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SENATE BILL NO. 1002

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the House Committee on Commerce and Labor
on February 19, 2015)

(Patron Prior to Substitute—Senator Ebbin)

A BILL to amend and reenact §§ 2.2-2470 and 2.2-2472 of the Code of Virginia, relating to local workforce investment boards; pay for performance incentives.

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-2470 and 2.2-2472 of the Code of Virginia are amended and reenacted as follows:

§ 2.2-2470. Definitions.

As used in this article:

"Local workforce investment board" means a local workforce investment board established under § 117 of the WIA.

"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 services are provided, either on-site or electronically, and access to intensive 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 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).

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

A. The Board shall undertake the following actions to implement and foster workforce 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;
2. Provide policy direction to local workforce investment 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.);
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. Forecast and identify training requirements for the new workforce;
7. Recommend strategies that will 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. Develop and approve criteria for the reallocation of unexpended WIA funds from local workforce investment boards;
10. 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 training, and leadership funds for workforce development programs;
11. Administer the Virginia Career Readiness Certificate Program in accordance with § 2.2-2477 and review and recommend industry credentials that align with high demand occupations;
12. Define the Board's role in certifying WIA training providers, including those not subject to the authority expressed in Chapter 21.1 (§ 23-276.1 et seq.) of Title 23;
13. Provide an annual report to the Governor concerning its actions and determinations under subdivisions 1 through 13;
14. Create procedures, guidelines, and directives applicable to local workforce investment boards and the operation of one-stops, as necessary and appropriate to carry out the purposes of this article; and

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

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

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

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

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

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

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

78 D. The Board shall assist the Governor in the following areas with respect to workforce
79 development: development of the WIA Wagner-Peyser State Plan; development and continuous
80 improvement of a statewide workforce development and career pathways system that ensures career
81 readiness and coordinates and aligns career and technical education, adult education, and federal and
82 state workforce programs; development of linkages to ensure coordination and nonduplication among
83 programs and activities; review of local plans; designation of local areas; development of local
84 discretionary allocation formulas; development and continuous improvement of comprehensive state
85 performance measures including, without limitation, performance measures reflecting the degree to which
86 one-stop centers provide comprehensive services with all mandatory partners and the degree to which
87 local workforce investment boards have obtained funding from sources other than the WIA; preparation
88 of the annual report to the U.S. Secretary of Labor; development of a statewide employment statistics
89 system; and development of a statewide system of one-stop centers that provide comprehensive
90 workforce services to employers, employees, and job seekers.

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

92 E. Each local workforce investment board shall develop and submit to the Governor and the Virginia
93 Board of Workforce Development an annual workforce demand plan for its workforce investment board
94 area based on a survey of local and regional businesses that reflects the local employers' needs and
95 requirements and the availability of trained workers to meet those needs and requirements; designate or
96 certify one-stop operators; identify eligible providers of youth activities; identify eligible providers of
97 intensive services if unavailable at one-stop; develop a budget; conduct local oversight of one-stop
98 operators and training providers in partnership with its local chief elected official; negotiate local
99 performance measures, including incentives for good performance and penalties for inadequate
100 performance; assist in developing statewide employment statistics; coordinate workforce investment
101 activities with economic development strategies and the annual demand plan, and develop linkages
102 among them; develop and enter into memoranda of understanding with one-stop partners and implement
103 the terms of such memoranda; promote participation by the private sector; actively seek sources of
104 financing in addition to WIA funds; report performance statistics to the Virginia Board of Workforce
105 Board of Workforce Development. Further, a local training provider certified by any workforce
106 investment board has reciprocal certification for all workforce investment boards.

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

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

115 G. *Local workforce investment boards are encouraged to implement pay-for-performance contract
116 strategy incentives for rapid reemployment services consistent within the WIOA as an alternative model
117 to traditional programs. Such incentives shall focus on (i) partnerships that lead to placements of
118 eligible job seekers in unsubsidized employment and (ii) placement in unsubsidized employment for
119 hard-to-serve job seekers. At the discretion of the local workforce investment board, funds to the extent
120 permissible under §§ 128(b) and 133(b) of the WIOA may be allocated for pay-for-performance
121*

122 *partnerships.*

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

126 1. Programs authorized under Title I of the WIA;

127 2. Programs authorized under the Wagner-Peyser Act (29 U.S.C. § 49 et seq.);

128 3. Adult education and literacy activities authorized under Title II of the WIA;

129 4. Programs authorized under Title I of the Rehabilitation Act of 1973 (29 U.S.C. § 720 et seq.);

130 5. Postsecondary career and technical education activities authorized under the Carl D. Perkins
131 Vocational and Applied Technology Education Act (20 U.S.C. § 2301 et seq.);

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

134 7. Activities pertaining to employment and training programs for veterans authorized under 38 U.S.C.
135 § 4100 et seq.;

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

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

140 10. Workforce development activities or work programs authorized under the Food Stamp Act of
141 1977 (7 U.S.C. § 2011 et seq.); and

142 11. Other programs or activities as required by the WIA.

143 *H I.* The Chief Workforce Development Advisor shall be responsible for the coordination of the
144 Virginia Workforce Network and the implementation of the WIA.