

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

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Am. S. B. No. 2

Senators Lehner, Beagle

**Cosponsors: Senators Bacon, Eklund, Hite, LaRose, Uecker, Seitz,
Oelslager, Balderson, Jones, Patton, Manning, Widener, Faber, Peterson,
Obhof, Schaffer**

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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 15

and enforce the "Workforce Investment Act of 1998," 112 Stat. 936, 16
29 U.S.C.A. 2801, as amended, under this chapter and is not 17
joining in partnership with any other political subdivisions in 18
order to do so; 19

(2) A single county; 20

(3) A consortium of any of the following political 21
subdivisions: 22

(a) A group of two or more counties in the state; 23

(b) One or more counties and one municipal corporation in the 24
state; 25

(c) One or more counties with or without one municipal 26
corporation in the state and one or more counties with or without 27
one municipal corporation in another state, on the condition that 28
those in another state share a labor market area with those in the 29
state. 30

"Local area" does not mean a region for purposes of 31
determinations concerning administrative incentives. 32

(B) "Municipal corporation" means a municipal corporation 33
that is eligible for automatic or temporary designation as a local 34
workforce investment area pursuant to section 116(a)(2) or (3) of 35
the "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 36
2831(a)(2) or (3), but that does not request that the governor 37
grant such automatic or temporary designation, and that instead 38
elects to administer and enforce workforce development activities 39
pursuant to this chapter. 40

(C) "County" means a county that is eligible to be designated 41
as a local workforce investment area pursuant to the "Workforce 42
Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, as 43
amended, but that does not request such designation, and instead 44
elects to administer and enforce workforce development activities 45

pursuant to this chapter. 46

(D) "Workforce development agency" means the entity given 47
responsibility for workforce development activities that is 48
designated by the board of county commissioners in accordance with 49
section 330.04 of the Revised Code, the chief elected official of 50
a municipal corporation in accordance with section 763.05 of the 51
Revised Code, or the chief elected officials of a local area 52
defined in division (A)(3) of this section. 53

(E) "Workforce development activity" means a program, grant, 54
or other function, the primary goal of which is to do one or more 55
of the following: 56

(1) Help individuals maximize their employment opportunities; 57

(2) Help employers gain access to skilled workers; 58

(3) Help employers retain skilled workers; 59

(4) Help develop or enhance the skills of incumbent workers; 60

(5) Improve the quality of the state's workforce; 61

(6) Enhance the productivity and competitiveness of the 62
state's economy. 63

(F) "Chief elected officials," when used in reference to a 64
local area, means the board of county commissioners of the county 65
or of each county in the local area or, if the county has adopted 66
a charter under Section 3 of Article X, Ohio Constitution, the 67
chief governing body of that county, and the chief elected 68
official of the municipal corporation, if the local area includes 69
a municipal corporation, except that when the local area is the 70
type defined in division (A)(1) of this section, "chief elected 71
officials" means the chief elected official of the municipal 72
corporation. 73

(G) "State board" means the ~~state~~ governor's executive 74
workforce ~~policy~~ board established by section 6301.04 of the 75

Revised Code. 76

(H) "Local board" means a local workforce ~~policy~~ investment 77
board ~~created pursuant to section 6301.06 of the Revised Code~~ 78
established in each local area of the state and certified by the 79
governor to set policy for the portion of the statewide workforce 80
investment system within the local area and implement the 81
"Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C. 2801. 82

(I) "OhioMeansJobs" means the electronic system for labor 83
exchange and job placement activity operated by the state. 84

Sec. 6301.02. The director of job and family services shall 85
administer the "Workforce Investment Act of 1998," 112 Stat. 936, 86
29 U.S.C.A. 2801, as amended, the "Wagner-Peyser Act," 48 Stat. 87
113 (1933), 29 U.S.C.A. 49, as amended, and the funds received 88
pursuant to those acts. In administering those acts and funds 89
received pursuant to those acts, the director shall assist the 90
state ~~workforce policy~~ board in establishing and administering a 91
workforce development system that is designed to provide 92
leadership, support, and oversight to locally designed workforce 93
development systems. The director shall conduct investigations and 94
hold hearings as necessary for the administration of this chapter. 95

To the extent permitted by state and federal law, the 96
director may adopt rules pursuant to Chapter 119. of the Revised 97
Code to establish any program or pilot program for the purposes of 98
providing workforce development activities or family services to 99
individuals who do not meet eligibility criteria for those 100
activities or services under applicable federal law. Prior to the 101
initiation of any program of that nature, the director of budget 102
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 164~~
~~interests. 165~~

~~(B)~~ The board shall have the power and authority to do all of 166
the following: 167

+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;	168 169 170 171
+2)(B) Adopt rules necessary to administer state workforce development activities;	172 173
+3)(C) Adopt rules necessary for the auditing and monitoring of subrecipients of the workforce development system grant funds;	174 175
+4)(D) Designate local workforce investment areas in accordance with 29 U.S.C. 2831;	176 177
+5)(E) Develop a unified budget for all state and federal workforce funds;	178 179
+6)(F) Establish a statewide employment and data collection system;	180 181
+7)(G) Develop statewide performance measures for workforce development and investment;	182 183
+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;	185 186 187 188
+10)(J) Carry out any additional functions, duties, or responsibilities assigned to the board by the governor.	189 190
Sec. 6301.06. (A) The chief elected officials of a local area shall create a workforce policy <u>local</u> board, which shall consist of the following individuals:	191 192 193
(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	194 195 196

(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.

(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:

(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.

(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.

(c) At least two members of the board shall be representatives of local educational entities. For purposes of this division, "local educational entities" includes local educational agencies, school district boards of education, entities providing educational and literacy activities, and post-secondary educational institutions.

(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 <u>local</u> 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 286
youth, dislocated workers, adults, displaced homemakers, incumbent 287
workers, and any other group of workers identified by the local 288
~~workforce policy~~ board; 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 policy board cannot contract with itself for the direct provision of services in its local area. A local workforce policy board may consult with the chief elected officials of its local area and make recommendations regarding the workforce development activities provided in its local area at any time.	311 312 313 314 315 316 317 318 319

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. 338

Sec. 6301.09. The provision under division (g) of section 111 339
of the "Workforce Investment Act of 1998," 112 Stat. 936, 29 340
U.S.C.A. 2801, as amended, applies to the state ~~workforce policy~~ 341
board created under section 6301.04 of the Revised Code. The 342
provision under division (e) of section 117 of the "Workforce 343
Investment Act of 1998" applies to the ~~workforce policy~~ local 344
boards established pursuant to section ~~6301.04~~ 6301.06 of the 345
Revised Code. 346

Sec. 6301.10. Beginning January 1, 2013, and each calendar 347
year thereafter, the state board, with the assistance of all state 348
agencies engaged in workforce development activities, shall 349

prepare a report concerning the state of Ohio's workforce. ~~The~~ 350
Upon completion of the annual workforce report, the state board 351
shall ~~distribute~~ provide an electronic copy of the report to the 352
president and minority leader of the senate, the speaker and 353
minority leader of the house of representatives, the governor's 354
office of Appalachian Ohio, the commission on Hispanic-Latino 355
affairs, and the commission on African-American males, and shall 356
post the report on the state board's internet web site. 357

Sec. 6301.12. (A) The office of workforce development within 358
the department of job and family services shall comprehensively 359
review the direct and indirect economic impact of businesses 360
engaged in the production of horizontal wells in this state and, 361
based on its findings, prepare an annual Ohio workforce report. 362
The report shall include at least all of the following with 363
respect to the industry: 364

(1) The total number of jobs created or retained during the 365
previous year; 366

(2) The total number of Ohio-based contractors that employ 367
skilled construction trades; 368

(3) The number of employees who are residents of this state; 369

(4) The total economic impact; 370

(5) A review of the state's regional workforce development 371
plans required by the "Workforce Investment Act of 1998," 112 372
Stat. 936, 29 U.S.C.A. 2801, as amended, that outline workforce 373
development efforts including goals and benchmarks toward 374
maximizing job training, education, and job creation opportunities 375
in the state. 376

(B) ~~The~~ Upon the completion of the office's annual Ohio 377
workforce report, the office shall ~~submit its annual Ohio~~ 378
~~workforce~~ provide an electronic copy of the report to the members 379

~~of the general assembly~~ president and minority leader of the 380
senate and the speaker and minority leader of the house of 381
representatives and post it on the office's internet web site. 382

Section 2. That existing sections 6301.01, 6301.02, 6301.03, 383
6301.04, 6301.06, 6301.07, 6301.08, 6301.09, 6301.10, and 6301.12 384
of the Revised Code are hereby repealed. 385