

MINUTES OF THE APRIL 29, 2024,
MEETING OF THE
JOINT INTERIM STANDING COMMITTEE ON REVENUE

Chair Shea Backus called a meeting of the Joint Interim Standing Committee on Revenue to order at 9:06 a.m. on April 29, 2024, in Room 4401 of the Grant Sawyer Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Shea Backus, Chair
Senator Dina Neal, Vice Chair
Senator Fabian Doñate
Senator Heidi Seevers Gansert
Assemblywoman Venicia Considine
Assemblyman Gregory T. Hafen, II
Assemblyman David Orentlicher
Assemblyman Toby Yurek

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Michael Nakamoto, Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division
Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division
Christian Thauer, Deputy Fiscal Analyst, Fiscal Analysis Division
Hayley Owens, Economist, Fiscal Analysis Division
Joe Steigmeyer, Senior Deputy Legislative Counsel, Legal Division
Bryan Fernley, Chief Deputy Legislative Counsel, Legal Division
Maria Montes, Committee Secretary, Fiscal Analysis Division

EXHIBITS:

[Exhibit A:](#) Meeting Packet
[Exhibit B:](#) Agenda Item V—Nevadaworks presentation
[Exhibit C:](#) Agenda Item V—College of Southern Nevada (CSN) presentation
[Exhibit D:](#) Public Comment—Andrea Gregg, High Sierra Area Health Education Center (AHEC)

I. ROLL CALL.

MARIA MONTES (Committee Secretary, Fiscal Analysis Division, Legislative Counsel Bureau [LCB]) called the roll. All the members were present. Senator Neal joined the meeting in progress.

II. OPENING REMARKS.

CHAIR BACKUS made housekeeping remarks.

III. PUBLIC COMMENT.

There was no public comment.

IV. APPROVAL OF THE MINUTES OF THE JANUARY 23, 2024, MEETING.

ASSEMBLYMAN YUREK MOVED TO APPROVE THE MINUTES OF THE JANUARY 23, 2024, MEETING.

ASSEMBLYWOMAN CONSIDINE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY WITH THE MEMBERS PRESENT. (Senator Neal was not present for the vote.)

V. OVERVIEW AND DISCUSSION OF WORKFORCE DEVELOPMENT PROGRAMS IN THE STATE OF NEVADA.

CHAIR BACKUS:

Agenda Item V is an overview and discussion of workforce development programs in Nevada. First, the Committee will hear about Workforce Connections.

JAIME CRUZ (Executive Director, Workforce Connections):

The staff listed on page 52 ([Exhibit A](#)) are all present today in case the Committee has any questions. The Committee asked Workforce Connections to provide an overview of workforce development programs offered and to specify whether the programs are designed or targeted for certain individuals and occupations. Usually, the public workforce system across the nation is called the “one-stop delivery system” and it is funded in its majority by the Workforce Innovation and Opportunity Act (WIOA). Through WIOA, the federal government has funded programs for decades.

The diagram on page 53 ([Exhibit A](#)) shows the 17 buckets of federal funding. In Nevada, the two local workforce development boards administer 1 of the 17 buckets called the Title I (Adult, Dislocated Worker, and Youth) program. Later, I will talk about what percentage of the system that program represents. There are two high-level tasks local workforce development boards are assigned to do in WIOA: (1) convene the ecosystem in American Job Centers and each of the local areas or regions, and (2) directly administer the Title I (Adult, Dislocated Worker, and Youth) program.

The Title I program is targeted towards people who are 18 years of age or older who face barriers to employment, such as adults who are disabled, low income, underemployed, unemployed, veterans, or require public assistance. The program also helps dislocated workers who are 18 years of age or older who have lost their jobs due to circumstances beyond their control, such as layoffs or plant closures. Lastly, the program helps two categories of youth. The first group is in-school youth, ages 14 through 21, who attend school but may be at risk of dropping out or facing other challenges that hinder their educational progress and future employment opportunities. The second group is

out-of-school youth, ages 16 through 24, who are not currently attending school and face barriers to education and/or employment such as youth who are disabled, fostered, homeless, low income, lack a high school diploma or equivalent, or are involved with the juvenile justice system.

The Title I program is the only formula funding that Workforce Connections expects to receive every year. It is calculated based on a complex federal formula whose biggest variables are the population and level of unemployment in the region. Therefore, the higher the population or the unemployment rate, the more funds the region receives. All funding comes from the same pot that gets rebalanced across the nation depending on that formula.

ASSEMBLYMAN ORENTLICHER:

For the first category of adults who face barriers to employment, you mentioned barriers such as being low income, underemployed, unemployed, or veterans. If an adult is unemployed, is that sufficient or do they need to have some of the other barriers mentioned?

MR. CRUZ:

If an adult is just unemployed, they qualify for the program. The program is targeted to prioritize and service high barriers to unemployment. In reviewing the program, the majority of participants are people who need significant help. They do not simply require a connection to an employer, but they need help with resume writing, child care, transportation, and other barriers. The reason “underemployed” is mentioned as a barrier is because sometimes a person might work minimum wage but cannot support their family. Those people qualify as well.

Workforce Connections was also asked by the Committee to provide specific information on the number of careers or jobs that have been obtained and the length of employment and wages paid for these individuals. Workforce Connections looks at employment numbers in the second and fourth quarters after exit, which is 6 and 12 months after exit. One must let that period “expire” before there can be full reporting, which requires at least 6 months. Therefore, the information reflected on page 54 ([Exhibit A](#)) is from January 1, 2021, through September 30, 2023. For adult and dislocated workers, roughly 4,500 people made the second employment quarter mark and about 4,400 people made the fourth employment quarter mark. The quarterly earnings were \$8,766. Rounding that up to \$9,000 and multiplying by four quarters equals \$36,000 a year. Keep in mind that these people were not working before or were severely underemployed.

For adults and dislocated workers, the goal is to help them gain employment so they can be independent, support their families, and get off taxpayer subsidy programs such as subsidized housing, Temporary Assistance for Needy Families (TANF), unemployment benefits, and welfare benefits. However, for youth, the goal is not only to help them obtain employment but to enter other types of postsecondary activities such as apprenticeships, community college, military training, university, or vocational training. For youth,

924 people made the second quarter employment mark and 954 people made the fourth quarter employment mark. Sometimes it takes longer for somebody to become employed. Even though they are trying and actively interviewing, they are not always successful. They might find a job but lose it shortly after because of the barriers. Eventually, after a few months of persistence, they manage to obtain and hold a job. That is why those numbers go up sometimes.

The Committee asked Workforce Connections to provide specific information for the wages paid and duration of employment for jobs secured by people within underserved communities, including, but not limited to veterans. The chart on page 55 ([Exhibit A](#)) shows that information for the following categories: African American/Black, American Indian/Alaskan Native, Asian, Hawaiian/Other Pacific Islander, Hispanic, Female, and Veteran. That is the same information required of Workforce Connections by the United States Department of Labor (DOL) for the second quarter, fourth quarter, and quarterly earnings.

The chart on page 56 ([Exhibit A](#)) shows the same information for those same categories for the youth populations.

The Workforce Connections system is also graded by the attainment of credentials or measurable skill gains (MSG). The dashboard on page 57 ([Exhibit A](#)) was created to better explain the system, as it can be complicated and lengthy. It is available to the public on the Workforce Connections' website, nwworkforceconnections.org/community-investment-impact. It was created because local elected officials wanted a simple explanation of the efficacy of the system. After a person with high barriers to employment experiences numerous trials and errors, how do they grade the efficacy of a system? The dashboard provides the last four years of Workforce Connections' funding. Again, this does not yet reflect the information from last year, as it is not yet available. With that in mind, the total investment over the last six years is roughly \$78 million. About 13,000 people were enrolled in the WIOA Title I program and, of those, 58% were employed in the second quarter after completing the program and 46% were employed in the fourth quarter after completing the program. The estimated yearly wages for those individuals based on quarterly wage data are about \$173 million, which compared to the investment equals a return on investment (ROI) of 5.4 months.

To provide a better picture, page 58 ([Exhibit A](#)) shows the data for program years 2020, 2021, and 2022. It does not include the information for the program years 2023 and 2024. The percentage of individuals employed in the second and fourth quarters increased from 58% and 46%, respectively, in the previous slide to 72% for both quarters in this slide. Of course, that makes the ROI grow as well. It is important to remember that this system lags, so a more complete picture is available when looking two years back as opposed to current information because it picks up all the individuals who have already been through the second and fourth quarter measures and leaves out a lot of the people who are still working through the system.

IRENE BUSTAMANTE ADAMS (Deputy Director and Chief Strategy Officer, Workforce Connections):

I would like to note that the dashboard allows legislators to look up the data for their specific district and see how this program is making a difference in their community. One can see how much is going toward on-the-job training, removing barriers, and putting people back into an annualized wage career. This dashboard is public information, and it is an awesome transparency tool that the Workforce Connections team has worked hard to develop. Currently, the dashboard only shows data for Southern Nevada because Workforce Connections is the Southern Nevada workforce development board, but it is helping Northern Nevada work on its dashboard.

MR. CRUZ:

The data from the dashboard can be customized by clicking the button on the top right corner that says, "More." That allows you to filter the data by area, barrier, demographics, locations, and more. It can also be filtered by program year, county, commissioner, city, and council person.

Workforce Connections was also asked by the Committee to provide an overview of the 17 buckets of federal funding available for workforce development. As a local workforce development board, Workforce Connections is not in charge of nor has the knowledge of that funding from year to year. Five years ago, the Office of Workforce Innovation (OWINN) created the matrix on page 59 ([Exhibit A](#)) to describe the location of the buckets. The 17 different funding streams are placed in five categories. The first category is local workforce development boards, Nevadaworks and Workforce Connections, which receive 20% of the WIOA Title I (Adult, Dislocated Worker, and Youth) funding. The other three categories are state agencies with multiple programs underneath them, and the last category is direct grants that go directly from the DOL and others to grantees locally.

Over the last decade, Workforce Connections has roughly received between \$20 million and \$25 million annually of WIOA Title I (Adult, Dislocated Worker, and Youth) funds depending on whether it was a COVID-19 year or a recession year. Besides those annually allocated formula funds, Workforce Connections receives other types of funds, but they are not automatic. Workforce Connections either applies for grants or it is awarded funds by county, city, and state agencies.

Workforce Connections was also asked by the Committee about its role regarding the governance of workforce plans and strategies. Workforce Connections is governed by the elected officials on page 60 ([Exhibit A](#)) representing the counties and cities it serves. There are four county commissioners from Clark, Esmeralda, Lincoln, and Nye Counties and four members of the city councils for Boulder City, Henderson, Las Vegas, and North Las Vegas. They have two main tasks, the first of which is to represent the municipalities and jurisdictions that are responsible for those funds. If something were to happen or were to be misspent, it is these counties and cities that would be accountable to the DOL for returning those funds. Second, they must appoint members of the local workforce board for Southern Nevada, shown on page 61 ([Exhibit A](#)). It is prescribed in federal legislation that at least 51% of the members must be business leaders and there are specific seats for economic development, higher education, K-12 education, and labor.

Every four years, the local boards have an open competitive procurement process to staff the American Job Centers in local areas, shown on page 62 ([Exhibit A](#)). These successful organizations are awarded contracts to provide staff in the American Job Centers funded by Title I. The idea is for them to work alongside staff from Title II, Title III, and Title IV programs to provide a one-stop delivery system for the public to access these resources. Every four years, local boards are required to develop a strategy, or a four-year local plan, that aligns with the four-year local plan set by the Governor's Workforce Development Board (GWDB).

The Committee asked Workforce Connections to provide the performance metrics that are used to determine the performance success for these entities as well as who establishes the metrics and the basis for those metrics. This dives into the DOL's WIOA performance indicators and measures, which are listed on page 63 ([Exhibit A](#)). For each of the adult, dislocated workers, and youth programs, five indicators are listed, which are: (1) employment rate second quarter after exit, (2) employment rate fourth quarter after exit, (3) median earnings second quarter after exit, (4) credential attainment rate, and (5) MSGs. These performance indicators are also common for the "core partners," which are Title II, Title III, and Title IV.

How does Workforce Connections ensure that there is a bottom-up strategy for the community or populations it serves? On the Workforce Connections website, it is evident the entity is successfully reaching its community and population. For example, the African American community is roughly 10% of the Southern Nevada population but African Americans make up about 40% of Workforce Connections' participants. It is the same situation with the Hispanic community. That is because Workforce Connections has embedded access to its services closer to where those communities are located, such as libraries or chambers of commerce in Boulder City, Henderson, Las Vegas, and North Las Vegas to approach small businesses. WIOA requires priority of service. There are people that have multilayered socioeconomic barriers to employment, and they require not just a one-on-one eligibility verification, but an assessment of barriers and career coaching that can last months to be able to move them from dependency to self-sufficiency.

RICARDO VILLALOBOS (Ph.D., Chief Programs Officer, Workforce Connections):

As noted on page 64 ([Exhibit A](#)), there are 42,500 disconnected youth in Clark County. Disconnected youth are between the ages of 16 and 24 that are neither working nor in school. Workforce Connections has convened a coalition of over 25 partners to help address this need in Southern Nevada. As mentioned by Mr. Cruz, with the WIOA Title I youth program funds, Workforce Connections serves about 1,000 youth at the most per year; therefore, this effort is barely scratching the surface. Partners in the community such as the City of Las Vegas, Clark County School District (CCSD), CSN, iFoster, juvenile system, Las Vegas-Clark County Library District, Southern Nevada Regional Housing Authority, and the welfare system, among others have come together to help solve the issue of disconnected youth.

Regarding a bottom-up strategy, instead of assuming what disconnected youth need, the initiative has asked them what they need. The initiative has launched multiple listening sessions with a variety of different groups of youth such as foster youth; high school students that are at-risk of not graduating; homeless youth; juveniles; and lesbian, gay, bisexual, transgender, queer or questioning youth to get a variety of perspectives. The initiative is listening to what they really need so that it can develop interventions and program models to address those needs.

Pages 65 through 68 ([Exhibit A](#)) are an example of the initiative listening to the youth. The initiative received feedback from about 300 youth and established the tagline, “Next stop: your career!” The youth also emphasized the importance of having diversity in the campaign visual messaging. Workforce Connections has worked with the Regional Transportation Commission to market the EmployNV Youth Hub on its buses and bus shelters to reach those populations.

MR. CRUZ:

As far as the level of cooperation or collaboration that Workforce Connections has with other boards and agencies, over the last few years, Nevadaworks and Workforce Connections along with the Department of Employment, Training and Rehabilitation (DETR) have reached levels of collaboration I have never seen. While much progress has been made, there is still plenty of opportunity for improvement. Workforce Connections has also made progress on collaboration levels with other state agencies such as the Department of Health and Human Services (DHHS) and the Nevada Department of Education (NDE) which also administer the federal funding streams that were mentioned earlier. There is also a high level of collaboration with other state agencies such as the Governor’s Office of Economic Development (GOED); the Department of Corrections; Office of Science, Innovation, and Technology (OSIT); and OWINN. Lastly, Workforce Connections enjoys a high-level collaboration with local chambers of commerce, counties and cities, K-12 and postsecondary education systems, libraries, and regional development agencies.

While all that is easy to say, the proof is in the results. Southern Nevada’s industry sector partnerships (ISPs), shown on page 69 ([Exhibit A](#)), are an example of successful collaboration within this region. Workforce Connections’ Comprehensive Economic Development Strategy identifies seven growth target industries. Like the disconnected youth initiative, the ISPs are successful because of the 25 partners assisting Workforce Connections. There is an ecosystem of partners working together to help connect with employers. Because of that, there are now 200 employers robustly engaged in ISPs.

The collaboration between Workforce Connections and higher education helps align the education and training programs with the needs of the local labor market. This ensures that individuals acquire the skills and knowledge that are required by employers. This collaboration includes career pathways development, labor market information sharing, program alignment on the eligible training provider list, work-based learning opportunities, etc. For example, the collaboration with CSN’s Division of Workforce and Economic Development (DWED), which includes leveraging WIOA resources for trainings in the CSN; the University of Nevada, Las Vegas (UNLV); and the Public Education Foundation. Workforce Connections has also leveraged Incumbent Worker Training (IWT) funds to help paraprofessionals that are in the CCSD enter the teacher workforce pipeline.

In addition to these regional ISPs, Workforce Connections also partners with regional development authorities, such as the Las Vegas Global Economic Alliance (LVGEA), and local chambers of commerce. Together with Workforce Connections, GOED, and other business partners, the LVGEA publishes the *Workforce Blueprint*, which is a regional workforce document that helps measure the gap between the supply and demand of Southern Nevada's labor market. The blueprint is in its third edition. Workforce Connections also has a unique partnership with the LVGEA and the Las Vegas Chamber of Commerce because they host members of the American Job Centers' staff in their offices, allowing Workforce Connections a more direct connection to the businesses and ensuring those businesses can access the resources in the American Job Centers. It is these regional ISPs that provide the platform for employers to work with Workforce Connections and its higher education partners.

Workforce Connections was also asked by the Committee whether the programs it offers meet the expectations regarding job growth in certain sectors or whether the programs are tailored towards anticipated vacancies within certain occupations, such as those occurring because of retirement. In 2023, approximately 80% of the trainings focused on occupations that support Southern Nevada's seven growth target industry sectors that are identified in Workforce Connections' economic development strategy. In addition, participants from WIOA Title I programs are being hired by local employers. That data can be seen in the dashboard. Further, DETR collects all that data for the state as well. There are 200 employers with robust engagement in the regional sector partnerships that are providing that type of feedback to ensure that—whether participants are graduating high school, community college, vocational programs, or four-year universities—participants graduate with the skills that local employers are seeking.

Next, I will discuss the alignment that exists between Workforce Connections and high schools and the successes and barriers. Through the regional ISPs, there has now been better engagement between the industry and the classroom. For example, in high schools there are quarterly student showcase events where employers get to meet and recruit future graduates for internships and jobs. In middle schools, employers interact with classrooms online to better expose youth to their industries and in-demand occupations. In elementary schools, the CCSD helped translate the *Workforce Blueprint* into activity books that are relevant for elementary school kids. Elementary school kids and their families, teachers, and principals can obtain labor market information that is up to date but at a level that is relevant to the age of the students. It is said that it is more important that career exploration start earlier because young children are bombarded with information at a younger age. This is something that Workforce Connections has done because employers want to plant the seed earlier and have a robust connection, not just during high school, but also during elementary and middle school.

Another note about Workforce Connections' relationship with the CCSD has to do with the Workforce Fellowship Program. In this program, high school counselors are immersed in the workforce development ecosystem that I have described. That way, counselors can learn how the resources in that system can provide employment and training services to youth and their families. Workforce Connections has a location in the most recent school to be built in Southern Nevada at the site of the old Bishop Gorman

High School. In that family resource center, there is access to the American Jobs Center resources. There are 24 high schools with approximately 32 high school counselors participating in the program. In addition to CCSD counselors, the recent cohorts have also had representatives from Jobs for Nevada's Graduates and Communities In Schools. Further, WIOA coaches are also placed at a few select high schools to provide access to WIOA Title I youth services to students and their families.

There are also noteworthy investments made thanks to Workforce Connections' partners in the state. DETR passed down \$250,000 for Workforce Connections to invest in CCSD academic centers, formerly known as behavioral centers. Those centers are the last stop for some young people. If they do not make it there, the next step is a little harder because they go into detention facilities, so it is important that Workforce Connections offers them as much opportunity as possible to engage with the workforce. The \$250,000 allowed Workforce Connections to start information technology and culinary vocational training programs for high school students. Again, that does not come from the WIOA Title I money that Workforce Connections receives by formula; it is extra funding that comes from state agencies.

Finally, Workforce Connections just moved a green classroom that was built years ago through a federal grant. It was located in the Spring Mountain Youth Camp and has now been moved to the newest school called the Northeast Career and Technical Academy. The green classroom is still on wheels even though the truck is no longer registered. The classroom still has a lot of value as students can learn about alternative energy technologies like solar and wind.

Regarding barriers, I would say that sometimes they are created without the intent of being a barrier. Prior to the 82nd (2023) Legislative Session, if an employer wanted to have an intern from the CCSD at their place of work, they would have to run a background check on all their employees. While that may not be much of a problem for a company of 5 or 10 people, for a company of 100 people, that starts to matter. That issue was resolved during the most recent legislative session, and it cleared that hurdle to increasing internships in the business community. Contractual and legal requirements can also be barriers to government agencies being responsive in a nimble way.

The Legislature and Assembly Bill 354 of the 79th (2017) Legislative Session required DETR to compile certain information relating to the unemployment rate of residents of Nevada, organized by county and disaggregated by demographics information, including, without limitation, age, race, and gender. The bill additionally required agencies providing workforce development services to coordinate efforts and resources to reduce the unemployment rate for certain demographic groups contained in this report under specific circumstances. The Committee asked Workforce Connections to discuss how it uses this report to guide its work. In the Workforce Connections strategic plan, the board clearly identified alternative labor pools as part of the strategic direction in addressing the growing needs of employers. Unfortunately, there is not a magic wand to produce the workforce that is needed. There are approximately 60,000 to 80,000 positions open in the Las Vegas Valley at any time and there are nowhere near the number of workers that are needed to fill those positions.

Workforce Connections is working hard on programs. As noted earlier, the Department of Corrections is one of Workforce Connections' partners. A new Vocational Village is being implemented at the Southern Desert Correctional Center, which will identify inmates 18 months before release and put them through programs to ensure they are job-ready at release. Workforce Connections is also working closely with the K-12 system because every May, there are 30,000 graduates that come out of that system. The demographic data for Workforce Connections programs demonstrates that Workforce Connections is successfully targeting those target populations identified in A.B. 354. This is in part because the American Job Centers are located in close proximity to those target populations.

The Committee also asked Workforce Connections to share examples of success stories of individuals or firms that have specifically benefited by training cohorts or pipeline development. Page 57 ([Exhibit A](#)) displays roughly 13,000 success stories of over the last four years, which is a lot of people. For example, there was a young couple a few months ago that came to Workforce Connections. The woman was 19 years old with a 10-month-old son. She was able to go through Workforce Connections' programs and find employment. Later, her husband also joined the program and is now in electrical training to be able to improve his career.

MS. BUSTAMANTE-ADAMS:

The presentation includes this success story (page 70, [Exhibit A](#)) but there are thousands of success stories. Workforce Connections' specialty is to remove barriers and place people into sustainable careers with annualized wages to produce taxpayers. The 19-year-old woman was a go-getter and single mother who did not have a future. She came to Workforce Connections because she was passionate about going into the health care industry. Workforce Connections paid for her to receive some training and she passed her exams. Her fiancé also benefited from Workforce Connections training. Therefore, Workforce Connections moved the trajectory of an entire family; not only the two of them, but also their son. For that, I am most proud. As noted, there are thousands of similar stories that come out of Workforce Connections every day. Sometimes, it is not easy to get people on the path and it may take a while. People ask what can be accomplished in 30, 60, or 90 days. Sometimes it takes Workforce Connections 6 months to help an individual become a taxpayer and remove them from government subsidy.

MR. CRUZ:

Workforce Connections was asked by the Committee to: (1) identify the most significant shortages and professional qualifications and skills in Nevada and how Workforce Connections' programs are addressing those shortages; and (2) identify areas in which there may be an oversupply of professional qualifications and skills and how Workforce Connections' programs address these oversupplies. The Committee will probably hear similar responses to this question from the different presenters today. Workforce Connections has been hearing about a great skills mismatch (page 71, [Exhibit A](#)) from ISPs. The employers from the ISPs are willing to teach individuals how to weld or wire, but they need reliable people who will not arrive intoxicated by drugs or

alcohol. The employers from the ISPs are struggling to find quality candidates in which to invest and retain, so they are asking Workforce Connections to ensure that participants have the foundational workplace skills of communication, critical thinking, problem solving, and teamwork. Employers from ISPs have also asked Workforce Connections to work with K-12, secondary, and post-secondary education partners to ensure these skills are addressed earlier in an individual's career trajectories. Often in Nevada's labor market, there are entry-level jobs that are easier to fill; however, because the economy has been diversifying, there are more jobs available today that require a certain level of skills that high school graduates do not have compared to a decade ago. There are some mismatches and a lack of alignment that Workforce Connections has to address, which will not happen overnight.

The Committee also asked how artificial intelligence (AI) and automation are changing Workforce Connections' role regarding workforce development, both in terms of recruiting and placing individuals for employment (e.g., the application process, resume process, and corporate interaction with workforce clients) as well as the type of employment for which Workforce Connections may be preparing clients. For example, is Workforce Connections observing occupations or sectors that may significantly expand as a result of technological changes, some that may contract or be eliminated altogether, or new opportunities or occupations that may emerge as a result of AI and automation? The reality is these technologies are constantly evolving. Workforce Connections meets with peers across the nation to discuss and demonstrate promising practices. As of today, there have been small examples of how this is penetrating the Workforce Connections' system. For example, there was an automated assistant function that was built into Workforce Connections' system to help American Job Center staff to follow up with hundreds of clients. A career coach in an American Job Center has about 50 people that they track at different stages of their journeys. Again, Workforce Connections is preparing individuals for jobs and focusing on what those jobs need today, understanding that jobs evolve and change. Those are usually a focus for young people who are about a year or two away from employment, but for people that need to work today, Workforce Connections still does not see a strong influence of AI and automation currently.

Lastly, the Committee asked Workforce Connections to share any information on potential legislation to be considered during the 83rd (2025) Legislative Session to best meet the state's workforce development needs. Looking at the 17 different funding streams on page 53 ([Exhibit A](#)), while Workforce Connections has made a lot of progress over the last few years and has provided some examples, there is still plenty of opportunity to make sure that all the funding streams work together in a way that Nevada needs for the participants to be able to access these funding streams in a better, more streamlined way. There are several areas in other states that have added different programs to those funding streams. For example, a few states have brought child care into that system because it is a barrier for young parents. Having child care services available in places where one is trying to put people back to work is a good thing. The connection to the ISPs is really important. There were two pieces of legislation that Workforce Connections was exposed to at the National Association of Workforce Boards (NAWB) in Washington, D.C.

MS. BUSTAMANTE-ADAMS:

The first piece of legislation that Workforce Connections was exposed to at the NAWB was the Blueprint for Maryland's Future (page 72, [Exhibit A](#)). Maryland Governor, Wes Moore, worked with Maryland's local workforce boards and legislators to be able to make an investment in placing career coaches in high schools. That is special because, while there are counselors on campuses in Southern Nevada, much of the focus is on mental health. The blueprint specifically called for career coaches in high schools. As Dr. Villalobos shared earlier, there are 42,000 disconnected youth in Clark County. The blueprint was instrumental for Maryland in connecting students with high-wage and high-demand industries. It focused on 10th grade students and helped them select an industry of interest and made that connection happen. The blueprint was a great investment that is producing results for Maryland.

The second piece of legislation that Workforce Connections saw at the NAWB was Accelerate Mississippi (page 73, [Exhibit A](#)). The NAWB provided an award to Mississippi State House Representative Donnie Bell for helping the Mississippi Legislature make a \$12 million investment to place career coaches in middle schools and high schools. Both of those pieces of legislation were very strategic and instrumental in aligning economic development, education, and workforce for their regions.

CHAIR BACKUS:

When I heard the success story on page 70 ([Exhibit A](#)), I thought of child care. I spoke to a constituent recently who has small children, is unemployed, and is going through all these different struggles with resources. I noticed a big barrier was child care. What is Workforce Connections able to do for individuals like this? How did the success story of the young mom with the 10-month-old son occur?

MR. CRUZ:

In her particular case, that was a combination of child care and skill acquisition. As you recall, she wanted to go into the health care industry. Not only did Workforce Connections pay for the cost of health care training but also perhaps for child care, uniforms, or tools when she was ready to go to work. That is a broad spectrum of costs beyond classroom training. If you look at the limited pool of resources, such as Title I funds, it is finite. It can only serve so many people, especially when spending a lot on each person. Other states have recognized that bringing the child care services, that are usually in another building, closer to the American Job Centers increases the amount of people that can be put to work if those resources were available.

MS. BUSTAMANTE-ADAMS:

Workforce Connections had a strategic conversation with the DHHS about how to place child care staff in American Job Centers. Because of its partnerships that do not charge rent or utilities, Workforce Connections has more than 30 locations that allow for a broader space in which to serve people. Workforce Connections also embedded an American Job

Center inside the DHHS Division of Welfare and Supportive Services (DWSS). It is a collaborative partnership. Additionally, it is a referral process. If the DHHS has a candidate that needs employment, the candidate is referred to the American Job Centers. Likewise, if the American Job Centers has a candidate that is looking for employment but also needs child care, they get referred to the DHHS. That is strategic because it is not mandated. Texas is the only state that is mandated to combine these items. Workforce Connections is going about it in a collaborative way without having legislative action.

CHAIR BACKUS:

Please provide a high-level overview of what a person would expect to happen if they were to reach out to EmployNV to find out about the resources they provide.

MR. CRUZ:

The American Job Centers across the nation are designed to help people with high barriers to employment. There are a lot of people who get laid off from their job and they happen to be from a family that has connections, networks, and Wi-Fi, so they do not need help. However, most people that come to the Workforce Connections offices do not have computers, printers, or Wi-Fi in their homes. American Job Centers have resource rooms so that people can have access to all the information they need to conduct job searches and ensure they have the required certifications for that job.

When someone is eligible for Workforce Connections programs, a barrier assessment is conducted. For example, if an individual has been an accountant for 30 years, that person is highly qualified and will not need retraining. They would need Workforce Connections to set them up with employers and help refresh their resume. Most of the time, however, the individuals that come to Workforce Connections for help are parents who have been raising children for many years and are now reentering the workforce, which is a much larger lift. Sometimes these parents still have young children at home and that is an even larger lift.

A career coach assesses each individual case. That is why those services are so personnel intensive because they cannot be dispensed out of a kiosk. With the advancements in AI, perhaps one day the services can be automated, but as of today, people need one-on-one attention because a lot of empathy is needed during this process. Many require coaching or emotional help, and every case is unique. Sometimes people are successful within 3 or 6 months of entering Workforce Connections' programs but for others it could take 12, 18, or 24 months before they are successful.

MS. BUSTAMANTE-ADAMS:

I know the discussion focused a lot on the job seekers, but the other type of customer that Workforce Connections serves are employers. For example, a small business that wants to hire its first employees but does not have the time to put a job fair together. Workforce Connections can work with that small business to provide resources through Workforce Connections' clients. In addition, there are financial incentives that the state

provides, and Workforce Connections works with DETR to provide financial incentives for the employer. Therefore, Workforce Connections has two different customers, job seekers and employers. Businesses range from small to large. That is how Workforce Connections helps with retention and making sure that businesses have the talent pipeline they need to stay in business.

ASSEMBLYMAN HAFEN:

I have used Workforce Connections' programs in Nye County on several occasions to hire staff, so thank you. I wanted to discuss the ROI on pages 57 and 58 ([Exhibit A](#)). It appears Nevada is spending about \$6,000 to \$6,500 per customer to get them trained and back in the workforce. On page 57, the ROI is 5.4 months and on page 58 the ROI is 3.7 months. It appears that is their total wages, so that is not actual money coming back to the state in tax revenue. How long does it take for the state to see the unemployment numbers get back up and replenish those accounts?

BRETT MILLER (Strategic Analysis Manager, Workforce Connections):

I understand that you are looking at the scale of unemployment and comparing that to the number of individuals that Workforce Connections serves to try to measure how many people are coming off unemployment. Realistically, many of these individuals are starting from zero. They did not have wages in their prior three or four months, so these wages are a big win for them. They are just starting their journey.

MR. CRUZ:

This is by all means a very simplified ROI calculation. It is the investment compared to the output in wages. One could look into how much it was costing the state for things such as social services; the Special Supplemental Nutrition Program for Women, Infants, and Children; subsidized housing; and TANF. Those are things that people rely on when they are dependent on the system compared to when those individuals no longer rely on those services, earn their own money, and pay taxes. However, Workforce Connections does not have access to all that information, so it uses the simplified ROI calculation.

ASSEMBLYMAN HAFEN:

I ask because, at the February 28, 2024, meeting of this Committee, GOED provided a presentation where it provided examples in which the state invests money in one area and then it gets a return in tax revenue. I was trying to get a comparison to what the investment is in this situation. I think it was \$35 million in one area and \$78 million in the other area. However, I understand there is a lot more that goes into that compared to GOED.

Regarding unemployment, obviously, the goal is to get people back into the workforce. How many people are returning to unemployment after they go through the program versus those that do not go through the program?

MR. CRUZ:

I want to emphasize that the need is much greater than one single funding stream. Taking into consideration that there are 60,000 to 80,000 unfilled jobs, Workforce Connections spends approximately \$6,000 to \$8,000 per person to help them gain employment. Looking at page 58 ([Exhibit A](#)), which is the data from program years 2021 and 2022, there are 5,200 people who completed the program. It is going to take a long time to work on this issue at \$2,500 per person, especially when Workforce Connections is just one of the funding streams.

Compared to other programs, Workforce Connections has a great success rate. Almost three-quarters of the people that go through the program are still employed a year later. Of course, people change jobs a lot more often than they did 10 or 20 years ago, but this is one of the great measures to see that, a year after a person has exited the program, they are still employed. It is not a 100% success rate because these types of individuals are not easy to serve. If they were, they would not need help. These individuals are the hardest to serve because they come from households that have multilayered, multigenerational, social, and economic barriers to employment.

SENATOR NEAL:

The presentation listed average wages of about \$6,500 to \$8,600. What does that mean and why is it such a low number?

MR. CRUZ:

Using page 54 ([Exhibit A](#)) as a reference and rounding the quarterly earnings to \$9,000, that results in an average annual wage of \$36,000 a year. That may seem like a low number, but it is important to consider that Workforce Connections helps an individual earn \$36,000 who was previously earning \$0. Those individuals do not have the means to get child care, tools, training, or uniforms. That is a difficult lift. The good news is that those individuals do not have to stay at earning only \$36,000. Hopefully, this experience keeps them engaged to keep advancing in their career path. Employers have expressed that if Workforce Connections can get them good employees, they will invest in them and help them grow. The average annual wage is only \$36,000 because the first part of the process is the heaviest lift.

SENATOR NEAL:

When was the last high school event partnership and what was the outcome in terms of jobs or job leads?

MR. CRUZ:

I do not have exact numbers of the outcome, but I can share more about the student showcases that came out of the ISPs, which started last year. There is one showcase every three months at a high school that has a workforce development program, such as a culinary program at Southeast Career Technical Academy or a robotics program at Cimarron-Memorial High School. It usually entails about 30 employers visiting the high school to meet with 40 or 50 senior students. Hopefully, this results in internships and job opportunities for those senior students that are ready to graduate in May.

MS. BUSTAMANTE-ADAMS:

Recently, in March 2024, Workforce Connections did a collaborative effort with the CCSD, which had a grant. Workforce Connections partnered with high schools to prepare students who were the most at-risk to go to the spring job fair, where over 4,000 people participated. Together, the high schools and Workforce Connections prepared about 250 high school students to develop their resumes, practice for interviews, and register with EmployNV. Workforce Connections bought the students professional clothing if the students needed it. Workforce Connections did a pilot training to make sure the students were prepared to go to the job fair because they were not going on to postsecondary education. Of those 250 students, at least 20 were hired on the spot and another large group received a second interview. Workforce Connections is aware that some students are going directly into the workforce and is trying to reduce the number of disconnected youths. I do not have other specific numbers, and that is only an example, but I would be happy to share more information at a later time.

SENATOR NEAL:

I was wondering about the high school event partnership. Even though Workforce Connections prepares students, sometimes the students who get an interview do not get a second interview or follow up. How can Workforce Connections ensure that the reason the student does not get a second interview is discussed by the employer? When Project 354 was active, staff would follow up with the employer and ask why the student failed the interview. Staff would also ask if there was something that the partners could adjust or change to get the student a second interview. How is Workforce Connections doing a deeper triage?

Regarding internships created by the business partners, how many internships exist outside of the Clark County Summer Business Institute and what do they entail?

MR. CRUZ:

As I shared earlier, until last year, there was a state law that required employers to conduct background checks on all their employees if they wanted to provide an internship to a CCSD student. Because of that, it was difficult for employers to provide an internship. Now that the requirement has been removed, the ISP employers are more willing to place internships in businesses, but internships are still fairly new. I do not have exact information, but I can share more information at a later date.

MS. BUSTAMANTE-ADAMS:

I would add that this is not the strongest pillar as a region yet, but I am grateful to DETR for its recent investment so that Nevada can focus on internships. Workforce Connections will conduct a pilot program with employers to start producing the framework. Much of it has to do with investment, and businesses will ante up to produce an internship, but there is not a robust framework in place yet. That is probably one of the weakest links in Workforce Connections' ecosystem at the moment.

SENATOR NEAL:

I received an email the other day from a staff member of Delta Academy, which is a school that has at-risk students with barriers. The staff member is also the Jobs for America's Graduates (JAG) coordinator. She expressed that her students were looking for work and asked whether I knew of or had a list of places where they could apply. I sent her a list of employers and stated whether those employers required certification and when the positions would be open. It is important that Workforce Connections analyze the ISPs because she is the JAG coordinator at her school, and she did not have this information. The partners are supposed to be sharing information. When the ISPs receive their money, Workforce Connections should provide directives to the partners on what to do with that money to ensure that it shows up in results and information. Information is power. When people have the information, they do not need to contact their legislators. I am not trying to disparage JAG, but someone in the JAG consortium should be asked that question.

Regarding A.B. 354 of the 79th (2017) Legislative Session, the examples that were provided seem to only relate to the corrections or ex-felons. Are the A.B. 354 people more likely to be reentry individuals and that is why there are higher risks and issues? If so, I take issue with that assumption.

MR. MILLER:

The example that was given is of a population that has historically had problems reengaging with the workforce. Regarding underserved or historically marginalized populations, Workforce Connections' reach is deep. For example, Workforce Connections' adult population have priority service, which are typically low-income individuals. As a result, when Workforce Connections conducts outreach to low-income individuals, there is a significant reach into those communities that are historically marginalized.

SENATOR NEAL:

I have been searching DETR's website for the *Nevada Unemployment Rate Demographics Report*, but I cannot download it. I have only been able to download the report from 2019; however, there are more recent reports from January 2024 and April 2024. If the recent data is still the same as 2019, there was a high number of single women of color, ages 20 to 30, with children, who were not able to find employment. That was the number rising up in the data over black males. How has that data been dissected and how has that population, which rose up over 13%, been engaged to help them become employed? The purpose of the legislation and that data was to help identify target populations that would not necessarily be seen if someone just looked at the DOL data and efforts could be coordinated. These women are in the high-risk category and the state needs to figure out how to triage and manage the data. That is the purpose of that data being available on DETR's website; however, it should be easily accessible on the website. I would like to know how the data is being used.

MR. CRUZ:

The key part of Workforce Connections embedding these American Job Centers—also known as EmployNV business hubs, career hubs, and youth hubs—closer to those neighborhoods is to be intentional on the geography. Workforce Connections aims to be closer to the neighborhoods where those populations reside. There are many barriers to remove and the WIOA Title I youth program can only enroll 1,000 youth. That is not going to change the situation to a noticeable degree when there are already 42,000 disconnected youth and 30,000 students graduating from the CCSD. The number of individuals that Workforce Connections serves is small compared to the need. However, looking at Workforce Connections' data, those populations are highly represented.

DR. VILLALOBOS:

To provide some perspective to the data, the Workforce Connections dashboard reflects that in program year 2022 there was a \$1.26 million investment to the 89030 and 89106 zip codes. There were 250 individuals that were served with an accumulative annual wage of approximately \$4 million. Of those individuals, 75% were employed in six months and 73% were employed a year after. From the \$1.26 million, based on the analyzed wage, it took 3.8 months to get that ROI back. Besides that, there is representation of individuals that are still engaged from those zip codes in the disconnected youth coalition, such as Mike Yoder from the DWSS, among others. Additionally, as mentioned, there are American Job Centers serving both youth and adults at the West Las Vegas Library, in partnership with the DWSS, the Las Vegas Urban League, and others.

SENATOR NEAL:

I am very passionate about this and will probably ask a similar line of questioning of all the presenters.

Regarding a story that was published in the *Nevada Current* in February 2024, it stated that Nevada invested \$15 million and only 350 people got a job. It also listed how expensive it is to curate a person and prepare them for employment. When a story cites the DOL, it needs to be addressed. What were the accuracies or inaccuracies?

MR. CRUZ:

The writer quoted a former employee of the DOL of the past administration. I agree that the driving intent or spirit behind the article is what needs to be considered. The article had gross inaccuracies. For example, the money from the adult and dislocated worker programs can be moved from one to the other depending on the need of the region. If there are more dislocated workers than adults, the money from the adult program can be moved to the dislocated workers program, and vice versa. That happened here in Nevada and the reporter neglected to understand that fact when they did their calculations. That resulted in the reporter counting what looked to be the investment and not the return because the return seemed to be in the other category. The other example may have been a misprint rather than an inaccuracy, but the article stated that Nevada spent \$15 million on youth training; however, only \$1.5 million was spent. It makes a big

difference when the decimal is moved. Workforce Connections does not want to disregard the spirit of the issue, but it has sent a lengthy explanation email to all the local elected officials. I can share that explanation email with this Committee as well.

SENATOR NEAL:

I understand that sometimes the media does not always relay accurate information, but they are trying to elicit an issue, and I think this writer is a good journalist. This is a discussion that needs to be had. I do not know if Workforce Connections did a rebuttal to the story but sometimes that is helpful. This is one of the good journalists that would probably take the rebuttal and properly write it if Workforce Connections did a response. This is a story that is out there, and the question needed to be asked within the legislative framework.

CHAIR BACKUS:

The article includes a breakdown with a chart showing the calculations of the participants, the program cost, and the per person cost. When you mentioned that dollars may be moving, are those dollars being accounted for in different buckets?

MR. CRUZ:

The simple answer is yes. It is like someone who budgets \$100 for groceries and \$100 for gas but, one week, more groceries were needed so they took some money from the gas budget and put it towards their groceries. In this case, Workforce Connections served more adults than dislocated workers because millions of dollars were transferred from the dislocated worker budget to the adult budget, and it produced more results. However, the highlight was when there was originally so much money in the dislocated worker budget, why were less dislocated workers produced? The answer is because the money was actually used to bring adult workers into the workforce, but that was not considered in the calculation.

CHAIR BACKUS:

You mentioned that Workforce Connections did the calculations to correct that. If you have that information, please share it with the Committee. That would be helpful because something as simple as a decimal point tells a different story. I also understood from this article that there are some consistent costs, and I examined the dashboard that was shared which included operational costs. Workforce Connections has fixed costs of buildings and there are a lot of resource centers for individuals in other chambers or in different communities and those all have a fixed cost. I assume that is included in the operational costs in the dashboard.

SENATOR SEEVERS GANSERT:

I appreciate the presentation and discussion. When you provided data regarding the 16-to-24-year-olds, I think there is a significant need in coordination with the high schools and other entities. It would be smart to have career advisors. If that is something the Legislature can bring forward during the upcoming session, it would be a great idea. There is also the Dean's Future Scholars, which is a program targeted at helping students starting in 6th grade to be able to attend college at the community college- or university-level. Additionally, Nevada also has the JAG program. I think it is worth investing at the middle school and high school levels so that students can get some form of higher education or get a job sooner versus later.

CHAIR BACKUS:

Next, the Committee will hear from Nevadaworks.

MICHAEL NAKAMOTO (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

Due to printing and shipping deadlines, there are two handouts that are outside of the meeting packet. The presentation from Nevadaworks is one of those handouts ([Exhibit B](#)).

MILT STEWART (Chief Executive Officer [CEO], Nevadaworks):

Nevadaworks is a local workforce development board for 13 counties in Northern Nevada. It is very similar in construct to Workforce Connections as both receive WIOA Title I funding. A lot of what the Committee heard from Workforce Connections will translate to Nevadaworks as well. Nevadaworks is the fiscal administrative entity for the WIOA Title I funding in 13 counties in Northern Nevada. On page 2 ([Exhibit B](#)), there is a map and a list of those counties. Nevadaworks does not cover Clark, Esmeralda, Lincoln, or Nye Counties as those are in Southern Nevada. Nevadaworks covers the rest of the state; an area of over 70,000 square miles with very diverse needs. It is a very large geographic area that covers urban metro areas of Carson City, Reno, and Sparks to rural and remote areas.

As Mr. Cruz mentioned, the workforce boards are meant to be the hubs or conveners for workforce development's ecosystem. Nevadaworks is the hub for Northern Nevada, and it brings together employers, job seekers, and workforce partners to create and convene that workforce development system (page 3, [Exhibit B](#)).

As Ms. Bustamante-Adams mentioned, there are two sets of customers, the employers and the job seekers. Nevadaworks' goal is to develop a world-class talent pipeline (page 4, [Exhibit B](#)). If Nevadaworks starts with the job seekers, it tries to identify any barriers that they may have in order to make them successful in the workplace. For some, that may be as simple as resume writing or job interviewing skills. Once Nevadaworks has identified the barriers and provided assessments, it tries to figure out what the individual needs and how to help them be successful. Nevadaworks provides career development in the form of: (1) occupational skills training, so that people can receive training related to an in-demand occupation; (2) work-based learning, such as internships,

on-the-job training, and work experiences; and (3) employability skills, which are commonly referred to as “basic skills” or “success skills,” that help individuals be successful in the workplace. From an occupational perspective, Nevadaworks does all of this through the lens of in-demand occupations and what employers need in order to create the supply for the demand that they have.

Nevadaworks uses a bottom-up approach (page 5, [Exhibit B](#)) and constantly solicits and utilizes the information and feedback it receives from various sources such as employers, ISPs, job seekers, and organizations to help inform the system. In doing so, Nevadaworks can make sure it has a delivery service model that meets those needs but is also continuously improving.

Nevadaworks also holds stakeholder engagement events. The pictures on page 6 ([Exhibit B](#)) are of a community charrette that Nevadaworks held. It had over 50 educational and training partners as well as workforce development partners in conversations about career pathways. The conversations focused on economic development and how to come up with creative ways to braid and leverage funding because, while Workforce Connections receives around \$20 million a year from WIOA, Nevadaworks receives around \$4.5 million a year, or \$6 million in a good year. Its sources are more limited, so it is very important to partner to leverage those fundings if it is to have a quality delivery service model.

Nevadaworks also had an input session with all Northern Nevada Adult Education Title II providers to identify opportunities to contextualize adult basic education with training and wrap those two together. Nevadaworks is doing that through the Good Jobs Initiative, which I will talk more about in a moment. Instead of having two separate parallel paths for somebody that needs support and remediation or for adult basic education, Nevadaworks is doing both at the same time so that the individual can contextualize that for the work and the occupations they will be doing but also to speed up the process, to the extent Nevadaworks is able to.

Last year, Nevadaworks held a three-week tour of its Northern Nevada region. Nevadaworks is very intentionally doing work with the tribes in Northern Nevada through the Good Jobs Initiative. Nevadaworks met with many tribes throughout the region to find out what their needs are and figure out, based on what resources that Nevadaworks can put into action, how to leverage what they are doing or to stand up some programs for them. All of this has been in the spirit of ensuring that Nevadaworks is doing so in a way that meets their needs. Nevadaworks is listening to what their needs are and developing programs accordingly.

As mentioned, the EmployNV business, career, and youth hub models were developed in Southern Nevada (page 7, [Exhibit B](#)). Nevadaworks and DETR worked together with Workforce Connections to figure out how to develop something similar in Northern Nevada. Ultimately, it was decided that this branding model makes sense for the entire state. Nevadaworks has staff in all of the EmployNV hubs throughout Northern Nevada. There are two types of services. The first service is providing supportive services to job seekers to help them be successful with basic resume writing, job interviewing, job fairs, and occupational skills training.

The second service is providing employer resources (page 8, [Exhibit B](#)). The model used in Northern Nevada is tweaked just a little bit. When I boarded as CEO about 2.5 years ago, I had a conversation with John Parel from DETR about how Nevadaworks is mandated to provide business services and employer outreach but does not have the resources. I also noted how DETR was already doing so. I asked how Nevadaworks and DETR could work together to utilize the business hubs and system in a way that aligned with Nevadaworks strategic goals. The model in Northern Nevada became utilizing DETR to work with almost all business and employer engagements. As an employer, when there are multiple organizations out there, it can sometimes get confusing to know who to contact. Under the EmployNV business hub models, the DETR and Nevadaworks logo blend in. There are times when it is appropriate or makes sense for each organization to present themselves as the providers of that service or hub, but generally, if something is being done under the EmployNV business hub model, both the DETR and Nevadaworks logos will be included to show the partnership. If there is any confusion out there whether someone should contact Nevadaworks or DETR, they should contact the EmployNV hub because that is where they are going to get the services. Both the business and career hubs help inform Nevadaworks' bottom-up approach.

When I boarded as CEO, Nevadaworks did not have a strong strategic vision. It became important that one of the first things Nevadaworks should do is develop a strategic plan and identify some strategic goals. Those are listed on page 9 ([Exhibit B](#)). The concept is for Nevadaworks to deliver a high-quality, human-centered delivery of service model that continuously improves and to provide innovative solutions to the delivery of service, all while making sure Nevadaworks is convening and collaborating with workforce development stakeholders to ensure alignment.

As I mentioned, the Nevadaworks funding from WIOA is limited. As an organization, if Nevadaworks wants to deliver that high-quality delivery of service model, Nevadaworks needs to seek additional funding by braiding and leveraging multiple federal and state funding streams, which are listed on page 10 ([Exhibit B](#)). Of course, Nevadaworks receives WIOA Title I (Adult, Dislocated Worker, and Youth) funding, which is a federal formula from the DOL distributed through DETR. Nevadaworks also applied for and received an award from the U.S. Economic Development Administration (EDA) of the U.S. Department of Commerce through the Good Jobs Northern Nevada that allowed Nevadaworks to expand and strengthen the work that it is able to do throughout Northern Nevada. There is also the H-1B Rural Healthcare Grant funded by DOL through OWINN to Nevadaworks and the Nevada Hospital Association, which is the organization that delivers those services. Other funding received from DOL through DETR is the Quality Jobs, Equity, Strategy and Training (QUEST) grant for dislocated workers. Further, Nevadaworks is developing a program for Northern Nevada where it can serve disconnected youth. Probably the most successful funding that Nevadaworks has gotten from the state is the IWT Grant program. That is funded through state dollars that DETR had granted to both local boards. Nevadaworks has ISP funding up for approval of the Board of Examiners in May 2024 to stand up additional ISPs to have intentional and direct conversations with employers. Lastly, there are various other federal and smaller state awards and two grant applications in which Nevadaworks is in the finalists. One is private funding, and the other is a grant from the DOL.

The IWT Grant funding that the boards got from DETR utilizes the concepts that are in WIOA but streamlines the process to make it much easier for employers to take advantage and get direct results for the employees (page 11, [Exhibit B](#)). Nevadaworks received \$1.5 million from the state through the Career Enhancement Program. The concept is existing worker training. This program allows employers to identify that they have some employees that they would like to upscale and Nevadaworks is able to pay for training and instructors. For example, if an employer were installing a new production line and needed a trainer from the vendor, they could bring that person in and Nevadaworks would pay for that training and any supporting materials that would be necessary to attend that training. The training needs to result in one of four things: (1) a wage increase, (2) a promotion, (3) a title change, and/or (4) a layoff aversion—meaning, an employer needs to provide the training to an individual or a group, otherwise they would need to lay them off.

The incurred risks for the employers are a few things. In order for the model to be successful, Nevadaworks had to ensure that employees still got paid while they were attending training. The employers need to commit that they will pay the individual's wages while they attend training. That allows the employees a little more latitude to say yes to the training because they know that if they are in training for five hours a week, for example, that they will not have lost those wages. Therefore, the incurred risk for the employer is agreeing to give their employees one of those four things but Nevadaworks will pay for the employee's wages while they attend training.

Nevadaworks created the dashboard on page 12 ([Exhibit B](#)) that displays the IWT Grant outcomes through March 30, 2024. Of the \$1.5 million, Nevadaworks has spent almost \$700,000 on training for 90 businesses. There are 332 employees that have received training. The average investment per employee is about \$1,600. The average hourly wage increase was \$2.27, which is around \$4,700 a year. Again, that is an average estimate; some were higher, and some were lower. Nevadaworks is insisting that the wage increase be commensurate with the amount of dollars that it is going to invest in training. For example, if there were four employees and Nevadaworks was spending \$5,000, then the wage increase is expected to be smaller. However, if Nevadaworks were spending tens of thousands of dollars for a dozen employees, Nevadaworks would need to ensure that it would get an ROI in less than two years. The cumulative wage increase would exceed the amount that Nevadaworks is expending in less than two years' time.

As I mentioned earlier, Nevadaworks has received the H-1B Rural Healthcare Grant (page 13, [Exhibit B](#)). It is meant to add strength to the health care workforce throughout the rural communities. Of the 13 counties that Nevadaworks serves, the grant serves all except Washoe County because it does not meet the federal definition for *rural*. The model strives to create employment training programs and to ensure that the health care industry is getting support and employees. It is hard for doctors' offices and hospitals in urban areas, and even harder for doctors' offices and hospitals in rural areas, to find employees.

This grant came through OWINN from the DOL. The Nevada Hospital Association is the organization that provides the services, and it shared that there is some opportunity and demand in Southern Nevada for this as well. In conversations with Workforce Connections and OWINN, it was requested to the DOL that Nevadaworks could share those services with Southern Nevada, and it was approved. Nevadaworks, through Workforce Connections, brought the H-1B Rural Healthcare Grant to Southern Nevada.

As Workforce Connections mentioned earlier, the relationship between the local boards and DETR is very strong. Mr. Cruz and I have a great relationship in which we can easily call each other, and Mr. Miller will share reports with Nevadaworks without asking. That demonstrates the alignment, collaboration, and cooperation between the two local boards.

Good Jobs Northern Nevada (page 14, [Exhibit B](#)) is funding that Nevadaworks received from the U.S. Department of Commerce. There were 509 applicants and only 32 awards across the U.S., and Nevadaworks was proudly one of the awardees. Nevadaworks was awarded about \$15 million over a three-year period to develop talent pipelines in underserved and marginalized communities, including tribal communities. The EDA was looking for employer-led workforce development training systems. In other words, employers inform the system as to what their needs are. That perfectly aligned with WIOA, so it was natural for Nevadaworks to apply for the grant.

Through the ISPs and other conversations, Nevadaworks includes businesses, industries, and stakeholders. Nevadaworks has conducted an educational inventory and is aware of the training that is available in the marketplace. It has done labor market analysis on in-demand occupations and the skills necessary for those occupations. Nevadaworks takes those findings to the ISP meetings and asks them to validate the data because Nevadaworks wants to ensure that the provided training is relevant to in-demand occupations.

Further, Nevadaworks is also having conversations about how well existing training meets skill demands. Nevadaworks is finding that, while the programs that are at community colleges and other training providers result in industry recognized credentials, there are some skills that would not necessarily be given through the occupational skills training but that employers are expressing they have a need for. Those skills are listed in the gray rectangle in the middle of the chart on page 16 ([Exhibit B](#)). Employers are sometimes looking for skills as simple as Microsoft Office. Nevadaworks is taking trainings that are on the market and layering something else with it, such as adult basic education, English language learning, or a Microsoft Office class. For example, there was a welding program that was very successful in getting participants to meet the skills, but some participants could not pass the exams because they did not know the English language well enough. Nevadaworks is working with the NDE to layer the English language learning along with the welding program.

In collaboration with organizations like GOED, Nevadaworks identified four sectors of the most in-demand growth industries: (1) advanced manufacturing, (2) digital technology, (3) healthcare, and (4) logistics and transportation (page 15, [Exhibit B](#)). Originally, the plan was to have sector navigators who would interact with the ISP businesses and help inform Nevadaworks' decision-making. However, as Nevadaworks started designing what it would look like, it switched over to regional navigators instead. Because Nevadaworks covers such a large region, it wanted to ensure that it had individuals that were in those communities. Nevadaworks aligned regional navigators with the GOED regional development authority (RDA) regions throughout the Nevadaworks local area. There are five RDAs but four navigators, so two sectors were added together.

The concept was to work with the economic RDAs because they have been around for a long period of time and have established relationships with businesses and individuals in the community. Nevadaworks wanted to place its navigators into those communities. Nevadaworks also has a tribal member who serves as its tribal navigator to make connections and develop relationships with the tribes for Nevadaworks.

Everything that is being rolled out through Good Jobs Northern Nevada is a pilot project to see what best practices could translate back over to WIOA. The funding from EDA is a little more flexible. Nevadaworks is able to do some things with that funding that is difficult to do with DOL funding. Nevadaworks has developed an easy entry into the system in the form of a quick response code and a website that has three to four questions, such as contact information, demographic information, and address because Nevadaworks routes users to navigators based on where they live. Then, the navigators have in-depth and intentional conversations with those individuals to find out what their barriers to employment are and how Nevadaworks can help mitigate those barriers. The Good Jobs Northern Nevada funding is leveraged through these navigators to provide a high-quality level of service. Again, that is something that would be difficult to do through WIOA because it is resource limited. As Nevadaworks develops and streamlines the best practices through Good Jobs Northern Nevada, the intent is to bring them into WIOA. Once the best practices are streamlined, there is not a lot of additional cost associated with them. How can Nevadaworks ensure that an individual that has barriers and is underserved will be successful through training and placement? It takes a lot of work. Some people can make it through the system with minimal support or interventions, but others need more. Nevadaworks wants to make sure it is developing a system that would meet the needs of that whole range.

As an output of Good Jobs Northern Nevada, Nevadaworks has developed local workforce area strategic plans (page 17, [Exhibit B](#)) that include two sub-plans for the remote rural communities and the American Indian workforce development plan. It takes partnerships to do this and those have been listed on page 18 ([Exhibit B](#)). Nevadaworks is leveraging the work that the partnerships are doing in conjunction with its work so that Nevadaworks can be intentional about how it is serving employers and training job seekers to meet their needs.

As a result of the work that Nevadaworks has done through tribal interactions and engagement, it was able to create the Indian Workforce Development Council in Northern Nevada (page 19, [Exhibit B](#)). It is a new concept because sometimes there are tribes that do not necessarily interact with one another for a variety of reasons. Nevadaworks has a tribal navigator who is a tribal member himself and he has been able to bring multiple tribes together for the Indian Workforce Development Council. Nevadaworks also utilizes the Inter-Tribal Council of Nevada and the Office of Indigenous Relations of the University of Reno, Nevada (UNR). The concept is for Nevadaworks to help the tribes without telling them what they need. That conversation evolves over time. Nevadaworks has informed the tribes that it can be the administrative entity that supports grants, but they have to let Nevadaworks know to what extent they need help. Nevadaworks wants to give the tribes the best practice. That has been successful. Nevadaworks has received national recognition for the Indian Workforce Development

Council and is working on a whitepaper about the model it is creating, which can be a best practice nationwide.

Lastly, I have included some testimonials in the presentation. For example, on page 21 ([Exhibit B](#)), a student from the Advanced Emergency Medical Technicians Program, which was a Good Jobs Northern Nevada challenge, stated:

I greatly appreciate the financial assistance that the Good Jobs Northern Nevada grant provided for me. A huge weight has been lifted off my shoulders. The stress that comes with working while in school was quickly dissipated. I also found the grant to be incredibly easy to apply for and the folks in charge of the grant were very good about communicating with me and making it clear what I needed to [do] throughout the process.

There are a couple of other testimonials like that.

CHAIR BACKUS:

I am really intrigued by the work Nevadaworks is doing with the tribal sector. With respect to Nevadaworks training tribal members, are there any jurisdictional issues? Where is the funding coming from?

MR. STEWART:

It depends on the circumstance. Nevadaworks tries to braid its funding internally so that it is utilizing the funding in a way that guarantees certain outcomes and goals. Nevadaworks has to figure out which bucket the funding should come out of. There are a lot of variables, such as how close Nevadaworks is to the end of a grant, what the expenditure rate is, and which funds Nevadaworks wants to utilize first. It is not that easy, but that is the concept.

CHAIR BACKUS:

I was thinking twofold. Providing job training for tribal members could be at a multitude of levels of needs. For example, some of the tribes may need workers for economic development. Thinking of economic development, I also think about the cannabis facilities that are starting to open up from some of the tribes up north. The problem is that federal dollars cannot be utilized for the type of training to make them qualified for state licensing. That is where the thought process to my question was going. It is interesting because it seems like a lot of Nevadaworks' dollars are coming from federal funding, but the needs seem to be state needs.

MR. STEWART:

Nevadaworks is still having those conversations, but it takes a lot of time to build trust and relationships, so that has been a majority of the work up until this point. Now, Nevadaworks is starting to figure out what occupational training is needed and working out the funding details.

CHAIR BACKUS:

Educators and health care workers are also needed in tribal locations. Hopefully other programs are addressing those needs.

ASSEMBLYMAN YUREK:

There is a lot of focus on the short-term ROI and the immediacy of job placement and training but what is the long-term sustainability and ROI of these programs, such as a participant's economic mobility, long-term advancement opportunities, and overall increase in employability?

MR. STEWART:

The DOL's required measurements are regarding retention with the same employer for the second and fourth quarters and that does not tell the whole story. Nevadaworks' strategic planning group is working with partners to identify additional metrics, establish baselines, and measure continuous improvement. The way the data is currently collected, the information is almost two years delayed and it is hard to inform decision-making on something that happened two years ago.

CHAIR BACKUS:

Workforce Connections mentioned some exemplars from Maryland and Mississippi. The northern and southern parts of the state are very different. Were there any policy needs in Northern Nevada?

MR. STEWART:

I agree with the two examples Workforce Connections mentioned. Workforce Connections is further on this journey as a local workforce development board than Nevadaworks. Workforce Connections is doing a lot of innovative things at a national level, but it took a while for it to get there. Nevadaworks is a few years behind and is still working on identifying what the needs and opportunities are. Nevadaworks allocated some funding for tuition of noncredit courses on industry recognized credentials and certifications in community colleges. However, because of the way the formula funding is for community colleges, it makes it challenging to focus on the industry recognized credentials, which is where a lot of the jobs are or would be coming from. It was a tough conversation between Nevadaworks and the community colleges.

SENATOR NEAL:

I know Nevadaworks works with some of the rural counties and DETR sent over the recent *Nevada Unemployment Rate Demographics Report*, which gives a breakdown of demographics by county. For Douglas and Humboldt Counties, there is still 10% to 14% unemployment rates for Native American and Indigenous communities. What are the barriers and the issues as to why unemployment rates are still high?

MR. STEWART:

There is not one specific reason. Depending on the area, either there are not any types of jobs available or sometimes individuals do not want to leave their tribal lands to work. Through the Good Jobs Northern Nevada grant, one of the subplans is to work intentionally with OSIT to help with its workforce needs around broadband infrastructure. The concept is for Nevadaworks to help provide workers, follow OSIT around, and have conversations with rural communities. With new broadband infrastructures in place, there is a whole world that is available that was not available previously. As some of the rural communities and tribal lands get broadband Internet, Nevadaworks plans to help acquire entrepreneurial training. It is a work in progress, but Nevadaworks is having conversations with tribes to figure out what it can do to help decrease those unemployment numbers.

SENATOR NEAL:

The revenue committees have heard a lot about how the Tahoe-Reno Industrial Center is exceeding economic development expectations. Why are the communities of color, such as the African American, Indigenous, and Latino communities, not able to take advantage of those high-level jobs at the Tahoe-Reno Industrial Center in which the state has invested in? Why has there not been some kind of collateral effect into those communities?

MR. STEWART:

I have asked myself that same question. As Workforce Connections mentioned, local boards are required to go through a competitive request for proposal process to identify and contract with organizations that then provide services to individuals. Nevadaworks is currently wrapping up its cycle. The intent was to directly ask questions such as, "What is your proposed delivery of service model to identify and serve underserved populations identified as needing assistance through A.B. 354?" It is a work in progress for Nevadaworks.

SENATOR NEAL:

That is good to know because all Nevadans deserve to be put into the strategy. If the state is investing and seeing success in economic development, the natural expectation is that it translates into work for all who are eligible to work. Does Nevadaworks have any data regarding people who are differently abled who might be seeking employment within the northern communities?

MR. STEWART:

When someone is enrolled in WIOA Title I, Nevadaworks asks a multitude of questions which include disabilities and demographic information. Nevadaworks has the data available that can be grouped or filtered to identify any potential problems and how to possibly approach fixing them.

SENATOR NEAL:

The Committee needs to have a discussion regarding disabled populations who cross over into the homeless population, and it needs to figure out how to deal with the workforce strategy within that community. That is a support system that is weak. I have noticed a lot of seniors and disabled people fall into the homeless category. The Committee needs to examine how the state can adjust the funding to the trends and have an overlapping strategy to help those populations.

MR. STEWART:

I agree. It takes collaborations and partnerships, such as EmployNV and American Job Centers. Perhaps feeding that data from DETR and Nevadaworks into the longitudinal data system will help answer some of those questions.

CHAIR BACKUS:

Next, the Committee will hear from DETR.

CHRISTOPHER SEWELL (Director, DETR):

There are a lot of moving parts in the workforce development ecosystem. DETR is the state designated workforce agency through WIOA. The presentation (page 78, [Exhibit A](#)) will focus on:

- The EmployNV hubs, which deal with people who are looking for jobs as well as businesses that are trying to find employees.
- The one-stop delivery system, which is comprised of the two local workforce development boards. The working relationship between DETR, Nevadaworks, and Workforce Connections is the best it has ever been. There are monthly meetings, and everyone is upfront and transparent with each other.
- OWINN, which is the coordinator or spear that brings all parties together. It was originally under DETR when it was created under Governor Brian Sandoval's administration. It was moved to the Office of the Governor and then, in 2019, it was moved back to DETR.
- Grant details and a description of the current funding mechanisms.
- AI opportunities for DETR.

The ecosystem of workforce development is complicated, and I do not have all the details or know all the answers. There was an article that had some inaccuracies in it and DETR will correct those inaccuracies (page 79, [Exhibit A](#)). I have a great team with me today. I was once told that DETR is the best kept secret when it comes to employers and job seekers, and I am sad to say it is true. DETR is trying to be more out front. In the last two years, DETR has put more money into training individuals than it has in the last six years. DETR has contributed money to certified nursing assistants, helped individuals get their credentials for child care, put \$1.2 million into teacher stipends, and worked with OSIT to help get more physicians.

John Parel has been with the state for over 18 years and with DETR for 10 years. He comes from a social services background, but he knows the EmployNV hubs and American Job Centers and is going to provide information on what the hubs do.

JOHN PAREL (Deputy Administrator, Employment Security Division, DETR):

The graphic on page 80 ([Exhibit A](#)) shows Nevada's workforce system. Inside the hub are the agencies in which WIOA funds flow from and through to go to the partners outside of the wheel. In the middle of the wheel are the federal, state, and local agencies. The DOL is the federal executive agency that administers WIOA. The WIOA legislation is designed to help job seekers access education, supportive services, and training to succeed in the labor market. DETR is the state agency that oversees the Nevada workforce system. Under the umbrella of DETR is OWINN, which has oversight over the GWDB whose role is to examine the development of the state's workforce plan as well as recommend workforce development policy improvements. DETR also operates EmployNV hubs throughout the state.

Additionally, the local agencies are comprised of chief local elected officials and partners in the business community. Those include higher education, K-12 education and career and technical education, labor, local workforce development boards and one-stops, mandated core partners, regional development authorities, and workforce training providers. Namely, that is Workforce Connections and Nevadaworks which operate American Job Centers. The American Job Centers are co-branded under the EmployNV brand. That is great because Nevadans can now go into an EmployNV hub anywhere in Nevada.

Page 81 ([Exhibit A](#)) is a simplified graphic of how workforce funding flows from the federal agencies to the local providers. Federal agencies award funding to the state workforce agency, DETR, which awards it to the local workforce development boards who turn around and award those funds to local providers.

Page 82 ([Exhibit A](#)) is an overview of a day in the life of a Nevadan using the EmployNV career hub. There are 3 career hubs in Northern Nevada, 21 career hubs in Southern Nevada, and 6 career hubs in rural Nevada areas. The services include child care assistance, job referral and entered employment assistance, job search, labor market information, referrals to partner providers for additional training assistance, resume preparation assistance, Supplemental Nutrition Assistance Program/TANF assistance, and other supportive services. Additionally, the career hubs offer workshops for soft skills, interviewing skills, and resume writing. The EmployNV career hubs has assisted 37,488 clients to date. Program resources provided out of the career hubs include the Career Enhancement Program, Federal Bonding Program, Jobs for Veterans State Grant (JSVG), Migrant and Seasonal Farmworkers program, Reemployment Services and Eligibility Assessment (RESEA) program, Reentry Employment Opportunities program, Silver State Works, Trade Adjustment Assistance Act, vocational rehabilitation, WIOA Title I (Adult, Dislocated Worker, and Youth) program, and WIOA Title III (Wagner-Peyser Program).

To give an idea of what EmployNV career hubs do, I am going to provide some examples and testimonials of success stories. Nilson Corea (page 82, [Exhibit A](#)) was a tattoo shop owner who lost his business during the COVID-19 pandemic. With the help of the North Las Vegas EmployNV career hub, he was able to get his welding certification and eventually work as a welding subcontractor to make ends meet. However, Nilson's true passion was his art. With enough savings from his welding job, Nilson was able to reopen his tattoo shop and continue to work as a welder.

Irene Grijalva (page 82, [Exhibit A](#)) worked as a Walmart cashier for years. With the help of the Henderson EmployNV career hub, she received commercial driver's license (CDL) training. Upon graduation, Irene received a job offer as a truck driver making \$86,000 a year. Irene now has a career that she absolutely loves.

Because of his background, Jacob (page 83, [Exhibit A](#)) had a difficult time finding work and was getting discouraged. To make matters worse, he lived on the outskirts of a city where there was no public transportation. With the help of an EmployNV career hub reentry specialist, Jacob was able to find work within walking distance from his home.

Terrence (page 83, [Exhibit A](#)) was released from prison to a recovery program. After he finished his program, Terrence transitioned to a sober living house. With the help of an EmployNV career hub reentry specialist, Terrence completed his CDL training and now has a career as a truck driver.

Sergio (page 83, [Exhibit A](#)) had lots of self-doubt and limited skills. An EmployNV career hub reentry specialist encouraged Sergio to complete his welding training. Sergio now works for a local welding company and has just moved into his first apartment.

For years, Christopher (page 84, [Exhibit A](#)) was addicted and fighting to stay clean. He was incarcerated numerous times but one day Christopher had enough and focused on himself. He had some setbacks but kept pushing. With continued support and encouragement from the EmployNV career hub staff and partners, Christopher completed his welding training and now has a career at TIMET Titanium Metals Corporation and is making a great living.

The Reno Works program (page 85, [Exhibit A](#)) is a 12-week program in partnership with the Volunteers of America and EmployNV hubs. The goal is to transform the lives of 12 homeless individuals each session. Two sessions are conducted each year with the purpose of working with participants who want to end their homelessness and get the life skills needed to be self-sufficient and proactive members of society. Partnering with the EmployNV hubs not only helps participants with the workshops needed but it also connects them to employers in the community.

Page 86 ([Exhibit A](#)) is an overview of the day in the life of an employer utilizing the EmployNV business hub. There are two business hubs in Northern Nevada, seven business hubs in Southern Nevada, and four business hubs in rural Nevada areas. In rural areas, the career and business hubs share the same physical location. The EmployNV business hub services include employer engagement, hiring events, hiring of

veterans, industry sector partnerships, job fairs, labor market information, networking events, and recruitment assistance. So far, EmployNV has served 5,123 employers. The program resources provided out of the business hubs include the Federal Bonding Program, Rapid Response program, Silver State Works, WIOA Title I on-the-job training, and Work Opportunity Tax Credit.

I am going to provide an overview of some success stories and testimonials from employers. Employnet Workforce Solutions (page 86, [Exhibit A](#)) has worked with the EmployNV business hub for the last few years. It has had 14 hiring events and listed 2,813 job openings with the business hub so far.

Sunshine Minting, Inc. (SMI) (page 87, [Exhibit A](#)) has participated in the last two job fairs in Las Vegas. It takes advantage of the training and hiring incentives offered through the EmployNV business hub such as work experience and Silver State Works where the company could get incentives by hiring EmployNV's motivated clients who have little to no experience but need the chance to prove themselves. The SMI also takes advantage of the IWT program, which funds training to retain and upgrade employees with training designed to meet special requirements. The program either results in promotions, wage increases, or avoids layoffs.

MGM Resorts International (page 88, [Exhibit A](#)) has partnered with the EmployNV business hub for decades. Since April 2023, it has listed 43,615 positions with EmployNV, has held multiple large hiring events, and participates in almost all the EmployNV job fairs.

Caesars Entertainment (page 89, [Exhibit A](#)) is another resort that partnered with the EmployNV business hub for a long time. Since April 2023, it has listed 18,717 positions with EmployNV, held 10 large hiring events in various EmployNV hubs, and participated in most job fairs.

Resorts World Las Vegas (page 90, [Exhibit A](#)) has listed 6,235 job openings with the EmployNV business hubs since April 2023. It has held two large hiring events as well as participated in six job fairs.

The Smith Center (page 91, [Exhibit A](#)) is another employer that has been very appreciative of the EmployNV business hubs help. The center loves the fact that it can get access to top talent, streamlined recruitment assistance, job poster advertising, and continued support and feedback from the EmployNV business hub staff. Since April 2023, it has listed 179 job openings and participated in 2 job fairs.

The job fair shown on page 92 ([Exhibit A](#)) is the one Workforce Connections had mentioned earlier. EmployNV trained and prepared high school students to attend the 2024 spring job fair. The job fair was in partnership with Clark County Commissioners Jim Gibson and Tick Segerblom. The job fair brought in 120 employers and over 4,000 job seekers. Of those 4,000 job seekers, 824 received job offers on the spot.

From the beginning, TLS Logistics (page 93, [Exhibit A](#)) has partnered with the EmployNV business hub. It has used the EmployNV business hub as it has continued to expand in Nevada, and it has been thankful for a partnership. It has had 158 job openings listed and 3 hiring events since April 2023.

Despite the recent layoffs, Tesla (page 94, [Exhibit A](#)) remains one of EmployNV's largest employers and it has been a committed partner of the EmployNV hub from the beginning of its expansion to Nevada in 2014. As it built the Nevada Gigafactory, Tesla held training and hiring events at the EmployNV hub. Since April 2023, Tesla has listed 994 job openings and has held 5 hiring events with EmployNV.

The U.S. Postal Service (page 95, [Exhibit A](#)) has been a longtime partner of the EmployNV business hub. Since April 2023, it has listed 146 job openings and has held 9 hiring events. Recently, the U.S. Postal Service asked if it could host a hiring event each month as it has had tremendous success with the EmployNV brand.

EmployNV does not just work with large companies; it works with businesses of all sizes. Planetary Pinball (page 96, [Exhibit A](#)) is an example of a small business that has also taken advantage of EmployNV's hiring and training incentives. The work experience program enabled Planetary Pinball to hire three employees with no experience. Those employees now have skills that would allow them to transition into related and higher paying positions. Planetary Pinball has posted 40 job openings with EmployNV and has had 3 contracts with EmployNV so far.

Lakeside Crossing Partners, LTD (page 97, [Exhibit A](#)) is another small business that uses the EmployNV services and recruitment assistance. Many of the small businesses that EmployNV works with may not have a human resource office or an army of recruiters to compete for top talent. Working with the EmployNV business hubs allows small businesses the chance to compete for top talent. Lakeside Crossing Partners has posted 16 job openings since April 2023.

Incline Village General Improvement District (page 97, [Exhibit A](#)) is an agency that has had difficulty finding employees due to their location. Working with the EmployNV business hub has allowed it to recruit not only statewide but nationwide as well. The EmployNV job board is the largest job board in Nevada, and it also ties into state and for-profit boards across the country. The Incline Village General Improvement District has posted 24 job openings and has held 3 hiring events since April 2023.

The City of Carson City (page 98, [Exhibit A](#)) is another agency that utilizes the EmployNV business hub. EmployNV posts its available job positions and provides the city with labor market information so it may stay competitive with its benefits, employee incentives, and salaries. Since April 2023, the city has posted 663 job openings and has attended 2 EmployNV job fairs.

Servpro (page 98, [Exhibit A](#)) is a company that is also happy with the EmployNV business hub. It uses employer rooms in the EmployNV business hub locations to conduct recruitments. So far, it has had 59 job openings listed and has conducted 5 hiring events.

With locations all over Nevada, Pilot Travel Centers (page 99, [Exhibit A](#)) is an employer that takes advantage of the EmployNV hub network throughout Nevada. It has listed 50 job openings since April 2023.

Systems Consultants Inc. (page 99, [Exhibit A](#)) is another company that has partnered with the Fallon business and career hub. EmployNV has referred many full-time and seasonal candidates to Systems Consultants over the years. It has posted 52 job openings and has held 1 hiring event since April 2023.

The Fallon Tribal Development Corporation (page 100, [Exhibit A](#)) is another rural employer that has utilized the EmployNV hub for many years. It takes advantage of the [EmployNV.gov](#) website to recruit from all over the U.S. It has posted 10 job openings since April 2023.

Sussman & Associates (page 100, [Exhibit A](#)) is another small business that EmployNV has helped recently. The EmployNV account managers walked Sussman & Associates through every step of the recruitment process and the company has been very happy with the service.

KRISTINE NELSON (Administrator, Employment Security Division, DETR):

In response to questions that DETR received from the Committee, I will provide an overview of the federal and state workforce programs that DETR administers and share details of the performance outcomes. As previously mentioned, DETR is a pass-through state workforce agency that is designated by the U.S. Department of Education (DOE) and DOL. It is charged with the administration of workforce funding and programs. The schematic on page 102 ([Exhibit A](#)) demonstrates DETR's role in the workforce system as well as the various roles of the other federal, state, and local workforce stakeholders.

DETR is charged with administering several federal formula grant programs, which are listed on page 103 ([Exhibit A](#)), the largest of those being WIOA. DETR is also charged with the administration of many federal discretionary grants, which are one-time funding allocations made through the solicitation process by DOE and DOL. DETR's discretionary grant programs include the WIOA QUEST Disaster Recovery National Dislocated Worker Grant (DWG) and four discretionary grants listed on page 104 ([Exhibit A](#)) that OWINN was awarded prior to its transition back to DETR.

DETR is charged with administering the state workforce and training program dollars, which include the Career Enhancement Program and the Displaced Homemaker Program as listed on page 105 ([Exhibit A](#)).

The next several pages provide the data that the Committee requested, specifically: (1) the number of careers/jobs that have been obtained, length of employment, and the wages paid; and (2) the wages paid and duration of employment for jobs secured by people within underserved communities. Pages 107 ([Exhibit A](#)) shows the data requested for State Fiscal Year 2022, program year 2021; page 108 ([Exhibit A](#)) shows State Fiscal Year 2023, program year 2022; and page 109 ([Exhibit A](#)) shows State Fiscal Year 2024, program year 2023. The data varies throughout each program year; however, consistent

through the three running program years is the WIOA Title III (Wagner-Peyser Program). It is the program data that consistently demonstrates the highest number of career and job placements in any given program year. Another consistency throughout the three running program years is the WIOA dislocated worker program data, both formula and discretionary, demonstrating the highest median wages paid post program exit.

Also included in pages 107 through 109 are the answers to the Committee's questions regarding median wages paid post program exit for underserved populations. Per the DOL's required performance indicators, that includes participants who are basic skills deficient, have English as a second language, are low income, or are veterans. Please note there is more granular data of DETR's federal and state workforce programs included in Appendix A of the presentation (page 195, [Exhibit A](#)).

Next, I will provide an overview of the workforce governance structure and then dive into detailed descriptions of each federal and state workforce program. Page 111 ([Exhibit A](#)) demonstrates the role of the state workforce agency, DETR, and where it sits within the entire WIOA governance structure. It also shows the NDE as the department that administers WIOA Title II Adult Education and Family Literacy Act (AEFLA) grant program that sits outside of DETR. DETR administers three of the four WIOA grant programs. Further, the schematic also demonstrates the flow of oversight, consultation, and funding activities starting with the DOE and DOL, flowing through the Governor, the state workforce agencies, and through to the local entities and their various stakeholders that make up the state's workforce system.

The schematic on page 112 ([Exhibit A](#)) demonstrates the local WIOA governance structure and the flow of the local workforce development boards and their chief elected local officials.

Lastly, the schematic on page 113 ([Exhibit A](#)) demonstrates the role of the state workforce board, the GWDB. Section 101 of WIOA Title I delineates the board's purpose and role, which is to oversee implementation and continuous improvement of the state's workforce system. As mentioned earlier, pursuant to *Nevada Revised Statutes* (NRS) 232.975, OWINN serves as the administrative support for the GWDB.

As part of the state's workforce system, there is a high level of collaboration and cooperation that is needed between all the stakeholders in the system to carry out and deliver the GWDB's plan in Nevada (page 114, [Exhibit A](#)). DETR hosted the DOL on April 9 and 10, 2024, in Reno, Nevada. Dr. Tamika Ledbetter, Regional Administrator for Region 6 of the Employment and Training Administration (ETA) of DOL, Lenita Jacobs-Simmons, Deputy Assistant Secretary for ETA of DOL, and many state administrators were present during the hosting. During that hosting, the DOL praised Nevada's collaboration and cooperation as exemplary and asked Nevada to partner with the DOL to explain and share Nevada's best practices with other states. That was a very impactful statement.

All the programmatic work that is done within the federal and state workforce ecosystem aligns with the GWDB's vision and plan, which is formalized in a four-year unified WIOA state plan that is updated every two years pursuant to federal regulations. OWINN is the convenor of the collaborative effort. The members of "the band" include entities such as the Department of Corrections, DETR, DHHS, DWSS, GOED, NDE, Nevada System of Higher Education (NSHE), OSIT, OWINN, as well as chambers, local workforce boards, regional development agency partners, rotaries, and other workforce stakeholders throughout the state.

Next, I will go over the details of each federal and state workforce grant that DETR administers. WIOA is the largest workforce grant that DETR administers in its capacity as the designated workforce agency. WIOA has four titles; three are assigned to DETR and one is assigned to the NDE. WIOA Title I includes three formula funded programs for adults, dislocated workers, and youths. Page 115 ([Exhibit A](#)) shows the WIOA Title I adult and youth programs description, the eligibility requirements, and what the funding looks like. Page 116 ([Exhibit A](#)) shows the WIOA Title I dislocated worker program description, its goal, the eligibility requirements, and the funding information.

There are three concurrent WIOA grants being administered in any given state fiscal year. Currently, DETR has been allocated funding for program years 2021, 2022, and 2023 (page 117, [Exhibit A](#)) and is administering those concurrently. Of each of those allocations, the state workforce agency is required to set aside certain amounts of that funding for rapid response activities, 5% for state administration of the grant, and 10% for the Governor's Reserve. The remaining allocation is distributed to the two local workforce development boards, and it is based on the north and south economic factors.

Pages 118 and 119 ([Exhibit A](#)) show the DOL's prescribed performance indicators for WIOA Title I (Adult, Dislocated Worker, and Youth) programs.

Page 120 ([Exhibit A](#)) displays the prescribed performance indicators and metrics for WIOA Title III (Wagner-Peyser Program) employment services. Again, more granular data for each program is included in Appendix A of the presentation (page 195, [Exhibit A](#)).

Next is data derived from the DOL. Page 121 ([Exhibit A](#)) is an overview of the participant counts by race/ethnicity and sex for all three programs.

Page 122 ([Exhibit A](#)) demonstrates WIOA Title I adult program performance indicators that measure median earnings second quarter after exit of participants. Nevada is trending steady overall with the national averages. Some highlights from this graph include: (1) Nevada's male participants overall are higher earners; (2) Nevada's Asian participants, both male and female, overall are higher earners; and (3) Nevada's Hispanic/Latino male participants are higher than the national average.

Page 123 demonstrates WIOA Title I adult program performance indicators that measure employment rates for the second and fourth quarters after exit of participants. Nevada is trending slightly higher overall than the national averages in all categories for the employment rate second quarter after exit of participants and in all but one category for the employment rate fourth quarter after exit of participants. Some highlights for this

graph include: (1) the number of Nevada's Black and Hispanic/Latino male and female participants employment rate second quarter after exit are significantly higher than the national average, and (2) the number of Nevada's White and Hispanic/Latino male and female participants employment rate fourth quarter after exit are also significantly higher than the national average.

Page 124 ([Exhibit A](#)) demonstrates WIOA Title I adult program performance indicators that measure credential attainment of participants and MSGs. Nevada is trending significantly higher overall than the national averages in all categories for both performance indicators.

To wrap up the performance indicators for WIOA Title I adult program, page 125 ([Exhibit A](#)) demonstrates the percentages of participants employed in training occupations. Nevada is trending significantly higher overall than the national averages in all participant categories.

Moving on to WIOA Title I youth program, page 126 ([Exhibit A](#)) demonstrates the performance indicators that measure median earnings second quarter after exit of participants. Nevada is trending slightly below overall than the national averages. Some highlights include Nevada's Asian female youth participants are the highest earners overall with Nevada's Hispanic/Latina females as a close second.

Page 127 ([Exhibit A](#)) demonstrates WIOA Title I youth program performance indicators that measure employment rates second and fourth quarters after exit of participants. In the second quarter after exit, Nevada is trending significantly lower overall than the national averages in all categories, with the exception of Nevada's Black female youth and Hispanic male and female youth who are trending higher than the national average. In the fourth quarter after exit, Nevada is trending slightly lower than the national averages with the exception of Nevada's other male participants, which includes participants who are American Indian, Native American, Hawaiian, Pacific Islander, or multiracial.

Page 128 ([Exhibit A](#)) demonstrates WIOA Title I youth program performance indicators that measure the credential attainment of participants and MSGs. Nevada is trending significantly lower overall than the national averages in all categories for both credential attainment and MSGs. Some highlights include: (1) Nevada's Asian males are above national averages for both the performance indicators, and (2) Nevada's other males are significantly below for credential attainment.

Page 129 ([Exhibit A](#)) demonstrates the WIOA Title I youth program performance indicator that measures the percent of participants employed in a training occupation. Nevada is trending significantly higher overall than the national averages in all categories. Some highlights include Nevada's Black female participants, White male participants, and Hispanic/Latino male participants are exceptionally higher than those of the national averages.

Moving on to WIOA Title I dislocated worker program statistics, page 130 ([Exhibit A](#)) demonstrates median earnings second quarter after exit of participants. Nevada is trending slightly lower overall than the national averages. Some highlights include:

- Nevada's Asian female participants trending significantly higher than the national averages.
- Nevada's Asian males trending significantly lower than the national averages.
- Nevada's Black female participants trending higher than the national averages.
- Nevada's other male participants trending significantly higher than the national averages.
- Nevada's Hispanic/Latino male and female participants trending higher than the national averages.
- Nevada's White male and female participants trending significantly higher than the national averages.

Page 131 ([Exhibit A](#)) demonstrates WIOA Title I dislocated worker program performance indicators that measure the employment rates second and fourth quarters after exit of participants. Nevada is trending higher than the national averages overall in both of those performance indicators and in all categories.

Page 132 ([Exhibit A](#)) demonstrates WIOA Title I dislocated worker program performance indicators that measure credential attainment and MSGs of participants. Nevada is trending significantly higher in all categories overall than the national averages for both performance indicators.

Lastly, page 133 ([Exhibit A](#)) demonstrates the WIOA Title I dislocated worker program performance indicator that measures the percentage of participants who are employed in training occupations. Nevada is trending significantly below the national averages in all categories with the exception of Nevada's Hispanic/Latino males who are trending steady with the national averages.

As I mentioned earlier, there is a required cutout per WIOA wherein the state can set aside up to 15% of which 5% is reserved for the state for administration of the WIOA grant and 10% is for the Governor's Reserve to fund the GWDB agenda activities. Page 134 ([Exhibit A](#)) demonstrates all current projects funded by the Governor's Reserve, the projects' participant data, and the projected outcome goals for each project. The table also explains the flexible funding and what DETR has been working on with both its local partners and stakeholders for funding workforce activities. One thing to note is that the Governor's Reserve funds OWINN's operations and special workforce projects since it got moved back to DETR.

The WIOA Title III (Wagner-Peyser Program) employment services is the state employment service delivery system known as the EmployNV business, career, and youth hubs or, at the federal level, as American Job Centers and labor exchange system. These programs assist job seekers through employment services such as aptitude testing, counseling, job referrals, placements, reemployment services, and resume preparation skills and assist employers through the labor exchange system that includes candidate matching, job fairs, job order postings, recruitments, and referrals to connect employers with skilled labor. Eligibility and program requirements are listed on page 135 ([Exhibit A](#)).

Corresponding with WIOA Title I, DETR also administers three concurrent program year grants for WIOA Title III (page 136, [Exhibit A](#)).

Page 137 ([Exhibit A](#)) demonstrates the WIOA Title III (Wagner-Peyser Program) performance indicator that measures median earnings second quarter after exit of participants. Nevada is trending slightly below the national average for male participants and slightly above the national average for female participants. Some highlights include: (1) Nevada's Asian female participants trending significantly higher than the national average, (2) Nevada's White female participants training relatively higher than the national average, and (3) Nevada's White male participants trending relatively below the national average.

Page 138 ([Exhibit A](#)) shows the WIOA Title III (Wagner-Peyser Program) employment rates for the second and fourth quarters after exit of participants. Nevada is trending higher overall in all participant categories. Again, more granular performance indicator data is included in Appendix A of the presentation (page 195, [Exhibit A](#)).

Page 139 ([Exhibit A](#)) provides information on the RESEA grant. The Unemployment Insurance (UI) program is a required partner in the public workforce system. The RESEA program connects the UI program with workforce. The UI program is designed to decrease the burden on Nevada's UI Trust Fund, promote alignment between the UI program and WIOA, reduce UI duration, and strengthen UI program integrity. A systematic sample of UI claimants are pulled to participate in the RESEA program; however, UI claimants that are hiring union members and those who are on temporary layoffs are exempt from being selected. Page 139 lists the program requirements and the current RESEA Federal Fiscal Year 2022 and 2023 grant allocations. The grant funds 22 positions at DETR who administer the program. The performance data for this program is included in Appendix A of the presentation (page 195, [Exhibit A](#)).

Page 140 ([Exhibit A](#)) provides the program description and funding allocation for the JVSG program through the Veterans' Employment and Training Service (VETS) of DOL. It is a federal formula grant provided to state workforce agencies to provide individualized career services and training related services to veterans and eligible persons with significant barriers to employment. The JVSG funds 21 positions at DETR. Additional program outcome data is included in Appendix A of the presentation (page 195, [Exhibit A](#)).

Page 141 ([Exhibit A](#)) provides the eligibility requirements and program description for the Foreign Labor Certification (FLC) grant, which is a federal formula grant provided to the state workforce agency to ensure job opportunities, wages, and working conditions of U.S. workers. The FLC grant funds three positions at DETR. The performance indicator data is included in Appendix A of the presentation (page 195, [Exhibit A](#)).

Page 142 ([Exhibit A](#)) provides the eligibility criteria and program description for the Trade Adjustment Act, which is a federal formula grant provided to the state workforce agency to provide assistance to U.S. workers who have lost their job as a result of foreign trade. The grant funds three positions at the state workforce agency. The performance indicator data is included in Appendix A of the presentation (page 195, [Exhibit A](#)).

Page 143 ([Exhibit A](#)) provides information on the Workforce Opportunity Tax Credit (WOTC) program, which is a federal tax credit program available to employers for hiring and employing individuals from certain targeted groups who have experienced significant barriers to employment. The WOTC program funds one position at DETR who administers the grant. The performance indicator data is included in Appendix A of the presentation (page 195, [Exhibit A](#)).

In late 2023, Nevada applied for and received the QUEST grant (page 144, [Exhibit A](#)), which assists dislocated workers, persons living in poverty, and underserved racial and cultural populations to obtain and retain sustainable employment. DETR was 1 of 12 state workforce agencies awarded this \$5 million grant in the nation. The goal is to serve 1,800 participants through September 2026. DETR sub-granted the QUEST grant to the two local workforce boards who are actively administering the program.

Now, to go over state workforce programs, page 145 ([Exhibit A](#)) provides information on the Career Enhancement Program, which is funded through one half of 1% of employment taxes paid in Nevada and is prescribed in NRS 612.605. The goal of the program is to foster job creation, meet the needs of employers for skilled workers by providing training and resources, and minimize unemployment costs of employers.

Page 146 ([Exhibit A](#)) lists the Career Enhancement Program funding for State Fiscal Years 2020 through 2024 and its main uses, which include its use to provide public and private sector resources that facilitate training, retraining, or improving the skills of persons employed in the state. Career Enhancement Program training resources include: (1) reemployment related expenses such as boots, shoes, supplies, tools, work clothing, work or health cards, or any other resource than an individual needs to be required to be able to start work; (2) training related expenses such as books, supplies, or tuition; and (3) vocational classroom training such as short-term skills training. These training resources are disseminated to clients through the EmployNV career hubs.

Pages 147 and 148 ([Exhibit A](#)) list all the current training projects funded by the Career Enhancement Program, which include but are not limited to disconnected youth training; early childhood training; the IWT program; indigent defense counsel training, which has helped fill a gap for those professions needed in Nevada's hard to reach rural areas; occupational training in high demand fields; sector council training; and teacher pipeline pathways. The Career Enhancement Program funding is also prescribed by statute to pay for the costs of collection of employment tax payments as required in NRS 616.606. It supports 23 positions in DETR's UI Tax Contributions Unit that performs that collection work. Performance indicator data for the Career Enhancement Program is included in pages 147 and 148 and more granular data is available in Appendix A of the presentation (page 195, [Exhibit A](#)).

Finally, DETR administers the Displaced Homemakers program (page 149, [Exhibit A](#)), which is funded through divorce fees paid through the counties. The program's primary goal is helping program participants become employed and self-sufficient. The Displaced Homemakers program funds one position at DETR and the program funding is awarded to nonprofit agencies who deliver the services and resources to program participants.

The three providers currently awarded contracts under a 2023 request for proposal solicitation process are Community Services Agency, Goodwill of Southern Nevada, and Truckee Meadows Community College. Performance indicators for the Displaced Homemaker program are included in Appendix A of the presentation (page 195, [Exhibit A](#)).

ASSEMBLYMAN ORENTLICHER:

Regarding the performance outcomes statistics, Nevada is above the national average in terms of workforce participation but is behind in wages. How much is contributed to the fact that wages are lower in Nevada than in other states? If the wages were adjusted for the cost of living or average wage levels, does that change how Nevada compares to other states?

DAVID SCHMIDT (Chief Economist, Research and Analysis Bureau, DETR):

For comparison, for the same time period, Nevada's total average wages were about 18% lower than the national average. Across most of the earnings categories, if the overall wages were adjusted 18%, Nevada would actually be outperforming the national average.

CHAIR BACKUS:

The *Nevada Unemployment Rate Demographics Report* breaks down different unemployment rates by county. A lot of the charts that DETR has shared with us today are data of how WIOA Title I funds are being utilized for adults. The report shows that, in Clark County, the unemployment rate of some of the minority communities such as Black, Native American, and other people that identify with two or more races is much higher than other communities. The unemployment rate for the Black community in Clark County is 11.4%. When DETR receives the WIOA funding, is it doing anything to reach out to those communities to try to decrease the overall unemployment levels? I am aware that the data DETR has shared today is of program participants, but Nevada still has a larger disproportionate rate of unemployment.

MS. NELSON:

The expansion of career hubs, especially in Southern Nevada, is specifically serving those communities. The purpose and focus of that expansion was to put those resources and services in the communities that needed them the most.

CHAIR BACKUS:

The report has overall data of Nevada's unemployment rates and DETR has presented only data limited to the different workforce programs and funding, correct?

MR. SCHMIDT:

That is correct. It is worth noting that even with the 36,000 program participants, there are about 80,000 total estimated unemployed individuals in Nevada, which means the broadest measure of reach in Nevada is still less than half of the total unemployment rate. The statistics from the *Nevada Unemployment Rate Demographics Report* are from a different period and are for the entire Nevada population. The population as a whole is definitely much larger than the number of people who can be served through the workforce system.

CHAIR BACKUS:

Page 133 ([Exhibit A](#)) displayed the percentage of participants employed in training occupations. It seems to be common and inherent to Nevada to fall below the national average, but I feel like there are still success stories there. If an individual goes through training in one field, is it likely that they may end up getting employment in another field? Is anyone tracking that?

MR. SCHMIDT:

That is common for training occupations. Nevada has nearly been the fastest growing state since coming out of the COVID-19 pandemic and the training occupation jobs are growing. As individuals go through training, the jobs that are growing might not be the jobs they were intending to get. That is not necessarily a good or bad thing. However, the reason why a person might end up in a different job is hard to track. There are some limitations to the data available because a lot of it relies on self-reported follow-up contact. The most comprehensive data that is available comes from unemployment tax collections that show the employer and wages that were earned by an individual for a particular period of time; however, knowing about the occupation is a limitation in the data that DETR collects. The nonresponse rate is higher when one has to contact the individual to ask whether they acquired a job that they were training for or not. However, some other states do collect occupational data through their unemployment wage records and are able to have a more comprehensive answer to that question.

ASSEMBLYWOMAN CONSIDINE:

Are the program participant counts that are listed on page 121 ([Exhibit A](#)) the same pool that was used for the following pages?

MR. SCHMIDT:

The chart on page 121 comes from the DOL and is a broad look at those particular programs from the DOL's perspective. The pages that Ms. Nelson shared were detailed for each of the individual DETR programs. Federal programs would fall under either WIOA Title I or Title III, but programs such as the Career Enhancement Program, which is state funded, would not be reflected on page 121.

ASSEMBLYWOMAN CONSIDINE:

For example, the chart shows there are only 19 Asian male and female WIOA youth participants. Are the following charts that compare Nevada to national based on those 19 people?

MR. SCHMIDT:

The good news is you do not have to worry about the margin of error if you are only counting 19 people. Compared to the national total of all people in that same group, there would be more variability, but it is still an accurate representation of the experience of those individuals.

MS. NELSON:

Page 121 includes a hyperlink to the DOL's Workforce Services Dashboard for Nevada, Program Year 2022. I highly recommend the Committee examine the dashboard for additional metrics on this data.

DRAZEN ELEZ (Administrator, Rehabilitation Division, DETR):

The Bureau of Vocational Rehabilitation and the Bureau of Services to the Blind and Visually Impaired (BSBVI) are located within DETR's Rehabilitation Division. They provide essential services necessary to assist individuals with disabilities to work in competitive, integrated employment and achieve self-sufficiency. At its core, vocational rehabilitation is about empowerment. It is about recognizing the inherent talents and capabilities of every individual and providing them with the tools and opportunities to harness those talents in the workforce. Through targeted interventions such as assistive technology, job coaching, job placement assistance, and skills training, vocational rehabilitation can break down the barriers that too often prevent marginalized individuals from fully participating in the workforce. The program is more than just about finding jobs; it is about fostering dignity, independence, and self-sufficiency by empowering individuals to pursue their career goals, enhance their economic prospects, and promote their overall well-being and sense of belonging within society. When individuals are able to support themselves and their families through meaningful work, they are better equipped to contribute positively to their communities and realize their dreams.

Vocational rehabilitation is part of Title IV of WIOA. Initially, it was established through the Rehabilitation Act of 1973, and it was later reauthorized to WIOA in 2014. Page 150 ([Exhibit A](#)) includes information about the Vocational Rehabilitation (VR) Nevada program, what the program does, why it is needed, who the program serves, and brief information about the program's funding. A few years ago, DETR data analysts came to the conservative conclusion that for every State General Fund dollar that is invested in vocational rehabilitation, the state saves around \$16.73 over the life of the vocational rehabilitation client. This ROI comes back to the state in terms of increased taxes and decreased benefits from public programs.

The majority of VR Nevada funding comes from the Vocational Rehabilitation Award, also known as the “Section 110 Grant,” which is issued to DETR by the DOE Rehabilitation Services Administration (page 151, [Exhibit A](#)). With the formula grant, the state agency is required to provide 21.3% of nonfederal match in order to draw down 78.7% of the federal funds. In other words, for every \$1 of State General Funds that Nevada expends, it generates \$3.69 in federal funds. Unlike the other partners, VR Nevada is not a pass-through agency. All of the services that are delivered by VR Nevada are delivered through staff or through working with local vendors to ensure that clients are served.

Page 152 ([Exhibit A](#)) features more detailed information about the various grants that the agency receives. The main grant is the Section 110 Grant, which is provided to the state for operating statewide vocational rehabilitation programs. It is an integral part of a statewide workforce development system. While the state is awarded \$31 million in federal funding, due to unavailability of the nonfederal match, Nevada has only been able to draw around 71% of that award in the last 10 years. These grants are awarded to DETR automatically and are based on the state’s population and projected growth of population, among other metrics that are prescribed in the federal regulations. The second grant is the Supported Employment Services for Individuals with the Most Significant Disabilities grant, which is \$110,000, and it assists VR Nevada in providing support employment services for individuals with the most significant disabilities, including youth with the most significant disabilities, who require supported employment services following the achievement of a supported employment outcome. The third grant is the Independent Living Services for Older Individuals Who Are Blind Award, which is a program established in the BSBVI and is the only non-employment focused program. It provides independent living services to persons who are 55 years of age or older who are blind.

Page 153 ([Exhibit A](#)) provides a visual breakdown of the funding for each budget account. For example, the Bureau of Vocational Rehabilitation receives about 85% of federal funds and 15% of State General Funds. The BSBVI receives about 82% of federal funds and 18% of State General Funds. Lastly, the Blind Business Enterprises of Nevada (BEN) program assists individuals who are blind or visually impaired and are interested in becoming entrepreneurs. It is a fully self-funded program.

To provide a programmatic overview, the role of VR Nevada is to help people with disabilities find jobs. There are many types of disabilities, and VR Nevada provides services and support to individuals with all disabilities. Page 156 ([Exhibit A](#)) provides a primary disability breakdown of served clients in 2023. About 65% of clients have either cognitive or mental health disabilities. That has been growing over the past few years. While these are primary disabilities, a majority of the division’s clients have more than one disability that they are facing, and it creates a barrier to their employment.

Vocational Rehabilitation Nevada has two of the Rehabilitation Division bureaus, which have the same processes and goal (page 157, [Exhibit A](#)). First, the Bureau of Vocational Rehabilitation serves all primary disabilities excluding the blind or visually impaired. There are also staff that specialize in the deaf and hard of hearing population. The second bureau is the BSBVI which has counselors, technicians, and staff with specialized training and experience to serve visually impaired clients. Though VR Nevada is broken into two specialized areas, both bureaus work on the same common goal of helping individuals with disabilities find long-term, sustainable employment.

The Rehabilitation Division also houses the BEN program, which is a self-funded program that provides entrepreneurial opportunities for individuals who are blind or visually impaired in priority-of-right locations in public buildings statewide for food and beverage services, vending machines, or gift stores. Some of the more prominent sites are the café and gift stores at the Hoover Dam—which serve over 1 million tourists every year—Department of Motor Vehicles, Lloyd D. George U.S. Courthouse, and many others. There are about 28 businesses across the state that are run by our blind operators. In order to qualify for this program, individuals would first need to become a client of the BSBVI and then, if they are interested in becoming an entrepreneur, they would receive a yearlong training and then be eligible for available vending/cafeteria sites. This program was established under the Randolph-Sheppard Act of 1936 and NRS 426.640.

The Rehabilitation Division also has federal common performance measures, shown on page 158 ([Exhibit A](#)). The data is displayed on the DOE's website. Especially in the last couple of years, the division has made significant progress when it comes to ensuring that clients are receiving credential attainment and MSGs. Since the end of the COVID-19 pandemic, the division's numbers are improving in terms of the employment rate second quarter after exit and the employment rate fourth quarter after exit.

Page 159 ([Exhibit A](#)) displays some other VR Nevada key statistics. Vocational Rehabilitation Nevada has served 6,084 clients in State Fiscal Year 2023/federal program year 2022, and 507 of those clients have achieved competitive integrated employment with an average wage of over \$16.98 per hour. Because of the complexity and the individualized nature of services that VR Nevada provides, cases are open about 756 days, or around two years, on average.

Over the past three years, DETR has focused very heavily on ensuring that it is not the best kept secret in Nevada. Vocational Rehabilitation Nevada has put significant resources into ensuring that its services are fully accessible, easy to reach, and efficient. It has launched a new website via vrnevada.nv.gov and has simplified its application process. The application used to be around six or seven pages and it has been reduced to six or seven multiple-choice questions, making it very easy for people to apply for vocational rehabilitation services. Vocational Rehabilitation Nevada has also created a very robust social media presence and ensures there is continuous content being created and uploaded to share what services it provides. I believe VR Nevada is one of the first state agencies to have made its website available in the five most widely spoken languages in Nevada. Besides English, the website is also available in American Sign Language interpretation, Korean, Mandarin, Spanish, and Tagalog. These efforts have been very successful, but they have also led to reaching historically high application numbers for individuals with disabilities who are seeking vocational rehabilitation services. That is putting significant strain on VR Nevada staff and resources as it continues to provide a high level of quality services to its clients. Page 160 ([Exhibit A](#)) displays the number of applications for vocational rehabilitation services by month, starting in July 2021, around the beginning of the COVID-19 pandemic. Currently, there is an average of about 220 applications a month.

Page 161 ([Exhibit A](#)) displays the three main customers of VR Nevada: (1) the job seekers, which are individuals with disabilities who have barriers to employment and are looking for assistance with finding a job; (2) employers, which are businesses and organizations that need workforce in order to deliver their goods and services to customers; and (3) students with disabilities and schools. The last customer has become an increasing initiative within the Rehabilitation Division since the passage of WIOA, which required that states set aside 15% of the federal award in order to serve students with disabilities.

Page 162 ([Exhibit A](#)) demonstrates the eight-step process of VR Nevada for applicants with disabilities who are 18 years of age or older who are not under the court appointed guardianship of another person. The process comprises of application eligibility determination, which has to be completed within 60 days; assessments; development of an individualized plan for employment (IPE); and subsequent service delivery. Once the IPE has been delivered, the client is deemed ready for a job and will begin to seek employment. The Bureau of Vocational Rehabilitation will provide internal or paid job developers that will assist with that job search. Once employment is achieved, the client is monitored for 90 days to ensure employment is secure and all the needs of that client have been met. A case is not closed until at least those 90 days and the client has to agree that they do not need any additional services.

The VR Nevada counselors and vendors provide the services described on page 163 ([Exhibit A](#)). Vocational Rehabilitation Nevada counselors use their knowledge and skills education and specialized workforce development experience to conduct comprehensive assessments on participants. The comprehensive vocational needs assessment evaluates workforce factors and requires the counselor to synthesize information into an IPE with participants. All of these services and requirements are listed in the Title IV portion of WIOA. As mentioned previously, vocational rehabilitation cases take longer than Title I or Title III cases, with the average case length being 756 days. Services are provided using a case management model with medical aspects, so VR Nevada has to ensure to look at the type of barriers a person is facing, what type of medical conditions a person may have, and how it can remove those barriers and provide the individual with assistance. Participants have the ability to dispute any decisions that are made regarding their case with the Client Assistance Program, which is funded by DOE's Rehabilitation Services Administration and the Nevada Disability Advocacy and Law Center.

Pages 164 and 165 ([Exhibit A](#)) provide an overview of some of the top services provided by vendors, which include assessments, job placement assistance, maintenance or short-term expenses, on the job support, other goods and services, rehabilitation technology, training, transportation, among others.

Page 166 ([Exhibit A](#)) states the most compelling reason why vocational rehabilitation services are so important: people with disabilities make up the nation's largest minority group as well as the only group that anyone can become a member of at any time. People with disabilities also have higher poverty rates, significantly lower employment rates, and earn a lot less than their nondisabled peers. According to a 2022 Cornell University study, there are over 220,000 working age individuals with disabilities in Nevada.

Vocational Rehabilitation Nevada's Employer Engagement Team offers a full-service business assistance program for business owners and employers to help them gain a critical advantage in today's competitive workplace (page 167, [Exhibit A](#)). The team provides professional consultation services to assist business owners and employers in developing short- and long-term strategies regarding their varying disability related issues. Additionally, the team helps individuals with disabilities maximize their employment opportunities by helping them develop the skills that today's businesses are seeking. In State Fiscal Year 2023, the Employer Engagement Team reached out to 634 employers and conducted or have been a part of 62 outreach events. Services are provided at no cost to employers and are designated to aid the employers and their staff with education in finding the right match to fill their staffing needs, including: access to on-the-job training funds, customized employer training strategies, employee matches based on their business needs, free assistance with recruitment and job matching, prescreening and qualified applicants, quality assurance through follow-along employer and employee support for the first three months of that employees placement in a site, reliable technical assistance and referrals, and soft skills development.

In September 2023, VR Nevada launched a new campaign, the Disability Inclusion Partner award, to highlight the work of Nevada businesses in hiring and retaining talented individuals with disabilities. The initiative is led by the Employer Engagement Team. As shown on page 168 ([Exhibit A](#)), the initiative includes giving awards, wall signs, and window clings to businesses who have shown themselves to be a model business for employment of persons with disabilities by assisting with internship opportunities during the summer youth internship program, having a work readiness program with the Rehabilitation Division, or hiring vocational rehabilitation clients. These are all good community partners who deserve recognition.

Also in September 2023, VR Nevada held its first awards ceremony and provided its first awards. Vocational Rehabilitation Nevada selected businesses with the highest number of full-time hires of persons with disabilities in that year. The top two employers were the State of Nevada through its 700-Hour Program and Sephora through its Sephora Inclusion Program at the Sephora Distribution Center in Las Vegas. Shown on page 169 ([Exhibit A](#)) are Jack Robb, Director of the Department of Administration, who accepted the award on behalf of the State of Nevada and Enrique Pichardo, General Manager of the Sephora Distribution Center.

The earliest set of services that VR Nevada provides are preemployment transition services (page 170, [Exhibit A](#)), which are provided to students with disabilities starting at the age of 14 in Nevada. As previously stated, changes to the Rehabilitation Act of 2014 now require Nevada to reserve 15% of the Section 110 Grant in order to serve students with disabilities. Research and proven belief show that students who are reached earlier in their lives, are assisted in identifying which careers they would be interested in entering, and are provided with the necessary supports have a much higher chance of being successful in their careers and more confident in their abilities.

Preemployment transition services (page 171, [Exhibit A](#)) are provided to students with disabilities who have an individualized education plan (IEP) or a Section 504 plan. The services are divided into five focused areas: (1) career exploration assessments, (2) counseling on post-secondary opportunities, (3) instruction in self-advocacy, (4) work-based learning experiences, and (5) workplace readiness training. Students can receive such services whether or not they have applied for or have been found eligible for vocational rehabilitation services. Individual services are carefully planned in coordination with students in individualized education programs.

Page 172 ([Exhibit A](#)) shows that 1,173 students with disabilities who received preemployment transition services have been served in Federal Fiscal Year 2024. Vocational Rehabilitation Nevada is providing services in all Nevada schools districts and has so far served 84 schools and has spent about \$2.3 million in preemployment services in Nevada.

Page 173 ([Exhibit A](#)) lists some of the types of preemployment transition services that VR Nevada provides such as the summer camps and the Summer Youth Internship Program, which has been around since 2018 and has placed over 310 students in internship opportunities. The internship program lasts about six weeks and VR Nevada pays for the wages. Over the last year, VR Nevada has expanded from the public sector to some private businesses, and it is continuing to expand. There are also the Practical Assessment Exploration System labs, which has been something that VR Nevada has been expanding. Additionally, in partnership with the NDE, VR Nevada has purchased 17,000 licenses for each student with disabilities for an online career exploration tool called Virtual Job Shadow to ensure there are services in each school, whether VR Nevada can physically provide the services or not.

Listed on page 174 ([Exhibit A](#)) are some of the upcoming vocational summer camps for students with disabilities. There are 18 summer camps planned for Northern Nevada, Southern Nevada, and rural Nevada. There are specialized camps for specific types of disabilities, such as a camp for the deaf and hard of hearing or a camp for the blind and visually impaired, as well as specific camps for types of vocations such as automotive, aviation, behavioral health, culinary, welding, and others. Vocational Rehabilitation Nevada is trying to provide a whole array of services and ensure that students get a great experience and are able to experience what it would be like to be in certain vocations.

Only one success story was included, as the presentation was getting long, but the Rehabilitation Division could definitely provide more. When Eugenio Chavez (page 175, [Exhibit A](#)) first came to the BSBVI he was already losing his vision and was not able to be very independent even in his home. His family was helping with some of the basic life services. He has since experienced the whole breadth of vocational rehabilitation services. Initially he received independent living skills and then went through the residential blind services training program, which was established in partnership with Opportunity Village. Once he completed that training, he expressed interest in becoming a business owner/entrepreneur, so he went through the BEN program and is now a successful owner of the Biggest Little Café, which opened at the Reno City Hall during the fall of 2023. He is now employing some of his family members, creating a full circle. Vocational Rehabilitation Nevada is very proud of that story.

The Nevada Transitions Roadmap through Innovative Partnerships is a project in partnership with the NDE (page 176, [Exhibit A](#)). DETR applied for the Disability Innovation Fund – Pathways to Partnerships grant whose purpose is to help states bring all disability services, from preschool to adulthood, to one place. One of the biggest obstacles that kids with disabilities and their families face is not understanding what services are available. DETR has partnered with about nine other disability-focused agencies in Nevada and received the partnerships grant of about \$10 million. Part of that was passed to VR Nevada and it is working on a specific portion of the grant in creative one website where all of the services are going to be located. It is a five-year grant, so VR Nevada is hoping to have the website fully available to Nevadans who need to use it within the next two years. After, there will be another two years of funds available for maintenance of the website.

Lastly, on page 177 ([Exhibit A](#)) are all the VR Nevada locations. The main services are located in Reno and Las Vegas offices, but there are also services located in EmployNV hubs throughout Nevada.

CHAIR BACKUS:

Are additions included in the list of disabilities?

MR. ELEZ:

Yes.

CHAIR BACKUS:

I assume addition and mental health services are provided through VR Nevada. Is VR Nevada also providing resources to Nevada's homeless population?

MR. ELEZ:

If the individuals qualify for VR Nevada's services, yes it would provide resources. Out of all the clients VR Nevada served last year, it has served around 68 homeless individuals. Once a person applies for services, they must go through the assessment process which is required by federal law. Vocational Rehabilitation Nevada has to ensure that there is documentation of a disability, and that the disability is impeding employment.

SCOTT HAMMOND (Executive Director, OWINN):

Page 178 ([Exhibit A](#)) shows a diagram of what is expected of OWINN when it was created. On the outside of the circle are all the things that are available, being looked at, and OWINN is trying to do. OWINN is looking at the whole picture of the Nevada workforce and is trying to figure out how to manipulate it and get the best practices out of it. OWINN is also looking at what other states are doing to compare. In the inner part of the circle are all of OWINN's key partners. Additionally, OWINN is tasked to put together the WIOA state plan and submit it; however, OWINN is not the WIOA designee. The funding goes through DETR, which then sorts the funding into different buckets to where it is needed.

For the first time, in conjunction with the state plan, OWINN also put together a strategic plan. The WIOA state plan includes all the compliance information and tasks for the federal government whereas the strategic plan is more for planning on how to accomplish all the tasks with all the key partners. OWINN holds listening tours with every Nevada program to try to figure out the right data and data points to ask the right questions to figure out if the current system is working or could be working better. Recently, OWINN held a conducive training session with the GWDB. Additionally, OWINN talked to some boards from Idaho about their best practices.

OWINN's funding comes from DETR and is funded through the Governor's Reserve. OWINN does not get other funding from the federal government unless it applies for competitive grants, which it has done over the last few years. There are about five competitive grants that OWINN disperses to the right people who can then use it appropriately. Page 179 ([Exhibit A](#)) provides information on the Supporting and Advancing Nevada's Dislocated Individuals (SANDI) grant, which will be coming to an end by September 30, 2024, with the potential of being extended until December. Nevada is one of eight states who was awarded the SANDI grant. The SANDI grant is for people who were dislocated, unemployed, or underemployed during the COVID-19 pandemic. With the SANDI grant, OWINN is trying to help those individuals learn new crafts and skills to help get them employed. OWINN is partnering with several community colleges and celebrating because a lot of these graduates are currently completing the programs. OWINN can share with the Committee detailed information about who is graduating and what occupation they are going into.

Page 180 ([Exhibit A](#)) has information about the Building State Capacity to Expand Apprenticeship through Innovation grant, also known as the "State Apprenticeship Expansion 2020" grant. Page 181 ([Exhibit A](#)) has details about the Accelerating Apprenticeships for All grant. Information about the H-1B Rural Healthcare Grant, which was mentioned earlier, is on page 182 ([Exhibit A](#)). Lastly, information about the T-Mobile Settlement and the programs within it is on page 183 ([Exhibit A](#)).

Page 184 ([Exhibit A](#)) has details about A.B. 428 of the 82nd (2023) Legislative Session. The purpose of A.B. 428 was to establish and administer a Career Pathways Demonstration program and identify three priority industries in Nevada. The first is to create a teacher pipeline in both Northern and Southern Nevada. The second is a pipeline that focuses on health care in high schools. The third is a pipeline that will focus on clean energy and advanced manufacturing. OWINN has been working with NSHE and CCSD to get these projects up and running. According to A.B. 428, OWINN is required to hire two people. Once that is done, OWINN plans to tackle this project and deliver information and data to the next legislative session.

Also included on page 184 is information about the Massively Integrated Data Analytics System (MIDAS) from the Utah State Board of Education. Apprenticeships, internships, and work-based learning are all very important parts to building up a workforce. OWINN aims to create a system or platform that everyone in the state can go to find out what apprenticeships, internships, or work-based learning opportunities are available. Nevada students need to get into those areas of work and build up their skills way before they

graduate so that they can get into those jobs right after high school and determine where they want to go. Nevada needs this MIDAS system to help with that. Additionally, MIDAS will be a micro-credentialing digital platform of certifications demonstrating competency, master of specific skills, and experience. It will be like having a resume online, but it will all be in one place, housed on DETR's website. Lastly, MIDAS will enhance all other programs that are available. It will be a one-stop shop. It is a huge step in workforce development.

Page 185 ([Exhibit A](#)) provides an overview of the Nevada P-20 to Workforce Research Data System (NPWR). Per Chapter 400 of NRS, four agencies had to provide data to the system so that Nevada could start tracking and understanding what kind of effect it was having on the education system and workforce. Since then, several agencies have been added through memorandums of understanding to add more data to the system. The first year of the system, OWINN granted \$150,000 to eight different entities—such as the Brookings Institution, Guinn Center for Policy Priorities, UNLV's Center for Business and Economic Research, and UNR's Office of Information Technology—to conduct studies and provide more data. This year, OWINN granted about \$260,000 to help different groups conduct studies for NPWR. Kristen Dwyer, NPWR Manager, does a fantastic job at reaching out to the community and ensures they know about these opportunities to add to the body of knowledge of workforce development.

Finally, page 186 ([Exhibit A](#)) provides information about the GWDB, which was designed to figure out how the private sector can assist with making changes to workforce development. The board is comprised of 34 people from agencies and the private sector and meets every other month. The purpose of the board is to ask critical questions to make sure that Nevada is looking introspectively at how it does things. Is Nevada doing good, or could it do better?

There is a team of OWINN staff with me today ready to answer any questions.

CHAIR BACKUS:

One central thing I have heard mentioned a few times during today's meeting is that Nevada should begin integrating training for students as early as middle school or younger so that they can get involved in internships or programs and get into careers that are most needed in Nevada when they graduate. Do you agree?

MR. HAMMOND:

Yes, I agree. The UNR got an amazing opportunity through the Regional Technology and Innovation Hubs (Tech Hubs) grant from the EDA. It was one of the recipients for phase one and it just applied for phase two. The Tech Hubs grant has six pillars and one of those is workforce. The UNR had a workforce committee put together; however, it realized a statewide vision was needed on the committee, so it contacted OWINN. Ms. Dwyer and I had less than three weeks to help put the proposal for phase two together. In a way, the proposal goes along with the Career Pathways Demonstration program of A.B. 428. Truthfully, not enough was budgeted for that program. However,

one of the priorities that was identified with A.B. 428 is clean energy. The Nevada Tech Hub has a lot to do with lithium batteries and other electric vehicle materials, which includes mining, manufacturing, and recycling. Ms. Dwyer and I talked to the manufacturing, mining, and recycling industries and asked how they train their employees, what kind of employee they were hoping to hire, what kind of jobs they most used, and what kind of training they look for in potential employees. Ms. Dwyer and I then talked to the community colleges. The Department of Corrections and unions were also included in the conversation. The Nevada Tech Hub grant involves hiring 50,000 people over the next 5 years, so it is very detailed. Because this fits into the goal of A.B. 428, the state will hopefully be receiving funding to help with that workforce.

This is the kind of work that OWINN does to coordinate all efforts and put the pieces together. The other day, the DOL had a virtual walk through with UNR. OWINN is anticipating hearing good news in July. It would be about \$100 million in funding from DOL over the next five years.

It is vitally important that work and work opportunities get discussed with middle school students as part of the MIDAS contract. The platform will let students know what credentialing or classes are needed for certain occupations, as well as any available internships or work-based studies. The MIDAS platform will also be great for counselors. For many years now, there has been an emphasis on encouraging students to go to college; however, that is not necessarily the right path for everyone. Some students should be trained instead to go into a high-paying, high-demand job. In order to do that, counselors will need to know more about what jobs are available. Counselors need to be trained in order for them to advise the students on what is available out there. The MIDAS platform is anticipating that. I understand that middle school students do not know exactly what they want to do when they are older, but they have an idea of what they want to do. Students could start down a pathway until they change their mind and still be able to use that education and experience to get them to whatever area they want to get into later on.

CHAIR BACKUS:

It is interesting because when I was in middle school, I had to do a whole report on a computer program to figure out what I was interested in. In Nevada, technological platforms are expensive. Is there a grant or something to cover the expense of the MIDAS platform?

MR. HAMMOND:

The funding for the platform has already been acquired. More than anything, OWINN wants to get the platform going as soon as possible and is currently working with the NDE as it already has a contract with that company.

MR. SCHMIDT:

Page 187 ([Exhibit A](#)) has information of A.B. 354 of the 79th (2017) Legislative Session regarding unemployment rates for particular demographic groups at the county level. DETR fulfills the *Nevada Unemployment Rate Demographics Report* by working with data from the U.S. Census Bureau through the American Community Survey, which produces

the S2301 Employment Status table that has data at various demographic and geographic areas. Since it began producing the report, DETR has incorporated more information on the report than is required by A.B. 354, including information about people with a disability, people who are above or below the poverty line, and women with children.

DETR has been exploring ways to expand on data and getting more into the microdata that the U.S. Census Bureau publishes. DETR has taken that data and is working with the GWDB's Barriers and Underserved Populations Subcommittee to identify particular groups. Some of the excerpts of the presentations made to the subcommittee are available in Appendix B of the presentation (page 208, [Exhibit A](#)). Please note that is not current data as it is from presentations made in the past. That information was included to highlight how DETR digs into data from a high level, such as the unemployment rate and participation rate. For example, if one is discussing the unemployment rate of people with disabilities, it is not just about those who are participating in the labor force but also to what extent they are participating in the labor force. If there is a participation rate of 70% for the general population and 50% for people with disabilities, some of the challenge stems from engaging people with disabilities and helping them to look for work in the first place. Looking beyond the unemployment rate, one can try to identify the other barriers and challenges as well as solutions to help these different populations. A link to the current version of the *Nevada Unemployment Rate Demographics Report* is included at the bottom of page 187.

How does that information flow through into DETR's work? On page 188 ([Exhibit A](#)) are a couple of selections from the DOL report comparing Nevada to the U.S. for adult and youth programs, concentrating at different groups in the population and within the WIOA system. Of note, the Black population has been discussed for the last couple of years in the Barriers and Underserved Population Subcommittee, particularly of Southern Nevada. The concentration of Black participants is higher in Nevada than it is in the nation, even though the concentration in Nevada's population is lower. Nevada has a larger difference between the share of population and people who are actually engaged within the WIOA system. The one exception to that is for Black females in the youth program where it is a little bit lower than the national concentration in terms of share of total participation.

The Committee asked about concentrations of skills. It is helpful to note that skills data at the national level is challenging to grapple with. There is no inventory that is comprehensive about the particular things that people can do. Something like the micro-credentialing digital platform that Mr. Hammond mentioned could be beneficial. At the bottom of page 189 ([Exhibit A](#)) is a link to a publication from the Workforce Information Advisory Council, which is a federal advisory board that makes recommendations to the Secretary of Labor. On August 31, 2021, the council put together some recommendations highlighting the need for more information about skills because it is what people do that matches them well with a job. This is a real challenge because there is a lot of partial information.

In the NPWR system, people are matched by their wage records and their NSHE education, but that is only a partial picture of the economy. The system does not have information about private or out-of-state education programs, only residential interior turnover. How can the ROI be examined in the long term? The research grants that Mr. Hammond mentioned can be the method to answer that question. It is needed to have someone research the long-term impacts of the individuals who have gone through the system for particular programs. Knowing that research is taking place is exciting and could help answer that question. However, it does not answer the broader question of what is the skills inventory of the overall economy?

Another way to try to answer that question is to look at online job ads, such as who is posting jobs and the skills that might go along with those jobs. Artificial intelligence was discussed earlier. It is a thing that is emerging nationally. There is an opportunity to use the power of AI to consume the huge volume of information contained in online job ads to look for emerging skills and new occupations as well as determine whether the occupations still require the same skills as what was required 5 or 10 years ago. However, the challenge with that data is that it is not comprehensive. Not every job ad is listed online and not every job ad reflects only one job. Some job ads may be out there for recruiting purposes to make it look like a company is expanding or there may be a job ad for one position that is meant to fill 50 positions. However, it is still a source of information that can be used to extract some of the data and get a partial answer to that question.

Another way to get context is to look at survey data. That is when individuals are contacted and asked things like what background they have, what degree program they have got, what industry they are in, what job they have, and what level of education they have. The problem is that surveys are really expensive. It is hard to advocate for the growth of the program because the federal budget is also constrained. The survey only addresses a narrow piece, and it is basically good enough to provide the unemployment rate. As you get deeper into the data, there are more variables.

There is also data about industry-based employment. It is the most robust data available about the economy because it is almost universal. About 95% to 96% of total employment is covered by businesses who file unemployment taxes and therefore report data about every individual that worked for them in a particular quarter and how much those individuals earned. However, industry-based employment focuses on companies not people. For example, if a person went through training and got a job working for MGM Resorts, it is not clear whether that job was as an accountant, gaming dealer, housekeeper, slot mechanic, or web designer. There is a huge range of occupations that is not specified when discussing the company and not the people.

Lastly, there is data available through the workforce system, which is reported to DETR. However, that is a fraction of the roughly 1.6 million people currently in the Nevada labor force. There is no data within the workforce system explaining the needs of the overall economy. Also at the bottom of page 189 ([Exhibit A](#)) are links to national initiatives from the U.S. Chamber of Commerce Foundation and the National Skills Coalition.

The next two pages focus on the data that is available from looking at job ads. Page 190 ([Exhibit A](#)) focuses on the common and specialized skills from November 2018 to March 2024, as reported and classified by Lightcast. The top five skills tend to be consistent: communication, customer service, management, operations, and sales. The rest of the skills tend to vary from period to period because job ads are not a representation of the whole economy, just a piece of it. Therefore, who is recruiting at a particular time or what industry is needed at that moment can vary. There are limitations to this data, and it cannot be relied on in the long term. It could be that one or two years from now, the people who are exiting training for certain programs may not be what is in demand at that moment. There are other common skills that are needed such as marketing skills, merchandizing skills, and a valid driver's license. Then there are other notable needs that require training such as nursing jobs.

The charts on page 191 ([Exhibit A](#)) show the supply and demand of common and specialized skills based on job ads and online job profiles, including LinkedIn. It should be noted that just because a skill is low in frequency it does not mean that the skill does not exist. For example, communication is more frequently noted in job postings but not as much in profiles. The need for soft skills was mentioned earlier during the meeting. There are a lot of common skills like communication, customer service, and management that show up in a variety of occupations and represent a solid need. Employers are expressing that they want individuals who can communicate, provide customer service, and do some marketing. This may provide a less comprehensive answer, but it also shows the opportunity for training. The sort of job coaching work that is taking place in the workforce programs is helping get a client to meet the skills an employer is looking for.

As I mentioned, one of the Committee's questions had to do with AI. The Committee wanted to know the potential risks of AI, sectors that may change because of AI, and uses for AI. Moreover, what is the future of AI and how will it affect work and the economy? While there is change in emerging technology, it tends to be a shift over time. It is not necessarily that AI will come out and the jobs will go away but there will be changes in jobs. For example, there has been a shift in gaming dealers with computer assisted technology helping with some of the tasks so that there is now only one employee and the computer instead of four employees. There will be changes due to AI, but they will emerge over time. Artificial intelligence will not cause large chunks of the economy to go away but it will change the tasks and duties that people are performing as everything is always consistently changing.

SENATOR NEAL:

Thank you for producing the information on A.B. 354 because it is important to me. It tells the other side of what is happening in economic development and how what Nevada is doing as a state and how it is investing is trickling down to its citizens and people. How does EmployNV overlap with NPWR?

MR. SCHMIDT:

EmployNV and NPWR are largely separate but are becoming more integrated. In EmployNV, people register to receive services and DETR gets federal performance reporting and other outcome reported data. Whereas NPWR originated from DETR, the NDE, and NSHE to help support performance reporting for the education programs about the pathway to work. In large part, it was selected because of its ability to expand and bring on additional partners. The NPWR system functions as a way of connecting different sets of administrative data that allows for aggregate reporting. It allows for the answers to questions such as:

- “What is the most common degree?”
- “What share of people go on to be employed in Nevada?”
- “What sort of wages are earned by people who receive a particular degree?”

Through the work of OWINN in bringing on additional partners, the two systems come together. For example, information from both EmployNV and NPWR can be combined about people who are exiting the corrections system and what their employment outcomes are. It is also possible to have Title I WIOA participant data in the NPWR system and compare it with the data from EmployNV. It would be possible to see not just the data of the predetermined federal measures, but also for every quarter of wages and the outcomes for participants for the next 10 years. To do that would require additional work by researchers and that is where the research grants from OWINN are helpful. Using data from both systems allows for long-term information that could be used to determine the things that are successful and worth investing in.

SENATOR NEAL:

How many workforce partners ask DETR for existing data that can be used to operationalize their decisions, impact, and outreach? Additionally, do you think a bill draft request is needed to make the coalescence between EmployNV and NPWR more effective?

MR. SCHMIDT:

I talk a lot to the various local partners and there is a lot of sharing of information and ideas. Mr. Miller from Workforce Connections and I both worked on the strategic planning subcommittee to help draft the latest version of the WIOA state plan with OWINN. The GWDB’s Barriers and Underserved Populations Subcommittee is a great opportunity for discussions about connections and collaborations happening throughout the workforce. I was asked by the chair of the subcommittee to join as a nonvoting member. A lot of discussion happens in the background with local boards as well as staff at DETR about performance measures and statistical adjustments. Together, the workforce partners and DETR talk about the data and what opportunities are available.

I cannot speak much about a bill draft request. The work that OWINN has been doing to launch and build upon research grants and the research hub of NPWR is worth continuing to do.

SENATOR NEAL:

I would like to ensure that there is an opportunity for the partners to break down the data and use it. As you know, not everyone that has data is necessarily capable of accessing or breaking down the data so that they can use it. Are individual partners responsible for going out, doing outreach, and filtering the information before they take action?

MR. SCHMIDT:

I have not talked much with the individual system members beyond the local boards and partners within the DETR system; however, I love to talk data. If anyone needs more information, I would be happy to talk to them.

MR. SEWELL:

Page 193 ([Exhibit A](#)) focuses on 2025 opportunities. I want to reiterate how DETR is Nevada's state workforce agency. As you have heard today, DETR partners with a lot of different organizations in the state and at the local level. DETR is not perfect, but it will keep improving. Going forward, DETR would like to put "the band" back together. The band consists of DETR, GOED, Nevada Department of Corrections, NDE, and NSHE with OWINN as the spearhead. Mr. Hammond talked about MIDAS earlier and I think that will also help bring the band together. DETR also wants to make sure that workforce funding is braided. If the NDE has funding for teachers and DETR has funding to help with teacher stipends, that is braided funding, which works great. The VR Nevada has an almost 4-to-1 match on general funds and DETR would like to use as much as that as possible. Lastly, DETR would like to get all the agencies to talk and coordinate. As I mentioned earlier, the two workforce boards and DETR have the best relationship because of communication.

Finally, I wanted to point out that it is all the people who are behind me and their staff that are doing the day-to-day miracle work. They are wonderful individuals, hard workers, and get the job done.

CHAIR BACKUS:

I think it is great that Nevada's collaboration and cooperation was held as exemplary by the DOL, and I wanted to commend DETR.

Regarding the WIOA Title I formula grants, there is a percentage that is allowed for administration as well as for the Governor's Reserve. Is it always a flat 10% or is there a hard number that ends up getting generated at the end of the day and the cap is the 10% for the Governor's Reserve and 5% for state administrative?

MS. NELSON:

The set-aside for WIOA Title I (Adult, Dislocated Worker, and Youth) program is 15%. Of that 15%, the state can decide what percentage goes towards state administration and what percentage goes toward the Governor's Reserve.

CHAIR BACKUS:

Based on the chart on page 117 ([Exhibit A](#)), does the state look at what the budgetary needs are for the administration and then whatever is left over is budgeted to different programs to equal 15%?

MS. NELSON:

It is based on the needs of the state as determined by the Governor.

CHAIR BACKUS:

It seems the Title I funds stack over the years. Is there a balance that rolls over into the next year?

MS. NELSON:

Correct. In any given state fiscal year, there are three total WIOA Title I grants running concurrently.

ASSEMBLYWOMAN CONSIDINE:

Could you provide the Committee with information about the outstanding unemployment appeals from the COVID-19 pandemic?

MR. SEWELL:

All appeals have been scheduled. When the COVID-19 pandemic happened, the first phase hit the call center, then adjudication, and appeals is the last segment of that. DETR is utilizing five other states to help get the appeals done. It will also be moving some individuals around within DETR to help with the backlog of appeals.

DETR is looking at using AI to help write decisions for appeals. Testing with Google has been completed and looks great. Each hearing has a transcript that will go to an AI program, which will write up a decision based on that transcript. However, I want to make it clear that no decision will be made without having a human review it. A hearing officer will enter the transcript to the AI program, get a decision, review the decision and make any necessary changes, and then get the decision out to the claimant as quickly as possible. Google has mentioned this program to other states and other states are now looking at what Nevada is doing. The AI program is helping shorten the appeals timeline.

ASSEMBLYWOMAN CONSIDINE:

Is DETR's goal to have all the hearings done by the end of the year? Are there currently some hearings scheduled for the fall?

MR. SEWELL:

The latest hearings are currently scheduled for July or August 2024. In January 2023, there were 41,000 appeals and now there are 6,328 appeals. With the assistance of staff, technology, and other states, those appeals will be taken care of.

SENATOR NEAL:

Who is the vendor that DETR has contracted for the AI program?

MR. SEWELL:

DETR has not yet entered into a contract. The scope of the work is still being finalized; however, it will end up being Google.

SENATOR NEAL:

How will DETR ensure that data is protected and is not shared inappropriately or sold?

MR. SEWELL:

DETR has put a lot of safeguards in place for all data, whether it is shared with the Department of Motor Vehicles, Department of Taxation, the Internal Revenue Service, or the Social Security Administration.

TROY JORDAN (Deputy Director of Programs, DETR):

DETR has a data share agreement that has been vetted by the DOL for confidentiality purposes for both federal and state law. It has been reviewed by all DETR attorneys and has been drafted, tweaked, and redrafted since 2019. The data share agreement has been signed and is on file with Google. The agreement prohibits Google from using the data in any form that is not directly for DETR. When the agreement was drafted, DETR added as many terms as possible to make sure that Google cannot mine or send out the data to anybody else. It is lockstep. DETR uses the same type of data share agreement with all its partners. There are numerous safeguards in place, specifically in this agreement. Google had to sign it before it started the work because it had to get into the system in order for the AI to start learning about statutes and UI law. The agreement will be updated as needed.

SENATOR NEAL:

I am familiar with AI as it is something that I have been monitoring. It can be customized but there are errors when pulling large amounts of data. To what extent will staff be reviewing the appeal decision? How can you ensure that the information is the right information and that there was not some nuance or variable that needs to be addressed? What kind of software will DETR be using? Certain software requires a person to input the wanted terms and the software will then scale the information, and another software learns on itself through error or another kind of customization. This is an area and focus of policy that I am very much interested in regulating.

MR. JORDAN:

The staff that handle appeals at the appeal tribunals are called appeal referees. Currently, appeal referees are drafting decisions basically from scratch unless they have their own template. The AI program is going to give the appeal referees a template through the AI learning terms. For example, the two most common reasons that unemployment claims are contested are because the person is alleged to have voluntarily quit or because the person was terminated for cause. The AI program is designed to pick up those words from the transcript and then spit out the statutes into the decision. Yes, it will not be perfect, but it is designed to cut down several minutes of drafting time for the appeals referee. The AI program will not make the decision itself. It is designed to start the template and identify buzzwords and statutes. Ultimately, it is up to the appeals referee to finalize the draft and send out the decision.

SENATOR NEAL:

I will be watching this and reaching out to you. There are a lot of things that you mentioned that have raised some red flags for me.

CHAIR BACKUS:

The last presentation under Agenda Item V is from CSN.

DAN CORSI (Ed.D., Associate Vice President of Academic Affairs, CSN):

The foundational mission of CSN as a community college is to serve the community, its students, and employers. A foundational tenet of workforce development at CSN (page 2, [Exhibit C](#)) is the inclusion of the community in the development of programs in terms of meeting the needs of the employers and matching that to what the students need to fill those talent pipelines, particularly those in high-demand, high-wage earning occupations. The programs are short term and typically less than the normal 16-week semester. A key part is that those programs are highly customized. The programs are built in collaboration with industry partners, whether they are credit or noncredit. There have been a lot of conversations about improving and further developing the ability to crosswalk the credit so that students can do noncredit training and then earn college credit for that work as if they were to go on for a longer-term certificate of achievement or an associate degree in that area. This has a direct impact on the local and state economic development perspective.

STAVAN CORBETT (Interim Executive Director, DWED, CSN):

The DWED is a noncredit entity and therefore has the ability to work directly with employers. The employer will identify the scope of work, and the division can turn that around quickly. The Workforce Review Committee at CSN helps determine what ecosystems or processes are utilized. The CSN prioritizes making sure that the employer is looking to CSN as a resource and predominantly fitting those in-demand talent gaps that exist.

The CSN recognizes that, as a community college, it is very much made up of who the community is. The CSN is inclusive of all individuals who reside in the area of Southern Nevada (page 3, [Exhibit C](#)). In the Southern Nevada area alone, there are 250,000 individuals that do not have a high school credential. These individuals recognize that, as the economy diversifies and evolves, there are gaps between what their skill level and educational attainment are and the requirements that are necessary to be engaged to have a thriving wage and to continue in that social mobility. Some of these individuals are under skilled or have opportunities to scale up. The division often works with employers for entry level positions but also for individuals and entities that have a workforce that are looking to scale up.

Examples of that are shown on page 4 ([Exhibit C](#)). About a year and a half ago, CCSD reached out to CSN and expressed how the COVID-19 pandemic had a tremendous impact on how it was working with its students. The CCSD wanted to make sure there were updated health ecosystems to service the students. The CCSD is the fifth largest school district in the nation, and it reached out to CSN to identify health care assistants that work with nurses. The CSN had the opportunity to upscale 320 individuals who were current employees of CCSD into becoming school health assistants. There was a collective bargaining agreement component to the 12-week program which identified an increase in wages. The 320 individuals were able to go from having a \$13 an hour job to a \$25 an hour job. This was something tremendous not only in terms of the large infrastructure and resources and updating the skills of the health care workers within CCSD, but also individually. Individuals were able to have that wage increase in a very significant way.

The second example is Blue Bunny, a manufacturing plant and ice cream maker in Henderson, Nevada. Advanced manufacturing is progressing tremendously in processes; therefore, Blue Bunny reached out to CSN to help customize an incumbent worker strategy and training program to help its existing employees. About 30 employees went through the first cohort. Currently, CSN is in week 3 of the second cohort of another 15 to 20 employees. The CSN has been able to take the production technician mechatronics training support and embed it into CSN's ongoing portfolio of resources. Not only can CSN utilize the customized training that Blue Bunny expressed it needed, but it can also work with its subject matter experts. It is part of CSN's regular portfolio. The CSN can then train and recruit the talent pipeline to fill the gaps that exist within the business.

DR. CORSI:

Page 5 ([Exhibit C](#)) provides some information about the work CSN is doing in high schools. Workforce development is being discussed at the high school level. There was a lot of industry terminology that was being used differently by CSN. Over the last academic year, CSN has aligned itself to the higher education industry standard definitions and terminology, which has helped to get CSN's messaging to be more consistent. There are 43 career and technical education (CTE) dual credit pathways, but page 5 provides a quick list. The CSN is trying to establish having high school students take CTE classes during their freshman or sophomore year. With the NDE's change from a three- to a two-year model, it has given CSN an extra two years that a student could use to take their

understanding of that CTE area to an advanced level and earn credit through concurrent models. The CSN is taking what students learn in high school, articulating that credit into some entry-level courses, and then advancing the students coursework in their junior or senior year therefore preparing them to hopefully matriculate to CSN to continue or, at least, having the student leave high school with some credential or certificate of value.

Page 6 ([Exhibit C](#)) provides a snapshot of metrics regarding high-demand occupations in Southern Nevada. Within each category there are a lot of subcategories. For example, hospitality is very broad. It includes culinary, event planning, hospitality management, and tourism convention. Within those, there are smaller certificates of achievement such as pastry or arts.

MR. CORBETT:

Page 7 ([Exhibit C](#)) provides information on DWED and the demographic of community members that participate in it. The Ability to Benefit is a federal program that specifically identifies individuals who have not achieved their high school diploma and puts them on an educational career pathway. While the individual is working on achieving their high school diploma, they can become eligible for a Federal Pell Grant and go into a degree pathway. The CSN is the only college in Southern Nevada and one of five colleges across the U.S. that is looking at this kind of dual enrollment model for adult learners.

While dual enrollment is popular in high school, after that it is a best practice and opportunity in terms of developing and filling existing talent pipeline needs. Participants can be unemployed or incumbent workers. A common term used lately is “stackable credential.” There are a lot of individuals who come to DWED to participate in the manufacturing or healthcare crisis intervention training or information technology short-term training. Then, an IEP is articulated so the adult learner can have stackable credentials. Now, with certification, that individual can upgrade their wage and focus more on what their long-term education plan looks like because they no longer have to work two jobs just to feed their family.

Bank of America and MGM Resorts are philanthropic partners of DWED who provide resources. Individuals have to complete six credits to be eligible for the Ability to Benefit program. Once they complete those six credits, they are Federal Pell Grant eligible and can pursue their degree pathway to continue on that stackable credential path and earn their two-year degree. Washington has already been doing this for about a decade. A lot of individuals completed their four-year degree when they did not even think high school was something they could complete. It is a phenomenal thing that CSN is excited about.

DR. CORSI:

The CSN is targeting the adult basic education population who are working on their high school equivalent credential. While they are not eligible for the Federal Pell Grant at that point, upon completion of those six college credits, they become eligible. That is also a component of CSN’s Prison Education Program. The CSN workforce development is not only for individuals in high school or after-high-school-age adults; it is also for

incarcerated individuals as well. Using the appropriate state money, as well as T-Mobile Settlement funds, CSN is working to bring in programs specifically designed to give incarcerated individuals the opportunity to earn industry-based credentials so that upon their release, as part of their reentry support, they will be employable. Currently, there are about two or three ongoing programs. In May 2024, there will be a ceremony for students who completed a fundamental culinary certificate. In December 2024, there will be another group of students at the female prison who completed a certificate in tourism, convention, and event planning.

The CSN's growth objectives are listed on page 8 ([Exhibit C](#)). One of the most important components is to continue to increase the partnership with local employers. That is critical in developing the program and curriculum to meet those needs. In the end, individuals want a career opportunity. They are looking for a certain job and the employer of that job is what will pull the student through the program. Students are attracted to the program at CSN, whether it is a noncredit or credit program, but ultimately the student will be pulled through that program based on what is at the finish line, such as a life-sustaining wage. That will bring the individual to the college to enroll and keep them persisting through the program. For example, nursing programs have high retention rates and low failure rates because of the reward. Students are motivated to continue when they know an employer or employers are waiting for them at the end.

Another growth objective is to make sure there is equitable access and to enhance current noncredit and credit short-term programming to support talent pipeline gaps. The CSN staff meets individuals and works with industry business organizations to discuss gaps. That is where CSN can fill those gaps with training. There are opportunities to expand the high school reach. It is an area of particular focus of mine in the departments that I oversee. As was mentioned earlier, there are 30,000 graduates in CCSD alone every year and only a small percentage of that is being tapped. There are a lot of opportunities, whether it is helping somebody find employment or upskilling their current employment.

MR. CORBETT:

The SANDI grant was mentioned earlier. Project SANDI is a partnership that CSN has had with OWINN since the inception of the SANDI grant (page 9, [Exhibit C](#)). The grant has been a game changer in providing additional reach and resources. The funding has been tremendous for a lot of the students that have been mentioned—such as adult learners, dislocated workers, unemployed individuals—in terms of supplementing a lot of the funding pots that were also mentioned earlier, such as the WIOA Title I (Adult, Dislocated Worker, and Youth) program or vocational rehab.

I come from a workforce background. I started out as a case manager for WIOA and then worked on a workforce board. Because I have been through that process, I know that the federal guidelines are very rigorous. The process is less rigorous for Project SANDI. It helps individuals who narrowly were ineligible for opportunities because of certain requirements. The CSN works closely with DETR and the workforce board. If they have individuals that do not qualify for other opportunities, they would be referred to CSN to make sure that career enhancement, equitable services, and training opportunities were

possible. Some of the supported training includes certified nursing assistant, commercial driver's license, computer numerical control machinist, cyber security, mechatronics, medical assistant, and school health assistant. Nevada is one of the fastest growing economies for manufacturing. Nevada was mentioned in the *New York Times* regarding all the different infrastructure and opportunities that are available and was recognized for its evolving advanced manufacturing ecosystem.

Unfortunately, the SANDI grant does expire, and it is something CSN is bracing for. That is going to have a direct impact in terms of the services CSN provides. It will limit the resources and affect how CSN works with community members and employers. To date, CSN has had 179 adult learners and dislocated students that have been reskilled or upskilled with industry-recognized credentials (page 10, [Exhibit C](#)). These are individuals who have either lost their job or are incumbent workers who utilize Project SANDI to increase their wage because of their skill enhancement. Of those 179 individuals, 74 are currently employed. The others are still in training, in the job search process, or in the degree pathway. About 75 individuals are currently in the Ability to Benefit program.

Page 11 ([Exhibit C](#)) includes some of the resources that are needed, including the opportunity to continue to support or resource something like the SANDI program workforce and economic development framework. It has had an impact with not only CSN but across the state. As was mentioned earlier, there is an ad hoc NSHE committee that resources noncredit programs, short term trainings, partnerships between CSN and other colleges, and businesses and employers to fill the talent pipelines. There is a significant counseling ecosystem talking about college. The CSN president has talked a lot about wanting everybody to go to college; however, CSN is aware that not everyone will pursue a two-year or four-year degree. If a person wants short-term training with an industry recognized credential, they will go to college for that. While there are a lot of private and proprietary schools, CSN would rather individuals come to an institution that is within the state's ecosystem to achieve their short-term education training programs, get into the workforce, and pursue a thriving wage.

DR. CORSI:

There was a question I have received that may be helpful for the Committee to know. It was asked how CSN determines whether a program will be credited or noncredited. That depends on different factors, such as the length of time that the training takes for a person to have gained the skills necessary. It is a discussion with employers and the industry regarding how much time is needed to cover the objectives thoroughly. Further, it also depends on funding.

There are highly effective thriving wage opportunity programs that can be done in as little as four weeks. If a program does not run for 16 weeks/16 credits, it does not meet the minimum financial aid requirements. Sometimes it does not make sense to stretch out the program to 16 weeks just to make a person financially eligible for federal funding or Title IV of the Higher Education Act of 1965. An unemployed person may not have 16 weeks because they have to get a job as soon as possible to pay their rent. Therefore, that program may work better as a noncredit program that can be done through the SANDI

program. Conversely, there are some programs that take more than a semester to master the skills and objectives necessary, such as to become a registered nurse or a licensed practical nurse. Those programs tend to be credited. The CSN looks at the time it takes to complete the program, the outcome wage, and the need of the population or industry in making the decision on whether a program will be credited or noncredited.

MR. CORBETT:

According to the National Governors Association (NGA), governors in more than a dozen states have moved to skills-based hiring. States are recognizing what they refer to as, “the paper ceiling,” in which institutions and businesses cannot fill the talent because they require a degree. A person may not have the required degree, but they could have the necessary skills. The ACT and the NGA are finding that there is a significant population out there that have the talent but did not go through the formal process to achieve that. The NGA published an article regarding how more states are moving towards skills-based hiring. This is where the noncredit component comes in. Businesses are beginning to observe and recognize that there are populations out there that can get a certified or industry recognized credential.

The ACT WorkKeys Assessment is competency based and can identify the skill sets that are available for an individual. A lot of individuals, once they move into these economic positions and can make a salary, continue on to pursue a degree. All the indicators still say that if a person has a degree, they are going to have a higher quality of life and higher wage. Skills-based hiring is widening the net for that opportunity to happen. Those are some of the opportunities that are moving through the NGA and different states across the nation. A lot of colleges are now reinvesting in the noncredit workforce space and creating pipelines for individuals to acquire degrees.

DR. CORSI:

Regarding the NSHE ad hoc committee that is studying the funding formula, I wanted to note that CSN has had a seat at the table and the discussions have been ongoing. It is important to note that the current model does not include noncredit short-term training. The funding formula is geared towards traditional college credit programs that one would expect to see at any community college and university. The noncredit short-term trainings are a pipeline for students to get to credit programs. If an individual starts in a noncredit training program, in almost anything that is offered there is likely a directly related degree. A student can start in a noncredit program, develop their skills, then go into a credit program. That is the pipeline.

There is an untapped population that can be worked closely with. If the funding is not available to start these individuals in noncredit programs, a lot of people cannot start. A lot of people cannot go into a credit program for 16 weeks and are going to gravitate towards noncredit programs and the funding has to be there for that. That funding formula would support and drive the development of more of those programs. The CSN helps students who have shown an interest in an area, have completed training, and have demonstrated they are successful in that area by seeing if their employer can consider

sponsoring their tuition. It may take longer, but it is going to put that individual in a different trajectory. The individual will acquire higher level skills and potentially become eligible for a management position down the road. Again, most CSN certificate programs take almost two semesters, which is six months or longer. People do not have that time. They need to start working, get a paycheck, and pay their bills. The CSN would like to help that individual persuade their employer to pay for their tuition and extend their training.

ASSEMBLYWOMAN CONSIDINE:

For the training that was provided by CSN for Blue Bunny, did Blue Bunny provide its technology and manufacturing for CSN to keep? Did the students have to pay to take the course? Is the technology specific to just Blue Bunny or does it allow for CSN to be able to use it for other training?

MR. CORBETT:

The CSN had the resources to help Blue Bunny develop its training program. The first cohort was specifically for Blue Bunny employees. After seeing the success and impact, Blue Bunny asked CSN to offer the training to the general public; therefore, the mechatronics program is currently open to the public. The CSN recruits for that training program every 16 weeks. Blue Bunny has expressed that it can guarantee the individuals an interview after they complete the training.

Ken's Foods is another manufacturer that has reviewed the curriculum and has said the mechatronics program has the same disciplines that are going to help run its plant. Thus, CSN is in discussions with Ken's Foods on how to take the mechatronics program and deploy it for its incumbent workers and utilize it as an entry-level training position.

ASSEMBLYWOMAN CONSIDINE:

Who paid for the course? Is the mechatronics program specific to the manufacturer?

MR. CORBETT:

When CSN ran the labor market data, mechatronics was one of the top needed skills in advanced manufacturing. There are several companies that have that discipline. Currently, CSN is in discussions with PepsiCo, Inc., as well and it provided some feedback that the dosage had to be adjusted a bit. The mechatronics program is in the high percentile of being able to support a host of different advanced manufacturers which operate the same business model and equipment. The mechatronics program consists of electronics, hydraulics, and pneumatics. Blue Bunny paid for the first cohort. For the second cohort, CSN is splitting the costs with Blue Bunny by utilizing the SANDI grant and some other existing funding sources. It is also on the WIOA Eligible Training Provider list. If WIOA Title I providers have an individual who is looking to get into the mechatronics space, CSN will be the training provider for that and will cover the training through WIOA Title I funds.

ASSEMBLYMAN ORENTLICHER:

It was mentioned that there are a lot of private and proprietary schools that offer short-term training. If an individual can go to community college or other academic institutions and pay less for the same type of training, why do individuals choose private and proprietary schools? Is it because there is limited capacity or because the person is not aware of the lower cost?

DR. CORSI:

There are a variety of reasons why that could be happening. Often, it is because students are not aware that a college has a program. Another reason is the availability. A lot of private and proprietary schools will advertise that a person can start at any time. That is a challenge for more traditional schools. Credit programs are locked into the semesters. While CSN has started offering more short-term semesters, a lot of times individuals are attracted to being able to start whenever. There are smaller entities where a person can go in and meet with a representative and they will get you signed up that same day. The representative takes care of all the paperwork.

The CSN also has a one stop shop for students but what is attractive about these smaller entities is that they do the initial work for the individual; however, it may not be in the individual's financial best interest. The private and proprietary schools are profit minded. The representatives are forceful in helping students get through financial aid but may not be telling them everything. Whereas accredited institutions have to explain to individuals what it means to take out a student loan before they take it out. The person has to be provided with all sorts of documentation on financial literacy to understand what they are about to take on.

Private and proprietary schools support themselves on volume and student revenue and are more expensive. It is a combination of individuals not being aware that they could get that training at the community college, and they are looking for an easier solution. However, a lot of times, the private or proprietary institutions do not provide the same level of training and employers and industries comment on that and will potentially not be interested in hiring those individuals.

ASSEMBLYMAN ORENTLICHER:

Perhaps there should be disclosure requirements of alternatives.

Is there a possibility there might be some offloading of costs that are the company's responsibility that are now moving on to the taxpayer? For example, when CSN started the custom training with Blue Bunny, Blue Bunny paid all the costs and now it has become a shared cost with CSN. The more that CSN is responsible for the cost, that means the taxpayer is responsible for the cost. Are businesses shifting their training costs for their employees onto the taxpayer?

MR. CORBETT:

I am not sure I can give a definitive answer to that question. I do know that a lot of the funding mechanisms in place are there to support those scenarios. There are a lot of businesses that will not engage if CSN does not provide tuition support; however, it is not something that CSN has had to navigate significantly. Often, businesses will recognize that they are spending that money anyway, so they reallocate those funding streams to CSN.

There are also two different models where the majority of the businesses will pick up the funding if it is an incumbent worker strategy for employees who will be upscaled. If it is for talent pipeline development, that is what a lot of the existing funding mechanisms are for. The funding mechanisms are for the individuals who qualify based on eligibility guidelines. It is a situation of “and” rather than “or.” Incumbent worker strategies *and* dollars *and* how businesses invest. If there are additional opportunities and businesses are looking for new talent, then it is a combination of those different funding streams.

CHAIR BACKUS:

I want to make sure there is clarity. Even though it is taxpayer dollars, the state is utilizing the funds for people who are unemployed or in need. It is for people who lose their jobs and need something to step up and make a large earning.

MR. CORBETT:

Absolutely. As the Committee heard earlier, through DETR, WIOA has funding for incumbent workers. Often, if businesses are looking for something like that, there is already allocation through WIOA to support that system and then CSN has the opportunity to serve as a training provider for that.

SENATOR NEAL:

What are the barriers? The SANDI grant is going to end. What is going to be the replacement for it? Is there going to be a bill draft request? What is happening so that organizations can continue the work of trying to upscale people with flexible funding?

MR. CORBETT:

Yes, the SANDI grant funding is ending. All the data can be shared in terms of the impact that the SANDI grant has had statewide but especially in the southern region. There are a lot of current opportunities, and it is unclear how those opportunities will continue the social mobility support for individuals. The Committee heard how, even with WIOA Title I funding, there are 43,000 individuals between the ages of 18 and 24 that are not engaged in the workforce, yet only 1,000 of these individuals can be served. The SANDI grant framework is something that has played a significant role. In terms of maintaining and meeting the in-demand occupations, one of the barriers is making sure Nevada continues to build a talent pipeline to have the commitments, infrastructure, and resources in place for new business recruitments. The opportunity of today is to explore what that looks like. To have business and industry diversification, a continued thriving community, and a workforce, there needs to be fundamental framework and practices in place.

DR. CORSI:

From a high school dual credit perspective, CSN has been reliant on the NDE's college and career readiness grant, which provides the \$75 concurrent cost for the whole class for a high school course. If it is a dual enrollment model where the student comes to the CSN campus, there is a reduced tuition rate. Potential funding streams for that would be extremely important to increasing the reach within high school to reach 30,000 students before they graduate.

SENATOR NEAL:

A previous presentation mentioned the 17 buckets of federal funding and showed how the NDE receives funding from the WIOA Title II AEFLA grant. How are the adult education dollars used towards skills development in the 16 to 24 age group? Can the funding be used for any kind of skill development? Does that money have any flexibility for CSN's goals?

MR. CORBETT:

The CSN adult education is a mandated WIOA Title II partner. It offers academic programs that help students achieve their high school diploma, high school equivalency (HSE), or General Education Development. A small portion of that funding is used to support adult learners to go into short-term training and a majority of that funding goes into the instruction of HSE courses and adult basic education advising. The NDE receives about \$1.3 million a year of the AEFLA grant. Recognizing that it is a full ecosystem, out of the \$1.3 million, about 6% is allocated towards tuition. That is where CSN partners with the WIOA infrastructure for shared or braided funding to extend those resources.

SENATOR NEAL:

Across all presentations today, there is a direct correlation between a person's educational attainment or skill certification and why they fall into a category at a low wage. Is there any discussion within the CSN, the NDE, or Workforce Connections about how Nevada is strategizing money and advocating to the federal or state government on how to meet those barriers that are feeding into each other? There are two things happening: (1) a person is at a low wage job because they have a low educational attainment, and (2) because the economic system is changing, there is a need to upscale and pursue a higher degree or education. This cannot keep going this way. A solution needs to be figured out on how to fix what is occurring so that there is at least a flexible funding piece that can follow so that Nevada can adequately triage the individuals it is trying to upscale.

MR. CORBETT:

The SANDI grant funding is not as constrained as other funding mechanisms, and it has allowed CSN to create a data collection system to look at the economic impact of upskilled individuals over the last three years. Because Nevada is one of the few states to receive the SANDI grant, it is a perfect pilot to examine the possibilities of a mechanism like that.

While Nevada does get funding and there are resources available, it barely makes a dent in the real need. That minimizes the opportunities to recruit new business and industry partners in Nevada to make sure that Nevada has investments for talent pipelines so that those industry partners move here. The SANDI grant serves as a perfect ecosystem to study as a framework of possibilities and how to meet the individual needs within the community for social mobility and meet the business needs and the diversification of Nevada's economy.

SENATOR NEAL:

Who is asking for flexible funding? If this mechanism were to stop functioning, everything will have to start all over. All the progress that is being made and the coalescing that is happening right now will cease to exist if there is no longer money to continue those goals.

MR. CORBETT:

I believe those conversations continue to be an opportunity. The conversation is just beginning. Multiple stakeholders recognize that this is good for the community and good for business.

There was no further discussion on this agenda item.

VI. REPORT AND DISCUSSION OF FY 2024 YEAR-TO-DATE ACTUAL COLLECTIONS COMPARED TO THE ECONOMIC FORUM MAY 1, 2023, FORECAST, ADJUSTED FOR LEGISLATIVE ACTIONS APPROVED DURING THE 2023 SESSION AND THE 34TH AND 35TH SPECIAL SESSIONS.

MICHAEL NAKAMOTO (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

In the interest of time, I will provide an overview of Table 2 on page 224 ([Exhibit A](#)) and an update on where revenues stand year-to-date compared to where they were when the Committee met on February 28, 2024. According to Table 2, currently the State General Fund is approximately \$159.7 million or about 5% above the Economic Forum's forecast year-to-date. That is an increase of approximately \$64.1 million from February.

Under the total major General Fund revenues, the dollar difference actual less forecast for Fiscal Year (FY) 2024 is at approximately \$86.8 million. That is approximately \$30 million above what it was in February. There are three revenue sources that are attributing to that difference. The first is the Insurance Premium Tax. For year-to-date through the first two quarters, the Insurance Premium Tax is approximately \$22.5 million above the forecast. When this table was presented two months ago, that was \$0. As shared with the Committee during previous meetings, that was due to some accounting issues from FY 2023. The Fiscal Analysis Division decided not to do a first quarter comparison for that tax because it would have been significantly distorted. Instead, it was listed as \$0 for the first quarter and then it was accounted for properly in the second quarter.

Because of those same issues, the Modified Business Tax was also listed as \$0 during the February 28, 2024, meeting. Currently, that is \$21.3 million above the forecast. Nevada picked up approximately \$43.8 million in those two revenues. To get to the \$30 million range for the Sales and Use Tax through the first seven months of the first year, Nevada is approximately \$29.5 million below the forecast. Back in November 2023, Nevada was approximately \$19.2 million below the forecast. The negative impact has increased by \$10.3 million over two months. Those three revenues are what is driving the \$30 million difference in the major General Fund revenues.

The select non-major General Fund revenues are just under \$8 million below the forecast. That has not changed much since January 2024. That was approximately \$7.6 million below the forecast. It has moved by about \$400,000.

The all other General Fund revenues have changed significantly, at approximately \$80.8 million above the forecast. That is \$34.5 million higher than it was when these tables were presented in February. That forecast is primarily driven by two revenue sources. The first revenue source is gaming penalties. Back in July 2023, the Nevada Gaming Commission fined Steve Wynn \$10 million, which was not accounted for in the forecast. That number is going to stay at \$10 million above the forecast for the entire fiscal year barring any other penalties that may be imposed by the commission. The other revenue source is interest income that is generated through investments made by the State Treasurer. That number was at approximately \$40 million in January 2024 through the first quarter. Through the second quarter, that number is actually about \$66.8 million. That is \$26.8 million higher this month than it was two months ago.

This table will be updated regularly. It will be updated again before the Economic Forum meeting to occur on or before June 10, 2024. Additionally, it will be updated and presented to the Interim Finance Committee on June 13, 2024.

There was no further discussion on this agenda item.

VII. PUBLIC COMMENT.

ANDREA L. GREGG (Chief Executive Officer, High Sierra AHEC):

Considering today's agenda and this Committee's interest in workforce development programs throughout the state, I am excited to bring your attention to the Nevada AHEC program. I have submitted written testimony ([Exhibit D](#)) that further details the program's commitment to such work and the positive impact the programs are making to help meet Nevada's health care workforce needs with one student and one success story at a time.

The Nevada AHEC was established by the 64th (1987) Legislature and was provided authorization again during the 72nd (2003) Legislative Session. The Nevada AHEC has offices in Elko, Las Vegas, and Reno, providing services statewide. The purpose of the Nevada AHEC is to serve as a critical convenor between academic- and employer-based partners to ensure workforce distribution and diversity. The Nevada AHEC develops and places future leaders in health care practice settings through an array of partnerships and initiates that work as early as fifth grade extending into graduate and doctorate level

programs. Through this dedication of education, mentorship, and engagement, the Nevada AHEC is equipping students with the skills, knowledge, and confidence to make meaningful contributions to the community and beyond.

Considering a lot of the interest in today's presentations and the significance of K-12 education, I would like to underscore that Nevada AHEC offers a comprehensive curriculum that synergizes well with many of the goals and objectives that were discussed today. The curriculum meets state academic standards. The Nevada AHEC is also a community health worker training provider who recently received funding to implement a dual credit community health worker training program for high school students in partnership with two local community colleges. I encourage the Committee to consider the Nevada AHEC program not just as an option but as a strong partner in helping shape the future of health care workforce development in Nevada.

VIII. ADJOURNMENT.

Chair Backus adjourned the meeting at 3:59 p.m.

Respectfully submitted,

Maria Montes, Committee Secretary

APPROVED:

Assemblywoman Shea Backus, Chair

Date