

FINAL BILL REPORT

SHB 1323

C 151 L 09
Synopsis as Enacted

Brief Description: Providing for coordination of workforce and economic development.

Sponsors: House Committee on Community & Economic Development & Trade (originally sponsored by Representatives Kenney, Liias, Haler, Sullivan, Sells, Hasegawa, Maxwell, Chase, Ormsby, Conway, Goodman, Morrell, Driscoll, Simpson and Orwall; by request of Workforce Training and Education Coordinating Board).

House Committee on Community & Economic Development & Trade
House Committee on Education Appropriations
Senate Committee on Higher Education & Workforce Development

Background:

State and Local Workforce and Economic Development Organizations.

The Workforce Training and Education Coordinating Board (WTB) provides planning, coordination, evaluation, monitoring and policy analysis for the state training.

The Department of Community, Trade and Economic Development (DCTED) assists communities to increase quality of life and economic vitality. It also assists businesses to maintain and increase economic competitiveness, while maintaining a healthy environment.

The Employment Security Department, administers unemployment compensation and employment services, and develops, administers, and disseminates state labor market information.

The State Board for Community and Technical Colleges has general supervision and control over the state system of community and technical colleges. These institutions offer academic transfer courses, occupational education and training, and adult basic skills and literacy education.

The Washington Economic Development Commission is responsible for planning, coordination, evaluation, policy analysis, and recommendations related to the state's economic development system.

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.

Workforce development councils are 12 regional organizations that provide workforce development planning and coordination between education, training and employment efforts in their communities. They were formed under the Federal Workforce Investment Act of 1998, Public Law 105-220.

Associate development organizations are 34 county-designated organizations that deliver direct assistance to companies and support research, planning, and implementation of regional and local economic development strategies.

Sectors and Clusters.

In its 2008 report "Skills for the Next Washington," the WTB describes and differentiates industry clusters and sectors. A sector is a group of firms with similar business products, services, or processes. Examples are aerospace, agriculture, and marine services. A cluster is a geographically concentrated, inter-related group of firms and other entities that do business with each other. The wine industry cluster in Walla Walla, for example, includes wineries, grape growers, banks, restaurants, hotels, and the community college's enology and viticulture programs.

Summary:

State agencies and local organizations with missions related to workforce and economic development are directed to coordinate their.

The WTB must work with the DCTED and the Washington Economic Development Commission (Commission) to ensure coordination among workforce training priorities, the state's long-term economic development strategy, assistance to industry clusters, and entrepreneurial development. In its comprehensive plan for workforce training and education, the WTB must identify the strategic industry clusters targeted by the workforce development system.

The sector-based strategies of the DCTED must include cluster-based strategies that focus on assisting regional industry sectors and related firms and institutions. An "industry cluster" is defined to mean a geographic concentration of interconnected companies in a single industry, related businesses in other industries, including suppliers and customers, and associated institutions, including government and education.

The Commission is added to a committee advising the DCTED on its industry clusters grant program. Eligible grant activities are specified, including formation of economic development partnerships; research and analysis of cluster economic development needs; and planning and implementation of targeted activities. Priority must be given to applicants that complement, not duplicate, the purpose and efforts of industry skill panels. In addition, the Commission is directed to include industry clusters and targeted strategic clusters in its biennial comprehensive plan. The Commission must consult with the WTB and include labor market and economic information provided by the Employment Security Department (ESD) in developing the list of clusters and strategic clusters.

The ESD must analyze labor market and economic data in order to identify industry clusters and strategic industry clusters.

The State Board for Community and Technical Colleges (SBCTC) must designate and fund new and existing centers of excellence on a competitive basis. A "center of excellence" is defined to mean a community or technical college designated by the SBCTC as a statewide leader in industry-specific workforce education and training. The SBCTC must consult with business, industry, labor, certain state agencies, and educational institutions. Priority in centers of excellence designations is to be given to applicants with established programs serving a targeted industry cluster within its own region. Centers of excellence are to employ strategies that, among other outcomes, build a diverse workforce for strategic industries through sharing curriculum, delivering collaborative certificate and degree programs, and holding statewide summits on industry trends and educational best practices.

A "workforce development council" is defined to mean a local workforce investment board as established in federal law. In partnership with local elected officials, a council must develop and maintain a unified local strategic plan that, among other elements, assesses local employment opportunities, identifies the educational, training, employment and support services needed by the current and future workforce, and puts in place a system-wide financial strategy. The plan must articulate the connection between local workforce and economic development efforts.

Associate development organizations are required to participate in coordinated regional planning efforts with workforce development councils, including assistance to regional industry clusters.

By December 15, 2010, the WTB, the DCTED, the Commission, the ESD, and the SBCTC must jointly submit a written progress report to appropriate legislative committees describing concrete actions taken, individually and collectively, to achieve the act's intent and objectives. The report must describe: direct services or funding provided to regional industry clusters; designation and funding of centers of excellence; identification of clusters in state and local strategic plans; how analysis of labor market and economic data is being used in cluster identification; joint planning and service delivery by associate development organizations and workforce development councils; coordination of workforce training, economic development strategy and entrepreneurial development; and, quantitative and qualitative outcomes.

Votes on Final Passage:

House	96	1
Senate	46	0

Effective: July 26, 2009