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HOUSE BILL NO. 1986

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the House Committee on Commerce and Labor
on January 29, 2015)

(Patron Prior to Substitute—Delegate Byron)

A *BILL to amend and reenact §§ 2.2-435.7, 2.2-435.8, 2.2-2238.1, 2.2-2470, 2.2-2471, 2.2-2472, and 60.2-113 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 4.2 of Title 2.2 sections numbered 2.2-435.9 and 2.2-435.10 and by adding sections numbered 2.2-2471.1, 2.2-2472.1, and 2.2-2472.2, relating to workforce development; coordination of statewide delivery of workforce development and training programs and activities.*

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-435.7, 2.2-435.8, 2.2-2238.1, 2.2-2470, 2.2-2471, 2.2-2472, and 60.2-113 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 4.2 of Title 2.2 sections numbered 2.2-435.9 and 2.2-435.10 and by adding sections numbered 2.2-2471.1, 2.2-2472.1, and 2.2-2472.2 as follows:

§ 2.2-435.7. **Responsibilities of the Chief Workforce Development Advisor.**

A. The Governor's responsibilities ~~of~~ as carried out by the Chief Workforce Development Advisor shall include:

1. Developing a strategic plan for the statewide delivery of workforce development and training programs and activities. The strategic plan shall be developed in coordination with the development of the comprehensive economic development policy required by § 2.2-205. 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~~ development boards, and other relevant entities in attaining such objectives;

2. ~~To the extent permissible under applicable federal law, determining~~ *Determining* the appropriate allocation, ~~to the extent permissible under applicable federal law, 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. Developing, in coordination with the Virginia Board of Workforce Development, (i) certification standards for programs and providers and (ii) uniform policies and procedures, including standardized forms and applications, for one-stop centers;

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

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

8. 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. These evaluations shall be submitted to the chairs of the House and Senate Commerce and Labor Committees and included in the biennial reports pursuant to subdivision 10;

9. 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

10. Submitting biennial reports, which shall be included in the Governor's executive budget submissions to the General Assembly, on improvements in the coordination of workforce development efforts statewide. The reports shall identify (i) program success rates in relation to performance measures

60 established by the Virginia Board of Workforce Development, (ii) obstacles to program and resource
61 coordination, and (iii) strategies for facilitating statewide program and resource coordination.

62 B. The Chief Workforce Development Advisor shall report to the Governor.

63 **§ 2.2-435.8. Workforce program evaluations; sharing of certain data.**

64 A. Notwithstanding any provision of law to the contrary, the agencies specified in subsection D may
65 share data from within their respective databases solely to (i) provide the workforce program evaluation
66 and policy analysis required by subdivision A 8 of § 2.2-435.7 and clause (i) of subdivision A 10 of
67 § 2.2-435.7 and (ii) conduct education program evaluations that require employment outcomes data to
68 meet state and federal reporting requirements.

69 B. Data shared pursuant to subsection A shall not include any personal identifying information, shall
70 be encrypted, and shall be transmitted to the Governor or his designee. Upon receipt of such data, the
71 Governor or his designee shall re-encrypt the data to prevent any participating agency from connecting
72 shared data sets with existing agency files. For the purposes of this section:

73 1. "Identifying information" means the same as that term is defined in § 18.2-186.3; and

74 2. "Encrypted" means the same as that term is defined in § 18.2-186.6.

75 C. The Governor or his designee and all agencies authorized under this section shall destroy or erase
76 all shared data upon completion of all required evaluations and analyses. The Governor or his designee
77 may retain a third-party entity to assist with the evaluation and analysis.

78 D. The databases from the following agencies relating to the specific programs identified in this
79 subsection may be shared solely to achieve the purposes specified in subsection A:

80 1. Virginia Employment Commission: Unemployment Insurance, Job Service, Trade Act, and
81 Veterans Employment Training Programs;

82 2. Virginia Community College System: Postsecondary Career and Technical Education, Workforce
83 Investment Innovation and Opportunity Act Adult, Youth and Dislocated Worker Programs;

84 3. Department for Aging and Rehabilitative Services: Vocational Rehabilitation and Senior
85 Community Services Employment Program;

86 4. Department for the Blind and Vision Impaired: Vocational Rehabilitation;

87 5. Department of Education: Adult Education and Family Literacy, Special Education, and Career
88 and Technical Education;

89 6. Department of Labor and Industry: Apprenticeship;

90 7. Department of Social Services: Supplemental Nutrition Assistance Program and Virginia Initiative
91 for Employment Not Welfare;

92 8. Virginia Economic Development Partnership: Virginia Jobs Investment Program;

93 9. Department of Juvenile Justice: Youth Industries and Institutional Work Programs and Career and
94 Technical Education Programs;

95 10. Department of Corrections: Career and Technical Education Programs; and

96 11. The State Council of Higher Education for Virginia.

97 **§ 2.2-435.9. Annual report by publicly funded career and technical education and workforce**
98 **development programs; performance on state level metrics.**

99 *Beginning November 1, 2016, and annually thereafter, each agency administering any publicly*
100 *funded career and technical education and workforce development program shall submit to the*
101 *Governor and the Virginia Board of Workforce Development a report detailing the program's*
102 *performance against state-level metrics established by the Virginia Board of Workforce Development*
103 *and the Chief Workforce Development Advisor.*

104 **§ 2.2-435.10. Administration of the Workforce Innovation and Opportunity Act; memorandum of**
105 **understanding; executive summaries.**

106 A. *The Chief Workforce Development Advisor, the Commissioner of the Virginia Employment*
107 *Commission, and the Chancellor of the Virginia Community College System shall enter into a*
108 *memorandum of understanding that sets forth (i) the roles and responsibilities of each of these entities*
109 *in administering a state workforce system and facilitating regional workforce systems that are*
110 *business-driven, aligned with current and reliable labor market data, and targeted at providing*
111 *participants with workforce credentials that have demonstrated value to employers and job seekers; (ii)*
112 *a funding mechanism that adequately supports operations under the federal Workforce Innovation and*
113 *Opportunity Act of 2014 (P.L. 113-128) (WIOA); and (iii) a procedure for the resolution of any*
114 *disagreements that may arise concerning policy, funding, or administration of the WIOA.*

115 B. *The Chief Workforce Development Advisor, the Virginia Employment Commission, and the*
116 *Virginia Community College System shall collaborate to produce an annual executive summary of the*
117 *interim activity undertaken to implement the memorandum of understanding described in subsection A*
118 *and to administer the WIOA no later than the first day of each regular session of the General Assembly.*

119 **§ 2.2-2238.1. Special economic development services in rural communities; strategic plan.**

120 A. In order to assist the rural communities of the Commonwealth, the Authority ~~shall~~ may develop a
121 program for reviewing existing economic development programs of rural communities, upon request.

The program shall include (i) a review and evaluation of existing industrial sites and infrastructure, including existing streets, water and sewer systems, electricity, natural gas and communications facilities that will provide high-speed or broadband Internet access to rural and underserved areas of the Commonwealth; (ii) an assessment of the existing workforce and the provision of information on state and federal programs such as tax incentives that may be available to local or prospective employers to assist in hiring and training in areas of high unemployment; (iii) assistance in identifying community resources and the type of industries that may benefit from locating in a community with such resources; and (iv) marketing assistance to help rural communities improve their visibility to expanding industries looking for new facilities.

B. The Authority, the Center for Rural Virginia, the Virginia Department of Housing and Community Development, the Virginia Resources Authority, the Department of Small Business and Supplier Diversity, the Virginia Tobacco Indemnification and Community Revitalization Commission, the Virginia Employment Commission, the Virginia Tourism Corporation, the Virginia Community College System, institutions of higher education within rural regions of the Commonwealth, and the Department of Agriculture and Consumer Services shall jointly develop and implement a rural economic development strategic plan that at a minimum addresses: (i) education, including pre-kindergarten, primary, secondary and post-graduate resources, and comprehensive workforce development programs, as they may pertain to the Workforce ~~Investment~~ *Innovation and Opportunity* Act; (ii) infrastructure, including capital for water and sewer upgrading, waste management, law enforcement, housing, primary and secondary roads, and telecommunications; (iii) traditional industrial development and industry retention programs, including assistance in financing and in workforce training; (iv) recreational and cultural enhancement and related quality of life measures, including parks, civic centers, and theaters; (v) agribusiness incentives to promote the use of new technologies, and the exploration of new market opportunities; and (vi) a revolving loan fund or loan guarantee program to help start or expand entrepreneurial activities, especially small business activities in rural communities.

§ 2.2-2470. Definitions.

As used in this article:

"Local workforce ~~investment~~ *development* board" means a local workforce ~~investment~~ *development* board established under § ~~117~~ of the *WIA* 107 of the *WIOA*.

"One stop" means a conceptual approach to service delivery intended to provide a single point of access for receiving a wide range of workforce development and employment services, either on-site or electronically, through a single system.

"One-stop center" means a physical site where ~~core~~ *employment and career* services are provided, either ~~on-site~~ *on site* or electronically, and access to ~~intensive~~ *career* services, training services, and other partner program services are available for employers, employees, and job seekers.

"One-stop operator" means a single entity or consortium of entities that operate a one-stop center or centers. Operators may be public or private entities competitively selected ~~or designated through an agreement with~~ by a local workforce board.

"Virginia Workforce Network" includes the programs and activities enumerated in subsection G of § 2.2-2472.

"WIA" means the federal Workforce Investment Act of 1998 (P.L. 105-220), as amended.

"WIOA" means the federal Workforce Innovation and Opportunity Act of 2014 (P.L. 113-128).

§ 2.2-2471. Virginia Board of Workforce Development; purpose; membership; terms; compensation and expenses; staff.

A. The Virginia Board of Workforce Development (the Board) is established as a policy board, within the meaning of § 2.2-2100, in the executive branch of state government. The purpose of the Board shall be to assist and advise the Governor, the General Assembly, and the Chief Workforce Development Advisor in meeting workforce ~~training~~ *development* needs in the Commonwealth through recommendation of policies and strategies to increase coordination and thus efficiencies of operation between all education and workforce programs with responsibilities and resources for *employment, occupational training, and support connected to workforce credential and job attainment*.

B. The Board shall consist of a ~~maximum of 26 members~~ as follows of the following:

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

2. The Governor or his designee who shall be selected from among the cabinet-level officials appointed to the Board *pursuant to subdivision 3*; ~~the~~

3. ~~The~~ Secretaries of Commerce and Trade, Education, Health and Human Resources, and Veterans Affairs and Homeland Security, or their designees, *each of whom shall serve ex officio*; ~~and the~~

4. ~~The~~ Chancellor of the Virginia Community College System or his designee, *who shall serve as ex*

183 officio members.;

184 3. The Governor shall appoint ~~additional~~ members as follows: ~~one~~ 5. One local elected official
185 appointed by the Governor; ~~two~~

186 6. Two representatives nominated by state labor federations *and appointed by the Governor*; and 14

187 7. *Fourteen* nonlegislative citizen members representing the business community *appointed by the*
188 *Governor*, to include the presidents of the Virginia Chamber of Commerce and the Virginia
189 Manufacturers Association, one representative of proprietary employment training schools, ~~one~~
190 ~~representative of health care employers~~, and the remaining members who are business owners, chief
191 executive officers, chief operating officers, chief financial officers, senior managers, or other business
192 executives or employers with optimum policy-making or hiring authority ~~and who represent life sciences~~
193 *and health care, information technology and cyber security, manufacturing, or other industry sectors.*
194 *Business members* shall represent diverse regions of the state, to include urban, suburban, and rural
195 areas, *and at least two of whom members shall also be members of local workforce investment*
196 *development boards.* Nonlegislative citizen members may be nonresidents of the Commonwealth.
197 Members appointed in accordance with this subdivision shall serve four-year terms, subject to the
198 pleasure of the Governor, and may be reappointed.

199 C. If ~~one person appointed to fill one of the enumerated positions in subsection B also qualifies to~~
200 ~~fill any other of the enumerated positions; such person may, at the discretion of the Governor, be~~
201 ~~deemed to fill any or all of the enumerated positions for which such person qualifies.~~

202 ~~D.~~ The Governor shall select a chairman and vice-chairman, who shall serve two-year terms, from
203 among the 14 nonlegislative citizen members representing the business community appointed in
204 accordance with subdivision B 3 7. ~~No member shall be eligible to serve more than one two-year term~~
205 ~~as chairman.~~ The Board shall meet *at least every three months* or upon the call of the chair or the
206 Governor *as stipulated by the Board's bylaws.* The chairman and the vice-chairman shall select at least
207 five members of the Board to serve as an executive committee of the Board, which shall have the
208 limited purpose of establishing meeting agendas, *reviewing bylaws and other documents pertaining to*
209 *Board governance and operations,* approving reports to the Governor, and responding to urgent federal,
210 state, and local issues between scheduled Board meetings.

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

212 1. Legislative members appointed in accordance with subdivision B 1 shall receive such
213 compensation and reimbursement of expenses incurred in the performance of their duties as provided in
214 §§ 2.2-2813, 2.2-2825, and 30-19.12.

215 2. Members of the Board appointed in accordance with subdivision B 2, *B 3, or B 4* shall not
216 receive compensation but shall be reimbursed for all reasonable and necessary expenses incurred in the
217 performance of their duties as provided in §§ 2.2-2813 and 2.2-2825.

218 3. Members of the Board appointed in accordance with subdivision B 3 5, *B 6, or B 7* shall not
219 receive compensation but shall be reimbursed for all reasonable and necessary expenses incurred in the
220 performance of their duties as provided in §§ 2.2-2813 and 2.2-2825.

221 Funding for the costs of compensation and expenses of the members shall be provided from federal
222 funds received under the WIA WIOA.

223 F. The Chief Workforce Development Advisor shall serve as lead staff to the Board. The Office of
224 the Chancellor of the Virginia Community College System (i) shall provide staff support to accomplish
225 the federally mandated requirements of the WIA and (ii) shall enter into a memorandum of agreement
226 with the Offices of the Secretaries of Commerce and Trade and Education for the purpose of having
227 personnel from the Office provide staff support to accomplish the other duties and functions of the
228 Board. The memorandum of agreement shall address the scope of duties of the Offices' personnel in
229 providing such staff assistance to the Board. All other agencies in the executive branch of the
230 Commonwealth shall provide assistance to the Board upon request.

231 § 2.2-2471.1. *Executive Director; staff support.*

232 A. Board staffing shall be led by a full-time Executive Director to be supervised by the Chief
233 Workforce Development Advisor. Additional staff support, including staffing of standing committees, may
234 include other directors or coordinators of relevant education and workforce programs as requested by
235 the Chief Workforce Development Advisor and as in-kind support to the Board from agencies
236 administering workforce programs.

237 B. The Chief Workforce Development Advisor shall enter into a written agreement with agencies
238 administering workforce programs regarding supplemental staff support to Board committees and other
239 logistical support for the Board. Such written agreements shall be provided to members of the Board
240 upon request. Funding for a full-time Executive Director position shall be provided by the WIOA, and
241 such position shall be dedicated to the support of the Board's operations and outcomes and the Board's
242 operational budget as agreed upon and referenced in a written agreement between the Chief Workforce
243 Development Advisor and the agencies administering workforce programs.

244 § 2.2-2472. Powers and duties of the Board; Virginia Workforce System created.

A. The Board shall *implement a Virginia Workforce System that shall* undertake the following actions to implement and foster workforce *development and* training and better align education and workforce programs to meet current and projected skills requirements of an increasingly technological, global workforce:

1. Provide policy advice to the Governor on workforce and workforce development issues *in order to create a business-driven system that yields increasing rates of attainment of workforce credentials in demand by business and increasing rates of jobs creation and attainment;*

2. Provide policy direction to local workforce ~~investment~~ development boards;

3. Provide recommendations on the policy, plans, and procedures for secondary and postsecondary career and technical education activities authorized under the federal Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. § 2301 et seq.) to ensure alignment with the state's plan for coordinating programs authorized under Title I of the WIA and under the federal Wagner-Peyser Act (29 U.S.C. § 49 et seq.) *Assist the Governor in the development, implementation, and modification of any combined state plan developed pursuant to the WIOA;*

4. Provide recommendations on the policy, plans, and procedures for other education and workforce development programs that provide resources and funding for training and employment services as identified by the Governor or Board;

5. Identify current and emerging statewide workforce needs of the business community;

6. 5. Forecast and identify training requirements for the new workforce;

7. 6. Recommend strategies that ~~will~~ to match trained workers with available jobs to include strategies for increasing business engagement in education and workforce development;

8. Develop WIA incentive grant applications and approve criteria for awarding incentive grants;

9. 7. Develop and approve criteria for the reallocation of unexpended WIA funds from local workforce investment boards *pay-for-performance contract strategy incentives for rapid reemployment services consistent with the WIOA as an alternative model to traditional programs;*

10. 8. Conduct a review of budgets, which shall be submitted annually to the Board by each agency conducting federal and state funded career and technical and adult education and workforce development programs, that identify the agency's sources and expenditures of administrative, workforce education and training, and leadership funds *support services* for workforce development programs;

11. ~~Administer the Virginia Career Readiness Certificate Program in accordance with § 2.2-2477 and review~~ 9. Review and recommend industry credentials that align with high demand occupations, *which credentials shall include the Career Readiness Certificate;*

12. 10. Define the Board's role in certifying WIA WIOA training providers, including those not subject to the authority expressed in Chapter 21.1 (§ 23-276.1 et seq.) of Title 23;

13. 11. Provide an annual report to the Governor concerning its actions and determinations under subdivisions 1 through 13 10;

14. 12. Create ~~procedures~~, *quality standards*, guidelines, and directives applicable to local workforce investment development boards and the operation of one-stops, as necessary and appropriate to carry out the purposes of this article; and

15. 13. Perform any act or function in accordance with the purposes of this article.

B. The Board may establish such committees as it deems necessary including the following:

1. A committee to accomplish the federally mandated requirements of the ~~WIA~~ WIOA;

2. An advanced technology committee to focus on high-technology workforce training needs and skills attainment solutions through sector strategies, career readiness, and career pathways;

3. A performance and accountability committee to coordinate with the Virginia Employment Commission, the State Council of Higher Education for Virginia, the Virginia Community College System, and the Council on Virginia's Future to develop the metrics and measurements for publishing comprehensive workforce score cards and other longitudinal data that will enable the Virginia Workforce Network System to measure comprehensive accountability and performance; and

4. A military transition assistance committee to focus on ~~military transition assistance, including reforms to (i) improve the integration of the federal Local Veterans Employment Representative Program and the Disabled Veterans Outreach Program into all Virginia Workforce Centers and (ii) reduce~~ workforce development and employment of veterans and on reducing process and qualification barriers to training and employment services.

C. The Board and the Governor's cabinet secretaries shall assist the Governor in complying with the provisions of the ~~WIA~~ WIOA and ensuring the coordination and effectiveness of all federal and state funded career and technical and adult education and workforce development programs and providers comprising elements of Virginia's Career Pathways System and Workforce Network *within Virginia's Workforce System.*

D. The Board shall assist the Governor in the following areas with respect to workforce development: development of the ~~WIA Wagner-Peyser State Plan~~ *any combined state plan developed*

306 pursuant to the WIOA; development and continuous improvement of a statewide workforce development
307 and career pathways system that ensures career readiness and coordinates and aligns career and technical
308 education, adult education, and federal and state workforce programs; development of linkages to ensure
309 coordination and nonduplication among programs and activities; ~~review of local plans~~; designation of
310 local areas; development of local discretionary allocation formulas; development and continuous
311 improvement of comprehensive state performance measures including, without limitation, performance
312 measures reflecting the degree to which one-stop centers provide comprehensive services with all
313 mandatory partners and the degree to which local workforce ~~investment development~~ boards have
314 obtained funding from sources other than the ~~WIA~~ WIOA; preparation of the annual report to the U.S.
315 Secretary of Labor; development of a statewide employment statistics system; and development of a
316 statewide system of one-stop centers that provide comprehensive workforce services to employers,
317 employees, and job seekers.

318 The Board shall share information regarding its meetings and activities with the public.

319 E. Each local workforce ~~investment development~~ board shall develop and submit to the Governor and
320 the Virginia Board of Workforce Development an annual workforce demand plan for its workforce
321 ~~investment development~~ board area based on a survey of local and regional businesses that reflects the
322 local employers' needs and requirements and the availability of trained workers to meet those needs and
323 requirements; *Local boards shall also designate or certify one-stop operators; identify eligible providers*
324 *of youth activities; identify eligible providers of intensive services if unavailable at one-stop; develop a*
325 *budget; conduct local oversight of one-stop operators and training providers in partnership with its local*
326 *chief elected official; negotiate local performance measures, including incentives for good performance*
327 *and penalties for inadequate performance; assist in developing statewide employment statistics;*
328 *coordinate workforce ~~investment development~~ activities with economic development strategies and the*
329 *annual demand plan, and develop linkages among them; develop and enter into memoranda of*
330 *understanding with one-stop partners and implement the terms of such memoranda; promote participation*
331 *by the private sector; actively seek sources of financing in addition to ~~WIA~~ WIOA funds; report*
332 *performance statistics to the Virginia Board of Workforce Development; and certify local training*
333 *providers in accordance with criteria provided by the Virginia Board of Workforce Development.*
334 Further, a local training provider certified by any workforce ~~investment development~~ board has
335 reciprocal certification for all workforce ~~investment development~~ boards.

336 Each local workforce ~~investment~~ board shall share information regarding its meetings and activities
337 with the public.

338 F. *Each workforce development board shall develop and execute a strategic plan designed to*
339 *combine public and private resources to support sector strategies, career pathways, and career*
340 *readiness skills development. Such initiatives shall include or address (i) a regional vision for workforce*
341 *development; (ii) protocols for planning workforce strategies that anticipate industry needs; (iii) the*
342 *needs of incumbent and underemployed workers in the region; (iv) the development of partners and*
343 *guidelines for various forms of on-the-job training, such as registered apprenticeships; (v) the setting of*
344 *standards and metrics for operational delivery; (vi) alignment of monetary and other resources,*
345 *including private funds and in-kind contributions, to support the workforce development system; and*
346 *(vii) the generation of new sources of funding to support workforce development in the region.*

347 G. *Local workforce investment boards are encouraged to implement pay-for-performance contract*
348 *strategy incentives for rapid reemployment services consistent within the WIOA as an alternative model*
349 *to traditional programs. Such incentives shall focus on (i) partnerships that lead to placements of*
350 *eligible job seekers in unsubsidized employment and (ii) placement in unsubsidized employment for*
351 *hard-to-serve job seekers. At the discretion of the local workforce investment board, funds to the extent*
352 *permissible under §§ 128(b) and 133(b) of the WIOA may be allocated for pay-for-performance*
353 *partnerships.*

354 H. Each chief local elected official shall consult with the Governor regarding designation of local
355 workforce ~~investment development~~ areas; appoint members to the local board in accordance with state
356 criteria; serve as the local grant recipient unless another entity is designated in the local plan; negotiate
357 local performance measures with the Governor; ensure that all mandated partners are active participants
358 in the local workforce ~~investment development~~ board and one-stop center; and collaborate with the local
359 workforce ~~investment development~~ board on local plans and program oversight.

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

- 363 1. Programs authorized under Title I of the ~~WIA~~ WIOA;
- 364 2. Programs authorized under the Wagner-Peyser Act (29 U.S.C. § 49 et seq.);
- 365 3. Adult education and literacy activities authorized under Title II of the ~~WIA~~ WIOA;
- 366 4. Programs authorized under Title I of the Rehabilitation Act of 1973 (29 U.S.C. § 720 et seq.);
- 367 5. Postsecondary career and technical education activities authorized under the Carl D. Perkins

Vocational and Applied Technology Education Act (20 U.S.C. § 2301 et seq.);

6. Activities authorized under Chapter 2 of Title II of the Trade Act of 1974 (19 U.S.C. § 2271 et seq.);

7. Activities pertaining to employment and training programs for veterans authorized under 38 U.S.C. § 4100 et seq.;

8. Programs authorized under Title 60.2, in accordance with applicable federal law;

9. Workforce development activities or work requirements of the Temporary Assistance to Needy Families (TANF) program known in Virginia as the Virginia Initiative for Employment, Not Welfare (VIEW) program established pursuant to § 63.2-608;

10. Workforce development activities or work programs authorized under the Food Stamp Act of 1977 (7 U.S.C. § 2011 et seq.); and

11. Other programs or activities as required by the ~~WIA~~ WIOA; and

12. Programs authorized under Title I of the WIOA.

J. The quorum for a meeting of a local workforce development board shall consist of a majority of both the private sector and public sector members. Each local workforce development board shall share information regarding its meetings and activities with the public.

H. K. The Chief Workforce Development Advisor shall be responsible for the coordination of the Virginia Workforce Network System and the implementation of the ~~WIA~~ WIOA.

§ 2.2-2472.1. Regional convener designation required; development of regional workforce pipelines and training solutions.

A. As used in this section, "regional convener" means the local workforce development board having responsibility for coordinating business, economic development, labor, regional planning commissions, education at all levels, and human services organizations to focus on community workforce issues and the development of solutions to current and prospective business needs for a skilled labor force at the regional level.

B. As a condition of receiving WIOA funds, each local workforce development board shall either be designated as the regional convener for the WIOA region or enter into a memorandum of agreement supporting the public or private entity identified as serving as the regional convener.

§ 2.2-2472.2. Minimum levels of fiscal support from WIOA Adult and Dislocated Worker funds by local workforce development boards; incentives.

A. Each local workforce development board shall allocate a minimum of 40 percent of WIOA Adult and Dislocated Worker funds to training services as defined under § 134(c)(3)(D) of the WIOA that lead to recognized postsecondary education and workforce credentials aligned with in-demand industry sectors or occupations in the local area or region. Beginning October 1, 2016, and biannually thereafter, the Chief Workforce Development Advisor shall submit a report to the Board evaluating the rate of the expenditure of WIOA Adult and Dislocated Worker funds under this section.

B. Failure by a local workforce development board to meet the required training expenditure percentage requirement shall result in sanctions, to increase in severity for each year of noncompliance. These sanctions may include corrective action plans; ineligibility to receive state-issued awards, additional WIOA incentives, or sub-awards; the recapturing and reallocation of a percentage of the local area board's Adult and Dislocated Worker funds; or for boards with recurring noncompliance, development of a reorganization plan through which the Governor would appoint and certify a new local board.

C. The Virginia Community College System, in consultation with the Governor, shall develop a formula providing for 30 percent of WIOA Adult and Dislocated Worker funds reserved by the Governor for statewide activities to be used solely for providing incentives to postsecondary workforce training institutions through local workforce investment boards to accelerate the increase of workforce credential attainment by participants. Fiscal incentive awards provided under this section must be expended on training activities that lead participants to a postsecondary education or workforce credential that is aligned with in-demand industry sectors or occupations within each local workforce area. Apprenticeship-related instruction shall be included as a qualifying training under this subsection if such instruction is provided through a postsecondary education institution.

§ 60.2-113. Employment stabilization.

The Commission shall take all necessary steps through its appropriate divisions and with the advice of such advisory boards and committees as it may have to:

1. Establish a viable labor exchange system to promote maximum employment for the Commonwealth of Virginia with priority given to those workers drawing unemployment benefits;

2. Provide Virginia State Job Service services, as described in this title, according to the provisions of the Wagner-Peyser Act (29 U.S.C. 49f), as amended by the Workforce Investment Innovation and Opportunity Act;

3. Maintain a solvent trust fund financed through equitable employer taxes that provide temporary

429 partial income replacement to involuntarily unemployed covered workers;

430 4. Coordinate and conduct labor market information research studies, programs and operations,
431 including the development, storage, retrieval and dissemination of information on the social and
432 economic aspects of the Commonwealth and publish data needed by employers, economic development,
433 education and training entities, government and other users in the public and private sectors;

434 5. Determine and publish a list of jobs, trades, and professions for which a high demand of qualified
435 workers exists or is projected by the Commission. The Commission shall consult with the Virginia
436 Board of Workforce Development in making such determination. Such information shall be published
437 biennially and disseminated to employers; education and training entities, including public two-year and
438 four-year institutions of higher education; government agencies, including the Department of Education
439 and public libraries; and other users in the public and private sectors;

440 6. Prepare official short and long-range population projections for the Commonwealth for use by the
441 General Assembly and state agencies with programs which involve or necessitate population projections;

442 7. Encourage and assist in the adoption of practical methods of vocational guidance, training and
443 retraining; and

444 8. Establish the Interagency Migrant Worker Policy Committee, comprised of representatives from
445 appropriate state agencies, including the Virginia Workers' Compensation Commission, whose services
446 and jurisdictions involve migrant and seasonal farmworkers and their employees. All agencies of the
447 Commonwealth shall be required to cooperate with the Committee upon request.

448 **2. That on October 1, 2017, the Executive Director of the Virginia Board of Workforce**
449 **Development shall provide members of the Virginia Board of Workforce Development with a**
450 **detailed report evaluating the rate of the expenditures for incentives established under subsection**
451 **C of § 2.2-2472.2, as created by this act, from July 1, 2015, through July 1, 2017.**