LABOR AND ECONOMIC OPPORTUNITY

2020 SUCCESS REPORT

MICHIGAN DEPARTMENT OF
LABOR & ECONOMIC
OPPORTUNITY

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2020 SUCCESS REPORT

In a year unlike any in the last century, the people of Michigan are rising to the challenge – and the Department of Labor and Economic Opportunity (LEO) is helping them every step of the way.

From the start of the pandemic, LEO took swift but deliberate action to implement key policies, plans and programs to support Michigan families and businesses throughout this unprecedented time.

Every team within LEO worked diligently in 2020 to address urgent needs including:

- Unemployment
- Workplace safety
- Talent investments
- Evictions and homelessness
- Business relief and recovery

Thanks to Gov. Whitmer's bold leadership during the pandemic, Michigan's economy is poised for a strong recovery. As we move from COVID response to recovery, LEO will keep working to ensure Michigan's families and businesses have the support they need as we rebuild our economy together.

Susan R. Corbin
Acting Director
Michigan Department of Labor and Economic Opportunity

DRIVING GROWTH. BUILDING COMMUNITIES. CREATING OPPORTUNITY.

The Michigan Department of Labor and Economic Opportunity (LEO) provides the connections, expertise and innovative solutions to drive continued business growth, build vibrant communities, create affordable housing, generate tourism and attract and retain key talent to fill Michigan's vast pipeline of opportunities.

01

OUR MISSION

Expand economic opportunity and prosperity for all.

OUR VISION

Make Michigan a place where all people, businesses and communities have the educational and economic means to reach their full potential.

GUIDING PRINCIPLES

Data- and evidence-based promotion of opportunity

Data is the basis for how we make decisions and measure success.

Collaboration to achieve unity of purpose and greater success

LEO will collaborate effectively with each other and with partners within/beyond state government – build coalitions to effectively drive strategic focus areas.

Commitment to equity

LEO will prioritize equity – specifically closure of opportunity gaps – for marginalized populations based on their race, gender, geography, socioeconomic status and sexual orientation.

Customer focus – people, business and community

LEO will amplify the voices of those we protect and serve and will ensure a focus on a people-centered approach in all we do.

BOARDS, COMMISSIONS AND COUNCILS

Thank you to the many experts and advocates who work tirelessly on the 17 boards, commissions and councils housed within LEO to ensure all Michiganders have an equal pathway to opportunity and prosperity.

- Black Leadership Advisory Council
- Board of Health and Safety Appeals
- Commission for Blind Persons
- Commission on Middle Eastern American Affairs
- Employment Relations Commission
- Hispanic/Latino Commission
- MiSTEM Advisory Council
- MiSTEM Network
- Michigan Asian Pacific American Affairs Commission
- Michigan Community Service Commission
- Michigan Council for Rehabilitation Services
- Michigan Council on Future Mobility and Electrification
- Michigan Women's Commission
- Michigan Workforce Development Board
- Unemployment Insurance Appeals Commission
- Workers' Compensation Board of Magistrates
- Workers' Disability Compensation Appeals Commission

RISING TO ACTION: RESPONDING TO COVID-19

When the state of emergency was declared on March 10, 2020, LEO moved swiftly to provide vital support to people, businesses and communities across Michigan while reinforcing the front lines in the fight against COVID-19.

02

UNEMPLOYMENT

Michigan took quick action to implement new federal unemployment assistance programs, expand eligibility for workers impacted by the COVID-19 pandemic, and led the nation in implementing an innovative Work Share program that saved nearly 100,000 jobs and hundreds of millions of dollars. As a result of this strong leadership, Michigan has the second highest consumer spending growth among all states.

Extended eligibility and expanded access

- Gov. Whitmer took action to expand eligibility from 20 to 26 weeks and expanded access to those who are sick, quarantined or need to take care of a loved one because of COVID-19.
- Michigan was one of the first states to provide the additional $600 weekly benefit under the federal CARES Act and was also among the first states to make unemployment benefits available to self-employed workers under the federal legislation.
- As a result of the increased access and eligibility, consumer spending growth in Michigan is second highest among all states compared to January 2020.

Processed and paid claims as quickly as possible

- $26 billion in benefits disbursed to 2.2 million workers.
- Processed as many claims since March 15 as the last seven years combined.

Maximized receipt of federal benefits

- Michigan had the No. 1 Work Share program in the country, preserving nearly 100,000 jobs and saving the State Trust Fund nearly $220 million.

Provided relief to employers

- UIA did not charge employers for layoffs during the COVID-19 crisis. This has provided over $900 million in tax relief to employers in FY21 alone.

WORKPLACE SAFETY

Michigan took a unique and collaborative approach to workplace safety, which combined clear and enforceable standards to keep workers safe with extensive education and outreach programs to provide employers with the resources they need to understand and implement new rules.

- MIOSHA staff developed a COVID-19 workplace safety grant program, investing $8.55 million to protect employees in almost 1,500 Michigan workplaces.
- LEO provided $3 million in CARES Act funds to help small businesses expand their capacity and safely serve customers by adding weatherized, temporary outdoor facilities.
- Complaints received in the enforcement divisions have increased nearly 800%, during this spike MIOSHA handled over 30 workplace COVID-19 fatality investigations and conducted more than 2,200 inspections and investigations.
- The agency developed a one-stop online resource – Michigan.gov/COVIDWorkplaceSafety – that provides guidelines for all workplaces including more specific guidance to employers in 15 industries. The site also includes sample preparedness plans, reopening checklists, posters and more.
- MIOSHA implemented five state emphasis programs to focus enforcement in specific industries, including hospitals, retail, fitness centers, restaurants and bars, offices, manufacturing and construction.
- MIOSHA launched the Ambassador Program to educate and consult at-risk establishments open to the public regarding COVID-19 workplace safety requirements. Through this program, MIOSHA preformed 690 total consultations through Dec. 4, 2020, with roughly half being multiple hour visits. Initial data shows strong compliance in most industries covered by the Ambassador Program.
- MIOSHA launched a new hotline to address employer and employee questions regarding workplace safety and health.

TALENT INVESTMENTS

The COVID-19 pandemic and economic crisis have disproportionately impacted vulnerable communities. Michigan is working to address this inequity by providing new educational and employment opportunities.

- In September, we launched Futures for Frontliners – an innovative, first-in-the-nation scholarship program so essential workers who sacrificed their own health and safety to keep our state running could have a tuition-free path to a community college degree or high school certification. To date, more than 100,000 have applied.
- Supported nearly 50 virtual job fairs featuring 1,139 employers and 5,789 job seekers.
- Awarded $63.4 million in federal grants to support:
  - » 6,000 new apprenticeships
  - » 110 temporary workers for pandemic-related jobs
  - » Employment and/or training services for 675 dislocated workers
  - » 5,000 job seekers to make the jump from education and training to employment
  - » An increase in the number of low-income students who are prepared to enter in postsecondary education through the MI GEAR UP. Over 29,000 students have been served to date

EVICTIONS AND HOMELESSNESS

- Kept a roof over the heads of an estimated 18,000 renters through the Eviction Diversion Program with $60 million in Coronavirus Relief Funding, while fielding 57,988 calls and providing 49,577 individual and 8,411 group services to residents facing a housing crisis due to COVID-19.
- Provided critical services to the homeless through an award of $16 million to 40 nonprofits statewide.



BUSINESS RELIEF AND RECOVERY

- Michigan Economic Development Corporation moved swiftly to provide vital economic support to businesses, entrepreneurs, workers and communities throughout the state's 83 counties, while enabling Michigan's Arsenal of Innovation to support the front lines in the fight against COVID-19.
  - » 18,500+ companies supported
  - » 146,900+ jobs retained
  - » 20 response programs launched
  - » 1.2 million PPE supplies produced
  - » 42% of assistance provided was to disadvantaged areas
- Secured 8 million pieces of personal protection equipment. Created an online platform that engaged 6,782 volunteers who performed more than 330,218 hours of volunteer work. Established a fund to receive monetary donations of $711,925 through the Michigan Community Service Commission.
- Coordinated translations of COVID-19 executive orders and press releases to help Michiganders who speak other languages.

2020 LEO ACCOMPLISHMENTS

In addition to critical COVID-19 response efforts, LEO also worked to build up hardest-hit populations, businesses and communities to help secure the foundation for recovery.

03

EMPLOYMENT AND TRAINING

Stephanie Beckhorn, Deputy Director

"Employment and Training has spent the past year aligning, collaborating and integrating the efforts of our three areas to best promote a flexible, innovative and effective workforce system that develops customized solutions for businesses and individuals, including those with disabilities. Our programs and initiatives ensure equity and access for all so every Michigander has the chance to excel."



- Obtained $14.3 million in federal grants to add 6,000 new apprentices over the next four years and $28 million over the next seven years through MI GEAR UP to increase the number of low-income students who are prepared to enter postsecondary education.
- Served 1,270 people with employment services, 502 with independent living services and 10,606 through group services. (Bureau of Services for Blind Persons)
- Helped 5,000 residents obtain and retain employment, served 35,000 customers through vocational rehabilitation and pre-employment transition services, and provided support to nearly 4,000 businesses. (Michigan Rehabilitation Services)
- Served 1,100 veterans through Veterans Employment Services, supported 3,292 youth through the Jobs for Michigan's Graduates program and helped 5,000 residents obtain and retain employment. (Workforce Development)
- Contacted 9,000 migrant and seasonal farm workers, 1,200 employers and referred 1,100 customers to help this critical infrastructure workforce group find employment and obtain supportive services. (Workforce Development)
- Supported adult education virtual learning, modified state policies to support flexibility locally and shared best practices and resources; expanded the number of adult education providers statewide from 86 to 97. (Workforce Development)
- The Braille and Talking Book Library circulated more than 868,059 patron materials. (Bureau of Services for Blind Persons)
- Developed the Return-to-Work Playbook – part of LEO's Skills to Work digital hub – to support job seekers with resources to prepare for the next steps on their career path, connecting them with training for in-demand jobs, and engaging specific audiences with services tailored for them. The Skills to Work digital hub had more than 22,500 visitors.

Making a World of Difference in Michigan:

"Living alone during the confinement is hard enough. Without my books, I'd really go crazy. Thank you so much."

WENDY S.,
BRAILLE AND TALKING BOOK LIBRARY PATRON

LABOR

Sean Egan, Deputy Director

"To keep our state open and the economy moving forward in its recovery, our labor agencies have strategically leveraged state and federal resources to ensure employers – but most importantly workers – are supported through the pandemic while maintaining regular day-to-day services. This team has been relentless in its dedication and commitment to providing excellent equitable service to all Michiganders."



- Mediated and anticipated a widespread strike by metro Detroit workers in the healthcare and transportation industries and quickly resolved labor contract disputes. (Michigan Employment Relations Commission)
- Prioritized the need for safe workplaces, hosted several dozen live Q&A webinars attended by tens of thousands of members of labor groups, business associations and employers.
- Collected and returned more than $1.8 million to Michigan workers including minimum wage collections increasing by 53% over the last fiscal year.
- Implemented website updates that cleared the way for seamlessly receiving, processing and releasing monies to Michigan workers.
- Expanded MERC's service format to include videoconferencing and remote options; opened up access to case activity 24 hours/day.

Making a World of Difference in Michigan:

"Michigan has been a national leader in providing education and resources to local businesses in response to COVID-19, and we're proud to support that ongoing effort. The Ambassador Program will help Michigan businesses understand regulations and best practices so they can keep their doors open."

PAUL MEDEIROS,
NSF INTERNATIONAL



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION (MEDC)

Mark Burton, CEO

"Throughout the COVID-19 pandemic, we have remained laser-focused on continuing to ignite Michigan's economic recovery and demonstrating our ongoing support for the businesses and community projects that will secure the long-term economic health of our state. Even in an economic crisis, we remain committed to supporting projects and initiatives that uphold our mission of enabling equitable economic prosperity for all Michigan residents."

- Created the Office of Future Mobility and Electrification to enhance Michigan's mobility ecosystem, including developing dynamic mobility and electrification policies and supporting the startup and scale up of emerging technologies and businesses.
- MEDC's Business Marketing and Travel Michigan teams launched a new "Support Local" campaign to encourage residents to shop, eat, and travel local to support small businesses across Michigan this holiday season and beyond.

Making a World of Difference in Michigan:

"The Michigan Small Business Restart Grant has been a godsend for small businesses like mine. The grant funding has allowed me to put personal protections in place that will allow me to keep my doors open, and my customers safe, during the current health crisis."

SHARLENE L. HOWE, OWNER OF HOWE ART SUPPLIES IN SWARTZ CREEK

- Identified opportunities to address economic needs across Michigan, working with Michigan businesses and communities to competitively pursue business deals. Examples of these projects include:
  - **Perrigo** – Leading global provider of self-care products establishing its North American Corporate Headquarters in Grand Rapids. The project is expected to generate $44.7 million in private investment and create 170 well-paying jobs for Michigan workers.
  - **Clearcover Inc.** – Chicago-based insurance carrier expanding its presence in Detroit, a project that is expected to generate a total private investment of $5 million and create up to 300 high-wage jobs.
  - **Allen Place Project** – Renovation of an existing two-story building that currently houses the Allen Neighborhood Center into a three-story mixed-use development in Lansing. When completed, the project will include affordable rental housing units, community-based health care services, a culinary training school, an accelerator kitchen for food-based entrepreneurs and increased access to healthy food options for area residents.
  - **Lordstown Motors Corp.** – The Ohio-based manufacturer of electric light-duty trucks plans to establish an automotive R&D center in Farmington Hills.
  - **Connected and Autonomous Vehicle Corridor project** – A first-of-its-kind corridor for connected and autonomous vehicles designed to improve transportation for communities in Southeast Michigan.
  - **Uptown/River's Edge Redevelopment project** – Construction of a new five-story building with 60 residential units on the waterfront in Bay City.
  - **General Motors** – Investing $2.2 billion at its Detroit-Hamtramck Assembly plant to produce battery electric trucks and other electric vehicles. When the plant is fully operational, the investment will create more than 2,200 manufacturing jobs at the facility.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY (MSHDA)

Gary Heidel, Acting Director

"I am proud of the way our state, our staff and our partners have stepped up efforts to help Michigan residents find, retain, afford, attain and maintain housing during these unprecedented times. Housing is foundational to success, so the actions we are taking today to provide housing stability will undoubtably impact the economic opportunity for these folks and their neighborhoods and communities tomorrow."







- Awarded $2.1 million in Neighborhood Enhancement Program grants to 56 local governments and nonprofit groups across Michigan in June. NEP provides the seed money for improvement projects directly tied to enhancing and stabilizing communities. Projects focus on neighborhood public amenity enhancements, improve residents' quality of life, and allow communities to modify their applications to help recover from COVID-19.
- Financed 4,123 single-family homes to make the dream of homeownership a reality for first-time homebuyers.
- Finalized the 2021 Qualified Allocation Plan to provide housing that is affordable with public and partner collaboration.
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- Established and funded the MOD Program as a catalyst to encourage the construction of in-demand, affordable workforce housing. The MSHDA MOD program facilitates and encourages the construction of modular homes at an attainable price point, typically below $200,000.
- Gave hope to 791 households at high risk of default or foreclosure to keep their homes with $3.9 million in Step Forward Michigan program assistance.
- Funded 493 Step Forward Michigan down payment loans with $7.2 million in 10 counties.
- Helped clean up neighborhoods by overseeing the disbursement of $88 million to tear down 4,560 properties statewide under the Blight Elimination program.

Making a World of Difference in Michigan:

"I'm so relieved. This (back rent through the Eviction Diversion Program) allows us to stay in our home and get a fresh start."

HEATHER,
WORKED WITH UNITED COMMUNITY HOUSING COALITION TO APPLY FOR EDP FUNDS

"We are grateful to have the EDP resources to assist the people we serve through this time of incredible hardship."

ASIA JOHNSON,
PROPERTY MANAGER AT SOUTHWEST SOLUTIONS

PROSPERITY

Kim Trent, Deputy Director

"Creating conditions that give every Michigander access to economic opportunity and prosperity is one of the most sacred duties of state government. LEO's prosperity team has leveraged the innovation of state employees and relationships with external partners to build prosperity for Michigan citizens, businesses and communities."



- Hosted town hall meetings to help Michiganders with key issues and illustrate state resources available to them, including helping renters facing evictions with state resources and educating citizens on new laws allowing them to clear criminal records.
- Launched the Michigan Poverty Task Force to identify state policies/ procedures to benefit those in the ALICE population. Developing anti-poverty agenda to governor by end of 2020. (Michigan Poverty Task Force)
- Awarded $1,000 scholarships to 35 college students from various institutions and 25 college scholarships to Latinx youth. (Hispanic Latino Commission)
- Secured a federal grant to create a digital literacy program for refugee communities and established leadership role on Refugee Resettlement National Coalition. (Office of Refugee Services)
- Expanded STEM employer and educator partnerships to implement $3.05 million in state grants to support K-12 STEM programs, serving 383,575 students and 10,300 teachers. (MiSTEM Network)
- Coordinated volunteer efforts for Mid-Michigan flooding and provided grants to establish recovery teams in Midland, Gladwin and Saginaw counties to support cleanup and rebuilding from the disaster. (Michigan Community Service Commission)



Making a World of Difference in Michigan:

"The Michigan Poverty Task Force has identified solutions to address poverty, whether in big cities like Detroit or rural communities like mine. The comprehensive way the task force has approached issues will have tremendous impact all over Michigan."

LORI JOHNSON, PROJECT DIRECTOR AT EIGHTCAP INC. AND MEMBER OF THE MICHIGAN POVERTY TASK FORCE ADVISORY COUNCIL

SIXTY BY 30

Kerry Ebersole, Senior Advisor and Director

"The Sixty by 30 goal and the supportive initiatives and programs bring Michigan closer to helping businesses fill critical talent needs by ensuring Michiganders are put on a path to earn postsecondary credentials needed to fill high-demand, high-wage jobs. We are laser-focused on building a healthy and more competitive economy in our state so all hardworking Michiganders can have opportunities for long-term success."

- Created the Office of Sixty by 30 to continue progress toward Gov. Whitmer's Sixty by 30 education attainment goal: making sure 60% of working-age Michiganders have a skills certificate or degree by 2030.
- Secured bipartisan Michigan Reconnect legislation and funding to offer Michiganders age 25+ a tuition-free path to community college to pursue a skills certificate or degree.
- Developed the Skills to Work digital hub to connect residents with online learning opportunities and other training resources. Whether one is looking to return to work, explore in-demand careers, learn new skills or take the first step toward a degree or certificate, the hub has information to help Michigan workers expand their opportunities in an evolving economy.
- Secured a partnership with Modern States to offer 10,000 free College Level Examination Program (CLEP) tests for Michigan adult learners through December 2021. Upon successful completion of the exam, test takers are allowed to bypass certain courses at many colleges and universities.

Making a World of Difference in Michigan:

"Free tuition means more than any financial gain. It means that I can show my children that at 45 years old, it is never too late to follow your heart. It means that I followed my dreams even when I didn't think I could and still tried to make the world a better place by being a good nurse."

KRISTY SPAKOWSKI,
SINGLE MOTHER OF FOUR



STATE LAND BANK AUTHORITY

Emily Doerr, Executive Director

"The State Land Bank team strives to serve as a proactive, problem-solving partner to catalyze development across the state that aligns with the land use goals of the local community. Every parcel and project is unique, and our work removes blight and increases vibrancy across the state of Michigan."



- Disposed of 219 residential and commercial properties statewide, including 22 parcels in Highland Park to Hamilton Corridor LLC for their 450,000 SF commercial / industrial warehouse development and the former Camp Pugsley Correctional Facility for the continued development of the Grand Traverse Economic Development Business Park.
- Provided key leadership in transitioning over 118 properties in Kent County after the dissolution of the Kent County Land Bank, completing the development of 14 homes in Grand Rapids through the Housing Development Loan Program, and setting up an intergovernmental agreement between the State Land Bank and the city of Grand Rapids for the eventual sale of 60-plus parcels for affordable housing.
- Cleared the way for future developments through demolitions of residential and commercial structures in Lennon, Muskegon Heights and Iron County.
- Enabled development of 16 new single-family houses in Newaygo for moderate-income families through executing a development partnership.
- Organized and conducted nine redevelopment training programs for local land banks and municipalities.

Making a World of Difference in Michigan:

"Finding my new home was truly a blessing. I would have never thought that I could have new construction at this price point."

NEW GRAND RAPIDS HOMEOWNER







UNEMPLOYMENT INSURANCE AGENCY (UIA)

Liza Estlund Olson, Acting Director

"From the tax and finance offices to agency services to customer service, there isn't any area where UIA staff isn't working hard on behalf of Michigan residents and businesses. Under incredible circumstances this year, UIA staff has processed an unprecedented number of claims – more than 4 million since March – and helped more than 2,500 employers avoid layoffs through the Work Share program. The work we do is critical to sustaining the financial livelihood of families in communities across our state and we never lose sight of that."

- Extended eligibility from 20 to 26 weeks for workers impacted by the COVID-19 pandemic and expanded access to those who are sick, quarantined or need to take care of a loved one because of the virus.
- Provided the additional $600 weekly benefit under the federal CARES Act and was also a leading state to make unemployment benefits available to self-employed workers under the federal legislation.
- Led the nation in implementing an innovative Work Share program that saved nearly 100,000 jobs and hundreds of millions of dollars.
- Disbursed $26 billion in benefits to 2.2 million workers.
- Provided more than $900 million in tax relief to employers by not charging for layoffs during the health crisis.



Making a World of Difference in Michigan:

"My wife and I were negatively impacted by the pandemic along with the millions of others in the great state of Michigan. That, I am certain, you are completely aware of more than most! On behalf of all of us Michiganders, we are very appreciative to all of you at the Unemployment Office! We're in debt with gratitude to your tireless commitment to us (the workers on the frontline who can't work, the financially strained, the unemployed independent contractors, etc.) … Words cannot express how very thankful we ALL are for you! Thank you again for all you do."

UIA CLAIMANT

"We wanted to let you know how much we appreciate the opportunity to enroll and be a part of the Work Share program through the UIA. During these unprecedented times, it has been of great assistance to our employees."

MICHIGAN EMPLOYER