



New Jersey State Employment and Training Commission

Dennis M. Bone, *Chairman*

Philip D. Murphy, *Governor*

State Employment and Training Commission Meeting Minutes

September 17, 2019

10 am – 12 pm

Rutgers Labor Education Center, New Brunswick, NJ

I. Welcome & Introductions

Chairman Dennis Bone called the meeting to order at 10:03 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 April 18, 2019 and June 18, 2019 meetings were presented. Anthony Ferrera made a motion to approve the minutes; the motion was seconded by Teri Duda. All members present voted in favor of approval; one additional vote in favor of approval was submitted via e-mail following the meeting. The motion was carried and the April and June 2019 meeting minutes were approved.

II. Chairman's Report

Chairman Bone reviewed the meeting agenda. 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.

Chairman Bone announced that new legislation had been signed by Governor Murphy to align SETC membership with the Workforce Innovation and Opportunity Act (WIOA) requirements for state workforce boards. New members will be recruited to bring the business membership of the Commission to a majority, or 51 percent, of the members. Chairman Bone expressed the Commission's appreciation for Senator Rice's tireless efforts to get this SETC legislation updated. SETC Acting Executive Director Gary Altman indicated that the exact number of new members will be determined based on the total number of members; the timeframe to complete the appointments and approval process will likely take a number of months.

Chairman Bone also reported on a recent Future of Work meeting, hosted at the Heldrich Center. The trends indicated that more rapid change will be the norm in the future world of work; the workforce system will need to be nimble to keep pace with this level of change. Work-based learning strategies are a strong model for this future of work, and apprenticeships have been shown to be a most effective work-based learning tool. The National Governors Association (NGA) hosted its workforce summit in August 2019 in Colorado Springs; it focused on viewing workforce in a more holistic way, rather than simply skills development.

III. UI Performance Update

Greg Castellani, Director of Unemployment Insurance (UI), NJ Department of Labor and Workforce Development (NJDOL), provided a PowerPoint presentation outlining the status of improper payments to UI customers in New Jersey. Improper payments (IPs) are any that should not have been

made, or an incorrect amount paid, which may be either under or over the correct amount. For calendar year 2018, New Jersey's incorrect payment rate was 14.8 percent; the overall national rate was 12.8 percent. The US Department of Labor's goal is to have the national rate below 10%.

New Jersey's IP rates for 2019 varied by quarter: Quarter 1 was 8.3 percent, driven by work search issues and earnings/wages calculations; Quarter 2 was 12.5%, driven by wages/earning calculations and separation issues. The work search issue was lower in the second quarter. This is good progress but New Jersey will need additional positive quarters of results to lower its overall IP rate. Mr. Castellani noted that client follow-up and reporting of earnings are challenges. NJDOL does conduct cross-checks of wage earnings, and from these checks is able to find earnings discrepancies, however this occurs after unemployment insurance (UI) payments have been made. NJDOL encourages UI customers to be honest and to avoid the fines and penalties that may be assessed for improper filings/payments.

Mr. Castellani discussed base period wages; New Jersey is the only state that requires this calculation. It is required under state law. It is a challenge for some customers to accurately calculate their base period wages when filing for UI. This often results in under-payments to UI customers, and contributes to the higher rate of improper payments for our state.

NJDOL is addressing the improper payments issue in three ways:

- Update Work Search Policy
- Update the Unemployment Insurance Website
- Continue messaging to claimants

The modification of the NJDOL-UI work search policy was included in the PowerPoint presentation. The UI website has been newly-launched at www.myunemployment.nj.gov and SETC members were asked to provide feedback to NJDOL about the site. The NJDOL messaging to customers includes using email communications and asking them to keep their own log of their work search activities.

Members discussed the potential for tracking by industry sectors; the current data captured for UI includes claimant demographics but is not aggregated by industry. Mr. Castellani noted that there may be a lack of incentive for employers to report UI claims more accurately, because once the maximum award amount is reached (i.e., over 100 claimants filed) the employer will pay the same amount into the system. There is no benefit to updating or correcting the claimant counts beyond that point. NJDOL Deputy Commissioner Paul Yuen reported that this was a topic discussed at a recent National Association of State Workforce Agencies (NASWA) conference in Boston; many states would like the large, national companies to help state workforce agencies to improve this UI information, but they need more financial incentives to make this a priority. A number of states are asking USDOL to help with this effort. DC Yuen also noted that labor market information provides rough monthly estimates of UI claims and new jobs, but that the annual reports are adjusted for fluctuations, and are a better benchmark for gauging unemployment across industries.

Chairman Bone closed the discussion by thanking Mr. Castellani for bringing this information to the SETC; the Commission looks forward to future updates on the progress of this initiative.

IV. Heldrich Study: The Role of Libraries in Workforce Development

Stephanie Holcomb, Research Project Coordinator, Heldrich Center for Workforce Development and Andrea Levandowski, Library Consultant, NJ State Library, presented the newly-released Heldrich report that examines the role of libraries in the workforce system. The report gauges current and projected demand for career services, and the ability of public libraries to provide services in the

community. These could include classes, online job search support, resume and job application assistance, and literacy programs and test preparation.

The report found that library partners have many strengths to support the provision of career services. Libraries are flexible and can respond to community needs; they are convenient locations that are known to many residents; many libraries have longer operating hours and offer computers, internet access and meeting space to customers. Challenges include funding, staff time and training, and community awareness of services available at the libraries. In addition, required data collection and partnerships with many existing workforce organizations can be daunting.

Ms. Levandowski discussed the role of New Jersey libraries in workforce development, highlighting the state library system and the engagement of local libraries with Career Connections grants through the NJDOL to institute uniform career guidance and job search assistance to customers. Similarly, adult literacy programs were also developed at local libraries in a multi-year partnership between NJDOL and the NJ State Library. In addition, a two-year grant was provided by the Institute of Museum and Library Services to provide public libraries with a model to serve returning citizens; grant partners include the NJ State Library, the NJ State Parole Board, NJDOL, the Long Branch Public Library and the Free Library of Philadelphia. The project positions libraries as extensions of services to help returning citizens find jobs, acquire stable housing, and complete other essential tasks.

The report concludes with a number of “next step questions” regarding potential funding streams, partnerships, communication with the public, staff training and data collection. SETC members discussed municipal partnerships to support strong career services to communities; the possible need to change the physical structure and the customer perception of library services; and the many partners around the table who could support libraries in this role.

Chairman Bone thanked Ms. Holcomb and Ms. Levandowski for their timely and informative presentation. He indicated that the Commission will be pleased to follow up on this topic at future meetings, or through a task force, to engender more ideas about workforce system partnerships with libraries.

V. Public Comment and Adjournment

Chairman Bone invited comments from the public. Allison Spinelli, GSETA President, announced that the GSETA annual conference will be held at Bally’s in Atlantic City on October 2-3, and encouraged all partners to attend. Bernard Treml, State Director, USDOL Office of Apprenticeship, announced National Apprenticeship Week will be celebrated from November 11-17, and asked partners to register their apprenticeship events on the USDOL website; more than 40 events around New Jersey were featured in last year’s apprenticeship week. Anthony Ferrera requested an update on Industry Partnerships from NJDOL, and the NJ Career Network, at a future meeting, this request was supported by other members.

The meeting was adjourned at 11:40 am.

Next SETC Meeting

Tuesday, November 19, 2019 ~ 10 am – 12 pm
New Jersey Law Center, 1 Constitution Plaza, New Brunswick

ATTENDEES ~ September 17, 2019:

PRESENT MEMBERS and ALTERNATES

Bone, Dennis	Hilliard, Tom (for Smith Ellis)
Brown, Kevin	Nadler, Sally
Brown, Melissa (for Johnson, C.)	Safrin, Michele (for Blake)
Butler, Kate (for Oliver)	Sommer, Daniel (for Sullivan)
Duda, Teri	Wise, Robert
Ferrera, Anthony	Yuen, Paul (for Asaro-Angelo)
Franklin, John	
Eno, Linda (for Repollet) <i>*email vote submitted</i>	

ABSENT MEMBERS

Carey, Michael	Reisser, Clifford
Donnadio, John	Rice, Ronald
Gacos, Nicholas	Sen, Tapas
Hornik, Stephen	Wade, Carolyn Carter
Karsian, Andrea	Wimberly, Benjie
Milone, Catherine	Wowkanech, Charles

OTHER ATTENDEES

Addison-Britt, Sandra	Levandowski, Andrea
Armstrong, Jane	Moody, Melissa
Bonanno, Lisa	Ochse, Maureen
Calemba, Jamie	Odeneye, Jobi
Castellani, Greg	Rodriguez, Juan
Custard, Donna	Sabater, Julio
Drakeford, Shamira	Scalia, Donna
Gatling-Davis, Shamara	Seavers, Diane
Gerson, Amanda	Spinelli, Allison
Hala, Joanne	Swartz, Jeffrey
Holcomb, Stephanie	Thurman, DaVetta
Howard, Donald	Treml, Bernie

SETC STAFF:

Gary Altman
JoAnn Brooks
Sheryl Hutchison