OFFICE OF GOVERNOR RONNIE MUSGROVE CONFIDENTIAL MEMORANDUM

TO:GOVERNORFROM:BOYDSUBJECT:LABOR DEPARTMENTDATE:MARCH 6, 2000CC:FILE

During the 1999 election campaign, Governor Musgrove supported the consolidation of state government divisions into a single department of labor to obtain additional federal funding for workforce training and development. The Governor explained that the department would not create a new bureaucracy, but would consolidate functions already in state government.

The Mississippi Department of Labor's mission should focus on strengthening Mississippi's communities and business through safe working environments and training opportunities. Its goals would be to develop partnerships with business, industry and employees to ensure that the people who work in this great state have a safe and healthy environment in which to work. A department of labor structured properly will assist both the employers and employees without increasing the bureaucracy.

PROPOSED STRUCTURE & FUNCTIONS

The labor department could have an advisory board to provide additional direction to the executive director and the Governor on successes and opportunities within the state and its workforce. This advisory board could include the executive directors of the Department of Economic & Community Development, Human Services, State Tax Commission, and Environmental Quality; representatives from labor (AFL-CIO), business (MEC, MMA, etc.), Junior Colleges, Planning and Development Districts, and key legislators.

Mississippi's labor department would consist of elements already in existence in state government; thereby, providing a **"one-stop" entry point** for employers and employees. This is a list of existing programs and agencies that could be included in a consolidated labor and workforce training department:

- Vocational and Technical Education, State Department of Education;
- Workers' Compensation Commission;
- Job Training Partnership Act (Workforce Investment Act), Department of Economic and Community Development;
- Occupational and Safety Program, State Department of Health (MCA provides authority for DOH to handle this, but it is administered by the USDOL.);
- Boiler and Vessel Pressure Safety Advisory Board; and,
- Mississippi Employment Security Commission.

The intent of consolidating these functions into a single department should not be to increase the regulatory power of the state, but to provide a single access point for businesses, employers, and employees to obtain assistance.

OPPORTUNITIES

Under the previous administration, Governor Fordice refused \$13 million set aside for Mississippi in the "Welfare-to-Work" program. Additionally, there are competitive grants that the U.S. Department of Labor administers that could have provided tens of million of dollars in the last two years if Mississippi had a labor department <u>or</u> an administration willing to seek those funds.

Money invested in workforce training is money well spent. Last year in Mississippi, almost 175,000 students graduated from 1,139 workforce-training programs at a price of roughly \$44.50 per student. Workforce training grows and expands our economy while extending opportunity to more Mississippians. A well-educated, highly trained workforce attracts new businesses and creates more jobs. A person with a good job is less likely to commit a crime or experiment with dangerous drugs. A family with a skilled, trained, employed worker is one less family on public assistance.

Here are a sample of federal programs that are available from the U.S. Department of Labor that would be beneficial to Mississippians and their employers:

- Youth Opportunity Grants, competitive grants to provide training to out-of-school youth living in inner cities and high poverty areas to help them graduate from high school and get jobs.
- Responsible Reintegration for Young Offenders, competitive grants to link young offenders under age 35 with essential services such as education, training, job placement, drug counseling and mentoring to reintegrate this population into the mainstream economy.
- Safe Schools/Healthy Students, additional grants to promote healthy childhood development and to prevent school violence and alcohol and drug abuse through a comprehensive, community-wide approach. With the Labor Department's participation, services will be expanded to include out-of-school youth.
- Fathers Work/Families Win, competitive grants to state and local workforce boards to promote responsible fatherhood and support working families, building on the investments and partnerships begun under welfare-to-work.

ADDITIONAL INFORMATION

Please find attached (1) mission statements from various state labor departments, (2) 1996-97 labor expenditures for North Carolina and 50 state fiscal overview, and (3) organizational charts regarding North Carolina's workforce training efforts.

If I can be of additional assistance, please do not hesitate to contact me at 359-2971.