As Passed by the House

130th General Assembly
Regular Session **Sub. H. B. No. 1**
2013-2014

Representatives Derickson, Romanchuk

Cosponsors: Representatives Schuring, Grossman, Hall, Hottinger, Amstutz, Anielski, Baker, Beck, Blessing, Brown, Buchy, Burkley, Butler, Dovilla, Duffey, Green, Hackett, Hagan, C., Hayes, Henne, Hill, Huffman, Kunze, Letson, Maag, McClain, McGregor, Milkovich, O'Brien, Pelanda, Perales, Pillich, Retherford, Rosenberger, Ruhl, Sears, Smith, Sprague, Stautberg, Stebelton, Sykes, Thompson, Wachtmann, Young Speaker Batchelder

A B I L L

To amend sections 6301.01, 6301.02, 6301.03, 6301.04, 6301.06, 6301.07, 6301.08, 6301.09, 6301.10, and 6301.12 of the Revised Code to require a local workforce investment area to use OhioMeansJobs as the local workforce investment area's job placement system, to rename county one-stop systems, and to make other changes to Ohio's Workforce Development Law.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 6301.01, 6301.02, 6301.03, 6301.04, 6301.06, 6301.07, 6301.08, 6301.09, 6301.10, and 6301.12 of the Revised Code be amended to read as follows:

Sec. 6301.01. As used in this chapter:

(A) "Local area" means any of the following:

(1) A municipal corporation that is authorized to administer and enforce the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, under this chapter and is not joining in partnership with any other political subdivisions in order to do so;

(2) A single county;

(3) A consortium of any of the following political subdivisions:

(a) A group of two or more counties in the state;

(b) One or more counties and one municipal corporation in the state;

(c) One or more counties with or without one municipal corporation in the state and one or more counties with or without one municipal corporation in another state, on the condition that those in another state share a labor market area with those in the state.

"Local area" does not mean a region for purposes of determinations concerning administrative incentives.

(B) "Municipal corporation" means a municipal corporation that is eligible for automatic or temporary designation as a local workforce investment area pursuant to section 116(a)(2) or (3) of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2831(a)(2) or (3), but that does not request that the governor grant such automatic or temporary designation, and that instead elects to administer and enforce workforce development activities pursuant to this chapter.

(C) "County" means a county that is eligible to be designated as a local workforce investment area pursuant to the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, but that does not request such designation, and instead

elects to administer and enforce workforce development activities pursuant to this chapter.

(D) "Workforce development agency" means the entity given responsibility for workforce development activities that is designated by the board of county commissioners in accordance with section 330.04 of the Revised Code, the chief elected official of a municipal corporation in accordance with section 763.05 of the Revised Code, or the chief elected officials of a local area defined in division (A)(3) of this section.

(E) "Workforce development activity" means a program, grant, or other function, the primary goal of which is to do one or more of the following:

(1) Help individuals maximize their employment opportunities;

(2) Help employers gain access to skilled workers;

(3) Help employers retain skilled workers;

(4) Help develop or enhance the skills of incumbent workers;

(5) Improve the quality of the state's workforce;

(6) Enhance the productivity and competitiveness of the state's economy.

(F) "Chief elected officials," when used in reference to a local area, means the board of county commissioners of the county or of each county in the local area or, if the county has adopted a charter under Section 3 of Article X, Ohio Constitution, the chief governing body of that county, and the chief elected official of the municipal corporation, if the local area includes a municipal corporation, except that when the local area is the type defined in division (A)(1) of this section, "chief elected officials" means the chief elected official of the municipal corporation.

(G) "State board" means the ~~state~~ <u>governor's executive</u>

workforce ~~policy~~ board established by section 6301.04 of the Revised Code.

(H) "Local board" means a local workforce ~~policy~~ investment board ~~created pursuant to section 6301.06 of the Revised Code~~ established in each local area of the state and certified by the governor to set policy for the portion of the statewide workforce investment system within the local area and implement the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C. 2801.

(I) "OhioMeansJobs" means the electronic job placement system operated by the state.

Sec. 6301.02. The director of job and family services shall administer the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, the "Wagner-Peyser Act," 48 Stat. 113 (1933), 29 U.S.C.A. 49, as amended, and the funds received pursuant to those acts. In administering those acts and funds received pursuant to those acts, the director shall assist the state ~~workforce policy~~ board in establishing and administering a workforce development system that is designed to provide leadership, support, and oversight to locally designed workforce development systems. The director shall conduct investigations and hold hearings as necessary for the administration of this chapter.

To the extent permitted by state and federal law, the director may adopt rules pursuant to Chapter 119. of the Revised Code to establish any program or pilot program for the purposes of providing workforce development activities or family services to individuals who do not meet eligibility criteria for those activities or services under applicable federal law. Prior to the initiation of any program of that nature, the director of budget and management shall certify to the governor that sufficient funds are available to administer a program of that nature. The state board shall have final approval of any such program.

Unless otherwise prohibited by state or federal law, every state agency, board, or commission shall provide to the state board and the director all information and assistance requested by the state board and the director in furtherance of workforce development activities.

Sec. 6301.03. (A) In administering the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, the "Wagner-Peyser Act," 48 Stat. 113 (1933), 29 U.S.C.A. 49, as amended, the funds received pursuant to those acts, and the workforce development system, the director of job and family services may, at the direction of the state board, make allocations and payment of funds for the local administration of the workforce development activities established under this chapter.

(B) The director shall allocate to local areas all funds required to be allocated to local areas pursuant to the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended. The director shall make allocations only with funds available. Local areas, as defined by either section 101 of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, or section 6301.01 of the Revised Code, and subrecipients of a local area shall establish a workforce development fund and the entity receiving funds shall deposit all funds received under this section into the workforce development fund. All expenditures for activities funded under this section shall be made from the workforce development fund, including reimbursements to a county public assistance fund for expenditures made for activities funded under this section.

(C) The use of funds, reporting requirements, and other administrative and operational requirements governing the use of funds received by the director pursuant to this section shall be

governed by internal management rules adopted by and approved by the state board pursuant to section 111.15 of the Revised Code.

(1) A local area described in division (B) of this section shall use OhioMeansJobs as the job placement system for the area.

(2) No additional workforce funds shall be used to build or maintain any job placement system that is duplicative to OhioMeansJobs.

(D) To the extent permitted by state or federal law, the ~~state board,~~ director, local areas, counties, and municipal corporations authorized to administer workforce development activities may assess a fee for specialized services requested by an employer. The director shall adopt rules pursuant to Chapter 119. of the Revised Code governing the nature and amount of those types of fees.

Sec. 6301.04. The governor shall establish a state ~~workforce policy~~ board and appoint members to the board, who serve at the governor's pleasure, to perform duties under the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, as authorized by the governor. The board is not subject to sections 101.82 to 101.87 of the Revised Code. All state agencies engaged in workforce development activities shall assist the board in the performance of its duties.

~~(A)(1) The governor shall designate nine members of the board to be voting members. All other members shall be ex officio, nonvoting members.~~

~~(2) The governor shall choose the voting members in a way that a majority of the voting board members represent business interests.~~

~~(B)~~ The board shall have the power and authority to do all of the following:

~~(1)~~(A) Provide oversight and policy direction to ensure that the state workforce development activities are aligned and serving the needs of the state's employers, incumbent workers, and job seekers;

~~(2)~~(B) Adopt rules necessary to administer state workforce development activities;

~~(3)~~(C) Adopt rules necessary for the auditing and monitoring of subrecipients of the workforce development system grant funds;

~~(4)~~(D) Designate local workforce investment areas in accordance with 29 U.S.C. 2831;

~~(5)~~(E) Develop a unified budget for all state and federal workforce funds;

~~(6)~~(F) Establish a statewide employment and data collection system;

~~(7)~~(G) Develop statewide performance measures for workforce development and investment;

~~(8)~~(H) Develop a state workforce development plan;

~~(9)~~(I) Prepare the annual report to the United States secretary of labor, pursuant to section 136(d) of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C. 2871, as amended;

~~(10)~~(J) Carry out any additional functions, duties, or responsibilities assigned to the board by the governor.

Sec. 6301.06. (A) The chief elected officials of a local area shall create a ~~workforce policy~~ local board, which shall consist of the following individuals:

(1) The chief elected official from the municipal corporation with the largest population in the local area, except that if the municipal corporation is a local area as defined in division

(A)(1) of section 6301.01 of the Revised Code, the chief elected official of that municipal corporation may determine whether to be a member of the board. Notwithstanding division (B) of section 6301.01 of the Revised Code, as used in division (A)(1) of this section, "municipal corporation" means any municipal corporation.

(2) The following individuals appointed to the board by the chief elected officials of the local area, who shall make those appointments according to all of the following specifications:

(a) At least five members of the board shall be representatives of private sector businesses in the general labor market area that includes that local area, and shall be appointed from among individuals nominated by local business organizations and business trade associations. Among these members, at least one shall represent small businesses, at least one shall represent medium-sized businesses, and at least one shall represent large businesses. When determining what constitutes small, medium-sized, and large businesses for purposes of this division, the chief elected officials of the local area shall define those sizes as those sizes are generally understood within the labor market area that includes that local area. A majority of the members of the board shall be representatives of private sector businesses.

(b) At least two members of the board shall represent organized labor and shall be appointed from nominations submitted by local federations of labor representing workers employed in the local area.

(c) At least two members of the board shall be representatives of local educational entities. For purposes of this division, "local educational entities" includes local educational agencies, school district boards of education, entities providing educational and literacy activities, and post-secondary educational institutions.

(d) At least one member of the board shall be a representative of consumers of workforce development activities.

(e) Any other individuals the chief elected officials of the local area determine are necessary.

(B) Members of the board serve at the pleasure of the chief elected officials of the local area. Members shall not be compensated but may be reimbursed for actual, reasonable, and necessary expenses incurred in the performance of their duties as board members. Those expenses shall be paid from funds allocated pursuant to section 6301.03 of the Revised Code.

The chief elected officials of a local area may provide office space, staff, or other administrative support as needed to the board. For purposes of section 102.02 of the Revised Code, members of the board are not public officials or employees.

(C) The chief elected officials of a local area other than a local area as defined in division (A)(1) of section 6301.01 of the Revised Code, shall coordinate the workforce development activities of the county family services planning committees and the ~~workforce policy~~ local boards in the local area in any manner that is efficient and effective to meet the needs of the local area. The chief elected officials of the local area may, but are not required to, consolidate all boards and committees as they determine appropriate into a single board for purposes of workforce development activities. A majority of the members of that consolidated board shall represent private sector businesses. The membership of that consolidated board shall include a representative from each group granted representation as described in division (A) of this section and also a member who represents consumers of family services and a member who represents the county department of job and family services. The membership of that consolidated board may include a representative of one or more groups and entities that may be represented on a county

family services planning committee, as specified in section 329.06 of the Revised Code.

Sec. 6301.07. (A) For purposes of this section, "performance character" means the career-essential relational attributes that build trust with others, including respect, honesty, integrity, task-excellence, responsibility, and resilience.

(B) Every local ~~workforce policy~~ board, under the direction and approval of the state ~~workforce policy~~ board and with the agreement of the chief elected officials of the local area, and after holding public hearings that allow public comment and testimony, shall prepare a workforce development plan. The plan shall accomplish all of the following:

(1) Identify the workforce investment needs of businesses in the local area, identify projected employment opportunities, and identify the job skills and performance character necessary to obtain and succeed in those opportunities;

(2) Identify the local area's workforce development needs for youth, dislocated workers, adults, displaced homemakers, incumbent workers, and any other group of workers identified by the local ~~workforce policy~~ board;

(3) Determine the distribution of workforce development resources and funding to be distributed for each workforce development activity to meet the identified needs, utilizing the funds allocated pursuant to the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended;

(4) Give priority to youth receiving independent living services pursuant to sections 2151.81 to 2151.84 of the Revised Code when determining distribution of workforce development resources and workforce development activity funding;

(5) Review the minimum curriculum required by the state

~~workforce policy~~ board for certifying training providers and identify any additional curriculum requirements to include in contracts between the training providers and the chief elected officials of the local area;

(6) Establish performance standards for service providers that reflect local workforce development needs;

(7) Describe any other information the chief elected officials of the local area require.

(C) A local ~~workforce policy~~ board may provide policy guidance and recommendations to the chief elected officials of a local area for any workforce development activities.

(D) Nothing in this section prohibits the chief elected officials of a local area from assigning, through a partnership agreement, any duties in addition to the duties under this section to a local ~~workforce policy~~ board, except that a local ~~workforce policy~~ board cannot contract with itself for the direct provision of services in its local area. A local ~~workforce policy~~ board may consult with the chief elected officials of its local area and make recommendations regarding the workforce development activities provided in its local area at any time.

Sec. 6301.08. Every local area shall participate in a one-stop system for workforce development activities. Each board of county commissioners and the chief elected official of a municipal corporation shall ensure that at least one delivery method is available in the local area, either through a physical location, or by electronic means approved by the state board, for the provision of workforce development activities.

<u>Within six months after the effective date of this amendment, every local area described in division (B) of section 6301.03 of the Revised Code shall name its one-stop system as "OhioMeansJobs</u>

(name of county) County."

A one-stop system may be operated by a private entity or a public agency, including a workforce development agency, any existing facility or organization that is established to administer workforce development activities in the local area, and a county family services agency.

A one-stop system shall include representatives of all the partners required under the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended.

Sec. 6301.09. The provision under division (g) of section 111 of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, applies to the state ~~workforce policy~~ board created under section 6301.04 of the Revised Code. The provision under division (e) of section 117 of the "Workforce Investment Act of 1998" applies to the ~~workforce policy~~ local boards established pursuant to section ~~6301.04~~ 6301.06 of the Revised Code.

Sec. 6301.10. Beginning January 1, 2013, and each calendar year thereafter, the state board, with the assistance of all state agencies engaged in workforce development activities, shall prepare a report concerning the state of Ohio's workforce. ~~The~~ Upon completion of the annual workforce report, the state board shall ~~distribute~~ provide an electronic copy of the report to the president and minority leader of the senate~~,~~ and the speaker and minority leader of the house of representatives~~, the governor's office of Appalachian Ohio, the commission on Hispanic-Latino affairs,~~ and ~~the commission on African-American males~~ shall post the report on the state board's internet web site.

Sec. 6301.12. (A) The office of workforce development within the department of job and family services shall comprehensively

review the direct and indirect economic impact of businesses engaged in the production of horizontal wells in this state and, based on its findings, prepare an annual Ohio workforce report. The report shall include at least all of the following with respect to the industry:

(1) The total number of jobs created or retained during the previous year;

(2) The total number of Ohio-based contractors that employ skilled construction trades;

(3) The number of employees who are residents of this state;

(4) The total economic impact;

(5) A review of the state's regional workforce development plans required by the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, that outline workforce development efforts including goals and benchmarks toward maximizing job training, education, and job creation opportunities in the state.

(B) ~~The~~ Upon the completion of the office's annual Ohio workforce report, the office shall ~~submit its annual Ohio workforce~~ provide an electronic copy of the report to the ~~members of the general assembly~~ president and minority leader of the senate and the speaker and minority leader of the house of representatives and post it on the office's internet web site.

Section 2. That existing sections 6301.01, 6301.02, 6301.03, 6301.04, 6301.06, 6301.07, 6301.08, 6301.09, 6301.10, and 6301.12 of the Revised Code are hereby repealed.