

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

Senate Bill 440

FISCAL
NOTE

BY SENATORS COLE (MR. PRESIDENT) AND KESSLER

(BY REQUEST OF THE EXECUTIVE)

[Introduced February 1, 2016;

Referred to the Committee on Education; and then to the
Committee on Finance.]

1 A BILL to amend and reenact §18B-3D-1 and §18B-3D-4 of the Code of West Virginia, 1931, as
2 amended, all relating to Workforce Development Initiative Program and expanding the
3 Learn and Earn Program; eliminating authority for Workforce Development Initiative
4 Program grant funding for equipment; and eliminating exception to dollar-for-dollar grant
5 funding match from private sector partners.

Be it enacted by the Legislature of West Virginia:

1 That §18B-3D-1 and §18B-3D-4 of the Code of West Virginia, 1931, as amended, be
2 amended and reenacted, all to read as follows:

ARTICLE 3D. WORKFORCE DEVELOPMENT INITIATIVE.

§18B-3D-1. Legislative findings and intent.

1 (a) The Legislature finds that a recent statewide study of the workforce training needs of
2 employers throughout the state provided a clear message from the business community:

3 (1) The needs of employers are rapidly changing and training providers must be more
4 responsive or the state economy will suffer;

5 (2) Information specific to West Virginia, once again emphasizes the critical link between
6 education and economic development that empowering youth and adults with the knowledge and
7 skills they need to succeed in the competitive work world also results in a workforce which enables
8 businesses and communities to prosper;

9 (3) Although employers are generally satisfied with the quality of the West Virginia
10 workforce and the study provides additional support that the measures adopted in the Jobs
11 Through Education Act will bring continued improvement, workforce needs are not static, critical
12 skill shortages currently exist, and the establishment of a workforce development system that
13 responds more quickly to the evolving skill requirements of employers is needed.

14 (b) The Legislature further finds that a study of community and technical education in West
15 Virginia performed by the national center for higher education management systems called
16 attention to problems in providing needed workforce education and found that there is a need to:

17 (1) Jump-start development of community and technical college and post-secondary
18 workforce development initiatives;

19 (2) Provide incentives for existing public post-secondary providers to respond jointly to
20 both short and long-term needs of employers and other clients;

21 (3) Provide funding for explicit incentives for partnerships between employers and public
22 post-secondary institutions to develop comprehensive community and technical college and
23 workforce development services; and

24 (4) Allocate funds competitively on the basis of proposals submitted by providers.

25 (c) It is further the intent of the Legislature that the granting of funds under this article will
26 promote the development of comprehensive community and technical colleges as set forth in
27 article three-c of this chapter.

28 (d) It is the intent of the Legislature through the grant of funds under this article to provide
29 limited seed money to address some of the specific areas where improvement is needed,
30 including:

31 (1) Improving employer awareness and access to services available through the state's
32 education institutions;

33 (2) Providing designated professionals and resources to support workforce education
34 through the state's education institutions;

35 ~~(3) Assisting with the modernization and procurement of equipment needed for workforce~~
36 ~~training programs: *Provided*, That any equipment purchased or upgraded with grant funds~~
37 ~~awarded under the provisions of this article may not be sold, disposed of or used for purposes~~
38 ~~other than those specified in the grant without prior approval of the Development Office;~~

39 ~~(4)~~ (3) Increasing the capacity of the state's education institutions to respond rapidly to
40 employer needs for workforce education and training on an on-going basis through the
41 development of a client-focused, visible point of contact for program development and delivery,
42 service referral and needs assessment, such as a workforce development center; and

43 ~~(5)~~ (4) Maximizing the use of available resources for workforce education and training
44 through partnerships with public vocational, technical and adult education centers and private
45 training providers.

46 (e) It is further the intent of the Legislature that consideration and partnering opportunities
47 be given to small businesses on an equal basis with larger businesses for the purposes of this
48 article and that the seed money will assist providers in becoming self-sustaining through
49 partnerships with business and industry which will include cost-sharing initiatives and fees
50 charged for the use of services.

51 (f) The Legislature intends that grants of funds made under the provisions of this article
52 will be competitive among applicants who meet all of the criteria established in this article and
53 such other criteria as may be specified by the Development Office. Subject to the availability of
54 funds, more than one competition may be held during the same fiscal year and the dollar range
55 of awards granted in successive competitions shall be prorated based on the number of months
56 remaining in the fiscal year. Subject to annual review and justification, it is the intent of the
57 Legislature to renew grant awards made under this article each year for not more than five years
58 following the initial grant award.

§18B-3D-4. Grant application procedures.

1 (a) In order to participate in the workforce development initiative grant program, a
2 community and technical college shall meet the following conditions:

3 (1) Participate in a community and technical college consortia planning district as required
4 by article three-c of this chapter. Consortia representatives participate in the development of and
5 approve applications for funding grants under the provisions of this article and approve the
6 workforce development initiative budget;

7 (2) Develop, as a component of its institutional compact, a plan to achieve measurable
8 improvements in the quality of the workforce within its service area over the period covered by
9 the compact. The plan is developed in partnership with employers, local vocational schools and

10 other workforce education providers; and

11 (3) Establish a special revolving fund under the jurisdiction of the community and technical
12 college dedicated solely to workforce development initiatives for the purposes provided in this
13 article. Any fees or revenues generated from workforce development initiatives funded by a
14 competitive grant are deposited into this fund.

15 (b) To be eligible to receive a workforce development initiative grant, a community and
16 technical college shall provide at least the following information in its application:

17 (1) Identification of the specific business or business sector training needs that will be met
18 if a workforce development initiative grant is received;

19 (2) A commitment from the private or public sector partner or partners to provide a match
20 of \$1, cash and in-kind, for each dollar of state grant money received: ~~except~~ Provided, That

21 ~~(A) In cases where the community and technical college can demonstrate that it would be~~
22 ~~a hardship for the private sector partner or partners to provide a dollar-to-dollar match, the match~~
23 ~~may be reduced to \$1 for each \$3 of state funding.~~

24 ~~(B) In cases where the grant award is to be used to modernize equipment, the council may~~
25 ~~establish a separate match requirement not to exceed \$1, cash or in-kind, for each state dollar~~
26 ~~awarded.~~

27 ~~(C) Beginning in fiscal year 2006 the commitment required by this subdivision may be~~
28 ~~provided by a public sector partner using state or federal dollars to provide the required match if~~
29 ~~funding for this initiative in the fiscal year exceeds \$650,000 in which case, one-half the amount~~
30 ~~exceeding \$650,000 may be granted using a public sector match;~~

31 (3) An agreement to share with other community and technical colleges any curricula
32 developed using funds from a workforce development initiative grant;

33 (4) A specific plan showing how the community and technical college will collaborate with
34 local post-secondary vocational institutions to maximize the use of existing facilities, personnel
35 and equipment; and

36 (5) An acknowledgment that acceptance of a grant under the provisions of this article
37 commits the community and technical college and its consortia committee to such terms,
38 conditions and deliverables as specified by the council in the request for applications, including,
39 but not limited to, the measures by which the performance of the workforce development initiative
40 will be evaluated.

41 (c) Applications submitted by community and technical colleges may be awarded funds
42 for programs which meet the requirements of this article that are operated on a collaborative basis
43 at facilities under the jurisdiction of the public schools and utilized by both secondary and post-
44 secondary students.

NOTE: The purpose of this bill is to change the Learn and Earn Program to allow more students to participate in the program by eliminating the authorization to use program funding for equipment purchases and eliminating the exception to dollar-for-dollar matching requirement that would allow an employer to participate by matching one dollar for every three dollars of state grant funding.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.