
Higher Education Committee

HB 2608

Brief Description: Clarifying terms for workforce and economic development.

Sponsors: Representatives Hasegawa and Wallace.

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">• HB 2608 clarifies and makes consistent various terms related to "high demand" in statute.

Hearing Date: 1/14/2008

Staff: Andi Smith (786-7304).

Background:

In recent years, the term "high demand" has been interpreted in different ways to describe different workforce programs, academic programs and occupations. Some economic development terms related to "high demand," e.g. "sector" and "industry cluster" have also been used inconsistently, including in statute.

To address this issue, the Governor's office convened a workgroup in 2006 to develop common definitions. The work group included representatives from the Workforce Training and Education Coordinating Board (WTECB), the State Board for Community and Technical Colleges (SBCTC), the Department of Community, Trade, and Economic Development (DCTED); the Employment Security Department (ESD), the Department of Labor and Industries (L&I); the Higher Education Coordinating Board (HECB); and the Council of Presidents (COP).

In 2007, the workgroup participants agreed to a common set of terms related to "high demand." The definitions are as follows:

- **High Employer Demand Program of Study:** Undergraduate or graduate certificate program in which the number of students prepared for employment per year (from in-state institutions) is substantially less than the number of projected job openings per year in that field statewide or in a sub-state region.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

- **High Demand Occupation:** An occupation with a substantial number of current or projected employment opportunities.
- **High Demand Program of Study:** Undergraduate or graduate certificate or degree program in which student demand substantially exceeds program capacity.
- **Sector:** A group of industries with similar business processes, products, or services like construction or health services; formerly categorized by the Standard Industrial Classification (SIC) system, now categorized by the North American Industry Classification System (NAICS).
- **Industry Cluster:** A geographic concentration of interdependent competitive firms that do business with each other, including firms that sell inside and outside of the geographic region as well as support firms that supply new materials, components, and business services, and other institutions including government and education.
- **Targeted Industries or Clusters:** Industries and industry clusters that are identified based on a strategic economic development consideration or other public concerns.

The WTECB also worked with the workgroup to review statutes and found several instances where clarification between current statutory language and the new, commonly agreed upon definitions was needed. The purpose of this bill is to amend statute to reflect the common definitions without changing work force policy.

Summary of Bill:

The legislation will clarify and make consistent the use of workforce development terms related to high demand. Changes are made in several different areas of statute:

- replaces "high demand field" with "high demand occupation" in a statute for WorkFirst "work activity" (see RCW 74.08A.250);
- provides a statutory definition for "sector" in a statute under the DCTED and replaces "cluster" with "sector" where "sector" is the intended meaning (see RCW 43.330.090);
- amends a statutory definition for "industry cluster" to include other entities such as government and education, consistent with the common definitions. This statute is under the DCTED (see RCW 43.330.090);
- provides a statutory definition of "high employer demand program of study" in the statute pertaining to the Opportunity Grant program under the SBCTC; and
- replaces "high demand programs" with "high employer demand programs of study" in the state statute pertaining to the pilot program to improve services to customers of vocational rehabilitation under the L&I (see RCW 51.32.095).

Appropriation: None.

Fiscal Note: Not requested.

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