

Minutes of the
Workforce Development Council
Thursday, March 4, 2021
10:00 a.m. – 1:30 p.m.
TEAMS Meeting

Members present: Dave Farnsworth, Pat Bertagnolli, Jason Ehlert, Tifanie Gelinske, Tony Grindberg, Chancellor Mark Hagerott, Timothy Johnson, Nathan Joraanstad, Jan Kamphuis, Janelle Klinke, Bryan Klipfel, Landis Larson, Perry Lubbers, Guy Moos, Katie Ralston, Stan Schauer, Don Shilling, Damian Schlinger, Wayde Sick, Taya Spelhaug, Arnie Strebe, Jim Upgren

Guests present: Ruth Lacher, James Leiman, Heather LeMoine

Staff present: Tammy Barstad, Sherri Frieze

WELCOME AND INTRODUCTIONS

New Member Introduction

Katie Ralston, Director Workforce Division, proxy for Chairman Dave Farnsworth called the meeting to order at 10:00 a.m. welcoming members and guests. Chairman Farnsworth will join and chair the meeting at approximately 12:00 p.m.

Katie welcomed new council member, Damian Schlinger. He joins the council from the Department of Vocational Rehab and replaces Robyn Throlson on the council.

APPROVAL OF MINUTES

Motion: It was moved by Guy Moos, seconded by Taya Spelhaug to approve the December 16th, 2020 minutes. Motion carried.

Workforce Innovation Opportunity Act (WIOA) REVIEW

Katie Ralston & Ruth Lacher

The WIOA Review with the Federal Department of Labor federal project officer was conducted in December for one week. The project officer also attended the Workforce Development Council virtual TEAMS meeting, on December 16th, 2021. She reflected on that meeting with the advice to have standing updates from industry leaders, with the opportunity to receive core partner updates also. Moving forward, an ask to core partners for an update possibly will occur every or every other quarter. Details will be worked on for this.

The review was conducted on Title 1 and Title 3 programs. Agency financials, policies, procedures, subawards, contracts, internal monitoring reports of participant files, as well as electronic files were all reviewed. The report was received back from the Department of Labor last week, with one finding to update; specific language to be updated in the WDC bylaws.

Bylaw language updates:

- Verbiage regarding the nomination process used by the governor
- Term limitations and staggering of them
- Notification to the Governor's office for board vacancy
- Member proxy identification
- Prepared technology for increased member participation to meetings

Best Practice Opportunity:

- Addressing board member term limits - currently open ended

Council members comments for needed improvements:

- A pool of applicants with a succession planning document in place
- Create a proxy for each member.
- Bring the proxy to the meeting, creating acclimation prior to attending without member
- Member terms – when a member's term ends, a year stop out period will then apply, giving the member the option to reapply to the council after a year
 - Katie will work on updated bylaw language with the Governor's office and report back to the council at a future date.

LMI DATA: TOP INDUSTRIES AFFECTED BY COVID 19

Katie Ralston

Katie gave an overview of data supplied by the Labor Market Information division at the Jobs ND state agency for Quarter 3 2019 through Quarter 3 2020.

Data employment change by industry

Top three industries with decreased employment due to the pandemic:

- Mining, Quarrying, Oil & Gas = - 8,992
- Accommodation and Food Services= - 5,258
- Construction= - 3,730

Total ND job loss was 33, 117

Top three industries with increased employment due to the pandemic:

- Ag, Forestry, Fish/Hunt
- Management of Companies
- Public Administration

Other areas highlighted

- Total employment comparison for Q3 2019- Q3 2020 in the top three industries and region
- Average weekly wage change by industry and region
- ND online job opening change from January 2020 – January 2021
- ND online resume change from January 2020 – January 2021

INDUSTRY DEEP DIVE

ENERGY & ESG – James Leiman

CONSTRUCTION – Jason Ehlert

HOSPITALITY – Heather LeMoine

Energy & Environmental, Social & Corporate Governance (ESG) – James Leiman, Commerce Department

The world has hit half a trillion dollars for the first time in clean energy transition investment, from renewables to cleaner transport, energy storage to agriculture. Changes in consumer demand, the disconnect on energy purchase and the regulatory adjustment.

A North Dakota look at three pillars for addressing:

- Purchased energy from ND
- Political
- Financial

To lead the nation, ND will need to plan for the agility of public-private partnership, along with lead state agencies. The regulatory compliance of ESG will need to be critically addressed, tapping into unique markets of oil, soil, raw materials, with more precision in technology, and value-added production.

- James recommended that any council member who is interested in addressing the future of clean energy in ND, attend the EmPower ND Commission weekly Wednesday meetings.

Construction – Jason Ehlert, President of the ND Building Trades Unions

Bad News – The industrial industry was hit the hardest, steel trades significantly affected, and oil and gas pulled back on capital projects. Energy sector delayed scheduled outages.

Good News – The commercial industry met or exceeded expectations, HVAC, electrical, plumbing has bounced back. Many trades are reporting a need for more journey workers and apprenticeships.

In summary – Industrial industry will be slow for 12-18 months, but large infrastructure projects projected, with the potential for more workers in the coming four years.

Hospitality – Heather LeMoine, Commerce Department

ND loss - \$1.2 billion, combined with \$94 million in lost state and local tax revenue

Visitation in 2020:

- 30% occupancy decrease
- Airport arrivals – down 51%
- Canadian arrivals – down 77%
- State and national park visitors, slightly up

Travel Intent and Outlook

- January visits to Theodore Roosevelt National Park (TRNP) were up 185%
- Website traffic up 51% since last year, with interest from every state and 92% of traffic is coming from new visitors

Economic Outlook

- Oxford Economic expects the economy to add back approximately 5.9 million jobs by Q4 2021, reducing the unemployment rate from 6.8% to 5.0%

ND Has What People Want – American travelers are interested in:

- Enjoying scenic beauty – 60.3%
- Visiting U.S. National Parks – 62%
- Take road trips – 54.3%
- Visit historical attractions – 49.4%
- Visit state, local, or regional parks – 47.8%
- Cuisine and food experiences – 45.3%

Looking forward

- Travel recovery in 2021
- ND positioned better than heavily populated destinations
- Campaign advertising; promotional efforts, innovative sales
- Economic Resiliency Grant programs
- Monthly industry calls

Chairman Dave Farnsworth joined the meeting at 12:00 p.m.

Meeting recessed from 12:15 p.m. – 12:25 p.m.

Meeting reconvened at 12:30 p.m. with Dave Farnsworth chairing the meeting.

**LEGISLATIVE UPDATES
WIOA CORE PARTNERS**

Wayde Sick – CTE

- HB 1375 Tuition scholarship program for students taking dual-credit courses while in high school
 - Concern is looking at profits from BND to fund program, also same funding for Career Builders Program
- HB 1380 Legacy Fund earnings uses
 - Income tax place created in place of 1380 language with amendments for other fund uses
- HB 1430 CTE and academic scholarship requirements
 - Enrolled at community or tribal college - scholarship should be increased for access to \$6,000 scholarship
- HB 1478 School districts to reward high school credit outside of the high school walls
- SB 2196 Sister bill to 1478, create a mastery base high school diploma, more flexibility with high school requirements
- SB 2272 Career Builder – continue the program to next biennium, \$3 million set aside from BND
- SB 2019 CTE appropriations – Senate side passed with funding:
 - \$1.5 m for costs to continue – reimburse CTE operating expenses
 - \$1.0 m for new and expanding programs
 - \$1.9 for Train ND
 - \$45 m for career academy grants, new and expanding CTE centers

- HB 1430 CTE and academic scholarship
 - Students can also receive the scholarship, if not attending full time
- HB 1478 School districts to reward high school credits outside of the high school walls
 - Proposal to be submitted to DPI. DPI will be writing the administrative rules if bill passes
- SB 2136 CTE and academic scholarship eligibility uses:
 - Language to update to use at more than a two year or four-year college or university
 Passed Senate
- SB 2147 Allow schools the option to pass a section of the GED exam, the school can make the decision to pass the student – Passed Senate
- SB 2289 Alignment of CTE and academic scholarship with Choice Ready accountability. Three components to be applied, 2 out of 3 needed to pass, for consideration of Choice Ready. - Passed Senate

Chancellor Mark Hagerott – NDUS

- SB 2030 Challenge Matching Grant
 - Clauses of planned parenthood added, language to be worked on – Passed Senate
- HB 1380 Legacy Fund earnings uses
 - Research is not being funded in the bill, hope to be put back in

Ruth Lacher – Jobs ND

- SB 2016 Job Service Appropriations bill – Passed Senate
- HB 1278 Unemployment Insurance compensation for a military spouse
 - Allows for spouse to receive unemployment insurance when a move must happen for job relocation to the military spouse – Passed House

Damian Schlinger – Vocational Rehab

- HB 1405 Income tax credit for the employment of individuals with development disabilities -Passed House

Katie Ralston – Commerce

- SB 2175 Clean up language from SB 2306 from last session – expand the license process for military and military spouses. – Passed Senate
- SB 2266 Review of occupational and professional laws and rules to update good moral character, moral turpitude. – Passed Senate
- HB 1466 Move early childhood programs from DPI to DHS. Piece of bill affects Commerce with the grant program. Commerce supports the bill.
- SB 2018 Commerce Appropriations - Passed Senate
 - \$1 million in matching funds –state funds for Technical Skills Grant
 - Has been a big success with 200 graduates, \$924 thousand invested around the state
 - \$755 thousand for Operation Intern program
 - \$320 thousand for non-resident nurse recruitment program

WDC MEMBER UPDATES

All

Guy Moos – Manufacturing

- Company is wrapping donuts for a new marketed product
- Adding employees

Taya Spelhaug – Technology

- Launched UpskillingND through TRAIN ND in partnership with th ND State College of Science. Seventy students have graduated through the Linked In platform

Nathan Joraanstad – Agriculture

- Expecting to grow this year, more interest in Ag Technology
- Adding employees

Jan Kamphuis – Healthcare

- Vaccines are the biggest issue
- Receiving more vaccines to the state and more sites are being set up across the state.
- ND leading the nation in getting population vaccinated

Don Schilling – Business Heavy Equipment

- Back in the hiring mode with 10-12 open positions

Tiffany Gelinske – Economic

- Need for workforce in the Fargo Moorhead area
- Amazon to come to Fargo – wagon wheel site – good for college students

Tim Johnson – Business Package Delivery

- Last year’s delivery volume was 150% couldn’t hire fast enough
- Amazon could be a concern for taking employment

NEXT STEPS

May 20th is the next planned meeting for the council. If a venue allows, the meeting will be conducted in person, with mask wearing.

Meeting details to include, but not limited to:

- Succession planning
- Passed and not passed legislative bills
- Moving forward with initiatives and private industry

Lastly, regarding a workgroup with the EmPower ND Commission, Katie mentioned she will be in contact with members who have offered to be part of that workgroup.

ADJOURNMENT

It was moved by Guy Moos, seconded by Jan Kamphuis to adjourn the meeting at 1:30 p.m. Motion carried.