

Tab 4

Workforce System Legislative Agenda

PRESENTER NAME: Nova Gattman

BOARD MEETING DATE: 11/2/16

BOARD MEMBER SPONSOR NAME: Beth Thew & Lee Anne Caylor

DISCUSSION TIME ALLOTTED: 45 min

<p>ISSUE/SITUATION: Be concise - 1 or 2 sentences that get to the heart of the situation, problem or opportunity being addressed.</p>	<p>THE ISSUE/OPPORTUNITY IS:</p> <p>With the completion and implementation of the Talent and Prosperity for All Plan (TAP), the Workforce Board has an opportunity to unify behind a workforce system agenda. The workforce system agenda will be the Board’s legislative agenda for 2017, and will help focus efforts of staff, Board members, and additional stakeholders.</p> <p>The Board will also take action on the proposal to endorse the Council of President’s (COP) Washington Competes policy framework, which was presented at the 10/25/16 Board meeting.</p>
<p>TAP STRATEGIC PRIORITY: Which TAP strategic priority or priorities does this recommendation support? Can you tie to specific goals and objectives in TAP? Briefly describe these connections. If the connection is unclear, describe why this is of consequence to the Workforce Board and/or workforce system.</p>	<p>SUPPORTS TAP STRATEGIC PRIORITY:</p> <p>The proposed workforce system agenda has been carefully vetted to ensure that all suggested agenda items align to the Board and the system’s goals under TAP.</p> <p>The Washington Competes agenda fits with the goal of Integrated and Streamlined Customer Service, specifically ensuring that every customer has the education and employability skills to move into sustained employment and economic self-sufficiency.</p>
<p>POTENTIAL IMPACT: Effect on people, businesses, communities. What is better or different from other existing strategies?</p>	<p>IT IS SIGNIFICANT BECAUSE:</p> <p>The Board’s workforce system legislative agenda will highlight key issues of importance to moving forward with workforce system transformation under TAP. By coalescing under a single legislative agenda, the items included on the list gain significant support from Board members, staff, and Board stakeholders. A workforce system agenda will allow a more narrowed and stronger focus on a small set of issues critical to the workforce system.</p>
<p>OPTIMAL NEXT STEPS: What do you really want to happen as a result of this discussion with the Workforce Board?</p>	<p>MY IDEAL OUTCOME OF THIS DISCUSSION IS:</p> <p>Staff requests the Board take action on the proposed agenda as well as vote on endorsing the COP policy platform.</p>
<p>BACKGROUND: Short history of how this recommendation came to be. What has been tried, to what result? What evidence exists to support this recommendation?</p>	<p>RELEVANT BACKGROUND INFORMATION:</p> <p>RCW 28C.18.060(5) directs the Workforce Training and Education Coordinating Board (Workforce Board) to “... review and make recommendations to the Office of Financial Management (OFM) and the Legislature on operating and capital budget requests for operating agencies of the state training system for purposes of consistency with the state comprehensive plan for workforce training and education.” This statutory requirement provides the framework for the review of workforce system requests, and the implementation of TAP allows for a focus on system-specific legislative requests that could move the workforce system toward one or more of the goals and strategies outlined in TAP.</p>

<p>STAKEHOLDER ENGAGEMENT, PROS AND CONS: Which stakeholders have been engaged in the development of this recommendation? What are the pros and cons of this recommendation? According to whom (which stakeholder groups)? Are there viable alternatives to consider?</p>	<p>STAKEHOLDERS HAVE PROVIDED INPUT AND THEY THINK: Board staff have been in conversation with stakeholders since late Spring on the development of a workforce system agenda that aligns with TAP goals. Board staff have continued meeting with partners into the fall on organization-specific budget and policy requests for the 2017 legislative session.</p>
<p>FINANCIAL ANALYSIS AND IMPACT: What will it cost to enact this recommendation? What resources will be used? Are new resources required? How much? Where will existing or new resources come from? Are there savings to be gained from this investment? Over what period? Are there other returns on investment to consider?</p>	<p>THE COST AND RESOURCE NEEDS OF THIS RECOMMENDATION ARE: This proposal would provide significant benefit to staff in directing them to focus on specific workforce system issues. Board staff would still remain aware and active when needed on items not on the system agenda, but this legislative agenda would provide for prioritization where needed on conflicting hearings, schedules, and staff resources. Additionally, developing a small, targeted list of legislative priorities allows Board members and stakeholders to have a much deeper knowledge of key items on the list; allowing for increased participation and advocacy for the workforce system goals before policymakers.</p>
<p>RECOMMENDATION AND NEXT STEPS: What specific result do you want from the Board? Is this recommendation for discussion or action? If for discussion, will action be required at a later date? What next steps are expected after this discussion?</p>	<p>THE RECOMMENDATION AND/OR REQUESTED ACTION IS: Staff requests that the Board takes action on a Workforce System Legislative Agenda. Once the agenda has been approved, the next step will be to determine how Board members would like to engage during the 2017 Legislative Session.</p>

DRAFT Workforce System Agenda

(See attached spreadsheet for additional details.)

- Academic and career planning – State Board for Community and Technical Colleges (SBCTC)
- Career advancement for SNAP/BFET participants – Employment Security Department (ESD)
- Data system integration project – Workforce Board
- Dedicated funding for I-BEST – SBCTC
- Degrees to meet demand: Address state needs through targeted investments – Council of Presidents (COP)
- Ex-offender employment – ESD
- Expand Opportunity Grant program – SBCTC
- Families Forward demonstration – Department of Social and Health Services (DSHS)
- Fully fund State Need Grant – Washington Student Achievement Council (WSAC) & COP
- High impact credentials: Ensure that all students excel in today’s competitive labor market – COP
- K-12 career and college readiness – Office of Superintendent of Public Instruction (OSPI)
- Military downsizing impact and outreach – Washington Department of Veterans Affairs
- Scholarship expansion to mid-level education programs – Washington State Opportunity Scholarship
- State Work Study – WSAC
- Student support for Running Start – WSAC
- Talent and Prosperity for All resolution – Workforce Board
- Underserved communities and small businesses – Commerce
- Vocational education funding formula – OSPI
- WorkSource access for underserved rural populations – ESD

Workforce Board: DRAFT Workforce System Agenda

Overview of Included Stakeholder Requests (*in ABC order by title*)

#	Agency	Title	Summary	Cost (biennial)	TAP Goals/Strategies
1	State Board for Community and Technical Colleges (SBCTC)	Academic and career planning	<p>Funds would support the retention of first-year students to work toward a degree or credential at all 34 Community and Technical Colleges (CTCs) to implement and scale-up evidence-based programs with proven success rates. These strategies showed a 10 percent increase in retention rates, which equals an additional 19,000 students retained.</p> <p>The request would fund the following programs: 1) Expansion of the Guided Pathways model, which has redesigned onboarding activities for first-year students to include increased counseling and guidance aimed at providing a clear path of courses to the participant’s education and career goals. Expansion would grow the program from six campuses to all 34 colleges in the system. 2) Expansion of the MESA (Mathematics Engineering Science Achievement) Program from six schools to all 34 colleges. MESA serves underrepresented students through a STEM orientation course, academic advising, a designated study center, and supplemental instruction. The first graduating MESA class (2011-12) had a 100 percent graduation rate of bachelor’s degrees in STEM fields.</p>	\$81,000,000	Integrated and Streamlined Customer Service – The two programs outlined in this funding request would move the system forward in meeting the strategy to increase the number of participants, including those with barriers, who have defined career pathways.
2	Employment Security Department (ESD)	Career advancement for SNAP/BFET participants	<p>This request would accommodate the need for additional non-federal spending authority to expand employment and career advancement efforts for families in poverty. Non-federal funds are needed to match, as federal funds cannot be used to match with other federal funds. This is part of a partnership with ESD, Department of Social and Health Services (DSHS), and other agencies to reduce the number of families in poverty by 50 percent by 2025. Should Washington State receive approval from the Department of Agriculture (administrator of the Supplemental Nutrition Assistance Program, or SNAP) to raise the state cap on BFET (Basic Food Employment and Training) federal funds, DSHS would be in a position to expand the program to other high-need areas of the state. The agency has identified unused BFET federal funds that can be acquired through a 2:1 state/federal matching program. ESD would use the additional spending authority to leverage these federal funds and expand efforts to move recipients into permanent self-sufficiency through employment and career advancement.</p> <p>ESD currently serves five areas of the state through this program; with additional funds, the department could expand the program to all WorkSource offices statewide. Program services include: employability assessments, intensive case management, job readiness training, connections to basic education and vocational training, job search assistance and placement, and support services reimbursement (i.e. transportation, childcare, housing, etc.).</p>	Request for federal spending authority only.	Integrated and Streamlined Customer Service & Accessible, Technologically Savvy System – This proposal would meet goals and strategies outlined that would move the system toward universal, barrier-free access to the workforce system, as well as ensuring that customers have the employability skills to move into sustained employment and economic self-sufficiency.

Workforce Board: DRAFT Workforce System Agenda

Overview of Included Stakeholder Requests (*in ABC order by title*)

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3	Workforce Board	Data System Integration Project	<p>The Workforce Board operates and maintains four separate, but interrelated, data systems that relate to training programs and their outcomes, including private career school licensing, and the state’s federally required Eligible Training Provider List. These systems were programmed at different times, often overlap with one another, and because of their age, pose potential security risks. They are also fundamentally incompatible and do not meet current needs. Because of changes in federal law and state policy, significant changes must be made to each of these systems individually—a costly and inefficient endeavor, as these aging systems have severe structural deficiencies. It would be more efficient and cost effective to replace these systems with a single, unified system. An integrated system will also allow the agency to enact a new private career school license fee structure, bringing revenue collection in line with activity costs. At the same time, private career school licensing and billing will be significantly streamlined, freeing up staff to concentrate on oversight activities to protect Washington students.</p> <p>The cost for this project is \$669,000 for the first year of the biennium including contract services and staffing of 1.3 ITS5 FTEs for this work, and ongoing costs of \$218,000 per year to cover maintenance services and a 1.0 FTE ITS5.</p>	\$886,000	<p>Next Generation Performance Accountability – this project would dramatically improve the Board’s ability to seamlessly measure, evaluate, and publish results of workforce programs, including private career school program results and programs on the Eligible Training Provider List (ETPL).</p>
4	SBCTC	Dedicated funding for I-BEST	<p>I-BEST operates via a team instructor model to provide contextualized literacy, work, and college-readiness skills. One instructor provides job-training while the other teaches basic skills in reading, math, or the English language. The proposal would serve 900 additional FTEs annually. Research from Columbia University found that I-BEST students are three times more likely to earn college credits, and nine times more likely to earn a workforce credential when compared to students in traditional basic education programs.</p>	\$11,250,000	<p>Integrated and Streamlined Customer Service – a specific strategy in this section highlights the need to increase the number of participants, including those with barriers, who have defined career pathways and have gained portable skills, received industry-recognized credentials, and/or earned college credits. The I-BEST program has made tremendous impacts in all of those areas, and expansion would only broaden its reach.</p>

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5	Council of Presidents (COP)	Degrees to meet demand: Address state needs through targeted investments.	1: Expand capacity to support student degree completion in programs that fill skill gaps in high-demand fields (STEM, teacher preparation, healthcare and priority workforce programs). 2: Reduce bottlenecks in high-demand and priority workforce courses and improve student time to degree or credential. 3: Ensure that graduates have the breadth of knowledge, aptitudes, and experiences enabling them to adapt to a changing economy and workforce.	TBD	Strengthened Business Engagement & Integrated and Streamlined Customer Service – By providing the students attending higher education institutions with job-specific skills, we will help meet the needs of industry in addressing their workforce needs. By providing students with education and training targeted at high-demand fields, the system will increase the number of participants who have received industry recognized credentials and/or earned college credits.
6	ESD	Ex-offender employment	<p>ESD is requesting additional spending authority to support strategic employment/re-employment initiatives targeted at ex-offenders. ESD’s proposed model is based off the transition model developed by the Military Transition Council. ESD staff would connect with transitioning ex-offenders by connecting them with a local WorkSource office and registering them through WorkSourceWA.com before they leave incarceration, which will provide a “warm hand-off” between agencies to increase odds of a successful transition. The project will be sustainable, and require no additional spending authority, by 2019.</p> <p>Program components include: operational support, including training and technical assistance and updates for WorkSource staff on best practices in serving ex-offenders; training and technical assistance community support; ex-offender-specific services offered at WorkSource offices; a pilot project targeting female ex-offenders to allow for increased employment in family wage jobs; and outreach to incarcerated veterans.</p>	Request for federal spending authority only.	Integrated and Streamlined Customer Service & Accessible, Technologically Savvy System – Increasing access to the workforce development system meets several key goals and strategies in TAP, including increasing the number of participants with barriers who have defined career pathways, and encouraging pilot programs that improve access to the state’s workforce system.

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7	SBCTC	Expand Opportunity Grant program	<p>Would expand the Opportunity Grant program by 660 FTEs, and increase the award amount by 20 percent to address tuition and fee increases since 2007, when the program was first created (funding amounts have not changed since the program's creation). The program provides student support services and financial assistance (including tuition, books, fees, and supplies) to low-income students in approved high-wage, high-demand career pathways. The system retention rate for recipients is over 80 percent. Approximately half of the colleges have a waiting list for this program; unmet need is over 1,000 students.</p>	\$10,300,000	<p>Integrated and Streamlined Customer Service – a specific strategy in this section highlights the need to increase the number of participants, including those with barriers, who have defined career pathways and have gained portable skills, received industry recognized credentials, and/or earned college credits. The Opportunity Grant program removes barriers to entry and completion, with the result that more participants are leaving the workforce system prepared for a future career.</p>
8	Department of Social and Health Services (DSHS)	Families Forward demonstration	<p>ESA is requesting 1.1 FTE and funding to implement the Families Forward Demonstration grant, which was awarded to Washington state by the W.G. Kellogg Foundation. The grant can match against federal funding at a 34/66 percent match - increasing additional funding available to state over the five year grant period. The demonstration will test new strategies to improve the earnings capacity, skills and financial literacy of low-income parents who owe child support but are unable to fully meet their obligations due to low earnings. The goal of the project is to identify effective employment-focused approaches that can be integrated into child support programs across the country.</p> <p>The Department proposes an expansion of services in the Alternative Solutions Program, which helps noncustodial parents with barrier removal, including assistance with employment and training, housing, food, medical and legal resources. The Employment Pipeline within the program includes: partnering with employers willing to offer long-term employment to noncustodial parents; providing on-site navigation services through the employer to help clients stay employed; and, provide basic training and skills through community college partners and community based organizations to prepare clients for specific jobs. The current budget will not allow for the expansion of services without state support.</p>	\$82,000 in state funding	<p>Integrated and Streamlined Customer Service - The strategies outlined in this proposal would increase the number of participants with barriers who have the employability skills and access to move into sustained economic self-sufficiency.</p>

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9	Washington Student Achievement Council (WSAC) /COP	Fully fund State Need Grant	The State Need Grant is the state's largest need-based aid program for postsecondary education. The program currently serves approximately 70,000 low-income students annually. However, due to funding limitations, the program has left 20,000 students unserved for the last seven years, and currently is not able to serve the 23,000 students who are eligible for financial assistance. WSAC estimates that, based off of research about the impact of state aid on graduation rates, that an increase of 4,800 completions is expected due to this investment.	\$200,305,000	Integrated and Streamlined Customer Service – The State Need Grant is the largest component of the state's need-based financial aid system and is offered to students at public and private two and four year institutions. By providing tuition assistance to students who are low-income and eligible, the system can meet its goals of increasing the number of participants, including those with barriers, who have received industry-recognized degrees or credentials.
10	COP	High impact credentials: Ensure that all students excel in today's competitive labor market	This strategy calls for increase in classroom experiences that equip students with knowledge, skills, and experiences that translate from the classroom into the workplace. COP's proposal emphasizes access to a high-quality learning environment and curriculum that incorporates technology and connection to the workplace wherever possible.	TBD	Strengthened Business Engagement – A specific strategy outlined in this goal includes a charge to increase resources for work-based learning opportunities. The applied education highlighted in COP's plan would move the system forward in meeting the goal of that strategy.

Workforce Board: DRAFT Workforce System Agenda

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#	Agency	Title	Summary	Cost (biennial)	TAP Goals/Strategies
11	Office of Superintendent of Public Instruction (OSPI)	K-12 career and college readiness	<p>This proposal would expand and strengthen specific K-12 career guidance and CTE programs and services with proven results to help students identify connections between school and post-high school aspirations. CTE and focused career guidance programs are particularly appealing for students looking for real-world linkages between their education and their future plans.</p> <p>This proposal would fund a comprehensive, statewide approach to career and college readiness through improved accessibility to and expansion of the following opportunities: 1) Career Guidance Washington, which provides students with information about postsecondary options, assistance in developing individual and career management goals and skills, and support in converting these goals into action. 2) Jobs for Washington’s Graduates, which is a skill-based curriculum targeted at vulnerable youth including employability competencies, job opportunities, and follow-up services for employment and postsecondary options. 3) Core Plus, a direct ‘school-to-career’ program that leverages partnerships with local business and industry to ensure that classroom activities produce job-ready graduates. 4) Expanding available options and providing CTE industry certification exams at a no-fee basis for students. 5) Providing additional resources to increase the number of CTE course equivalencies in the system – allowing students to take CTE courses and still receive credit for core requirements such as math and science.</p>	\$9,191,457	Integrated and Streamlined Customer Service – Enhanced career guidance and counseling, particularly for our state’s most vulnerable youth meets the system goal of ensuring every customer has the education and employability skills to be successful in the workforce.
12	Washington Department of Veterans Affairs (WDVA)	Military downsizing impact and outreach	<p>This funding request would support expansion of the staff dedicated to support the Military Transition Council (Council), the convening group composed of state, local and military leaders focused on employment for transitioning veterans. Required federal downsizing cuts have resulted in a 50 percent reduction in staff supporting the Soldier for Life – Transition Assistance Program, and decreased numbers of base personnel allow for more limited opportunities for veterans to participate in transition activities while on active duty.</p> <p>Dedicated staff support would fund the following: development and execution of a strategic communications plan for the Council; coordination of data sharing and development of strategies to accomplish increased outcomes for veteran employment; convening efforts required to staff the work of the Council; development of a public/private technology solution partnership for ensuring veteran employment (VetNet – Veteran’s Transitional Management Network); and advancing the creation of a linked system approach that coordinates existing resources for veterans at the state/county/federal level. The requested staff position would also be responsible for creating ongoing partnerships with the Workforce Board, Workforce Development Councils (WDCs) and the military service components, and focusing efforts statewide (the majority of the Council’s focus and programs have been directed at Joint Base Lewis McChord).</p>	\$209,000	Accessible, Technologically Savvy System; Integrated and Streamlined Customer Service; Next Generation Performance Accountability – This item meets a number of goals and strategies outlined in TAP. Veterans are named as one of the 14 identified populations under TAP with barriers to employment, and the Military Transition Council and its staff can help to connect veterans with the workforce system. The data sharing coordination piece outlined in this legislative request will also help meet performance assessment goals for the system.

Workforce Board: DRAFT Workforce System Agenda

Overview of Included Stakeholder Requests *(in ABC order by title)*

#	Agency	Title	Summary	Cost (biennial)	TAP Goals/Strategies
13	Washington State Opportunity Scholarship	Scholarship expansion to mid-level education programs	The Opportunity Scholarship is a unique public-private partnership that provides student scholarships for high-demand fields by leveraging state funds with a 1:1 match from the private sector. Currently by statute, the scholarship program may only serve students seeking a four-year degree. However, the Opportunity Scholarship Board is preparing a legislative proposal that would open up the program to those students seeking a credential or a two-year workforce degree.	Public/private match program. Amount is dependent on the private match negotiations.	Integrated and Streamlined Customer Service – The Opportunity Scholarship has a commitment to support the needs of populations who are underrepresented in the postsecondary education system. Opening up access to two-year workforce degrees and credentials will address the strategies to increase the number of participants with barriers in earning industry-recognized credentials or degrees.
14	WSAC	State Work Study	The State Work Study program provides work experience in a field of the student’s choosing, and financial aid to participants. The program works with employers to pay the students’ wages; a five million dollar investment from the state annually provides \$8.3 million in total wages to students. Before the Great Recession, the program served 9,330 students and 2,000 employers. Funding has been reduced by two-thirds, and employer match rates were increased; the result was the loss of approximately 1,100 employers from the program. The requested funding level will serve an additional 3,000 students.	\$10,000,000	Strengthened Business Engagement – The state Work Study program will directly meet the strategies outlined in this plan goal to increase resources for, and the amount of, work-based learning opportunities in the workforce system.
15	WSAC	Student support for Running Start	Students in Running Start receive a waiver for tuition; however they are responsible for other costs, including books and transportation, which presents a barrier, particularly for low-income students. Additional costs for program participants are estimated at \$864 per year in transportation costs and \$92 per course in books and supplies. Low-income students comprise 45 percent of the student population, but only 31 percent of students enrolled in Running Start. Funding would cover book and transportation costs for Running Start students from low-income families. The funds would be distributed to public colleges and universities offering Running Start to provide book vouchers and transportation assistance. The request would support an estimated 17,800 students over the biennium.	\$26,700,000	Integrated and Streamlined Customer Service – The cost of books, supplies, and transportation has provided a major barrier for many low-income students who may otherwise enroll in Running Start programs and work toward college credit. Removing this barrier would help increase the number of participants who earn college credits.

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#	Agency	Title	Summary	Cost (biennial)	TAP Goals/Strategies
16	OSPI	Vocational education funding formula	This request would address the disparity in funding enhancements for CTE programs and skills centers, which generally have a higher cost to schools to operate. The enhancement for this program has declined from 28 percent in 1995 to only 2.2 percent in 2016, which limits program enrollment, operation and growth potential.	\$115,000,000	Integrated and Streamlined Customer Service & Strengthened Business Engagement – Addressing funding disparities that have limited opportunities for access in career-focused education would meet the system’s strategies of ensuring every participant has the employability skills to be successful in the workforce, and increase resources for work-based learning offered to youth.
17	Workforce Board	Talent and Prosperity for All Resolution	This is a joint concurrent resolution which allows for the Legislature's endorsement of the Workforce Board's state plan, known as TAP - Talent and Prosperity for All. By statute, the Board is required to update the state plan for workforce development every four years (this was last done in 2012) and bring it before the Legislature for approval. The joint concurrent resolution proposed would formalize the Board's Talent and Prosperity for All (TAP) plan as the state plan for workforce development, and ensure that all state partners are aware of the state Legislature's support of the strategic direction for the state workforce system.	None.	All – The TAP resolution would provide the Legislature’s formal support for the TAP plan as the state plan for workforce development.
18	Department of Commerce	Underserved communities and small businesses	<p>A package of targeted efforts addressing small business and underserved community development strategies for rural economic development, industry sector-based economic development, and regulatory reform. Includes funding for economic gardening (\$579,977), Startup 365 (\$235,393), Small Business Exports (\$495,710), Sector-Based Economic Development (\$667,211), Sector Lead Funding (\$621,319), and Regulatory Roadmaps (\$302,648). Expansion of the programs above would serve an estimated 1,230 business over the next four years.</p> <p>Not funding this request would lead to a reduction of services to small businesses or elimination of services in some cases. Large businesses often have the means and resources to initiate growth strategies, but most small businesses and firms in underserved communities do not, although they do have a very high possibility of growth in most cases if put in the right environment. Washington State, on a per capita basis, spends the second lowest on economic development related expenditures of any state (Council for Community and Economic Research - https://www.c2er.org/). Not funding this request would decrease the state's ability to grow businesses, create new ones and compete for businesses to stay in Washington when many other states have significant resources to offer.</p>	\$2,902,258	Strengthened Business Engagement – the goal outlined in the business engagement chapter focuses on providing businesses with easier access to the workforce system to increase business engagement. Providing targeted support to rural business will allow the system to increase the number of businesses utilizing the workforce system.

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#	Agency	Title	Summary	Cost (biennial)	TAP Goals/Strategies
19	ESD	WorkSource access for underserved rural populations	<p>The request is for the spending authority necessary to implement a rural outreach strategy that would provide mobile employment services and increased co-location of WorkSource staff throughout the state at partner sites. ESD estimates the plan would be sustainable (requiring no additional appropriation authority) after 2019. The department notes that many programs have an in-person requirement for services; this poses a barrier to rural areas or for those with limited transportation options.</p> <p>The program would support the following components: 1) Hiring 10 WorkSource Specialists who would be co-located at partner sites, such as schools, libraries, and postsecondary education facilities. 2) Purchase of a mobile unit that would be deployed throughout rural locations of the state to provide outreach to communities that are currently underserved by employment services. Funds would also cover the costs of technology, including WIFI, Chromebooks, and other equipment to be used in the co-location sites and in the mobile unit.</p>	Request for federal spending authority only.	Accessible, Technologically Savvy System – ESD’s proposed mobile outreach strategy would address the charge of this goal to provide universal, barrier-free access to the state’s workforce development system. This project would also meet the strategy of encouraging pilot programs that use technology to facilitate and improve an integrated service delivery for customers, including programs designed to provide access to the system.

RECOMMENDED MOTION 2017 WORKFORCE SYSTEM LEGISLATIVE AGENDA

WHEREAS, The Workforce Training and Education Coordinating Board's strategic plan for workforce development, *Talent and Prosperity for All*, per state statute, provides "a state comprehensive plan for workforce training and education, including but not limited to, goals, objectives, and priorities for the state training system" and identifies opportunities for the advancement of the workforce system (28C.18.060(4)); and

WHEREAS, The Workforce Training and Education Coordinating Board has been assigned by Governor Inslee to implement the comprehensive state plan for the new Workforce Innovation and Opportunity Act, in order to improve access to and outcomes for jobseekers and employers across the state; and

WHEREAS, The Workforce Training and Education Coordinating Board has a statutory responsibility to "review and make recommendations to the Office of Financial Management and the legislature on operating and capital budget requests for operating agencies of the state training system for purposes of consistency with the state comprehensive plan for workforce training and education" (28C.18.060(5)); and

WHEREAS, The Workforce Training and Education Coordinating Board has a statutory responsibility to "Advocate for the state training system and for meeting the needs of employers and the workforce for workforce education and training" (28C.18.060(2)); and

WHEREAS, The Workforce Training and Education Coordinating Board has reviewed legislative requests from agencies that focus on workforce development, and selected specific items that will help move the implementation of *Talent and Prosperity for All* forward;

NOW THEREFORE BE IT RESOLVED, That the Workforce Training and Education Coordinating Board approves the selected workforce system agenda that aligns with the goals, objectives, and strategies articulated in the state strategic plan *Talent and Prosperity for All* for use in advocacy efforts throughout the 2017 Legislative Session.

Washington Competes

PRESENTER NAME: Paul Francis, Council of Presidents

BOARD MEETING DATE: 11/2/2016

BOARD MEMBER SPONSOR NAME: Lee Anne Caylor & Beth Thew **DISCUSSION TIME:** 15 minutes

<p>ISSUE/SITUATION: Be concise- 1 or 2 sentences that get to the heart of the situation, problem or opportunity being addressed.</p>	<p>THE ISSUE/OPPORTUNITY IS: The Council of Presidents is requesting that the Workforce Board endorse the Washington Competes proposal. Washington needs a dramatic increase in the number of all postsecondary credentials in order to meet state and workforce needs – particularly in STEM and other high demand fields. We also know that our population is increasingly diverse; many of the fastest growing populations are at the same time least likely to participate in postsecondary education. Washington is competing with other states and countries to best position itself to succeed in a global, knowledge-based 21st Century economy. If we are to be successful we have to invest in high-quality education and training options for Washingtonians.</p>
<p>TAP STRATEGIC PRIORITY: Which TAP strategic priority or priorities does this recommendation support? Can you tie to specific goals and objectives in TAP? Briefly describe these connections. If the connection is unclear, describe why this is of consequence to the Workforce Board and/or workforce system.</p>	<p>SUPPORTS TAP STRATEGIC PRIORITY: The populations with barriers under WIOA are all populations that would benefit from additional education and training. Washington Competes very much aligns with the TAP strategic priorities related to workforce needs and addressing the skills gap as well as ensuring that customers receive integrated services leading to employment and careers. We are seeing a greater number of non-traditional students who desire to access postsecondary education as adults as well as students who want to return to school to complete a credential – Washington Competes sets a framework for us to expand our focus on transfer students, veterans, low-income students and others to serve them in a holistic, comprehensive manner. Essentially we want these students to be able to access higher education, graduate in a timeline manner with a high-quality credential, and succeed in the labor market.</p>
<p>POTENTIAL IMPACT: Effect on people, businesses, communities. What is better or different from other existing strategies?</p>	<p>IT IS SIGNIFICANT BECAUSE: Washington Competes is an investment in Washington residents. A postsecondary credential leads to economic self-sufficiency and provides a myriad of benefits to all of society. This proposal is attempting to increase the number and quality of credentials to better serve existing and emerging needs.</p>
<p>OPTIMAL NEXT STEPS: What do you really want to happen as a result of this discussion with the Workforce Board?</p>	<p>MY IDEAL OUTCOME OF THIS DISCUSSION IS: Board feedback on the Washington Competes proposal, and official Workforce Board endorsement. All organizations endorsing the proposal will be listed on the document.</p>
<p>BACKGROUND: Short history of how this recommendation came to be. What has been tried, to what result? What evidence exists to support this recommendation?</p>	<p>RELEVANT BACKGROUND INFORMATION: Presidents and others began this work earlier this year in an attempt to shift the conversation away from investment in one particular area or item and toward the broader needs of our residents and our state. For example, not merely focusing on the skills gap in the computer science field, but to broadly talk about the field-specific and broader communication and critical thinking skills that employers have articulated that they most value among their employees and how our colleges and universities can contribute to meeting those needs. We know from extensive research that a postsecondary credential is valuable in the labor market. Our postsecondary system is viewed as one of the best in the nation. We also have surveys from employers as to the skills they find more desirable.</p>

<p>STAKEHOLDER ENGAGEMENT, PROS AND CONS: Which stakeholders have been engaged in the development of this recommendation? What are the pros and cons of this recommendation? According to whom (which stakeholder groups)? Are there viable alternatives to consider?</p>	<p>STAKEHOLDERS HAVE PROVIDED INPUT AND THEY THINK:</p> <p>Washington's six public baccalaureate leaders worked together on development of Washington Competes. Council of Presidents staff has outreached to 15 different agencies and organizations – including higher education, K-12, nonprofit and business partners – in order to secure their feedback and endorsement. We very much view this as a collaborative effort that would benefit our entire state.</p>
<p>FINANCIAL ANALYSIS AND IMPACT: What will it cost to enact this recommendation? What resources will be used? Are new resources required? How much? Where will existing or new resources come from? Are there savings to be gained from this investment? Over what period? Are there other returns on investment to consider?</p>	<p>THE COST AND RESOURCE NEEDS OF THIS RECOMMENDATION ARE:</p> <p>We view higher education delivery as a partnership between students, the state, and our colleges and universities; therefore, everyone has a role to play in terms of the efficient receipt and use of limited resources. The Washington Competes proposal is our attempt to increase policymaker support for postsecondary education so as to meet state and workforce needs. We believe all areas of the state stand to benefit from an increase in the number of college graduates through increased state and local revenues, reduced reliance on social programs (which provides a cost savings to taxpayers), and more. This is a longer-term effort beyond just one legislative session.</p>
<p>RECOMMENDATION AND NEXT STEPS: What specific result do you want from the Board? Is this recommendation for discussion or action? If for discussion, will action be required at a later date? What next steps are expected after this discussion?</p>	<p>THE RECOMMENDATION AND/OR REQUESTED ACTION IS:</p> <p>Official Workforce Board endorsement of the Washington Competes proposal. We hope to continue to work in collaboration with the Workforce Board during the next legislative session and beyond to ensure a prosperous economy.</p>

Washington Competes: A Sector-wide Agenda for Public Baccalaureate Growth and Completion

In 2017, state policy makers have an opportunity to build on recent investments in order to serve more students and strengthen the state's competitive advantage by increasing investment in Washington's college and university systems. Because higher education is a public good, everyone benefits when there are more college graduates.

Postsecondary education is essential to being competitive in today's global economy. Washington's economic vitality hinges on a strong and vibrant education system that includes early learning, K-12, and higher education. Increasing the number of individuals with a postsecondary credential reduces reliance on social support programs and ensures that Washington families are not left behind.

Current Challenges:

1. **Unmet Workforce Demands** – A skilled and educated workforce is the foundation of a prosperous economy. By 2017, Washington employers will have at least 50,000 unfilled jobs in high-demand fields due to a lack of qualified applicants. Our state's colleges and universities are key to creating a local pipeline for Washingtonians to fill these jobs.
2. **Degree Attainment** – Washingtonians ages 25 to 34 are projected to be the first generation in history with lower educational attainment than their parents. At the same time, a growing number of Washington students come from groups that have been historically underserved by higher education. Ensuring the academic success of these students requires strategies and investment in proven student success initiatives.
3. **Competing for Excellence** – Providing quality education requires access to talented and dedicated faculty and staff. Yet Washington's colleges and universities face an increasingly competitive national marketplace to attract and retain top-notch educators.

The Path Forward:

Addressing our educational and economic challenges requires increased state investment to improve student access and degree completion, preserve affordability, and maintain the high quality of our colleges and universities. Washington's colleges and universities request funding to bolster degree production, student success, and educational quality.

1. **Degrees to meet demand: Address state needs through targeted investments**
 - ▶ Expand capacity to support student degree completion in the areas they pursue. This includes enrollments that fill skill gaps in high-demand fields such as STEM, teacher preparation, health care, and priority workforce programs.
 - ▶ Reduce bottlenecks in high-demand and priority workforce courses and improve student time to degree or credential.
 - ▶ Ensure that graduates have the breadth of knowledge, aptitudes, and experiences enabling them to adapt to a changing economy and workforce.
2. **Student success: Ensure that students have the resources to graduate**
 - ▶ Invest in proven strategies that retain students and lead to degree completion.
 - ▶ Strengthen pathways for historically underserved populations, transfer students, veterans, and adult learners.
 - ▶ Fully fund the State Need Grant to permit more students to attend college and reduce student debt loads.
3. **High impact credentials: Ensure that all students excel in today's competitive labor market**
 - ▶ Provide a classroom experience that equips students with knowledge, skills, and experiences that translate from the classroom to the workplace.
 - ▶ Invest in competitive compensation for faculty and staff in order to attract and retain quality educators.

Each year, Washington's 50 public and private colleges and universities together award 71,000 degrees to students in all 39 counties. However, we need to produce more graduates to meet the state's growing economic needs and to ensure that Washingtonians are not left behind. We are ready to build on nationally-recognized degree programs to increase the multi-billion dollar economic impact that our colleges and universities have on the state's economy, as well as to enhance the economic well-being of all Washington residents.

CENTRAL WASHINGTON
UNIVERSITY

EASTERN WASHINGTON
UNIVERSITY

THE EVERGREEN STATE
COLLEGE

UNIVERSITY OF
WASHINGTON

WASHINGTON STATE
UNIVERSITY

WESTERN WASHINGTON
UNIVERSITY



CENTRAL WASHINGTON UNIVERSITY

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UNIVERSITY OF WASHINGTON

WASHINGTON STATE UNIVERSITY

WESTERN WASHINGTON UNIVERSITY

WASHINGTON STATE

Council of
Presidents

Washington Competes

October 2016

Paul Francis

Executive Director

Washington Strengths:

- Strong cradle to career collaboration/partnerships
- Focus on access and affordability
- High performing/highly regarded colleges and universities
- Strong bi-partisan policymaker support



Washington Challenges:

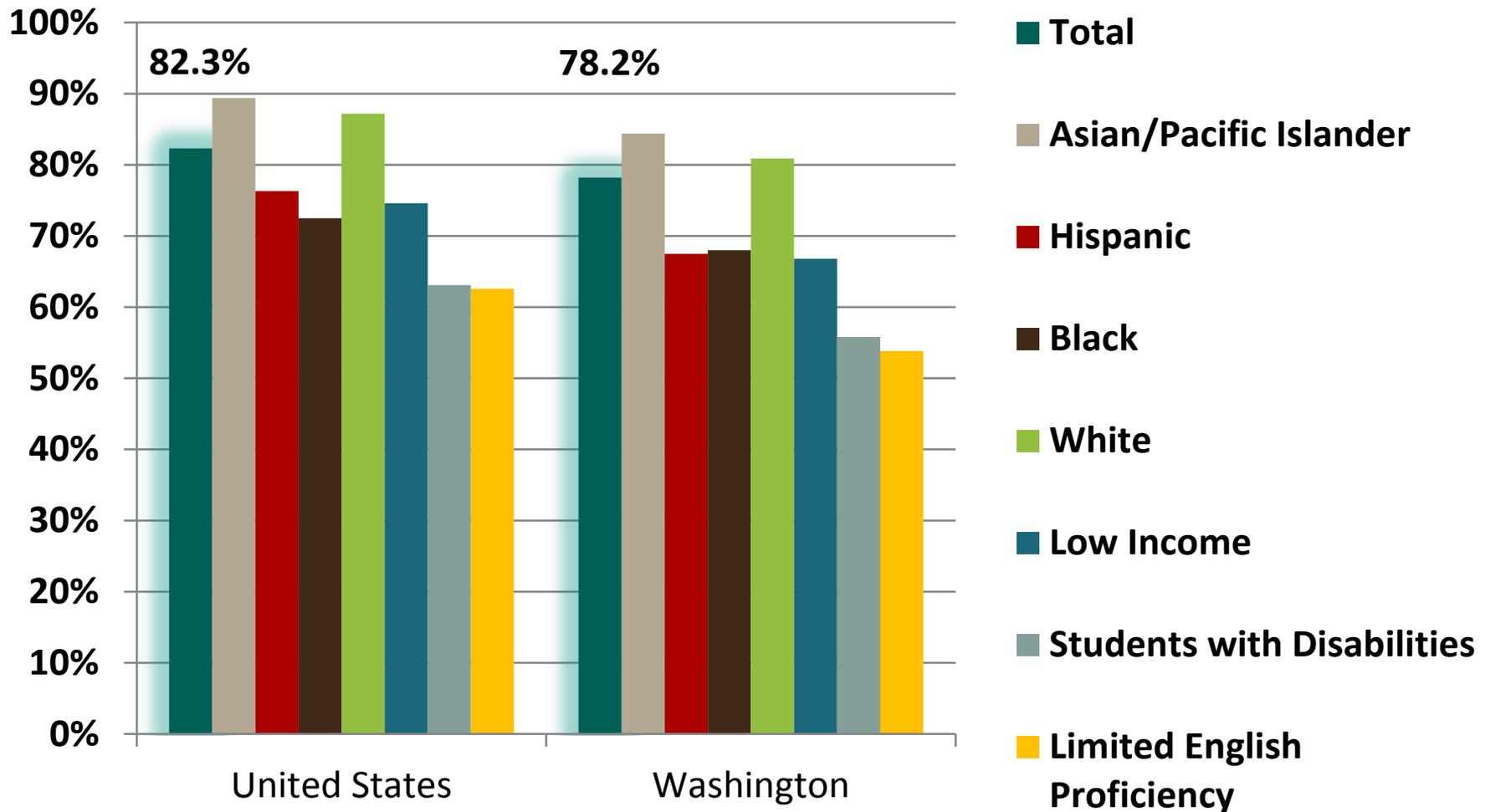
- Below average financial support for higher education
- Low high school graduation rates
- Low 4-year college participation rates
- Persistent gaps between degree production and employer demand in key fields



Higher Education Funding Comparisons

	United States	Washington	Washington as a Percent of United States
Per Student Funding	\$12,907	\$11,267	87.3%
Higher Education Support per Capita	\$272	\$222	81.6%
Higher Education Support per \$1000 of Personal Income	\$5.90	\$4.48	75.9%

Public High School 4-Year Adjusted Cohort Graduation Rate (2013-14)



Low College Participation

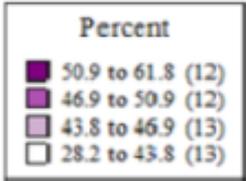
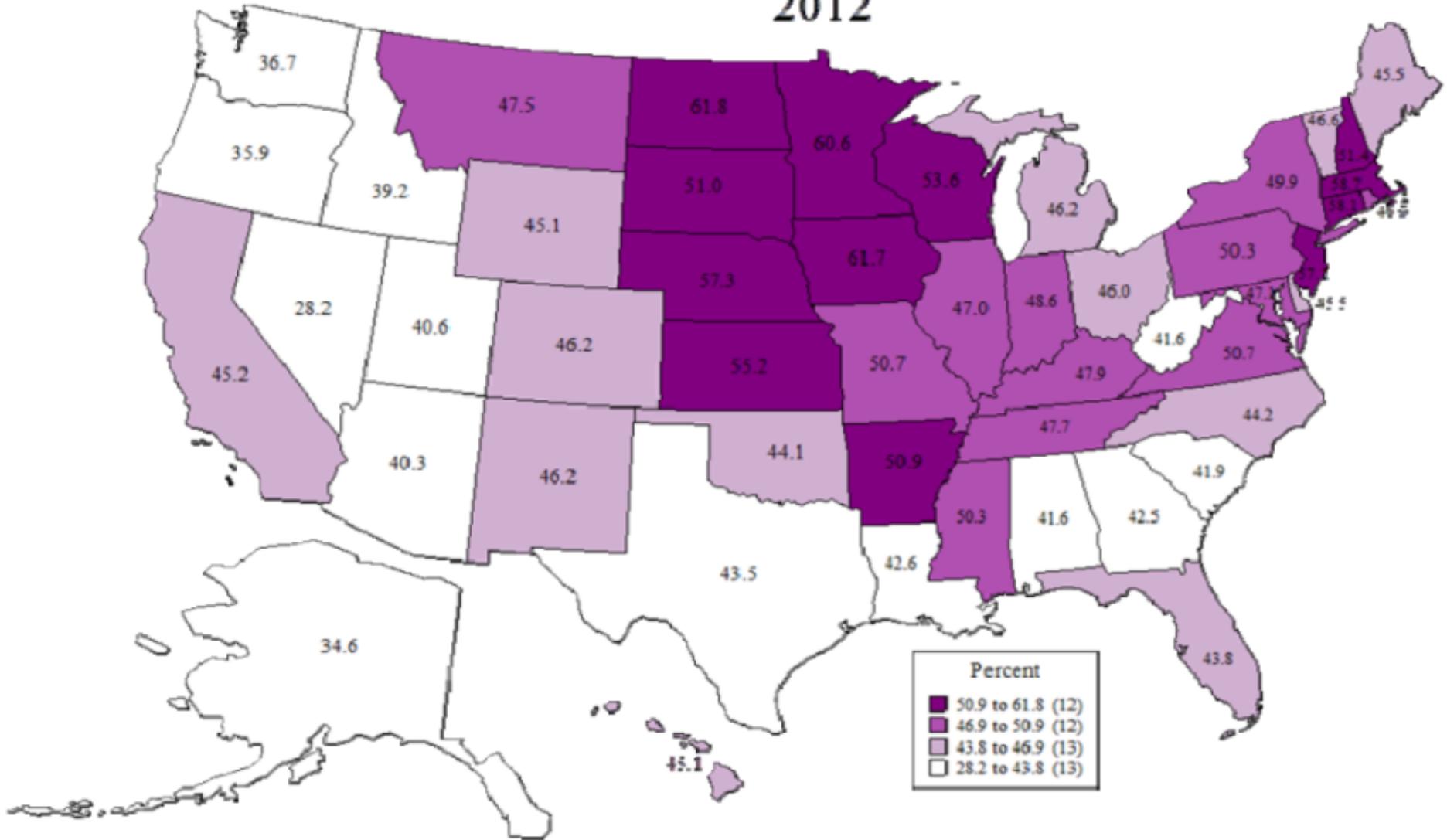
- In 2012 Washington ranked **47th** in the nation for participation in college by age 19 (**36.7%**). National average is **46.8%**
- 30 years ago WA ranked **8th** nationally (30.9%).
- Top ranked states: ND (61.8%), Iowa (61.7%), MN (60.6%), MA (58.7%).

74.5% high school graduation rate

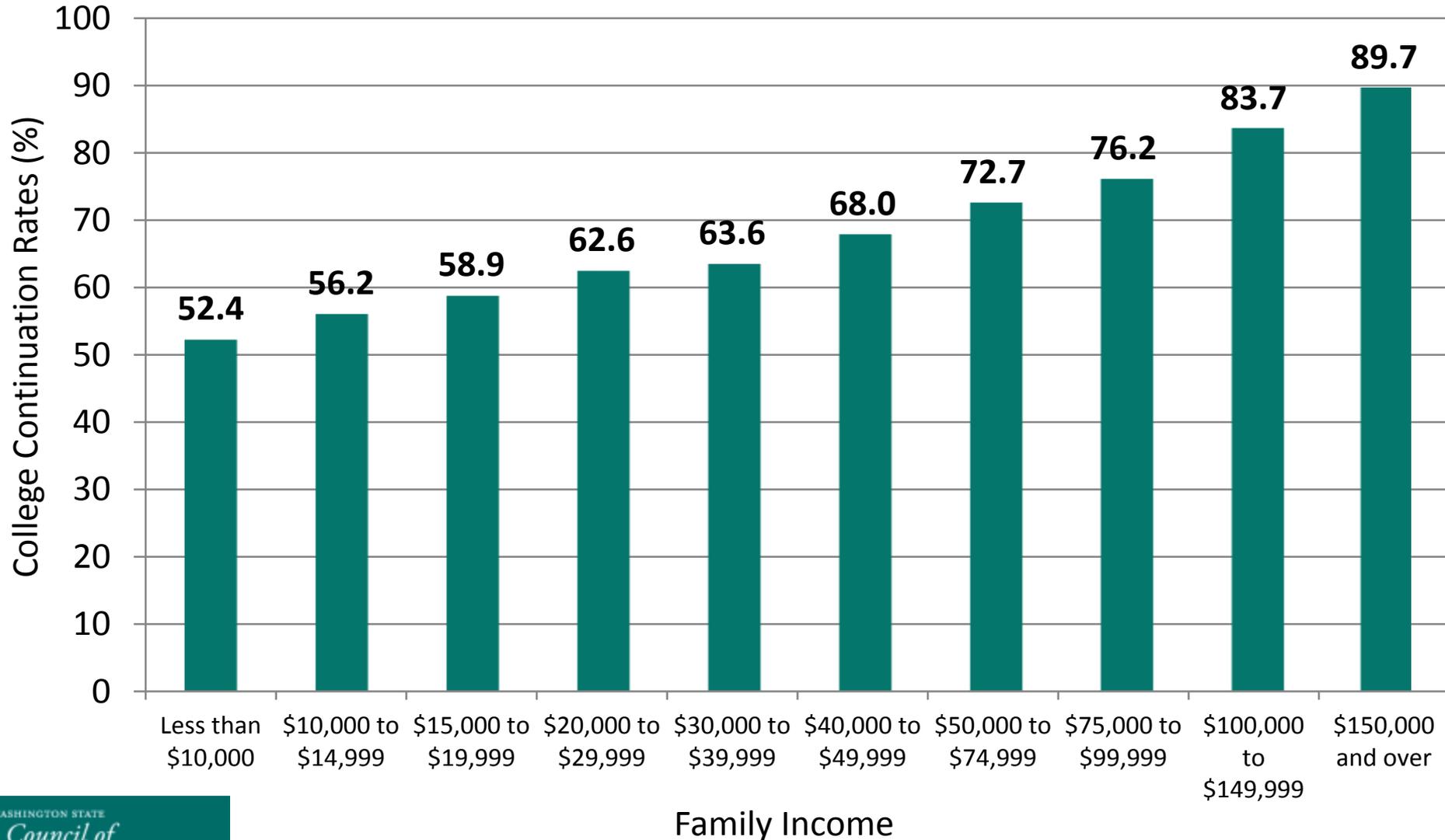
X 49.2% college continuation rate

= **36.7% college participation by age 19**

Chance for College by Age 19 2012

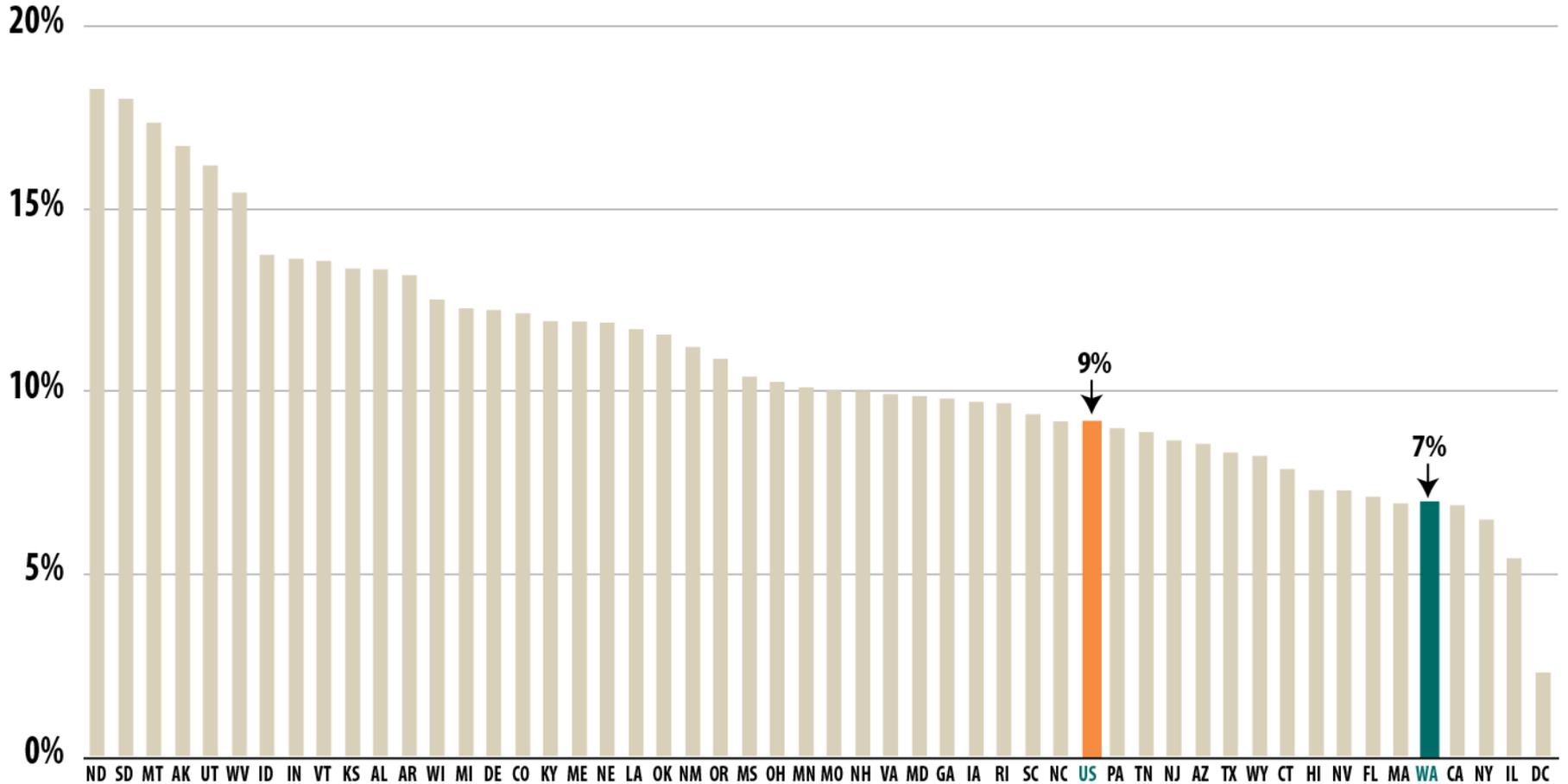


U.S. College Continuation Rates by Income for 18-24 High School Graduates (2014)



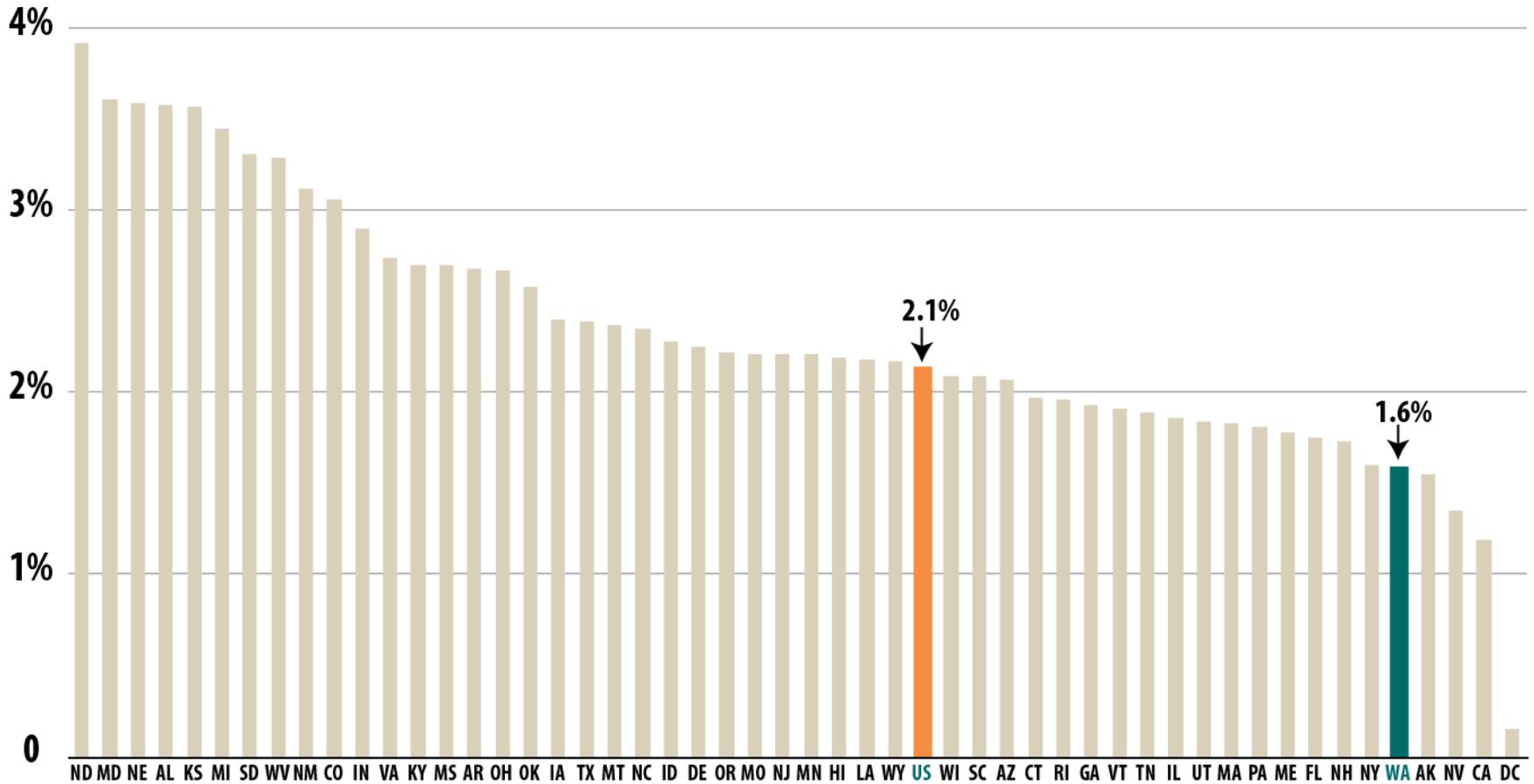
Washington Ranks **47th** in Participation in 4-year Public Higher Education at the Undergraduate Level

Public undergraduate 4-year participation rates based on the population age 20-34, 2011-12.

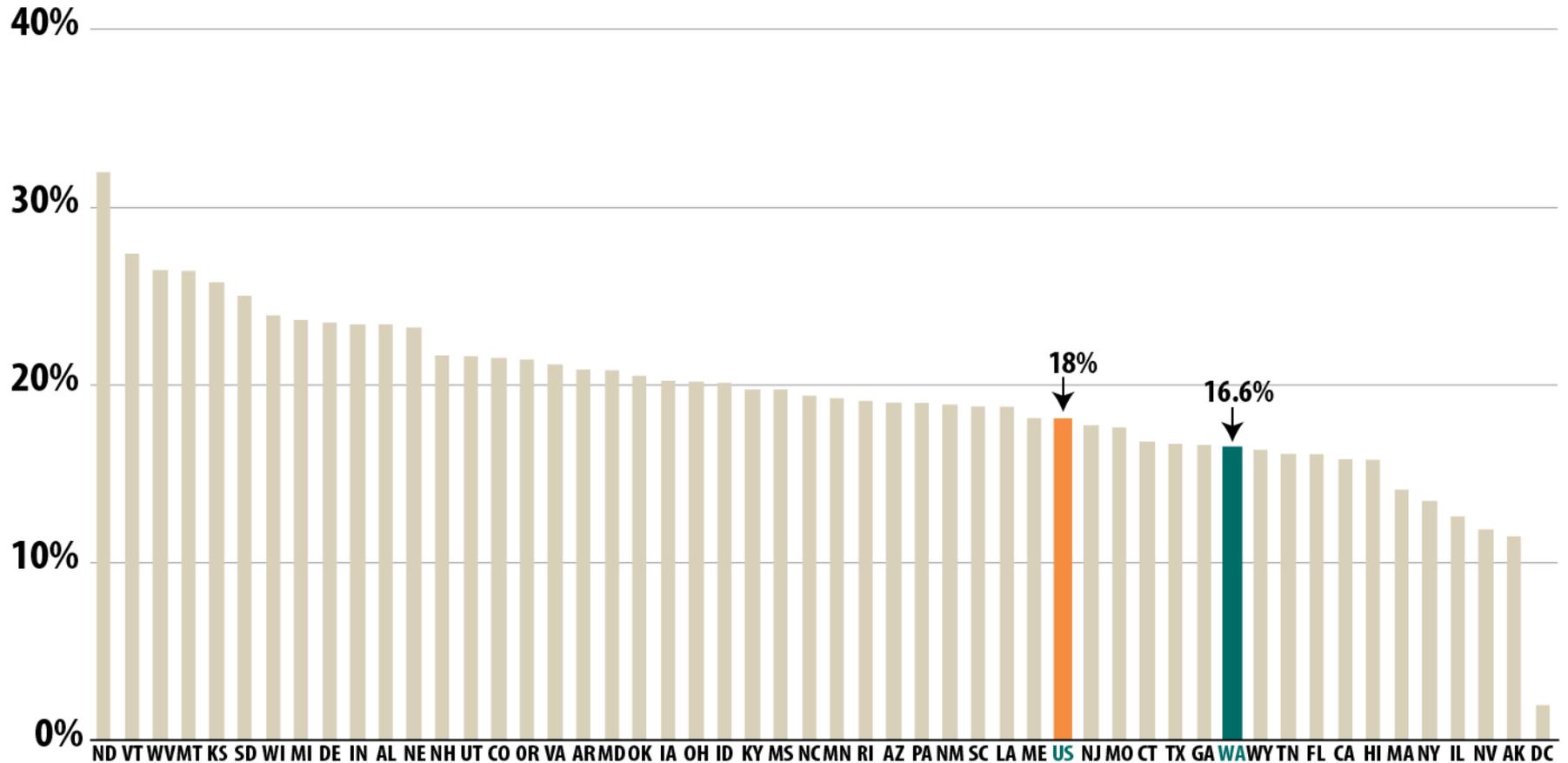


Washington Ranks 47th In Participation In Public Graduate Education

Public graduate participation rates based on the population age 20-34, 2011-12.



Washington Ranks 40th In Public Bachelor's Degrees Produced Per 1,000 Population Aged 20 To 34



Washington Opportunities:

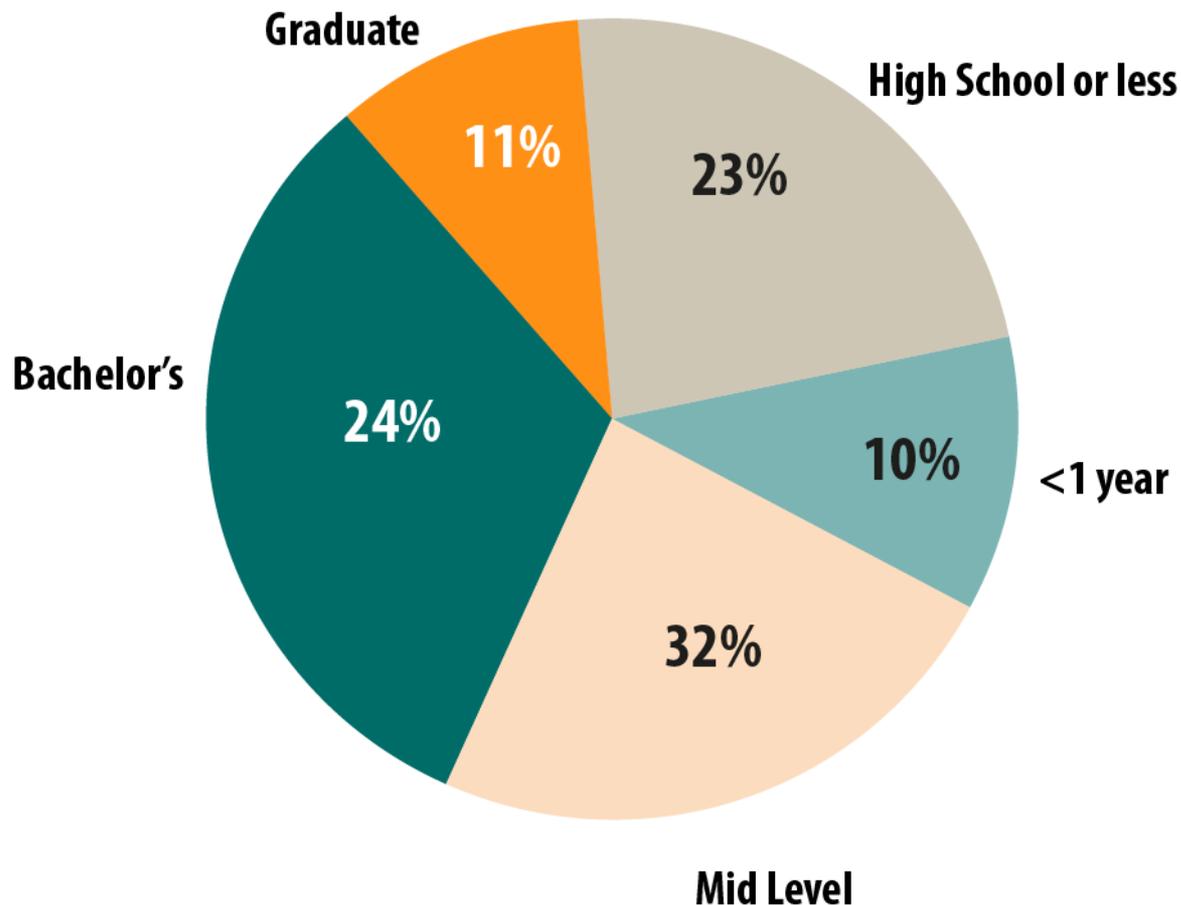
- Unmet workforce demands
- Growing underrepresented populations
- Competing for excellence



Meeting the Needs of our Economy

- By 2020 **70%** of the jobs in Washington will require some postsecondary education – one of the top percentages nationally. **33%** will require a bachelor's degree or more.
- Nearly all the jobs created in the recovery, **11.5 million** out of **11.6 million**, have gone to workers with at least some postsecondary education.
- Combined, the workers with a **bachelor's degree or higher** **have accounted for 73%** (8.4 million) of the 11.6 million jobs gained in the recovery.

Total Projected Job Openings by Education Level 2018-2023



Meeting Employer Needs: STEM and High Demand Programs

- Washington state **ranks #2 nationally** in the concentration of STEM related jobs and **#3 in STEM job growth**
- By 2018 **70% of STEM** jobs in Washington will require a bachelor's degree or greater
- **73% of all job growth** in STEM between 2014 and 2024 will be in **computer occupations**
- The largest **workforce gaps** at the baccalaureate and graduate levels in Washington are **in computer science, engineering, education, and the health occupations**
- Many of the **fastest growing** occupations over the next decade are projected to be in the **healthcare fields**

Meeting Employer Needs: Liberal Arts Programs

- **63%** of 400 employers surveyed think that having **both field-specific knowledge and skills and a broad range of skills and knowledge that apply to a variety of fields is important** for recent college graduates to achieve long-term career success at their company
- When asked which of 17 skills and knowledge areas they most valued, employers ranked the following as most important:
 - ✓ The ability to **effectively communicate orally**
 - ✓ The ability to **work effectively with others in teams**
 - ✓ The ability to **effectively communicate in writing**
 - ✓ **Ethical judgment** and **decision-making**
 - ✓ **Critical thinking** and **analytical reasoning skills**
 - ✓ The ability to **apply knowledge and skills to real-world settings**

America's Changing Demographics

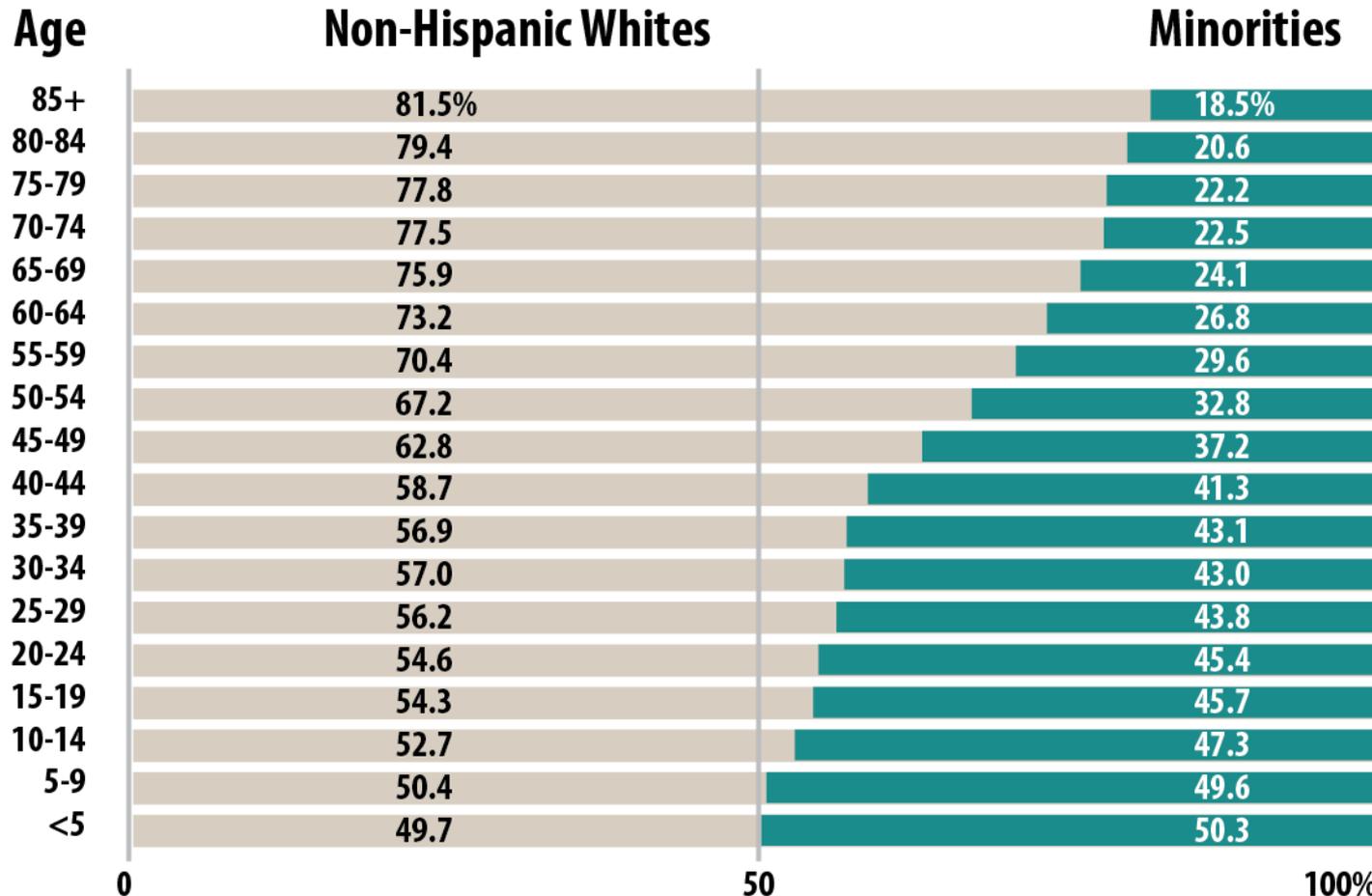
- **2013** – For the first time a majority of children younger than one year were racial or ethnic minorities
- **2014** – Students of color became the majority in America's public schools for the first time
- **2020** – A majority of children under age 18 projected to be racial/ethnic minorities
- **2043-2055** – America projected to become a majority-minority nation
- **2056** – Washington projected to become a majority-minority state



Sources: http://www.census.gov/content/dam/Census/newsroom/releases/2015/cb15-tps16_graphic.pdf
<http://www.pewresearch.org/fact-tank/2016/06/23/its-official-minority-babies-are-the-majority-among-the-nations-infants-but-only-just/>
http://nces.ed.gov/programs/digest/d13/tables/dt13_203.50.asp
<https://cdn.americanprogress.org/wp-content/uploads/2015/02/SOC-report1.pdf>

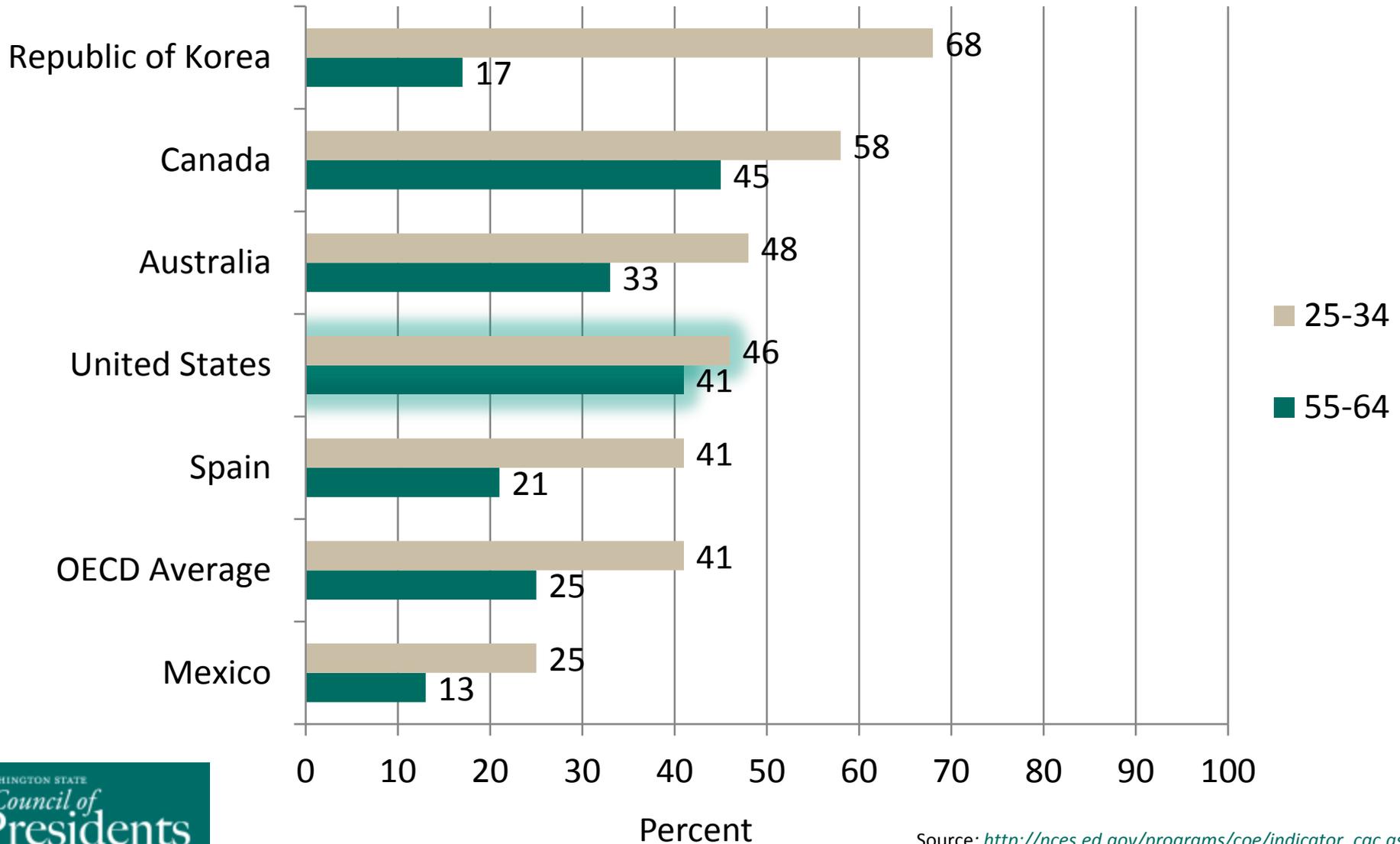
America's Demographic Changes Begin With the Youngest Age Groups

% of population, 2015

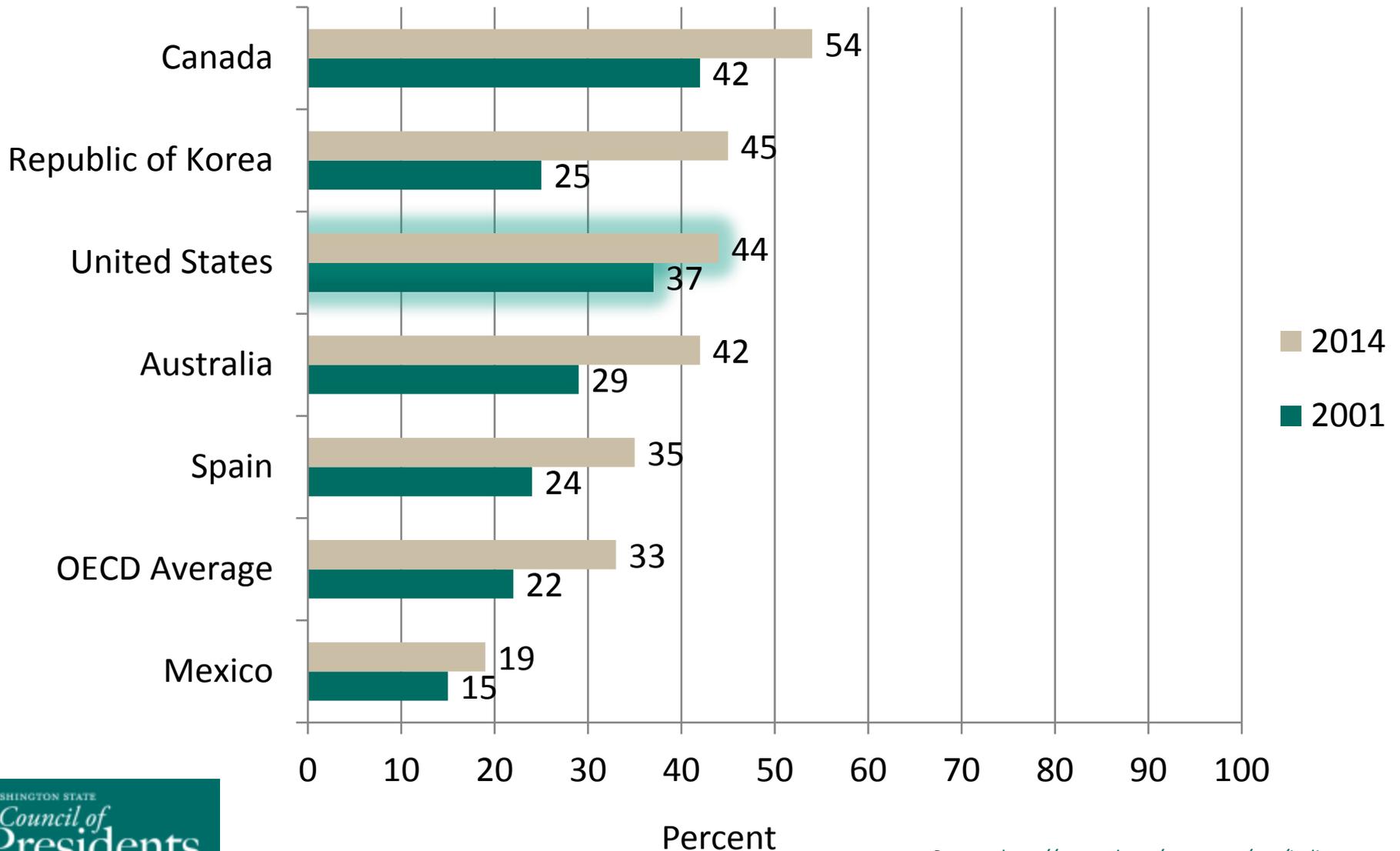


*Note: Minority includes all race and ethnic groups except single race non Hispanic white
 Source: Pew Research Center; U.S. Census Bureau 2015 population estimates

Percentage of the Population With a Postsecondary Degree in OECD Countries, by Selected Age Groups: 2014



Percentage of the Population 25 to 64 Years Old With a Postsecondary Degree in OECD Countries: 2001 and 2014



The Path Forward: Washington Competes

- **Degrees to meet demand:** Address state needs through targeted investments
- **Student success:** Ensure that students have the resources to graduate
- **High impact credentials:** Ensure that all students excel in today's competitive labor market

Degrees to Meet Demand

- Expand capacity to support student degree completion in the areas they pursue
- Reduce bottlenecks in high-demand and priority workforce courses and improve student time to degree or credential
- Ensure that graduates have the breadth of knowledge, aptitudes, and experiences enabling them to adapt to a changing economy and workforce

Student Success

- Invest in proven strategies that retain students and lead to degree completion
- Strengthen pathways for historically underserved populations, transfer students, veterans, and adult learners
- Fully fund the State Need Grant to permit more students to attend college and reduce student debt loads

High Impact Credentials

- Provide a classroom experience that equips students with knowledge, skills, and experiences that translate from the classroom to the workplace
- Invest in competitive compensation for faculty staff in order to attract and retain quality

