

# HOUSE BILL REPORT

## HB 1833

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**As Reported by House Committee On:**  
Children & Family Services  
Appropriations

**Title:** An act relating to job training and placement services.

**Brief Description:** Providing incentives for improved job training and placement services.

**Sponsors:** Representatives Kagi, Hinkle, Conway, Walsh, Kenney, Chase, Pettigrew, Appleton, Uptegrove, Morrell, Simpson, Haler and Santos.

**Brief History:**

**Committee Activity:**

Children & Family Services: 2/14/05, 2/21/05 [DPS];

Appropriations: 3/2/05, 3/3/05 [DPS(CFS)].

**Brief Summary of Substitute Bill**

- Requires integration of job training and placement services provided through the WorkFirst program and the federal Workforce Investment Act.
- Establishes an incentive program for integration of job training and placement services for recipients of the WorkFirst program and other individuals who are seeking jobs.

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### HOUSE COMMITTEE ON CHILDREN & FAMILY SERVICES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Kagi, Chair; Roberts, Vice Chair; Hinkle, Ranking Minority Member; Walsh, Assistant Ranking Minority Member; Darneille, Dickerson, Dunn, Haler and Pettigrew.

**Staff:** Cynthia Forland (786-7152).

**Background:**

*WorkFirst:*

In 1996, the federal government enacted welfare reform, shifting the emphasis of the federal program to a "work first" approach. In 1997, Washington enacted its version of welfare reform, establishing the WorkFirst program. The WorkFirst program emphasizes the importance of gaining employment and staying employed.

Regional plans under the WorkFirst program must be developed on a biennial basis. Those plans must be prepared in consultation with local and regional sources, adapting the statewide WorkFirst program to achieve maximum effect for the participants and the communities within which they reside. Local consultation must include, to the greatest extent possible, input from local and regional planning bodies for social services and workforce development. The regional and local administrator must consult with employers of various sizes, labor representatives, training and education providers, program participants, economic development organizations, community organizations, tribes, and local governments in the preparation of the service area plan.

*Workforce Development:*

The Workforce Training and Education Coordinating Board (Board) oversees the state's workforce development system, and was designated by Executive Order as the Workforce Investment Board for the purposes of the federal Workforce Investment Act.

The Board is required to develop and maintain a state unified plan in accordance with the federal Workforce Investment Act. The purpose of the unified plan is to promote universal access to employment and training programs, and to simplify those programs so that state employment and training customers can better obtain these services. The Board is required to utilize the unified planning process to better integrate federal and state employment and training programs.

The Board is required to work in partnership with Local Workforce Investment Boards (Local Boards) to develop the state unified plan. Local Boards are to provide input to the Board in developing the state unified plan, which will thereby articulate their local strategies and needs.

In addition to providing input to the Board in the development of the state unified plan, the Local Boards are required by Executive Order to develop and maintain a local unified plan in accordance with the federal Workforce Investment Act. The unified plan must include a strategic plan that assesses local employment opportunities and skill needs, the present and future workforce, the current workforce development system, information on financial resources, goals, objectives, and strategies for the local workforce development system, and a system-wide financial strategy for implementing the plan. The Board is required to review the plans of Local Boards for consistency with the state unified plan and provide technical assistance to Local Boards, as necessary.

Local Boards are also required to conduct oversight of the local one-stop system, known as WorkSource, which provides resources to job seekers, including the following:

- free use of computers, copiers, phones, faxes and other career resources;
- internet access to jobs;
- job referral and placement;
- classes on how to get and keep a job;
- information on the fastest growing jobs and wages;
- referral to training and other community services;

- access to Unemployment Insurance; and
- translation services.

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### **Summary of Substitute Bill:**

#### *WorkFirst:*

Regional plans required under the WorkFirst program must specify how the job training and placement services provided through the WorkFirst program and the federal Workforce Investment Act are to be integrated.

#### *Workforce Development:*

The Board must include in its planning requirements for Local Boards a requirement that those Local Boards specify how the job training and placement services under the federal Workforce Investment Act and the WorkFirst program are to be integrated.

#### *Incentive Funding:*

An incentive program is established in the Governor's Office for integrating the delivery of job training and placement services for recipients of the WorkFirst program and other individuals who are seeking jobs.

Local Boards may apply, jointly with the WorkFirst Local Planning Area partnership and other partners in the one-stop system, to receive funding under the incentive program. In applying for funding, the Local Boards must clearly demonstrate the approach to integration of job training and placement services that they will undertake.

Funding awards under the incentive program are to be made to Local Boards for periods of up to 24 months. In making decisions concerning renewal of funding, which may include adjustments in the level of funding, consideration must be given to the following criteria:

- implementation of the identified integration approach; and
- performance over a period of up to 24 months with respect to the following outcomes for the population served, with particular weight given to those outcomes for recipients of the WorkFirst program: rate of employment; credential completion rate; and level of earnings.

The Governor is required to provide funding for the incentive program from WorkFirst program funds and federal Workforce Investment Act funds.

### **Substitute Bill Compared to Original Bill:**

Local Boards may apply *jointly with the Workfirst Local Planning Area partnership* and other partners in the one-stop system to receive funding under the incentive program, rather than in partnership with the WorkFirst program and other partners in the one-stop system. Funding awards under the incentive program are to be made to Local Boards for *periods of up to 24 months*, rather than for 12-month periods. In making decisions concerning renewal of

incentive funding, it is specified that performance *over a period of up to 24 months* is to be considered with respect to the identified outcomes for the population served, *with particular weight given to those outcomes for recipients of the WorkFirst program*. The list of outcomes is expanded to include *credential completion rate*.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** (In support of original bill) There is variation across the state in the degree of integration of WorkFirst and WorkSource services. These resources are both dedicated to helping people find jobs, and making sure that they find good jobs. Having totally separate systems really doesn't make a lot of sense. This bill is intended to create an incentive system for the Workforce Development Boards and the WorkFirst offices to come together and integrate their services so that the clients seeking jobs in this state can benefit from a unified system and resources will be available across the system.

(With comments on original bill) It is a very mixed picture out there in terms of the relationships between these two programs that have very similar goals, helping people who are unemployed find work and access training so that they can get on with their lives. Some local areas have established extraordinarily tight and complementary working relationships and others are still struggling with how they can make their resources work together on behalf of their clients. We must all recognize that many, many, many of the job seekers of the two systems are the same customers, essentially low-income folks. All of the employer customers are the same. Temporary Assistance for Needy Families (TANF) is a permissive partner in the state's one-stop system, but integration has advanced in many areas of the state even though up to now it hasn't been required. Integration has some advantages in terms of efficiency and in removing the stigma attached to receiving TANF. There is particular interest in how these integrations would be evaluated.

(With concerns on original bill) Integration is a priority. However, the assumption that incentive funding would come from current TANF or state maintenance of effort dollars is a concern since there is no extra state funding in those areas at this time.

(With amendments to original bill) There should be integration, but there should be some indication that we will look at how many people on TANF the system is serving so that the providers don't focus on people who are most job-ready. Wording should be changed slightly to reflect parity with the Workforce Investment Boards and the WorkFirst Local Planning Areas in the application for incentive funding. There should be up to 24 months of consideration for performance so that if anyone is in training for up to 24 months it won't be a penalty in the incentive funding pool. Credential completion should be included along with

the rate of employment and wages. Trying to get people jobs really, really quickly to get incentive funds would diminish the fact of getting quality jobs through education and training.

(Neutral on original bill) The state has begun pushing toward integration when faced with sharp funding reductions in both employment services and WorkFirst. Nearly half of WorkFirst sites are fully integrated with WorkSource. There are issues to be addressed in pursuing integration in the remaining sites, such as transportation, facilities, and program requirements.

**Testimony Against:** None.

**Persons Testifying:** (In support of original bill) Representative Kagi, prime sponsor.

(With comments on original bill) Ellen O'Brien Saunders, WorkForce Training and Education Coordinating Board.

(With concerns on original bill) Deb Bingaman, Department of Social and Health Services.

(With amendments to original bill) Tony Lee, Fremont Public Association; and Jennifer Thornton, State Board for Community and Technical Colleges.

(Neutral on original bill) Steve Hodes, Employment Security Department.

**Persons Signed In To Testify But Not Testifying:** None.

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill by Committee on Children & Family Services be substituted therefor and the substitute bill do pass. Signed by 29 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Alexander, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Armstrong, Bailey, Buri, Clements, Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hinkle, Hunter, Kagi, Kenney, Kessler, Linville, McDermott, McIntire, Miloscia, Pearson, Priest, Schual-Berke, Talcott and Walsh.

**Staff:** Amy Skei (786-7140).

### **Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Children & Family Services:**

No new changes were recommended.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** None.

(Comments) This move to increase integration between WorkFirst and Worksource resources is a good thing. Federal law does not mandate inclusion of TANF participants in the one-stop/Worksource system. Integration is happening in some places in the state and should be encouraged.

**Testimony Against:** None.

**Persons Testifying:** (Comments) Wes Pruitt, Workforce Board.

**Persons Signed In To Testify But Not Testifying:** None.