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SENATE BILL NO. 576

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Education and Health)
(Patron Prior to Substitute—Senator Ruff)

Senate Amendments in [] — February 15, 2016

A BILL to amend the Code of Virginia by adding in Title 23 a chapter numbered 4.03, consisting of sections numbered 23-38.10:14 through 23-38.10:20, relating to the establishment of the New Economy Workforce Credential Grant Program.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 23 a chapter numbered 4.03, consisting of sections numbered 23-38.10:14 through 23-38.10:20, as follows:

CHAPTER 4.03.

NEW ECONOMY WORKFORCE CREDENTIAL GRANT PROGRAM.

§ 23-38.10:14. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Board" means the Virginia Board of Workforce Development.

"Competency-based" means awarded on the basis of demonstrated knowledge and skills rather than completion of instructional hours or participation in an instructional course or program.

"Council" means the State Council of Higher Education for Virginia.

"Eligible institution" means a comprehensive community college, the Institute for Advanced Learning and Research, New College Institute, Roanoke Higher Education Center, Southern Virginia Higher Education Center, or Southwest Virginia Higher Education Center.

"Eligible student" means any Virginia student enrolled at an eligible institution who is domiciled in the Commonwealth as provided in § 23-7.4, as determined by the eligible institution.

"Fund" means the New Economy Workforce Credential Grant Fund.

"Grant" means a New Economy Workforce Credential Grant.

"High-demand field" means a discipline or field in which there is a shortage of skilled workers to fill current job vacancies or anticipated additional job openings.

"Industry-recognized" means demonstrating competency or proficiency in the technical and occupational skills identified as necessary for performing functions of an occupation based on standards developed or endorsed by employers and industry organizations.

"Noncredit workforce credential" means a competency-based, industry-recognized, portable, and third-party-validated certification or occupational license in a high-demand field.

"Noncredit workforce training program" means a program at an eligible institution that leads to an occupation or a cluster of occupations in a high-demand field, which program may include the attainment of a noncredit workforce credential. "Noncredit workforce training program" may include a program that receives funding pursuant to the Carl D. Perkins Career and Technical Education Improvement Act of 2006, P.L. 109-270. "Noncredit workforce training program" shall not include programs primarily involving soft skills attainment.

"Portable" means recognized by multiple employers or educational institutions and, where appropriate, across geographic areas.

"Program" means the New Economy Workforce Credential Grant Program.

"Third-party-validated" means having an external process in place for determining validity and relevance in the workplace and for continuous alignment of demonstrated knowledge and skills with industry workforce needs.

§ 23-38.10:15. New Economy Workforce Credential Grant Program; purpose.

The New Economy Workforce Credential Grant Program is established for the purpose of (i) creating and sustaining a demand-driven supply of credentialed workers for high-demand occupations in the Commonwealth by addressing and closing the gap between the skills needed by workers in the Commonwealth and the skills of the available workforce in the Commonwealth; (ii) expanding the affordability of workforce training and credentialing; and (iii) increasing the interest of current and future Virginia workers in technician, technologist, and trade-level positions to fill the available and emerging jobs in the Commonwealth that require less than a bachelor's degree but more than a high school diploma.

§ 23-38.10:16. New Economy Workforce Credential Grant Fund and Program established; administration.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the New Economy Workforce Credential Grant Fund. The Fund shall be established on the books of the Comptroller. All [gifts, grants, or donations from public or private sources] moneys appropriated by the

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60 General Assembly, and from any other sources, public or private] shall be paid into the state treasury
61 and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be
62 credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal
63 year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be
64 used solely for the purposes of disbursing moneys to eligible institutions for the award of grants
65 pursuant to the Program. Expenditures and disbursements from the Fund shall be made by the State
66 Treasurer on warrants issued by the Comptroller upon written request signed by the director of the
67 Council.

68 B. There is hereby established a New Economy Workforce Credential Grant Program for the purpose
69 of disbursing moneys from the Fund to eligible institutions for the award of grants to benefit students
70 pursuant to this chapter.

71 C. The Council shall administer the Program and shall carry out the goals and purposes of the
72 Program set forth in this chapter. In administering the Program, the Council (i) shall require eligible
73 institutions to provide student-specific data and make final decisions on any dispute between eligible
74 institutions and grant recipients; (ii) shall undertake periodic assessments of the overall success of the
75 Program and recommend modifications, interventions, and other actions based on such assessment; and
76 (iii) may adopt such regulations for the administration of the Program as it deems necessary and
77 appropriate.

78 D. The Council shall instruct the Comptroller to annually disburse moneys to eligible institutions on
79 a first-come, first-served basis as eligible students enroll in noncredit workforce training programs
80 identified by the governing board of the eligible institution pursuant to subsection E, provided that no
81 more than one-quarter of the moneys in the Fund are disbursed annually to any eligible institution. The
82 Council shall set forth the procedure by which eligible institutions shall notify the Council when eligible
83 students enroll in noncredit workforce training programs identified by the governing board of the
84 eligible institution pursuant to subsection E.

85 E. The Board shall make recommendations to eligible institutions to help determine high-demand
86 fields for which noncredit workforce training programs may be offered pursuant to the Program. The
87 governing board of each eligible institution shall determine the noncredit workforce training programs
88 offered pursuant to the Program.

89 **§ 23-38.10:17. Student grants.**

90 A. Subject to the availability of funds, any eligible student who enrolls in a noncredit workforce
91 training program offered by an eligible institution pursuant to the Program may apply for and be
92 awarded a grant to cover two-thirds of the cost of the noncredit workforce training program, provided
93 that at the time of enrollment the eligible student pays one-third of the cost of the noncredit workforce
94 training program and signs an agreement to complete the noncredit workforce training program or pay
95 an additional one-third of the program cost in the event of noncompletion. Upon the presentation of
96 satisfactory proof of completion of the noncredit workforce training program by the eligible student, the
97 Council shall reimburse the institution in an amount equal to one-third of the cost of the program. Upon
98 the presentation of satisfactory proof of the attainment of a noncredit workforce credential by the
99 eligible student, the Council shall reimburse the institution in an amount equal to one-third of the cost
100 of the program. However, the Council shall not reimburse any eligible institution more than \$3,000 per
101 completed noncredit workforce training program per eligible student pursuant to the Program.

102 B. Grants shall not be reduced by an eligible student's concurrent receipt of financial aid from any
103 other source except in cases in which the grant and such other financial aid would result in total
104 assistance in excess of tuition, fees, books, and other [allowable] costs of completing the noncredit
105 workforce credential program.

106 **§ 23-38.10:18. Board of Workforce Development to keep a list of high-demand fields and related
107 noncredit workforce training programs and credentials.**

108 The Board shall maintain and update a list of high-demand fields and the related noncredit
109 workforce training programs and noncredit workforce credentials on its website.

110 **§ 23-38.10:19. Eligible institutions; academic credit; noncredit workforce credentials.**

111 Each eligible institution that participates in the Program shall adopt a policy for the award of
112 academic credit to any eligible student who has earned a noncredit workforce credential that is
113 applicable to the student's certificate or degree program requirements.

114 **§ 23-38.10:20. Eligible institutions and the Council; reporting.**

115 A. No later than January 1 of each year, each eligible institution shall submit to the Council a
116 report with data from the previous fiscal year on noncredit workforce training program completion and
117 noncredit workforce credential attainment by eligible students participating in the Program that
118 includes:

- 119 1. A list of the noncredit workforce credentials offered, by name and certification entity;
- 120 2. The number of eligible students who enrolled in noncredit workforce credentials programs;
- 121 3. The number of eligible students who completed noncredit workforce credentials programs;

- 122 4. The number of eligible students who attained noncredit workforce credentials after completing
123 noncredit workforce training programs, by credential name and relevant industry sector; and
124 5. The average cost per noncredit workforce credential attained, by credential name and relevant
125 industry sector.
126 B. The Council shall compile the data provided pursuant to subsection A and report such data, in
127 the aggregate and by eligible institution, to the Board and the General Assembly.