

## **EXECUTIVE ORDER 99-02**

### **WORKFORCE DEVELOPMENT**

**WHEREAS**, Washington State has developed a foundation for the innovation and creativity needed to produce a world class economy. Our overall income growth in the past three years is the highest in decades. Washington currently ranks first in the nation in the average salary paid to employees in the high technology industry. Furthermore, a recent study placed our state fourth in the nation in workforce educational attainment for high-tech and other knowledge economy jobs.

**WHEREAS**, Skill shortages are hampering our state's economic growth. Each year there are 38,000 job openings for workers with postsecondary vocational training, yet our two-year colleges, private career schools, and apprenticeship programs produce only about 19,000 such graduates per year. In addition, while the software industry estimates that it will need 60,000 more workers in the next three years, tens of thousands of jobs are already going unfilled.

**WHEREAS**, Lack of skill or education significantly limits an individual's earning capacity. The prosperity of families in Washington is largely dependent upon their ability to retain employment in our rapidly changing economy and to move quickly and efficiently in a dynamic labor market.

**WHEREAS**, All of our workers have not shared equally in the benefits of the recent economic boom, particularly in rural areas of Washington. A skilled workforce is often the most important asset that entrepreneurs seek when they make location decisions. Retraining skilled workers in rural areas could help spread some of the state's wealth which is now concentrated in central Puget Sound.

**WHEREAS**, Many hardworking citizens who have lost their jobs in traditional industries, such as timber, aerospace, and fishing, have been unable to gain the skills needed to find work in the rapidly growing sectors of our economy and, as a result, have fallen behind economically.

**WHEREAS**, Unemployment has reached peacetime lows in Washington State. Disadvantaged youth, persons with disabilities, new immigrants, WorkFirst participants, and other citizens are obtaining jobs. In order to enable these individuals to move out of poverty, we must ensure their access to the employment, training, and education that allows them to move up the job ladder during their lifetimes.

**WHEREAS**, Washington State's employers and workers should have access to a customer-oriented network of workforce services based upon the principles of individual choice, flexibility, accountability, and universal access.

**WHEREAS**, Congress passed into law the Workforce Investment Act of 1998 (Public Law No. 105-220) to prepare youth, dislocated workers, and adults for entry into the labor force, and to provide for the planning, implementation, and ongoing oversight of a comprehensive state workforce development system designed to improve workforce training, employment, literacy and vocational rehabilitation;

**NOW, THEREFORE, I, Gary Locke, Governor of the state of Washington, by virtue of the authority vested in me, hereby direct the following:**

1. The Workforce Training and Education Coordinating Board (Workforce Board) shall act as the Workforce Investment Board for the purposes of the federal Workforce Investment Act of 1998.
2. The Workforce Board shall work in partnership with business, labor, local workforce development councils, and state operating agencies to develop goals, objectives, and strategies to address the following challenges:
  - A. Closing the gap between the need of employers for skilled workers and the supply of Washington residents prepared to meet that need;
  - B. Enabling workers to make smooth transitions so they may fully benefit from the new, changing economy. The board shall develop a coherent dislocated worker strategy that includes incumbent worker training; and
  - C. Assisting disadvantaged youth, persons with disabilities, new labor market entrants, recent immigrants, and low-wage workers in moving up the job ladder during their lifetimes by developing a wage progression strategy for low-income workers. Specific progress should be made in improving operating agencies and reducing the earnings gap facing people of color, adults with disabilities, and women.
3. In addition to the duties spelled out in RCW 28C.18, the Workforce Board, in partnership with the operating agencies and private career schools and colleges, shall:
  - A. Develop and maintain a state unified plan as described under P.L. 105-220. The purpose of the unified plan is to promote universal access to employment and training programs, and simplify them so that state employment and training customers can better obtain these services. The Workforce Board shall utilize the unified planning process to better integrate federal and state employment and training programs.

The unified plan shall encompass the strategic comprehensive plan described in RCW 28C.18, as well as the operating plans developed by the administering agencies that are consistent with the strategic plan. The strategic plan shall include:

- assessments of our state's employment opportunities and skills needs, the present and future workforce, and the current workforce development system;
  - goals and strategies for improving the workforce development system;
  - a description of the performance management system for workforce development; and
  - goals, objectives and strategies to address the challenges articulated in section 2 of this order.
- B. Work in partnership with local workforce development councils to develop the state unified plan. Local workforce development councils shall provide input to the Workforce Board in developing the state unified plan, which will thereby articulate their local strategies and needs.

- C. Review and make recommendations to the Governor concerning the operating plans of the agencies that administer the programs of the state workforce development system to ensure consistency with the state strategic comprehensive plan.
  - D. Design and implement a performance management system for workforce development, including the evaluation and data responsibilities described in RCW 28C.18 and the performance accountability system described in P.L. 105-220, in partnership with the operating agencies and local workforce development councils. The system shall build upon the policies, processes, and interagency agreements that embody the state's existing Performance Management for Continuous Improvement system, which clearly define the roles and responsibilities of our state's policy board, governing agency, and local institution. The system shall:
    - Include standards for measuring and reporting the performance of local training providers to enable consumers to make informed choices and gain access to services they need;
    - Include criteria for eligible training providers under P.L. 105-220 and standards for measuring and reporting eligible provider performance and cost information;
    - Serve as the basis for recommendations to the Governor regarding expected performance levels using the performance management system established under this section;
    - Provide information to the Governor and Legislature on the outcomes of workforce development programs;
    - Measure and report information to the Governor and Legislature concerning the extent of employer participation and satisfaction with employment and training services; and
    - Measure and report to the Governor and Legislature the progress made in meeting the three goals defined in section 2.
  - E. Assess the workforce development system using the performance measurement system established in subsection (D) of this section. Operating agencies shall establish and implement rewards for exceptional programs and corrective actions for programs failing to meet minimum performance standards as defined in subsection (D) of this section.
  - F. Establish an incentive fund for workforce development and recommend to the Governor criteria for rewarding local workforce development councils and programs that produce exemplary results.
  - G. Review the plans of local workforce development councils for consistency with the state unified plan and recommend to the Governor whether or not local plans should be approved. The Workforce Board shall provide technical assistance to local workforce development councils as necessary.
4. In order to meet the goals prescribed in this order, the Director of the Department of Social and Health Services and a representative of local elected officials shall participate in the activities of the Workforce Board. The board shall work on a consensus basis to give these individuals a voice in decision-making and can bring additional parties to the table as needed to ensure broad-based participation.

5. The following programs are added to the state's unified planning effort and associated performance management system; programs funded under Title 1B of P.L. 105 (the successor of the Job Training Partnership Act), activities funded under the federal Wagner-Peyser act, the job skills program, timber retraining benefits or any successor program, the work-related components of the vocational rehabilitation program authorized under Title IV of P.L. 105-220, programs offered by private and public nonprofit training and education organizations, including those that serve people with disabilities that are representative of communities or significant segments of communities, and provide job training or work-related adult literacy services, and the state's one-stop system for employment-related services, WorkSource.
6. The Workforce Board will work with the State Board for Community and Technical Colleges, the Department of Labor and Industries, local workforce development councils, and other operating agencies to expand apprenticeship, customized training, and skill standards-based training programs.
7. There shall be created in each workforce investment area, as currently configured under the Job Training Partnership Act, a local workforce development council to carry out functions including, but not limited to, those specified for local workforce investment boards under P.L. 105-220. Local workforce development councils shall:
  - a. Provide input to the state Workforce Board in the development of the state unified plan, which will thereby articulate their local strategies and needs;
  - b. In partnership with local elected officials, develop and maintain a local unified plan for the workforce development system including, but not limited to, the local plan required by P.L. 105-220, Title I. The unified plan shall include a strategic plan that assesses local employment opportunities and skill needs, the present and future workforce, the current workforce development system, information on financial resources, goals, objectives, and strategies for the local workforce development system, and a system-wide financial strategy for implementing the plan. The unified plan shall also include the operating plan for PL. 105-220, Title 1B and, as they are developed, other program operating plans that are consistent with the local strategic plan. The local and state plans shall be consistent. Local workforce development councils shall submit their operating plans to the Employment Security Department for review and shall submit unified plans to the Workforce Board for review and to the Governor for approval;
  - c. Conduct oversight of the local one-stop system pursuant to P.L. 105-220, including selection, certification, and decertification of one-stop providers;
  - d. Promote the coordination of workforce development activities at the local level and ensure a link with local economic development strategies;
  - e. Establish youth councils as required under federal law, which will be responsible for developing portions of the local plan relating to eligible youth, as well as implement and administer youth programs in accordance with P.L. 105-220;
  - f. Provide for a coordinated and responsive system of outreach to employers;
  - g. Identify eligible providers of training services funded under Title I of the Workforce Investment Act, consistent with the performance standards established by the Workforce Board;

- h. Negotiate expected local levels of performance for programs under P.L. 105-220, Title I with local elected officials and the Workforce Board on behalf of the Governor as required under this law;
  - i. Assess the planning process to identify quality improvements;
  - j. Execute a master partnership agreement with local elected officials that establishes the working relationships and specifies responsibilities of each body in the partnership; and
  - k. Collaborate in the development of the WorkFirst service area plans required under RCW 74.08A.280, and include the workforce development components of the WorkFirst service area plan in the local unified plan.
8. The Department of Employment Security, in collaboration with the Executive Policy Council, is directed to assume the administrative lead for Workforce Investment Act Title I-B and employment statistics, and complete implementation of the WorkSource service delivery system, including the technological and self-service infrastructures.
9. The Workforce Board is directed to assume the responsibilities of the state job training coordinating council authorized under the Job Training Partnership Act.
10. The Workforce Board shall be designated as the state board of vocational education as provided for in P.L. 105-332, as amended, and shall perform such functions as is necessary to comply with federal directives pertaining to the provisions of such law. For the purposes of P.L. 105-332, the Superintendent of Public Instruction shall have operating responsibility for secondary education and the State Board for Community and Technical Colleges shall have operating responsibility for postsecondary vocational and technical education.
11. This Order shall take effect immediately.

**IN WITNESS WHEREOF,** I Additional  
have hereunto set my hand  
and caused the seal of the  
State of Washington to be  
Affixed at Olympia this 17th  
day of September A.D.,  
Nineteen hundred and ninety-  
nine.

GARY LOCKE  
Governor of Washington

**BY THE GOVERNOR:**  
Secretary of State