

HOUSE BILL REPORT

HB 2608

As Reported by House Committee On:
Higher Education

Title: An act relating to clarifying terms for workforce and economic development.

Brief Description: Clarifying terms for workforce and economic development.

Sponsors: Representatives Hasegawa, Wallace, Sells and Chase; by request of Workforce Training and Education Coordinating Board.

Brief History:

Committee Activity:

Higher Education: 1/16/08, 1/24/08 [DPA].

Brief Summary of Amended Bill

- Clarifies and makes consistent various terms related to "high demand" in statute.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass as amended. Signed by 10 members: Representatives Wallace, Chair; Sells, Vice Chair; Anderson, Ranking Minority Member; Hankins, Hasegawa, Jarrett, McIntire, Roberts, Schmick and Sommers.

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 workgroup included representatives from the Workforce Training and Education Coordinating Board (WTECB); the State Board for Community and Technical Colleges; the Department of Community, Trade and Economic Development; the

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Employment Security Department; the Department of Labor and Industries; the Higher Education Coordinating Board; and the Council of Presidents.

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:** An apprenticeship, an 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.
- **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 System, now categorized by the North American Industry Classification System.
- **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 workforce policy.

Summary of Amended Bill:

Various workforce development terms related to high demand are clarified and made consistent.

In the WorkFirst statute, "high demand occupation" replaces "high demand field." "High demand programs of study" replaces "high demand program" in the statute pertaining to the pilot program to improve services to customers of vocational rehabilitation under the Department of Labor and Industries.

Terms used in programs under the Department of Community, Trade and Economic Development are modified as follows: (1) a statutory definition for "cluster" is added and

"sector" replaces "cluster" when sector is the intended meaning; and (2) a statutory definition for "industry cluster" is amended to include other entities such as government and education.

In the Opportunity Grant Program statute, a definition for "high employer demand program of study" is added.

Amended Bill Compared to Original Bill:

The amendment adds apprenticeship programs to the definition of "high employer demand program of study."

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) There was a lot of confusion among stakeholders regarding the use of terms related to high demand. This bill clarifies definitions without making policy changes. The definition of "high demand program of study" should also include apprenticeship programs.

(Opposed) None.

Persons Testifying: Representative Hasegawa, prime sponsor; and Bryan Wilson, Workforce Training Education and Coordinating Board.

Persons Signed In To Testify But Not Testifying: None.