

AN ACT relating to workforce investment boards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 151B IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 4 of this Act:

(1) "Cabinet" means the Kentucky Education and Workforce Investment Cabinet;

(2) "Department" means the Department of Workforce Investment;

(3) "KWIB" means the Kentucky Workforce Innovation Board created in Section 2 of this Act;

(4) "Local area" means a local workforce development area with defined geographic boundaries of Kentucky as designated by the Governor pursuant to the Workforce Innovation and Opportunity Act, 29 U.S.C. sec. 3121;

(5) "Local boards" means a local workforce investment board and its subcommittees for a local area as designated by the Governor in partnership with the KWIB pursuant to the Workforce Innovation and Opportunity Act, 29 U.S.C. sec. 3121;

(6) "Secretary" means the secretary of the Education and Workforce Development Cabinet; and

(7) "Workforce Innovation and Opportunity Act" or "WIOA" means the Workforce Innovation and Opportunity Act, 29 U.S.C. sec. 3101 et. seq.

➔SECTION 2. A NEW SECTION OF KRS CHAPTER 151B IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky Workforce Innovation Board (KWIB) is hereby created and established pursuant to the requirements of the Workforce Innovation and Opportunity Act, 29 U.S.C. sec. 3111, for the purpose of assisting the Governor in creating an integrated statewide strategic plan for the workforce development system of the Commonwealth, which will link workforce policies, education programs, training programs, and funding with the economic development needs

of the Commonwealth and its areas and regions.

(2) The KWIB's functions and duties shall include but not be limited to the following:

(a) Assist the Governor in complying with the provisions and requirements of the WIOA;

(b) Develop and implement the state workforce plan and assist the Governor in the designation of local areas and local boards pursuant to the WIOA, 29 U.S.C. sec. 3121;

(c) Ensure that the local boards' membership reflects the makeup of the KWIB's membership with the same percentage of representatives of business and the workforce in compliance with WIOA;

(d) Ensure that the state's unified plan as required by the WIOA, 29 U.S.C. sec. 3112, meets all requirements as specified under WIOA;

(e) Set and monitor the performance indicators required by the WIOA, 29 U.S.C. sec. 3141, for the local boards;

(f) Establish a system of statewide accountability and transparency to measure the performance of local boards according to the primary and additional indicators of performance as contained in the WIOA, 29 U.S.C. sec. 3141;

(g) Develop and make recommendations to the Governor to strengthen the procurement process, to expand competition and eliminate conflict of interests for service providers;

(h) Conduct state leadership activities referred to in 20 U. S.C. sec. 2344, pursuant to KRS 156.802(6)(b), in accordance with the required and permissible uses of funds specified in the Carl D. Perkins Career and Technical Education Act of 2006 and subsequent amendments thereto; and

(i) Perform all duties and functions pursuant to the WIOA, 29 U.S.C. sec. 3111.

(3) Membership of the KWIB shall be as follows:

- (a) The Governor or the Governor's designee;
- (b) One (1) member of the majority of each chamber of the General Assembly to be appointed by the presiding officer of each chamber;
- (c) The Secretary or the secretary's designee;
- (d) The Secretary of the Cabinet for Economic Development or the secretary's designee;
- (e) The Secretary of the Labor Cabinet or the secretary's designee;
- (f) The President of the Council on Postsecondary Education or the president's designee;
- (g) The President of the Kentucky Community and Technical College System or the president's designee;
- (h) The Commissioner of the Kentucky Department of Education or the commissioner's designee;
- (i) Twenty-two (22) representatives of business who shall be appointed by the Governor and constitute a majority of the KWIB, be reflective of state and local industry sectors, and meet the following criteria:
 - 1. Be owners of businesses, chief executives, or operating officers of businesses, or other business executives or employers with optimum policy-making or hiring authority, and who, in addition, may be members of a local board;
 - 2. Represent businesses, including at least one (1) representative affiliated with a small business, or organizations representing businesses that provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the Commonwealth; and
 - 3. Be appointed from among individuals nominated by state business

organizations and business trade associations;

(j) Nine (9) representatives of the workforce within the Commonwealth, constituting not less than twenty percent (20%) of the KWIB, who shall be appointed by the Governor, and who

1. Shall include:

a. A minimum of two (2) representatives of labor organizations who have been nominated by state labor federations; and

b. A minimum of one (1) representative who shall be a member of a labor organization or a training director from a joint labor-management registered apprenticeship program pursuant to KRS Chapter 343; and

2. May include one (1) or more representatives from the community-based organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of:

a. Individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive, integrated employment for individuals with disabilities; and

b. Eligible youth, including representatives or organizations that serve out-of-school youth; and

(k) Two (2) chief elected officials as defined in the WIOA, 29 U.S.C. sec. 3102, collectively representing both city and county, where appropriate.

(4) As a general condition of KWIB membership, each member appointed or any authorized designee shall have optimum policy-making authority.

(5) Except where a single government agency is responsible for multiple programs, a member shall not represent an entity in a more than one (1) of these categories: business representatives, workforce representatives, or government

representatives.

(6) The KWIB membership shall reflect statewide geographic and diverse population representation.

(7) Members of the KWIB shall be initially appointed to serve staggered terms and thereafter for terms of four (4) years. KWIB members representing the business and workforce categories shall not serve more than two (2) full, consecutive four (4) year terms. Any vacancy shall be filled for the balance of the unexpired term in the same manner as the original appointment. Members of the KWIB may continue to serve beyond the expiration of their terms until their successors are appointed.

(8) The Governor shall appoint the chairperson of the KWIB from the business representative membership to serve at the pleasure of the Governor. The chairperson shall appoint a Vice-Chair and an Executive Committee.

(9) The KWIB may invite nonmembers, to be approved by the chair, to serve on committees and workgroups created by the KWIB.

(10) Members of the KWIB, and nonmembers serving on committees or workgroups, shall serve without compensation, but may be reimbursed for their expenses in accordance with state travel expense and reimbursement administrative regulations.

(11) As required by the WIOA, 29 U.S.C. sec. 3163, and within those parameters, the Governor shall reserve up to fifteen percent (15%) of the state allocation for statewide workforce investment activities.

(12) The KWIB and local boards shall be attached to the Department of Workforce Investment, Education and Workforce Development Cabinet for administrative purposes only.

(3) The KWIB and local boards shall disclose any potential conflicts of interest between operators and service providers.

➔SECTION 3. A NEW SECTION OF KRS CHAPTER 151B IS CREATED TO READ AS FOLLOWS:

(1) The KWIB and staff, all members of a local board and staff of a local board, and members of subcommittees of the local boards shall be subject to the following:

(a) Kentucky Model Procurement Code, KRS Chapter 45A, and procurement requirements set forth through administrative regulation by the Education and Workforce Investment Cabinet pursuant to section 4 of this Act;

(b) State travel reimbursement requirements in accordance with KRS 45.101 and administrative regulations promulgated thereunder;

(c) Bonuses, awards, one (1) time salary adjustments, or special salary enhancements for any employee that do not constitute a permanent change in the employee's compensation shall not be made or awarded to any employee of the KWIB or local board;

(d) Conflict of interest laws found in KRS 11A.040 and 45A.340;

(e) Executive Branch Code of Ethics, KRS Chapter 11A;

(f) Protections afforded in KRS 61.102;

(g) Other fiduciary requirements or obligations for state employees; and

(h) Transparency and accountability requirements pursuant to the WIOA.

(2) The KWIB and local boards shall include the requirements of subsection (1) of this section in the contracts with service providers and persons receiving funds related to WIOA.

➔SECTION 4. A NEW SECTION OF KRS CHAPTER 151B IS CREATED TO READ AS FOLLOWS:

(1) The secretary shall promulgate, administer, and enforce administrative regulations that are necessary to implement programs mandated by WIOA or recommended by the KWIB; and

(2) The secretary shall promulgate, administer, and enforce administrative

regulations on procurement procedures for local boards to be used in conjunction with the KRS 45A procurement procedures and WIOA procurement requirements. The cabinet shall be responsible for the competitive bidding process including but not limited to the evaluation of responsive bidders and the best value for the award.