

Council for Labor & Economic Growth
Quarterly Meeting
Lansing Community College West Campus, MTEC- Conference Center
Monday, March 10, 2008
9:30 a.m. – 12:30 p.m.

MEMBERS PRESENT:

David Adams	John Hernandez	William Peterson
Senator Glenn Anderson	Thomas Hickner	Daniel Phelan
Paul Arsenault	Representative Bill Huizenga	Gene Pierce
Stephen Balbierz	John James	Hubert Price, Jr.
Paul Bergan	Eleanor Josaitis	Trenda Rusher
Lloyd Bingham, Ph. D.	Karen Kosniewski	Jaye Shamsiddeen
Ted Blashak	Frank Lopez	Kester So
Harry Bonner, Sr.	Alan Low	Marjorie Sorge
Matthew Chambers	Timothy Nelson	Mary Thornton
Keith Cooley	Shelly Norman-Hill	Mitch Tomlinson
Bradley Dyer	Janet Olszewski	John Voorhorst
James Epolito	Sharon Parks	Cindy Warner
Fern Espino	Sharon Peters	J. Michael Zelle
Norma Hagenow		

MEMBERS ABSENT:

Wilma Abney	Michael Flanagan	Thomas Kimble
Ismael Ahmed	Senator Judson Gilbert II	Jack Litzenberg
Lizabeth Ardisana	Patrick (Shorty) Gleason	Sharon Rivera
Kenneth Baker	Dennis Hands	Michael Schmidt
Patrick Cannon	Doyle Hayes	John Van Wyck
Representative Ed Clemente	Robert Jacquart	George Yost
Jennifer Cornell	Janet Joseph	Lynn Zuellig
David Eisler	Jumana Judeh	

I. SETTING THE STAGE

Ms. Marge Sorge, Chair, called the meeting to order at 9:30 a.m., welcomed Council members, and stated the purpose of the meeting would be to engage CLEG members in thinking about the state's major workforce strategies, and how CLEG's work could help achieve the Governor's goals. Ms. Sorge then invited Governor Jennifer Granholm to say a few remarks.

Governor Granholm stated the role of CLEG members is to help shape policy and drive initiatives that focus on diversifying the economy and educating all citizens from young

to old. She asked for CLEG support in having a fully funded No Worker Left Behind (NWLB) program.

Governor Granholm talked about several assets Michigan has that stand out and makes our state uniquely ready to create jobs in renewable energy, and described potential efforts:

- Using waste from the dairy industry to produce bio gas;
- Tapping into Michigan's windy weather from the Great Lakes, existing infrastructure, and workforce trained in Computer Numeric Control (CNC) machines to be prepared for the demand for wind energy;
- Conducting research on hydro power;
- Utilizing waste from the wood industry, such as chips and pulp, to produce fuel, called black liquor gasification;
- The regulation of carbon emissions that will create a demand for Michigan's ability to store carbon from geological formations that store natural gas; and
- Research and development of new engines, including the growth opportunity of the lithium ion battery.

The Governor also talked about the following:

- Current efforts in Michigan's education system, including the new college prep curriculum and career tech opportunities;
- The opportunity to fund the NWLB program, which would come from a one-time source of refinancing Michigan's long-term debt;
- Michigan was cited as a "Best Managed State" by Governing Magazine, and was featured as an example of a well-managed state in the midst of a crisis;
- Alternatives that are available that address diversification in education and the workforce; and
- The lack of infrastructure to support E-85 gas.

Ms. Sorge acknowledged in her opening remarks Senator Glenn Anderson and Representative Bill Huizinga. Ms. Sorge talked about a legislative event that will take place in late April or early May that is being put together with the help of Senator Anderson. The purpose of this event is to better inform Michigan's legislature about CLEG. In good news, Ms. Sorge mentioned CLEG member Cindy Warner's new restaurant/grocery store would be opening in Midtown Detroit on March 31st.

II. ACTION ITEMS

The action items on the agenda include approval of the following:

- December 3, 2007 quarterly meeting minutes

A MOTION was made and SUPPORTED to approve the December 3, 2007 meeting minutes.

III. OPERATIONALIZING KEY ECONOMIC & WORKFORCE DEVELOPMENT INITIATIVES

Council members participated in a panel discussion moderated by Director Cooley, among five state department directors and/or key representatives. Director Cooley began by stating that the purpose of the panel discussion was to highlight what is at the center of each department's agenda in carrying out the Governor's strategic intent and to discuss how the pieces fit together. Director Cooley invited Department of Community Health (DCH) Director Janet Olszewski to speak first.

Director Olszewski talked about two key initiatives, supporting the Governor's goal of affordable healthcare for Michigan citizens and training nurses. She stated in 2006 the MI First Healthcare plan was introduced by the Governor but has failed to get approval by the federal government. A new administration in Washington would be more supportive of the initiative, which would build upon the structure of universal healthcare. She stated Michigan is tied at number one with another state for the number of children that are insured, which is good news. Director Olszewski also talked about the nursing shortage, and explained that nursing applicants are now being turned away because there is not enough nursing faculty to teach in the classrooms and in hospitals. The Michigan Nursing Corp was created to address this shortage, with an appropriation of \$10 million in funding working its way through the legislature to train faculty. A coalition of interested partners was formed to work with the budget process. The Nursing Corp will add 1000-3000 new Registered Nurses (RNs) to the workforce per year.

Mr. Jim Epolito, President and CEO of the Michigan Economic Development Corporation (MEDC) talked about creating an economic incentive plan that targets specific areas. MEDC is currently working on ten of the thirty initiatives from the Governor's State of the State address, with all decisions made with key partner's involvement and driven by data and research. He referenced the coal gasification and sequestration that the Governor talked about, and said that area offers the greatest potential for funds for our state. Mr. Epolito mentioned a huge effort to attract foreign companies to Michigan, since internationally Michigan is viewed very well. He also talked about a tax incentive package to attract filmmakers to Michigan that will be approved by the legislature in April of this year. He projects eight to ten films being produced in Michigan in 2008 alone.

Ms. Sally Vaughn, Deputy Superintendent/Chief Academic Officer presented from the Michigan Department of Education (MDE). Ms. Vaughn stated Michigan has some of the toughest high school standards in the nation, and all children will be taught algebra, however it may be taught in nontraditional ways. She also talked about the availability of \$300 million in grants available to school districts that will focus on high schools where students have not been making adequate yearly progress, and also on infrastructure, such as new construction. Ms. Vaughn stated the grants will include the following:

- Teaching and learning curriculum decisions made by teachers and principals;

- Professional development of staff will focus on making sure students succeed;
- Graduation requirements and career clusters; and
- Opportunities for college coursework.

Mr. Don Mussen, Acting Director, Adult and Family Services, represented the Department of Human Services (DHS). Mr. Mussen stated there are 1.8 million people in Michigan receiving public assistance benefits in Michigan, which is 18% of the population. The safety-net financial assistance programs available through the DHS are most aligned with workforce development, such as the Jobs, Education, and Training (JET) program, and aim to aid recipients to become self-sufficient. While the JET program has reduced the cash assistance caseload to its lowest in five years, it is still distressing that there has been only a small increase in individuals enrolled in education and training. There needs to be a focus on programs that combine basic remedial English skills with job skills. Mr. Mussen also talked about the 2008 Michigan Poverty Summit – Voices for Action which will be held on November 13, 2008 at Cobo Hall in Detroit. All CLEG members were invited to attend, and to commit to action in reducing poverty within the state.

Director Cooley explained how the initiatives from each department support the Governor's economic and workforce development agenda for Michigan, and hoped the Council members could see how it all fits together. Questions and comments from CLEG members included:

- Creating programs to help non-custodial parents in their child support arrearages to help reduce the poverty of Michigan's children. Several programs are in place that will help this population to increase their skills, and also help fathers establish better relationships with their children and the mothers of their children.
- Whether it is necessary to establish a separate office to support entrepreneurs in Michigan to increase the framework to support inventions and new ideas. This is already being done between areas of the MEDC and DLEG. The 21st Century Jobs Funds provides seed money for ideas that perhaps are not bankable but promising, and the Small Business Development and Technical Centers statewide provide help to entrepreneurs and small businesses in business planning. Entrepreneur efforts are growing around the state with curriculums focusing on entrepreneurship and an infrastructure to support entrepreneurs.
- What Michigan is doing in concert with other Great Lake states to protect the health and vitality of the economic development resource that is found in fresh waters of the Great Lakes. The Governor is working to protect our Great Lakes with other Governors through the National Governors Association. It is predicted that a complex and comprehensive compact is coming that will involve our neighboring states and Canada to protect this resource that will involve making sure the waters are kept clean and free from non indigenous life forms. The Department of Environmental Quality (DEQ) is involved in many initiatives currently to preserve the Great Lakes.

- Efforts that are in place to keep pedophiles productive in society to ensure they do not act on their impulses. A pilot project is in place in the Detroit that is focusing on conditioning these individuals to enter the workforce.
- Focusing on how the private sector can be leveraged to help with some of the problems facing our state. When a state agency is in early program development, seeking the involvement of the appropriate private sector to leverage resources will help address some of the issues our state faces.
- Encouraging CLEG members to share positive news about Michigan. In all other sectors other than the automotive industry, Michigan is comparable with other states as far as growth and success. If the people of Michigan viewed their state more positive, others would also.

IV. MEMBER DIALOGUE REGARDING STATE WORKFORCE STRATEGY

Mr. Andy Levin, Deputy Director, DLEG, talked about the reorganization of two of DLEG's bureaus. The Bureau of Career Education and Bureau of Workforce Programs (BWP) will be reorganized into the Bureau of Workforce Transformation (BWT). This will create a more demand driven structure to align with the two key customers of the department, the jobseeker and the employer. Four divisions of the new bureau will focus on jobseekers, and two will focus on employers. Mr. Levin introduced the new director of the BWT, Ms. Liza Estlund-Olsen, current Acting Director of the Unemployment Insurance Agency (UIA) in DLEG.

Based on what they had heard during the meeting from the Governor and department heads, CLEG members were asked by Mr. Levin to think about how their work can help achieve the Governor's strategic intent. He also asked what other work the committees might tackle to help advance the strategic goals of increasing skills and educational attainment, creating a culture of entrepreneurship, and improving how the state helps companies find and develop talent. A map of Michigan's Workforce Strategy was provided to help guide the table-level discussions.

Mr. Matthew Chambers, Co-Chair of the Work Readiness Credential Committee, stated the WRC Committee is now in an oversight role to the MI National Career Readiness Certificate (NCRC) Implementation Workgroup. That workgroup will recommend an implementation plan at the June CLEG meeting. Mr. Chambers said the WRC Committee would be a champion of the MI NCRC, and would play a major role in its marketing to the business community in Michigan. He encouraged all of CLEG to take on the role of ambassador of the MI NCRC. He also stated there are talks that the MDE would be adding the third WorkKeys test of Locating Information to the Michigan Merit Exam, therefore all high school students would graduate with a NCRC.

Mr. Stephen Balbierz, representing the Global Competitiveness Committee, said the exercise from the previous CLEG meeting to identify and prioritize key issues that impact Michigan's global competitiveness resulted in ten or more different measurables that the Committee is now narrowing down, such as knowledge transfer from universities to companies, participation of three and four year olds in the education process,

educational attainment, and teacher professional development. The Committee will then develop a set of strategies and tactics to improve Michigan's global competitiveness relative to other high performing states.

Ms. Norma Hagenow, Vice-Chair of the Industry Sector Committee, talked about the four sectors their committee has focused on, advanced manufacturing, healthcare, alternative energy, and homeland security. The majority of the Committee's work has been involved with advanced manufacturing and healthcare. The Committee is working on creating a vision, or line of sight, for the work of these sectors so young people know what they are choosing as a career, and providing a definition of the competencies required for each of the categories. In addition, they will look into creating a strategy to promote early school career development, which could also be used for adult retraining and faculty development.

Mr. Tim Nelson, Vice-Chair of the Entrepreneur Committee, stated the Entrepreneur Committee is holding focus groups around the state with entrepreneurs asking a series of questions about how supportive they think their region and the state is for entrepreneurs. Preliminary feedback shows that entrepreneurs do not look to the state to create new processes, but to streamline the ones already in place, and would like more and better access to information to help entrepreneurs make better decisions. The Committee is also surveying state agencies regarding entrepreneur programs that are already in place. They are looking to create an Entrepreneur Score Card that will rate a region on how entrepreneur-friendly it is.

Mr. Mitch Tomlinson, Chair of the Low-Wage Worker Committee, said the adult education funding has been depleted in Michigan over the last several years. The Committee has convened a work group that will analyze the adult learning system in Michigan and will make strong recommendations on how the system should work. The Committee is also charting and tracking how the JET program is being transformed from a work first model to a career development model, and if it's intended design is actually working.

Mr. Levin ended the discussion emphasizing the importance of the work of all of the committees, and how it drives forward the work within DLEG and other state agencies.

V. PUBLIC COMMENT/CLOSING REMARKS

Ms. Sorge offered the opportunity for public comment.

Council members were encouraged to fill out the evaluations to aid in the development of future meeting agendas. The next CLEG meeting is on June 9, 2008 from 9:30 a.m. to 1:30 p.m., at the Lansing Community College MTEC.

There being no further business, Ms. Sorge adjourned the meeting at 12:30 p.m.