

HOUSE BILL REPORT

HB 2171

As Reported by House Committee On:
State Government & Tribal Affairs

Title: An act relating to agency planning processes, including requiring certain agencies to include in their planning processes approaches that address families with incomes between two hundred and five hundred percent of the poverty level.

Brief Description: Regarding agency planning processes.

Sponsors: Representatives Green, Probst, Sells, Jenkins, Stanford, Ryu, Ladenburg, Hasegawa, Tharinger, Maxwell, McCoy, Goodman, Appleton, Kenney, Miloscia, Roberts, Kirby, Wylie and Ormsby.

Brief History:

Committee Activity:

State Government & Tribal Affairs: 1/11/12, 1/26/12 [DP].

Brief Summary of Bill

- Requires six state agencies to adopt the goal of increasing the percentage of households in the middle-income bracket, and to develop and submit strategies for reaching this goal to the Workforce Training and Education Coordinating Board (WTECB) and the Office of Financial Management.
- Requires the WTECB to review and rate agency submissions, and report the ratings to the Legislature.
- Requires each Workforce Development Council to submit an area strategic plan with strategies to increase the percentage of households living in the middle-income bracket to the WTECB.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL AFFAIRS

Majority Report: Do pass. Signed by 7 members: Representatives Hunt, Chair; Appleton, Vice Chair; Darneille, Dunshee, Hurst, McCoy and Miloscia.

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.

Minority Report: Do not pass. Signed by 4 members: Representatives Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander and Condotta.

Staff: Jennifer Thornton (786-7147).

Background:

The Department of Commerce (COM) was created in 2009 as a successor agency to the Department of Community, Trade and Economic Development. Its adopted mission is to grow and improve jobs in Washington.

The Department of Revenue (DOR) is Washington's principal tax collection agency and oversees approximately 60 different taxes.

The Department of Social and Health Services (DSHS) integrates and coordinates activities that provide care for individuals who require financial assistance, institutional care, rehabilitation, or other social services.

The Employment Security Department (ESD) administers unemployment compensation and employment services, and develops, administers, and disseminates state labor market information.

The Office of Superintendent of Public Instruction (OSPI) is the primary agency charged with overseeing the state's K-12 education system.

The Office of the State Human Resources Director was created within the Office of Financial Management (OFM) in 2011 to manage the human resource policy functions previously administered by the Department of Personnel.

The State Board for Community and Technical Colleges (SBCTC) provides leadership and coordination for the state's system of 34 community and technical colleges. These institutions offer academic transfer courses, professional-technical education and training, and adult basic skills and literacy education.

The Washington State Apprenticeship and Training Council, appointed by the Director of the Department of Labor and Industries, approves apprenticeship programs and establishes apprenticeship program standards.

Workforce Development Councils (WDCs) are 12 regional organizations that provide workforce development planning and coordination between education, training, and employment efforts in their areas. They were formed under the federal Workforce Investment Act of 1998, Public Law 105-220.

The Workforce Training and Education Coordinating Board (WTECB) is responsible for planning, coordination, evaluation, policy analysis, and recommending improvements to the state's training system. The WTECB is required to develop a 10-year state comprehensive plan for workforce training and education.

Federal Poverty Guidelines are issued each year by the United States Department of Health and Human Services and used for administrative purposes, such as determining financial eligibility for certain federal programs. The guidelines are based on family size.

The 2010 Poverty Guidelines for the 48 Contiguous States and the District of Columbia	
Persons in Family:	Poverty Guideline:
1	\$10,830
2	\$14,570
3	\$18,310
4	\$22,050
5	\$25,790
6	\$29,530
7	\$33,270
8	\$37,010
For families with more than eight persons, add \$3,740 for each additional person.	

Summary of Bill:

The Legislature finds that in 1979, 51 percent of people were living in middle-income families compared with 42 percent in 2007, and that the current economic situation has likely worsened the decline. The Legislature intends to: (1) require state agencies to coordinate their work towards achieving measurable results that move individuals from dependence into livable wage jobs; and (2) begin an increase in the percentage of Washington households living in the middle-income bracket or above.

The SBCTC, the OSPI, the COM, the ESD, the DSHS, and the Washington State Apprenticeship and Training Council are each required to adopt the goal of increasing the percentage of Washington households living in the middle-income bracket. Each agency must include in its existing planning documents specific strategies related to its mission and programs to reach this goal. The DOR and the Office of the State Human Resources Director must, as resources allow, provide appropriate assistance to the six agencies developing goals and strategies.

Each agency must submit its specific strategies to the WTECB and the OFM as their planning documents are updated. The WDCs are each required to submit 10-year area strategic plans for workforce training and education that include specific strategies to increase the percentage of households living in the middle-income bracket or above to the WTECB, and every four years, beginning on March 31, 2013, the WDCs must submit plan updates. The WTECB must incorporate information from the area plans into the state comprehensive plan.

The WTECB is required to review agency submissions, rate the strategies according to criteria it adopts, and report the ratings to the Legislature annually. The ratings must be developed at the same time as progress reports on the state comprehensive plan for workforce training and education.

"Middle-income bracket" is defined as family incomes between 200 and 500 percent of the 2010 federal poverty level, as determined by the United States Department of Health and Human Services for a family of four, adjusted annually for inflation. This definition does not preclude agencies and programs from using other measures for programmatic purposes.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) If you fail to make goals, you are doomed to fulfill the goals of others. In 1979 51 percent of people in the state were living in the middle-income bracket. In 2007 42 percent were living in the middle-income bracket. Many of the families that have moved into poverty have children. As we look to our future, we have to wonder if children will have the opportunity to be successful. It is not asking too much for agencies to coordinate and work together and have the goal of moving more people into the middle-income bracket.

This bill draws out the need for internships and pre-apprenticeship programs for high school students to get them into high demand occupations. We think it will provide more relevant education that will engage students more in their learning and help with the dropout rate. Although it requires similar things of agencies, it does not call for coordination except to report to the WTECB. It asks for changes when updating agency planning documents and requires the WTECB to annually report to the Legislature. We are not sure how to coordinate having agencies get the information in at the right time. There would be concern if the rating from the WTECB would influence or change the OSPIs strategic planning efforts.

(Opposed) None.

Persons Testifying: Representative Green, prime sponsor; and Kathleen Lopp, Office of the Superintendent of Public Instruction.

Persons Signed In To Testify But Not Testifying: None.