

House Jobs Bill Talking Points:

Dislocated Worker Program

We are pleased to see an increase in the bottom line in the Workforce Development Fund. The Dislocated Worker Program served the largest number individuals in program history in SFY 2010, and many WorkForce Centers still have waiting lists for Dislocated Worker services; we appreciate the support of the committee for this program.

Minnesota Youth Program

We are concerned that the Minnesota Youth Program is included in the competitive grant process outlined in the bill, beginning in SFY2013.

- The Legislative Auditor's Office (OLA) did not include the Minnesota Youth Program in the list of pass-through grants that may benefit from the additional oversight that a competitive process may provide.
- DEED regularly monitors the Minnesota Youth Program and there are specific outcomes that must be achieved by each provider.
- The program dollars are distributed by a formula that directs funding based on need in all of Minnesota's 87 Counties. This ensures that disadvantaged youth from all counties of the state are served.
- Local Workforce Investment Boards, appointed by Local Elected Officials and made up private industry representatives, direct the resources to address the greatest needs in their communities. Local boards can and do implement a competitive process at the local level with the dollars they receive.
- The local boards have Youth Advisory Councils which assist them with determining how programs are administered. This process ensures strong community input with program design and delivery. Turning this function over to a State Board which is not focused on youth, would jeopardize the quality of the program.
- Youth services are designed to provide youth with long term interventions that often cross multiple years. Continuity in services is essential in building relationship with youth and key professional in the community. This integrated service model is focused on reducing barriers, building self-esteem, gaining workplace competencies, and promoting education completion. The competitive grant process would negatively impact this effective local model.
- Minnesota Youth Program services are integrated with other funds in the local area such as Workforce Investment Act and Department of Human Services. A competitive grant process could seriously jeopardize local areas ability to maximize these resources.

We are concerned about the proposed 30% cut to the Minnesota Youth Program in SFY2012.

- The current economic recession has dramatically impacted employment for youth. The unemployment rate for all youth in Minnesota is 21%, the highest rate recorded since World War II era and double that for youth from communities of color. Disadvantaged at-risk youth are experiencing even higher unemployment rates.

- The Minnesota Youth Program provides employment and training services to youth in all 87 counties: 100% of the participants receive work safety training.
- MYP engages an extremely disadvantaged group of young men and women. MYP participants have multiple challenges in addition to being poor. Over 35% of MYP participants are youth from communities of color and over 40% come from families on public assistance.
- Minnesota Youth Program participants, ages 14 to 21, who are lacking in both academic and applied skills, have the opportunity to develop experience critical for current and future workplace needs.
- These participants receive immediate direct benefit from their earnings in work experience. MYP provides structured, well-supervised work experience, educational opportunities and life skills training that establishes good work habits and provides specific job skills.
- Research has shown that the number one predictor of future success in the workforce is early exposure to work experience. Early work experience, jobs and access to critical education supports and services shapes the performance and wage earnings ability for youth well into the future.
- This program positively impacts local economies and benefits local employers who serve as mentors to disadvantaged youth.
- The Return on Investment is \$4.25 returned for every \$1 invested.