

STATE OF NEVADA
GOVERNOR'S WORKFORCE DEVELOPMENT BOARD

Wednesday, August 5, 2020 – 10:00 a.m.

TELECONFERENCE ONLY

888-363-4735 - Access Code: 9319340

MINUTES OF MEETING

- Present:** Larry Fagerhaug (Chair), Aaron West, Ann Silver, David Dreibelbis, Douglas Owen, Hugh Anderson, Jim New, Joseph Riney, Kenneth Evans, Larry Harvey, Madison Burnett, Melissa Maguire, Nancy Olsen, Robert Cunningham, Shelley Hendren, Steve Fisher
- Absent:** Marilyn Kirkpatrick, Lawrence Montrose, Ryan Cordia, Senator Pat Spearman, Stewart “Mac” Bybee, William “Bill” Stanley
- Also present:** John Thurman (Nevadaworks), Jaime Cruz (Workforce Connections), Craig Von Collenberg (NSHE), Robert Whitney (Deputy Attorney General), Joan Finlay (OWINN), Andres Feijoo (OWINN), Cheri Hill (Nevadaworks), Irene Bustamante Adams (Workforce Connections), Nancy Brune (Guinn Center), Ansara Martino (OWINN), Kristine Nelson (WISS), Carlene Johnson (DETR), Lynda Parven (Employment Security Division), Jeannie Kuennen (Workforce Connections), Kimberly Gaa (DETR), Brett Miller (Workforce Connections), Christopher Robison (DETR)

1. **OPENING REMARKS**

Larry Fagerhaug, Chair, called the meeting to order and welcomed participants. He explained that under normal circumstances, the Board would not be permitted to conduct business via teleconference. However, due to COVID-19, Pandemic the Governor issued Emergency Directive 006, Extended 029, section 4 which permits public bodies to conduct proceedings via teleconference.

2. **ROLL CALL - CONFIRMATION OF A QUORUM AND VERIFICATION OF PUBLIC POSTING**

Per direction from Chair Fagerhaug, **Andres Feijoo** took roll call and confirmed the presence of a quorum.

3. **VERIFICATION OF PUBLIC POSTING**

Andres Feijoo affirmed that the agenda and notice of the Governor's Workforce Development Board meeting on August 5, 2020, was posted pursuant to Nevada's Open Meeting Law, NRS 241.020.

4. **FIRST PUBLIC COMMENT(S) NOTICE**

Chair Fagerhaug read the notice into the record as follows: “Members of the public are invited to comment at this time; however, no action may be taken on any matters during public comment until the matter itself has been included on an agenda as an item for possible action. At my discretion, in the interest of time, public comments will be limited to three minutes per person.” **Chair Fagerhaug** invited comments from the Public. There were no comments.

5. ***APPROVAL OF MINUTES**

Chair Fagerhaug called for a motion to approve the April 16, 2020 draft minutes of the Board.

It was moved by Robert Cunningham and seconded by Joseph Riney to approve the April 16, 2020 draft minutes as presented. Motion carried.

6. ****FOR POSSIBLE ACTION – Approval of GWDB Subcommittees**

Chair Fagerhaug stated that the Subcommittees were approved by the Executive Committee at its last meeting. **Mr. Feijoo** discussed subcommittee roles and expectations. In June, the Executive Committee approved the creation of subcommittees for the Board, after a long period of discussion regarding how to better engage Board Members and make the Board more proactive in workforce development in the State. California, Utah and Arizona each have subcommittees for their state boards. The Board did have subcommittees in the past, which are written into the bylaws, however they have not been active for quite some time. Each subcommittee will consist of approximately five to six Board members as well as non-Board members in some cases. Other members may come from the Department of Education, local boards, GOEDs or title programs. An OWINN liaison will be assigned to each subcommittee. The role of the liaison will be to schedule and coordinate meetings and work with the subcommittee chair regarding any requested deliverables.

Mr. Feijoo provided a brief overview of the purpose each subcommittee:

- **Performance & Reporting**

- Membership
 - ✓ 5-6 GWDB Voting Members
 - ✓ LWDB Representatives
 - ✓ Title Program Representatives
- Recommend performance metrics for all WIOA Title Programs
- Assist with data & performance tracking strategies
- Design and aid in the formation of reporting tools & dashboards

Mr. Feijoo commented that there have been discussions for quite some time regarding the need for Nevada to create its own performance dashboard, as many other states do. Typically, the dashboards utilize metrics detailing percentage of program participants who complete training, how many find jobs, what their earnings are as well as other details.

- **Strategic Planning**

- Membership
 - ✓ 5-6 GWDB Voting Members
 - ✓ NDE CTE Representatives
 - ✓ TANF
 - ✓ LWDB Representatives
 - ✓ Others?
- Work with stakeholders to form a strategic plan for the State
- Advise and assist with alignment of the State Plan, Perkins Plan and local plans
- Begin work on two-year State Plan revision

Mr. Feijoo stated that the main focus of the subcommittee will be to work on the WIOA State Plan, which was approved earlier this spring. The next round of modifications are due in 2022. **Craig von Collenberg, (NSHE)** said another focus would be combining the plans for the State across Perkins, local plans and the State to create the combined State Plan. In the meantime, between now and the revisions, the subcommittee will also work on the strategic plan for the State, particularly in response to COVID.

- **Regulatory Review**

- Membership
 - ✓ 5-6 GWDB Voting Members
 - ✓ DETR/WISS Representative
- Comprehensive review of Federal WIOA, NRS, NAC, Bylaws and SCP
- Review regulations in other states
- Make recommendations to the full Board for changes

Mr. Feijoo envisioned that the subcommittee might look into ways that NRS and NAC need to change in regard to any of the roles of the Board and may also look at what other states are doing regarding their laws and regulations.

Mr. von Collenberg commented that the Board has struggled with basic questions such as: What are we supposed to be doing? How are we supposed to be doing it? What are the official powers of the Board?

What is the authority of the Board in making recommendations? This subcommittee should take a deep dive into the laws around WIOA, how this Board and the local boards work and how this all plays together.

- **Barriers & Underserved Populations**

- Membership
 - ✓ 5-6 GWDB Voting Members
 - ✓ NDE Representative
 - ✓ Other SMEs/Stakeholders
- Identification of barriers and means to barrier removal, including
 - ✓ Benefits cliff
 - ✓ Occupational licensing
 - ✓ Digital divide
- Development of strategies to support the use of career pathways to provide individuals with workforce opportunities. Populations include:
 - ✓ Differently abled
 - ✓ Gig workers
 - ✓ Minorities
 - ✓ English language learners
 - ✓ Low-skilled adults

Mr. Feijoo commented that this is the policy arm, think-tank branch of the Board. There is potential for the group to invite in outside experts for discussions as well as representatives from other State agencies.

- **Continuous Improvement**

- Membership
 - ✓ 5-6 GWDB Voting Members
 - ✓ LWDB Representatives
 - ✓ Title program representatives
 - ✓ DETR/WISS representative
- Identification of regions, including planning regions, for the purposes of section 106(a), and the designation of local areas under section 106, after consultation with local boards and chief elected officials.
- Development and continuous improvement of the one-stop delivery system in local areas, including providing assistance to local boards, one-stop operators, one-stop partners and providers with planning and delivering services, including training services and supportive services, to support effective delivery of services to workers, job seekers and employers.
- Development of strategies to support staff training and awareness across programs supported under the workforce development system.

Mr. von Collenberg stated that much of the language for this subcommittee is pulled directly from WIOA law and that the subcommittee will have latitude to determine how it would like to tackle its goals. Thus far, the local areas have not been thoroughly reviewed, nor has there been analysis of how to make the local areas better. Topics of importance include how local areas can be provided with the technical assistance to increase and improve programs.

- **Grant Oversight**

- Membership
 - ✓ 5-6 GWDB Voting Members
- Advise and collaborate on current grant application
- Monitor and oversee OWINN on grant activities
- Convene as needed to search and apply for new grant opportunities

Mr. Feijoo stated that this group would likely only be convened on an as-needed basis to monitor and oversee Board grant activities. There is an expectation that every Board member will serve on at least one of the subcommittees. All subcommittee meetings will be subject to open meeting laws and will be permitted to be held over the phone or video. While the meetings are formal in terms of the open meeting laws, they are seen as more informal and conversational in nature, as a format where ideas can be shared freely. During the first subcommittee meetings, members should elect a chair, lay out their focus and determine meeting frequency.

Joseph Riney suggested that under the Barriers & Underserved Populations, they should add a topic to address individuals recently released from incarceration.

Nancy Olsen addressed representation and asked whether a voting member would possibly serve two roles or whether there should be an additional NDE representative, in her case. **Mr. von Collenberg** said this can be discussed overall within the Board.

If Ms. Olsen is representing her program, he does not see a need to bring anyone else from NDE to serve the role. Some of the guidelines are only suggestions. **Shelley Hendren** clarified that as Board members submit their preferences for subcommittees, it is the Chair who has the appointing authority, as opposed to OWINN. **Mr. Feijoo** concurred that the Chair will make the call. **Ms. Hendren** asked how the Board will solicit members outside of the Board to sit on subcommittees. **Mr. von Collenberg** surmised that OWINN would do this on behalf of the Chair. It will ultimately be the Chair's call in terms of who sits on the subcommittee. The outreach would come from the Chair. **Ms. Hendren** commented that on other boards she serves on, members make recommendations for participation. She inquired as to who the recommendations should be made to. **Chair Fagerhaug** stated that members are free to make recommendations directly to him. **Ms. Hendren** asked what grants the Grant Oversight Subcommittee would be participating in. **Mr. Feijoo** stated that the next agenda item covers the specific grant they will be assisting with. **Mr. von Collenberg** added that the grant must be specifically applied for by the Board.

Chair Fagerhaug thanked **Mr. von Collenberg** for his work on drafting and organizing the subcommittee structure. Many members of the Board have concluded that it helps to break down discussions into smaller groups to come up with recommendations to the Board. The subcommittees will also serve to provide the Board with a greater sense of purpose toward improving the development of the workforce in the state. **Chair Fagerhaug** called for a motion to approve the subcommittee.

It was moved by Hugh Anderson and seconded by Kenneth Evans to approve GWDB Subcommittees. Motion carried.

7. ***FOR POSSIBLE ACTION - Approval to Apply for Reimagine Workforce Preparation Grant**

Chair Fagerhaug prefaced the discussion by stating that the grant is from the U.S. Department of Education and is being developed by OWINN and other partners and will be submitted on behalf of the Board. Based on counsel from the DAG and NRS 232.935, Section 4(b), this Board is required to vote and formally approve application to the grant on behalf of the body.

Ansara Martino (OWINN), stated that the purpose of the grant is to provide support to help states with the highest Coronavirus burden to create or expand short-term education and training opportunities and/or career pathway programs that help citizens return to work, become entrepreneurs or expand their small businesses. The application funding amount is \$15 million. To date, the GWDB Chair has worked in partnership in the OWINN Office and the Governor's Office of Economic Development to establish a chosen priority, a timeline for the development of the grant and pulling the best consortium together of thought leaders and partners. A letter of intent was submitted on July 13 to inform the Department of Education of the intent to apply for the grant. The due date is August 24th.

Mr. Riney asked whether Nevada is one of the hardest hit states. **Nancy Brune, Guinn Center**, stated that when the application was released in May, Nevada was in Tier 2 of the Coronavirus Burden Index (60th to 81st percentile). The Department of Education said they would not update their CDI rankings prior to the submission of the grant. However, after rerunning the Department of Education's analysis last week, Nevada has reached number five in the country in terms of Burden Index, having ranked 14th previously. This means that Nevada is now eligible for full points.

Ms. Hendren asked whether the grant will fund positions for implementation. **Ms. Brune** confirmed that grant funds can be used to hire instructors or personnel.

In response to a question from **Mr. Evans**, **Ms. Brune** stated that existing and new service providers are included within the delivery of service under the grant. The Department of Education would like to see some of the funds used to provide tuition reimbursements or to pay for training for dislocated adult job seekers. The intent is to leverage existing service providers.

Ms. Hendren referenced the application requirement for a list organizations and NFTs of partners and asked who will be included on the list. **Ms. Brune** provided a draft list as follows: OWINN, GOED, NSHE, four community colleges, NDE, Office of Career Readiness, Adult Learning and Education Options, DETR, Nevada State Library, Nevadaworks, Workforce Connections, Vegas Chamber, Reno-Sparks Chamber, EDawn, Elko Chamber of Commerce, NNDA, LVGEA, NVIE, Nevada Grow, Nevada Small Business Development Center and faith-based organizations.

Ann Silver made a motion to approve the Reimagine Workforce Preparation Grant. Joseph Riney seconded. The motion carried.

8. *FOR POSSIBLE ACTION - Nevada SCP 1.14 – Temporary Variance to the 20 percent Limitation for Current Total Staffing Levels in OJT Contract.

Kristine Nelson, WISS, stated that she serves as the Chief of Workforce Investment Support Services (WISS) for the DETR. The proposal is for a temporary variance to the State-specific requirements contained in SCP 1.14, which is highlighted on page 14 of the policy included in the meeting packets. Also included in the packets for reference are a policy brief that outlines the background and justification for the request as well as a copy of the local boards' formal request for the temporary variance. In August, 2016, the Board approved SCP 1.14, which prescribed the policy for on-the-job training (OJT) and customized training in compliance with the requirements set forth in the Workforce Innovation and Opportunity Act (WIOA) Sections 113 through 118 and 20 CFR 680.700-770. On June 20th, 2020, the Department received formal request from the two local boards, Workforce Connections and Nevadaworks, requesting consideration of the temporary variance to the currently set 20 percent limitation for current staffing levels in OJT contracts, asking for a scale allowance based on employee counts. If the request is approved by the Board, the temporary variance would be in effect for program year 2020, which runs from July 1st, 2020 to June 30th, 2021.

As outlined in the local boards' request, the justification for the temporary variance is due to: (1) the need for the ability to align funding to address business necessities as a direct result of the current economic conditions due to the COVID-19 pandemic and (2), the need for the local boards to target OJT funding towards small businesses that were most significantly impacted by economic effects of the pandemic. If approved, a scaled temporary variance for the current total OJT staffing levels in the OJT contracts will be based on employee counts and will be allowed as follows: (1), an employer with 20 employees cannot receive more than 20 percent of the current total staffing levels in OJT contracts (maintaining the current policy limitation) and (2), an employer with 20 employees or less cannot receive more than 40 percent of current total staffing levels in OJT contracts. If the temporary variance is approved and conditions remain that the local boards need to request of the variance past Program Year 2020 into Program Year 2021, the local boards will need to make the request to the department, who will then bring the matter back before the Board at or around its March 2021 public meeting for consideration. If the request is not made by the local boards, the State-prescribed limitation that per-program year, an employer cannot receive more than 20 percent of the current total level staffing levels in OJT contracts will be restored as stated in SCP 1.13.

Robert Cunningham inquired why there are limitations at all and why they cannot be based simply upon the request. For example, a small company with only two employees that is trying to grow may be overly restricted, if they want to bring in two OJTs, even as they can justify a company of two suddenly becoming a company of four, given OJT fund support. **Ms. Nelson** said the limitation percentage was set by the Board in 2016. As Ms. Nelson was not in her current position at that time, she requested assistance with the historical background.

Mr. Anderson questioned whether there is a reason to have a limitation. If this was voted on in 2016, perhaps it can be voted on to be redone in 2020. **Deputy Director Irene Bustamante Adams**, representing Jaime Cruz for Workforce Connections, stated that the reason the Board limited it to 40 percent was that in the target market, the intent was to address small businesses, however, there was a better chance for getting approval from the Board by moving the needle in increments, rather than asking for the full removal of the limitation.

Mr. Anderson asked if removal of the limits would have to be put on the agenda for a future meeting. **Mr. Feijoo** stated that the agenda item clearly indicates what is to be discussed and he does not believe members are permitted to change the agenda item on the spot. **Robert Whitney, Deputy Attorney General**, agreed with Mr. Feijoo. A new agenda item would be required to vote on the proposed adjustment to avoid being in violation of the open meeting law.

Carlene Johnson (DETR) provided the historical context, stating that the reason thresholds were put in place was that there was some abuse of the program by prior employers in the labor market. The intent to was to keep in alignment with State Career Enhancement Program (CEP), so that employers were not able to shop for which program they wanted to use.

Aaron West inquired whether the contemplated limitation is a requirement of the WIOA law at the federal level or an additional layer put in at the State level. **Ms. Johnson** explained that this is state-imposed, based on prior experience with employers in the community at the time. **Lynda Parven, Employment Security Division**, added that some hospitality industry employers were requesting that every single employee be signed up as OJT. For some employers, this equated to well over 1,000. With no policy, there was no way to limit the thresholds for these employers, while

allowing small businesses to have higher thresholds. **Mr. Evans** commented that that works with quite a few smaller businesses and microbusinesses with one to five employees, who would benefit greatly from this. His hope is that between this time and when the issue is placed on a future agenda, that the Board address any concerns, rather than creating a universal restrictive policy that adversely impacts small businesses.

Mr. Cunningham and **Ms. Silver** concurred with Mr. Evans. **Ms. Johnson** noted that the WIOA law includes a measure requiring that employers who participate in the OJT program have the expectation to keep individuals employed long-term. If they do not do so, this counts against them for future OJTs. They need to have a business plan in place to justify an increase in employees.

Mr. Cunningham said he would like to see Workforce Connections return with a proposal that supports microbusinesses while prohibiting abuses. He recommended approving the item today while opening the discussion further in the coming meetings.

Ms. Bustamante Adams stated that there are policies in place to monitor employees, so that use of OJT dollars to keep employees remains intact.

Ms. Hendren advised that when this subject is addressed in a future meeting, the Board should have all the expertise needed present in the room in order to make an informed decision. The previous decision to place the limitation as well as to focus funding on training were priorities set by this Board.

Mr. Evans addressed the issue of the small businesses being adequately viable long-term to employ the OJT and noted that technical assistance providers may be helpful with the business plan analysis to support this goal. Technical assistance providers would also be helpful in evaluating the business overall. The hope is that Workforce Connections would work with those aware of the technical assistance providers, so that concerns can be addressed prior to discussions on this topic during a future Board meeting.

There being no further comments. Chair Fagerhaug called for a motion.

Hugh Anderson made a motion to approve the temporary variance to the 20 percent limitation for the current total staffing levels in OJT contracts. Ken Evans seconded.

Discussion:

Hugh Anderson asked that the motion include putting the issue on the next agenda for further discussion. **Chair Fagerhaug** noted the comment for the record.

The motion carried.

9. *FOR POSSIBLE ACTION - GWDB Established Policy – Temporary Variance to the 30 percent Required Minimum Training Expenditure Average GWDB Established Policy – Temporary Variance to the 30 percent Required Minimum Training Expenditure Average

Ms. Nelson presented to the Board for possible action proposed revisions to WIOA Title I Minimum Training Expenditure Average that was previously established by the Board at public meeting in 2013. In the meeting packets for reference are a policy brief outlining the background and justification for the request, copy of the local board formal request and the associated SCP 3.6. There are no revisions to SCP 3.6 being proposed; it is included for reference only. On November 8, 2012, Governor Sandoval issued Executive Order 2012-18, which vested authority in the Board to set the minimum training expenditure percentage average for occupational training, customized training and support services related to that training as well as OJT. On March 21st, 2013, this Board established the minimum training expenditure percentage average at 30 percent, which remains in effect.

On June 23rd, 2020, the Department received formal request from the two local boards, Workforce Connections and Nevadaworks, dated June 11, 2020, requesting consideration for a temporary variance from the Board to reduce the percentage average from 30 percent to 15 percent for Program Year 2020. The program year covers the time period July 1st, 2020 to June 30th, 2021. As outlined in the local boards' request, the justification for the temporary basis is due to (1), the anticipated high volume of individuals requiring work support as opposed to training services, due to the economic effect of the COVID-19 pandemic, resulting in a significant increase of displaced workers and (2), the anticipated staffing

expenditure increases needed to build staffing capacity at Nevada's one-stop to provide additional work-based training and learning opportunities. If the temporary reduction variance is approved by the Board today

and if conditions remain such that the local boards need to request a continuance of the temporary variance in Program Year 2021, the local boards will need to make the request to the department, who will bring the matter back to the Board on or before its March, 2021 public meeting for consideration. If such request is not made by the local board, the minimum training expenditure percentage average of 30 percent will be restored effective July 1st, 2021.

Ms. Silver requested clarification of the term support versus training. **Ms. Nelson** stated that the expenditure supports these two different types of activities. She asked that a member of the local boards explain the justification for the temporary variance request. **Ms. Bustamante Adams** stated that the current experience is that some laid-off members are not in need of classroom training, but are instead ready to directly enter the workforce. As such, there are ways to support these individuals that do not involve classroom training. **Ms. Silver** asked for examples.

Ms. Bustamante Adams stated that in Southern Nevada, several hospitality industries are currently laying off workers, who are not expected to return to work with those employers. These individuals can be assisted to return to immediate employment via HVAC training, for example.

Jeannie Kuennen, Workforce Connections stated that some of the additional supports include items to remove barriers to employment. This may include transportation assistance, childcare assistance, work tools, uniform clothing and other similar items. These are not considered training expenditures. **Ms. Silver** asked why these issues have become of greater value than they were in the past. **Ms. Kuennen** stated that they are seeing an increased number of workers who have been laid off, are ready to return to work perhaps in a different capacity, and are in need of services to eliminate barriers. It may also be that the worker's position has changed and they are in need of a work card in order to perform the new position.

Ms. Silver stated her understanding that the One-Stop in Reno has been closed for months. She takes exception to that, because with all the discussion regarding people in need, they have not been able to assist. The Chamber has received over 100 calls with people complaining about the closure. If extra support is needed for the greater volume of people in need, she would like to have a date when the One-Stop in Reno will reopen. **John Thurman, Nevadaworks**, clarified that the One-Stop has been and remains open, however they are not meeting people face-to-face on a walk-in basis, but by appointment only. All services available before the pandemic are still being offered and have been available all along. Ninety-seven percent of the calls coming into the One-Stop are for individuals requesting assistance with unemployment benefits and not for job placement or training. **Ms. Silver** asked who is answering the calls into One-Stops. **Mr. Thurman** said that clients who have already established a relationship with a caseworker can call directly to them. Other calls are from the general public seeking assistance of some kind. Staff responding to those calls are employed by the One-Stop and have been answering calls every day. Partners have been manning operations the entire time. They do meet people face-to-face, but do so outside centers and in common areas.

Ms. Silver asked whether a date has been set for the One-Stop to open. **Mr. Thurman** said that they are open, however there is a question as to whether they will resume face-to-face interactions. For that specific location, 85 to 87 percent of staff are State employees. They are still being reassigned to other departments and this is expected to continue through the end of August.

Ms. Bustamante Adams stated that in the south, they have opened up comprehensive service as well as additional access points, such as the Clark County Library, the East Las Vegas Library and the West Las Vegas Library. Staff from Title I is in those offices. The pattern over the last couple of months has shown that not many people are coming in, however virtual enrollments have increased significantly. At least 95 percent of clients are receiving services virtually. **Mr. Anderson** added that the Vegas Chamber in conjunction with Workforce Connections has established a task force to assemble existing resources in the Valley to spearhead a project to bifurcate between the two unemployed populations: Those recently unemployed but employable and those who are chronically under-skilled and need career enhancements. They will be creating a model to expedite reentry into the workforce, especially for those who are not getting their jobs back in the hospitality industry or other chronically affected industries. The goal will be to set them on much more financially secure career paths going forward. **Kimberly Gaa, DETR**, said she would like to be looped into any related conversations in terms of offering support. The State staff deployed to One-Stops are currently conscripted to support UI operations. She is working on a plan with the Governor's Office to staff-up and replace the resources.

Ms. Olsen requested clarification regarding routing individuals to training such as HVAC, but that this would not be included in the training dollar minimums. **Ms. Kuennen** said the HVAC training would still be considered a training expenditure, however they have been seeing an increase in individuals who are not in need of training services, but need assistance with barrier removal, such as transportation, childcare and other supports, which would not count as training expenditures.

Ms. Olsen stated that this brings up the concern regarding reducing the minimum training requirements. Dislocated workers who will eventually need additional training are still receiving unemployment funds and have not yet come in for assistance. A high percentage of dislocated workers are low-skill workers, who will be in desperate need of training. She is very concerned about cutting in half the training dollars that will be available to these individuals. **Ms. Silver** agreed with Ms. Olsen's comments. It does not make sense that more money would go for support services versus actual training, especially as most will require training in order to pursue new employment opportunities.

Chair Fagerhaug stated his understanding that the request is a temporary variance to the requirement that is being requested and that it is due largely because of the shift in need as a result of the pandemic. **Ms. Kuennen** said that training services will absolutely be provided, however both boards are asking for flexibility at this time. **Ms. Hendren** asked the boards for an explanation as to how they reached the 15 percent figure and how much money this equates to. The proposal also states that the difference in funding will be used for work supports and to add staff. She asked how many staff will be hired as opposed to providing direct service. **Brett Miller, Workforce Connections**, stated that the percentage is not a hard number. They are seeking flexibility in the current environment to use the most appropriate tools for individuals seeking service. Total dollars equate to 15 percent of \$12 million or approximately \$1.8 million. A main strategy is helping small businesses with OJT. The personnel needed to arrange and manage OJT staffing are not covered in the expenditure. Issues such as this should be addressed before businesses fail. In response to the question on staffing, the issue is not so much about hiring staff, but the allocation of money spent. They have already seen a drop in training expenditures, because the resources are being used to address a different problem. **Ms. Silver** stated that this is not the case in the north, where there are no walk-ins. The One-Stop already includes JOIN, community services agency and Northern Nevada Literacy Council. She asked how calls are being redirected to the entities who are paying rent to be in the One-Stop, but are not there. **Mr. Thurman** stated that the request to lower the required amount for occupational skills training is in response to the fact that individuals seeking services in the One-Stops are coming in with a greater need for soft skills and support services than they are for training and education-related services. Whether the volume would require additional staff is a question that would ultimately be answered by the service providers receiving the funding.

Ms. Hendren asked how many staff are intended to be hired with the shift in funding of \$1.8 million. **Mr. Thurman** clarified that at present, there is no anticipation of hiring, however this provides the option, if necessary. From the North's standpoint, there are no immediate anticipated staffing expenditure increases. The proposed variance opens the door for the possibility, if warranted by demand. **Ms. Bustamante Adams** said the same is true for the south. This is a proactive measure, which allows the flexibility to adjust to the coming trend.

Ms. Silver said she has not received a specific response to any question. If calls for assistance on unemployment are expected to increase, she is uncertain how this relates to support dollars being shifted away from training. **Mr. Miller** reiterated that they are uncertain that the demand for training will allow them to achieve 30 percent, as required. There is a fixed cost for the people managing caseloads now. The number of people seeking training services is variable and the demand is not being demonstrated at that time. This causes concern that they would be able to meet the 30 percent requirement.

Chair Fagerhaug called for a motion.

Hugh Anderson made a motion to approve the temporary variance to the 30 percent Required Minimum Training Expenditure Average. Joe Riney seconded. Ann Silver and Nancy Olsen opposed. Motion carried.

Chair Fagerhaug noted that two opposition votes and sought clarification that the motion passed. **Mr. Whitney, DAG** confirmed that the votes are by majority and as such, the motion passed.

10. DISCUSSION/INFORMATIONAL ONLY - Update on Key Issues

Cheri Hill, Nevadaworks, discussed the challenges for people to tap into the workforce development system. Questions include: How are we reaching out and educating them about the resources available in the state? There is in fact, no such outreach process. There is no marketing budget for the American Job Center. Another example is the recently launched Skill Up Northern Nevada offered by Nevadaworks. This is a free online program that provides educational and training services to all individuals in Northern Nevada, so they can complete online classes, explore career pathways and/or prepare for industry-recognized certifications. She questioned how many members of the Board know this program exists.

The world of work is changing at an accelerated rate. As advanced technologies emerge, their capability to conduct new and more complex tasks continue to grow exponentially, presenting new challenges for workers to remain competitive. An array of occupations is at risk of disruption, affecting workers across most industries at every skill level. Technology's impact on the future of work should be a critical area of focus for State policy makers as the State faces three major economic paradigms: (1) Jobs will be both created and eliminated at an accelerated rate; (2), Existing roles will continue to be redefined, requiring

a dramatic shift in training to develop the skills needed to interact with technology and; (3), Rates of participation in the on-demand workforce will evolve, especially as people increasingly rely on entrepreneurial or self-employed work.

Ms. Hill stated that she taught Next Level for Entrepreneurs through the Nevada Small Business Development Center, a 13-week business planning class that launched or assisted thousand of entrepreneurs and small business owners through the State. She was told in year eight that there was no more funding available and the program was discontinued. Entrepreneurs have the ability to change the way we live and work. If successful, their innovations may improve standards of living. In addition to creating wealth with entrepreneurial ventures, they also create jobs and contribute to a growing economy. Firms that lay off workers during crises generally do not hire them back when business improves. Hard-hit companies often retool operations when demand is down, updating machinery, investing in automation and rethinking how they make products or provide services. They experiment with ways to get by. When conditions get better, they will not need the same people back, if they do not have the new skillset.

The State is changing and the economy is changing as well. She has asked for years and has yet to hear anything about a unified State vision, innovative State initiatives or any viable road map for preparing the future workforce now. From technical solutions like integrating data platforms across agencies to program solutions, such as developing career pathways for sectors, identifying the hard to serve populations within the community and how best to streamline service delivery. For example, in California, Kansas, Indiana, Michigan and Oklahoma, they have a program called the Last Mile, which trains incarcerated youth and adults in coding and entrepreneurial skills. The recidivism rate for graduates thus far is zero.

To prepare the workforce and support current workers amidst increasing disruptions, State leaders must evaluate and restructure statewide education and training systems, resources and infrastructure to better serve workers today and in the future. This restructuring includes focusing state agencies on shared goals, investing in data governance and developing portable, stackable credentials to ease the individual's transition from education to industry. The result is a statewide system of programs that promote lifelong learning and a ready workforce. **She recently heard Bob Potts, Deputy Director of GOED** on a Reno-Sparks Chamber Zoom call share that they were going to be working on a new 12 to 24 month strategic plan. Her comment was that the strategy is of no value, if they cannot execute. She questioned whether the State will put any funding behind the plan to advance the four sectors he identified: advanced manufacturing, logistics, technology and healthcare. During that call Mr. Potts stated there is no money.

For those in the manufacturing and industrial sector, what is commonly known as the skills gap is a well-documented issue. As a growing number of Americans retire, they take their decades of experience with them, resulting in a noticeable skill shortage. The problem is poised to hit businesses hardest in the next few years, with over a quarter of the domestic manufacturing workforce being over the age of 55. The trend is showing no signs of slowing. When paired with an industry struggling to attract younger applicants, this becomes an unavoidable issue. The workforce has also changed in that employees only stay with a company for two to three years, as opposed to 20 to 30. Where previous generations had entire careers to develop skills, the current workforce has just 10 percent in equivalence.

Ms. Hill stated she attempted to call the Association for Supply Chain Management Office in Northern Nevada and the phone number was disconnected. She questioned where in the state she could go to get any one of the top eight supply chain management certifications or degree. Furthermore, how is the State going to facilitate a prepared workforce for this designated sector, if there is no money? In terms of technology, there is a company in Reno called Nevada Technology Academy, who offers two-year certificate programs in cybersecurity, IOT, blockchain and a host of other relevant education paths based on real-time taught by teachers who currently work in those specific industries. They struggle to get support and funding, because they are not part of the Nevada system of higher education. They have the capability to bring the program statewide, but were told by GOED that they would only consider funding a grant if they can train someone in cybersecurity, IOT or blockchain in 13 weeks.

Ms. Hill spoke to the director of Great Basin College last year. She had just learned that the largest hemp producer in the nation just landed in Ely. She asked about classes being taught in Agricultural technology and was told none were offered. In terms of healthcare, according to the Nevada Health Workforce Research Center, an estimated 2,026,181 Nevadans reside in a federally designated primary care health professional shortage area. Esmerelda, Eureka and Storey County have no licensed physicians. The Rhode Island Nurses Institute Middle College Charter School opened in Providence in 2011. The charter school helps students complete college level courses while working toward a high school diploma. This is an outstanding educational workforce development strategy. It helps in building a new workforce, creating a more diverse workforce in the future and preparing young people for the new healthcare model. Nursing will lead to transformation of healthcare. There is a tremendous demand from students, who want to enter nursing programs, but schools are tapped out. State education and workforce systems lack critical alignment with the evolving needs of industry. The result is poorly targeted and outdated investments that do not keep up with the rapidly changing needs of industry. A high impact board designs strategies, exercises influence, mobilizes collective action, cultivates knowledge, communicates data and enables investment and operates with a sense of urgency. This Board should be spearheading the implementation of innovative solutions by exercising strong

leadership and building a solid working relationship with local workforce development boards to unify the State, eliminate duplication of services, harness resources and focus attention on residents who seek options, resources and support.

Ms. Silver asked whether Ms. Hill is aware that the One-Stop has been closed. **Ms. Hill** confirmed awareness of the closure. Those who have access to technology can still receive services. However, many people lack such access.

11. DISCUSSION/INFORMATIONAL ONLY - DETR's Research Analysis Bureau: Economic Updates

Christopher Robison, DETR, was present, filling in for David Schmidt. The unemployment rate has dropped to 15 percent, down from 30.1 percent the month previous. Jobs have increased by 100,000 over the same period. This only represents a recovery of about 45 percent of the jobs lost. The data is applications through June 13th. There are significant potential issues in the market. Although continued growth in employment is anticipated over the next one to two months, factors such as continued closings and social distancing will slow the rate down. Unemployment insurance claims have increased over the last week. Currently, there are 345,000 continued claims and 138,000 PUA continued claims. The trust fund is at \$550,000,000, going down by approximately \$100,000,000 per week. In terms of economic impact, Las Vegas is experiencing a more serious level than northern Nevada. Clark County's unemployment rate is at 18 percent and Washoe's is 9 percent. Please feel free to reach out to me if you would like a copy of the handouts.

12. DISCUSSION/INFORMATION ONLY – Future Meeting Topics

Chair Fagerhaug requested that Board members direct suggested future meeting topic to he or Mr. Feijoo via email. He added that there are now 11 vacancies on the Board. While this is a challenge, it is also an opportunity. Members of the Board surely know people in their communities or workplace who would love to have an influence in developing Nevada's workforce and he encouraged members to recruit them to participate. He thanked current Members for their contributions and participation.

13. PUBLIC COMMENTS NOTICE (SECOND)

Chair Fagerhaug read the statement into the record: "Members of the public are invited to comment at this time; however no action may be taken on any matters during public comment until the matter itself has been included on an agenda as an item for possible action. In my discretion, in the interest of time, public comment will be limited to three minutes per person." He invited comments from Carson City, Las Vegas, or on the telephone.

Member of the public, **Ms. Adrienne** member from the public a Nevada resident of one year, after 30 years in workforce in New York State. She thanked Ms. Hill for her comments. She agreed that layers of bureaucracy exist everywhere. The inability to connect agencies that can provide technology workers, train healthcare workers, work with supply chain and logistics exists everywhere, including New York State. The reasons One-Stops remain closed in Nevada is because the staff that works for DETR are the ones most depended upon. The Governor of New York has taken a lot initiatives, and Ms. **Adrienne** hopes that Nevada will work collaboratively with other states. Nevada should also use a portion of the five cent bottle deposit and the mega lottery system to fund programs. In New York, these bring in \$15 billion for education. **Chair Fagerhaug** thanked her for comments.

Mr. Craig von Collenberg thanked the Board for allowing him to participate over the last year. It has been a great experience and everyone on the Board has been great to work with and indulging my ideas.

14. ADJOURNMENT – The August 5, 2020, meeting was adjourned.

Notice of this meeting was posted on or before 9 a.m. on the third day prior to the meeting on the Internet at:

OWINN's Public Meetings website - http://owinn.nv.gov/GWDB/GWDB_Workforce_Meetings/ and Nevada's Public Notice website at <https://notice.nv.gov/>, as required by NRS 232.2175.

Supporting public material provided to Committee members for this meeting is posted on OWINN's Web site at http://owinn.nv.gov/GWDB/GWDB_Workforce_Meetings/ and may be requested from the Executive Director's Office at: 555 E. Washington Ave, Las Vegas, Nevada or call (702) 486-8080