



RESILIENT LOUISIANA: EDUCATION WORKFORCE TASK FORCE

RESILIENT LOUISIANA COMMISSION/EDUCATION WORKFORCE TASK FORCE

June 24, 2020

12:00 p.m.

The Resilient Louisiana: Education Workforce Task Force convened at 12:00 p.m., Wednesday, June 24, 2020 via Zoom online videoconferencing.

Task Force Members/Representatives Present

Ava Dejoie, Co-chair
Kim Hunter Reed, Co-chair
Doretha Bennett
Ray Belton
Bruce Busada
Ali Bustamante
Camille Conaway
Hannah Dietsch (Ryan Gremillion)
Wayne Denley
Jason Droddy (Tom Galligan)
Henry Heier
Paul Helton
Jim Henderson (Jeannine Kahn)
Brittany Major
Andy O'Brien
Paula Polito
Shane Riddle
Susana Schowen
Monty Sullivan
Angie White
Lisa Vosper

Task Force Members Absent

Julie Cherry
John Fraboni
Darcy McKinnon
Kenya Messer
Mike Palamone
Janet Pope
Cynthia Posey
Gray Stream
Stephen Toups
Sonya Williams
Tom Yura

I. CALL TO ORDER, ROLL CALL, AND CERTIFICATION FOR LACK OF QUORUM

Dr. Kim Hunter Reed called the meeting to order at 12:00 p.m. and Brianna Golden conducted roll call.

Dr. Reed established a quorum in accordance with Governor John Bel Edwards' Executive Proclamation 2020-41.

In accordance with Executive Proclamation JBE 2020-41, issued by Governor John Bel Edwards on April 2, 2020, the Resilient Louisiana Commission ("RLC") is providing for attendance at essential commission and task force meetings via teleconference or video conference as allowed during the pendency of the COVID-19 health emergency. Pursuant to Section 4 of JBE 2020-41, the RLC Education Workforce Task Force will provide attendance for the 2:00p.m. meeting on Friday, May 1, 2020 via



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Zoom and livestream and in a manner that allows for observation and input by members of the public, as set forth in the Notice posted on April 30, 2020. The Education Workforce Task Force is unable to operate in person in order to establish quorum as doing so may result in violating Governor Edwards' order that all public gatherings of 10 or more people be suspended or postponed.

II. WELCOME BY CO-CHAIR(S)

Ava Dejoie, Secretary, Louisiana Workforce Commission (LWC)

Dr. Kim Hunter Reed, Commissioner of Higher Education, Louisiana Board of Regents (BoR)

Dr. Kim Hunter Reed welcomed everyone to the meeting and reminded Task Force members of its two-fold agenda: to address the immediate challenges of the pandemic and provide guidance on how to reopen Louisiana safely; and to develop recommendations to create a resilient Louisiana through system and structural redesign that allows us to perform at scale with fidelity, and with our people and our families at the center of our work.

Dr. Reed thanked Task Force members for their participation and reminded the public that they are encouraged to share any comments via email or phone using the information provide on the agenda and posted to the website.

III. APPROVAL OF MINUTES FROM PREVIOUS MEETING

Dr. Reed asked for a motion to approve the minutes from the June 17, 2020 meeting of the Education Workforce Task Force.

On motion of Ms. Brittany Major, seconded by Mr. Jason Droddy, the Task Force voted unanimously to approve the minutes of the June 17, 2020 meeting of the Resilient Louisiana Commission: Education Workforce Task Force.

IV. PUBLIC COMMENTS

The following public comments and questions were submitted by Mr. Dorian Nunez: Can Dr. Bustamante break down unemployment data by parish, gender, age, and ethnicity? Is it possible to obtain a copy of that data? And can Mr. Bustamante provide contact information? Dr. Bustamante indicated that parish- and industry-level unemployment compensation claims data are available on the LWC dashboard and provided his email address.

V. THE STATE OF EMPLOYMENT IN LOUISIANA WITH Q&A

Dr. Ali Bustamante, Chief Economist, LWC

Dr. Reed welcomed Dr. Ali Bustamante, Chief Economist, Louisiana Workforce Commission (LWC), who provided a series of graphics.

Louisiana Monthly Nonfarm Employment Total: January 2000 – May 2020: February 2020 ended with employment at 1,995,000 and showed a historic decline in employment (April 2020 -



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1,722,400), although we experienced a slight bump up in May to 1,755,200. The future is uncertain and the recovery has become a topic of debate given the unprecedented reach of the pandemic, with a continuing COVID-19 infection rate.

Louisiana Weekly UI Claims: January 1, 2000 – June 13, 2020: Subsequent to a massive spike in initial compensation claims, we experienced a decline over the past several weeks, and then an increase over the weekend of June 13. Continued claims demonstrate a slight decline from the recent high. The mass wave of applicants into the unemployment compensation pool has taken us into uncharted territory. Slight upticks remain a possibility as a new wave of infections sweep across Louisiana. There are very slow declines in the level of continued claimants, which are those individuals who are certifying their claims weekly as being continuously unemployed for an additional week.

Louisiana Monthly Nonfarm Employment Total: January 2000 – May 2020: Projections for employment and unemployment compensation claims are difficult due to the uncertainty caused by the pandemic. Neither continuing impacts nor the recovery can be reliably predicted. The forecast shows considerable employment losses, though there are limited previous reference points. This is a relatively pessimistic projection considering that we are in the midst of the pandemic and have no clarity related to a post-COVID-19 economy. Economic activity is closely tied to the rate of reported infections and the biggest constraints in the economy are attributed to the virus itself. Sharp increases in infection rates cause economic activity to decline drastically. People are frightened of infection for themselves and their families, so they curb their economic activity. Overcoming those fears over time at a sustained level will lead to a smooth recovery.

Louisiana Weekly UI Claims: January 1, 2000 – June 13, 2020: The forecast of unemployment compensation claims is nebulous given the unprecedented nature of the crisis. We have never had triggers in unemployment compensation as we currently have with the CARES Act and the Pandemic Unemployment Assistance (PUA) program, which is set to expire on July 31, 2020. We are certain that many individuals will no longer be on the unemployment compensation rolls. Due to the heightened level of uncertainty over whether PUA benefits will be extended, there is a potentially massive benefits cliff. Hundreds of thousands of individuals may lose, at a minimum, \$600 per week, which will be a significant shock to the overall economy. These unemployment compensation benefits have proven to be a great stimulus to our economic activity throughout Louisiana and the country. The withdrawal of that assistance will add to future uncertainty.

Dr. Monty Sullivan posed a two-part question to Dr. Bustamante: Do federal benefits continue at the current rate (a loss of approximately \$180M per week, assuming additional benefits do not extend beyond July 31, 2020)? A compounding issue appears to be a dramatic reduction in the number of claimants. Is the combined number, then, approximately \$250M per week for the Louisiana economy? Dr. Bustamante responded that the impact is even greater, with an expected minimum \$300M loss on a weekly basis. Employment figures and broader economic trends in Louisiana and the country show that economic activity is being heavily constrained by the virus itself, and not by individuals receiving unemployment compensation. The fear associated with the pandemic is providing a constraint around the entire economy, while the stay-at-home order had only nominal impacts on economic activity.



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Ms. Camille Conaway added that the Payroll Protection Program (PPP) cliff is also likely to cause significant damage, with bankruptcies erupting, oil and gas companies suffering, restaurant closures, and other impacts.

Dr. Bustamante stated that policy also plays a very strong role in the recovery. The Bureau of Economic Analysis reports that incomes are increasing despite wages decreasing.

Dr. Reed asked Dr. Bustamante if there is any certainty around how many people will exhaust their relief without any additional federal support. Dr. Bustamante responded that the LWC, looking at both PUA claimants and state UI claimants, anticipates that over 400,000 individuals will potentially reach that cliff by July 31. This is a significant concern: more than 400,000 individuals, at a minimum, will be losing their income. That equates to hundreds of millions of dollars being lost for the state economy. For individuals, these are essential funds for rent and food; in the broader economy, consumption is lost, which creates a vicious cycle. As incomes decline, business activity declines; as business activity declines, employment opportunities decline, exacerbating individual income declines.

Dr. Bustamante added that optimism is needed to stabilize economic activity throughout the national economy. Specific policy initiatives can sustain economic activity and provide a lifeline to state and local economies at a moment of excessive vulnerability. In terms of volatility, there is no clear end to this pandemic, nor a way to mediate and manage it. We can stabilize our economy by promoting sustainable incomes in the absence of a vibrant labor market, as well as providing support for businesses during unforeseen levels of low economic activity and consumer spending. Broad economic losses will affect households, businesses, the broader economy, and revenues, and we must be prepared for the July 31 cliff. These issues should also be a clear focus for policy-makers.

Ms. Dejoie stated that following a conversation with the U.S. Department of Labor, it is highly likely that additional CARES Act funding will be made available, though amounts have yet to be determined. Discussions continue around targeting specific industries.

Dr. Bustamante continued, presenting *Louisiana Weekly Continued Claims Growth by Region (March 14 – June 13, 2020)*: We observed a decline in continued claims at the state level which permeated through many regions in various industries. These trends can easily be impacted by increasing cases of COVID-19, and many municipalities and regions across the state implemented safety policies and restrictions to create a level of stability in their markets.

Louisiana Weekly Continued Claims Growth by Industry (March 14 – June 13, 2020): Vulnerable Industries: Hospitality, accommodation and food services in particular have a difficult path to achieving pre-COVID-19 levels of activity. This is not likely to happen in the near future, as the pandemic continues to have disproportionate impacts on these industries. Unless these industries undergo some structural changes, they will remain vulnerable.

Louisiana Weekly Continued Claims Growth by Industry (March 14 – June 13, 2020): Resilient and Sensitive Industries: Some upticks have been observed in industries that are less directly impacted by the pandemic. Though the decline and negative impacts have affected these less vulnerable or more resilient industries, their ability to mitigate damage was much greater than those industries facing the



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direct impacts of the pandemic. Policies can create great stability in maintaining these businesses through the period of declined economic activity, and households will benefit from having a lifeline of supplemental income in the absence of higher employment levels.

Dr. Reed asked Dr. Bustamante and Ms. Dejoie if there is a way to project in detail the number of people who will go back to work, the number needing upskilling and reskilling in order to return to work, etc. Do we know who they are, their skill levels, and their education levels, to enable us to create an action agenda to support them? Ms. Dejoie indicated that there is no accurate or robust data set available. All indications point to people wishing to return to the industries from which they came. Dislocated worker disaster assistance is predicated on the assumption that affected workers will not be returning to the same occupation, and many people are not in a position to make informed decisions relative to specific employment pursuits while we are still in the midst of crisis. Many individuals would rather wait for stability than transition now to a new occupation.

Dr. Reed stated that we learned after Hurricane Katrina that the Stafford Act was not adequate for the size and scale of the disaster, and this crisis feels similar. We are trying to apply the tools we have to a massive disaster, so how do we collaborate to generate and implement a policy and action agenda at this moment that recognizes all of the nuance around what we are attempting to accomplish?

Ms. Dejoie stated that it is now time to evaluate infrastructure projects and investments in the country, such as service or work corps. This will allow people to return to work on projects that will serve as the public good. When the previous jobs return, people can transition with a focus on bringing business and industry back into the economy in both rural communities and small communities.

Dr. Sullivan stated that, given the recommendations to the RLC, we are projecting revenue and more, and wondered who had seen these numbers. The ranges are broad and predictions are difficult, but people who are making decisions today about local government, state government, private business, and other sectors need to see this information. What is our role in surfacing this information in an effort to shield people from such an impact? If rebuilding the economy is foundational to all of the goals that we have established, this information must be foundational to the Task Force work. There must be a fundamental understanding of what we are facing by decision-makers within government and business.

Ms. Dejoie responded that the LWC is sharing information with leadership in the legislature on a weekly basis, particularly in follow-up meetings related to the Unemployment Insurance Trust Fund (UITF), claims status, outgoing funds, and additional trends. The UITF is currently at \$565M and paying out at a rate of \$40-50M per week. If an employer reports that an employee has refused to return to work, then an adjudication process begins unless the employee has met provisions under the CARES Act. Following adjudication, the employee can be removed from benefits and not allowed to continue on a state unemployment insurance claim. An employee cannot refuse work on a state unemployment insurance claim, but can on a federal unemployment insurance claim. Adjudication claims have picked up significantly, and currently number approximately 25,000.

Dr. Sullivan echoed a previous question relative to the 300,000 claimants. Is it possible to obtain aggregate information, such as the education level and prior job history, related to that group? If data are available, could we market training programs to this group at a broad level? Certainly there are those



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who will not be interested in changing occupations, but for people willing to undertake additional training programs, it might be helpful to know what the interests are. Ms. Dejoie responded that this task should be simple and there are possibilities that can be discussed, such as blast emails and obtaining information from the Unemployment Insurance (UI) system. The LWC is currently facing the daunting task of eliminating unemployment compensation fraud and scam operations, but Ms. Dejoie will work with Dr. Sullivan and Dr. Reed on retrieving this information and developing a marketing strategy. Dr. Reed stated that this is a real opportunity to share training and education prospects with this particular group of individuals who are seeking jobs and provide them with safe opportunities to move forward.

Dr. Reed asked Dr. Bustamante to provide information to Task Force members who wish to participate in surveys and the updated Occupational Forecast. Dr. Bustamante stated that he will contact the Task Force members next week in an effort to gather stakeholder input. It is important to ask the right questions on the survey, in order to collect information that is pertinent and actionable for the labor market. More broadly, how are employers experiencing this this pandemic? What is the employer outlook? The survey will be finalized and sent out after July 4, 2020. Ms. Dejoie and Dr. Bustamante stated that Bureau of Labor Statistics (BLS) second quarter data will not be available until November 2020, and that BLS data will be used as benchmarks and in the decision-making process.

VI. GO GRANT 101: OVERVIEW WITH Q&A

Dr. Sujuan Boutte, Executive Director, LOSFA

Dr. Reed introduced Dr. Sujuan Boutte, Executive Director, Louisiana Office of Student Financial Assistance (LOSFA). Dr. Boutte began her presentation with a series of graphics.

1. What is the Purpose of the GO Grant?

- Purpose: The purpose of this program is to provide a need-based component to the state's financial aid plan to support non-traditional and low- to moderate-income students who need additional aid to afford the cost of attending college.
- How does a student apply for a GO Grant? Students must complete the Free Application for Federal Student Aid (FAFSA) for each year in which they intend to enroll in college.
- Who determines if a student qualifies for a GO Grant?? The financial aid office of the eligible participating institution is responsible for determining a student's eligibility based on their packaging policy.

2. Who is Eligible for a GO Grant?

To be eligible for Louisiana GO Grant, a student must:

- Be a Louisiana resident*;
- File a FAFSA;
- Receive a federal Pell Grant;
- Have remaining financial need after deducting the Estimated Family Contribution (EFC) and all federal/state/institutional grant or scholarship aid ("gift aid") from the student's Cost of Attendance (COA); and
- Be enrolled in an eligible Louisiana institution on at least a half-time basis (minimum 6 hours at semester school or 4 hours at a quarter school).



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To renew, a student must:

- File a FAFSA or the Renewal FAFSA at least annually;
- Continue to receive a federal Pell Grant; and
- Have remaining financial need after deducting the Estimated Family Contribution (EFC) and all federal/state/institutional grant or scholarship aid (“gift aid”) from the student’s Cost of Attendance (COA).

The Award can be renewed for subsequent years to a maximum lifetime award that correlates to that of the Federal Pell Grant.

*Residency: The student must be a Louisiana resident as of the day the FAFSA is filed and Louisiana must be the student’s true and fixed domicile as reported on the FAFSA. If student’s state of residence on the FAFSA is not reported as Louisiana, but a dependent student claims that a non-custodial parent is a Louisiana resident, or that parents are Louisiana residents living out of state, LOSFA will determine residency based on the completion, by the parents, of a residency affidavit.

3. What Amount of Funding is Needed for a GO Grant?

Dr. Boutte stated that this information is obtained by surveying the financial aid offices and asking them two questions: (1) How much money would your campus need to fund all of the students eligible in accordance with your packaging policy? Per the latest survey, that amount is over \$76M; and (2) Not considering the packaging policy, if you had enough GO Grant money to fund all students on your campus who are eligible for a GO Grant, and to give all students the maximum award of \$3,000, how much money would that be? The Louisiana Board of Regents allows campuses the flexibility to set their own packaging policies as long as they allow a preference for ensuring non-traditional students are served with GO Grants and the awards are applied consistently.

4. How are GO Grants Allocated?

Dr. Boutte stated that allocation is based on the historical expenditures of a campus, the appropriation received for the GO Grant, the amount of the fiscal year’s appropriation, and the institution’s share of the previous year’s appropriation. If the campus does not expend allocated funds, then other campuses in line identify more students who are eligible for GO Grants. Unexpended dollars are placed into a pool and allocated to campuses that did expend their money on time. Allocations are adjusted annually based on usage, so campuses that did not expend allocated funds will receive less, and the institutions that did will receive more.

5. Who Receives GO Grants?

According to the demographics, females utilize GO Grants 50% more than males. The ethnicity breakdown from highest to lowest is African-Americans, Caucasians, Hispanic/Latinos, and American Indians. The percentages based on age are 24 and under at 58.6% and 25 and over at 41.4%.

6. How are GO Grants Awarded?

Award amounts to eligible students are based on the institution’s allocation and packaging policy. Awards may vary with each academic year, and are not paid for summer sessions, quarters, or terms. The minimum annual award is \$300 and the maximum is \$3,000.



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7. **How Do We Connect Students to Careers?**

Connect2Success is LOSFA's newest outreach program, designed to increase postsecondary enrollment by exposing middle and high school students to the link between academic study and careers. In partnership with postsecondary institutions, the Connect2Success Initiative provides students with opportunities to job shadow, intern, career plan, and develop skills necessary for success in the classroom and the career of their choice. The program also expands credentialing opportunities and dual enrollment through supportive services such as mentoring, tutoring and college visits and increases experiential learning activities tied to business and industry visits.

Dr. Reed asked Dr. Boutte if there is information available on the kinds of professions or disciplines GO Grant students are pursuing. Dr. Boutte stated that we do not have this information currently; campuses would have to provide discipline data and LOSFA could confer with the GO Grant recipients to gain additional information. Dr. Reed added that the demographic information, indicating that 41.4% of GO Grant recipients are 25 and older students, leads the members of this Task Force to consider the startling number of 300,000 – 400,000 claimants who will potentially lose their unemployment compensation. It is important for this Task Force to be aware of grant opportunities for two-year and four-year education and training opportunities for these individuals. Marketing emails to and sharing connections with individuals who may need additional upskilling and reskilling to return to work are paramount. Dr. Boutte described LOSFA's current collaborative initiatives and offered to partner with the Task Force to market this information.

VII. **RLC PRESENTATION, NEXT STEPS, TIMELINES, AND EXPECTATIONS**

Dr. Kim Hunter Reed, Commissioner of Higher Education, BoR

Dr. Reed introduced Ms. Susana Schowen to provide an update on the presentation of the Task Force report and recommendations to the RLC on Friday, June 19, 2020. Ms. Schowen told the group that RLC members were very receptive to the report and that the presentation generated considerable engagement, commentary, and discussion. Final reports from all 15 Task Forces were submitted to the RLC and the Commissioners are evaluating the recommendations. Suggestions from the Task Forces may be elevated to the final report to be provided by the RLC. RLC members have not yet engaged with this Task Force to seek more specificity, but if they do make contact, members will be asked for thoughts and input. This final report, to be provided to Governor Edwards in early July 2020, will synthesize the work of the Task Forces. Individual Task Force reports will also be published with the final report as appendices, so the details will be available to any reader of the final RLC report.

VIII. **WRAP-UP, CLOSING REMARKS, AND ADJOURNMENT**

Dr. Reed asked Task Force members to provide reflections on the Task Force's charge, process, and commitments. In the coming months what would members like to see or do within their individual spheres of influence based on recommendations that have been presented and shared?

Ms. Doretha Bennett spoke in support of stronger partnerships between state and local regions, stronger communication, stronger focus on funding initiatives, and implementation of best practices for



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decision-making. Dr. Sullivan echoed Ms. Bennett's statements and thanked the Task Force for its superior work.

Ms. Angie White stated that a newly developed structure around Work Keys has become a commitment. She looks forward to continued work on short-term training and braiding funding to ramp up the coalition and thanked the Task Force for this opportunity.

Mr. Henry Heier stated that he looks forward to more conversations related to registered apprenticeships and thanked Dr. Reed, Ms. Dejoie, and the Task Force for the opportunity to participate.

Ms. Polito stated that she is thankful for the wealth of knowledge gained from the Task Force and expressed her commitment to elevating the voice of the childcare industry.

Dr. Reed revisited the previous presentation from the Federal Reserve Bank of Atlanta on the CLIFF tool, about which there will be further conversation with the Department of Children and Family Services (DCFS) to begin developing a Louisiana tool that allows us to understand how to use public benefits in decision-making and leveraging benefits to support completion and employment. As this conversation evolves, the Task Force will be informed.

Ms. Dejoie told the Task that she has been honored and humbled to have worked with the group and expressed her gratitude for members' service, time, diligence, and commitment. She looks forward to working with members on the long journey to recovery. She also recognized all of the staff that assisted in the efforts of the Task Force, including the Board of Regents team.

Dr. Reed closed with her gratitude to the Task Force for its active engagement, passion, thoughts, and ideas. She hoped that Task Force members will look deeply at the collective work and prioritize the items that must be implemented, and promised to keep members posted as work continues, updates become available, and the full RLC report is released. She expressed her belief that the state has a clear path forward with commitment to make good things happen for the citizens of Louisiana.

On motion of Mr. Bruce Busada, Dr. Reed adjourned the meeting at 1:50 p.m.