



EAMA RSP Virtual Meeting

March 15, 2023

9:00 a.m.

MEETING NOTES

Welcome

Chairman Jewell called the meeting to order at 9:04 a.m.

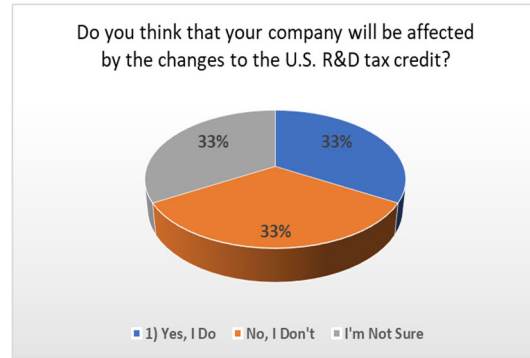
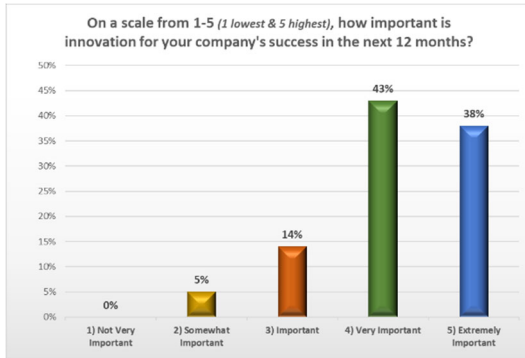
Communication

1. CT Legislative Testimony – EAMA RSP Chairman Jewell provided testimony opposing the \$1.4M cut to the Manufacturing Pipeline Initiative (MPI) program in Gov. Lamont’s proposed budget. He also noted that \$1.2M in funding would be dropping off this year, which would leave the program with a total \$2.6M loss. The Eastern CT Workforce Investment Board (EWIB) staff have recently received questions about MPI funding from the State, suggesting that the State is thinking about State funding for the MPI.
2. CONNEX Deadline – Members were reminded of the upcoming deadline to sign-up for the free lifetime access to the CONNEX national database (Code: CTF) on March 31, 2023. Mr. Daniels noted the ease of setting up the CONNEX manufacturing profile, and the many options that are available such as uploading RFPs/RFQs, uploading printed material & videos, as well as increasing sales and building your business. He noted that New York & Massachusetts will be coming on-line soon.
3. CCAT Webinar – The CT Center for Advanced Technology (CCAT) has invited EAMA RSP to participate in the CT Manufacturing Summit Webinar for Educators on April 5th. Each of the state’s RSPs have been asked to facilitate a 20-minute breakout session with educators from their respective regions. EAMA RSP Director Tony Benoit will present along with an EAMA RSP manufacturing member for the event.
4. Letter of Support for EWIB Application – EAMA RSP has drafted a letter of support for EWIB’s application for FY2024 Congressionally Directed Spending for MPI Capacity Expansion. The membership approved the submission of the letter of support as presented.
5. EAMA RSP Webpage – Staff reviewed the newly launched EAMA RSP webpage (www.ewib.org/eama-rsp), which is hosted on EWIB’s website.

Employer Temperature Check: Instant Poll - R&D Tax Credit

Under the Tax Cuts & Jobs Act of 2017, the federal treatment of Research & Development (R&D) expenses under IRS section 174 change took effect for tax year 2022. R&D costs include wages, some general operating costs and some contract costs expended to improve process or products using scientific or technological means. In prior years, a portion of R&D expenses could be used to offset corporate tax liability. Small businesses could offset some amount of payroll tax liabilities as well. Under the changes of the Act, these expenses need to be capitalized with a five-year amortization following the mid-year convention. In the long run, a company’s annual deduction would be essentially the five-year rolling average of R&D costs, but in the first few years, the amount of the deduction or credit would drop dramatically. This will hurt cash flow for innovative companies and could dis-incentivize innovation across the board. Eighty one percent of the RSP members who responded to the poll asserted that innovation is “very important” or “extremely important” to their success in the coming year. The RSP Director & several members will be following up in support of legislative efforts to reverse these disadvantages of tax changes.

Eastern Advanced Manufacturing Alliance – A Connecticut Regional Sector Partnership



Steering Committee – Chairman Jewell reported that the group held its first meeting on March 1st where they reviewed: the mission & structure of the Committee, testimony that was provided opposing a \$1.4M cut to the MPI line item in the Governor’s proposed budget, worked to identify priorities, established standing agenda items for each EAMA RSP meeting, approved the meeting schedule for the EAMA RSP, heard about an issue with federal tax treatment of R&D expenses, updated on the status of EAMA, agreed to draft a press release announcing the launch of the EAMA RSP, and discussed participating in an upcoming CCAT event on April 5th.

Workforce & Outreach Sub-Committee – Jeff Dickey provided an overview of the Workforce & Outreach Sub-Committee noting that the sub-committee will address ways to attract, recruit, & develop employees. It will also work with EWIB to coordinate events to get young people excited about careers in the manufacturing sector and build awareness of the value of manufacturing in the community.

- **Adult MPI** – Michael Nogelo informed members that the EWIB will be submitting an application for funding through Congressionally Directed Spending to expand capacity of the MPI through:
 - > Additional MPI classes
 - > Marketing campaign to raise awareness of opportunities for adults & youths through the MPI/YMPI programs
 - > Purchasing additional equipment for the local community colleges (MPI) & participating YMPI schools to use as part of their MPI/YMPI training
 - > Upgrading the current MPI database
- **Youth MPI** – John Murphy provided an update of several youth focused events including YMPI implementation plans for the coming year with local participating schools; a professional development session for YMPI teachers focusing on safe machine operation & general maintenance; continuing to run the pilot program at elementary & middle schools (Canterbury, Norwich, & Plainfield) utilizing virtual reality headsets to explore manufacturing careers & skills; a visit from SPIROL to a Girls in Manufacturing & Junior Manufacturers events; and working with NOW Makerspace to deliver 358 unique manufacturing experiences to regional youth since the beginning of this year. He noted that more employers are being sought to participate in upcoming events (guest speakers, show & tell, leading hands-on learning, etc.), and asked interested parties to contact him at eama-rsp@ewib.org.

Upcoming events & areas of interest include: the upcoming launch of EASTCONN’s manufacturing mobile lab which will offer hands-on exploration coupled with classroom activities & larger scale school assemblies on manufacturing; a manufacturing hiring event sponsored by the Greater Norwich Area Chamber of Commerce (GNACC) on May 5th (8:00 a.m.–12:00 p.m.) at the Norwich Holiday Inn which will target graduating YMPI students; GNACC’s Education Committee & ReadyCT have teamed up to deliver a large Manufacturing exploration event on Sept. 28th at Dodd Stadium targeting middle and high school students (grades 7-12) & will focus on career exploration and promotion manufacturing in the region.

For information on any of the YMPI items, please contact John Murphy at eama-rsp@ewib.org.

- **Youth Welding Merit Badge Events** – Chairman Jewell reported that two youth welding events were held in February (11th (12 youth) & 25th (13 youth)) at Collins & Jewell. He thanked Airgas for their sponsorship on welding helmets, gloves, & jackets for all participants to use & take home with them. During the event participants (& their parents) learned about welding safety, careers in welding & manufacturing, and the youth participated in a hands-on welding experience. He noted that one 18 y/o high school senior was so enthusiastic from participating

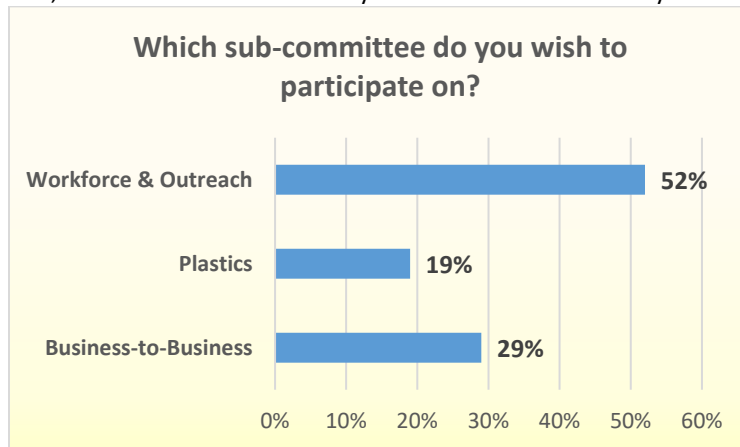
in the event he was extended an on-the-spot interview & offer to work 2nd shift while he finished high school. Chairman Jewell asked that anyone with connections to Girl Scout groups who may be interested in participating in next year's welding events to contact EAMA RSP staff at eama-rsp@ewib.org

Plastics Program Review – Reid Chamberlin provided an overview of the Plastics sub-committee noting that the goal is to develop a Plastics curriculum in conjunction with Quinebaug Valley Community College (QVCC) as an off-shoot of the MPI that focuses specifically on plastics.

Business-to-Business Connections – Having previously updated the group on CONNEX updates earlier in the agenda, Sub-Committee Chairman Charles Daniels provided a brief overview of the sub-committee, noting its focus on enhancing supply chains within CT.

Sub-Committees - Instant Poll #2

- Chairman Jewell informed manufacturing members that part of being a member of the EAMA RSP is to serve on at least one sub-committee, and asked members identify which sub-committee they wanted to serve on:



Director's Report – Mr. Benoit welcomed LBI and Rand Whitney as new members to the EAMA RSP. He shared several activities he & the EAMA RSP staff have been working on since the last meeting including attending a business roundtable (2/16/23) on a national Workforce Partnership Initiative, which is currently active in nine regions across the country, including Connecticut.

Promising Practices – Mr. Benoit explained that this is an agenda item that we are hoping to add in future meetings, & encouraged manufacturing members to contact EAMA RSP staff (eama-rsp@ewib.org) with any best practices they would like to share & provide an overview to the group on.

Hot Topics/New Business – Mr. Benoit explained that this is an agenda item that we are hoping to add in future meetings should any hot issues arise going forward. Mario Infante, Rand Whitney, noted that he would like information on Connecticut's new mileage tax for trucks.

Next Meeting – Will be held at 9:00 a.m. on June 14, 2023

Adjournment – The meeting adjourned at 10:12 a.m.