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September 30, 2022

TO: Los Angeles County Workforce
Development Board
Irene Pelayo

FROM: Irene Pelayo, Program Manager
Workforce Planning and Operations

SUBJECT: **WORKFORCE INNOVATION AND
OPPORTUNITY ACT (WIOA) RAPID
RESPONSE UPDATE: FY 2021-22**

This is to provide you a summary overview of our WIOA Rapid Response services through the entirety of FY 2021-22.

Rapid Response Overview

The Antelope Valley, Pomona Valley, and Southeast LA America's Job Centers of California (AJCC) serve as the Los Angeles County Local Workforce Development Area's (LDWA) Rapid Response teams that offer information on financial benefits, training, and reemployment services to layoff-impacted individuals and struggling businesses. From July 2021 through June 2022, the collective team reached 237 businesses and assisted 8,818 employees, helping individuals by connecting them with our AJCC system. This represents a major decrease from the 434 businesses and 23,253 workers in the previous year, which is due to the relaxing of pandemic-related measures in which businesses were forced to temporarily shutter. This tracks proportionally with the drop in the unemployment rate, which dropped from nearly 12% in FY 2020-21 to just over 6% in FY 2021-22, per the State of California Employment Development Department (EDD) labor market information and based on an LAEDC's Pathways for Economic Resiliency report, which indicated from March

2020 to December 2020, 7,500 businesses closed permanently, while an equal number closed temporarily.

In terms of number of employees affected, the Manufacturing industry was the most impacted, reaching 2,409 displaced workers, nearly double the employees of the next highest industry, Retail Trade (1,253). The Healthcare and Social Assistance industry was in third with 1,245 employees affected. In terms of number of businesses, however, the Retail Trade industry was at the top of the list, with 57 businesses reached, more than double the next-highest industry, Manufacturing, for which there were 25 businesses reached. In third was the Administrative and Support and West Management and Remediation industry with 23 businesses. Smithfield Foods, Inc., also known as Farmer John, was the most impacted company by far, with 1,500 affected employees (more than 1,000 more than the second-highest company, TEEMA in Pomona). Located in Vernon, in the 4th Supervisorial District, the business is classified under Manufacturing and worked with the Rapid Response team in June 2022.

The 1st District had both the highest number of impacted businesses and affected employees with 103 companies and 4,559 workers. The 5th Supervisorial District had the second-most businesses (46) and the third-most affected employees (949). The 4th Supervisorial District was third in terms of number of businesses (45) and second in terms of affected employees (2,489). The 3rd and 2nd Supervisorial Districts were fourth, with 25, and fifth, with 18, respectively. The two (2) districts are switched in terms of number of employees, as the 2nd Supervisorial District had 505 affected employees, and the 3rd Supervisorial District had 316.

It is important to note that the numbers reflected in this report do not encompass all Rapid Response efforts in the Los Angeles Basin, as the other six (6) Workforce Development Boards (WDBs) also serve the businesses in their respective LWDA through Rapid Response. DEO and its Rapid Response teams constantly coordinate with each of the other WDBs to ensure a smooth process and mitigate confusion for the businesses. Such close collaboration with the other WDBs, combined with their own dedicated Rapid Response funding and staffing ensures a suitable countywide response to layoffs and closures across all supervisorial districts.

Overall, these numbers are appropriate considering that for the FY 2020-21 we received a total of 275 Worker Adjustment and Retraining Notifications (WARN) from the State and only received 35 WARNs in FY 2021-22, meaning the remainder of the businesses contacted for each program year were made up of non-WARNs by the AJCCs, which are those that the AJCCs need to identify themselves. Each AJCC has a goal of 60 non-WARN orientations each program year; in FY 2020-21 we achieved 95% performance, compared with 90% performance for FY 2021-22. In FY 2022-23, we will require the AJCCs to contact more businesses per month to increase the non-WARN orientation numbers.

A summary of numbers by Supervisorial District and Industry can be found in *Rapid Response Activity by Supervisorial District* (Attachment I), and a full listing of organizations served, their locations, and numbers of affected employees can be found in *Rapid Response Activity Detailed Listing* (Attachment II).

Next Steps

An update on LA County's Rapid Response services will be provided to the WDB at the next quarterly meeting. Please let us know if you have any questions.

IP:CLK:CV

Attachments: Attachment I – *Rapid Response Activity by Supervisorial District*

Attachment II – *Rapid Response Activity Detailed Listing*