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H.707

Introduced by Representatives Marcotte of Coventry and Jerome of Brandon
Referred to Committee on
Date:
Subject: Workforce development; State Workforce Development Board
Statement of purpose of bill as introduced: This bill proposes to update the
delivery and governance of Vermont's workforce system based on
recommendations from the Special Oversight Committee on Workforce
Expansion and Development.

An act relating to revising the delivery and governance of the Vermont
workforce system

It is hereby enacted by the General Assembly of the State of Vermont:

~~Sec. 1. 10 V.S.A. chapter 22A is amended to read:~~

CHAPTER 22A. WORKFORCE EDUCATION AND TRAINING

* * *

§ 541a. STATE WORKFORCE DEVELOPMENT BOARD

* * *

(c) Membership. The Board shall consist of the Governor and the
following members who are appointed by the Governor in conformance with
~~the federal Workforce Innovation and Opportunity Act, and who shall be~~

1 ~~drawn from diverse backgrounds to represent the interests of ethnic and~~
2 ~~diverse communities and represent diverse regions of the State, including~~
3 ~~urban, rural, and suburban areas, and who serve at his or her the Governor's~~
4 pleasure, unless otherwise indicated:

5 (1) ~~the Commissioner of Labor;~~

6 (2) ~~two members~~ one member of the Vermont House of Representatives,
7 appointed by the Speaker of the House;

8 (3) ~~two members~~ one member of the Vermont Senate, appointed by
9 the Senate Committee on Committees;

10 (4) ~~the President of the University of Vermont;~~

11 (5) ~~the Chancellor of the Vermont State Colleges;~~

12 (6) ~~the President of the Vermont Student Assistance Corporation;~~

13 (7) ~~a representative of an independent Vermont college or university;~~

14 (8) ~~a director of a regional technical center;~~

15 (9) ~~a principal of a Vermont high school;~~

16 (10) ~~two representatives of labor organizations who have been~~
17 nominated by a State labor federation;

18 (11) ~~two~~ three core program representatives of individuals and
19 organizations who have experience with respect to youth activities, as defined

20 ~~in 29 U.S.C. § 5102(71), as follows.~~

1 ~~(A) one representative who is a lead State official for the adult~~
2 ~~dislocated worker, and youth program as described in 29 U.S.C. § 3102;~~

3 ~~(B) one representative who is a lead State official for the Adult~~
4 ~~Education and Family Literacy Act program; and~~

5 ~~(C) one representative who is a lead State official for the Vocational~~
6 ~~Rehabilitation program;~~

7 ~~(12)(4) two six workforce representatives of individuals and~~
8 ~~organizations who have experience in the delivery of workforce investment~~
9 ~~activities, as defined in 29 U.S.C. § 3102(68);, as follows:~~

10 ~~(A) two representatives from labor organizations operating in this~~
11 ~~State who are nominated by a State labor federation;~~

12 ~~(B) one representative from the State registered apprenticeship~~
13 ~~program; and~~

14 ~~(C) three representatives of organizations that have demonstrated~~
15 ~~experience and expertise in addressing the employment, training, or education~~
16 ~~needs of individuals with barriers to employment, which may include:~~

17 ~~(i) organizations that serve veterans;~~

18 ~~(ii) organizations that provide or support competitive, integrated~~
19 ~~employment for individuals with disabilities, and~~

1 ~~(iii) organizations that support the training or education needs of~~
2 ~~eligible youth as described in 20 CFR § 681.200, including representatives of~~
3 ~~organizations that serve out-of-school youth as described in 20 CFR § 681.210;~~

4 ~~(5) two elected local government officials who represent a city or~~
5 ~~county within the State; and~~

6 ~~(13) the lead State agency officials with responsibility for the programs~~
7 ~~and activities carried out by one-stop partners, as described in 29 U.S.C. §~~
8 ~~3151(b), or if no official has that responsibility, representatives in the State~~
9 ~~with responsibility relating to these programs and activities;~~

10 ~~(14) the Commissioner of Economic Development;~~

11 ~~(15) the Secretary of Commerce and Community Development;~~

12 ~~(16) the Secretary of Human Services;~~

13 ~~(17) the Secretary of Education;~~

14 ~~(18) two individuals who have experience in, and can speak for, the~~
15 ~~training needs of underemployed and unemployed Vermonters; and~~

16 ~~(19)(6) a number of appointees sufficient to constitute a majority of the~~
17 ~~Board 12 business representatives who:~~

18 ~~(A) are owners, chief executives, or operating officers of businesses,~~
19 ~~and other business executives or employers with optimum policymaking or~~
20 ~~hiring authority,~~

1 ~~(B) represent businesses with employment opportunities that reflect~~
2 in-demand sectors and employment opportunities in the State; and

3 (C) are appointed from among individuals nominated by State
4 business organizations and business trade associations.

5 (d) Operation of Board.

6 (1) Executive Committee.

7 (A) The Chair of the Board shall appoint an Executive Committee
8 made up of nine members who serve on the Board and who shall manage the
9 affairs of the Board.

10 (B) The members of the Executive Committee shall comprise the
11 following:

12 (i) the Executive Director of the Office of Workforce
13 Development;

14 (ii) the Chair of the State Workforce Development Board;

15 (iii) the Director of Workforce Development;

16 (iv) the Director of Career and Technical Education; and

17 (v) five private business representatives.

18 ~~(1)(2)~~ Member representation.

19 (A) A member of the State Board may send a designee ~~that who~~
20 meets the requirements of subdivision (B) of this subdivision ~~(1)(2)~~ to any
21 ~~State Board meeting, who shall count toward a quorum and who shall be~~

1 ~~allowed to vote on behalf of the Board member for whom he or she the~~
2 ~~individual serves as a designee.~~

3 (B) Members of the State Board or their designees who represent
4 organizations, agencies, or other entities shall be individuals with optimum
5 policymaking authority or relevant subject matter expertise within the
6 organizations, agencies, or entities.

7 ~~(C) The members of the Board shall represent diverse regions of the~~
8 ~~State, including urban, rural, and suburban areas.~~

9 ~~(2)(3) Chair. The Governor shall select a chair for the Board from~~
10 ~~among the business representatives appointed pursuant to subdivision~~
11 ~~(c)(18)(6) of this section.~~

12 ~~(3)(4) Meetings. The Board shall meet at least three times annually and~~
13 ~~shall hold additional meetings upon call of the Chair.~~

14 ~~(4)(5) Committees; work groups; ad hoc committees. The Chair, in~~
15 ~~consultation with the Commissioner of Labor, may:~~

16 (A) assign one or more members or their designees to standing
17 committees, ad hoc committees, or work groups to carry out the work of the
18 Board; and

19 (B) appoint one or more nonmembers of the Board to a standing
20 committee, ad hoc committee, or work group and determine whether the

21 ~~individual serves as an advisory or voting member, provided that the number~~

1 ~~of voting nonmembers on a standing committee shall not exceed the number of~~
2 Board members or their designees.

3 * * *

4 § 541c. EXECUTIVE DIRECTOR OF WORKFORCE DEVELOPMENT

5 (a) There is created within the Executive Branch the position of Executive
6 Director of Workforce Development to manage and coordinate the efforts of
7 workforce development in the State and to perform other duties as directed by
8 the Governor.

9 (b) The Executive Director shall be housed within and have the
10 administrative, legal, and technical support of the Agency of Administration.

11 (c) The Executive Director shall report to and be under the general
12 supervision of the Governor or, to the extent such supervisory authority is
13 delegated, the Secretary of Administration.

14 (d) The Governor shall appoint the Executive Director and may solicit
15 recommended candidates for the position from the Executive Committee of the
16 State Workforce Development Board.

17 (e) The Executive Director shall be an exempt employee.

18 * * *

19 Sec. 2. 2022 Acts and Resolves No. 183, Sec. 5a is amended to read:

20 Sec. 5a. REGIONAL WORKFORCE EXPANSION SYSTEM

21

1 ~~(e) Interim report. On or before January 15, 2023, July 15, 2025, the~~
2 Department shall provide a narrative update on the progress made in hiring
3 staff, establishing interagency agreements, developing regional information
4 exchange systems, and supporting State-level work to expand the labor force to
5 the House and Senate committees of jurisdiction.

6 (f) Implementation. The Department of Labor shall begin implementing
7 the Regional Workforce Expansion System on or before July 1, ~~2022~~ 2024.

8 Sec. 3. TASK FORCE TO STUDY DATA MANAGEMENT MODELS

9 (a) Creation. There is a task force created to study the proposed data
10 management models provided to the Special Oversight Committee on
11 Workforce Expansion and Development by the Public Consulting Group
12 pursuant to 2022 Acts and Resolves No. 183, Sec. 5.

13 (b) Membership. The task force shall be composed of members selected
14 by the Executive Director of the State Workforce Development Board and
15 shall include representatives from the Agency of Education, Agency of Human
16 Services, Department of Human Resources, Agency of Digital Services,
17 Department of Health, and any others as the Executive Director sees fit.

18 (c) Duties and reporting. The task force shall meet as necessary to study
19 the data management recommendations provided to the Special Oversight
20 Committee on Workforce Expansion and Development by the Public
21 Consulting Group pursuant to 2022 Acts and Resolves No. 183, Sec. 5. The

1 ~~task force shall provide a written report with its final recommendations on the~~
2 ~~appropriate data management model to the General Assembly on or before~~
3 ~~January 1, 2025.~~

4 Sec. 4. EFFECTIVE DATE

5 ~~This act shall take effect on passage.~~

Sec. 1. 10 V.S.A. chapter 22A is amended to read:

CHAPTER 22A. WORKFORCE EDUCATION AND TRAINING

** * **

§ 541. OFFICE OF WORKFORCE EXPANSION AND DEVELOPMENT

(a) There is created within the Executive Branch the Office of Workforce Expansion and Development.

(b) The Office of Workforce Expansion and Development shall have the administrative, legal, and technical support of the Department of Labor.

(c) There shall be at least two full-time staff to accomplish the duties of the Office. One of these staff positions shall be the Executive Director of the Office of Workforce Expansion and Development, who shall be an exempt employee and who shall report to and be under the general supervision of the Governor. Another position shall be a staff member, who shall be a classified employee, who shall support the work of the Executive Director, and who shall report to and be under the general supervision of the Executive Director.

(d) The Executive Director of the Office of Workforce Expansion and Development shall:

(1) coordinate the efforts of workforce development in the State;

(2) oversee the affairs of the State Workforce Development Board;

(3) work with State agencies and private partners to:

(A) develop strategies for comprehensive and integrated workforce education and training;

(B) manage the collection of outcome information; and

(C) align workforce efforts with other State strategies; and

(4) perform other workforce development duties as directed by the Governor.

(e) The Executive Committee of the State Workforce Development Board shall, in consultation with the Department of Human Resources, suggest a set of recommended qualifications to the Governor for consideration for the position of Executive Director of the Office of Workforce Expansion and Development.

(f) The Governor shall appoint the Executive Director with the advice and consent of the Senate, and the Executive Committee of the State Workforce Development Board may provide a list to the Governor of recommended candidates for Executive Director.

*§ 541a. STATE WORKFORCE DEVELOPMENT BOARD; EXECUTIVE
COMMITTEE*

(a) Board established; duties. Pursuant to the requirements of 29 U.S.C. § 3111, the Governor shall establish the State Workforce Development Board to assist the Governor in the execution of his or her duties under the Workforce Innovation and Opportunity Act of 2014 and to assist the Commissioner of Labor as specified in section 540 of this title.

** * **

(c) Membership. The Board shall consist of the Governor and the following members who are appointed by the Governor and serve at the Governor's pleasure unless otherwise indicated, in conformance with the federal Workforce Innovation and Opportunity Act ~~and who serve at his or her pleasure, unless otherwise indicated (WIOA), and who shall be selected from diverse backgrounds to represent the interests of ethnic and diverse communities and represent diverse regions of the State, including urban, rural, and suburban areas:~~

(1) ~~the Commissioner of Labor;~~

(2) ~~two members~~ one member of the Vermont House of Representatives, who shall serve for the duration of the biennium, appointed by the Speaker of the House;

~~(3)(2) two members one member of the Vermont Senate, who shall serve for the duration of the biennium, appointed by the Senate Committee on Committees;~~

~~(4) the President of the University of Vermont;~~

~~(5) the Chancellor of the Vermont State Colleges;~~

~~(6) the President of the Vermont Student Assistance Corporation;~~

~~(7) a representative of an independent Vermont college or university;~~

~~(8) a director of a regional technical center;~~

~~(9) a principal of a Vermont high school;~~

~~(10) two representatives of labor organizations who have been nominated by a State labor federation;~~

~~(11)(3) two four members who are core program representatives of individuals and organizations who have experience with respect to youth activities, as defined in 29 U.S.C. § 3102(71), as follows:~~

~~(A) the Commissioner of Labor, or designee, for the Adult, Dislocated Worker, and Youth program and Wagner-Peyser;~~

~~(B) the Secretary of Education, or designee, for the Adult Education and Family Literacy Act program;~~

~~(C) the Secretary of Human Services, or designee, for the Vocational Rehabilitation program; and~~

(D) the Secretary of Commerce and Community Development or designee;

~~(12)(4) two six workforce representatives of individuals and organizations who have experience in the delivery of workforce investment activities, as defined in 29 U.S.C. § 3102(68), as follows:~~

(A) two representatives from labor organizations operating in this State who are nominated by a State labor federation;

(B) one representative from a State-registered apprenticeship program; and

(C) three representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of individuals with barriers to employment, which may include:

(i) organizations that serve veterans;

(ii) organizations that provide or support competitive, integrated employment for individuals with disabilities;

(iii) organizations that support the training or education needs of eligible youth as described in 20 CFR § 681.200, including representatives of organizations that serve out-of-school youth as described in 20 CFR § 681.210; and

(iv) organizations that connect volunteers in national or State service programs to the workforce;

~~(13) the lead State agency officials with responsibility for the programs and activities carried out by one-stop partners, as described in 29 U.S.C. § 3151(b), or if no official has that responsibility, representatives in the State with responsibility relating to these programs and activities;~~

~~(14) the Commissioner of Economic Development;~~

~~(15) the Secretary of Commerce and Community Development;~~

~~(16) the Secretary of Human Services;~~

~~(17) the Secretary of Education;~~

~~(18) two individuals who have experience in, and can speak for, the training needs of underemployed and unemployed Vermonters; and~~

~~(5) two elected local government officials who represent a city or town within different regions of the State; and~~

~~(19)(6) a number of appointees sufficient to constitute a majority of the Board 13 business representatives who:~~

~~(A) are owners, chief executives, or operating officers of businesses, and including nonprofits, or other business executives or employers with optimum policymaking or hiring authority, with at least one member representing a small business as defined by the U.S. Small Business Administration;~~

~~(B) represent businesses with employment opportunities that reflect in-demand sectors and employment opportunities in the State; and~~

(C) are appointed from among individuals nominated by State business organizations and business trade associations.

(d) Operation of Board.

(1) Executive Committee.

(A) Creation. There is created an Executive Committee that shall manage the affairs of the Board.

(B) Members. The members of the Executive Committee shall comprise the following:

(i) the Chair of the Board;

(ii) the Commissioner of Labor or designee;

(iii) the Secretary of Education or designee;

(iv) the Secretary of Human Services or designee;

(v) the Secretary Commerce and Community Development or designee;

(vi) two business representatives, appointed by the Chair of the Board, who serve on the Board; and

(vii) two workforce representatives, appointed by the Chair of the Board, who serve on the Board.

(C) Meetings. The Chair of the Board shall chair the Executive Committee. The Executive Committee shall meet at least once monthly and shall hold additional meetings upon call of the Chair.

(D) Duties. The Executive Committee shall have the following duties and responsibilities:

(i) recommend to the Board changes to the Board's rules or bylaws;

(ii) establish one or more subcommittees as it determines necessary and appropriate to perform its work; and

(iii) other duties as provided in the Board's bylaws.

(2) Member representation and vacancies.

(A) A member of the State Board may send a designee ~~that~~ who meets the requirements of subdivision (B) of this subdivision ~~(1)~~(2) to any State Board meeting, who shall count toward a quorum, and who shall be allowed to vote on behalf of the Board member for whom ~~he or she~~ the individual serves as a designee.

(B) Members of the State Board or their designees who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority or relevant subject matter expertise within the organizations, agencies, or entities.

(C) ~~The members of the Board shall represent diverse regions of the State, including urban, rural, and suburban areas~~ The Chair of the Board shall provide notice within 30 days after a vacancy on the Board to the relevant

appointing authority, which shall appoint a replacement within 90 days after receiving notice.

~~(2)~~(3) Chair. The Governor shall select a chair for the Board from among the business representatives appointed pursuant to subdivision ~~(c)~~~~(18)~~(6) of this section.

~~(3)~~(4) Meetings. The Board shall meet at least three times annually and shall hold additional meetings upon call of the Chair.

~~(4)~~(5) Committees; work groups; ad hoc committees. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members or their designees to standing committees, ad hoc committees, or work groups to carry out the work of the Board; and

(B) appoint one or more nonmembers of the Board to a standing committee, ad hoc committee, or work group and determine whether the individual serves as an advisory or voting member; provided that the number of voting nonmembers on a standing committee shall not exceed the number of Board members or their designees.

* * *

§ 541b. WORKFORCE EDUCATION AND TRAINING; DUTIES OF
OTHER STATE AGENCIES, DEPARTMENTS, AND PRIVATE
PARTNERS

(a) To ensure the State Workforce Development Board, ~~and~~ the Commissioner of Labor, and the Executive Director of the Office of Workforce Expansion and Development are able to fully perform their duties under this chapter; each agency and department within State government, and each person who receives funding from the State, shall comply within a reasonable period of time with a request for data and information made by the Board, ~~or~~ the Commissioner, or the Executive Director in furtherance of their duties under this chapter.

(b) The Agency of Commerce and Community Development shall coordinate its work in adopting a statewide economic development plan with the activities of the Board, ~~and~~ the Commissioner of Labor, and the Executive Director.

Sec. 2. 2022 Acts and Resolves No. 183, Sec. 5a is amended to read:

Sec. 5a. REGIONAL WORKFORCE EXPANSION SYSTEM

** * **

(c) System infrastructure. The Department shall make investments that improve and expand regional capacity to strengthen networks who assist jobseekers, workers, and employers in connecting.

(1) The Department is authorized to create up to four classified, ~~two-~~

year limited-service positions, with funding allocated to perform the work described in this section, who shall report to the Workforce Development Division and of whom:

* * *

(e) Interim report. On or before ~~January 15, 2023~~ July 15, 2025, the Department shall provide a narrative update on the progress made in hiring staff, establishing interagency agreements, developing regional information exchange systems, and supporting State-level work to expand the labor force to the House and Senate committees of jurisdiction.

(f) Implementation. The Department of Labor shall begin implementing the Regional Workforce Expansion System on or before ~~July 1, 2022~~ September 1, 2024.

Sec. 3. TASK FORCE TO STUDY DATA MANAGEMENT MODELS

On or before December 15, 2025, the Executive Director of the Office of Workforce Development, in consultation with the Executive Committee of the State Workforce Development Board and the Agency of Digital Services, shall issue a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding the development of a data trust as outlined in model three of the final report of the State Oversight Committee on Workforce

Expansion and Development pursuant to 2022 Acts and Resolves No. 183, Sec.

5. The report shall include:

(1) a recommendation on audience, partners, use cases, outcomes, and data required for future workforce, education, and training programs;

(2) a detailed review of the current availability of public and private workforce development and training data, education data, and demographic data, including the integration of data between the State's workforce development and training programs and private programs funded through State funding dollars;

(3) a summary of the progress made in the development of data-sharing relationships with the stewards of identified data sets;

(4) draft legislative language for the creation of a data tool;

(5) the amount of funding necessary to establish and maintain the use of a data tool; and

(6) a summary of other efforts across State government and through the Agency of Digital Services regarding the development of data trusts, along with best practices identified through those efforts.

Sec. 4. WORKFORCE EDUCATION AND TRAINING LEADERSHIP

WORKING GROUP

(a) Creation. There is created a working group to review and propose changes to the leadership and duties set forth in 10 V.S.A. § 540.

(b) Membership. The working group shall be composed of the following:

(1) the Executive Committee of the State Workforce Development Board;

and

(2) the Executive Director of the Office Workforce Expansion and Development.

(c) Meetings.

(1) Chair. The Chair of the State Workforce Development Board shall initially chair the working group and shall call the first meeting of the working group to occur on or before October 1, 2024. The Executive Director of the Office of Workforce Expansion and Development shall, upon hire, solely chair the working group.

(2) A majority of the membership shall constitute a quorum.

(3) The working group shall meet not more than eight times.

(d) Powers and duties. The working group shall review 10 V.S.A. § 540 and engage with workforce development stakeholders to:

(1) evaluate the effectiveness of the current language in statute; and

(2) determine, due to changes in the State Workforce Board as set forth in this act, how the authorities and responsibilities for the coordination of workforce education and training set forth in 10 V.S.A. § 540 should be modified to ensure there is effective and comprehensive leadership in workforce development, education, and training between the Commissioner of

Labor, the Executive Director of the Office of Workforce Expansion and Development, and any other relevant authorities.

(e) Reporting.

(1) Progress report. The working group shall submit a written progress report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs updating the committees on its progress on the work set forth in this section on or before April 1, 2025.

(2) Final report. The working group shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with its final recommendations based on the analysis conducted pursuant to this section on or before November 1, 2025. The final report shall also include alternatives that were seriously considered but not listed in the final recommendations, along with the names and affiliations of the stakeholders consulted during the working group's meetings

(f) Compensation and reimbursement.

(1) Unless otherwise compensated by the member's employer for performance of the member's duties on the working group, a nonlegislative member of the working group shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010.

(2) Payments to members of the working group authorized under this subsection shall be made from monies appropriated to the Department of Labor.

(g) Expiration. The working group shall cease to exist on December 31, 2025.

Sec. 5. STATE WORKFORCE DEVELOPMENT BOARD TRANSITION

PERIOD

(a) An appointing authority for the State Workforce Development Board pursuant to 10 V.S.A. § 541a(c) shall make all appointments as required to the Board on or before September 1, 2024.

(b) A member of the State Workforce Development Board on June 30, 2024, except for the Governor, and unless appointed or placed on the Board after the passage of this act pursuant to 10 V.S.A. § 541a(c), shall cease being a member of the Board on July 1, 2024.

(c) Notwithstanding subsection (b) of this section, an appointing authority pursuant to 10 V.S.A. § 541a(c) may reappoint the same individual as a member to the Board after passage of this act.

(d) Members of the Board appointed by the Governor shall serve initial staggered terms with eight members serving three-year terms, eight members serving two-year terms, and seven members serving one-year terms.

(e) The Governor shall appoint a chair of the Board pursuant to 10 V.S.A. § 541a(d)(3) on or before August 1, 2024.

(f) The Board shall amend the Board's WIOA Governance Document to align it pursuant to the terms of this act on or before February 1, 2025.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2024.