
SUBSTITUTE HOUSE BILL 1601

State of Washington

62nd Legislature

2011 Regular Session

By House Community Development & Housing (originally sponsored by Representatives Probst, Kenney, Green, Moscoso, Hasegawa, Moeller, Reykdal, Appleton, Jacks, Cody, Ormsby, Sells, Lias, Ryu, Stanford, McCoy, Upthegrove, Sullivan, Ladenburg, Kagi, Rolfes, Springer, Van De Wege, Santos, Takko, Haigh, Orwall, Tharinger, and Billig)

READ FIRST TIME 02/15/11.

1 AN ACT Relating to expanding the percentage of households living in
2 the middle-income bracket; amending RCW 28C.18.060; reenacting and
3 amending RCW 28C.18.080; adding a new section to chapter 28C.18 RCW;
4 adding a new section to chapter 28B.50 RCW; adding a new section to
5 chapter 28A.300 RCW; adding a new section to chapter 43.330 RCW; adding
6 a new section to chapter 50.12 RCW; adding a new section to chapter
7 43.20A RCW; adding a new section to chapter 82.01 RCW; adding a new
8 section to chapter 49.04 RCW; adding a new section to chapter 41.06
9 RCW; adding a new section to chapter 43.41 RCW; and creating new
10 sections.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

12 NEW SECTION. **Sec. 1.** The legislature finds that the proportion of
13 people living in middle-income families has declined from fifty-one
14 percent in 1979 to forty-two percent in 2007, and the current economic
15 crisis has likely exacerbated this decline. The legislature further
16 finds that when economic recovery occurs, it must result in more of
17 Washington's families living in the middle-income bracket or higher
18 over the long term. Not only does expanding the proportion of people
19 living in middle-income families strengthen society, it will reduce

1 state expenditures by reducing caseloads in medical, social services,
2 and corrections programs, and increase state revenue by increasing
3 individual incomes.

4 The legislature also finds that with this financial crisis comes
5 the opportunity to move government away from paying state agencies for
6 process, and toward paying for actual accomplishment of measurable
7 results. The legislature therefore intends to seize this opportunity
8 and move more people out of dependence and into independent, livable
9 wage jobs, by mandating that agencies work together in a coordinated
10 and result-driven manner to improve services to Washingtonians.
11 Accomplishing this will require teamwork across multiple state
12 agencies, including the department of social and health services, the
13 department of commerce, the office of the superintendent of public
14 instruction, the state board for community and technical colleges, the
15 employment security department, the department of revenue, the
16 Washington state apprenticeship and training council, and the
17 department of personnel. By acting strategically at this decisive
18 moment in the state's economic history, the legislature intends to
19 reverse the trend of the last thirty years and begin a gradual and
20 sustained increase in the percentage of Washington households living in
21 the middle-income bracket or above.

22 NEW SECTION. **Sec. 2.** A new section is added to chapter 28C.18 RCW
23 to read as follows:

24 In addition to the definitions in RCW 28C.18.010, unless the
25 context clearly requires otherwise, "middle-income bracket" means
26 family incomes between two hundred and five hundred percent of the 2010
27 federal poverty level, as determined by the United States department of
28 health and human services for a family of four, adjusted annually for
29 inflation. This is intended to create a clear and simple definition of
30 the middle-income bracket that is highly transparent to the public and
31 can be represented by a single dollar value. This definition does not
32 preclude agencies and programs from using other measures for
33 programmatic purposes, such as self-sufficiency measures or federal
34 poverty level adjusted for household size.

35 **Sec. 3.** RCW 28C.18.080 and 2009 c 421 s 6, 2009 c 151 s 7, and
36 2009 c 92 s 1 are each reenacted and amended to read as follows:

1 (1)(a) The board shall develop a state comprehensive plan for
2 workforce training and education for a ten-year time period that
3 incorporates information from the area strategic plans. The board
4 shall submit the ten-year state comprehensive plan to the governor and
5 the appropriate legislative policy committees. Every four years by
6 December 1st, beginning December 1, 2012, the board shall submit an
7 update of the ten-year state comprehensive plan for workforce training
8 and education to the governor and the appropriate legislative policy
9 committees.

10 (b) Following public hearings, the legislature shall, by concurrent
11 resolution, approve or recommend changes to the initial plan and the
12 updates. The plan shall then become the state's workforce training
13 policy unless legislation is enacted to alter the policies set forth in
14 the plan.

15 (2)(a) Strategic plans of the workforce development councils shall
16 be for a ten-year time period. The area plans shall inform the
17 development of the state comprehensive plan.

18 (b) The area workforce development councils shall submit their
19 respective ten-year area strategic plans to the board. Every four
20 years by March 31st, beginning March 31, 2013, the area workforce
21 development councils shall submit an update of their respective ten-
22 year area strategic plans for workforce training and education to the
23 board.

24 (3) The comprehensive plan shall include workforce training role
25 and mission statements for the workforce development programs of
26 operating agencies represented on the board and sufficient specificity
27 regarding expected actions by the operating agencies to allow them to
28 carry out actions consistent with the comprehensive plan. The
29 comprehensive plan developed by the board and the area strategic plans
30 developed by the area workforce development councils shall delineate
31 specific strategies to reach the goal of increasing the percentage of
32 Washington households living in the middle-income bracket or higher.

33 (~~(+3)~~) (4) Operating agencies represented on the board shall have
34 operating plans for their workforce development efforts that are
35 consistent with the comprehensive plan and that provide detail on
36 implementation steps they will take to carry out their responsibilities
37 under the plan. Each operating agency represented on the board shall
38 provide an annual progress report to the board.

1 ~~((+4))~~ (5) The comprehensive plan shall include recommendations to
2 the legislature and the governor on the modification, consolidation,
3 initiation, or elimination of workforce training and education programs
4 in the state.

5 ~~((+5))~~ (6) The comprehensive plan shall identify the strategic
6 industry clusters targeted by the workforce development system. In
7 identifying the strategic clusters, the board shall consult with the
8 economic development commission to identify clusters that meet the
9 criteria identified by the working group convened by the economic
10 development commission and the workforce training and education
11 coordinating board under RCW 43.330.280.

12 ~~((+6))~~ (7) The board shall report to the appropriate legislative
13 policy committees by December 1st of each odd-numbered year and by
14 November 1st of each even-numbered year on its progress in implementing
15 the comprehensive plan and on the progress of the operating agencies in
16 meeting their obligations under the plan.

17 NEW SECTION. **Sec. 4.** A new section is added to chapter 28B.50 RCW
18 to read as follows:

19 (1) The college board shall adopt as one of its goals to increase
20 the percentage of Washington households living in the middle-income
21 bracket, as defined in section 2 of this act, or higher. The college
22 board shall delineate specific strategies to reach the goal in existing
23 agency planning documents as they are updated, including strategic and
24 operational plans. The plans should include but not be limited to
25 recruiting and retaining more people into skills training leading to
26 middle-income occupations and increasing education and training
27 capacity for skills training that leads to middle-income careers.

28 (2) The college board shall submit to the board and the office of
29 financial management its specific agency strategies to increase the
30 percentage of people living in the middle-income bracket or higher.

31 NEW SECTION. **Sec. 5.** A new section is added to chapter 28A.300
32 RCW to read as follows:

33 (1) The superintendent of public instruction shall adopt as one of
34 its goals to increase the percentage of Washington households living in
35 the middle-income bracket, as defined in section 2 of this act, or
36 higher. The superintendent shall delineate specific strategies to

1 reach the goal in existing agency planning documents as they are
2 updated, including strategic and operational plans. The plans should
3 include but not be limited to reducing high school dropout rates,
4 increasing education and training capacity for skills training that
5 leads to middle-income careers, and providing internships and
6 preapprenticeship experiences to high school students to allow them to
7 experience high-demand occupations. In existing communications, and
8 using existing information from the workforce training and education
9 coordinating board, workforce development centers, the employment
10 security department, or other entities, the superintendent shall inform
11 students and parents of local careers that do not require a four-year
12 degree and that lead to incomes in the middle-income bracket or higher.

13 (2) As agency planning documents are updated, the superintendent of
14 public instruction shall submit to the workforce training and education
15 coordinating board and the office of financial management its specific
16 agency strategies to increase the percentage of people living in the
17 middle-income bracket or higher.

18 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.330 RCW
19 to read as follows:

20 (1) The department shall adopt as one of its goals to increase the
21 percentage of Washington households living in the middle-income
22 bracket, as defined in section 2 of this act, or higher. The
23 department shall delineate specific strategies to reach the goal in
24 existing agency planning documents as they are updated, including
25 strategic and operational plans. The plans should include but not be
26 limited to recruiting and retaining more people into skills training
27 leading to middle-income occupations and focusing economic development
28 strategies on growing and attracting jobs that allow Washington
29 households to live in the middle-income bracket or higher.

30 (2) As agency planning documents are updated, the department shall
31 submit to the workforce training and education coordinating board and
32 the office of financial management its specific agency strategies to
33 increase the percentage of people living in the middle-income bracket
34 or higher.

35 NEW SECTION. **Sec. 7.** A new section is added to chapter 50.12 RCW
36 to read as follows:

1 (1) The commissioner shall adopt as one of the department's goals
2 to increase the percentage of Washington households living in the
3 middle-income bracket, as defined in section 2 of this act, or higher.
4 The commissioner shall delineate specific strategies to reach the goal
5 in existing agency planning documents as they are updated, including
6 strategic and operational plans. The plans should include but not be
7 limited to recruiting and retaining more people into skills training
8 leading to middle-income occupations, and providing income support to
9 individuals while they are in such training.

10 (2) As agency planning documents are updated, the commissioner
11 shall submit to the workforce training and education coordinating board
12 and the office of financial management the department's specific
13 strategies to increase the percentage of people living in the middle-
14 income bracket or higher.

15 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.20A RCW
16 to read as follows:

17 (1) The secretary shall adopt as one of the department's goals to
18 increase the percentage of Washington households living in the middle-
19 income bracket, as defined in section 2 of this act, or higher. The
20 secretary shall delineate specific strategies to reach the goal in
21 existing agency planning documents as they are updated, including
22 strategic and operational plans. The plans should include but not be
23 limited to focusing on temporary assistance for needy families,
24 WorkFirst, state general assistance, basic food training and
25 employment, vocational rehabilitation, and other appropriate social
26 service programs and employment in careers that lead to middle-income
27 earnings or higher, and to the extent practicable, reductions in teen
28 pregnancy, and drug and alcohol abuse prevention.

29 (2) As agency planning documents are updated, the secretary shall
30 submit to the workforce training and education coordinating board and
31 the office of financial management the department's specific strategies
32 for WorkFirst, state general assistance, vocational rehabilitation, the
33 temporary assistance for needy families program, the basic food
34 employment and training program, and other appropriate social service
35 programs as they relate to increasing the percentage of people living
36 in the middle-income bracket or higher.

1 NEW SECTION. **Sec. 9.** A new section is added to chapter 82.01 RCW
2 to read as follows:

3 (1) The department must, as resources allow, provide appropriate
4 assistance to the department of social and health services, the
5 department of commerce, the office of the superintendent of public
6 instruction, the state board for community and technical colleges, the
7 employment security department, and the Washington state apprenticeship
8 and training council with developing goals and strategies to increase
9 the percentage of Washington households living in the middle-income
10 bracket or higher. The department's assistance may include: (a)
11 Supplying data obtained by the department in its normal course of
12 business for use by other agencies in developing their goals and
13 strategies to increase the percentage of Washington households living
14 in the middle-income bracket or higher; (b) evaluating whether existing
15 state tax preferences for which an annual report or survey is filed
16 with the department under RCW 82.32.534 or 82.32.585 appear to
17 contribute to the goal of increasing the percentage of Washington
18 households living in the middle-income bracket or higher; and (c)
19 providing consultation as needed in the department's areas of
20 expertise.

21 (2) Nothing in this section may be construed as requiring the
22 department to disclose return or tax information that is protected from
23 disclosure under RCW 82.32.330.

24 NEW SECTION. **Sec. 10.** A new section is added to chapter 49.04 RCW
25 to read as follows:

26 (1) The director of labor and industries, in consultation with the
27 Washington state apprenticeship and training council, shall adopt as
28 one of the council's goals to increase the percentage of Washington
29 households living in the middle-income bracket, as defined in section
30 2 of this act, or higher. The director shall delineate specific
31 strategies to reach the goal in existing apprenticeship planning
32 documents as they are updated, including strategic and operational
33 plans. The plans should include but not be limited to recruiting and
34 retaining more people into apprenticeship programs leading to middle-
35 income occupations.

36 (2) As apprenticeship planning documents are updated, the director
37 shall submit to the workforce training and education coordinating board

1 and the office of financial management the council's specific
2 strategies to increase the percentage of people living in the middle-
3 income bracket or higher.

4 NEW SECTION. **Sec. 11.** A new section is added to chapter 41.06 RCW
5 to read as follows:

6 (1) The department of personnel must, as resources allow, provide
7 appropriate assistance to the department of social and health services,
8 the department of commerce, the office of the superintendent of public
9 instruction, the state board for community and technical colleges, the
10 employment security department, and the Washington state apprenticeship
11 and training council with developing goals and strategies to increase
12 the percentage of Washington households living in the middle-income
13 bracket or higher. The department's assistance may include: (a)
14 Supplying data on how the state's employees are progressing towards the
15 middle-income bracket or higher; and (b) providing recommendations, if
16 desired, on ways to incorporate systematic career ladders into the
17 state employee system.

18 (2) Nothing in this section may be construed to impact collective
19 bargaining agreements or negotiations.

20 **Sec. 12.** RCW 28C.18.060 and 2009 c 151 s 6 are each amended to
21 read as follows:

22 The board, in cooperation with the operating agencies of the state
23 training system and private career schools and colleges, shall:

24 (1) Concentrate its major efforts on planning, coordination
25 evaluation, policy analysis, and recommending improvements to the
26 state's training system;

27 (2) Advocate for the state training system and for meeting the
28 needs of employers and the workforce for workforce education and
29 training;

30 (3) Establish and maintain an inventory of the programs of the
31 state training system, and related state programs, and perform a
32 biennial assessment of the vocational education, training, and adult
33 basic education and literacy needs of the state; identify ongoing and
34 strategic education needs; and assess the extent to which employment,
35 training, vocational and basic education, rehabilitation services, and

1 public assistance services represent a consistent, integrated approach
2 to meet such needs;

3 (4) Develop and maintain a state comprehensive plan for workforce
4 training and education, including but not limited to, goals,
5 objectives, and priorities for the state training system, and review
6 the state training system for consistency with the state comprehensive
7 plan. In developing the state comprehensive plan for workforce
8 training and education, the board shall use, but shall not be limited
9 to: Economic, labor market, and populations trends reports in office
10 of financial management forecasts; joint office of financial management
11 and employment security department labor force, industry employment,
12 and occupational forecasts; the results of scientifically based
13 outcome, net-impact and cost-benefit evaluations; the needs of
14 employers as evidenced in formal employer surveys and other employer
15 input; and the needs of program participants and workers as evidenced
16 in formal surveys and other input from program participants and the
17 labor community;

18 (5) In consultation with the higher education coordinating board,
19 review and make recommendations to the office of financial management
20 and the legislature on operating and capital facilities budget requests
21 for operating agencies of the state training system for purposes of
22 consistency with the state comprehensive plan for workforce training
23 and education;

24 (6) Provide for coordination among the different operating agencies
25 and components of the state training system at the state level and at
26 the regional level;

27 (7) Develop a consistent and reliable database on vocational
28 education enrollments, costs, program activities, and job placements
29 from publicly funded vocational education programs in this state;

30 (8)(a) Establish standards for data collection and maintenance for
31 the operating agencies of the state training system in a format that is
32 accessible to use by the board. The board shall require a minimum of
33 common core data to be collected by each operating agency of the state
34 training system;

35 (b) Develop requirements for minimum common core data in
36 consultation with the office of financial management and the operating
37 agencies of the training system;

1 (9) Establish minimum standards for program evaluation for the
2 operating agencies of the state training system, including, but not
3 limited to, the use of common survey instruments and procedures for
4 measuring perceptions of program participants and employers of program
5 participants, and monitor such program evaluation;

6 (10) Every two years administer scientifically based outcome
7 evaluations of the state training system, including, but not limited
8 to, surveys of program participants, surveys of employers of program
9 participants, and matches with employment security department payroll
10 and wage files. Every five years administer scientifically based net-
11 impact and cost-benefit evaluations of the state training system;

12 (11) In cooperation with the employment security department,
13 provide for the improvement and maintenance of quality and utility in
14 occupational information and forecasts for use in training system
15 planning and evaluation. Improvements shall include, but not be
16 limited to, development of state-based occupational change factors
17 involving input by employers and employees, and delineation of skill
18 and training requirements by education level associated with current
19 and forecasted occupations;

20 (12) Provide for the development of common course description
21 formats, common reporting requirements, and common definitions for
22 operating agencies of the training system;

23 (13) Provide for effectiveness and efficiency reviews of the state
24 training system;

25 (14) In cooperation with the higher education coordinating board,
26 facilitate transfer of credit policies and agreements between
27 institutions of the state training system, and encourage articulation
28 agreements for programs encompassing two years of secondary workforce
29 education and two years of postsecondary workforce education;

30 (15) In cooperation with the higher education coordinating board,
31 facilitate transfer of credit policies and agreements between private
32 training institutions and institutions of the state training system;

33 (16) Develop policy objectives for the workforce investment act,
34 P.L. 105-220, or its successor; develop coordination criteria for
35 activities under the act with related programs and services provided by
36 state and local education and training agencies; and ensure that
37 entrepreneurial training opportunities are available through programs
38 of each local workforce investment board in the state;

1 (17) Make recommendations to the commission of student assessment,
2 the state board of education, and the superintendent of public
3 instruction, concerning basic skill competencies and essential core
4 competencies for K-12 education. Basic skills for this purpose shall
5 be reading, writing, computation, speaking, and critical thinking,
6 essential core competencies for this purpose shall be English, math,
7 science/technology, history, geography, and critical thinking. The
8 board shall monitor the development of and provide advice concerning
9 secondary curriculum which integrates vocational and academic
10 education;

11 (18) Establish and administer programs for marketing and outreach
12 to businesses and potential program participants;

13 (19) Facilitate the location of support services, including but not
14 limited to, child care, financial aid, career counseling, and job
15 placement services, for students and trainees at institutions in the
16 state training system, and advocate for support services for trainees
17 and students in the state training system;

18 (20) Facilitate private sector assistance for the state training
19 system, including but not limited to: Financial assistance, rotation
20 of private and public personnel, and vocational counseling;

21 (21) Facilitate the development of programs for school-to-work
22 transition that combine classroom education and on-the-job training,
23 including entrepreneurial education and training, in industries and
24 occupations without a significant number of apprenticeship programs;

25 (22) Include in the planning requirements for local workforce
26 investment boards a requirement that the local workforce investment
27 boards specify how entrepreneurial training is to be offered through
28 the one-stop system required under the workforce investment act, P.L.
29 105-220, or its successor;

30 (23) Encourage and assess progress for the equitable representation
31 of racial and ethnic minorities, women, and people with disabilities
32 among the students, teachers, and administrators of the state training
33 system. Equitable, for this purpose, shall mean substantially
34 proportional to their percentage of the state population in the
35 geographic area served. This function of the board shall in no way
36 lessen more stringent state or federal requirements for representation
37 of racial and ethnic minorities, women, and people with disabilities;

1 (24) Participate in the planning and policy development of governor
2 set-aside grants under P.L. 97-300, as amended;

3 (25) Administer veterans' programs, licensure of private vocational
4 schools, the job skills program, and the Washington award for
5 vocational excellence;

6 (26) Allocate funding from the state job training trust fund;

7 (27) Work with the director of (~~community, trade, and economic~~
8 ~~development~~) commerce and the economic development commission to
9 ensure coordination among workforce training priorities, the long-term
10 economic development strategy of the economic development commission,
11 and economic development and entrepreneurial development efforts,
12 including but not limited to assistance to industry clusters;

13 (28) Conduct research into workforce development programs designed
14 to reduce the high unemployment rate among young people between
15 approximately eighteen and twenty-four years of age. In consultation
16 with the operating agencies, the board shall advise the governor and
17 legislature on policies and programs to alleviate the high unemployment
18 rate among young people. The research shall include disaggregated
19 demographic information and, to the extent possible, income data for
20 adult youth. The research shall also include a comparison of the
21 effectiveness of programs examined as a part of the research conducted
22 in this subsection in relation to the public investment made in these
23 programs in reducing unemployment of young adults. The board shall
24 report to the appropriate committees of the legislature by November 15,
25 2008, and every two years thereafter. Where possible, the data
26 reported to the legislative committees should be reported in numbers
27 and in percentages;

28 (29) Review agency submissions, pursuant to sections 4 through 8
29 and 10 of this act, and rate the proposed strategies based on criteria
30 adopted by the board. The ratings shall be developed annually,
31 concurrent with annual progress reports on the state comprehensive plan
32 for workforce training and education. A report containing the ratings
33 is due annually to the legislature by November 1st in even-numbered
34 years and December 1st in odd-numbered years, beginning December 1,
35 2011;

36 (30) Adopt rules as necessary to implement this chapter.

37 The board may delegate to the director any of the functions of this
38 section.

1 NEW SECTION. **Sec. 13.** A new section is added to chapter 43.41 RCW
2 to read as follows:

3 (1) The office, in partnership with the workforce training and
4 education coordinating board, shall:

5 (a) Annually estimate the percentage of Washington residents with
6 incomes in the middle-income bracket, as defined in section 2 of this
7 act, or higher;

8 (b) Beginning December 1, 2012, and annually thereafter, report the
9 findings developed in this section to the governor and the appropriate
10 committees of the legislature.

11 (2) The office may review state contracting procedures for
12 compliance with the goal of increasing the percentage of Washington
13 households living in the middle-income bracket or higher.

14 NEW SECTION. **Sec. 14.** This act may be known and cited as the
15 middle class jobs act of 2011.

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