

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 670

Short Title: Workforce Preparedness Act.

(Public)

Sponsors: Representatives Wright; Bowman, Cummings, Fitch, and Wainwright.

Referred to: Business and Labor.

March 29, 1993

1 A BILL TO BE ENTITLED
2 AN ACT TO ENACT THE WORKFORCE PREPAREDNESS ACT, AND TO MAKE
3 CONFORMING CHANGES TO THE GENERAL STATUTES.

4 Whereas, the United States Congress has granted each State, in accordance
5 with Title VII of the Job Training Reform Amendments of 1992, the option to establish
6 a single State human resource investment council; and

7 Whereas, the Governor and heads of State agencies responsible for the
8 administration of federal human resource programs jointly agree to include these
9 programs under the jurisdiction of a single State human resource investment council;
10 and

11 Whereas, the Governor and the North Carolina Advisory Council on
12 Vocational and Applied Technology Education jointly agree to the establishment of a
13 single State human resource investment council; Now, therefore,
14 The General Assembly of North Carolina enacts:

15 Section 1. Chapter 143 of the General Statutes is amended by adding the
16 following new Article to read:

17 **"ARTICLE 64.**

18 **"WORKFORCE PREPAREDNESS ACT.**

19 **"§ 143-592. Title; purpose.**

20 (a) This Article may be known and shall be cited as the North Carolina
21 Workforce Preparedness Act.

22 (b) The purpose of this act is to develop a comprehensive State policy to guide
23 the use of vocational education, adult basic education, employment, job training, and
24 other resources toward the achievement of State workforce preparedness goals by:

- 1 (1) Articulating and clarifying the State's policy and goals with regard to
2 vocational education, adult basic education, employment, job training,
3 and other applicable federal programs; and
4 (2) Provide for legislative review and comment on certain reports, plans,
5 and recommendations.

6 **"§ 143-593. State policy on workforce preparedness.**

7 (a) It is the policy of this State that all federal, State, and local government
8 resources provided for vocational education, adult basic education, employment, and
9 job training programs be coordinated to effect an efficient workforce preparedness
10 system.

11 (b) The goals of the State workforce preparedness programs are:

- 12 (1) To assist North Carolinians in obtaining gainful employment;
13 (2) To reduce dependence upon public assistance and unemployment
14 insurance programs;
15 (3) To develop a well-trained, productive work force that meets the needs
16 of the State's changing economy; and
17 (4) To make maximum use of existing institutions and organizations with
18 demonstrated effectiveness in employment and training service
19 delivery.

20 (c) The State's goals shall be accomplished by:

- 21 (1) Preparing unskilled youth and adults for entry into the work force;
22 (2) Retraining people who are structurally unemployed, who are jobless
23 through no fault of their own, or who must upgrade or retrain for job
24 skills in other fields;
25 (3) Removing barriers to employment and designing programs that will be
26 responsive to the special needs of offenders, handicapped persons,
27 public assistance recipients, school dropouts, single parents, women
28 age 35 years or older, and other appropriate groups;
29 (4) Insuring that timely and accurate statewide labor market data are
30 available;
31 (5) Linking employment and training services with economic development
32 efforts;
33 (6) Providing employment and training opportunities to meet the needs of
34 industries utilizing advanced technology; and
35 (7) Avoiding unnecessary duplication of employment and training services
36 by State agencies.

37 (d) The guidelines for developing a coordinated workforce preparedness system
38 are:

- 39 (1) The system should achieve a level of integration of workforce
40 preparedness programs to provide a continuum of services for eligible
41 recipients;
42 (2) The system should give high priority to training the kinds of skilled
43 workers that would both attract and grow high-skilled, high-wage
44 industries;

1 (3) Each program within the system should be accountable and accurately
2 measure desired outcomes to insure that each public dollar yields the
3 greatest return on investment; and

4 (4) The system must provide maximum flexibility at the local level to
5 allow greater freedom for local leaders to shape local plans and
6 objectives according to their labor market needs.

7 **"§ 143-594. Definitions.**

8 As used in this Article, unless the context clearly requires otherwise:

9 (1) 'Commission' means the Commission on Workforce Preparedness
10 established under this Article;

11 (2) 'ICC' means the Inter-Agency Coordinating Council of the
12 Commission;

13 (3) 'System' means the workforce preparedness system created by the
14 Commission pursuant to this Article;

15 (4) 'Workforce preparedness program' means any of the State or federal
16 resource programs designated as such under G.S. 143-597 or
17 applicable federal law.

18 **"§ 143-595. Commission on Workforce Preparedness, and Inter-Agency**
19 **Coordinating Council, established; membership; chair; meetings.**

20 (a) There is established in the Office of the Governor the Commission on
21 Workforce Preparedness, as permitted by Title VII of the Job Training Reform
22 Amendments of 1992.

23 (b) The Commission shall consist of not more than 40 members appointed by the
24 Governor in accordance with Title VII of the Job Training Reform Amendments of
25 1992. The terms of Commission members shall commence on July 1, 1993. Terms of
26 initial appointees shall be staggered as follows: 15 of the initial appointees shall serve a
27 two-year initial term, and 15 shall serve a three-year initial term. Thereafter,
28 appointments shall be for three-year terms. The Governor shall appoint the chair of the
29 Commission, who shall serve at the pleasure of the Governor.

30 (c) There is established the Inter-Agency Coordinating Council, the sole purpose
31 of which is to provide technical advice and assistance to the Commission. The ICC
32 shall consist of senior-level management representatives from each State agency that
33 administers a workforce preparedness program. Members of the ICC shall be appointed
34 by the head of each agency involved, and may include a representative from a program
35 under the federal Rehabilitation Act of 1973, 29 U.S.C. § 701, et seq. The chair of the
36 Commission shall appoint the chair of the ICC, who shall serve at the pleasure of the
37 chair of the Commission.

38 (d) The Commission shall meet quarterly and at other times at the call of the
39 chair of the Commission.

40 (e) The ICC shall meet as necessary to effect its purpose at the call of the chair of
41 the ICC.

42 **"§ 143-596. Powers and duties of Commission.**

43 The Commission shall have the following powers and duties:

- 1 (1) Advise the Governor, the General Assembly, State agencies, and
2 private businesses about policies and programs which enhance the skill
3 and expertise of the State's workforce;
- 4 (2) Coordinate the activities of the workforce preparedness programs;
- 5 (3) Create a comprehensive Workforce Preparedness System that is
6 market-driven and customer-focused. The System shall include:
 - 7 a. Common definitions and assessment criteria so that clients can
8 conveniently enter the System at any point;
 - 9 b. A program to link workforce preparedness programs' data
10 collection systems for easier, more consistent evaluation of and
11 reporting on clients throughout the System; and
 - 12 c. Evaluation methods and procedures to assess the result of the
13 System's various preparedness programs.
- 14 (4) Submit to the Governor and General Assembly a biennial strategic
15 plan for workforce preparedness to include:
 - 16 a. A statement of goals and objectives for the ensuing biennium;
 - 17 b. An inventory and assessment of all workforce preparedness
18 programs;
 - 19 c. An assessment of the vocational education, basic and remedial
20 education, employment, and job training needs of the State's
21 labor market;
 - 22 d. An evaluation of the ability of each of the System's programs
23 to: (i) meet State goals and objectives, (ii) reach the outcomes
24 necessary to both employers and individual citizens who need
25 System services, and (iii) coordinate with other System
26 programs;
 - 27 e. Recommendations for policy changes and funding for effective
28 implementation of the System; and
 - 29 f. Recommendations for effecting cost savings and filling gaps in
30 existing workforce preparedness programs and policies.
- 31 (5) Develop and promote strategies for:
 - 32 a. Cooperation between the academic, governmental, and private
33 business sectors; and
 - 34 b. Acquisition of private resources to develop the System.
- 35 (6) Perform all other duties and responsibilities prescribed:
 - 36 a. By Title VII of the federal Job Training Reform Amendments
37 of 1992, and subsequent legislation; and
 - 38 b. For existing State councils under the laws relating to federal
39 human resource programs.

40 **"§ 143-597. Workforce Preparedness Programs.**

41 (a) The federal resource programs created by the following federal legislation are
42 designated as North Carolina's Workforce Preparedness Programs.

- 43 (1) Adult Education Act (20 U.S.C. § 1201, et seq.);

- 1 (2) Carl D. Perkins Vocational and Applied Technology Education Act
2 (20 U.S.C. § 2301, et seq.);
3 (3) Wagner-Peyser Act (29 U.S.C. § 49, et seq.);
4 (4) National and Community Service Act of 1990 (42 U.S.C. § 12501, et
5 seq.);
6 (5) Part F of Title IV of the Social Security Act (42 U.S.C. § 681, et seq.);
7 (6) Job Training Partnership Act (29 U.S.C. § 1501, et seq.);
8 (7) Food Stamp Act of 1977 employment program (7 U.S.C. § 2015(d)(4);
9 and
10 (8) All other applicable federal human resource programs except for those
11 programs under the federal Rehabilitation Act of 1973 (29 U.S.C. §
12 701, et seq.).

13 (b) All State resource programs which involve vocational education, basic and
14 remedial education, or job training, are designated as workforce preparedness programs.

15 **§ 143-598. Cooperation of State agencies.**

16 All State agencies shall cooperate with the Commission and the ICC in the
17 implementation of their duties and responsibilities.

18 **§ 143-599. Administration and expenses.**

19 (a) Except for review by the State Auditor, the Commission shall be independent
20 of programmatic, fiscal, and administrative control by any other State agency, board,
21 commission, council, or individual.

22 (b) The Commission may retain such professional, technical, and administrative
23 support services as are necessary to conduct its business and the business of the ICC.

24 (c) The operating budget for the Commission and for the ICC shall be derived
25 and supported from such funds as the workforce preparedness programs may designate
26 from federal resources available for such State councils as provided under section
27 123(a)(2)(D) of the Job Training Reform Amendments of 1992, and under section
28 112(g) of the Carl D. Perkins Vocational and Applied Technology Education Act. Each
29 State agency participating in the System may provide additional funds to support the
30 Commission and ICC from the agency's budget.

31 (d) Members of the Commission and its staff shall be compensated for travel and
32 subsistence expenses incurred in the performance of its duties in accordance with G.S.
33 138-6.

34 **§ 143-600. Governor's Coordination and Special Services Plan.**

35 The Governor's Coordination and Special Services Plan shall comply with the
36 provisions of section 121 of the Job Training Partnership Act and shall mandate the
37 coordination of all federal and State employment and training programs that guide the
38 use of employment training, education, economic development, and other resources
39 toward achievement of State economic and employment goals. In addition, the plan
40 shall also include the following:

- 41 (1) Provisions for the design, development, and operation of a statewide
42 uniform labor market information system to effect the timely
43 availability of employment and training information throughout the
44 State;

1 (2) Provisions for the coordination and improvement of a statewide
2 management information system capable of producing periodic
3 financial reports and statistics on participants and program
4 performance for use by service delivery areas; and

5 (3) Provisions that require the utilization of existing institutions and
6 organizations with clearly demonstrated success rates in employment
7 and training.

8 **"§ 143-601. Employment and Training Grant Program.**

9 (a) There is established in the Department of Commerce, Division of
10 Employment and Training, an Employment and Training Grant Program. The purpose
11 of the program is to make grants available to local agencies operating on behalf of the
12 Private Industry Council serving Job Training Partnership Act service delivery areas.
13 Grant funds shall be allocated for the purpose of enabling recipient agencies to
14 implement local employment and training programs in accordance with existing
15 resources, local needs, local goals, and selected training occupations. The Department
16 shall adopt rules in accordance with Chapter 150B of the General Statutes for
17 administering the Employment and Training Grant Program, which rules shall include
18 procedures for review and approval of grant applications by local agencies and for
19 monitoring use of grant funds by recipient agencies. A State-administered program of
20 performance standards shall be used to measure grant program outcomes.

21 (b) Use of grant funds: Local agencies may use funds received under this section
22 only for the purpose of upgrading the foundation of basic skills of the adult population
23 and the existing work force in North Carolina. Services that may be provided include
24 participant programs currently available under the federal Job Training Partnership Act
25 that are appropriate for adults; on-the-job training; work experience; adult basic
26 education; skills training, upgrading, and retraining; counseling and screening for job
27 placement; service corps; and related support services. Local agencies may use grant
28 funds to provide services only to individuals who are 18 years of age or older and who
29 either (i) meet the current federal Job Training Partnership Act definition of
30 'economically disadvantaged', or (ii) meet the current definition for eligibility under
31 Title III of the federal Job Training Partnership Act.

32 (c) Allocation of grants: The Department may reserve and allocate up to twenty
33 percent (20%) of funds available to the Employment and Training Grant Program for
34 State and local administrative costs to implement the program. The Division of
35 Employment and Training shall allocate employment and training grants to local
36 agencies operating on behalf of the Private Industry Council serving Job Training
37 Partnership Act service delivery areas based on the following formula:

38 (1) One-half of the funds shall be allocated on the basis of the relative
39 excess number of unemployed individuals residing in each county as
40 compared to the total excess number of unemployed individuals in all
41 counties in the State.

42 'Excess number of unemployed' is defined as the number of
43 unemployed individuals in excess of four and one-half percent (4.5%)
44 of the civilian labor force in each county or the number of unemployed

1 individuals in excess of four and one-half percent (4.5%) of the
2 civilian labor force in each census tract within the county. The
3 following methodology is used to determine the excess number of
4 unemployed:

5 a. For counties classified as having excess unemployment, the
6 excess number of unemployed is determined by subtracting four
7 and one-half percent (4.5%) of the civilian labor force from the
8 number of unemployed individuals within the county. The
9 difference equals the number of excess unemployed.

10 b. In situations where the entire county is not classified as having
11 excess unemployment, the excess number of unemployed is
12 determined by census tract unemployment within the county.
13 Census tract data is used to determine which subcounty areas
14 qualify as areas of excess unemployment. In those subcounty
15 areas classified as having excess unemployment (census tracts
16 with four and one-half percent (4.5%) or higher unemployment
17 rates), four and one-half percent (4.5%) of the census tract labor
18 force is subtracted from the number of unemployed individuals
19 within the area of excess unemployment. The subcounty figures
20 of excess number of unemployed within the county are then
21 added together to determine the total excess number of
22 unemployed within the county.

23 (2) One half of the funds shall be allocated on the basis of the relative
24 number of economically disadvantaged individuals within each county
25 compared to the total number of economically disadvantaged
26 individuals in the State. To determine the number of economically
27 disadvantaged individuals within each county, data from the State Data
28 Center in the Office of State Budget and Management, or from the
29 federal decennial census, whichever is most recent, shall be used.

30 (d) Reports, Coordination: The Department of Commerce shall report quarterly
31 to the Governor and to the Speaker of the House of Representatives and the President
32 Pro Tempore of the Senate on the North Carolina Employment and Training Grant
33 Program. The Department shall also provide a copy of these quarterly reports to the
34 Commission. The Commission shall advise the Department on the merger of the funds
35 provided to implement this section with other employment and training funds to develop
36 comprehensive workforce preparedness initiatives for the State.

37 (e) Funds appropriated to the Department of Commerce for the Employment and
38 Training Grant Program that are not expended at the end of the fiscal year shall not
39 revert but shall remain available to the Department for the purposes established in this
40 section."

41 Sec. 2. Part 3A of Article 10 of Chapter 143B is repealed.

42 Sec. 3. The phrase "Job Training Coordinating Council" is deleted and
43 replaced by the phrase "Commission on Workforce Preparedness" wherever it occurs in
44 the General Statutes.

1 Sec. 4. This act is effective upon ratification.