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**GST MICHIGAN WORKS! POLICY 15-17 Change 4**  
(Board Approved 6-12-2020)

**TO:** Chief Executive of Subrecipients and Agency Staff

**FROM:** Jody Kerbyson, CEO

**SUBJECT:** Rapid Response Process and Procedures for Responding to Notifications of Plant Closings and Mass Layoffs and Lay off Aversion.

**EFFECTIVE:** 06-01-2020

**PROGRAMS:** Workforce Innovation and Opportunity Act (WIOA), Dislocated Worker Program, The Trade Act of 1974, as amended, WIOA funded Incumbent Worker Training (IWT)

**REFERENCE:** The Workforce Innovation and Opportunity Act (WIOA) Manual.  
  
Talent Development Division PI 12-23 Rapid Response Process and Procedures to Notifications of Plant Closings and Mass Layoffs.  
  
Worker Adjustment & Retraining Notification (WARN) Act of 1988

**RECISSIONS:** GST Michigan Works Policy 15-17 and change 1, 2 & 3

**BACKGROUND:**

This policy revision addresses changes to the Rapid Response policy to update agency names and contacts on Rapid Response activities and delivery of services offered through GST Michigan Works.

**POLICY:**

The purpose of Rapid Response is to promote economic recovery and vitality by developing an ongoing, comprehensive approach to identifying, planning for and responding to layoffs and dislocations and preventing or minimizing their impacts on workers, businesses, and communities to provide economically valuable solutions to businesses and critically important services to workers at the time when they are most needed.

The WIOA holds States responsible for the provision of Rapid Response services. The Labor & Economic Opportunity, Michigan Department of Workforce Development (LEO-WD) maintains responsibility for ensuring compliance with federal and state requirements, implementation of program initiatives, and providing support, guidance, technical assistance and financial resources to the local service delivery areas. As such, the LEO-WD WIOA Section will remain the State's designated recipient of WARNs to fulfill its statutory requirements. GST Michigan Works, along with other key partners, will act in coordination during all layoffs in a region regardless of the size of the event.

Rapid Response will take an ongoing, comprehensive approach to planning, identifying, and responding to layoffs, and preventing or minimizing their impacts whenever possible. To ensure high quality and maximum effectiveness, successful Rapid Response strategies must include at least the following:

- Informational and Direct Reemployment Services for Workers.
- Convening, Facilitating, and Brokering Connections, Networks, and Partners.
- Strategic Planning, Data Gathering and Analysis Designated to Prepare for, Anticipate, and Manage Economic Transition.
- Solutions for Businesses in Transition; Growth and Decline
- Lay off Aversion

### **Rapid Response Coordination of Activities**

GST Michigan Works! will take an active role in assisting workers when plant closings/layoff occur. The LEO-WD Rapid Response Unit assisting in rapid response activities will work closely with the UIA in response to WARN Act notices for employers with mass layoffs or plant closings. Services to be included as part of the Rapid Response process are: (1) Initial Rapid Response meeting with the company and union officers (if applicable); (2) Worker orientation meetings with employees; (3) Establishment and organization of a Joint Adjustment Committee (JAC); (4) Layoff Aversion IWT (if applicable); (5) State Adjustment Grants (SAGs) as additional increments to a local area's DW formulate funding award to meet documented funding deficits; (6) National Dislocated Worker Grants (DWGs) as another form of assistance to provide to Dislocated Workers.

### **Rapid Response in a Demand Driven System**

The planning and information gathering necessary for effective Rapid Response also establishes an awareness of and familiarity with the talent needs of a region and allows the workforce system the ability to strategically meet the needs of both hiring employers, and those facing layoffs.

GST Michigan Works! overall objective is to adapt the workforce system to help ensure the production of workers with skills and competencies that align better with industry for long-term employment. Employers should be comfortable approaching the workforce system when they are looking for new workers, seeking assistance to avert a layoff, and helping their workers transition to a new job in the event they must end their local operation.

The State's Michigan Industry Cluster Approach (MICA) strategy, which focuses on aligning efforts – initiatives, programs, and funding - around priority clusters for a demand-driven workforce system, helps facilitate such employer engagement. GST Michigan Works! partners with employers, the Michigan Economic Development Corporation, Local economic development entities, education and training providers and statewide trade associations to work towards these goals. LEO-WD has identified seven priority clusters including agriculture, construction, energy, healthcare, information technology, manufacturing and transportation is driving workforce development efforts toward meeting the skill needs within these clusters.

### **Layoff Aversion (IWT)**

As part of the local rapid response activities an immediate and on-site contact is made with the employers, representatives of the affected workers and appropriate members of the community to assess the potential for averting the layoffs. This activity is made in consultation with the State and/or local economic development agencies, including private sector economic development organizations. If it appears that layoff(s) can be averted, a plan is drafted and executed to avoid the layoffs. The sooner the system is aware of a potential layoff(s) the more interventions can be used to avert the layoff(s).

Early warning systems are necessary to ensure a timely response to worker dislocations. Layoffs can be identified in a variety of ways, including but not limited to; discussions with employer representatives or employees, meetings with organized labor, increased Unemployment Insurance claims, press attention, a WARN Act notice or Trade Act petition. Systems should be in place to regularly and proactively monitor all these notification channels.

An early warning network can be effective when:

- County and Local Economic Development Organizations serve as points of contact.
- Public, nonprofit and private partners share at risk businesses to Economic Development.
- Economic Development coordinate assessment and delivery of services.
- Private – bankers, accountants and turn around consultants.

A critical aspect of our outreach to the employer and business community is assessing the health of a company with respect to employment issues. This assessment is part of the business professional solutions process. The majority of the members of the GST Michigan Works! Business Services team are BSP certified and can proactively assist employers to assess issues that are of concern to them. If employee layoff appears to be eminent, necessary community partners, including economic development agencies and education will be brought together to determine if a plan can be developed to assist the company in averting any layoffs.

The activities that are included as part of a layoff aversion include but are not limited to:

- Prefeasibility studies
- Success planning/loan programs
- Data collection
- Employee training (OJT)
- Incumbent worker training\*
- Technical assistance

**\*Incumbent Worker Training (IWT) may be identified as an option during the development of a layoff aversion plan. GST Michigan Works may fund incumbent worker training if it is used as an approved local strategic plan. The State's Skilled Trades Training Fund (STTF) may provide availability of grant funds to support other incumbent worker training needs.**

### **Rapid Response Process**

Upon receipt of a WARN and/or mass layoff or plant closing from LEO-WD, GST Michigan Works! will commence working with all parties including; LEO-WD, UIA, Union Officials, Company, MEDC, etc. to coordinate efforts to identify the initial Rapid Response meeting and/or Worker Orientation.

The following information will be obtained/shared between all partners:

- a. Company name, address, phone number
- b. Contact name & title
- c. Description of the business/NAICS
- d. Type of dislocation (Mass Layoff or Plant Closure)
- e. Notification type (WARN, News Article, Letter, Phone call, etc)

- f. Number of impacted workers and total workers at the facility
- g. Descriptions of impacted employee skill sets and corresponding occupations
- h. Identification of potential days and times for a Rapid Response Meeting and or Worker Orientation.

GST Michigan Works! and LEO-WD will discuss the situation and mutually decide who should contact the Company. The designated representative will make sure to keep all partners up to date on pertinent information that is shared. Either partner (LEO-WD or GST Michigan Works!) will have 24-48 hours to contact the rest of the partners to confirm the initial Rapid Response meeting date and share information about the event. If the employees are covered by a collective bargaining agreement, the local union officials will also be contacted to participate in the process.

GST Michigan Works! identifies a lead Rapid Response staff person (Chief Operations Officer) to ensure that all Rapid Response partners are included in each step of the Rapid Response process. Thus, the following standard protocol is being implemented:

### **Rapid Response Meeting**

GST Rapid Response Coordinator (Chief Operations Officer) or in her absence, other designated GST staff will arrange for an initial meeting with the employer. The initial Rapid Response meeting shall include GST Rapid Response Coordinator, the Company, Union (if applicable) Leadership, LEO-WD WIOA Rapid Response staff and other local partners as necessary such as the UIA, United Way, DHS, etc. LEO-WD WIOA Rapid Response staff will provide overall information from a state perspective as well as gathering demographic information about the impacted workforce. GST Michigan Works! will provide information and/or marketing pieces on employment services (including MI Talent Connect), dislocated worker services and other services available at the local One Stop Service Centers.

During the meeting, if possible, priority will be on averting or lessening the impact of the layoff. Key questions that will be asked include:

- Are there any specific resources that can be provided to prevent or lessen the closing or downsizing?
- What other departments or divisions within the business may be impacted by the closing or downsizing? What other companies may be impacted?
- Are layoffs occurring in other locations or states?
- Are there layoff aversion strategies that could be put in place to reduce job loss?
- Confidentiality is key. When will the information be made public? When will impacted employees be notified?

Additional questions included in PI 12-23 Rapid Response Employer Survey (Attachment A) will also be collected.

### **Worker Orientation Meeting**

Upon agreement with the company, Worker Orientation Meeting(s) will be scheduled to provide information on the process and available services to the impacted employees. GST Michigan! will:

- Confirm the date(s) and time(s) of the Worker Orientation meeting(s)
- Arrange for the participation of partnering human service agencies and Service Center staff to present (and disseminate hard copy) information about existing services available to the affected employees
- Provide informational materials on available services at the One-Stops Service Centers.
- If the company does not agree to an on-site Worker Orientation meeting, GST Michigan Works! will schedule one at an alternate location and make every attempt to get the information to the employees within the company in addition to printed marketing pieces etc. that outline available services.

LEO-WD will transmit the request to UIA for representatives to be present at the Worker Orientation meeting. If UIA is not able to be present, GST Michigan Works! will direct impacted workers to the UIA's website, including the on-line claim filing kit (UIA Form 1251) and the on-line service Claimant Web Account Manager. GST Michigan Works! will refer all those affected workers with additional questions to the UIA Employee Hotline at (800) 500-0017 or to the Claimant Web Account Manager online services page at [www.michigan.gov/uia](http://www.michigan.gov/uia). In addition, GST Michigan Works! will distribute the Dislocated Worker Survey to impacted workers.

GST Michigan Works! will arrange to have agency staff attend scheduled worker orientations. Generally, a Career Coach or a Program Manager will be assigned to explain the employment services. Collaboration with other organizations may result in additional presenters based on the worker group and layoff circumstances. The Michigan Works! presentation will include an overview of available activities and services within the Service Centers. These meetings include presentations by MWA service providers and provide information on employment services; WIOA-funded career services (basic and individualized), No-cost Reemployment Workshops, Labor Market Information, Pure Talent Connect, Career Assessment Services, Self-Serve Resource Room, Veteran's Assistance, Trade Act Services (if applicable), Training Options, On-The-Job-Training and Employer Services.

### **Inability to Schedule a Rapid Response or Worker Orientation Meeting**

If it is not feasible to schedule a Rapid Response or Worker Orientation Meeting or the employer does not agree to on-site meetings, the GST Michigan Works! staff should attempt to obtain the information in the Employer Survey (**Attachment A**) and arrange for printed information to be distributed to the impacted employees. Information can be left at the worksite, with local union officials, given to the employer for inclusion with paychecks, etc.

In situations where Worker Orientation meetings are not feasible due to the lack of employer cooperation, or where layoffs have already occurred, GST Michigan Works! staff is encouraged to organize Worker Orientation meetings, at an offsite location if appropriate. GST Michigan Works! should provide written notice of the Worker Orientation meeting(s) if a mailing list of the employees is available from the employer. The LEO-WD WIOA staff will transmit the request to the UIA with the meeting date, time, and location.

## **Definitions of Dislocated Terms for Rapid Response Services**

**General Announcement of a Plant Closing** - An announcement or communication by an employer stating intent to close a business, regardless of the number of workers affected.

- (a) Has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure, or any substantial layoff at, a plant, facility, or enterprise;
- (b) Is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days.

**Unlikely to Return to a Previous Industry or Occupation** – An individual who is laid off without a recall date (or the recall date has passed) and is unlikely to return to an occupation based on one of the categories below.

- (a) The number of jobs in the applicant's previous industry/occupation is declining Based on Labor Market Information (LMI) data;
- (b) A self-attestation document displaying distinctive characteristics that make him or her “unlikely to return”. Such as limited openings, outdated skills, physical limitations, lack of proper credentials, etc.
- (c) Applicants selected for Reemployment Services and Eligibility Assessment (RESEA) Program services with a ranking of 0.400 or higher within the last year.

**Unemployed as a Result of General Economic Conditions in the Community in which the individual resides** – Business lost due to one of the following reasons:

- (a) The closure or substantial lay-off of a primary supplier or customer affecting the self-employed applicant's products or services;
- (b) Less demand for the occupation or product within the community;
- (c) A decline in profits significant enough to lead to closure, documented by most Recent tax return or other company documents showing negative gains/losses statement;
- (d) Natural disaster, as defined by State or Federal declaration. Events that may include a hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mud-slide, snowstorm, ice storm, drought, fire, explosion, or other catastrophe that destroys the ability for a business to continue to operate.

**Determining Eligibility for Self Employed individuals, including family members and farm workers or ranch hands** - Self-employed individuals who work for profit or fees in their own business, profession, trade, or farm.

- (a) An individual who was self-employed but is unemployed, as a result of a general economic conditions in the community in which the individual resides.
- (b) This includes an individual who is self-employed or employed by another, or a family member from a farm, ranch, or fishing operation, which produces agricultural products and receives at least 50 percent of their family or individual income.

**Non-WARN Events and Lack of Notification:**

Rapid Response and Worker Orientation meetings may also be held with companies with fewer than 50 employees at the discretion of the employer and GST Michigan Works! and LEO-WD will mutually agree if WIOA Rapid Response participation is necessary in this instance. If a business has closed and no prior notice was given, a Non-Warn Data Sheet will be completed as best possible and faxed to LEO-WD WIOA Section, Attention: Ms. Teresa Keyton at (517) 373-7794.

**Joint Adjustment Committees**

Joint Adjustment Committees may be formed by mutual consent of the company and Union (if applicable) in situations where at least 50 employees are being laid off and there is at least 60 days subsequent to the Rapid Response meeting before layoffs are completed and JAC may be established with LEO-WD support. GST Michigan Works! role in JAC participation would be to meet with the partnering agencies on an on-going basis throughout the time period until layoffs are complete to coordinate/arrange/schedule services specific to the needs of the impacted workers. Such services would assist them in becoming re-employed as quickly as possible.

**State Adjustment Grants (SAGS) and National Dislocated Worker Grants (DWG)**

State Adjustment Grants (SAGS) and National Dislocated Worker Grants (DWG) are additional increments to local area's Dislocated Worker formula funding awards to meet documented funding deficits. GST Michigan Works! may request additional funding from SAG or DWG as circumstances in our region warrant. GST Michigan Works! will continuously monitor expenditures and obligations of WIOA Dislocated Worker funds and seek out additional funds as necessary. We will follow the SAG application process outlined in SAG PI 12-32 for a single or multiple dislocation event. We will seek DWG discretionary grants awarded by the Secretary of Labor as specific circumstances of dislocation occur. The Chief Operations Officer, through coordination efforts with the LEO-WD, will identify such needs for both funding grants. As the lead Rapid Response staff person (Chief Operations Officer) will have all the critical information to date regarding the local circumstances which would activate the requests for these additional funding sources. The application and project design will be a directly coordinated with the assistance of LEO-WD. The Chief Operations Officer will have primary responsibility for Rapid Response, JAC's, SAG's and DWG's in the region. The Chief Operations Officer contact information is listed below:

Sharon Bowen, Chief Operations Officer  
GST Michigan Works!  
711 N. Saginaw Street  
Flint, MI 48503  
Phone: 810-233-5974 Ext 154  
Email: [sbowen@gstmiworks.org](mailto:sbowen@gstmiworks.org)

**ACTION:** Subrecipients and Agency staff shall take the appropriate actions necessary to implement the directives of this policy issuance.

**INQUIRIES:** Questions regarding this policy issuance should be directed to Sharon Bowen, Chief Operations Officer at (810) 233-5974 ext. 154



6-1-20

**SIGNED:**

Jody Kerbyson, CEO

Date

Attachments A & B