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## Higher Education Committee

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### SSB 6264

**Brief Description:** Clarifying terms for workforce and economic development.

**Sponsors:** Senate Committee on Higher Education (originally sponsored by Senator Shin; by request of Workforce Training and Education Coordinating Board).

<p style="text-align: center;"><b>Brief Summary of Substitute Bill</b></p> <ul style="list-style-type: none"><li>• Clarifies and makes consistent various terms related to "high demand" in statute.</li></ul>
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**Hearing Date:** 2/21/08

**Staff:** Cece Clynch (786-7195).

**Background:**

In recent years, the term "high demand" has been interpreted in different ways to describe different workforce programs, academic programs and occupations. Some economic development terms related to "high demand," e.g. "sector" and "industry cluster," have also been used inconsistently, including in statute.

To address this issue, the Governor's office convened a workgroup in 2006 to develop common definitions. The workgroup included representatives from the Workforce Training and Education Coordinating Board (WTECB); the State Board for Community and Technical Colleges; the Department of Community, Trade and Economic Development; the Employment Security Department; the Department of Labor and Industries; the Higher Education Coordinating Board; and the Council of Presidents.

In 2007 the workgroup participants agreed to a common set of terms related to "high demand." The definitions are as follows:

- **High Employer Demand Program of Study:** An apprenticeship, an undergraduate or graduate certificate program in which the number of students prepared for employment per year (from in-state institutions) is substantially less than the number of projected job openings per year in that field statewide or in a sub-state region.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

- **High Demand Occupation:** An occupation with a substantial number of current or projected employment opportunities.
- **High Demand Program of Study:** Undergraduate or graduate certificate or degree program in which student demand substantially exceeds program capacity.
- **Sector:** A group of industries with similar business processes, products, or services like construction or health services; formerly categorized by the Standard Industrial Classification system, now categorized by the North American Industry Classification System.
- **Industry Cluster:** A geographic concentration of interdependent competitive firms that do business with each other, including firms that sell inside and outside of the geographic region as well as support firms that supply new materials, components, and business services, and other institutions including government and education.
- **Targeted Industries or Clusters:** Industries and industry clusters that are identified based on a strategic economic development consideration or other public concerns.

The WTECB also worked with the workgroup to review statutes and found several instances where clarification between current statutory language and the new, commonly agreed upon definitions was needed. The purpose of this bill is to amend statute to reflect the common definitions without changing workforce policy.

**Summary of Bill:**

Various workforce development terms related to high demand are clarified and made consistent.

In the WorkFirst statute, "high demand occupation" replaces "high demand field." "High demand program of study" replaces "high demand program" in the statute pertaining to the pilot program to improve services to customers of vocational rehabilitation under the Department of Labor and Industries.

Terms used in programs under the Department of Community, Trade and Economic Development are modified as follows: (1) a statutory definition for "cluster" is added and "sector" replaces "cluster" when sector is the intended meaning; and (2) a statutory definition for "industry cluster" is amended to include other entities such as government and education.

The SBCTC definition of "high employer demand program of study" is "an apprenticeship, or an undergraduate or graduate certificate or degree program in which the number of students prepared for employment per year from in-state institutions is substantially less than the number of projected job openings per year in that field, statewide or in a substate region."

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.