

House Appropriations Subcommittee

Overview of the Department of Labor & Economic Opportunity FY23 Executive Recommendation

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MICHIGAN DEPARTMENT OF
LABOR & ECONOMIC
OPPORTUNITY



Mission

Expand economic opportunity and prosperity for all.

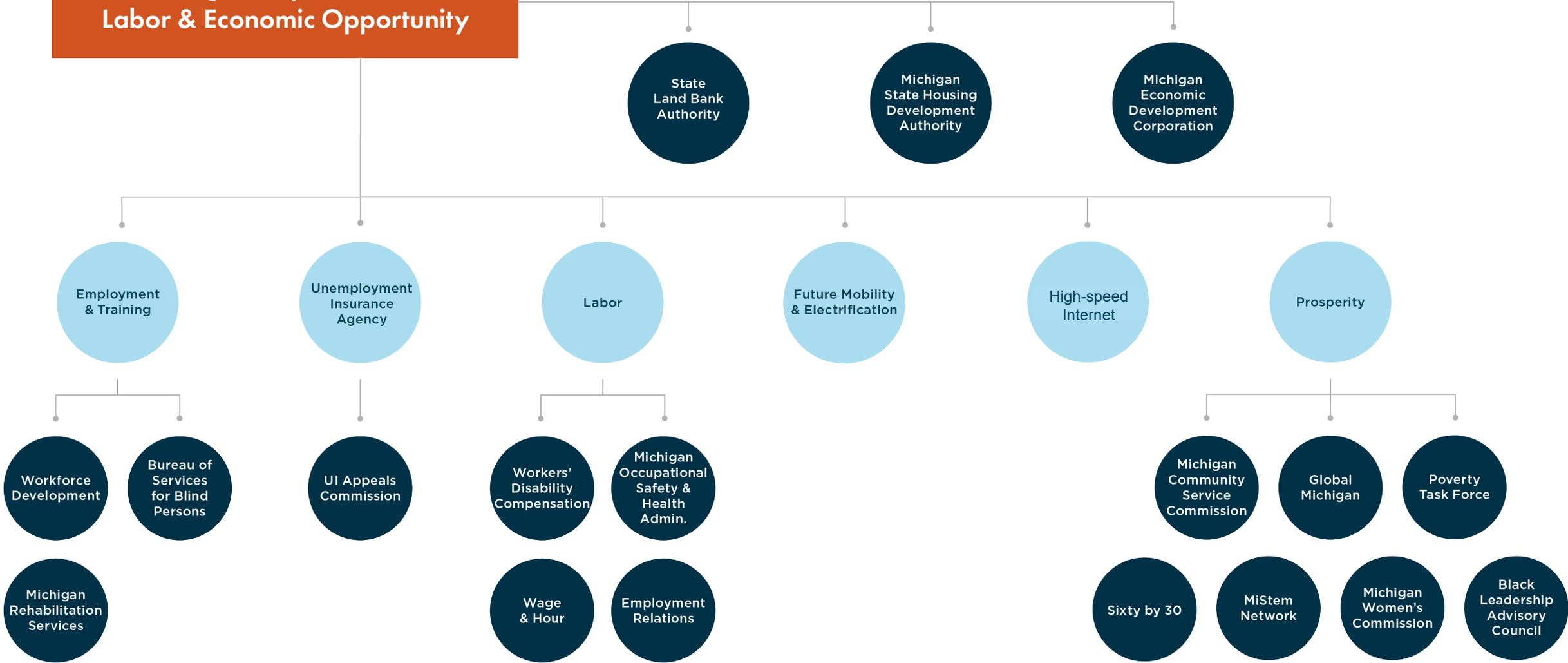


Vision

Make Michigan a place where all **PEOPLE, PLACES** and **COMMUNITIES** have the means to reach their full potential.



Michigan Department of Labor & Economic Opportunity



LEO Strategic Plan FY22 – FY26

STRATEGIC FOCUS AREAS

- A Educate Michiganders and grow the middle class by removing barriers to employment**
Support education, training, onramps, certifications to make sustaining wages more attainable. Address barriers including housing, transportation, healthcare, childcare, language, and placement. Address talent shortages in current and future growth sectors in every region of the state.

- B Create better jobs and support small businesses**
Become the benchmark of economic development by supporting the creation of good and promising jobs that make Michigan's economy more resilient, while implementing the state's first small business strategy that includes focusing on microbusinesses. Address talent shortages in current and future growth sectors in every region of the state.

- C Close equity gaps**
Prioritize closure of socioeconomic / demographic opportunity gaps in all decision making.

- D Protect and enhance health, safety, and economic security for workers**
Ensure safe working conditions, fair wages, and labor protections

- E Build strong communities and have great places to live**
Create a strong foundation for communities to grow by making historic investments in broadband, housing, and other critical infrastructure. Invest in developing vibrant places with rich amenities.

Strategic Measures of Mission Progress

Focusing
the organization
on 4 key metrics.

Closing equity gaps
is a component of
each metric.

ALICE rate

Are we driving down the ALICE rate, poverty, and at-risk populations? Are we creating safety nets to provide stability and preventing people from falling into the ALICE population? Are we driving down cost drivers, such as improving access and affordability of housing, including workforce housing, and broadband? ***Are we driving equitable outcomes?***

Post-secondary attainment (60x30)

Are we making progress towards Michigan's 60x30 goal? Do our educated people meet the talent needs of employers, while helping us attain our other goals? ***Are we addressing equity gaps in our educational outcomes?***

Household income growth

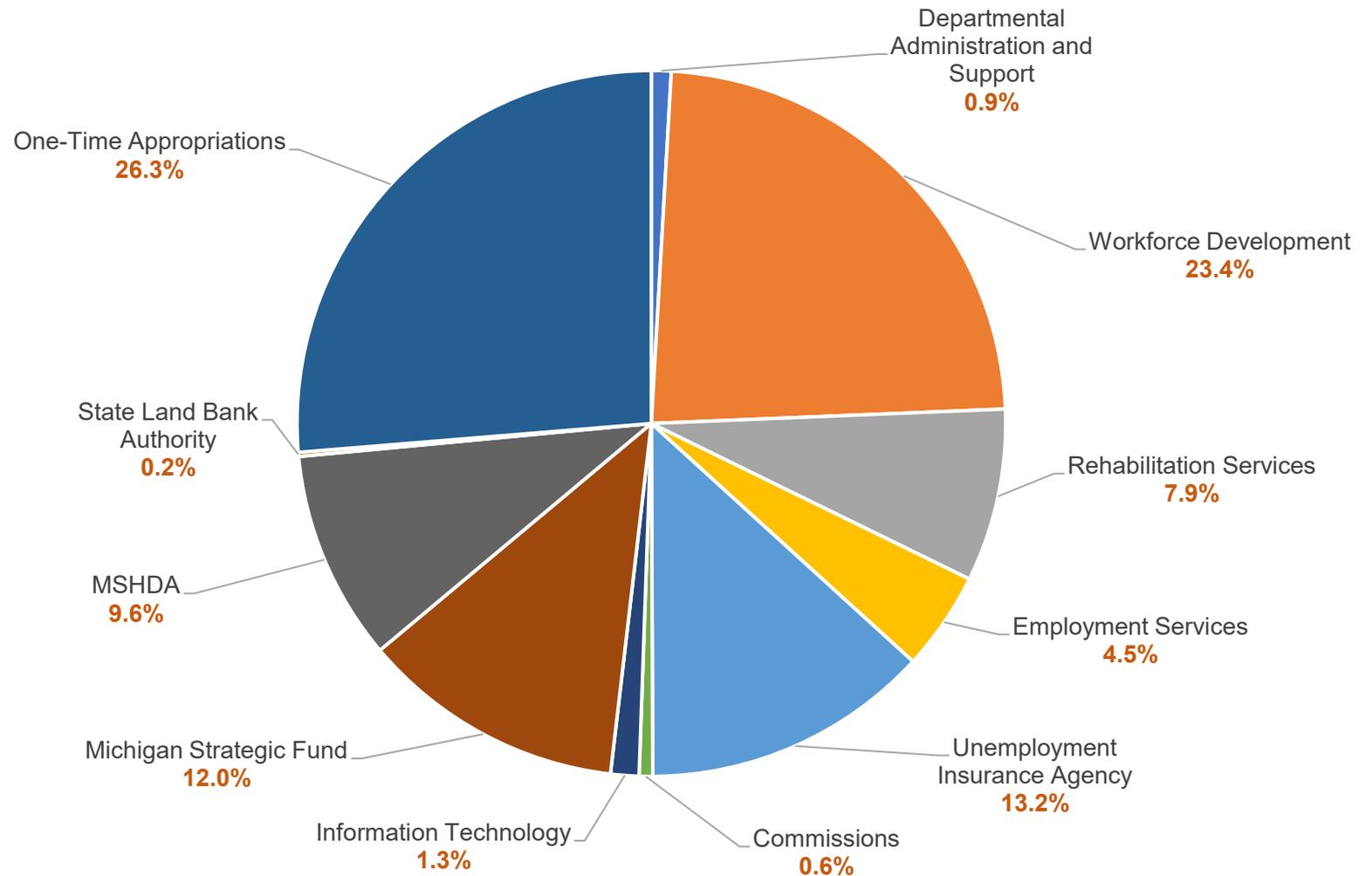
Are programs and services supporting *good and promising* jobs that provide living wages and benefits, creating an overall net positive for our communities? ***Are we eliminating wage and employment gaps?***

Labor force growth

Are we promoting policies and programs that engage people to stay in, re-enter, or join Michigan's labor force? Are we ensuring safe, healthy and secure workplaces so that people do not fall out of the labor force? ***Are we addressing equity gaps in labor force participation?***

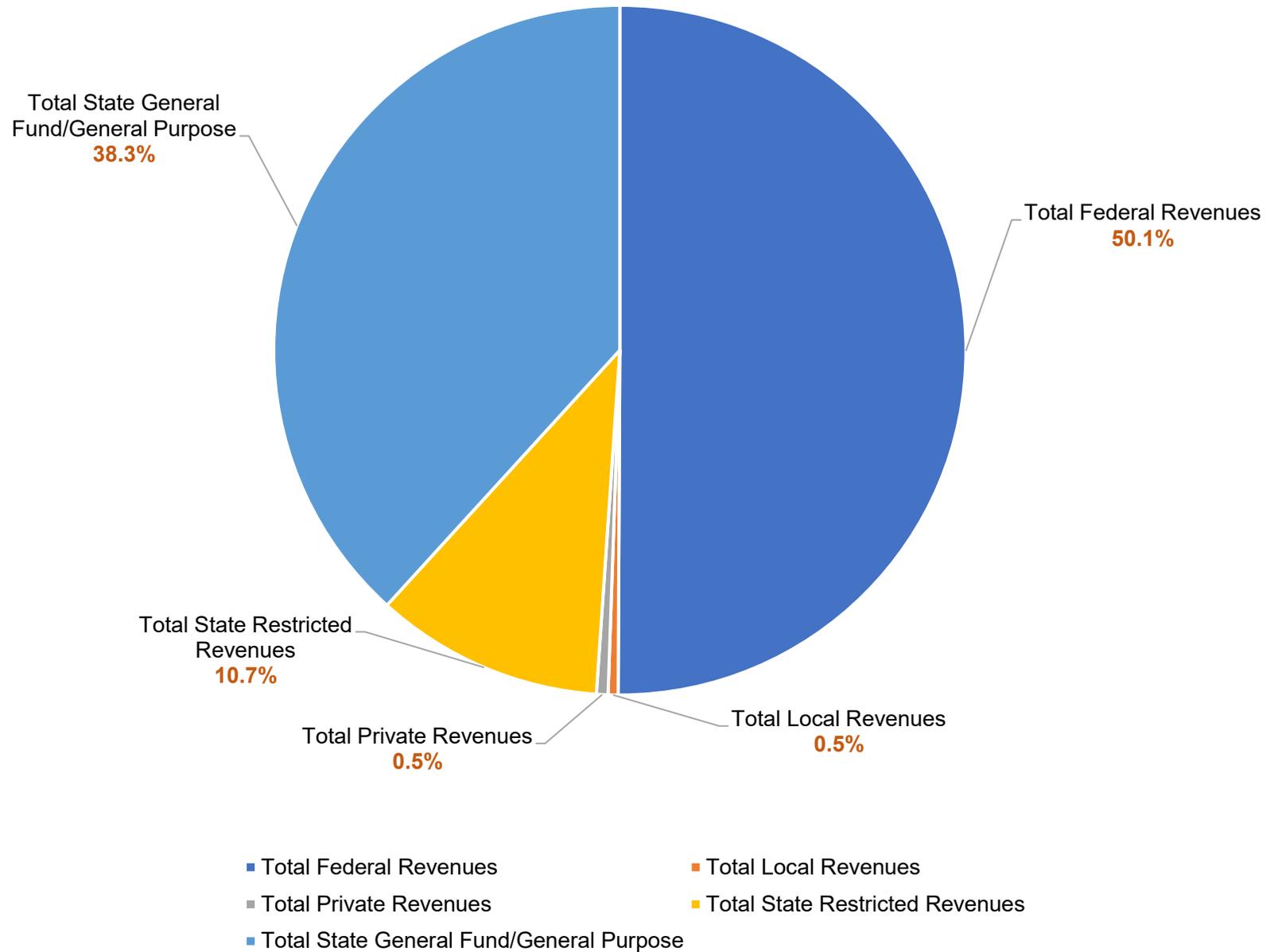
Budget FY23

Appropriation by Program



Total: \$2.3B

Federal / State Funding Breakdown



Focus Area A

Educate Michiganders and Grow the Middle Class by Removing Barriers to Employment

- **\$230M** for **transformational education infrastructure** to promote collaboration among higher education institutions and other partners in health science and medical education, and the electrification of vehicles and mobility.
 - **\$100M** for **Medical Education and Health Care**- to improve access to medical education, to develop state-of-the-art cancer research laboratories, and improve community health infrastructure and access.
 - **\$130M** for the **Electrification of the Automotive Industry** to increase education opportunities within a college of engineering specific to electric vehicles and to create a workforce development strategy to address the emerging EV market.



- **\$20M** for talent retention and expansion in key **Industries** to convene employer-led collaboratives and develop customized solutions to fill talent gaps.
- **\$15M** for **Young Professionals Plus** to prepare young people for self-sustaining employment.
- **\$10M** for the **Statewide Pre-Apprenticeship Program** to expand Michigan's talent pool and prepare individuals for entry into federally registered apprenticeships.
- **\$600,00** to **Support the MiSTEM Advisory Council** and its efforts to create a strong STEM workforce in Michigan.

Focus Area B

Create Better Jobs and Support Small Businesses

- **\$500M** for the **Strategic Outreach and Attraction Reserve Fund** in the FY22 supplemental to attract transformational projects that keep the state at the forefront of manufacturing.
- **\$10M** for the **MI Local Heroes Marketing Campaign** to highlight the benefits of public sector employment and attract individuals to critical jobs.





- **\$25M** for the **Mobility Futures Initiative** advance Michigan's position in the rapidly evolving mobility sphere.
 - **\$15M** to Transition and Grow Michigan's Mobility Workforce and Industry.
 - **\$7M** to Provide Safer, Greener, and More Accessible Mobility Services.
 - **\$3M** to Ensure Michigan continues to Lead the Nation in Mobility Innovation.

Focus Area C

Close Equity Gaps



- **\$2.5M** for the **Tri-Share Child Care Program** to increase access to high quality and affordable child care through a unique collaboration that leverages both state and business support.
- **\$15M** to **remove barriers to employment** for low-income, poor, and working poor residents, including those who earn above the poverty level but not enough to adequately sustain a household.
- **\$1M** for **Focus: HOPE** to support workforce development, youth development and community empowerment and advocacy programs.
- **\$700,000** for a **Statewide Language Access Plan Program** to ensure limited English proficient residents have reasonable access to services.

Focus Area D

Protect and Enhance Health, Safety and Economic Security

- **\$88M** to strengthen Michigan's Unemployment insurance system.
 - **\$75M** to replace and modernize the legacy IT system, MiDAS.
 - **\$13M** in the FY22 supplemental for enhanced unemployment insurance fraud enforcement.



Focus Area E

Build Strong Communities and Have Great Places to Live

- **\$200M for the Michigan Regional Empowerment Program** to support the growth, development, diversification and resiliency of regional economies through a competitive grant program.
- **\$11M for the attainable homeownership and apprenticeship program** to support the acquisition, renovation and resale of properties in both urban and rural land bank inventories.
- **\$75M for the Nature, Science and Cultural Experiences Grant Program** for projects that bring art, science, nature, history and culture to Michigan residents and preserve and celebrate Michigan's cultural diversity and natural beauty.
- **\$750,000 for the Resilient Lakeshore Heritage Grants Program** that will support the rehabilitation of qualifying properties in rural communities along the Great Lakes.

Thank you.
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