



March 26, 1999

**ENGROSSED
HOUSE BILL No. 1652**

DIGEST OF HB 1652 (Updated March 25, 1999 12:28 pm - DI 73)

Citations Affected: IC 22-4; IC 22-4.5; noncode.

Synopsis: Workforce investment system. Establishes the workforce investment system (system). Provides that the system is administered by the department of workforce development under a state plan developed by the state human resource investment council. Sets forth requirements for regional boards, the one stop service delivery system, and one stop partners. Changes the membership of the state human resource investment council. Specifies the membership of the regional boards.

Effective: Upon passage.

Hasler, Murphy, Liggett

(SENATE SPONSORS — WYSS, ALEXA)

January 21, 1999, read first time and referred to Committee on Labor and Employment.
February 16, 1999, amended, reported — Do Pass.
February 24, 1999, read second time, ordered engrossed. Engrossed.
February 25, 1999, read third time, passed. Yeas 89, nays 6.

SENATE ACTION

March 4, 1999, read first time and referred to Committee on Pensions and Labor.
March 25, 1999, amended, reported favorably — Do Pass.

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EH 1652—LS 7946/DI 71+



March 26, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

ENGROSSED HOUSE BILL No. 1652

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 22-4-18.1-5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The council
3 shall be comprised of the following members:

4 (1) The directors of the various state agencies, including the state
5 superintendent of public instruction with regard to the department
6 of education or the state superintendent's designee, directed to
7 administer the applicable federal programs who shall serve as ex
8 officio members of the council.

9 (2) Not more than thirty (30) members appointed by the governor
10 according to the following guidelines:

11 (A) Not more than ten (10) members if thirty (30) members
12 are appointed under this subdivision (or one-third (1/3) of the
13 appointed members under this subdivision if less than thirty
14 (30) members are appointed) who represent business and
15 industry, including individuals who represent business and
16 industry on private industry councils in Indiana.

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1 ~~(B)~~ Not more than ten ~~(10)~~ members if thirty ~~(30)~~ members are
 2 appointed under this subdivision (or one-third ~~(1/3)~~ of the
 3 appointed members under this subdivision if less than thirty
 4 ~~(30)~~ members are appointed) who represent labor, special
 5 populations, and community-based organizations (with a
 6 majority of the members described in this clause as
 7 representing labor):

8 ~~(C)~~ Not more than ten ~~(10)~~ members if thirty ~~(30)~~ members are
 9 appointed under this subdivision (or one-third ~~(1/3)~~ of the
 10 appointed members under this subdivision if less than thirty
 11 ~~(30)~~ members are appointed) who represent education and
 12 government.

13 **(1) The governor.**

14 **(2) Two (2) members of the senate, appointed by the president**
 15 **pro tempore of the senate. The members appointed under this**
 16 **subdivision may not be members of the same political party.**

17 **(3) Two (2) members of the house of representatives,**
 18 **appointed by the speaker of the house of representatives. The**
 19 **members appointed under this subdivision may not be**
 20 **members of the same political party.**

21 **(4) The following members appointed by the governor:**

22 **(A) Representatives of business in Indiana who:**

23 **(i) are owners of businesses, chief executives or operating**
 24 **officers of businesses, and other business executives or**
 25 **employers with optimum policy making or hiring**
 26 **authority, including members of regional boards under**
 27 **IC 22-4.5-3-3(b)(1)(A) (as described in Section**
 28 **117(b)(2)(A)(i) of the Workforce Investment Act of**
 29 **1998);**

30 **(ii) represent businesses with employment opportunities**
 31 **that reflect the employment opportunities of Indiana;**
 32 **and**

33 **(iii) are appointed from among individuals nominated by**
 34 **state business organizations and business trade**
 35 **associations.**

36 **(B) Chief elected officials representing municipalities and**
 37 **counties.**

38 **(C) Representatives of labor organizations who have been**
 39 **nominated by Indiana labor federations.**

40 **(D) Representatives of individuals and organizations that**
 41 **have experience with respect to youth activities.**

42 **(E) Representatives of individuals and organizations that**



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1 have experience and expertise in the delivery of workforce
 2 investment activities, including chief executive officers of
 3 any community colleges established in Indiana and
 4 community-based organizations in Indiana.

5 (F) Lead state officials with responsibility for the
 6 programs, services, and activities described in Section
 7 121(b) of the Workforce Investment Act of 1998 and
 8 carried out by one stop partners or, if there is no lead state
 9 official with responsibility for such a program, service, or
 10 activity, a person with expertise relating to the program,
 11 service, or activity.

12 (G) Other representatives and state officials designated by
 13 the governor.

14 (b) The governor shall appoint ~~the~~ as chairman of the council ~~from~~
 15 ~~within the council's membership:~~ a member described in subsection
 16 (a)(4)(A).

17 (c) A majority of the members of the council must be members
 18 described in subsection (a)(4)(A).

19 (d) Members of the council that represent organizations,
 20 agencies, or other entities shall be individuals with optimum policy
 21 making authority within the organizations, agencies, or entities.
 22 The members of the council must represent diverse regions of
 23 Indiana, including urban, rural, and suburban areas.

24 SECTION 2. IC 22-4.5 IS ADDED TO THE INDIANA CODE AS
 25 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON
 26 PASSAGE]:

27 **ARTICLE 4.5. THE WORKFORCE INVESTMENT SYSTEM**

28 **Chapter 1. Purpose**

29 **Sec. 1. The workforce investment system is established to**
 30 **achieve the following goals:**

31 (1) To coordinate activities at the state and local levels to
 32 increase the employment, retention, occupational skills, and
 33 earnings of the workforce.

34 (2) To reduce welfare dependency.

35 (3) To enhance the productivity and competitiveness of
 36 Indiana business and industry.

37 (4) To encourage continuous improvement in worker
 38 preparation from kindergarten through adulthood.

39 **Chapter 2. Definitions**

40 **Sec. 1. The definitions in this chapter apply throughout this**
 41 **article.**

42 **Sec. 2. "Chief elected official" means:**

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1 (1) the executive of a municipality that:

2 (A) has a population of not less than five thousand (5,000);

3 (B) is located in a workforce investment area; and

4 (C) is the only municipality located in the workforce
5 investment area that has a population of at least five
6 thousand (5,000); or

7 (2) if there is more than one (1) municipality that has a
8 population of at least five thousand (5,000) located in a
9 workforce investment area, the executive of one (1) of the
10 municipalities designated by an agreement between the
11 municipalities to carry out the responsibilities of the chief
12 elected official under the Workforce Investment Act of 1998.
13 designated by an agreement between the cities and counties to
14 carry out the responsibilities of the chief elected official under the
15 Workforce Investment Act.

16 Sec. 3. "Department" refers to the department of workforce
17 development established under IC 22-4.1-2.

18 Sec. 4. "Executive" has the meaning set forth in IC 36-1-2-5.

19 Sec. 5. "Municipality" has the meaning set forth in IC 36-1-2-11.

20 Sec. 6. "One stop center" means a physical location that:

21 (1) provides access to all one stop services and partners;

22 (2) is certified by the regional board; and

23 (3) includes an onsite information resource area that meets
24 minimum criteria established by the department.

25 Sec. 7. "One stop partner" refers to:

26 (1) a mandatory partner under IC 22-4.5-4-2; or

27 (2) an optional partner under IC 22-4.5-4-3.

28 Sec. 8. "One stop system" means a regional system of service
29 delivery that complies with IC 22-4.5-4-1.

30 Sec. 9. "Regional board" means a local workforce investment
31 board established under Title I, section 117 of the Workforce
32 Investment Act.

33 Sec. 10. "State board" refers to the state human resource
34 investment council established under IC 22-4-18.1.

35 Sec. 11. "State plan" means the unified state plan developed
36 under Title I, section 112 of the Workforce Investment Act that
37 complies with IC 22-4.5-3-1.

38 Sec. 12. "Workforce investment area" means an area designated
39 under section 116 of the Workforce Investment Act.

40 Sec. 13. "Workforce Investment Act" refers to the Workforce
41 Investment Act of 1998 (29 U.S.C. 2801 et seq.).

42 Chapter 3. State Plan and Establishment of Workforce



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1 **Investment Areas**

2 **Sec. 1. The state board shall develop a unified state plan for the**
3 **workforce investment system that includes:**

4 (1) secondary vocational education programs authorized
5 under the Carl D. Perkins Vocational and Applied Technology
6 Education Act (20 U.S.C. 2301 et seq.); and

7 (2) the programs of one stop partners designated by the
8 governor.

9 **Sec. 2. (a) The department shall designate not more than sixteen**
10 **(16) workforce investment areas consistent with the state plan. A**
11 **designation as a workforce investment area may not have a**
12 **duration of more than two (2) years.**

13 (b) The department shall use the following criteria in
14 designating a workforce investment area:

15 (1) The geographic areas served by local educational agencies.

16 (2) The geographic areas served by postsecondary educational
17 institutions and area vocational schools.

18 (3) The extent to which the geographic areas are consistent
19 with labor market areas.

20 (4) The distance that individuals will need to travel to receive
21 services.

22 (5) The resources that are available to effectively administer
23 workforce investment activities.

24 (6) Requests from the chief elected officials who represent at
25 least fifty-one percent (51%) of the population of the area
26 requesting designation.

27 (c) The department shall:

28 (1) require areas that share a labor market or economic
29 region to develop a single joint plan; and

30 (2) ensure that the workforce partnership areas and
31 school-to-work regions are consistent with the joint plan
32 regions.

33 **Sec. 3. (a) A workforce investment area shall be overseen by a**
34 **regional board that complies with the Workforce Investment Act.**

35 (b) The governor, in partnership with the state board, shall
36 establish criteria for use by chief elected officials in the workforce
37 investment areas for appointment of members of the regional
38 boards. The criteria must provide at least the following:

39 (1) The membership of each regional board must include the
40 following:

41 (A) Representatives of business in the workforce
42 investment area who:

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1 (i) are owners of businesses, chief executives or operating
2 officers of businesses, and other business executives or
3 employers with optimum policy making or hiring
4 authority;

5 (ii) represent businesses with employment opportunities
6 that reflect the employment opportunities of the
7 workforce investment area; and

8 (iii) are appointed from among individuals nominated by
9 local business organizations and business trade
10 associations.

11 (B) Representatives of local educational entities, including
12 representatives of local educational agencies, local school
13 boards, entities providing adult education and literary
14 activities, and postsecondary educational institutions
15 (including representatives of community colleges, if any
16 are established). Members described in this clause must be
17 selected from among individuals nominated by regional or
18 local educational agencies, institutions, or organizations
19 representing local educational entities.

20 (C) Representatives of labor organizations (for a
21 workforce investment area in which employees are
22 represented by labor organizations) who have been
23 nominated by local labor federations. If no employees in
24 the workforce investment area are represented by labor
25 organizations, members selected under this clause must be
26 representatives of employees.

27 (D) Representatives of community-based organizations,
28 including organizations representing individuals with
29 disabilities and veterans, for a local area in which such
30 organizations are present.

31 (E) Representatives of economic development agencies,
32 including private sector economic development entities.

33 (F) Representatives of each of the one stop partners.

34 (2) The membership of each regional board may also include
35 any other individuals or representatives of entities that the
36 chief elected official in the workforce investment area
37 determines to be appropriate.

38 (c) Members of a regional board that represent organizations,
39 agencies, or other entities must be individuals with optimum policy
40 making authority within the organizations, agencies, or entities.

41 (d) A majority of the members of each regional board must be
42 members described in subsection (b)(1)(A).

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1 (e) Each regional board shall elect a chairperson for the
2 regional board from among the members described in subsection
3 (b)(1)(A).

4 **Sec. 4. The department may allow a regional board established**
5 **under this chapter to designate the regional school-to-work**
6 **partnership as the youth council required under 20 U.S.C. 9201.**

7 **Chapter 4. The One Stop System and One Stop Partners**

8 **Sec. 1. A regional board shall establish a one stop system that**
9 **meets the following criteria:**

10 (1) **The system provides core services (as defined in 20 U.S.C.**
11 **9201) through at least one (1) physical site that is certified as**
12 **a workforce development center by the regional board.**

13 (2) **The system provides access to intensive services and**
14 **training (as defined in 20 U.S.C. 9201).**

15 (3) **The system provides access to the programs and activities**
16 **of one stop partners.**

17 (4) **The system provides access to the information described**
18 **in section 15 of the Wagner-Peyser Act and all job search,**
19 **placement, recruitment, and other labor exchange services**
20 **authorized under the Wagner-Peyser Act (29 U.S.C. 49 et**
21 **seq.).**

22 (5) **The system makes the programs, services, and activities of**
23 **one stop partners available through:**

24 (A) **a network of affiliated sites that consist of physical**
25 **locations; or**

26 (B) **electronically or technologically linked access points.**

27 (6) **The system assures individuals that information on the**
28 **availability of core services will be available regardless of**
29 **where the individual initially enters the one stop system.**

30 **Sec. 2. Mandatory one stop partners in the one stop system**
31 **include the entities that administer the following workforce**
32 **investment programs:**

33 (1) **Youth, adult, and dislocated worker services, and the Job**
34 **Corps under Title I of the Workforce Investment Act.**

35 (2) **Wagner-Peyser Act (29 U.S.C. 49, et seq.).**

36 (3) **Adult education and literacy programs under Title II of**
37 **the Workforce Investment Act.**

38 (4) **Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et**
39 **seq.).**

40 (5) **Section 403(5)(a) of the Social Security Act (42 U.S.C.**
41 **603(a)(5)).**

42 (6) **Title V of the Older Americans Act of 1965 (42 U.S.C. 3056**



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1 et seq.).

2 (7) Postsecondary vocational education activities authorized
3 under the Carl D. Perkins Vocational and Applied Technology
4 Education Act (20 U.S.C. 2301 et seq.).

5 (8) Chapter 2 of Title II of the Trade Act of 1974 (19 U.S.C.
6 2271 et seq.).

7 (9) Chapter 41 of Title 38 of the United States Code.

8 (10) Employment and training activities carried out under the
9 Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

10 (11) Employment and training activities carried out by the
11 Department of Housing and Urban Development.

12 (12) Programs authorized under the state unemployment
13 compensation law (IC 22-4).

14 **Sec. 3. Optional one stop partners in the one stop system include**
15 **the entities that administer the following workforce investment**
16 **programs:**

17 (1) Part A of Title IV of the Social Security Act (42 U.S.C. 601
18 et seq.).

19 (2) Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C.
20 2015(d)(4)).

21 (3) Work programs authorized under section 6(o) of the Food
22 Stamp Act of 1977 (7 U.S.C. 2015(o)).

23 (4) National and Community Service Act of 1990 (42 U.S.C.
24 12501 et seq.).

25 (5) Secondary vocational education activities authorized
26 under the Carl D. Perkins Vocational and Applied Technology
27 Education Act (20 U.S.C. 2301 et seq.).

28 (6) School-to-work activities and programs carried out under
29 a federal grant administered by the Department of Workforce
30 Development.

31 (7) The twenty-first century scholars program under
32 IC 20-12-70.

33 **Chapter 5. Powers and Duties of the Regional Board and One**
34 **Stop Partners**

35 **Sec. 1. (a) The regional board, with the agreement of the chief**
36 **elected official, shall develop and enter into a memorandum of**
37 **understanding with each one stop partner concerning the operation**
38 **of the workforce investment delivery system of the area.**

39 **(b) A memorandum of understanding entered into under this**
40 **section must comply with instructions issued by the state.**

41 **Sec. 2. The regional board, together with the chief elected**
42 **official, has planning, policy, and oversight responsibilities for the**



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1 one stop system.

2 **Sec. 3. Unless designated as the fiscal agent by the chief elected**
 3 **official, the regional board may not be a direct recipient of funds**
 4 **for services.**

5 **Sec. 4. To ensure the effective operation of the one stop service**
 6 **delivery system, a one stop partner must provide an appropriate**
 7 **level of support for:**

- 8 (1) the independent staff of the regional board;
 9 (2) the administrative functions of the fiscal agent; and
 10 (3) the provision of core services through the one stop system;
 11 that is consistent with the federal laws and regulations governing
 12 the one stop partner.

13 **Chapter 6. Fiscal Authority**

14 **Sec. 1. Unless the chief elected official designates a fiscal agent**
 15 **under section 2 of this chapter, the chief elected official is the grant**
 16 **recipient for the following federal and state funds:**

- 17 (1) Youth, adult, and dislocated worker services under Title
 18 I of the Workforce Investment Act of 1998.
 19 (2) Wagner-Peyser Act (29 U.S.C. 49, et seq.) funds to the
 20 extent set forth in a memorandum of understanding.
 21 (3) Programs authorized under the state unemployment
 22 compensation law (IC 22-4) to the extent set forth in a
 23 memorandum of understanding.

24 **Sec. 2. (a) The chief elected official may designate a fiscal agent**
 25 **to distribute funds according to the budget established by the**
 26 **regional board and the chief elected official.**

27 **(b) Notwithstanding the designation of a fiscal agent under**
 28 **subsection (a), the chief elected official retains liability for the**
 29 **funds distributed by the fiscal agent.**

30 **SECTION 3. [EFFECTIVE UPON PASSAGE] (a) The definitions**
 31 **in IC 22-4.5-2, as added by this act, apply to this SECTION.**

32 **(b) Notwithstanding IC 22-4.5-3-2, as added by this act, a chief**
 33 **elected official may request that the governor designate an existing**
 34 **entity as a temporary regional board under the following**
 35 **conditions:**

- 36 (1) The local area overseen by the existing entity closely
 37 corresponds to the workforce investment area.
 38 (2) The existing entity was in existence on December 31, 1997,
 39 and either:
 40 (A) was established under section 102 of the Job Training
 41 Partnership Act; or
 42 (B) is substantially similar to the local board described in



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the Workforce Investment Act.

(3) The existing entity includes representatives of business in the local area and either:

(A) for a local area in which employees are represented by labor organizations, representatives of labor organizations nominated by local labor federations; or

(B) for a local area in which no employees are represented by labor organizations, representatives of employees in the local area.

(4) The request includes a transition plan that will bring the existing entity into compliance with the membership provisions of a local workforce investment board as defined by section 117 of the Workforce Investment Act not later than July 1, 1999.

(5) The request includes a transition plan for creating, not later than June 30, 2000, an independent regional board staff that meets criteria established by the department.

(c) This SECTION expires July 1, 2000.

SECTION 4. [EFFECTIVE UPON PASSAGE] (a) Not later than June 30, 1999, the membership of the state human resource investment council established under IC 22-4-18.1 must be in compliance with the membership composition requirements of Section 111 of the Workforce Investment Act of 1998 and IC 22-4-18.1-5, as amended by this act.

(b) This SECTION expires July 1, 2000.

SECTION 5. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1652, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 3, delete "municipality" and insert "**second or third class city**".

Page 2, line 6, delete "municipality" and insert "**city**".

Page 2, line 8, delete "or".

Page 2, between lines 8 and 9, begin a new line block indented and insert:

"(2) a member of the executive body of a county located in a workforce investment area, selected by the executive body of the county; or".

Page 2, line 9, delete "(2)" and insert "(3)".

Page 2, line 9, delete "municipality" and insert "**city**".

Page 2, line 12, delete "municipalities" and insert "**cities;**".

Page 2, line 12, block left beginning with "designated".

Page 2, line 13, delete "municipalities" and insert "**cities and counties**".

Page 2, line 18, delete "'Municipality' has the meaning set forth in IC 36-1-2-11." and insert "'**Incumbent worker council**' refers to an advisory committee to a regional board under IC 22-4.5-3-3."

Page 2, between lines 40 and 41, begin a new paragraph and insert:

"Sec. 14. "Youth council" refers to an advisory committee to a regional board under IC 22-4.5-3-4."

Page 3, line 1, delete "develop" and insert "**recommend to the governor**".

Page 3, line 9, delete "that follow" and insert "**consistent with**".

Page 3, line 9, delete "A" and insert "**An initial**".

Page 3, line 11, after "years." insert "**If a designated workforce investment area meets all criteria under subsection (b) and the performance requirements of the department and federal law during the two (2) year period, the area's designation as a workforce investment area shall be continued for the next three (3) years.**".

Page 3, line 29, delete "ensure that the workforce partnership areas and" and insert "**align other administrative areas of the department with the regional planning areas to the extent practicable.**".

Page 3, delete lines 30 through 31.

Page 3, line 33, after "Act." insert "**At least fifteen percent (15%)**".

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of the members of the regional board must be representatives of labor."

Page 3, delete lines 34 through 36, begin a new paragraph and insert:

"Sec. 4. (a) Each regional board shall establish an incumbent worker council as an advisory committee to the regional board.

(b) The regional board, with the cooperation of the chief elected official, shall appoint members of the incumbent worker council under criteria established by the department. At least thirty-three percent (33%) of the members of the incumbent worker council must be representatives of labor.

(c) A member of the incumbent worker council who is not a member of the regional board at the time the member is appointed to the incumbent worker council is:

- (1) a voting member of the incumbent worker council; and**
- (2) a nonvoting member of the regional board.**

(d) The incumbent worker council shall develop and recommend to the regional board a plan to develop the incumbent workforce of the workforce investment area. The department shall provide technical assistance to the incumbent worker council and regional board in the development of the plan.

(e) The incumbent workforce development plan developed under this section must be incorporated into the workforce investment plan submitted by the regional board to the department.

Sec. 5. (a) Each regional board shall establish a youth council as an advisory committee to the regional board.

(b) The regional board, with the cooperation of the chief elected official, shall appoint members of the youth council under criteria established by the department. The regional board and chief elected official may appoint the school-to-work partnership serving the area as the youth council if the school-to-work partnership meets the membership requirements for the youth council set forth in the Workforce Investment Act.

(c) A member of the youth council who is not a member of the regional board at the time the member is appointed to the youth council is:

- (1) a voting member of the youth council; and**
- (2) a nonvoting member of the regional board.**

(d) The youth council shall:

- (1) develop and recommend to the regional board a plan for eligible youth;**



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- (2) recommend to the regional board eligible providers of youth activities to which the regional board may award grants or contracts on a competitive basis;
- (3) oversee eligible providers of youth activities in the workforce investment area; and
- (4) coordinate youth activities authorized under the Workforce Investment Act.

(e) The youth plan developed under this section must be incorporated into the workforce investment plan submitted by the regional board to the department."

Page 4, line 21, delete "Youth, adult, and dislocated worker services, and the Job" and insert "**Programs**".

Page 4, line 22, delete "Corps".

Page 5, line 2, delete "Optional one stop partners in the one stop system include" and insert "(a) **In addition to the one stop partners identified under section 2 of this chapter, a regional board may submit a proposal under this section to the governor and the state board to include any other employment and training program that is funded on the federal, state, or local level as an optional one stop partner.**

(b) An employment and training entity may volunteer to become an optional one stop partner at the regional level.

(c) A proposal submitted under this section must set forth the following:

- (1) The proposed optional one stop partner.
- (2) Whether the chief elected official or regional board will receive the proposed optional one stop partner's funding and have budgetary control over the proposed optional one stop partner, and, if so, a plan to ensure that staff of the proposed optional one stop partner are not also staff of the regional board.
- (3) Whether the regional board will incorporate other councils and boards by including the proposed optional one stop partner.
- (4) Whether resources of the proposed optional one stop partner will be used to provide financial support for the independent staff of the regional board and the administrative functions of the fiscal agent.

(d) A proposed optional one stop partner that is approved under this section shall:

- (1) be represented on the regional board; and
- (2) enter into a memorandum of understanding with the



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regional board that identifies how the optional one stop partner will support the operating costs of the one stop system to the extent that the optional one stop partner may do so under the statutes, rules, or regulations governing the optional one stop partner."

Page 5, delete lines 3 through 20.

Page 5, delete lines 32 through 42, begin a new paragraph and insert:

"Sec. 3. The staff of the regional board may deliver services only under the following circumstances:

- (1) The one stop system in the region includes only mandatory one stop partners and voluntary optional one stop partners.**
- (2) The management of service delivery is shared jointly among not less than three (3) of the mandatory one stop partners that are not employed by the same entity. The management partnership shall enter into a memorandum of understanding with the regional board that outlines the individual and collective responsibilities of the partners in service delivery and management."**

Page 6, delete lines 2 through 17, begin a new paragraph and insert:

"Sec. 1. The chief elected official is the grant recipient for youth, adult, and dislocated worker funds under Title I of the Workforce Investment Act.

Sec. 2. The chief elected official:

- (1) may designate a fiscal agent; and**
- (2) may not designate or assign liability to any other entity for youth, adult, and dislocated worker funds distributed by the fiscal agent."**

Page 7, delete lines 7 through 12.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1652 as introduced.)

LIGGETT, Chair

Committee Vote: yeas 12, nays 1.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1652, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 22-4-18.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The council shall be comprised of the following members:

(1) The directors of the various state agencies, including the state superintendent of public instruction with regard to the department of education or the state superintendent's designee, directed to administer the applicable federal programs who shall serve as ex officio members of the council.

(2) Not more than thirty (30) members appointed by the governor according to the following guidelines:

(A) Not more than ten (10) members if thirty (30) members are appointed under this subdivision (or one-third (1/3) of the appointed members under this subdivision if less than thirty (30) members are appointed) who represent business and industry, including individuals who represent business and industry on private industry councils in Indiana.

(B) Not more than ten (10) members if thirty (30) members are appointed under this subdivision (or one-third (1/3) of the appointed members under this subdivision if less than thirty (30) members are appointed) who represent labor, special populations, and community-based organizations (with a majority of the members described in this clause as representing labor).

(C) Not more than ten (10) members if thirty (30) members are appointed under this subdivision (or one-third (1/3) of the appointed members under this subdivision if less than thirty (30) members are appointed) who represent education and government.

(1) The governor.

(2) Two (2) members of the senate, appointed by the president pro tempore of the senate. The members appointed under this subdivision may not be members of the same political party.

(3) Two (2) members of the house of representatives, appointed by the speaker of the house of representatives. The members appointed under this subdivision may not be



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members of the same political party.

(4) The following members appointed by the governor:

(A) Representatives of business in Indiana who:

(i) are owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority, including members of regional boards under IC 22-4.5-3-3(b)(1)(A) (as described in Section 117(b)(2)(A)(i) of the Workforce Investment Act of 1998);

(ii) represent businesses with employment opportunities that reflect the employment opportunities of Indiana; and

(iii) are appointed from among individuals nominated by state business organizations and business trade associations.

(B) Chief elected officials representing municipalities and counties.

(C) Representatives of labor organizations who have been nominated by Indiana labor federations.

(D) Representatives of individuals and organizations that have experience with respect to youth activities.

(E) Representatives of individuals and organizations that have experience and expertise in the delivery of workforce investment activities, including chief executive officers of any community colleges established in Indiana and community-based organizations in Indiana.

(F) Lead state officials with responsibility for the programs, services, and activities described in Section 121(b) of the Workforce Investment Act of 1998 and carried out by one stop partners or, if there is no lead state official with responsibility for such a program, service, or activity, a person with expertise relating to the program, service, or activity.

(G) Other representatives and state officials designated by the governor.

(b) The governor shall appoint ~~the~~ as chairman of the council from within the council's membership: a member described in subsection (a)(4)(A).

(c) A majority of the members of the council must be members described in subsection (a)(4)(A).

(d) Members of the council that represent organizations,



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agencies, or other entities shall be individuals with optimum policy making authority within the organizations, agencies, or entities. The members of the council must represent diverse regions of Indiana, including urban, rural, and suburban areas."

Page 2, line 3, delete "second or third class city" and insert "municipality".

Page 2, line 6, delete "city" and insert "municipality".

Page 2, line 7, after "(5,000);" insert "or".

Page 2, delete lines 8 through 13, begin a new line block indented and insert:

"(2) if there is more than one (1) municipality that has a population of at least five thousand (5,000) located in a workforce investment area, the executive of one (1) of the municipalities designated by an agreement between the municipalities to carry out the responsibilities of the chief elected official under the Workforce Investment Act of 1998."

Page 2, delete lines 20 through 21, begin a new paragraph and insert:

"Sec. 5. "Municipality" has the meaning set forth in IC 36-1-2-11."

Page 3, delete lines 2 through 3.

Page 3, line 6, delete "recommend to the governor" and insert "develop".

Page 3, line 15, delete "An" and insert "A".

Page 3, line 16, delete "initial".

Page 3, line 17, delete "If a designated workforce".

Page 3, delete lines 18 through 22.

Page 3, delete lines 40 through 41, begin a new line block indented and insert:

"(2) ensure that the workforce partnership areas and school-to-work regions are consistent with the joint plan regions."

Page 3, line 42, after "Sec. 3." insert "(a)".

Page 4, delete lines 2 through 42, begin a new paragraph and insert:

"(b) The governor, in partnership with the state board, shall establish criteria for use by chief elected officials in the workforce investment areas for appointment of members of the regional boards. The criteria must provide at least the following:

(1) The membership of each regional board must include the following:

(A) Representatives of business in the workforce investment area who:



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(i) are owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority;

(ii) represent businesses with employment opportunities that reflect the employment opportunities of the workforce investment area; and

(iii) are appointed from among individuals nominated by local business organizations and business trade associations.

(B) Representatives of local educational entities, including representatives of local educational agencies, local school boards, entities providing adult education and literary activities, and postsecondary educational institutions (including representatives of community colleges, if any are established). Members described in this clause must be selected from among individuals nominated by regional or local educational agencies, institutions, or organizations representing local educational entities.

(C) Representatives of labor organizations (for a workforce investment area in which employees are represented by labor organizations) who have been nominated by local labor federations. If no employees in the workforce investment area are represented by labor organizations, members selected under this clause must be representatives of employees.

(D) Representatives of community-based organizations, including organizations representing individuals with disabilities and veterans, for a local area in which such organizations are present.

(E) Representatives of economic development agencies, including private sector economic development entities.

(F) Representatives of each of the one stop partners.

(2) The membership of each regional board may also include any other individuals or representatives of entities that the chief elected official in the workforce investment area determines to be appropriate.

(c) Members of a regional board that represent organizations, agencies, or other entities must be individuals with optimum policy making authority within the organizations, agencies, or entities.

(d) A majority of the members of each regional board must be members described in subsection (b)(1)(A).



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(e) Each regional board shall elect a chairperson for the regional board from among the members described in subsection (b)(1)(A).

Sec. 4. The department may allow a regional board established under this chapter to designate the regional school-to-work partnership as the youth council required under 20 U.S.C. 9201."

Page 5, delete lines 1 through 9.

Page 5, delete line 36, begin a new line block indented and insert:

"(1) Youth, adult, and dislocated worker services, and the Job Corps under Title I of the Workforce Investment Act."

Page 6, delete lines 16 through 42, begin a new paragraph and insert:

"Sec. 3. Optional one stop partners in the one stop system include the entities that administer the following workforce investment programs:

- (1) Part A of Title IV of the Social Security Act (42 U.S.C. 601 et seq.).
- (2) Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)).
- (3) Work programs authorized under section 6(o) of the Food Stamp Act of 1977 (7 U.S.C. 2015(o)).
- (4) National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.).
- (5) Secondary vocational education activities authorized under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).
- (6) School-to-work activities and programs carried out under a federal grant administered by the Department of Workforce Development.
- (7) The twenty-first century scholars program under IC 20-12-70."

Page 7, delete lines 1 through 5.

Page 7, delete lines 17 through 27, begin a new paragraph and insert:

"Sec. 3. Unless designated as the fiscal agent by the chief elected official, the regional board may not be a direct recipient of funds for services.

Sec. 4. To ensure the effective operation of the one stop service delivery system, a one stop partner must provide an appropriate level of support for:

- (1) the independent staff of the regional board;
- (2) the administrative functions of the fiscal agent; and



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(3) the provision of core services through the one stop system; that is consistent with the federal laws and regulations governing the one stop partner."

Page 7, delete lines 29 through 36, begin a new paragraph and insert:

"Sec. 1. Unless the chief elected official designates a fiscal agent under section 2 of this chapter, the chief elected official is the grant recipient for the following federal and state funds:

- (1) Youth, adult, and dislocated worker services under Title I of the Workforce Investment Act of 1998.**
- (2) Wagner-Peyser Act (29 U.S.C. 49, et seq.) funds to the extent set forth in a memorandum of understanding.**
- (3) Programs authorized under the state unemployment compensation law (IC 22-4) to the extent set forth in a memorandum of understanding.**

Sec. 2. (a) The chief elected official may designate a fiscal agent to distribute funds according to the budget established by the regional board and the chief elected official.

(b) Notwithstanding the designation of a fiscal agent under subsection (a), the chief elected official retains liability for the funds distributed by the fiscal agent."

Page 8, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE UPON PASSAGE] (a) Not later than June 30, 1999, the membership of the state human resource investment council established under IC 22-4-18.1 must be in compliance with the membership composition requirements of Section 111 of the Workforce Investment Act of 1998 and IC 22-4-18.1-5, as amended by this act.

(b) This SECTION expires July 1, 2000."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1652 as printed February 17, 1999.)

HARRISON, Chairperson

Committee Vote: Yeas 8, Nays 0.



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