



Senate

General Assembly

File No. 358

February Session, 2004

Substitute Senate Bill No. 517

Senate, March 31, 2004

The Committee on Labor and Public Employees reported through SEN. PRAGUE of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING WORKFORCE DEVELOPMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2005*) (a) The Office of Workforce
2 Competitiveness shall, within available appropriations and in
3 consultation with the council established under subsection (b) of this
4 section, establish a competitive "Innovation Challenge Grant" program
5 to promote and encourage partnerships and collaborations involving
6 technology-based business and industry with institutions of higher
7 education and regional vocational-technical schools for the
8 development of educational programs in emerging and
9 interdisciplinary technology fields and to address related issues.

10 (b) There is established a Council of Advisors on Strategies for the
11 Knowledge Economy to promote the formation of university-industry
12 partnerships, identify benchmarks for technology-based workforce
13 innovation and competitiveness and advise the award process for

14 Innovation Challenge Grants to public postsecondary schools and their
15 business partners. The council shall be chaired by the director of the
16 Office of Workforce Competitiveness and shall include the Secretary of
17 the Office of Policy and Management, the Commissioners of Economic
18 and Community Development and Higher Education and the Labor
19 Commissioner and four representatives from the technology industry,
20 one of whom shall be appointed by the president pro tempore of the
21 Senate, one of whom shall be appointed by the speaker of the House of
22 Representatives, one of whom shall be appointed by the minority
23 leader of the Senate and one of whom shall be appointed by the
24 minority leader of the House of Representatives.

25 Sec. 2. Section 4-124w of the general statutes, as amended by section
26 5 of public act 03-19 and section 8 of public act 03-278, is repealed and
27 the following is substituted in lieu thereof (*Effective July 1, 2004*):

28 (a) There is established an Office of Workforce Competitiveness
29 [which] that shall be within the Office of Policy and Management for
30 administrative purposes only.

31 (b) The office shall:

32 (1) Be the Governor's principal workforce development policy
33 advisor;

34 (2) Be the liaison between the Governor and any local, state or
35 federal organizations and entities with respect to workforce
36 development matters, including implementation of the Workforce
37 Investment Act of 1998, P.L. 105-220, as from time to time amended;

38 (3) Coordinate the workforce development activities of all state
39 agencies;

40 (4) Coordinate the state's implementation of the federal Workforce
41 Investment Act of 1998, P.L. 105-220, as from time to time amended,
42 and advise and assist the Governor with matters related to said act;

43 (5) Coordinate the development and implementation of strategies

44 regarding technology-based talent and innovation among state and
45 quasi-public agencies, including the creation of a centralized
46 clearinghouse and technical assistance function at the state level to
47 assist applicants in developing small business innovation research
48 programs in conformity with the federal program established pursuant
49 to the Small Business Research and Development Enhancement Act of
50 1992, P.L. 102-564, as amended, and other proposals;

51 [(5)] (6) Establish methods and procedures to ensure the maximum
52 involvement of members of the public, the legislature and local
53 officials in workforce development matters, including implementation
54 of the Workforce Investment Act of 1998, P.L. 105-220, as from time to
55 time amended;

56 [(6)] (7) Subject to the provisions of chapter 67, appoint such officials
57 and other employees as may be necessary for the discharge of the
58 duties of the office;

59 [(7)] (8) Enter into such contractual agreements, in accordance with
60 established procedures, as may be necessary to carry out the
61 provisions of this section and section 20 of public act 00-192*;

62 [(8)] (9) Take any other action necessary to carry out the provisions
63 of this section and section 20 of public act 00-192*; [and]

64 (10) Be the lead state agency for the development of employment
65 and training strategies and initiatives required to support
66 Connecticut's position in the knowledge economy; and

67 [(9)] (11) Not later than October 1, 2002, and annually thereafter,
68 submit a report, with the assistance of the Labor Department, to the
69 Governor and the joint standing committees of the General Assembly
70 having cognizance of matters relating to education, economic
71 development, labor and higher education and employment
72 advancement specifying a forecasted assessment by the Labor
73 Department of workforce shortages in occupations in this state for the
74 succeeding two and five-year periods. The report shall also include

75 recommendations concerning (A) methods to generate a sufficient
76 number of workers to meet identified workforce needs, including, but
77 not limited to, scholarship, school-to-career and internship programs,
78 and (B) methods secondary and higher education and private industry
79 can use to address identified workforce needs.

80 (c) The Office of Workforce Competitiveness may call upon any
81 office, department, board, commission or other agency of the state to
82 supply such reports, information and assistance as may be necessary
83 or appropriate in order to carry out the duties and requirements of the
84 Office for Workforce Competitiveness. Each officer or employee of
85 such office, department, board, commission or other agency of the
86 state is authorized and directed to cooperate with the Office of
87 Workforce Competitiveness and to furnish such reports, information
88 and assistance.

89 Sec. 3. Subsection (b) of section 4-124z of the general statutes, as
90 amended by section 9 of public act 03-278, is repealed and the
91 following is substituted in lieu thereof (*Effective from passage*):

92 (b) Not later than January 1, 2002, and annually thereafter, the
93 Commissioner of Education shall report, in accordance with section 11-
94 4a, to the joint standing committees of the General Assembly having
95 cognizance of matters relating to education, commerce, labor and
96 higher education and employment advancement on (1) the
97 implementation of any recommended programs or strategies within
98 the vocational-technical school system or the community-technical
99 college system to strengthen the linkage between vocational-technical
100 and community-technical college certification and degree programs
101 and the employment needs of business and industry, and (2) any
102 certification or degree programs offered by vocational-technical
103 [colleges] schools or community-technical colleges that do not meet
104 current industry standards.

105 Sec. 4. (*Effective from passage*) Not later than January 1, 2005, the
106 Commissioner of Education shall, in collaboration with the
107 Commissioner of Higher Education, the chancellor of the

108 community-technical college system and the Office of Workforce
109 Competitiveness, report, in accordance with the provisions of section
110 11-4a of the general statutes, to the Governor's Council on Economic
111 Competitiveness and Technology established under Executive Order
112 No. 13 of Governor John G. Rowland, the Office of Workforce
113 Competitiveness and the Connecticut Employment and Training
114 Commission concerning:

115 (1) Initiatives to build upon the existing partnership of the regional
116 vocational technical school system and the regional
117 community-technical college system in providing an integrated system
118 of secondary and postsecondary education for regional
119 vocational-technical students pursuing careers in workforce shortage
120 areas forecasted pursuant to subdivision (9) of subsection (b) of section
121 4-124w of the general statutes, as amended by this act;

122 (2) Initiatives to encourage and facilitate the matriculation of
123 regional vocational-technical school graduates at regional
124 community-technical colleges;

125 (3) Recommendations for the continuous improvement of
126 articulation agreements between regional vocational-technical schools
127 and regional community-technical colleges, and

128 (4) Recommendations for implementing new articulation
129 agreements between regional vocational-technical schools and regional
130 community-technical colleges, particularly in workforce shortage
131 areas.

132 Sec. 5. (NEW) (*Effective from passage*) Not later than October 1, 2004,
133 the superintendent of the regional vocational-technical school system
134 shall create an integrated system of state-wide industry advisory
135 committees for each career cluster offered as part of the regional
136 vocational-technical school and regional community-technical college
137 systems. Said committees shall include industry representatives of the
138 specific career cluster. Each committee for a career cluster shall, with
139 support from the regional vocational-technical and regional

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Workforce Competitiveness, Off.	GF - Cost	See Below	See Below
Education, Dept.	GF - Cost	\$350,000	\$250,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires OWC to establish a competitive "Innovation Challenge Grant" program (collaboration with business and educational institutions) to promote educational programs in emerging technology fields. Due to the effective date of this section (July 1, 2005), there is no fiscal impact in FY 05 and no corresponding funding provided in sHB 5033 "AA Making Adjustments to the State Budget for the Biennium Ending June 30, 2005 and Making Appropriations Therefor" (as favorably reported by the appropriations committee). The extent that OWC would have funding available in FY 06 to support this program is uncertain at this time.

In addition, the bill establishes a Council of Advisors on Strategies for the Knowledge Economy that will be chaired by the director of the Office of Workforce Competitiveness (OWC) and include representatives from other state agencies. As a result of the council activities and due to the effective date of July 1, 2005, it is anticipated that council members will not incur a cost and can handle the duties within their existing workload.

The bill also increases OWC's duties to include coordination of the development and implementation of technology-based workforce innovation strategies including the creation of a centralized clearinghouse to assist applicants in developing small business

innovation and research programs consistent with the federal research program. Section 20(b) of sHB 5033 "AA Making Adjustments to the State Budget for the Biennium Ending June 30, 2005 and Making Appropriations Therefor" (as favorably reported by the appropriations committee) includes carry forward provisions of \$250,000 in the Department of Public Safety to be transferred to OWC for Small Business Innovation Research Initiatives (SBIR).

Sections 4 and 5 of the bill result in an estimated cost to the State Department of Education that could be as high as \$350,000 in FY 05 and \$250,000 in FY 06. The costs include \$250,000 in both fiscal years for consultant services and clerical staff. The consultant costs are for two full-time consultants in both fiscal years. The additional cost of \$100,000 in FY 05 could actually occur in FY 06 or over both fiscal years and reflect the needed funds for professional development in the vocational-technical schools due to the establishment of specific skills standards, corresponding curriculum and a career ladder for the clusters, which will be implemented as part of the school curriculum. No funding is included in the FY 05 budget as currently exists or as recommended by the Appropriations Committee for the requirements contained in these sections.

OLR Bill Analysis

sSB 517

AN ACT CONCERNING WORKFORCE DEVELOPMENT**SUMMARY:**

This bill requires the Office of Workforce Competitiveness (OWC) to establish an Innovation Challenge Grant Program, within available appropriations, and expands OWC's duties. The program must encourage partnerships and collaboration between technology-based businesses and higher education institutions and vocational-technical (V-T) schools to (1) develop educational programs in emerging interdisciplinary technology fields and (2) address related issues. OWC must establish the program in consultation with the Council of Advisors on Strategies for the Knowledge Economy, which the bill creates to (1) advise OWC on the process for awarding challenge grants to public postsecondary schools and their business partners, (2) promote university-industry partnerships, and (3) identify benchmarks for technology-based workforce innovation and competitiveness.

The bill requires the education commissioner, by January 1, 2005, in collaboration with the higher education commissioner, chancellor of the Community-Technical College (CTC) System, and OWC to report to OWC, the Governor's Council on Economic Competitiveness and Technology, and the Connecticut Employment and Training commission (CETC) on certain initiatives involving CTCs and V-T schools.

The bill also requires that, by October 1, 2004, the superintendent of the V-T school system create an integrated system of statewide industry advisory committees for each career cluster offered in the V-T school and CTC systems. The committees must include industry representatives of the specific career cluster. Each career cluster committee must, with support from the V-T schools, CTCs, and Education Department, establish and implement, as part of the school's core curriculum, specific skill standards, corresponding curriculum, and a career ladder for the cluster.

The bill also makes a technical change involving V-T schools.

EFFECTIVE DATE: July 1, 2005 for the Challenge Grant Program and Knowledge Council; July 1, 2004 for the OWC duties, and upon passage for the other provisions.

OWC'S NEW DUTIES

The bill expands OWC's duties, requiring it to coordinate the development and implementation of strategies for technology-based talent and innovation among state and quasi-public agencies. This includes creating a centralized clearinghouse and technical assistance function at the state level to help applicants develop innovation research programs in conformity with the federal small business innovation research program and other proposals. The bill makes OWC the lead state agency for developing employment and training strategies and initiatives required to support Connecticut's position in the knowledge economy.

COUNCIL COMPOSITION AND DUTIES

The council's chairman is the OWC director. The other council members are: Office of Policy and Management (OPM) secretary; the commissioners of Economic and Community Development, Higher Education, and Labor; and four representatives from the technology industry, one each appointed by the Senate president pro tempore, House speaker, and Senate and House minority leaders.

INITIATIVE REPORT

The education commissioner's report must address:

1. initiatives to build upon the existing partnership of the V-T school and CTC systems in providing an integrated system of secondary and postsecondary education for V-T school students pursuing careers in workforce shortage areas;
2. initiatives to encourage and facilitate matriculation of V-T school graduates at regional CTCs; and
3. recommendations for continually improving articulation agreements between V-T schools and CTCs and implementing new agreements between them, particularly in workforce

shortage areas.

BACKGROUND

Office of Workforce Competitiveness

OWC is within OPM for administrative purposes. It is the governor's principal workforce development policy advisor, and it acts as a liaison between the governor and other government entities for workforce development matters. OWC coordinates the state's implementation of the 1998 federal Workforce Investment Act. It also coordinates state agencies' workforce development activities.

By law, OWC must forecast workforce shortages in occupations in the state and recommend (1) ways to generate enough workers to meet identified workforce needs, including scholarship, school-to-career, and internship programs and (2) methods industry and secondary and higher education may use to address these needs.

Connecticut Employment and Training Commission

By law, CETC fulfills, among others, the roles of state job training coordinating council and state human resource investment council pursuant to federal requirements. It also evaluates the effectiveness of state employment and training programs and develops plans and recommendations to avoid duplication of effort and improve delivery of relevant services.

Federal Small Business Innovation Research Program

This program provides awards to small businesses involved in research and development. Federal agencies with extramural research and development budgets over \$100 million annually set aside 2.5% for small companies to conduct innovative research or research and development that has potential for commercialization. The agency granting the award must determine the scientific and technical merit and feasibility of the proposal and consider the proposal's commercial potential (15 USC § 638, as amended).

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute Change of Reference
Yea 20 Nay 0

Labor and Public Employees Committee

Joint Favorable Report
Yea 12 Nay 0