



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

Memorandum

DATE: August 31, 2023

TO: The Honorable Mary Cavanagh, Chair
Senate Appropriations Subcommittee on LEO/MEDC

The Honorable William Snyder, Chair
House Appropriations Subcommittee on Labor and Economic Opportunity

FROM: Hector Arroyo, Jr., Division Administrator
Workforce Development, Targeted Services
Department of Labor and Economic Opportunity

RE: Public Act 1 of 2023, Sec. 303(3) Report

The Michigan Department of Labor and Economic Development, Workforce Development (LEO-WD) shall provide a status report pertaining to federal Coronavirus State and Local Fiscal Recovery Funds authorized by the American Rescue Plan awarded in the [Michigan Public Act 1 of 2023](#). This report will summarize intended program outcomes, including but not limited to, the number of individuals to be served and the types of barrier removal activities funded. The report shall be posted online and distributed to the senate and house appropriations subcommittees on labor and economic opportunity, the senate and house fiscal agencies, and the state budget office.

If you have any questions, please contact Todd Cook, Director of LEO-WD Legislative Affairs, at 517-230-8900.

Attachment

cc: Members, Senate Appropriations Subcommittee on LEO/MEDC
Members, House Appropriations Subcommittee on Labor and Economic Opportunity
Kathryn Summers, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency
Christopher Harkins, State Budget Director

PA 1 of 2023, Sec. 303(3) Report

[Michigan Public Act 1 of 2023](#) provided federal [Coronavirus State and Local Fiscal Recovery Funds](#) authorized by the American Rescue Plan (ARP) Act to the Michigan Department of Labor and Economic Opportunity, Workforce Development (LEO-WD).

Sec. 303. (1) From the funds appropriated in part 1 for ARP – removal of workforce barriers, \$15,000,000.00 shall be used by LEO-WD for employment, reemployment, and removal of barriers for at-risk individuals, including the asset limited income constrained employed population, as defined by the United Way. Employment supports and barrier removal may include, but are not limited to, services focused on transportation, childcare, clothing needs, tools for work, and other barriers that prevent individuals from entering and staying in the workforce. LEO-WD will meet the requirements of this funding award by expanding its Barrier Removal and Employment Success program.

LEO-WD shall provide a status report summarizing intended program outcomes, including but not limited to, the number of individuals to be served and the types of barrier removal activities funded. The report shall be posted online and distributed to the senate and house appropriations subcommittees on labor and economic opportunity, the senate and house fiscal agencies, and the state budget office by September 30, 2023.

- a) A Request for Proposal (RFP) will be published on or around September 8, 2023, to seek proposals from potential service providers statewide to deliver the services described in the funding award. It is anticipated that the final grant award documents will be issued by February 2, 2024, with the time frame of the grants and the operation of the program being February 8, 2024, through September 30, 2025.
- b) It is anticipated that the service providers selected through the RFP process will serve up to 10,000 participants at an estimated cost of \$1,500 per participant.
- c) LEO-WD will collect data that will provide the following statistical and programmatic information:
 - The number of individuals served.
 - The number of individuals unemployed at participation.
 - The number of individuals underemployed at participation.
 - The number of services provided to each individual.
 - Employment status at program exit.

In addition, LEO-WD will determine the following performance measures using Michigan Wage/Record data:

- Employment Retention Second Quarter After Exit
- Wages at Employment
- Wages at Second Quarter After Exit

Following the same timelines, each grant recipient will also submit a quarterly narrative report addressing the following questions:

- Lessons learned through the administration of the program and grant.
- Program elements that still require action.
- What program elements/activities have proven successful?
- What program elements/activities have not been successful?
- What changes/revisions to the program have been incorporated since implementation?

d) The supportive services that may be provided through this RFP to the program participants include:

- Auto Insurance
- Auto Purchase
- Auto Repair
- Obtaining a Birth Certificate
- Childcare
- Clothing
- Obtaining a Driver's License
- Drug Tests
- Family Care
- Family Support Services
- Fees (union dues, test fees, licensing, bonding, and background checks)
- Fingerprinting
- Food Assistance
- Housing/Rental
- Internet Fees
- Legal Services (expungement of criminal record)
- Personal Grooming Supplies/Services
- Pre-Employment Exam and Screening
- Private Vehicle Mileage Reimbursement
- Public Transportation
- Rent/Utility Expense Assistance
- Tests/Permits (Including Work Permits)
- Work Tools and Equipment
- Other

Supportive Services may be utilized to assist those in training, to complete their program of study including High School Diploma or equivalency training, leading to employment or employment retention through the removal of barriers.