

**As Reported by the Senate Workforce and Economic
Development Committee**

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Sub. H. B. No. 1

Representatives Derickson, Romanchuk

**Cosponsors: Representatives Schuring, Grossman, Hall, Hottinger, Amstutz,
Anielski, Baker, Beck, Blessing, Brown, Buchy, Burkley, Butler, Dovilla,
Duffey, Green, Hackett, Hagan, C., Hayes, Henne, Hill, Huffman, Kunze,
Letson, Maag, McClain, McGregor, Milkovich, O'Brien, Pelanda, Perales,
Pillich, Retherford, Rosenberger, Ruhl, Sears, Smith, Sprague, Stautberg,
Stebelton, Sykes, Thompson, Wachtmann, Young Speaker Batchelder**

Senators Schaffer, Beagle

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A B I L L

To amend sections 6301.01, 6301.02, 6301.03, 6301.04,	1
6301.06, 6301.07, 6301.08, 6301.09, 6301.10, and	2
6301.12 and to enact section 6301.061 of the	3
Revised Code to require a local workforce	4
investment area to use OhioMeansJobs as the local	5
workforce investment area's job placement system,	6
to rename county one-stop systems, and to make	7
other changes to Ohio's Workforce Development Law.	8

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 6301.01, 6301.02, 6301.03, 6301.04,	9
6301.06, 6301.07, 6301.08, 6301.09, 6301.10, and 6301.12 be	10
amended and section 6301.061 of the Revised Code be enacted to	11
read as follows:	12

Sec. 6301.01. As used in this chapter:	13
(A) "Local area" means any of the following:	14
(1) A municipal corporation that is authorized to administer and enforce the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, under this chapter and is not joining in partnership with any other political subdivisions in order to do so;	15 16 17 18 19
(2) A single county;	20
(3) A consortium of any of the following political subdivisions:	21 22
(a) A group of two or more counties in the state;	23
(b) One or more counties and one municipal corporation in the state;	24 25
(c) One or more counties with or without one municipal corporation in the state and one or more counties with or without one municipal corporation in another state, on the condition that those in another state share a labor market area with those in the state.	26 27 28 29 30
"Local area" does not mean a region for purposes of determinations concerning administrative incentives.	31 32
(B) "Municipal corporation" means a municipal corporation that is eligible for automatic or temporary designation as a local workforce investment area pursuant to section 116(a)(2) or (3) of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2831(a)(2) or (3), but that does not request that the governor grant such automatic or temporary designation, and that instead elects to administer and enforce workforce development activities pursuant to this chapter.	33 34 35 36 37 38 39 40
(C) "County" means a county that is eligible to be designated	41

as a local workforce investment area pursuant to the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, but that does not request such designation, and instead elects to administer and enforce workforce development activities pursuant to this chapter.

(D) "Workforce development agency" means the entity given responsibility for workforce development activities that is designated by the board of county commissioners in accordance with section 330.04 of the Revised Code, the chief elected official of a municipal corporation in accordance with section 763.05 of the Revised Code, or the chief elected officials of a local area defined in division (A)(3) of this section.

(E) "Workforce development activity" means a program, grant, or other function, the primary goal of which is to do one or more of the following:

- (1) Help individuals maximize their employment opportunities;
- (2) Help employers gain access to skilled workers;
- (3) Help employers retain skilled workers;
- (4) Help develop or enhance the skills of incumbent workers;
- (5) Improve the quality of the state's workforce;

(6) Enhance the productivity and competitiveness of the state's economy.

(F) "Chief elected officials," when used in reference to a local area, means the board of county commissioners of the county or of each county in the local area or, if the county has adopted a charter under Section 3 of Article X, Ohio Constitution, the chief governing body of that county, and the chief elected official of the municipal corporation, if the local area includes a municipal corporation, except that when the local area is the type defined in division (A)(1) of this section, "chief elected

officials" means the chief elected official of the municipal corporation. 72
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(G) "State board" means the ~~state~~ governor's executive workforce ~~policy~~ board established by section 6301.04 of the Revised Code. 74
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(H) "Local board" means a local workforce ~~policy~~ investment board ~~created pursuant to section 6301.06 of the Revised Code~~ established in each local area of the state and certified by the governor to set policy for the portion of the statewide workforce investment system within the local area and implement the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C. 2801. 77
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(I) "OhioMeansJobs" means the electronic system for labor exchange and job placement activity operated by the state. 83
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Sec. 6301.02. The director of job and family services shall administer the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, the "Wagner-Peyser Act," 48 Stat. 113 (1933), 29 U.S.C.A. 49, as amended, and the funds received pursuant to those acts. In administering those acts and funds received pursuant to those acts, the director shall assist the state ~~workforce policy~~ board in establishing and administering a workforce development system that is designed to provide leadership, support, and oversight to locally designed workforce development systems. The director shall conduct investigations and hold hearings as necessary for the administration of this chapter. 85
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To the extent permitted by state and federal law, the director may adopt rules pursuant to Chapter 119. of the Revised Code to establish any program or pilot program for the purposes of providing workforce development activities or family services to individuals who do not meet eligibility criteria for those activities or services under applicable federal law. Prior to the initiation of any program of that nature, the director of budget 96
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and management shall certify to the governor that sufficient funds 103
are available to administer a program of that nature. The state 104
board shall have final approval of any such program. 105

Unless otherwise prohibited by state or federal law, every 106
state agency, board, or commission shall provide to the state 107
board and the director all information and assistance requested by 108
the state board and the director in furtherance of workforce 109
development activities. 110

Sec. 6301.03. (A) In administering the "Workforce Investment 111
Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended, the 112
"Wagner-Peyser Act," 48 Stat. 113 (1933), 29 U.S.C.A. 49, as 113
amended, the funds received pursuant to those acts, and the 114
workforce development system, the director of job and family 115
services may, at the direction of the state board, make 116
allocations and payment of funds for the local administration of 117
the workforce development activities established under this 118
chapter. 119

(B) The director shall allocate to local areas all funds 120
required to be allocated to local areas pursuant to the "Workforce 121
Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as 122
amended. The director shall make allocations only with funds 123
available. Local areas, as defined by either section 101 of the 124
"Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 125
2801, as amended, or section 6301.01 of the Revised Code, and 126
subrecipients of a local area shall establish a workforce 127
development fund and the entity receiving funds shall deposit all 128
funds received under this section into the workforce development 129
fund. All expenditures for activities funded under this section 130
shall be made from the workforce development fund, including 131
reimbursements to a county public assistance fund for expenditures 132
made for activities funded under this section. 133

(C) The use of funds, reporting requirements, and other 134
administrative and operational requirements governing the use of 135
funds received by the director pursuant to this section shall be 136
governed by internal management rules adopted by and approved by 137
the state board pursuant to section 111.15 of the Revised Code. 138

(1) A local area described in division (B) of this section 139
shall use OhioMeansJobs as the labor exchange and job placement 140
system for the area. 141

(2) No additional workforce funds shall be used to build or 142
maintain any labor exchange and job placement system that is 143
duplicative to OhioMeansJobs. 144

(D) To the extent permitted by state or federal law, the 145
~~state board~~, director, local areas, counties, and municipal 146
corporations authorized to administer workforce development 147
activities may assess a fee for specialized services requested by 148
an employer. The director shall adopt rules pursuant to Chapter 149
119. of the Revised Code governing the nature and amount of those 150
types of fees. 151

Sec. 6301.04. The governor shall establish a state ~~workforce~~ 152
~~policy~~ board and appoint members to the board, who serve at the 153
governor's pleasure, to perform duties under the "Workforce 154
Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as 155
amended, as authorized by the governor. The board is not subject 156
to sections 101.82 to 101.87 of the Revised Code. All state 157
agencies engaged in workforce development activities shall assist 158
the board in the performance of its duties. 159

~~(A)(1) The governor shall designate nine members of the board 160~~
~~to be voting members. All other members shall be ex-officio,~~ 161
~~nonvoting members. 162~~

~~(2) The governor shall choose the voting members in a way 163~~

~~that a majority of the voting board members represent business interests.~~ 164
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~~(B)~~ The board shall have the power and authority to do all of the following: 166
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~~(1)~~(A) Provide oversight and policy direction to ensure that the state workforce development activities are aligned and serving the needs of the state's employers, incumbent workers, and job seekers; 168
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~~(2)~~(B) Adopt rules necessary to administer state workforce development activities; 172
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~~(3)~~(C) Adopt rules necessary for the auditing and monitoring of subrecipients of the workforce development system grant funds; 174
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~~(4)~~(D) Designate local workforce investment areas in accordance with 29 U.S.C. 2831; 176
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~~(5)~~(E) Develop a unified budget for all state and federal workforce funds; 178
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~~(6)~~(F) Establish a statewide employment and data collection system; 180
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~~(7)~~(G) Develop statewide performance measures for workforce development and investment; 182
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~~(8)~~(H) Develop a state workforce development plan; 184

~~(9)~~(I) Prepare the annual report to the United States secretary of labor, pursuant to section 136(d) of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C. 2871, as amended; 185
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~~(10)~~(J) Carry out any additional functions, duties, or responsibilities assigned to the board by the governor. 189
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Sec. 6301.06. (A) The chief elected officials of a local area shall create a ~~workforce policy~~ local board, which shall consist 191
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of the following individuals:	193
(1) The chief elected official from the municipal corporation with the largest population in the local area, except that if the municipal corporation is a local area as defined in division (A)(1) of section 6301.01 of the Revised Code, the chief elected official of that municipal corporation may determine whether to be a member of the board. Notwithstanding division (B) of section 6301.01 of the Revised Code, as used in division (A)(1) of this section, "municipal corporation" means any municipal corporation.	194 195 196 197 198 199 200 201
(2) The following individuals appointed to the board by the chief elected officials of the local area, who shall make those appointments according to all of the following specifications:	202 203 204
(a) At least five members of the board shall be representatives of private sector businesses in the general labor market area that includes that local area, and shall be appointed from among individuals nominated by local business organizations and business trade associations. Among these members, at least one shall represent small businesses, at least one shall represent medium-sized businesses, and at least one shall represent large businesses. When determining what constitutes small, medium-sized, and large businesses for purposes of this division, the chief elected officials of the local area shall define those sizes as those sizes are generally understood within the labor market area that includes that local area. A majority of the members of the board shall be representatives of private sector businesses.	205 206 207 208 209 210 211 212 213 214 215 216 217
(b) At least two members of the board shall represent organized labor and shall be appointed from nominations submitted by local federations of labor representing workers employed in the local area.	218 219 220 221
(c) At least two members of the board shall be representatives of local educational entities. For purposes of	222 223

this division, "local educational entities" includes local 224
educational agencies, school district boards of education, 225
entities providing educational and literacy activities, and 226
post-secondary educational institutions. 227

(d) At least one member of the board shall be a 228
representative of consumers of workforce development activities. 229

(e) Any other individuals the chief elected officials of the 230
local area determine are necessary. 231

(B) Members of the board serve at the pleasure of the chief 232
elected officials of the local area. Members shall not be 233
compensated but may be reimbursed for actual, reasonable, and 234
necessary expenses incurred in the performance of their duties as 235
board members. Those expenses shall be paid from funds allocated 236
pursuant to section 6301.03 of the Revised Code. 237

The chief elected officials of a local area may provide 238
office space, staff, or other administrative support as needed to 239
the board. For purposes of section 102.02 of the Revised Code, 240
members of the board are not public officials or employees. 241

(C) The chief elected officials of a local area other than a 242
local area as defined in division (A)(1) of section 6301.01 of the 243
Revised Code, shall coordinate the workforce development 244
activities of the county family services planning committees and 245
the ~~workforce policy~~ local boards in the local area in any manner 246
that is efficient and effective to meet the needs of the local 247
area. The chief elected officials of the local area may, but are 248
not required to, consolidate all boards and committees as they 249
determine appropriate into a single board for purposes of 250
workforce development activities. A majority of the members of 251
that consolidated board shall represent private sector businesses. 252
The membership of that consolidated board shall include a 253
representative from each group granted representation as described 254

in division (A) of this section and also a member who represents 255
consumers of family services and a member who represents the 256
county department of job and family services. The membership of 257
that consolidated board may include a representative of one or 258
more groups and entities that may be represented on a county 259
family services planning committee, as specified in section 329.06 260
of the Revised Code. 261

Sec. 6301.061. A board of county commissioners may appoint an 262
advisory committee on workforce development. A committee appointed 263
under this section may do both of the following: 264

(A) Work to further cooperation between the county and other 265
workforce development and economic development related entities 266
including the state, local area one-stop systems, and private 267
businesses; 268

(B) Advise the board and other interested parties on ways to 269
maintain and improve the workforce development system of the local 270
area in which the county is a part. 271

Sec. 6301.07. (A) For purposes of this section, "performance 272
character" means the career-essential relational attributes that 273
build trust with others, including respect, honesty, integrity, 274
task-excellence, responsibility, and resilience. 275

(B) Every local ~~workforce policy~~ board, under the direction 276
and approval of the state ~~workforce policy~~ board and with the 277
agreement of the chief elected officials of the local area, and 278
after holding public hearings that allow public comment and 279
testimony, shall prepare a workforce development plan. The plan 280
shall accomplish all of the following: 281

(1) Identify the workforce investment needs of businesses in 282
the local area, identify projected employment opportunities, and 283
identify the job skills and performance character necessary to 284

obtain and succeed in those opportunities;	285
(2) Identify the local area's workforce development needs for youth, dislocated workers, adults, displaced homemakers, incumbent workers, and any other group of workers identified by the local workforce policy board;	286 287 288 289
(3) Determine the distribution of workforce development resources and funding to be distributed for each workforce development activity to meet the identified needs, utilizing the funds allocated pursuant to the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended;	290 291 292 293 294
(4) Give priority to youth receiving independent living services pursuant to sections 2151.81 to 2151.84 of the Revised Code when determining distribution of workforce development resources and workforce development activity funding;	295 296 297 298
(5) Review the minimum curriculum required by the state workforce policy board for certifying training providers and identify any additional curriculum requirements to include in contracts between the training providers and the chief elected officials of the local area;	299 300 301 302 303
(6) Establish performance standards for service providers that reflect local workforce development needs;	304 305
(7) Describe any other information the chief elected officials of the local area require.	306 307
(C) A local workforce policy board may provide policy guidance and recommendations to the chief elected officials of a local area for any workforce development activities.	308 309 310
(D) Nothing in this section prohibits the chief elected officials of a local area from assigning, through a partnership agreement, any duties in addition to the duties under this section to a local workforce policy board, except that a local workforce	311 312 313 314

~~policy~~ board cannot contract with itself for the direct provision 315
of services in its local area. A local ~~workforce policy~~ board may 316
consult with the chief elected officials of its local area and 317
make recommendations regarding the workforce development 318
activities provided in its local area at any time. 319

Sec. 6301.08. Every local area shall participate in a 320
one-stop system for workforce development activities. Each board 321
of county commissioners and the chief elected official of a 322
municipal corporation shall ensure that at least one delivery 323
method is available in the local area, either through a physical 324
location, or by electronic means approved by the state board, for 325
the provision of workforce development activities. 326

Within six months after the effective date of this amendment, 327
every local area described in division (B) of section 6301.03 of 328
the Revised Code shall name its one-stop system as "OhioMeansJobs 329
(name of county) County." 330

A one-stop system may be operated by a private entity or a 331
public agency, including a workforce development agency, any 332
existing facility or organization that is established to 333
administer workforce development activities in the local area, and 334
a county family services agency. 335

A one-stop system shall include representatives of all the 336
partners required under the "Workforce Investment Act of 1998," 337
112 Stat. 936, 29 U.S.C.A. 2801, as amended. In addition, a 338
one-stop system shall include at least one representative from a 339
county department of job and family services. 340

Sec. 6301.09. The provision under division (g) of section 111 341
of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 342
U.S.C.A. 2801, as amended, applies to the state ~~workforce policy~~ 343
board created under section 6301.04 of the Revised Code. The 344

provision under division (e) of section 117 of the "Workforce Investment Act of 1998" applies to the ~~workforce policy~~ local boards established pursuant to section ~~6301.04~~ 6301.06 of the Revised Code.

Sec. 6301.10. Beginning January 1, 2013, and each calendar year thereafter, the state board, with the assistance of all state agencies engaged in workforce development activities, shall prepare a report concerning the state of Ohio's workforce. ~~The~~ Upon completion of the annual workforce report, the state board shall ~~distribute~~ provide an electronic copy of the report to the president and minority leader of the senate, the speaker and minority leader of the house of representatives, the governor's office of Appalachian Ohio, the commission on Hispanic-Latino affairs, and the commission on African-American males, and shall post the report on the state board's internet web site.

Sec. 6301.12. (A) The office of workforce development within the department of job and family services shall comprehensively review the direct and indirect economic impact of businesses engaged in the production of horizontal wells in this state and, based on its findings, prepare an annual Ohio workforce report. The report shall include at least all of the following with respect to the industry:

(1) The total number of jobs created or retained during the previous year;

(2) The total number of Ohio-based contractors that employ skilled construction trades;

(3) The number of employees who are residents of this state;

(4) The total economic impact;

(5) A review of the state's regional workforce development plans required by the "Workforce Investment Act of 1998," 112

Stat. 936, 29 U.S.C.A. 2801, as amended, that outline workforce 375
development efforts including goals and benchmarks toward 376
maximizing job training, education, and job creation opportunities 377
in the state. 378

(B) ~~The~~ Upon the completion of the office's annual Ohio 379
workforce report, the office shall ~~submit its annual Ohio~~ 380
~~workforce~~ provide an electronic copy of the report to the ~~members~~ 381
~~of the general assembly~~ president and minority leader of the 382
senate and the speaker and minority leader of the house of 383
representatives and post it on the office's internet web site. 384

Section 2. That existing sections 6301.01, 6301.02, 6301.03, 385
6301.04, 6301.06, 6301.07, 6301.08, 6301.09, 6301.10, and 6301.12 386
of the Revised Code are hereby repealed. 387