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**HOUSE BILL NO. 1307**

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
 (Proposed by the House Committee on Commerce and Labor  
 on February 7, 2006)

(Patron Prior to Substitute—Delegate Byron)

A BILL to amend and reenact §§ 2.2-2269, 2.2-2670 and 2.2-2674.1 of the Code of Virginia, to amend the Code of Virginia by adding in Title 2.2 a chapter numbered 4.2, consisting of sections numbered 2.2-435.6 and 2.2-435.7, and to repeal Chapter 4.1 (§§ 2.2-435.1 through 2.2-435.5) of Title 2.2 of the Code of Virginia, relating to workforce development and training programs; Chief Workforce Development Officer.

**Be it enacted by the General Assembly of Virginia:**

1. That §§ 2.2-2269, 2.2-2670 and 2.2-2674.1 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Title 2.2 a chapter numbered 4.2, consisting of sections numbered 2.2-435.6 and 2.2-435.7 as follows:

**CHAPTER 4.2.**

**COORDINATION OF WORKFORCE DEVELOPMENT.**

§ 2.2-435.6. Chief Workforce Development Officer.

A. The Governor shall serve as Chief Workforce Development Officer for the Commonwealth.

B. The Governor may designate a senior staff member from the immediate staff of the Governor's Office to be responsible for the responsibilities assigned to the Governor pursuant to this chapter and Article 25 (§ 2.2-2669 et seq.) of Chapter 26 of this title or other tasks as may be assigned to such person by the Governor.

§ 2.2-435.7. Responsibilities of the Chief Workforce Development Officer.

A. The Governor's responsibilities as Chief Workforce Development Officer shall include:

1. Developing a strategic plan for the statewide delivery of workforce development and training programs and activities. The strategic plan shall include performance measures that link the objectives of such programs and activities to the record of state agencies, local workforce investment boards, and other relevant entities in attaining such objectives.

2. To the extent permissible under applicable federal law, determining the appropriate allocation of funds and other resources that have been appropriated or are otherwise available for disbursement by the Commonwealth for workforce development programs and activities;

3. Ensuring that the Commonwealth's workforce development efforts are implemented in a coordinated and efficient manner by, among other activities, taking appropriate executive action to this end and recommending to the General Assembly necessary legislative actions to streamline and eliminate duplication in such efforts;

4. Facilitating efficient implementation of workforce development and training programs by cabinet secretaries and agencies responsible for such programs;

5. Providing independent staffing for the Workforce Council;

6. Developing, in coordination with the Virginia Workforce Council, (i) certification standards for programs and providers and (ii) uniform policies and procedures, including standardized forms and applications, for one-stop centers;

7. Monitoring, in coordination with the Virginia Workforce Council, the effectiveness of each one-stop center and recommending actions needed to improve their effectiveness;

8. Establishing measures to evaluate the effectiveness of the local workforce investment boards and conducting annual evaluations of the effectiveness of each local workforce investment board. As part of the evaluation process, the Governor shall recommend to such boards specific best management practices;

9. Conducting annual evaluations of the performance of workforce development and training programs and activities and their administrators and providers, using the performance measures developed through the strategic planning process described in subdivision 1. The evaluations shall include, to the extent feasible, (i) a comparison of the per-person costs for each program or activity, (ii) a comparative rating of each program or activity based on its success in meeting program objectives, and (iii) an explanation of the extent to which each agency's appropriation requests incorporate the data reflected in the cost comparison described in clause (i) and the comparative rating described in clause (ii). These evaluations, including the comparative rankings, shall be considered in allocating resources for workforce development and training programs.

10. Monitoring federal legislation and policy, in order to maximize the Commonwealth's effective use of and access to federal funding available for workforce development programs; and

11. Submitting biennial reports, which shall be included in the Governor's executive budget

60 *submissions to the General Assembly, on improvements in the coordination of workforce development*  
 61 *efforts statewide. The reports shall identify (i) program success rates in relation to performance*  
 62 *measures established by the Virginia Workforce Council, (ii) obstacles to program and resource*  
 63 *coordination, and (iii) strategies for facilitating statewide program and resource coordination.*

64 *B. The Governor may delegate any of his responsibilities enumerated in subsection A to a senior*  
 65 *staff member within his immediate office.*

66 § 2.2-2669. Virginia Workforce Council; purpose; membership; terms; compensation and expenses;  
 67 staff.

68 A. The Virginia Workforce Council (the Council) is established as a policy council, within the  
 69 meaning of § 2.2-2100, in the executive branch of state government. The purpose of the Council shall be  
 70 to assist the Governor in meeting workforce training needs in the Commonwealth.

71 B. The Council shall consist of 29 members as follows:

72 1. The Council shall include two members of the House of Delegates to be appointed by the Speaker  
 73 of the House of Delegates; and two members of the Senate to be appointed by the Senate Committee on  
 74 Rules. Legislative members shall serve terms coincident with their terms of office and may be  
 75 reappointed for successive terms.

76 2. The Governor; the Secretaries of Commerce and Trade, Education, and Health and Human  
 77 Resources; the Chancellor of the Virginia Community College System; the Commissioner of the Virginia  
 78 Employment Commission; and the president of the Virginia AFL-CIO shall serve as members.

79 3. The Governor shall appoint members as follows: one mayor and one chairperson of a county  
 80 board of supervisors; one representative of labor in addition to the president of the Virginia AFL-CIO;  
 81 and 15 nonlegislative citizen members representing the business community, to include the presidents of  
 82 the Virginia Chamber of Commerce and the Virginia Manufacturer's Association, one representative of  
 83 proprietary employment training schools, one representative of health care employers, and the remaining  
 84 members who are business owners, chief executive officers, chief operating officers, chief financial  
 85 officers, senior managers or other business executives or employers with optimum policy-making or  
 86 hiring authority and who shall represent diverse regions of the state, to include urban, suburban, and  
 87 rural areas, at least two of whom shall be members of local workforce investment boards. Nonlegislative  
 88 citizen members may be nonresidents of the Commonwealth.

89 Members appointed in accordance with this subdivision shall serve four-year terms, subject to the  
 90 pleasure of the Governor, and may be reappointed.

91 C. If one person appointed to fill one of the enumerated positions in subsection B also qualifies to  
 92 fill any other of the enumerated positions, such person may, at the discretion of the Governor, be  
 93 deemed to fill any or all of the enumerated positions for which such person qualifies.

94 D. The Governor shall select a chairman and vice-chairman from among the 15 members  
 95 representing the business community appointed in accordance with subdivision 3 of subsection B. The  
 96 Council shall meet upon the call of the chair or the Governor.

97 E. Compensation and reimbursement of expenses of the members shall be as follows:

98 1. Legislative members appointed in accordance with subdivision B 1 shall receive such  
 99 compensation and reimbursement of expenses incurred in the performance of their duties as provided in  
 100 §§ 30-19.12, 2.2-2813 and 2.2-2825.

101 2. Members of the Council appointed in accordance with subdivision B 2 shall not receive  
 102 compensation but shall be reimbursed for all reasonable and necessary expenses incurred in the  
 103 performance of their duties as provided in §§ 2.2-2813 and 2.2-2825.

104 3. Members of the Council appointed in accordance with subdivision B 3 shall not receive  
 105 compensation but shall be reimbursed for all reasonable and necessary expenses incurred in the  
 106 performance of their duties as provided in §§ 2.2-2813 and 2.2-2825.

107 Funding for the costs of compensation and expenses of the members shall be provided from federal  
 108 funds received under the Workforce Investment Act of 1998 (P.L. 105-220, as amended) and  
 109 administered by the Virginia Employment Commission.

110 F. ~~The Virginia Employment Commission, the Virginia Community College System, and the~~  
 111 ~~Department of Business Assistance Governor, or a senior staff member within his immediate office to~~  
 112 ~~whom the Governor has delegated such function, shall serve as lead staff to the Council as directed by~~  
 113 ~~the Secretary of Commerce and Trade. The Council's lead staff shall supervise the subordinate staff of~~  
 114 ~~the Council. The subordinate staff of the Council shall be independent of any other state agency.~~

115 ~~Funding for the costs of the subordinate staff of the Council shall be provided from federal funds~~  
 116 ~~received under the Workforce Investment Act of 1998 (P.L. 105-220, as amended). The Virginia~~  
 117 ~~Employment Commission Council's independent staff shall act as fiscal agent for the Council and the~~  
 118 ~~WIA.~~

119 § 2.2-2670. Powers and duties of the Council; Virginia Workforce Network created.

120 A. ~~The Council shall work with the Special Advisor for Workforce Development pursuant to Chapter~~  
 121 ~~4.1 (§ 2.2-435.1 et seq.) of this title to undertake the following actions to implement and foster~~

122 workforce training, exclusive of the career and technical education programs provided through and  
123 administered by the public school system:

- 124 1. Provide policy advice to the Governor on workforce and workforce development issues;
- 125 2. Provide policy direction to local workforce investment boards;
- 126 3. Identify current and emerging statewide workforce needs of the business community;
- 127 4. Forecast and identify training requirements for the new workforce;
- 128 5. Create strategies that will match trained workers with available jobs;
- 129 6. Provide an annual report to the Governor concerning its actions and determinations under
- 130 subdivisions 1 through 5;
- 131 7. Create procedures, guidelines, and directives applicable to local workforce investment boards and
- 132 the operation of one-stops, as necessary and appropriate to carry out the purposes of this article; and
- 133 8. Perform any act or function in accordance with the purposes of this article.

134 ~~The Special Advisor for Workforce Development shall assist the Council in carrying out the powers~~  
135 ~~and duties enumerated by this subsection.~~

136 B. The Council shall establish at least two committees as follows: one committee to accomplish the  
137 aims of the WIA and one committee to focus on high-technology workforce training needs.

138 C. ~~The Secretary of Commerce and Trade, the Council and the Special Advisor for Workforce~~  
139 ~~Development~~ *Governor's cabinet secretaries* shall assist the Governor in complying with the provisions  
140 of the WIA; ~~including the creation of a Virginia workforce development system to be known as and~~  
141 ~~ensuring the coordination and effectiveness of programs and providers comprising elements of the~~  
142 Virginia Workforce Network.

143 D. The Council and the ~~Special Advisor for Workforce Development~~ shall assist the Governor in the  
144 following areas with respect to workforce development: development of the WIA State Plan;  
145 development and continuous improvement of a statewide workforce development system; development  
146 of linkages to ensure coordination and nonduplication among programs and activities; review of local  
147 plans; designation of local areas; development of local discretionary allocation formulas; development  
148 and continuous improvement of comprehensive state performance measures including, without limitation,  
149 performance measures reflecting the degree to which one-stop centers provide comprehensive services  
150 with all mandatory partners and the degree to which local workforce investment boards have obtained  
151 funding from sources other than the WIA; preparation of the annual report to the U.S. Secretary of  
152 Labor; development of a statewide employment statistics system; development of incentive grant  
153 applications; and development of a statewide system of one-stop centers that provide comprehensive  
154 workforce services to employers, employees, and job seekers.

155 The Council shall share information regarding its meetings and activities with the public.

156 E. Each local workforce investment board shall develop and submit to the ~~Special Advisor for~~  
157 ~~Workforce Development~~ *Governor* and the Virginia Workforce Council an annual workforce demand  
158 plan for its workforce investment board area based on a survey of local and regional businesses that  
159 reflects the local employers' needs and requirements and the availability of trained workers to meet those  
160 needs and requirements; designate or certify one-stop operators; identify eligible providers of youth  
161 activities; identify eligible providers of intensive services if unavailable at one-stop; develop a budget;  
162 conduct local oversight of one-stop operators and training providers in partnership with its local chief  
163 elected official; negotiate local performance measures, including incentives for good performance and  
164 penalties for inadequate performance; assist in developing statewide employment statistics; coordinate  
165 workforce investment activities with economic development strategies and the annual demand plan, and  
166 develop linkages among them; develop and enter into memoranda of understanding with one-stop  
167 partners and implement the terms of such memoranda; promote participation by the private sector;  
168 actively seek sources of financing in addition to WIA funds; report performance statistics to the Virginia  
169 Workforce Council; and certify local training providers in accordance with criteria provided by the  
170 Virginia Workforce Council.

171 Each local workforce investment board shall share information regarding its meetings and activities  
172 with the public.

173 F. Each chief local elected official shall consult with the Governor regarding designation of local  
174 workforce investment areas; appoint members to the local board in accordance with state criteria; serve  
175 as the local grant recipient unless another entity is designated in the local plan; negotiate local  
176 performance measures with the Governor; ensure that all mandated partners are active participants in the  
177 local workforce investment board and one-stop center and collaborate with the local workforce  
178 investment board on local plans and program oversight.

179 G. Each local workforce investment board shall develop and enter into a memorandum of  
180 understanding concerning the operation of the one-stop delivery system in the local area with each entity  
181 that carries out any of the following programs or activities:

- 182 1. Programs authorized under Title I of the WIA;

- 183 2. Programs authorized under the Wagner-Peyser Act (29 U.S.C. § 49 et seq.);  
 184 3. Adult education and literacy activities authorized under Title II of the WIA;  
 185 4. Programs authorized under Title I of the Rehabilitation Act of 1973 (29 U.S.C. § 720 et seq.);  
 186 5. Welfare-to-work programs authorized under § 403 (a) (5) of the Social Security Act (42 U.S.C.  
 187 § 603 (a) (5));  
 188 6. Activities authorized under title V of the Older Americans Act of 1965 (42 U.S.C. § 3056 et seq.);  
 189 7. Postsecondary vocational education activities authorized under the Carl D. Perkins Vocational and  
 190 Applied Technology Education Act (20 U.S.C. § 2301 et seq.);  
 191 8. Activities authorized under chapter 2 of Title II of the Trade Act of 1974 (19 U.S.C. § 2271 et  
 192 seq.);  
 193 9. Activities pertaining to employment and training programs for veterans authorized under chapter  
 194 41 of title 38, United States Code;  
 195 10. Employment and training activities carried out under the Community Services Block Grant Act  
 196 (42 U.S.C. § 9901 et seq.);  
 197 11. Employment and training activities carried out by the United States Department of Housing and  
 198 Urban Development;  
 199 12. Programs authorized under Title 60.2, in accordance with applicable federal law;  
 200 13. Workforce development activities or work requirements of the Temporary Assistance to Needy  
 201 Families (TANF) program known in Virginia as the Virginia Initiative for Employment, not Welfare  
 202 (VIEW) program established pursuant to § 63.2-608; and  
 203 14. The workforce development activities or work programs authorized under the Food Stamp Act of  
 204 1977 (7 U.S.C. § 2011 et seq.).
- 205 H. The Virginia Secretary of Commerce and Trade, and at his direction, the Virginia Employment  
 206 Commission, Governor shall be responsible for the coordination of the Virginia Workforce Network and  
 207 the implementation of the WIA.
- 208 § 2.2-2674.1. Definitions.  
 209 As used in this article:  
 210 "Local workforce investment board" means a local workforce investment board established under  
 211 § 117 of the WIA.  
 212 "One-stop center," "one-stop operator," or "one-stop" means one or more centers that provide  
 213 comprehensive workforce services to employers, employees, and job seekers, and includes entities  
 214 designated or certified under ~~§ 121 (d) of the WIA.~~  
 215 "One stop" means a conceptual approach to service delivery intended to provide a single point of  
 216 access for receiving a wide range of workforce development and employment services, either on-site or  
 217 electronically, through a single system.  
 218 "One-stop center" means a physical site where core services are provided, either on-site or  
 219 electronically, and access to intensive services, training services, and other partner program services are  
 220 available for employers, employees, and job seekers.  
 221 "One-stop operator" means a single entity or consortium of entities that operate a one-stop center or  
 222 centers. Operators may be public or private entities competitively selected or designated through an  
 223 agreement with a local workforce board.  
 224 "Virginia Workforce Network" includes the programs and activities enumerated in subsection G of  
 225 § 2.2-2670.  
 226 "WIA" means the federal Workforce Investment Act of 1998 (P.L. 105-220).
- 227 **2. That by December 1, 2006, the Governor shall develop a statewide strategic plan addressing the**  
 228 **need for reforms in workforce policy, including the implementation of workforce development and**  
 229 **training initiatives and policies. The statewide strategic plan shall address, among such other issues**  
 230 **as may be deemed appropriate, (i) the potential advantages and disadvantages of instituting a**  
 231 **single statewide local workforce investment board, (ii) the need for reforms at the local workforce**  
 232 **investment board level, (iii) concerns of rural communities, (iv) measures to maintain the active**  
 233 **participation of local business interests in local workforce investment boards, and (v) means of**  
 234 **reducing the amount of time expended by members of local workforce investment boards on**  
 235 **administrative matters.**
- 236 **3. That by December 1, 2006, the Governor, in conjunction with his development of the statewide**  
 237 **strategic plan addressing the need for reforms in workforce policy, shall identify and implement**  
 238 **strategies to optimize the role of the Virginia Community College System in workforce**  
 239 **development. The Governor shall identify and implement the strategies in consultation with the**  
 240 **Chancellor of the Virginia Community College System and the Board of the Virginia Community**  
 241 **College System. The strategies shall include, but not be limited to, opportunities for cooperative**  
 242 **curricula between secondary and postsecondary educational entities to improve workforce**  
 243 **development.**
- 244 **4. That Chapter 4.1 (§§ 2.2-435.1 through 2.2-435.5) of Title 2.2 of the Code of Virginia is**

245 repealed.