



New Jersey State Employment and Training Commission

Dennis M. Bone, *Chairman*

Philip D. Murphy, *Governor*

State Employment and Training Commission Meeting Minutes

April 18, 2019

10 am – 12 pm

NJ Law Center, New Brunswick, NJ

I. Welcome & Introductions

Chairman Dennis Bone called the meeting to order at 10:05 am and welcomed members and guests. He announced that, in accordance with the Open Public Meetings Act of 1978, notice of this meeting was submitted to the Trenton Times and Star Ledger and was posted on the SETC website. Roundtable introductions were conducted. The draft minutes of the March 21, 2019 meeting were introduced. Tapas Sen made a motion to approve the minutes. The motion was seconded by Senator Ron Rice. The minutes were unanimously approved by voice vote.

II. Chairman's Report

Chairman Bone reported that the NJ Assembly had approved legislation amending the membership composition of the SETC, in compliance with WIOA requirements for state workforce boards. Similar legislation was already passed in the NJ Senate; Chairman Bone thanked Senator Rice for his leadership on this effort. The next step will be reconciliation of the two bills, and then signature by the Governor.

Chairman Bone noted that construction in front of the NJ Department of Labor and Workforce Development (LWD) Building, at 1 John Fitch Plaza in Trenton, has necessitated changes to SETC council and committee meetings scheduled at that location. He thanked the NJ Department of Education and other partners for helping the SETC staff to secure alternate meeting sites.

Chairman Bone reviewed the meeting agenda. The US Department of Labor (USDOL) and US Department of Education (USDOE) have given some indications that new State Plans for WIOA will be due in March 2020. This will be a major effort for the Commission, LWD and all workforce partners; today's agenda includes a presentation from the LWD Office of Research and Information, highlighting labor market information that will be useful as we begin a new planning process. Also, USDOL has requested that information about Unemployment Insurance (UI) program activities and improvement measures be shared with the SETC; Greg Castellani will provide a presentation on this topic. Anyone wishing to use public comment time at the end of the meeting was asked to alert the Chairman to reserve time for this portion of the agenda.

III. Unemployment Insurance

UI Director Greg Castellani provided an overview of the Unemployment Insurance program efforts with a particular focus on payments to individuals and work search activities that are required of those individuals. USDOL has made these areas a priority for states, and is requesting action by all states to strengthen their performance. The presentation focused on New Jersey's efforts to reduce the

number of improper UI payments made to individuals. The 2018 national rate for improper payments was 12.8%; USDOL has set a goal to reduce the national rate to a 10% level. In 2018, New Jersey had a rate of 14.8% and ranked 13th across all states; 12 states had higher rates of improper payments. However, New Jersey ranked 4th in the dollar amount of improper payments, due in part to the higher weekly stipend paid here. New Jersey's 2018 improper payment rate (measured in dollars paid) was \$274, 170,738. USDOL has designated New Jersey as a "High Rate/High Impact" state.

The top three causes of improper payments are 1) work search errors, 2) benefit year earnings, and 3) base year wages. Mr. Castellani reviewed the actions that the UI team at LWD is taking to remedy these issues, including: an updated Work Search Policy; an updated UI website; and continued messaging to UI claimants. Employment and training staff are asked to help with this effort, by prompting workforce customers to communicate with UI staff, to ensure correct and timely reporting of work search efforts, as well as part-time work and return to work dates.

Senator Rice discussed the need to make work search efforts more flexible and inclusive for claimants who may not use the traditional means of finding work. Also, state and local staff should be cognizant of community needs. Maria Heidkamp noted that the Heldrich Center for Workforce Development is working on new web-based tools to help UI claimants navigate the online application process. LWD Deputy Commissioner Paul Yuen indicated that LWD is consulting with UI experts and working to align the process with the needs of claimants, as well as the current economy and work environment. The work search requirements are being updated internally, with the help of outside experts. LWD and USDOL agree that UI and workforce development efforts need to be more closely aligned across the wide array of workforce programs. Chairman Bone thanked Mr. Castellani for presenting this information and indicated that the SETC will ask for ongoing updates from the UI team at LWD.

IV. Local Workforce Development Board (WDB) Certification

SETC Deputy Executive Director Sheryl Hutchison provided the local WDB certification recommendations from the SETC Governance Committee. A summary report outlining the five (5) WDB areas recommended for certification was provided to members; this report included the overall challenges and good practices identified through the certification process.

The five (5) WDB areas recommended for certification are noted below. A vote was taken for each WDB certification; the motions and approval were recorded as follows:

1. **Camden County WDB:** Motion to approve made by Senator Rice; seconded by Sally Nadler. All in favor with no abstentions. Motion passed.
2. **Cumberland-Salem-Cape May WDB:** Motion to approve made by Senator Rice; seconded by Paul Yuen. All in favor with no abstentions. Motion passed.
3. **Middlesex County WDB:** Motion to approve made by Sally Nadler; seconded by Tapas Sen. All in favor with no abstentions. Motion passed.
4. **Morris-Sussex-Warren WDB:** Motion to approve made by Steve Hornik; seconded by Senator Rice. All in favor with John Franklin abstaining. Motion passed.
5. **Ocean County WDB:** Motion to approve made by Senator Rice; seconded by Catherine Milone. All in favor with no abstentions. Motion passed.

Chairman Bone recognized the local WDB chairpersons and their staff for their outstanding work in this important effort, and presented WDB Certificates to the five area representatives.

V. LWD Office of Research and Information

Lesley Hirsch, LWD Assistant Commissioner, Office of Research and Information (ORI), presented a New Jersey Economic Overview, which included background on the many roles of ORI, and strategic initiatives. Asst. Commissioner Hirsch presented data on monthly employment, employment growth and loss since 2009, with additional information by industry and in private sector employment in metropolitan areas of the state. Employment projections to 2026 were discussed, broken down by super sectors; the two top sectors for New Jersey are Education and Health Services, and Professional and Business Services. Breakdowns of Unemployment by Age and by Education revealed a positive correlation between more education and better employment and earnings outcomes. It was noted however, that additional education does not necessarily impact the length of time a person may be unemployed. Alternative measures of unemployment were presented: These include the U-6 measure, which includes all persons who want more work; however, the U-3 measure is the official unemployment rate, which does not include part-time or “discouraged” workers.

Members discussed the supply and demand pressures for skilled workers in New Jersey; including the impact of automation on low-skill or middle-skill jobs. Asst. Commissioner Hirsch noted that data suggests there is a decrease in skilled trades jobs without a Bachelor’s degree requirement. This could indicate that New Jersey has an oversupply of middle skill workers, and projections suggest that higher education levels will be needed in future. It was noted that ongoing education will be critical for job retention. Occupations requiring a high school diploma or less were highlighted; these are at greatest risk for automation. The top ten occupations requiring a bachelor’s degree or more include Registered Nurses; Application Developers; Business Operations Specialists; General Managers; Accountants and Auditors; Elementary/Secondary/Middle School Teachers and Substitute Teachers; and Lawyers.

Real-time labor market information and jobs in demand were included in the presentation; ORI also provides this information to local WDBs, for their use in planning and implementing effective workforce programs to meet local area needs. Senator Rice requested that ORI continue to provide this economic and labor market data to the SETC, and to make it readily available to the NJ Legislature as well. Asst. Commissioner Hirsch indicated this could be done immediately. Senator Rice noted the need for data about jobs being filled in Newark and Jersey City, and the demographics of the people who are obtaining these jobs. Maria Heidkamp noted that the Heldrich Center has prepared a data story on the City of Newark which may also be shared, when publicly available. Senator Rice also requested that LWD offer reports in public and transparent formats, so that citizens are aware of the jobs available and what LWD is doing to assist job seekers. Chairman Bone thanked Assistant Commissioner Hirsch for her insightful presentation.

VI. Coaching Community of Practice (CoP)

Maria Heidkamp and Michele Martin, Heldrich Center for Workforce Development, Rutgers University, presented the NJ Career Network initiative to create a Coaching Community of Practice (CoP) and Coaching Corps. The Heldrich Center is partnering with LWD to develop an updated online presence through the NJ Career Network. This aligns with Governor Murphy’s Economic Plan Priority #1: Investing in People. The goals include:

- Reinvigorate New Jersey’s public workforce system, including the creation of a NJ Career Network emphasizing career coaching and responsive services, both in person and virtually.
- Provide state-of-the-art digital tools, coaching, and training to help connect job seekers and employers and assist gig workers

- Create improved access to lifelong learning and career management opportunities

Ms. Heidkamp and Ms. Martin contrasted traditional case management approaches versus coaching approaches. A coach will take on the roles of a partner/facilitator and a catalyst for action to support the job seeker.

The Community of Practice has been launched; Ms. Heidkamp and Ms. Martin invited all to join, including the distinguished partners around the table. New webinars will be created through the foundation of the New Start Career Network, building on the efforts from the past few years. These activities are starting now, with dates scheduled in both May and June. A number of webinars and events will be recorded and available for later viewing. Members discussed the use of the NJ Career Network as a tool for workforce staff, providing training and professional development opportunities. Ms. Heidkamp noted that workforce customers also will be able to use the site to “build a plan” for their careers, and the site will help customers break such plans into actionable steps. Chairman Bone thanked Ms. Heidkamp and Ms. Martin for bringing this important information to the Commission.

VII. Public Comment and Adjournment

There were no public comments. The meeting was adjourned at 12:02 pm.

Next SETC Meeting

Tuesday, June 18, 2019 ~ 10 am – 12 pm
New Jersey Law Center, 1 Constitution Plaza, New Brunswick

ATTENDEES ~ April 18, 2019:

PRESENT MEMBERS and ALTERNATES

Bone, Dennis	Nadler, Sally
Drakeford, Shamira (for Duda)	Rice, Ronald
Ferrera, Anthony	Safrin, Michele (for Blake)
Franklin, John	Sen, Tapas
Griesinger, Jane (for Repollet)	Sommer, Dan (for Sullivan)
Hornik, Stephen	Thachik, Stefani (for Smith Ellis)
Keenan, Tim (for Johnson)	Wise, Robert
Milone, Catherine	Yuen, Paul (for Asaro-Angelo)

ABSENT MEMBERS

Brown, Kevin	Oliver, Sheila
Carey, Michael	Reisser, Clifford
Donnadio, John	Wade-Carter, Carolyn
Gacos, Nicholas	Wimberly, Benjie
Karsian, Andrea	Wowkanech, Charles

OTHER ATTENDEES

Armady, Elton	Lowery, Rhonda
Bocchieri, Mark	Martin, Michele
Brothers, Kevin	Molinelli, Tammy
Caramelo, JoAnne	Ochse, Maureen
Castellani, Greg	Rajput, Riaz
Fogler, Casey	Scalia, Donna
Griesinger, Jane	Simone, Sean
Hala, Joanne	Spinelli, Allison
Heidkamp, Maria	Swartz, Jeffrey
Hirsch, Lesley	Weil, Robert
Kennedy, John	Williams, Greg
Korn, Dennis	
Levandowski, Andrea	

SETC STAFF:

Gary Altman
JoAnn Brooks
Sheryl Hutchison
Kyree Robinson