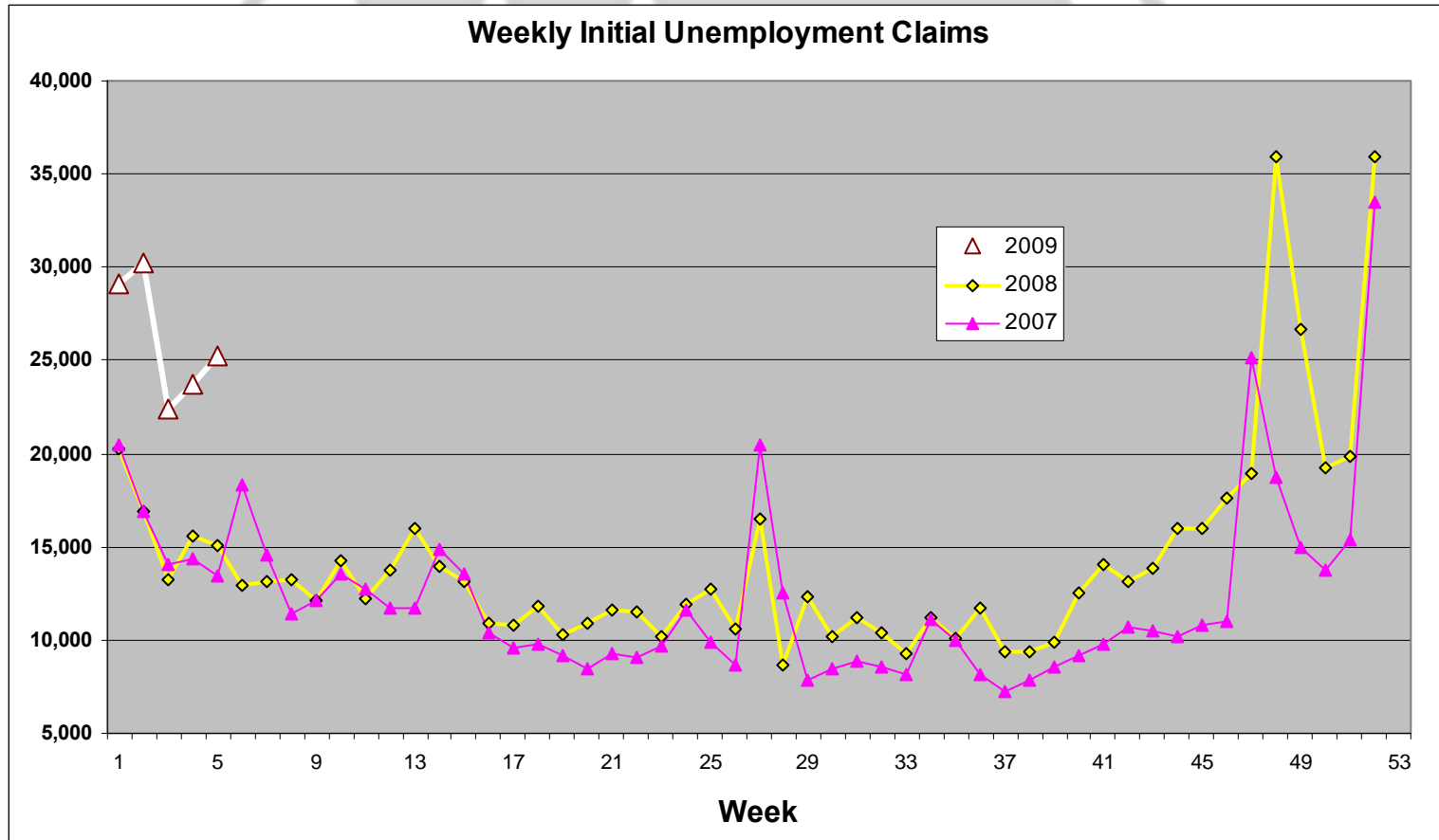
Please see: **UNEMPLOYMENT, IA**

# Economic Update

## Plant closings & mass layoffs

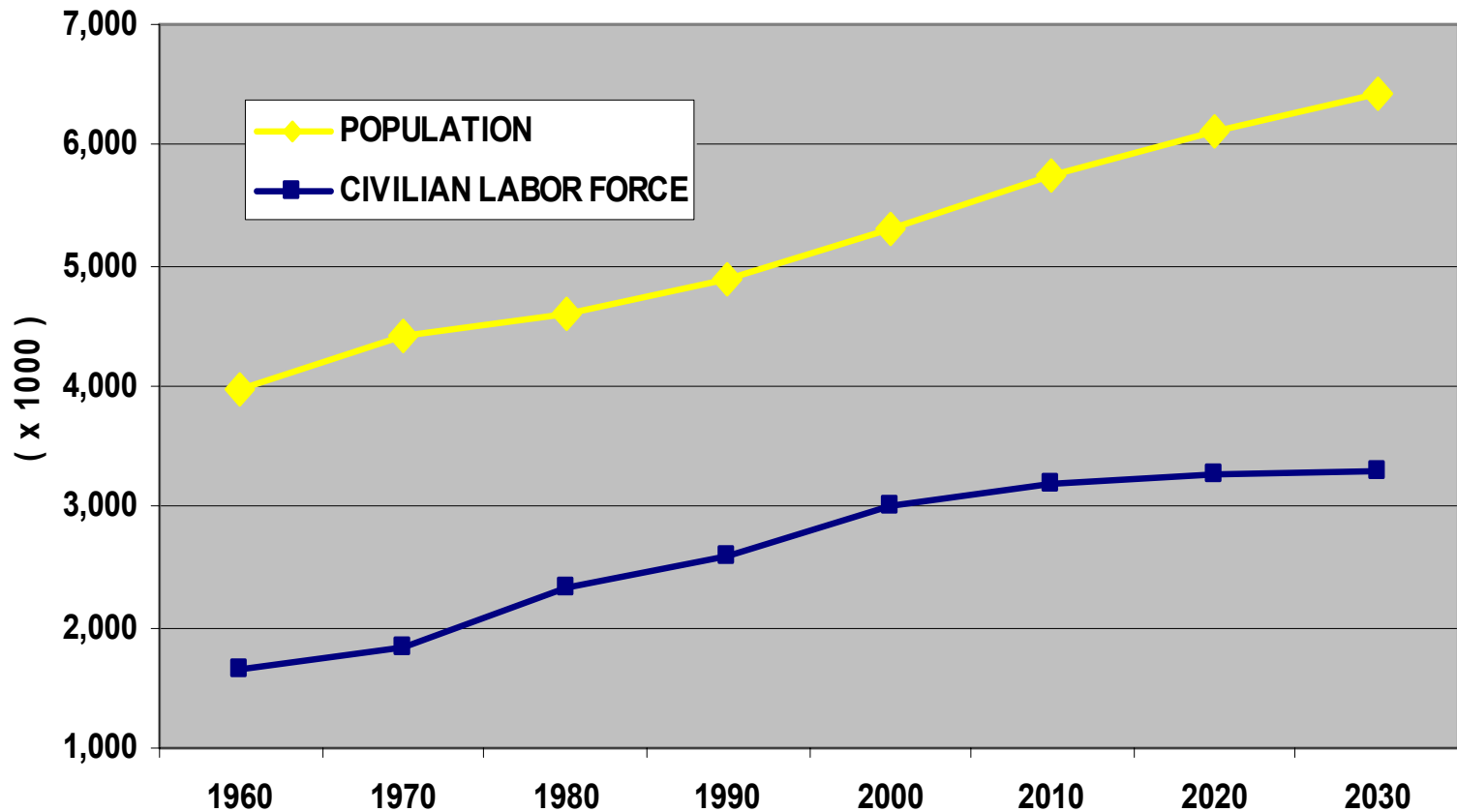


# Economic Update



# Workforce Challenges

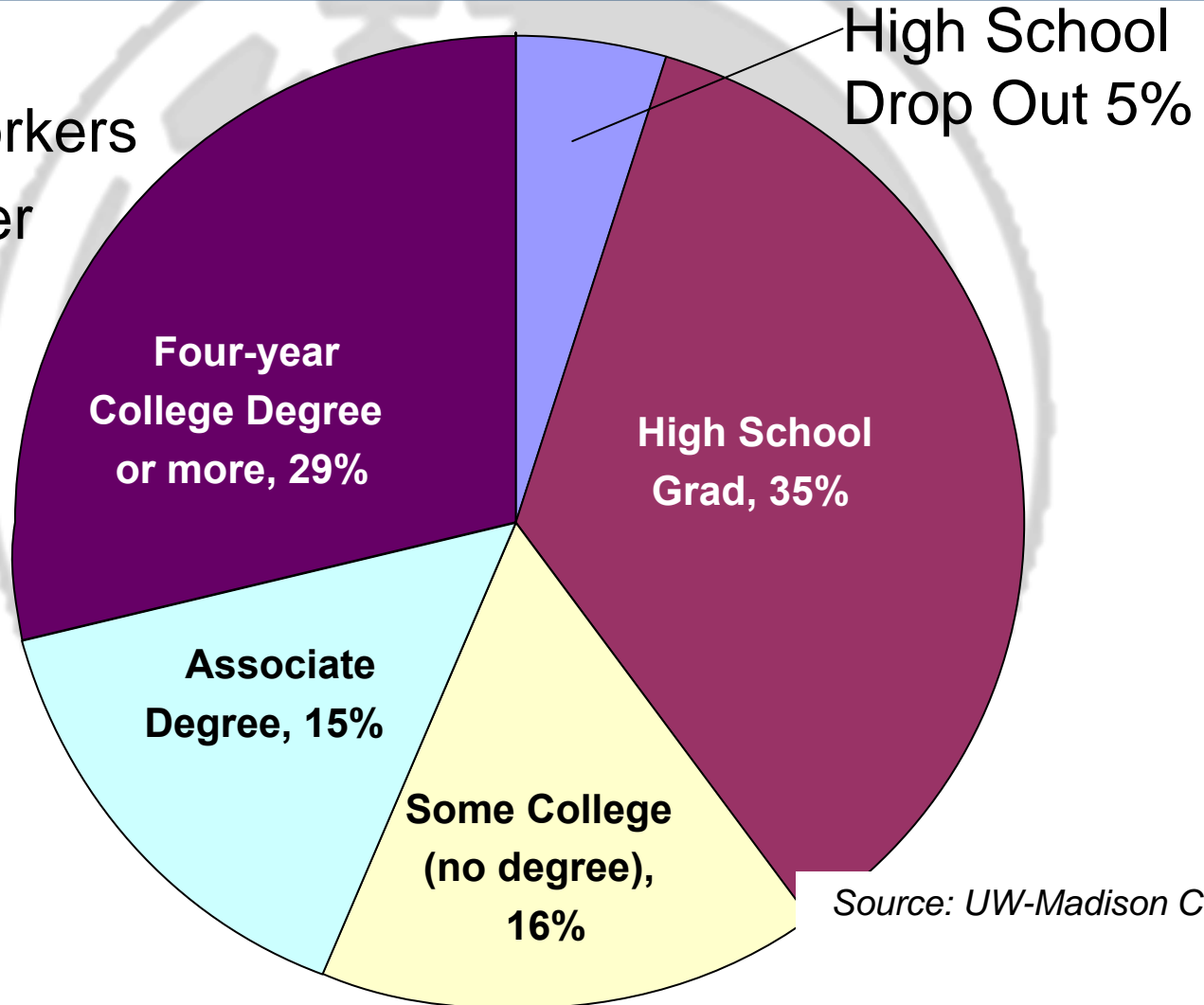
Wisconsin Population and Labor Force



# Workforce Challenges

## 40% of Workforce: HS Diploma or Less

Wisconsin workers  
Age 26 & older



Source: UW-Madison COWS, 2008

# Governor Doyle's Workforce Agenda

Building the



- **Meet employer needs**
  - Wisconsin Sector Strategies Initiative -- demand-driven, industry-led training
- **Upgrade worker skills**
  - Opportunity Grants / Skills Jump Start
  - Manufacturing Skill Standards Certification
  - Emerging Industries Skills Partnership
- **Improve workforce system**
  - New Internet site, [JobCenterofWisconsin.com](http://JobCenterofWisconsin.com)
  - Proactive Job Service, serving more people



# Governor Doyle's Workforce Agenda

Building the

**2**  **ST** CENTURY  
WORKFORCE  
WISCONSIN

Training workers for careers in health care



# Governor Doyle's Workforce Agenda

Building the

**21<sup>ST</sup>** CENTURY  
WORKFORCE  
WISCONSIN



March 23, 2009

## From Mirro layoff to her dream job

Ex-cookware employee thrilled with health career

*by charlie mathews*  
*Herald Times Reporter*

MANITOWOC — Carol Kunstmann was one of the last workers out the door when Mirro pulled out of Manitowoc in fall 2003.

"I was very scared," Kunstmann, 55, recalled last week. She had joined the cookware-bakeware manufacturer just two months after graduation from Mishicot High School 31 years earlier.

In the years since she stopped making cook sets — "I have a lifetime supply for me and my daughter" — her work life has had a dramatic turnaround.

"It was a godsend to me for Mirro to close," said Kunstmann, a certified health unit coordinator in the critical care unit at Holy Family Memorial. "I needed that kick in the butt.

"Now, I have my dream job ... I would love to work seven days a week," said Kunstmann.

# Governor Doyle's Workforce Agenda

Building the

**21<sup>ST</sup>** CENTURY  
WORKFORCE  
WISCONSIN

**Skilled workers for jobs in  
advanced manufacturing**



# Governor Doyle's Workforce Agenda

Building the

2<sup>↑</sup>ST

CENTURY  
WORKFORCE  
WISCONSIN

Training skilled workers for  
high tech, biotech jobs



# Recovery Act Overview

**DWD funding and role as state's labor exchange**

**WIA**

- **Adult, Youth & Dislocated Worker-**
- **Re-employment services**

**UI**

- **Extended Benefits**
- **UI Modernization**

**DVR**

**DOL and DOE Competitive Grants**

- **Energy**
- **High Growth Jobs-Health Care, Adv Mnfg**

DWD's General Role

## Wisconsin's Labor Exchange: Recovery Act Implementation

- [JobCenterOfWisconsin.com](http://JobCenterOfWisconsin.com)
  - Job Center of Wisconsin = key tool to assist recovery





Welcome to the Job Center of Wisconsin – connecting employers and job seekers in Wisconsin. Everything you need is right here – at no cost to you.



**SECURE LOG IN**

Username:

Password:



[Set up an account](#)

[Forgot your ID or password?](#)

**Job Center stats as of March 2, 2009:**

- TOTAL JOB OPENINGS: 13328
- TOTAL RESUMES/APPLICATIONS: 8083

Find a job

Find employees

**Need Help?**

Click here to get help.



The Job Center of Wisconsin is key to our strategy to keep Wisconsin at the forefront of today's highly competitive global economy. Wisconsin has a talented workforce and the best companies in the world. Together, we can continue to Grow Wisconsin.

Governor of Wisconsin

**STATEWIDE WORKFORCE LINKS**

For



[Labor Market Information](#)

[Directory of Office Locations](#)

[Job Center Publications](#)

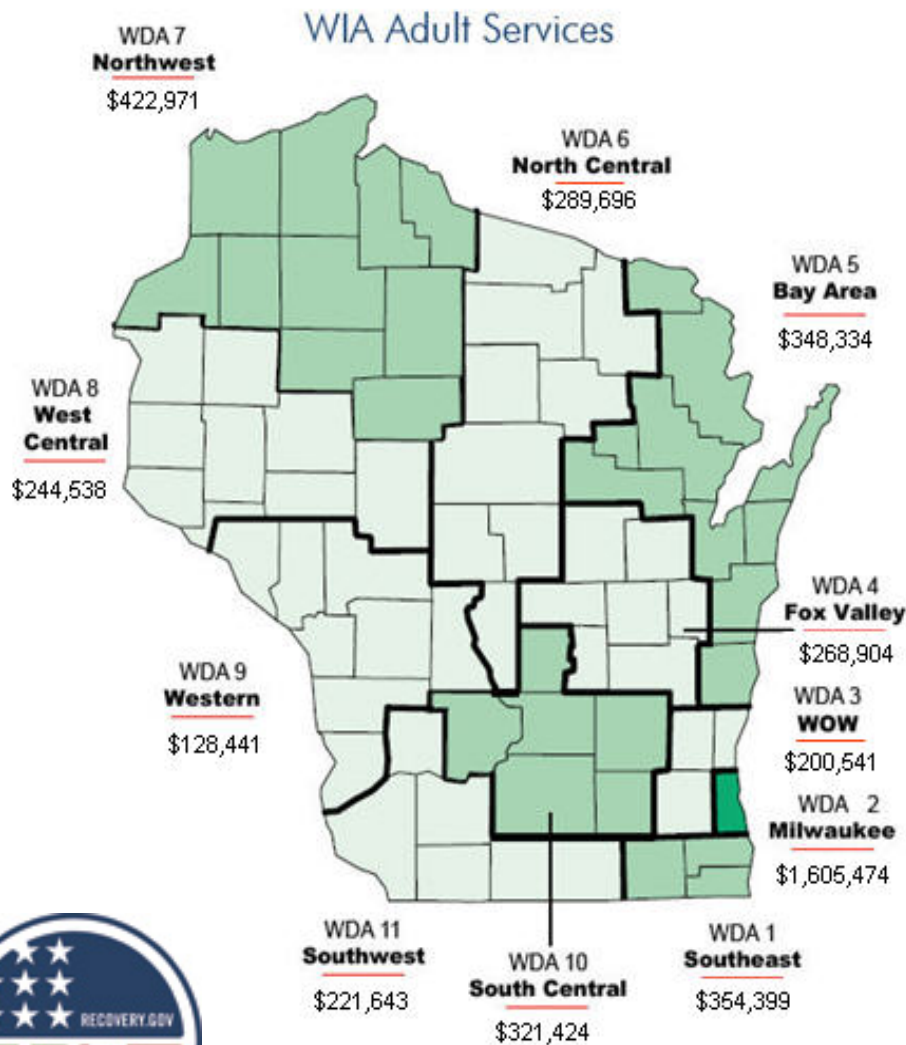
[Unemployment Insurance](#)

[Equal Rights Division](#)

[Vocational Rehabilitation](#)

[Layoff and Dislocation Information](#)

# DWD's Recovery Programs: DET



Source: Center - ITG & DET - Map - Wisconsin DWD, Labor Market Information - 2/27/09



CURRENT: Adult PY08 (State FY 9 beg 7/1/08)

Total to WDBs	\$ 8,521,174
Discretionary	\$ 1,002,491
Administrative	\$ 501,246
Wisconsin Share	\$10,024,911

**Total to WDAs \$ 4,406,276**

**Discretionary \$518,385**

**Administrative \$259,193**

**Total ARRA \$ 5,183,854**

WI received allocations 3/18/09

### Required populations:

- Public assistance recipients w/ multiple barriers
- Older workers
- Low-skilled workers

- Persons w/ disabilities

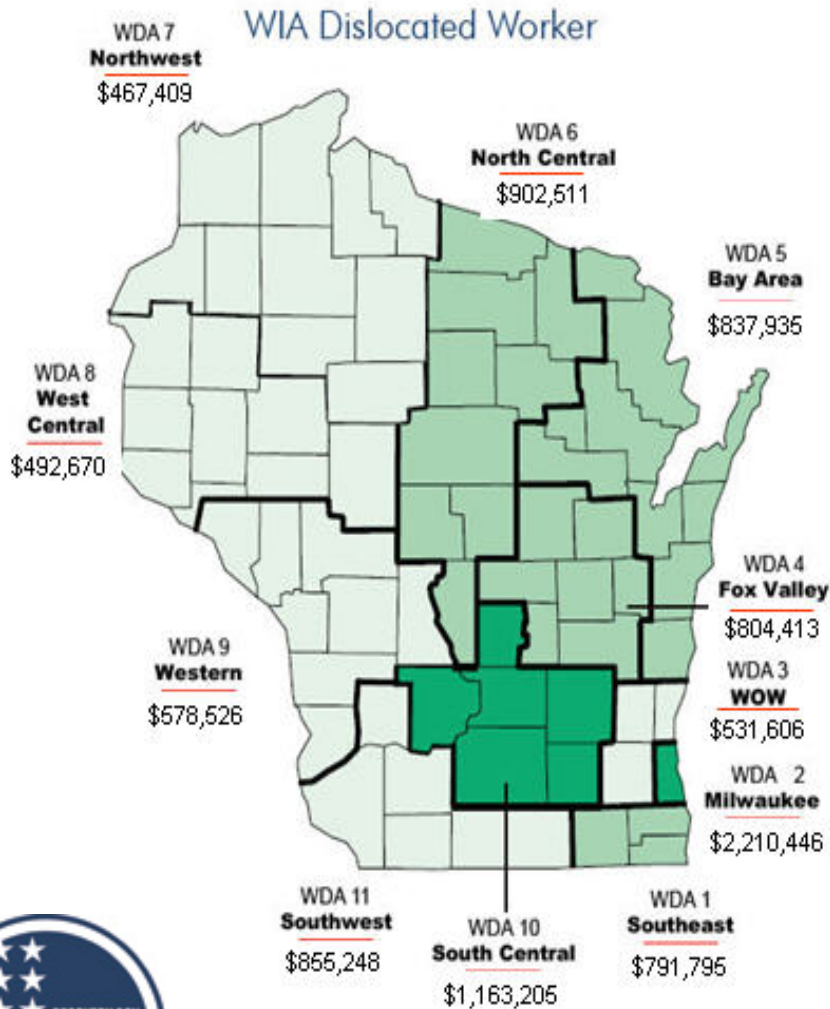
State must distribute to boards within 30 days of receipt

Expenditures made by 06/30/2011

Awaiting accountability guidance from DOL



# DWD's Recovery Programs: DET



Source: Center for FIC & DET - Map - Wisconsin DWD, Labor Market Information - 2/27/09



CURRENT: DW Federal PY08 (State FY 9 beg 7/1/08)

Awarded to WDBs	\$15,449,024
Rapid Response	\$ 6,437,093
Discretionary	\$ 2,574,837
State Administrative	\$ 1,287,419
Wisconsin Share	\$ 25,748,373

<b>Total to WDAs</b>	<b>\$ 9,635,764</b>
<b>Rapid Response</b>	<b>\$ 4,014,902</b>
<b>Discretionary</b>	<b>\$ 1,605,961</b>
<b>Administrative</b>	<b>\$ 802,980</b>
<b>Total ARRA</b>	<b>\$16,059,607</b>

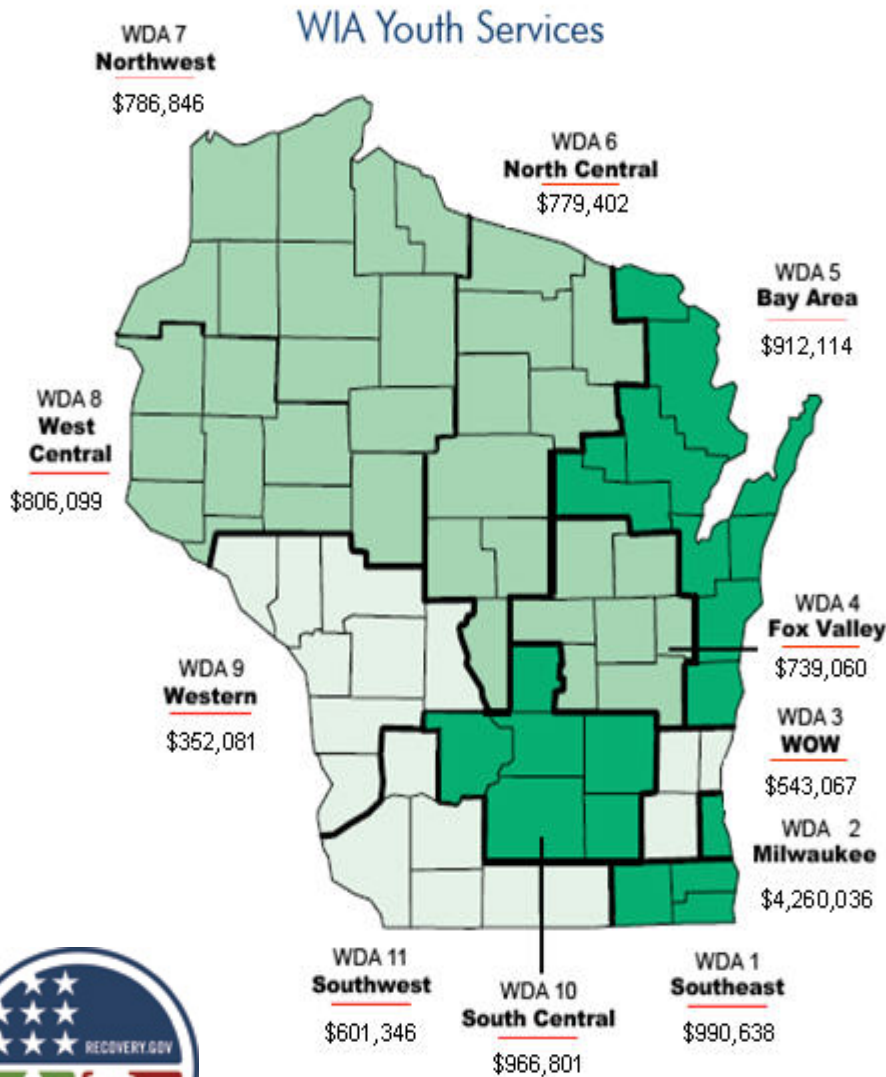
WI received allocations 3/18/09

## Eligible Populations:

- Workers with outdated skills
- Unemployed due to imports or production outside US
- Farmers who have lost/may be losing farm
- Self-employed individuals unemployed due to economic conditions
- Workers from mass layoff or plant closure

State must distribute to boards w/in 30 days  
Expenditures made by 06/30/2011  
Awaiting accountability guidance from DOL

# DWD's Recovery Programs: DET



Youth Federal PY08 (State FY 9 beg 7/1/08)	
Awarded to WDAs	\$10,144,272
Discretionary	\$ 1,193,444
Administrative	\$ 596,722
Wisconsin Share	\$11,934,438

<b>Total to WDAs</b>	<b>\$11,737,490</b>
<b>Discretionary</b>	<b>\$ 1,380,881</b>
<b>Administrative</b>	<b>\$ 690,441</b>
<b>Total ARRA</b>	<b>\$13,808,812</b>

WI received allocations 3/18/09

### Required populations

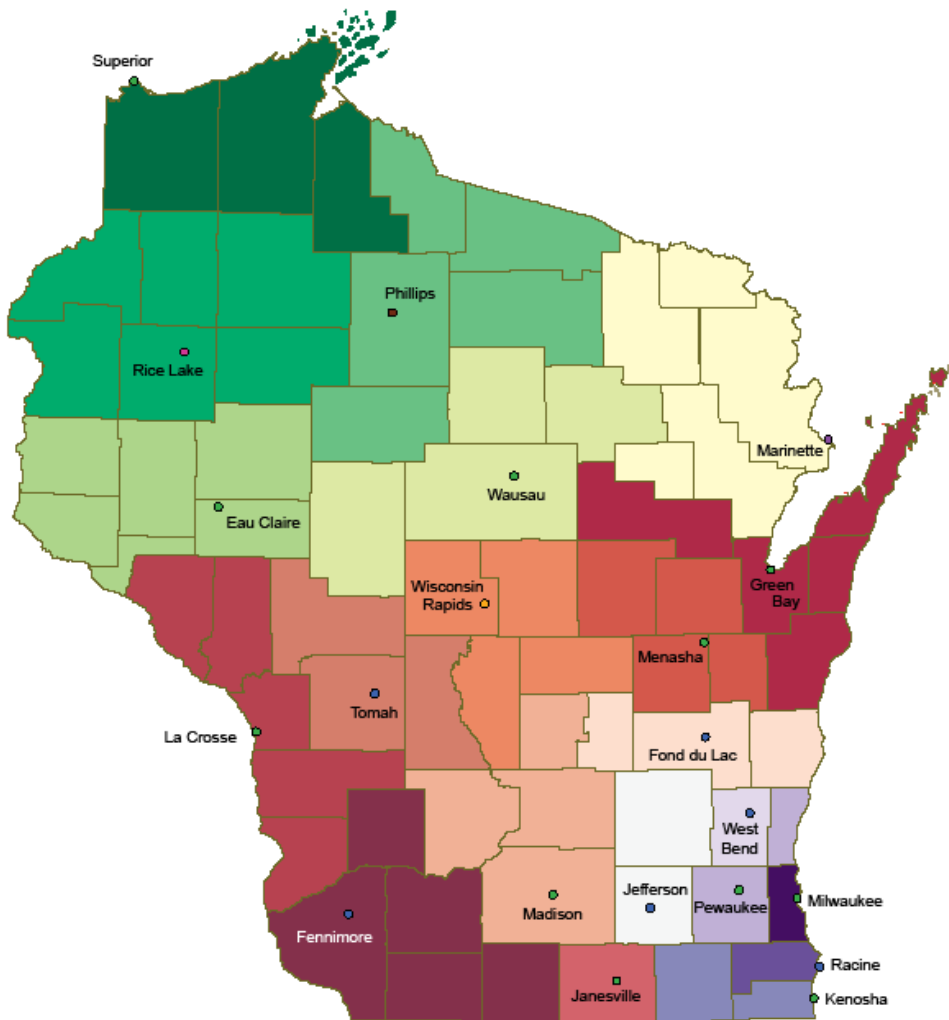
- Low income
- Deficient in basic skills literacy
- School dropout
- Homeless, runaway, foster care youth
- Pregnant or parenting
- Youth w/ disabilities
- Juvenile offender

State must distribute to boards w/in 30 days  
 Expenditures to be made by 06/30/2011  
 Awaiting accountability guidance from DOL

# DOL Guidance on ARRA Policies

- \$ to locals in 30 days
- Encourages use of Job Banks
- Use economic regions, sectors
- Emphasis on training: OJT, customized training, group training, ABE, apprenticeship
- Timely spending, transparency, accountability
- Increased system capacity & service levels
- Use data, workforce info to guide strategic decisions & targets
- Training in demand occupations & industries
- Community resources should be used, such as community colleges, & community-based training agencies
- Can use \$ for curriculum for special training classes
- Encourages career pathways, apprenticeship as models for career & wage advancement
- Encourages state workforce agencies to collaborate & work with other agencies
- Encourages WP as portal to guide individuals to right resources
- Encourages lifting of state worker freezes, while cautioning that ARRA is time-limited

# 22 Wisconsin Job Center Regions



## Re-Employment Services

**\$7.2 M**

WI received allocations 3/18/09

**Must obligate by 9/30/10**

Current Amount: \$ 561,200  
(from UI interest and penalties appropriation)

- 29 mobile field staff
- 3 central office
- 5,000 unemployed targeted/wk;  
26,000 work ready certs/yr
- WisCareers contract
- JCW enhancements
  - Workshop scheduling
  - Video conferencing
- 155 add'l workshops/wk

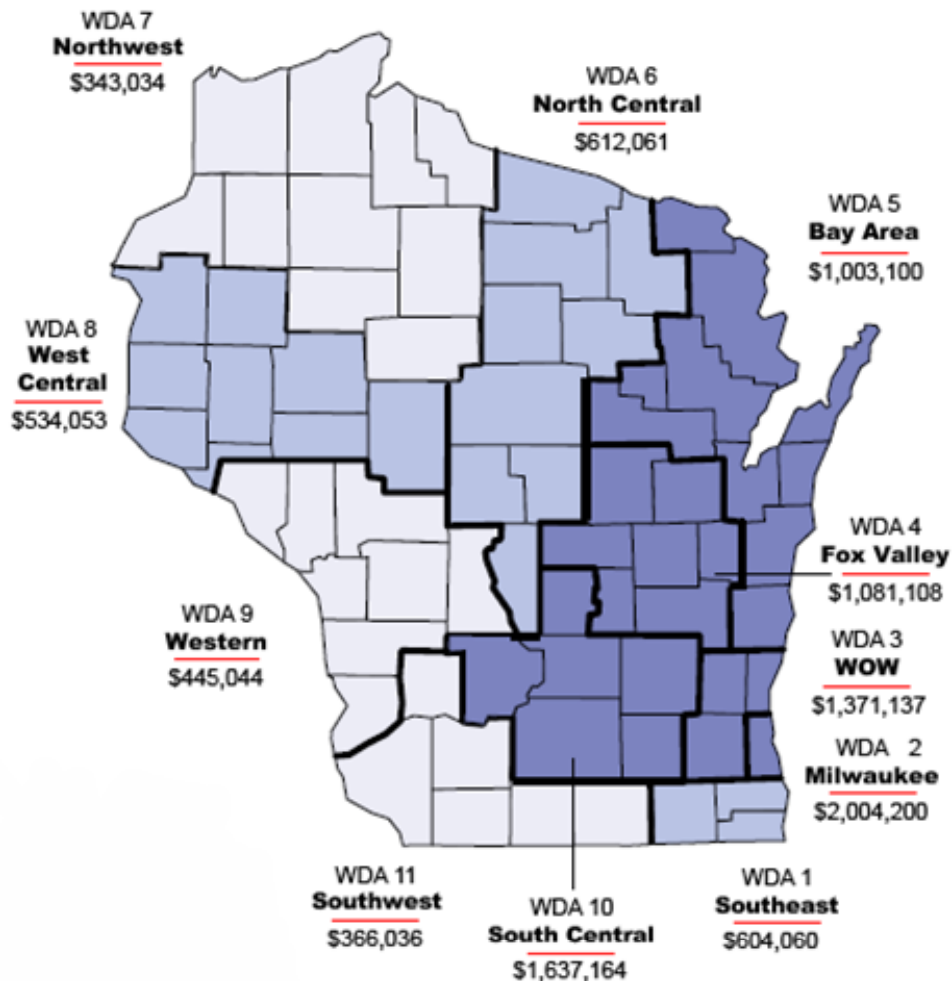
# Unemployment Insurance (UI)

- **Benefits extension (EUC extension) (\$500M)**
- **Increase weekly benefits by \$25/week (\$173M)**
- **Interest forgiveness through 2010 (\$40M savings)**
- **Fed pick up of extended benefits (\$+10 M savings)**
- **UI administration (\$9.6M)**
- **UI Modernization: Improve UI law for more eligible individuals**
  - 1/3 if state has “alternate base period” = \$44.6M ✓**
  - 2/3 if state meets two of four law provisions = \$89M**
    - **Benefits if seeking only part-time work**
    - **Benefits if claimant quits for “compelling family reason”**
      - » **domestic abuse**
      - » **illness or disability of family member**
      - » **quitting to follow spouse**
    - **Benefits after exhausting reg benefits if in approved trng**
    - **Dependents allowances of \$15/dependent**

# DWD's Recovery Programs: DVR



## Vocational Rehabilitation State Grant



Source: Central - Federal Dept. of Education State Allocation Projection. Assumes current percent of IPGs in the WDA and non change according to the distribution of new IPGs and consumer need. - Rep - Wisconsin DWD, Labor Market Information - 2/27/09

- VR program is needs based – funds expended based upon consumer need, not based upon formula
- \$10M will cover those on wait list
- 2,000+ from wait list during first 12 months
- Funds used to initiate & support employment plan & services

Awaiting DOE guidance but told verbally:

- Distribute \$ quickly to avert lay-offs and create jobs
- Use \$ to improve program performance
- Maintain transparency in reporting and accountability
- Be mindful of funding cliff--\$ time-limited ...don't make investments that are unsustainable
- Can expect 50% of the allocation by 3/30/09

# DOL Competitive Grants

- **High growth & emerging industries (\$750M)**
  - **Energy efficiency & renewable energy (\$500M)**
    - **Funding for worker training & placement**
    - **Portion \$ available for research, labor exchange & job training projects for energy career prep**
    - **Mirrors Green Jobs Act of 2007**
  - **High growth sectors with emphasis on health care (\$250M)**
    - **Projects that prepare workers for careers in health care sector or other high growth sectors such as adv mfg**
- **Awaiting details, eligibility criteria & timelines**

# Department Of Energy Program

- **DOE funding for Electricity Delivery & Energy Reliability (\$4.5B)**
  - Modernize electric grid
  - Implementation of Energy Independence & Security Act programs
- **Worker training activities (\$100M)**
  - Awaiting details, eligibility criteria & timelines





# Wisconsin Office of Recovery and Reinvestment

Putting People to Work. Rebuilding Wisconsin. Getting the Economy Moving.



- Home
- Accountability
- Program Search
- Media Room
- Legislation and Links
- FAQs
- RECOVERY.GOV



**Governor Doyle**

## Welcome

### A Message from Governor Jim Doyle:

It is my pleasure to welcome you to the Wisconsin Office of Recovery and Reinvestment website.

The American Recovery and Reinvestment Act is designed to build America's future through tax relief for middle class families, worthwhile new infrastructure projects to create jobs and investments in research and alternative energy projects for a cleaner, healthier environment.

Wisconsin is moving federal recovery funds to create jobs for hardworking people in the state while ensuring that the use of funds is open, transparent and accountable. The Office of Recovery and Reinvestment is working with communities, local governments, the private sector and other stakeholders to put recovery money to work here in Wisconsin to protect shared priorities like preserving quality education for our children and growing Wisconsin's economy.

The American Recovery and Reinvestment Act presents us with enormous opportunities to work together to move Wisconsin forward. Thank you for your interest in being involved in this process.

## Quick Links

- [Search Recovery Programs](#)
- [Employment Information](#)
- [Tax Incentives](#)
- [How to Use this Site](#)
- [Agency Links](#)





Through the American Recovery & Reinvestment Act (ARRA), the Department of Workforce Development (DWD) received additional funding to provide services that help build and strengthen Wisconsin's workforce in the 21st century and beyond.



Gov. Doyle



Sec. Gassman

## Info for Individuals

## Info for Employers



### PRESIDENT OBAMA UNVEILS RECOVERY.GOV SITE

The American Recovery and Reinvestment Act will be carried out with full transparency and accountability -- and [Recovery.gov](http://Recovery.gov) is the centerpiece of that effort.

[Full ARRA Bill](#)

### DWD PROGRAMS RECEIVING ARRA FUNDING

- Adult Worker Services
- Competitive Workforce Grants
- Dislocated Workers Services
- Independent Living
- Re-Employment Services
- Trade Adjustment Assistance (TAA)
- Unemployment Insurance
- Vocational Rehabilitation
- Work Opportunity Tax Credit
- Youth Services

### REGIONAL LINKS

- Workforce Development Boards
- Wisconsin Technical Colleges

### OTHER ARRA SITES

- State of Wisconsin
- Recovery.gov
- US Department of Labor
- US Department of Education
- Wisconsin Tax Incentives and Relief



# Questions

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