

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 141
SEPTEMBER 24, 2009**

**PROGRESS REPORT ON IMPLEMENTING
SENATE BILL 5809, THE WORKFORCE INVESTMENT ACT, AND
THE AMERICAN RECOVERY ACT**

A panel of Workforce Development Council (WDC) directors and a representative from the Employment Security Department will update the Board on implementation of Senate Bill 5809 (SB5809) and the Workforce Investment Act (WIA), including WIA funds provided under the American Recovery and Reinvestment Recovery Act (ARRA). Of particular interest will be the progress of the WDCs in using these resources to increase postsecondary training, including training capacity at community and technical colleges.

Background

From the Federal Recovery Act, WDCs received \$41 million for WIA services for low-income youth, disadvantaged adults, and dislocated workers. Recovery Act funds made it possible for the WDCs to expand employment and training services and to provide, for the first time since 1999, a Summer Youth Employment Program. Funds must be expended by June 30, 2011, though the U.S. Department of Labor has signaled its expectation that most Recovery Act funds be expended during the first year. WDCs also received \$42 million in regular PY 2009 WIA funds.

In order to encourage the WDCs to expend regular WIA and Recovery Act WIA funds on training, the Governor and Legislature (through SB 5809 and the operating budget) established a state incentive fund with \$7 million in state general fund dollars. SB 5809 money matches local WDC expenditures for training in high-demand occupations with preference given to occupations in energy efficiency, along with aerospace, health care, and forest products. The 5809 funds provide a match of:

- Seventy-five cents for each dollar WDCs spend on contracts with a community or technical college to expand training capacity for high-demand occupations.
- Twenty-five cents for each dollar WDCs spend on Individual Training Account vouchers that assist individuals with tuition, fees, and related costs at a community or technical college, private career school, four-year college or university, or apprenticeship program.

In July 2009, Governor Gregoire designated \$5.5 million from the Recovery Act WIA 10 Percent funds to be used as an incentive to encourage local WDCs to further boost high-demand training capacity. The 10 Percent incentive funds are earned by meeting three criteria: 1) training eligible individuals in occupations tied to alternative energy, energy efficiency, aerospace, and health care; 2) increasing capacity at community and technical colleges through the purchase of training classes; and 3) leveraging Recovery Act or other funds.

The Employment Security Department is the lead state agency administering the WIA and SB 5809 funds. Employment Security established the operational policies guiding the investments in collaboration with staff from the Workforce Board, the State Board for Community and Technical Colleges, and the Washington Workforce Association.

Following this face sheet is an update from the Employment Security Department.

Board Action Required: None. For discussion purposes only.