

2024- 2027 WIOA State Plan: Added Substantive Language

Pg 51 - 53: Value to the Jobseeker/Worker

The individual customers served by the Department of Workforce Development also received services that further their opportunity to overcome employment barriers and upgrade their skills. In the current fiscal year (FY2024), the individuals receiving supportive services, undergoing training programs, and participating in a work experience is depicted below:

Title I Services	Individuals
Supportive Service	3093
Training Programs	1484
Work Experience	1015
Grand Total	5592

Furthermore, within DWD, services from OVR such as providing assistive technologies opens equitable opportunities for individuals with disabilities to attain employment. The individuals that touch the workforce development system can compete for a wider array of jobs and careers. Similar advancement opportunities are also possible through the various training programs DWD offers, especially in the growing possibilities with registered apprenticeships.

In fact, Fiscal Year 2023 showed a 12.2% increase from the year prior in registered apprentices in Kentucky totaling 5,029 active apprentices and 2,513 new registered apprentices in that year alone.

Registered Apprenticeship provides the beneficial benefits to both employers and apprentices:

- Registered Apprenticeship is an industry-driven, high-quality career route that allows employers to develop and train their future employees. It guarantees that the strategy is industry-specific and meets the demands of businesses and the labor market.
- Paid Work Experience: Registered Apprenticeship participants acquire practical, hands-on experience. They collaborate with experienced experts, contributing to real-world projects and responsibilities while earning a wage.
- Progressive Wage Increases: As apprentices continue through their training, their wages are gradually increased to encourage skill development and provide financial stability for participants.
- Related Technical Instruction: In addition to on-the-job training, apprentices receive classroom instruction. The mix of experience and academic understanding improves their total skill set.
- Portable, Nationally Recognized Credential: After completing the Registered Apprenticeship program, people receive a credential that is recognized throughout the country. This accreditation confirms their expertise and increases their employability.

Registered Apprenticeship not only benefits employers by creating a talent pipeline but also provides individuals with a pathway to gain valuable skills, earn a wage, and build a successful career. Other industry operated work-based learning programs have also been growing, such as KY-FAME that currently has 175 students enrolled across 11 KCTCS colleges.

Complementing these services, DWD and the workforce development system brings value to both the employer and the individual through the Work Opportunity Tax Credit (WOTC). WOTC program offers benefits to career seekers and positively impacts individuals by:

- **Job Opportunities:** WOTC encourages employers to hire job seekers who face challenges in finding work. By incentivizing employers, the program creates more job openings, increasing the chances for career seekers to secure employment.
- **Financial Benefits:** when career searchers are recruited through WOTC, they not only find work but also make money. Consistent employment contributes to financial security and the opportunity to contribute as taxpayers.
- **Diverse Workplace:** the WOTC encourages workplace diversity by pushing firms to hire from specific groups. This diversity enriches the company culture and promotes inclusivity.
- **Overcoming Obstacles:** many career seekers confront obstacles such as a lack of professional experience, a criminal background, or other hurdles. WOTC gives them the opportunity to overcome these barriers and find meaningful employment.

The Work Opportunity Tax Credit program opens doors for career seekers, supports financial well-being, and contributes to a more diverse and inclusive workforce.

Overall engagement with businesses by the workforce development system also brings value to workers as opportunities are increased to be placed in the best fitting position and company. In PY22, Kentucky engaged with 54,338 employers (36.7%) of which 43% were repeat customers.

These performance measures demonstrate the value that the workforce development system brings to the individual customer as employment barriers are removed, training is undertaken, and skills are attained – as a result, all leading to better employment opportunities and a better quality of life.

Pg 99 & 100: Work Ready Talent

Emphasized by employers, soft skills continue to be the number one requested set of skills required in the workplace. The tools mentioned above with the various DWD services provide individual customer opportunities to harness critical soft skills to be considered “work ready”. The importance of soft skills as the foundation to employment is important, as these skills are transferable across industries, contribute to a more diverse and successful work experience, strengthen collaboration in a team or a group setting, and develop leadership and effective communication tools for continuous improvement and growth in a chosen career.

Whether in formalized training or through career services, DWD will continue to focus and build the soft skills necessary for individual customers to succeed in the workplace and be considered “work ready” across all industries.

Pg 43 & 44: Substance Use Disorder Data

Individuals with Substance Use Disorders

Individuals with substance abuse disorders are less likely to participate in the labor market. Nationally, the labor force participation rate of prime-age individuals with substance abuse disorders was 70 percent, nearly 13 percent lower than the average prime-age participation rate from 2015-2018 (Greenwood et al., 2022). By using the difference between the number of deaths attributable to substance abuse disorder pre- and post-pandemic, referred to as excess deaths, Greener et.al estimated that 7-19 percent of the decline in the labor force is associated with the increase in substance usage as of January 2022. The effect was not the same for every substance disorder; while they found substances like methamphetamine and opioids greatly affected labor force participation, alcohol-use disorder did not seem to affect the labor force participation rate of prime-age individuals (Greenwood et al., 2022).

Table 22
Reported Substance Use Disorder in the Past Year of Individuals 18 years or older

Substance Use Disorder	596,000
Alcohol Use Disorder	329,000
Drug Use Disorder	375,000

Source: National Survey on Drug Use and Health: Model-Based Estimated Totals, SAMHSA, Center for Behavioral Health Statistics and Quality, National Survey on Drug Use and Health 2021-2022.

Table 22 contains the most recent data about the frequency of substance abuse disorders for individuals over the age of 18 in Kentucky. The total number reported as having an alcohol use disorder is higher than the number of individuals with a substance abuse disorder because an individual may abuse both alcohol and drugs. Notably, the National Survey on Drug Use and Health found that nearly 40 percent of individuals with a drug use disorder in Kentucky are attributable to disordered opioid usage.

The increase in opioid use, in particular, has affected Kentucky in recent years. There have been multiple studies about the effect opioid use has had on the labor force participation rate (Aliprantis & Schweitzer, 2018; Gitis, 2018; Krueger, 2017).]In particular, Aliprantis and Schweitzer (2018) estimated that a 10 percent increase in opioid prescribing was associated with a reduction in 0.5 percentage point reduction in LFP among men and 0.14 percent reduction among women.

By utilizing this research, the University of Kentucky's Center for Business and Economic Research estimated that the increase in the per capita opioid prescriptions, an estimated 46 prescriptions per person to 137 prescriptions per person in 2011, was associated with a 1.3- 3.1 percent reduction in prime-age labor force participation rate (Clark et al., 2019). This amounts to approximately 23,100 to 55,200 fewer workers in the Commonwealth.

Pg. 72: Addressing more Investment in Workforce System

Overall, the strength of the workforce system depends on the ability to continue to coordinate, collaborate, and strive towards mutually reinforcing activities. This includes more investment in the workforce system to leverage the federal investment from WIOA to allow a stronger focus on effective initiatives in commonwealth. For example, the themes described above indicate the need to have a greater emphasis on strengthening Kentucky’s untapped talent pools with the engagement of business through work-based learning opportunities – this takes further resource investment in the workforce system. Even more so when Kentucky’s booming economy is performing at a high level leading to a lower unemployment rate and lower federal WIOA investment as a result. This leads to a good problem that must be addressed with a diversification of funding to meet the needs of both employers and individual customers. Investment in workforce development also provides the essential need to address full employment for all Kentuckians and to highlight the opportunity to recruit new workers to live, work, and raise a family in the Commonwealth. Investment in workforce development also leads to the essential need to address barriers to full employment for all Kentuckians and to recruit new workers to opportunities in Kentucky to live, work, and raise a family in the Commonwealth.

Pg. 82: KentuckianaWorks Sector Strategies

Further, in partnership with leadership from the Kentucky Chamber Foundation, Kentucky was selected as one of the three states in the nation to pilot a statewide implementation of the U.S. Chamber of Commerce Foundation’s program, Talent Pipeline Management (TPM). TPM is an employer-led and demand-driven approach for businesses to create and manage talent ‘supply chains’ by projecting talent needs and aligning those with education and workforce development systems. The success of TPM in Kentucky is based on the strength of sector strategies that have existed in the Commonwealth. For example, the strength of the KentuckianaWorks’ healthcare group (the Health Careers Collaborative of Greater Louisville) facilitated the establishment, and contributed to the success, of the TPM pilot in Kentucky. Regarding manufacturing, discussions among the members of the KentuckianaWorks’ Kentucky Manufacturing Career Center Advisory Group kickstarted what would become the FAME chapter in Louisville.

Pg. 54: Kentuckiana Builds Clarification

Governor's Discretionary grant also provides complementary funds to the KentuckianaWorks pre-apprenticeship construction training program called Kentuckiana Builds. Kentuckiana Builds was created in 2016 in partnership between KentuckianaWorks Board and the Louisville Urban League to respond to the need for a pipeline of trained construction employees and to increase the number of minorities and women going into the sector regionally. Kentuckiana Builds provides an exemplary program that is started and funded locally and supported with state funds as an investment in an effective model.