

SENATE BILL REPORT

SB 5533

As Reported By Senate Committee On:
Labor & Workforce Development, February 16, 1999

Title: An act relating to developing a system of lifelong learning.

Brief Description: Creating a state work force investment board.

Sponsors: Senators Fairley, Kline, Franklin, Oke and Kohl-Welles; by request of Governor Locke.

Brief History:

Committee Activity: Labor & Workforce Development: 1/26/99, 2/16/99 [DPS, DNPS].

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5533 be substituted therefor, and the substitute bill do pass.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Kline and Wojahn.

Minority Report: Do not pass substitute.

Signed by Senator Hochstatter.

Staff: Jack Brummel (786-7428)

Background: In August of 1998 Congress abolished the Job Training Partnership Act (JTPA) and enacted the Workforce Investment Act. The federal act requires states to establish a state workforce investment board, local workforce investment boards, a unified state plan for the state's workforce investment system, one-stop delivery of training and related services at the local level, and performance measures for workforce development programs.

Summary of Substitute Bill: The Workforce Training and Education Coordinating Board is renamed the Workforce Development Board. A number of changes are made to the state's current workforce training statutes to comply with new requirements under the federal Workforce Investment Act. The Workforce Development Board serves as the State Workforce Investment Board required under the federal act. The state's workforce development system is defined as programs that use state or federal funds to prepare and retrain workers or provide employment or retention services.

The Workforce Development Board is to have 18 voting members: five business members, five labor members, five state agency representatives, one representative of private career schools, one representative of community-based organizations, and one representative of local elected officials. The director of the board is to be appointed by the Governor and confirmed by the Senate.

The board is to advocate for the workforce development systems; keep an inventory of programs; assess employer and worker needs for workforce training; develop a state unified plan for the workforce development system; work with local Workforce Development Councils; work in partnership with the training related components of the state's Workfirst, community services and vocational rehabilitation programs; measure performance; make recommendations to the Governor; and assist in implementing a one-stop delivery system for workforce development.

The Workforce Development Board is to perform the JTPA coordinating role in the state until the expiration of that act on July 1, 2000.

Local Workforce Development Councils, required under the federal Workforce Investment Act, are created to develop local unified plans, oversee local one-stop systems, and coordinate workforce development activities at the local level. Obligations of the Employment Security Department regarding the programs required by the federal act are specified. The department is to work out data-sharing arrangements necessary to implement the one-stop career development system but individual records and confidential information are protected.

Provisions relating to the comprehensive plan, evaluations and assessments by the Workforce Training and Education Coordinating Board are repealed. Provisions relating to the Job Training Coordinating Council and Youthbuild are repealed.

Substitute Bill Compared to Original Bill: The substitute bill provides greater detail in certain areas; specifically, it provides that: (1) the state vocational rehabilitation program, the Department of Services for the Blind, and Workfirst are treated as part of the workforce development system; (2) the private career school representative on the board is selected from a list supplied by the private school association; (3) wage progression goals and measurement for Workfirst are a part of the unified plan; (4) the Legislature is a recipient of advice and recommendations from the board; (5) the board develops rewards for top performing programs and intervention measures for low performing programs; (6) local unified plans are to identify resources and program results, assess the gap between resources and skill needs, and include expenditures; (7) outreach to employers includes assistance in connecting small businesses to training resources; and (8) small businesses are included on the board and in surveys.

Appropriation: None.

Fiscal Note: Requested on January 25, 1999.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: The bill is intended to make the workforce development system: (1) more consumer friendly by giving consumers information at the local level and putting consumers in a leadership role; (2) more accountable to policy makers; (3) better coordinated at both the state and local level; and (4) better linked to economic development efforts.

The bill builds on the one-stop service delivery effort which will integrate programs and funding streams. The bill provides locals with state leadership, a unified state plan, and data

sharing. The bill recognizes that businesses are the ultimate beneficiaries of the workforce development system.

Concerns: The bill should include all programs that provide workforce development services, including Workfirst. The bill should be strengthened to allow the board to reward good performance and sanction poor performers. What does it do for small business? Only OSPI represents secondary vocational education on the board.

Testimony Against: None.

Testified: PRO: Rich Nafziger, Executive Policy Office; Ken Johnson, AWB; Jeff Johnson, WA St. Labor Council; Carver Gayton, Employment Security Department; Henry Beauchamp, Yakima Valley OIC; Beverly Kincaid, Olympic College; Colin Conant, Tacoma Pierce Co. Private Industry Council; Karen White, Nalley Foods; Concerns: Kyra Kester, OSPI; Carolyn Logue, NFIB.