

## Hudson, Mark

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**To:** Hudson, Mark  
**Subject:** Fwd: ICYMI: Idaho Boosts Workforce Development in Midst of Population Boom

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## ICYMI: Idaho Boosts Workforce Development in Midst of Population Boom

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With more people pursuing their personal and professional dreams in Idaho, Governor C.L. “Butch” Otter has signed two bills reinforcing strong alignment between K-12 education and workforce demand.

In his final legislative session, Governor Otter championed a workforce development package that positively affects current and future Idahoans for years to come. As the fastest growing state in the union, Idaho is poised for success.

“Employers, economic development leaders and educators agree that educating and training more skilled workers is crucial to continuing the kind of growth that Idaho has been enjoying in recent years. We need thousands of additional employees who are prepared for the increasingly technical jobs being created by Idaho businesses. That means investing both in academics and workforce training as we pursue our K-through-Career approach to education excellence.”

*C.L. “Butch” Otter, Governor of Idaho*

Governor Otter convened his [Workforce Development Task Force](#) last year, bringing educators and business leaders together to develop recommendations that align education and job training with the needs of Idaho businesses. His leadership helped to ensure Idaho students have a path to high-paying jobs, a fulfilling career and the opportunity to achieve the American dream. Idaho businesses now have homegrown talent pipelines that help them find the employees they need to drive Idaho’s economic engine into the future.

[House Bill 432](#), signed by Governor Otter last week, made important changes to allow the Workforce Development Council to be more responsive to the needs of employers.

[Senate Bill 1222](#), signed by Governor Otter in February, expanded funding for high-performing, career and technical education programs in grades 9-12 in the areas of business management, engineering, technology, health sciences and other high-demand fields.

“As the fastest growing state in the nation, these bills forge a greater nexus between student skill acquisition and employer needs, including a funding incentive for high-performing career and technical education programs at Idaho schools. We applaud the hard work of Governor Otter and so many other policymakers for their tireless efforts to help Idaho’s students earn the skills they need to succeed at career and life.”

*Patricia Levesque, Chief Executive Officer, Foundation for Excellence in Education*

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# Governor's WORKFORCE DEVELOPMENT TASK FORCE



June 2017

Final Report

STATE OF  
**IDAHO**  
U S A

July 1, 2017

The Honorable C.L. "Butch" Otter  
Office of the Governor  
State Capitol  
P.O. Box 83720  
Boise, ID 83720

Dear Governor Otter:

We are pleased to present the attached report and recommendations of the 2017 Governor's Workforce Development Task Force.

Over the past five months, nearly two dozen leaders from diverse industries in the state examined ways to improve Idaho's funding and delivery of training programs to meet our state's growing demand for skilled workers. We reviewed Idaho's current delivery system and studied some of the best practices from other states.

Governor, you appointed a group of dedicated Idahoans who are passionate about creating the best opportunities for our citizens to live, work and raise their families here in Idaho. In the eight meetings held, we had excellent participation and gained insight from specific businesses, industry groups and educators. This report and the accompanying recommendations provide a framework from which the state can work to avoid potential shortages of skilled workers and continue to grow our economy.

Throughout this process, we recognized there are scarce resources as well as budgetary constraints within which the state must operate. Our goal was to help prioritize the strategies and efforts that can be deployed to provide more skilled workers to fill the jobs of today and tomorrow so we can remain competitive in an increasingly complex and competitive global economy.

Thank you again for the opportunity to provide this report and our recommendations to you and the people of the State of Idaho.

Sincerely,



Dr. David (Dave) Hill and Mr. Brian Whitlock  
Task Force Co-Chairs

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## EXECUTIVE SUMMARY

In January 2017, Governor C.L. “Butch” Otter announced the creation of the Workforce Development Task Force. The Task Force consisted of 17 members representing industries such as health care, aerospace, food processing, natural resources, advanced manufacturing, energy and construction along with education, career and technical training programs, the Workforce Development Council and the Idaho Legislature. Representatives of the Idaho Departments of Labor and Commerce and the State Division of Career & Technical Education provided administrative and technical support. The Task Force met from February to June 2017 and provided a full report to Gov. Otter and the Workforce Development Council July 1, 2017.

The Task Force determined that industry, government and education must recognize and share responsibility for workforce development and that each should elevate its commitment to executing a shared vision. Throughout discussions and explorations of best practices, the Task Force identified four major areas of focus for research and recommendations: industry, education and government partnerships; capacity building; career advising; and communications. From these areas, the Task Force developed nine recommendations for the Governor and Workforce Development Council’s considerations.

### Summary of Recommendations

- **Workforce Development Council and Industry Partnerships** – Increase the role and responsibilities of an industry-driven Workforce Development Council to champion the development and implementation of a statewide, strategic workforce development plan that meets industries’ needs today and tomorrow.
- **Workforce Development Training Fund** – Establish a sustainable funding mechanism for the Workforce Development Training Fund.
- **Public Engagement** – Develop and implement a comprehensive statewide public engagement initiative utilizing technology and other engagement strategies to increase awareness of career opportunities for all Idahoans.
- **Connecting Education to Careers** – Idaho’s K-through-Career education system should value and support all pathways for students to achieve education, training and workforce skills that align to their career aspirations.
- **Workforce Training Centers and Adult Training Support** – Enhance support for Idaho’s six Workforce Training Centers and the individuals they serve with short-term, industry-focused training.
- **Strengthen Career Advising** – Ensure that there is equity and access for all Idaho students to occupational pathways by establishing stronger requirements for the secondary education system in deploying college and career advising.

## WORKFORCE DEVELOPMENT TASK FORCE FINAL REPORT

- **Workforce Readiness** – Incentivize Idaho school districts to incorporate workforce readiness skills throughout secondary curriculum.
- **Apprenticeships** – Continue the development of apprenticeship programs throughout the state.
- **Expand Career and Technical Education Programs** – Strengthen Idaho's talent pipeline by expanding CTE programs at the secondary and post-secondary level.

# TASK FORCE REPORT

## Introduction

By 2020, nearly 67 percent of jobs in the United States will require some post-secondary training or education beyond high school. Due to a lack of needed skills, thousands of Idaho jobs are chronically unfilled, putting statewide economic growth at risk. To address these issues, in January 2017, Gov. C.L. “Butch” Otter announced the creation of the Workforce Development Task Force to study ways to improve Idaho’s funding and delivery of training programs to meet growing industry demand for skilled workers. The Task Force is part of Gov. Otter’s “K-through-Career Campaign” which aims to provide training and education to all Idahoans to help them achieve success in the workforce. This campaign includes the goal to have 60 percent of Idahoans between the ages of 25 and 34 attain a post-secondary credential, including certificates and degrees, by 2020. As of 2015, that number was 42 percent.

To help the Task Force develop findings and recommendations to improve training programs to meet industry needs, the Task Force listened to industry representatives about workforce challenges they face within their respective companies and across their industries. Overwhelmingly, industry members expressed challenges with a lack of qualified candidates, citing a lack of professional skills (i.e., personal appearance, time management, communication and collaboration skills, adaptability); the speed in which training and educational programs are delivered currently versus the speed at which industry needs trained individuals; and an aging workforce with a growing number of retirees and a lack of individuals trained to fill those positions.

## Purpose

Idaho is experiencing unprecedented job growth and a continued decline in the unemployment rate. The pressure and competition for local businesses to find the talent they need to help their businesses grow and thrive has become a top concern among industry leaders. Furthermore, the existing talent pool does not have the right skills to adapt to unparalleled technological changes in the workplace. The availability of skilled labor has become the No. 2 factor in site decisions following highway accessibility, according to the latest survey of company executives by Area Development magazine. If an adequate workforce is not available, businesses will go elsewhere to create new, high-quality jobs, damaging every local economy. Without interventions, Idaho citizens with the right skills to access high-quality jobs may have to relocate to other states. The result will be local economies that suffer from a lack of high-paying jobs, loss of workers and corresponding decrease in the vitality of the community.

Partnerships between employers, educational institutions, and workforce and economic development groups exist to try to solve these workforce issues, but many of these efforts take place independently throughout the state. Few partnerships transcend geographical, institutional and agency boundaries. Many programs rely on federal funding which is inherently limited. Industry members are asked to participate in these disconnected efforts, resulting in fatigue and disengagement. Taken together, these workforce efforts concentrate on meeting immediate needs and miss out developing and implementing a comprehensive strategy that will meet the needs of industry today and tomorrow.

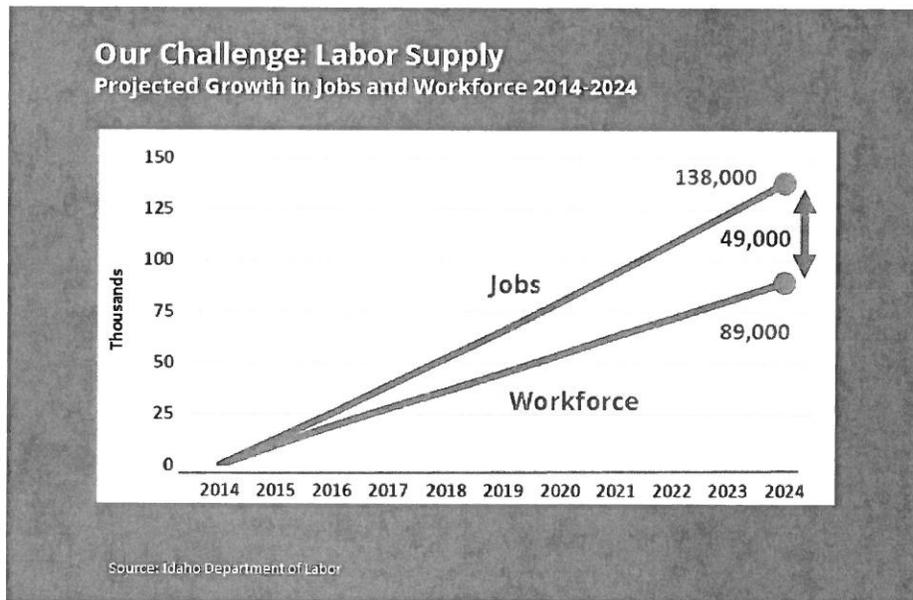
To address these issues, Gov. Otter created an industry-driven Task Force to engage with education, workforce and economic development partners to define and champion timely, collaborative changes to funding mechanisms and training programs. The efforts of this Task Force will help strengthen Idaho’s talent pipeline; create stronger businesses that will be able to hire skilled, qualified workers for better jobs; and help grow Idaho’s economy.

## Challenges

In 2016, the Idaho Department of Labor reported that while more Idaho citizens than ever are employed, many citizens remain underemployed due to a lack of needed skills. Additionally, thousands of Idaho jobs are chronically unfilled due to a shortage of qualified workers. By 2020, nearly two out of three jobs in the United States will require some post-secondary training or education beyond high school. The agency projected that Idaho faces a critical shortage of tens of thousands of skilled, qualified workers by 2024 (Figure 1), putting statewide economic growth at risk. Over the next seven years, the number of new jobs created will be half again the number of entrants to the workforce.

*Over the next seven years, the number of new jobs created will be half again the number of entrants to the workforce.*

Figure 1. Projected Labor Supply



However, the projected gap is evident now. According to Idaho Department of Labor analysts, 8,600 new jobs were created between May 2016 and May 2017, though six of the state’s 11 industry sectors, including construction, transportation and utilities, showed job declines. Despite new job growth, the state’s labor force participation rate dropped to 63.4 percent, the lowest participation rate since July 1976. Nationally, the participation rate fell only two-tenths of a percent to 62.7 percent. Additionally, more than 2,000 Idahoans exited the labor force in the last month. Much of the reduction in labor force participation can be attributed to retirement.

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Idaho's population will continue to age. A new forecast by the Idaho Department of Labor finds the statewide population is expected to increase 15.3 percent by 2025. The majority of this growth is expected to occur in retirement-age groups and can be attributed to high levels of in-migration by retirees moving to the state. The 65 and older population is expected to increase from 243,356 to 330,334 and will account for 34.4 percent of total population growth. As the population ages and exits the workforce, the pool of available, skilled workers will continue to decrease.

Currently, as Idaho businesses are trying to grow, particularly among smaller businesses and those in rural communities, they are constrained by this shortage of workers possessing the skills needed to do increasingly technical jobs. In 2016, Idaho's technical colleges graduated more than 2,500 individuals with post-secondary certificates and degrees up to the associate level. In addition, the state's six Workforce Training Centers served nearly 48,000 individuals with short-term industry-focused training. While these numbers are positive, the demand for skilled individuals needed to fill jobs is greater than this supply. If this fundamental issue is not addressed, the gaps between the number of jobs, the labor force needed to fill those jobs and the skills needed to do those jobs will only continue to grow. Without an abundant, skilled workforce, Idaho will suffer economic consequences.

***While these numbers are positive, the demand for skilled individuals needed to fill jobs is greater than this supply.***

In December 2016, the National Skills Coalition scanned state policies and programs that support middle-skill jobs - those that require education or training beyond high school but not a bachelor's degree. Idaho is one of 19 states that lacked a policy in all four areas around which the study was conducted:

Policy Area	Number of States with Policies	Idaho Included?
Integrated education and training policies - helping individuals who have basic skill gaps to qualify for middle-skill jobs.	18	No
Stackable credential policies - allows industry-recognized credentials to matriculate toward higher-level certificates or associate degrees in the same occupational area.	19	No
Job-driven financial aid policies - provides access to middle-skill training programs that do not qualify for federal financial aid.	23	No
Alignment policies - provides pathways for low-income adults with low skills to attain post-secondary credentials and higher levels of employment.	12	No

The study found that there are nine states with all four policies in place: Arkansas, Colorado, Iowa, Kansas, Minnesota, Oregon, Texas, Virginia and Washington. States like Tennessee, Kentucky, Indiana, Nebraska and Arizona are making significant changes and investments in their workforce development efforts.

In the West, Colorado, Arizona, Oregon, Washington and Utah are already years ahead of Idaho in implementing workforce development policies. It is especially worrisome that several of Idaho's border states are far ahead in their workforce development initiatives. If Idaho does not act now there is a real risk of the dual problem of both a) becoming a talent exporter and b) losing businesses to those states that have created the required workforce.

The state's most flexible financial resource for providing workforce training is the Workforce Development Training Fund (WDTF). The fund's initial use was to incentivize new and existing businesses to relocate or expand in Idaho. More recently, the fund's use has expanded to support training partnerships between businesses and education to develop industry specific talent pipelines (industry sector grants), and fund solutions to specific workforce challenges faced by Idaho's rural communities (micro grants).

The WDTF is currently financed exclusively from a 3 percent set-aside of unemployment insurance (UI) tax collections paid by Idaho employers which makes it counter-cyclical funding to the overall economy. As Idaho's economy improves and reductions are made in UI tax rates, the available funds in the WDTF decrease. Indeed, the WDTF has decreased from more than \$10 million to just over \$5 million in the past five years. At current tax rates, the fund has failed to keep up with workforce needs. Furthermore, as the Governor seeks additional reductions in UI tax rates to save employers an estimated \$115 million over the next three years, the fund will continue to decline. Clearly, this decrease in the availability of training funds creates a financial challenge for meeting current and future industry demands for a skilled workforce in Idaho.

## The Work of the Task Force

Few issues are more important, or of more immediate concern, to Idaho than ensuring a workforce system that meets the current and future needs of Idaho's businesses. With the skills mismatch, the demand for qualified workers exceeding available resources and an aging population, the Task Force

set out to ensure that industry has access to locally developed talent needed to compete in the rapidly changing economy. As industry leaders began to determine how best to prioritize and allocate state resources to provide more skilled workers, it became clear that systemic changes are needed to build a cohesive workforce system with adequate resources to remain competitive in an increasingly complex global economy.

The Task Force envisions an industry-driven system that has the ability to steer Idaho's efforts more efficiently and effectively to meet employer needs. The mechanisms created to execute an

industry-driven workforce development system must be agile, adaptive and subject to a stable funding commitment. Most importantly, the Task Force believes that industry, government and education must recognize and share responsibility for workforce development and each should elevate its commitment to executing a shared vision. Therefore, the following recommendations are presented to the Governor and the Workforce Development Council for their consideration and implementation.

***The mechanisms created to execute an industry-driven workforce development system must be agile, adaptive and subject to a stable funding commitment.***

## WORKFORCE DEVELOPMENT TASK FORCE FINAL REPORT

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### Notes:

Idaho Department of Labor Projections – <http://lmi.idaho.gov>

Idaho Department of Labor News Releases –

<http://labor.idaho.gov/news/NewsReleases/tabid/1953/ctl/PressRelease/mid/3872/itemid/3098/Default.aspx>

<http://labor.idaho.gov/news/NewsReleases/tabid/1953/ctl/PressRelease/mid/3872/itemid/3089/Default.aspx>

National Skills Coalition - <http://www.nationalskillscoalition.org/state-policy/skills-equity>

Office of the Governor - [https://gov.idaho.gov/mediacenter/press/pr2017/1\\_January/pr\\_06.html](https://gov.idaho.gov/mediacenter/press/pr2017/1_January/pr_06.html)

Area Development Magazine - <http://www.areadevelopment.com/Corporate-Consultants-Survey-Results/01-2017/responding-executives-confident-about-Trump-economy-skilled-labor-top-concern.shtml>

# RECOMMENDATIONS

## Workforce Development Council and Industry Partnerships

**Recommendation – Increase the role and responsibilities of an industry-driven Workforce Development Council to champion the development and implementation of a statewide, strategic workforce development plan that meets industries’ needs today and tomorrow.**

### Principle

The Workforce Development Council is uniquely situated to develop, implement and promote policy, plans and initiatives designed to provide the highly skilled workforce needed today and in the future by Idaho industry. The Council should be charged with implementing the recommendations of this Task Force, including oversight and measuring effectiveness. This will require highly effective industry partnerships, facilitated by the Council, that effectively guide the workforce development strategies across multiple state agencies.

### Short-term Actions

1. Appoint a transition team to research and recommend an organizational model that meets the following expectations:
  - a. Is industry-driven;
  - b. Can hire/direct dedicated staff;
  - c. Can effectively coordinate industry-driven workforce development efforts among state agencies and educational institutions; and
  - d. Is actionable and accountable.
2. Update the executive order establishing the role and responsibilities of the Workforce Development Council as needed to implement the new organizational model.
3. Identify funding in FY18 to begin transition by hiring a Workforce Development Council executive director and other relevant staff.
4. Prioritize the FY18 general fund appropriation provided by the legislature (\$2.5m) toward recommendations made in this Task Force report.

### Long-term Actions

1. Enable the Workforce Development Council to execute the implementation of a statewide, strategic workforce development plan for Idaho.
  - a. Maximize the effectiveness of the Workforce Development Training Fund to address gaps.
  - b. Direct federal workforce investments to meet industry needs.

### Owner

State Government

### Industry's Role

Industry members should comprise the majority of the Workforce Development Council and are expected to drive the strategy and policy components of a statewide, strategic workforce development plan for Idaho. Staff for the Workforce Development Council should report to this industry-driven council and industry members should ensure that business best practices are used to govern the oversight and accountability of the plan.

### Government's & Education's Roles

Agencies and educational institutions should collaborate effectively and efficiently to implement the workforce development strategies established by the Workforce Development Council. The executive director of the Workforce Development Council should have sufficient authority to lead cross-agency efforts and address concerns, as needed.

### Outcomes

The Workforce Development Council establishes and implements a statewide, strategic workforce development plan providing a "one-stop shop" for industry. The plan is actionable, adaptable and can direct resources towards implementation. Specific metrics include:

- Appointing a transition team.
- Recommending an organizational model to Governor.
- Updating the executive order, as needed.
- The extent to which state and federal workforce investments meet industry needs
- The effectiveness of collaboration and coordination across state agencies, the State Board of Education and educational institutions.

## Workforce Development Training Fund

### **Recommendation – Establish a sustainable funding mechanism for the Workforce Development Training Fund.**

#### Principle

Targeted public investments in workforce development initiatives are required to sustain and grow Idaho's economy. The Workforce Development Training Fund (WDTF) is the state's most flexible financial resource to provide workforce training. The dedicated funding generated by the current set-aside of unemployment insurance tax collections should be maintained. The Workforce Development Council should identify the additional funding needed to accomplish the goals set forth in the statewide, strategic workforce development plan.

#### Short-term Actions

1. Maximize the effectiveness of the Workforce Development Training Fund to implement the priorities of the Workforce Development Council.
2. Develop a process for the Workforce Development Council to forecast additional funding needs, ensuring that adequate funding is available to implement its strategic initiatives.

#### Owner

Workforce Development Council and Idaho Department of Labor

#### Industry's Role

Through active participation on the Workforce Development Council and its industry partnerships, industry should lead development of a statewide, strategic workforce development plan. In addition, industry should advocate for additional funding, when needed, to execute the plan.

#### Government's & Education's Roles

Government and education should align workforce development initiatives effectively and efficiently, under the direction of the Workforce Development Council, to maximize the use of state and federal funds.

#### Outcomes

The Workforce Development Council has the resources needed to implement a statewide, strategic workforce development plan. Specific metrics include:

- Increased number of employers served.
- Increased number of participants trained and placed in occupations related to the training.
- Increased number of participants retained in employment through skills upgrades.
- Cost per participant.
- Increased employer satisfaction that workforce investments meet industry needs.

## Public Engagement

**Recommendation – Develop and implement a comprehensive statewide public engagement initiative utilizing technology and other engagement strategies to increase awareness of career opportunities for all Idahoans.**

### Principle

A statewide communications plan employing a targeted digital approach that directs audiences to a single point for information - a platform - should be developed and implemented, which includes messaging targeted to multiple stakeholders with an emphasis on diversity and equity. Collaboration across state agencies and educational institutions is critical to these efforts to ensure integration. This initiative requires dedicated resources that are not impacted by economic conditions.

### Short-term Actions

1. Seek changes to the Workforce Development Training Fund allowing it to be used for the implementation of a public information initiative.
2. The State Board of Education, Idaho Department of Labor, Idaho Career & Technical Education, Idaho Department of Commerce, Idaho Digital Learning, Idaho Commission for Libraries and the Idaho State Department of Education should assign senior-level staff to coordinate existing resources that could be directed to this effort. At a minimum, existing resources should be accessible through a single sign-on portal until a more comprehensive platform is available.
3. Implement a single platform for career exploration and post-secondary planning.

### Long-term Actions

1. With guidance from the Workforce Development Council and the State Board of Education, develop and implement a statewide public information initiative to increase awareness of career opportunities and the training/educational pathways to access them.
2. Continue development and launch of platform. Ensure content is current and maintained.
3. Promote equitable access through statewide broadband access.

### Owner

Workforce Development Council staff with support from the cross-agency leadership team identified above.

### Industry's Role

Industry should play an active role in the development and execution of a comprehensive public information initiative. The career awareness and post-secondary planning platform should include opportunities for two-way communication – allowing industry to provide content and engage with local efforts at the secondary and post-secondary level.

### Government's & Education's Roles

Government and education should collaborate and develop a single point of access for these efforts. Government and education should also execute the public information initiative under the guidance of an industry-driven Workforce Development Council.

### Outcomes

Idahoans are informed of the career opportunities available to them in their local communities and the state. A single point of access provides timely, user-specific, relevant guidance on training options that will prepare them for their chosen career. Industry is engaged locally and at the state level in highlighting opportunities and providing experiences to youth and adults. Specific metrics include:

- A single platform and the absorption or elimination of duplicative efforts.
- Increased enrollment and completions in training programs tied to in-demand occupations.
- Industry links to the platform.
- Platform utilization by schools districts, individuals and industry, tracked via web analytics.
- Customer response to a tailored, dynamically curated experience made possible by leveraging advanced attribution and analytic methods.
- Increased business expansions/relocations to Idaho.

## Connecting Education to Careers

**Recommendation – Idaho’s K-through-Career education system should value and support all pathways for students to achieve education, training and workforce skills that align to their career aspirations.**

### Principle

All Idaho students should have a full range of choices in selecting the pathway that will help them achieve their career aspirations. These choices, including technical degrees and certifications, associate degrees, apprenticeship and industry certifications, should be equally valued, promoted and celebrated along with academic bachelor and graduate degrees when it comes to career planning. This requires an education system that integrates high-quality career preparation including project and work-based learning and workforce-readiness skill development. The requirement for every Idaho student to develop an eighth grade college and career plan should be elevated to a culture of career planning and lifelong learning beginning prior to eighth grade and continuing throughout an individual’s career.

### Short-term Actions

1. Assess current programs and policies and identify systemic changes that allow students to understand and pursue their career path (i.e. provide equal value).
  - a. Encourage Idaho Career & Technical Education (ICTE) to identify strategies to introduce, grow and sustain career exploration activities in middle schools and earlier.
2. Develop career pathway models that encourage stackable credentials, address skills gaps and support career advancement opportunities.
3. Develop education policies that encourage project and work-based learning.
4. Include short-term industry certifications in the definition of post-secondary credential with respect to Idaho’s 60 percent goal.

### Long-term Actions

1. Incorporate project and work-based learning where students have the opportunity to practice, develop and demonstrate workplace competencies. This approach should include the applied learning components found in CTE programs of study that embed workforce-readiness skill development.
2. Enact policy/guidance on high school credit that meets graduation requirements for applied and work-based learning courses (i.e. academic equivalency).
  - a. Develop teacher endorsements for academic equivalent content taught in CTE programs.

### Owner

State Board of Education and Idaho State Department of Education

### Industry’s Role

Industry should advocate for the necessary systems changes to ensure equity among all options in the education system. Industry also should be willing to support initiatives to integrate project and work-based learning throughout the K-through-Career continuum. Locally, industry should develop partnerships with school districts and actively engage in exposing students to careers. Industry should provide leadership in defining the models of engagement to ensure successful implementation.

### Government's & Education's Roles

Government and education should identify and resolve the real and perceived barriers that impact the promotion and delivery of all pathways to careers. Education should incorporate project and work-based learning, which embeds workplace-readiness skill development in the delivery of courses and programs. School districts and post-secondary institutions should seek out ways to collaborate effectively and efficiently with local industry through industry partnerships established by the Workforce Development Council and local implementation efforts.

### Outcomes

Through an education system that equally values all pathways to careers and integrates project and work-based learning and workforce-readiness skill development, Idaho will have a better-prepared workforce. Specific metrics include:

- Increase the number of courses and students served through career and industry exploration efforts.
- Increased transition from secondary to post-secondary programs that align to the students' career plans.
- Increased post-secondary academic and technical degree, technical certification, apprenticeship and industry credential attainment that furthers progress towards Idaho's 60 percent goal.

## Workforce Training Centers and Adult Training Support

### Recommendation – Enhance support for Idaho’s six Workforce Training Centers and the individuals they serve with short-term, industry focused training.

#### Principle

Idaho’s Workforce Training Centers are uniquely situated to provide responsive, adaptive, industry directed workforce training. Their role in serving adults who need additional skills and certifications to qualify for in-demand occupations is critical. The centers should be enabled to serve more Idahoans and ensure they have the infrastructure to adapt to industry needs. In addition, access to financial aid for short-term programs, where federal funding is not available, is necessary for those low-income adults who can benefit from training and career advancement, filling current job vacancies and skills gaps.

#### Short-term Actions

1. Enable the Workforce Training Centers to serve more Idahoans and ensure they have the infrastructure to adapt to industry needs.
2. Develop a scholarship program for short-term training, tied to in-demand occupations, for adult Idaho workers to improve their career opportunities.

#### Long-term Actions

1. Integrate Workforce Training Centers into industry partnerships established by the Workforce Development Council.
2. Increase capacity of Workforce Training Centers to expand training, better serving rural communities.

#### Owner

Idaho Career & Technical Education Administrator

#### Industry’s role

Industry partnerships should provide guidance to the Workforce Training Centers to provide continued alignment of their efforts towards the most suitable in-demand occupations, current job vacancies, and skillsets. Industry also should champion enhanced support and scholarships for short-term training.

#### Government’s & Education’s Roles

Workforce Training Centers will continue to provide occupation-specific, short-term training in both open enrollment and customized employer training models. Government agencies should collaborate with Workforce Training Centers to develop solutions for low-skilled or unemployed adults to quickly gain skills for high-demand jobs. Government and education agencies will assist in moving appropriate programs to the technical colleges as needed.

#### Outcomes

Idaho’s Workforce Training Centers provide a rapid and adaptive response, based on industry’s demand, to short-term training and re-training needs. Centers should be enabled to expand in-demand and innovative programs and increase their enrollment, providing a well-prepared workforce for current needs. Individuals are able to access this training, through a scholarship, when other resources are not available. Specific metrics include:

- Increase the number of classes offered and students served beyond the FY17 baseline.
- Increase the number of students placed/retained in occupations related to their training.
- An increase in earnings for individuals served through training/retraining programs.
- Increased industry satisfaction with customized training.

## Strengthen Career Advising

**Recommendation – Ensure that there is equity and access for all Idaho students to occupational pathways by establishing stronger requirements for the secondary education system in deploying college and career advising.**

### Principle

State funding for college and career advising should provide equitable access to opportunities, regardless of school size or rural status. Districts should be encouraged to combine resources, ensuring focus on career advising. Oversight through common metrics should provide accountability.

### Short-term Actions

1. Working collaboratively with industry representation, establish a quality framework for the deployment of college and career advising funds. Ensure that small and/or rural districts can offer the same level of opportunities available to students in larger districts. Include common metrics and develop an accountability plan.
2. Reexamine the funding distribution to ensure equitable access, accounting for technology and regional resources.

### Owner

State Board of Education

### Industry's Role

Industry should engage with and support its local school districts' efforts to expose students to career opportunities. Examples include hosting tours, engaging in career fairs, providing internships for students, providing externships for teachers, etc.

### Government's & Education's Roles

Government should provide technical assistance to school districts ensuring that state funds are meeting the intended outcomes. Government also should provide a single platform for career exploration and post-secondary planning along with public information initiatives to support local efforts. Education should ensure that students are provided with rich college and career exploration opportunities and planning that engages, but does not overwhelm, industry.

### Outcomes

Idaho's youth are engaged in college and career planning throughout their high school experience and transition to the post-secondary opportunities that align with their goals. Industry is engaged in a meaningful way in showcasing the career opportunities that exist in its communities and the state.

Specific metrics include:

- Increase in the time spent with students on college and career advising.
- Increase in the alignment of college and career plans to the actions taken by students (i.e. did they do what they said they would do?).
- Increase in the go-on rate to post-secondary education.
- Increase in the participation of industry in career exploration, including provision of externships for educators.

## Workforce Readiness

*Workforce readiness refers to an individual's understanding of the expectations of the workplace and preparation to enter the workforce with the requisite knowledge, skills and abilities required to succeed. This may include industry-recognized certifications. This aligns with Idaho's definition of college and career readiness, which was recently adopted by the State Board of Education – see Appendix A.*

### **Recommendation – Incentivize Idaho school districts to incorporate workforce readiness skills throughout secondary curriculum.**

#### Principle

Idaho's youth should graduate from high school both college and career ready. Idaho should provide incentives to secondary schools and teachers to promote opportunities for high school students to develop workforce readiness skills, adapting models from Colorado and Florida. These incentives should connect students to post-secondary programs through articulation agreements, internships and career opportunities.

#### Short-term Actions

1. Establish the legislative framework to support a workforce readiness incentive program for secondary schools and teachers.

#### Long-term Actions

1. Leverage the Workforce Development Council to advise on relevant workforce readiness knowledge, skills and abilities.

#### Owner

Idaho Career & Technical Education Administrator

#### Industry's Role

Industry should advocate for the establishment of an incentive model and provide input on relevant workforce readiness knowledge, skills and abilities.

#### Government's & Education's Roles

Government and education should operationalize this program and ensure that it is accomplishing its intent – a more highly qualified workforce.

#### Outcomes

The secondary education system provides a more highly qualified workforce by incentivizing the attainment of workforce readiness knowledge, skills and abilities. Specific metrics include:

- Increased pass rate of Workplace Readiness Skills assessment.
- Increased pass rate of CTE technical skills assessments.
- Increased usage of Fast-Forward funds for industry certifications.

## Apprenticeships

### Recommendation – Continue the development of apprenticeship programs throughout the state.

#### Principle

Registered apprenticeship is a proven, industry-driven workforce development model. The state should support businesses and industry sector groups in creating apprenticeship programs, accelerating adoption across industry.

#### Short-term Actions

1. Continue the efforts of the Workforce Development Council's Apprenticeship Subcommittee to build a long-term plan for expanding apprenticeship programs throughout the state.

#### Long-term Actions

1. Implement the plan for expanding apprenticeship programs throughout the state.
2. Align appropriate CTE programs to School to Registered Apprenticeship (STRAP) opportunities that incentivize students to start their CTE pathway earlier in order to participate in STRAP during the junior/senior years.

#### Owner

The Workforce Development Council's Apprenticeship Subcommittee

#### Industry's Role

Provide strategy and leadership through the Workforce Development Council's Apprenticeship Subcommittee. For businesses already using the apprenticeship model, serve as a champion to companies new to the model.

#### Government's & Education's Roles

Provide technical assistance to Idaho businesses, across industries, to start up and/or expand new and existing apprenticeship programs, streamlining the process. Educational institutions - secondary and post-secondary - will partner with businesses to offer related training, as appropriate. The Idaho Department of Labor will work across agencies to support the recruitment of apprentices.

#### Outcomes

Idaho businesses have the skilled workforce they need to grow and expand. Their apprenticeship programs are adaptive and flexible, providing employees who have foundational knowledge and the technical skills specific to the company. The number of hard-to-fill jobs will decrease while Idahoans' post-secondary attainment rate increases. Specific metrics include:

- Increase the number of apprentices.
- Increase the number of apprenticeship programs.
- Increase the number of non-traditional apprenticeship programs (i.e. outside the trades).
- Increase the number of apprenticeship programs that provide a direct pathway to college credit, certificates and degrees.
- Increase the number of CTE pathways that incorporate School to Registered Apprenticeship (STRAP).

## Expand Career and Technical Education Programs

### Recommendation – Strengthen Idaho’s talent pipeline by expanding CTE programs at the secondary and post-secondary level.

#### Principle

A seamless K-through-Career talent pipeline development system should provide high-quality, industry-driven career and technical education. The state should continue to support ongoing investments in high-demand programs and expand its capacity to meet the needs of Idaho’s employers.

#### Short-term Actions

1. Expand or start in-demand programs at the six Idaho technical colleges.
2. Expand the secondary program quality initiative, creating seamless transitions from high school to post-secondary education to careers.
3. Encourage Idaho Career & Technical Education (ICTE) to identify strategies to introduce, grow and sustain career exploration activities in middle schools and earlier.

#### Long-term Actions

1. Continue to build CTE secondary and post-secondary program capacity to meet workforce demand.
2. Study and recommend a long-term facilities plan that addresses constraints to the expansion of workforce development programs across the state.
3. Provide CTE programs to middle schools.
  - a. Continue partnership with Idaho Digital Learning to build modular career exploration courses to introduce students to locally available CTE pathways through CTE Digital.
4. Align appropriate CTE programs to School to Registered Apprenticeship (STRAP) opportunities that incentivize students to start their CTE pathway earlier in order to participate in STRAP during the junior/senior years.

#### Owner

Idaho Career & Technical Education Administrator

#### Industry’s Role

Industry should share its workforce projections with education and government to assist in aligning workforce supply with demand. In addition, industry should provide clear direction on the skills needed such that education can align curriculum appropriately.

#### Government’s & Education’s Roles

Government should address funding and policy barriers to support education in meeting industry needs. Education should be adaptive and responsive in program delivery to support a dynamic workforce development system.

### Outcomes

Idaho's Career & Technical Education system is demand-driven and has the appropriate resources to provide a skilled workforce to industry. Specific metrics include:

- Increased enrollment in secondary and post-secondary CTE programs.
- Increased transition from secondary CTE programs to post-secondary CTE programs.
- Increased capacity in CTE programs to supply graduates for high-demand occupations.
- Increased positive placement rates for graduates in occupations aligned to their training.
- Increased number of apprenticeship and industry-recognized certifications.

# CONTRIBUTORS TO THE WORKFORCE DEVELOPMENT TASK FORCE

## Membership

Members of the Task Force included representatives of industries such as health care, aerospace, food processing, natural resources, advanced manufacturing, energy and construction – which all have a high demand for additional skilled employees. Members also included representatives of education, career and technical training programs, and the Workforce Development Council. The Idaho House of Representatives and the Idaho Senate appointed one member each, and the Idaho Departments of Labor and Commerce and the State Division of Career & Technical Education provided administrative and technical support.

### *Co-Chairs:*

Dr. David Hill	Idaho State Board of Education; Retired Senior Executive Idaho National Laboratory
Brian Whitlock	President and CEO, Idaho Hospital Association

### *Industry Members:*

Lonnie Krawl	Senior Vice President, Administrative Services and Chief Human Resources Officer, Idaho Power
Tim Komberec	President, Empire Airlines and Chair, Workforce Development Council
Steinar Hjelle	Vice President, Global Talent Management, Micron Technology Inc.
Jeremy Grimm	Program Officer, LOR Foundation; Former Director, Public Relations and Communications, Kochava
Scott Corsetti	Vice President, Operations, Chobani
Trent Clark	Director, Public and Governmental Affairs, Monsanto
Bob Boeh	Vice President, Government Affairs and Community Outreach, Idaho Forest Group
Craig Graf	Vice President, Manufacturing, Micro 100
Tom Harris	President, Western States Equipment Company
Bob Von Lintig	Vice President, Operations, Western Construction

### *Education Members:*

Staci Low	Director, Career Technical Education, West Ada School District
Marie Price	Director, Workforce Training and Community Education, North Idaho College Workforce Training Center

## WORKFORCE DEVELOPMENT TASK FORCE FINAL REPORT

Scott Rasmussen                      Dean, College of Technology, Idaho State University

### *Legislators:*

Sen. Michelle Stennett              Minority Leader, District 26

Rep. Rick D. Youngblood            District 12, House Seat B

### *Ex-Officio:*

Kenneth D. Edmunds                Director, Idaho Department of Labor

Dwight Johnson                      State Administrator, Idaho Career & Technical Education

Megan Ronk                          Director, Idaho Department of Commerce

### *Staff:*

Jessica Beaver-Nelson              Research Analyst, Sr., Idaho Department of Labor

Wendi Secrist                        Director, Business Outreach & Idaho SkillStack®, Idaho Career & Technical Education

Adrian San Miguel                  Director, Postsecondary Education, Idaho Career & Technical Education

Mark Warbis                         Director, Communications and Senior Special Assistant for Economic Development, Office of the Governor

Bobbi-Jo Meuleman                Chief Operating Officer, Idaho Department of Commerce

The Task Force heard presentations from representatives of Idaho state agencies such as Idaho Career & Technical Education, the State Board of Education, and the Departments of Labor, Commerce, Education, Health & Welfare and Vocational Rehabilitation. Additionally, representatives from Idaho Digital Learning, Idaho Career Information System, Idaho STEM Action Center, Workforce Training Centers, Idaho School Counselors Association, Idaho PTECH Network, Idaho Association of Commerce and Industry, Idaho Chamber Alliance, Idaho Technology Council, Idaho AFL-CIO, and Idaho Business for Education provided presentations. Overall, representatives expressed the need to provide streamlined and expanded access to tools, resources and training programs throughout the state. However, they cautioned that without a corresponding effort to provide all Idahoans with career exploration opportunities and exposure to industry in a meaningful way, improving the funding and delivery of training programs would not solve Idaho's workforce challenges.



# APPENDIX A

## Idaho State Board of Education's Definition for College and Career Readiness

### College and Career Readiness<sup>1</sup>

*Definition:* College and career readiness is the attainment and demonstration of requisite competencies that broadly prepare high school graduates for a successful transition into some form of post-secondary education and/or the workplace.

*Purpose:* Proficiency in basic academic skills, including math, reading and writing, are foundational to an educated and productive citizen. Successful application of this learning requires high technical and behavioral competencies. Together, these skills are critical for student success, whether at the collegiate level or in the workforce. Therefore, it is equally important that students, teachers, and policymakers have a common understanding and agreement about the specific competencies a high school graduate will need to possess in order to lead a successful and meaningful life.

#### *Competencies:*

- *Knowledge of Core Subjects:* Possess proficiency in the core subjects (language arts/communication, math, science, social studies, humanities and health/wellness), and ability to apply this knowledge and understanding to be successful in college or the workplace.
- *Critical Thinking/Creative Problem Solving:* Exercise sound reasoning to analyze issues, make decisions, identify problems and use good judgment to implement solutions and overcome problems. The individual is able to obtain, interpret, and use knowledge, facts, and data in this process, and may demonstrate originality and inventiveness.
- *Oral/Written Communications:* Articulate thoughts and ideas clearly and effectively in written and oral forms. The individual has public speaking skills; is able to express ideas to others; and can write/edit correspondence and reports clearly and effectively.
- *Teamwork/Collaboration:* Build collaborative relationships, work effectively within a team structure, and can negotiate and manage conflict.
- *Digital Literacy:* Confidently and effectively perform tasks in a digital environment through the use of information and communication technologies to find, evaluate, interpret, create and communicate ideas and information requiring both cognitive and technical skills.  
*Leadership:* Leverage the strengths of others to achieve common outcomes or goals, and use interpersonal skills to encourage others. The individual is able to assess their emotions; use empathetic skills to guide and motivate; and organize, prioritize, and delegate work.
- *Professionalism/Work Ethic:* Demonstrate personal accountability and effective work habits (e.g., punctuality, working productively with others, and time workload management), and understand the impact of non-verbal communication. The individual demonstrates integrity and ethical behavior, acts responsibly, and is able to learn from their mistakes.
- *Career Exploration and Development:* Identify and articulate one's skills, strengths, knowledge, and experiences relevant to career goals, and identify training, education and competencies necessary for professional growth. The individual is able to navigate and explore career options, and understands and can pursue opportunities.
- *Citizenship/Civic Responsibility:* Think critically about complex issues and evaluate information about issues of public consequence. Demonstrate knowledge of institutions and processes of government and political systems. Possess

behaviors, attitudes, and understanding needed to be a knowledgeable, active and engaged member of a community.

- *Financial Literacy*: Possess knowledge and understanding in the following areas: earning income, buying goods and services, using credit, saving and protecting assets and insuring.<sup>2</sup>

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Notes:

Idaho State Board of Education:

<http://boardofed.idaho.gov/meetings/board/archive/2017/0614-1517/04PPGA.pdf?cache=1498677572578>

<sup>1</sup> The definition and most of the competencies were drawn heavily from the National Association of Colleges and Employers' "Definition of Career Readiness and Competencies" - <http://www.naceweb.org/knowledge/career-readiness-competencies.aspx>

<sup>2</sup> Council for Economic Education, *National Standards for Financial Literacy*.



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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 432

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1 RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL; AMENDING TITLE 72, IDAHO  
2 CODE, BY THE ADDITION OF A NEW CHAPTER 12, TITLE 72, IDAHO CODE, TO  
3 CREATE THE WORKFORCE DEVELOPMENT COUNCIL, TO PROVIDE COMPOSITION AND  
4 APPOINTMENT AND TO PROVIDE FOR AN EXECUTIVE DIRECTOR, TO PROVIDE FOR  
5 YOUTH EMPLOYMENT AND JOB TRAINING PROGRAMS AND TO PROVIDE FOR CREATION  
6 OF THE WORKFORCE DEVELOPMENT TRAINING FUND; AMENDING SECTION 72-1333,  
7 IDAHO CODE, TO REMOVE EMPLOYEES OF THE IDAHO CAREER INFORMATION SYS-  
8 TEM AS EXEMPT EMPLOYEES AND TO MAKE TECHNICAL CORRECTIONS; REPEALING  
9 SECTION 72-1336, IDAHO CODE, RELATING TO THE ADVISORY BODY AND SPECIAL  
10 COMMITTEES; REPEALING SECTION 72-1336A, IDAHO CODE, RELATING TO YOUTH  
11 EMPLOYMENT AND JOB TRAINING PROGRAMS; REPEALING SECTION 72-1345A,  
12 IDAHO CODE, RELATING TO THE IDAHO CAREER INFORMATION SYSTEM; REPEALING  
13 SECTION 72-1347B, IDAHO CODE, RELATING TO THE WORKFORCE DEVELOPMENT  
14 TRAINING FUND; AMENDING SECTION 72-1347A, IDAHO CODE, TO REMOVE OBSO-  
15 LUTE LANGUAGE, TO REMOVE A PROVISION REGARDING APPROVAL OF AN ADVISORY  
16 COUNCIL AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 72-1348,  
17 IDAHO CODE, TO REMOVE A CODE REFERENCE AND TO MAKE TECHNICAL CORREC-  
18 TIONS; AND DECLARING AN EMERGENCY.  
19

20 Be It Enacted by the Legislature of the State of Idaho:

21 SECTION 1. That Title 72, Idaho Code, be, and the same is hereby amended  
22 by the addition thereto of a NEW CHAPTER, to be known and designated as Chap-  
23 ter 12, Title 72, Idaho Code, and to read as follows:

24 CHAPTER 12  
25 WORKFORCE DEVELOPMENT COUNCIL

26 72-1201. CREATION OF WORKFORCE DEVELOPMENT COUNCIL -- COMPOSITION --  
27 APPOINTMENT -- EXECUTIVE DIRECTOR. (1) There is hereby established in the  
28 executive office of the governor the workforce development council. Members  
29 of the council and an executive director shall be appointed by and serve at  
30 the pleasure of the governor. The governor shall prescribe the structure,  
31 duties and functions of the council, which shall include but not be limited  
32 to the following:

33 (a) To serve as the state's coordinating body on matters related to  
34 workforce development policy and programs;

35 (b) To develop and provide oversight of procedures, criteria and per-  
36 formance measures for the workforce development training fund estab-  
37 lished under section 72-1203, Idaho Code; and

38 (c) To serve as the state workforce investment board in accordance with  
39 section 101 of the federal workforce innovation and opportunity act, 29  
40 U.S.C. 3101 et seq., as amended, and federal regulations promulgated  
41 thereunder.

1 (2) The council may appoint special committees in connection with this  
2 section.

3 (3) The council may apply for and accept grants and contributions of  
4 funds from any public or private source.

5 (4) The executive director is authorized to hire and supervise support  
6 staff consistent with the mission and priorities of the council. The exec-  
7 utive director shall be a nonclassified employee exempt from the provisions  
8 of chapter 53, title 67, Idaho Code. Support staff shall be classified em-  
9 ployees under the provisions of chapter 53, title 67, Idaho Code.

10 (5) Members of the council and any special committees who are not state  
11 employees shall be compensated for actual and necessary expenses as provided  
12 by section 59-509(b), Idaho Code.

13 72-1202. YOUTH EMPLOYMENT AND JOB TRAINING PROGRAMS. (1) Subject to  
14 the availability of funds from public and private sources, the council shall  
15 develop and implement youth employment and job training programs to increase  
16 employment opportunities for Idaho's youth.

17 (2) The council shall establish eligibility criteria for participants.  
18 At a minimum, participants shall be lawful residents of the United States and  
19 the state of Idaho, and eligibility criteria shall not render employment and  
20 job training programs ineligible for federal funding.

21 (3) To the extent practicable, the council shall enlist state and fed-  
22 eral agencies, local governments, nonprofit organizations, private busi-  
23 nesses and any combination of such entities to act as sponsors for programs  
24 administered pursuant to this section. Selection of sponsors shall be based  
25 on criteria that include the availability of other resources on a matching  
26 basis, including contributions from private sources, other federal, state  
27 and local agencies, and moneys available through the federal workforce inno-  
28 vation and opportunity act, 29 U.S.C. 3101 et seq., as amended.

29 (4) Participants in youth employment and job training programs under  
30 this section shall not be employees of the state of Idaho entitled to person-  
31 nel benefits under the state personnel system, chapter 53, title 67, Idaho  
32 Code.

33 72-1203. WORKFORCE DEVELOPMENT TRAINING FUND. (1) There is estab-  
34 lished in the state treasury a special trust fund, separate and apart from  
35 all other public funds of this state, to be known as the workforce develop-  
36 ment training fund, hereinafter "training fund." Except as provided herein,  
37 all proceeds from the training tax defined in subsection (7) of this sec-  
38 tion shall be paid into the training fund. The state treasurer shall be the  
39 custodian of the training fund and shall invest said moneys in accordance  
40 with law. Any interest earned on the moneys in the training fund shall be de-  
41 posited in the training fund. Moneys in the training fund shall be disbursed  
42 in accordance with the directions of the council.

43 (2) All moneys in the training fund are appropriated to the council for  
44 expenditure in accordance with the provisions of this section. The purpose  
45 of the training fund is to provide or expand training and retraining oppor-  
46 tunities in an expeditious manner that would not otherwise exist for Idaho's  
47 workforce. The training fund is intended to supplement but not to supplant

1 or compete with moneys available through existing training programs. The  
2 moneys in the training fund shall be used for the following purposes:

3 (a) To provide training and retraining for skills necessary for spe-  
4 cific economic opportunities and industrial expansion initiatives;

5 (b) To provide innovative training solutions to meet industry-specific  
6 workforce needs or local workforce challenges;

7 (c) To provide public information and outreach on career education and  
8 workforce training opportunities, including existing education and  
9 training programs and services not funded by the training fund; and

10 (d) For all administrative expenses incurred by the council, including  
11 those expenses associated with the collection of the training tax and  
12 any other administrative expenses associated with the training fund.

13 (3) Expenditures from the training fund for purposes authorized in  
14 paragraphs (a), (b) and (c) of subsection (2) of this section shall be ap-  
15 proved by the council based on procedures, criteria and performance measures  
16 established by the council.

17 (4) Expenditures from the training fund for purposes authorized in  
18 paragraph (d) of subsection (2) of this section shall be approved by the  
19 executive director. The executive director shall pay all approved expendi-  
20 tures as long as the training fund has a positive balance.

21 (5) The activities funded by the training fund will be coordinated with  
22 similar activities funded by the state division of career technical educa-  
23 tion.

24 (6) The council shall report annually to the governor and the joint fi-  
25 nance-appropriations committee the commitments and expenditures made from  
26 the training fund in the preceding fiscal year and the results of the activi-  
27 ties funded by the training fund.

28 (7) A training tax is hereby imposed on all covered employers required  
29 to pay contributions pursuant to section 72-1350, Idaho Code, with the ex-  
30 ception of deficit-rated employers who have been assigned a taxable wage  
31 rate from rate class six pursuant to section 72-1350, Idaho Code. The train-  
32 ing tax rate shall be equal to three percent (3%) of the taxable wage rate  
33 then in effect for each eligible standard-rated and deficit-rated employer.  
34 The training tax shall be due and payable at the same time and in the same  
35 manner as contributions.

36 (8) The provisions of chapter 13, title 72, Idaho Code, which apply to  
37 the payment and collection of contributions, also apply to the payment and  
38 collection of the training tax, including the same calculations, assess-  
39 ments, methods of payment, penalties, interest, costs, liens, injunctive  
40 relief, collection procedures and refund procedures. The director of the  
41 department of labor is granted all rights, authority and prerogatives nec-  
42 essary to administer the provisions of this subsection. Moneys collected  
43 from an employer delinquent in paying the training tax shall first be applied  
44 to any penalties and interest imposed pursuant to the provisions of chapter  
45 13, title 72, Idaho Code, and then pro rata to the training fund established  
46 in subsection (1) of this section. Any penalties and interest collected  
47 pursuant to this subsection shall be paid into the state employment security  
48 administrative and reimbursement fund, section 72-1348, Idaho Code, and  
49 any penalties or interest refunded under this subsection shall be paid from  
50 that same fund. Training taxes paid pursuant to this section shall not be

1 credited to the employer's experience rating account and may not be deducted  
 2 by any employer from the wages of individuals in its employ. All training  
 3 taxes shall be deposited in the clearing account of the employment security  
 4 fund, section 72-1346, Idaho Code, for clearance only and shall not become  
 5 part of such fund. After clearance, the moneys shall be deposited in the  
 6 training fund. The director of the department of labor may authorize refunds  
 7 of training taxes erroneously collected and deposited in the training fund.

8 SECTION 2. That Section 72-1333, Idaho Code, be, and the same is hereby  
 9 amended to read as follows:

10 72-1333. DEPARTMENT OF LABOR -- AUTHORITY AND DUTIES OF THE DIREC-  
 11 TOR. (1) The director shall administer the employment security law, chapter  
 12 13, title 72, Idaho Code, the minimum wage law, chapter 15, title 44, Idaho  
 13 Code, the provisions of chapter 6, title 45, Idaho Code, relating to claims  
 14 for wages, the provisions of section 44-1812, Idaho Code, relating to min-  
 15 imum medical and health standards for paid firefighters, the disability  
 16 determinations service established pursuant to 42 U.S.C. 421, and shall  
 17 perform such other duties relating to labor and workforce development as may  
 18 be imposed ~~upon him~~ by law. The director shall be the successor in law to  
 19 the office enumerated in section 1, article XIII, of the constitution of the  
 20 state of Idaho. The director shall have the authority to employ individuals,  
 21 make expenditures, require reports, make investigations, perform travel and  
 22 take other actions deemed necessary. The director shall organize the de-  
 23 partment of labor, which is hereby created, and which shall, for the purposes  
 24 of section 20, article IV, of the constitution of the state of Idaho, be an  
 25 executive department of the state government. The director shall have an  
 26 official seal, which shall be judicially noticed.

27 (2) The director shall have the authority pursuant to chapter 52, title  
 28 67, Idaho Code, to adopt, amend, or rescind rules as ~~he deems~~ deemed neces-  
 29 sary for the proper performance of all duties imposed ~~upon him~~ by law.

30 (3) Subject to the provisions of chapter 53, title 67, Idaho Code, the  
 31 director is authorized and directed to provide for a merit system for the de-  
 32 partment covering all persons, except the director, the division adminis-  
 33 trators, ~~employees of the Idaho career information system,~~ and two (2) ex-  
 34 empt positions to serve at the pleasure of the director.

35 (4) The director shall make recommendations for amendments to the em-  
 36 ployment security law and other laws ~~he~~ the director is charged to implement  
 37 as ~~he deems~~ deemed proper.

38 (5) The director shall have all the powers and duties as may have been  
 39 or could have been exercised by ~~his~~ predecessors in law, except those powers  
 40 and duties granted and reserved to the director of the department of commerce  
 41 in titles 39, 49 and 67, Idaho Code, and ~~he~~ shall be the successor in law to  
 42 all contractual obligations entered into by ~~his~~ predecessors in law, except  
 43 for those contracts of the department of commerce, or contracts pertaining  
 44 to any power or duty granted and reserved to the director of the department of  
 45 commerce, in titles 39, 49 and 67, Idaho Code.

46 (6) The director shall provide administrative support for the commis-  
 47 sion on human rights pursuant to section 67-5905, Idaho Code.

1 SECTION 3. That Sections 72-1336, 72-1336A, 72-1345A and 72-1347B,  
2 Idaho Code, be, and the same are hereby repealed.

3 SECTION 4. That Section 72-1347A, Idaho Code, be, and the same is hereby  
4 amended to read as follows:

5 72-1347A. EMPLOYMENT SECURITY RESERVE FUND -- SPECIAL ADMINISTRATION  
6 FUND. (1) There is established in the state treasury a special trust fund,  
7 separate and apart from all other public funds of this state, to be known as  
8 the employment security reserve fund, hereinafter "reserve fund." Except as  
9 provided herein, all proceeds from the reserve tax defined in subsection (2)  
10 of this section shall be paid into the reserve fund. The moneys in the re-  
11 serve fund may be used by the director for loans to the employment security  
12 fund, section 72-1346, Idaho Code, as security for loans from the federal un-  
13 employment insurance trust fund, and for the repayment of any interest-bear-  
14 ing advances, including interest, made under title XII of the social secu-  
15 rity act, 42 U.S.C. 1321 through 1324, and shall be available to the director  
16 for expenditure in accordance with the provisions of this section. The state  
17 treasurer shall be the custodian of the reserve fund and shall invest said  
18 moneys in accordance with law. The state treasurer shall disburse the moneys  
19 from the reserve fund in accordance with the directions of the director.

20 (2) A reserve tax is imposed on all covered employers required to pay  
21 contributions pursuant to section 72-1350, Idaho Code, except deficit-rated  
22 employers who have been assigned a taxable wage rate from deficit rate class  
23 six pursuant to section 72-1350(8)(a), Idaho Code. The reserve tax shall  
24 be due and payable at the same time and in the same manner as contributions.  
25 If the reserve fund is less than one percent (1%) of state taxable wages in  
26 the penultimate year as of September 30 of the preceding calendar year, the  
27 reserve tax rate for all eligible, standard-rated and deficit-rated employ-  
28 ers shall be equal to the taxable wage rate then in effect less the assigned  
29 contribution rate and training tax rate. The provisions of this chapter  
30 which apply to the payment and collection of contributions also apply to  
31 the payment and collection of the reserve tax, including the same calcula-  
32 tions, assessments, method of payment, penalties, interest, costs, liens,  
33 injunctive relief, collection procedures and refund procedures. In the  
34 administration of the provisions of this section and the collection of the  
35 reserve tax, the director is granted all rights, authority, and prerogatives  
36 granted the director under the provisions of this chapter. Moneys collected  
37 from an employer delinquent in paying contributions and reserve taxes shall  
38 first be applied to pay any penalty and interest imposed pursuant to the pro-  
39 visions of this chapter and shall then be applied pro rata to pay delinquent  
40 contributions to the employment security fund, section 72-1346, Idaho Code,  
41 and delinquent reserve taxes to the reserve fund pursuant to this section.  
42 Any interest and penalties collected pursuant to this subsection shall be  
43 paid into the state employment security administrative and reimbursement  
44 fund, section 72-1348, Idaho Code, and any interest or penalties refunded  
45 under this subsection shall be paid out of that same fund. Reserve taxes  
46 paid pursuant to this subsection may not be deducted in whole or in part by  
47 any employer from the wages of individuals in its employ. All reserve taxes  
48 collected pursuant to this subsection shall be deposited in the clearing  
49 account of the employment security fund, section 72-1346, Idaho Code, for

1 clearance only and shall not become part of such fund. After clearance, the  
 2 moneys shall be deposited in the reserve fund established in subsection (1)  
 3 of this section. No reserve tax shall be imposed for any calendar year if, as  
 4 of September 30 of the preceding calendar year, the balance of the reserve  
 5 fund equals or exceeds one percent (1%) of the state taxable wages for the  
 6 penultimate calendar year, or exceeds forty-nine percent (49%) of the ac-  
 7 tual balance of the employment security fund, section 72-1346, Idaho Code.  
 8 ~~Provided however, and notwithstanding any other provisions of this subsec-~~  
 9 ~~tion, for calendar year 2006, the imposition of a reserve tax shall not be~~  
 10 ~~precluded even if the balance of the reserve fund exceeds forty-nine percent~~  
 11 ~~(49%) of the actual balance of the employment security fund.~~

12 (3) The interest earned from investment of the reserve fund shall be de-  
 13 posited in a fund established in the state treasurer's office, to be known as  
 14 the department of labor special administration fund, hereinafter "special  
 15 administration fund." The moneys in the special administration fund shall be  
 16 held separate and apart from all other public funds of this state. The state  
 17 treasurer shall be the custodian of this fund and may invest said moneys in  
 18 accordance with law. Any interest earned on said moneys shall be deposited  
 19 in the special administration fund. ~~In the absence of a specific appropri-~~  
 20 ~~ation, the moneys in the special administration fund are perpetually appro-~~  
 21 ~~priated to the director and may be expended with the approval of the advisory~~  
 22 ~~council appointed pursuant to section 72-1336, Idaho Code, for costs related~~  
 23 ~~to programs administered by the department. The director shall report an-~~  
 24 ~~nually to the joint finance appropriations committee and the advisory coun-~~  
 25 ~~cil the expenditures and disbursements made from the fund during the preced-~~  
 26 ~~ing fiscal year, and the expenditures and disbursements and commitments made~~  
 27 ~~during the current fiscal year to date.~~

28 (4) Administrative costs related to the reserve fund and the special  
 29 administration fund shall be paid from federal administrative grants re-  
 30 ceived under title III of the social security act, to the extent permitted by  
 31 federal law, and then from the special administration fund.

32 SECTION 5. That Section 72-1348, Idaho Code, be, and the same is hereby  
 33 amended to read as follows:

34 72-1348. STATE EMPLOYMENT SECURITY ADMINISTRATIVE AND REIMBURSEMENT  
 35 FUND. (1) There is created in the state treasury the "Sstate Employment  
 36 Security Aadministrative and Reimbursement Fund." Notwithstanding the  
 37 provisions of sections 72-1346 and 72-1347, Idaho Code, the fund shall con-  
 38 sist of:

39 (a) All penalties~~7~~ and all interest on judgments or accounts secured  
 40 by liens~~7~~ collected pursuant to the provisions of sections 72-1347A~~7~~  
 41 ~~72-1347B~~ and 72-1354 through 72-1364, Idaho Code, but only after such  
 42 interest and penalties have been deposited in the clearing account and  
 43 are thereafter transferred to this fund in such amounts as, in the dis-  
 44 cretion of the director, will leave a sufficient balance of interest and  
 45 penalties in the clearing account to pay refunds; and

46 (b) Reed act moneys appropriated for the purchase of land and buildings  
 47 pursuant to section 72-1346(5), Idaho Code.

48 (2) Moneys referred to in subsection (1)(a) of this section are perpet-  
 49 ually appropriated to the director and may be used upon written authoriza-

1 tion of the board of examiners for any lawful purpose, including, but not  
2 limited to:

3 (a) As a revolving fund to cover expenditures for which federal funds  
4 have been duly requested but not yet received, subject to reimbursement  
5 upon receipt of the federal funds;

6 (b) For the payment of costs of administration including costs not  
7 validly chargeable against federal grants;

8 (c) For the payment of refunds of penalties pursuant to section  
9 72-1357, Idaho Code; and

10 (d) For the purchase of land and buildings for the purpose of providing  
11 office space for the department.

12 (3) Moneys referred to in subsection (1) (b) of this section may be used  
13 by the department to acquire for and in the name of the state by term purchase  
14 agreement lands and buildings for office space for the department at such  
15 places as the director finds necessary. An agreement made for the purchase  
16 of premises pursuant to this subsection shall be subject to the approval of  
17 the attorney general as to form and title.

18 Premises purchased pursuant to this section shall be used for the de-  
19 partment, or, if it is desirable to move the department, similar space will  
20 be furnished by the state to the department without further payment therefor  
21 by the United States.

22 SECTION 6. An emergency existing therefor, which emergency is hereby  
23 declared to exist, this act shall be in full force and effect on and after its  
24 passage and approval.



IN THE SENATE

SENATE BILL NO. 1222

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO CAREER EDUCATION; PROVIDING LEGISLATIVE INTENT; AMENDING CHAP-  
2 TER 16, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-1634,  
3 IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING A QUALITY FUNDING MECH-  
4 ANISM FOR CERTAIN PROGRAMS AND INCENTIVE FUNDING FOR WORKFORCE READI-  
5 NESS; AMENDING CHAPTER 16, TITLE 33, IDAHO CODE, BY THE ADDITION OF A  
6 NEW SECTION 33-1634, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING A  
7 QUALITY FUNDING MECHANISM FOR CERTAIN PROGRAMS AND INCENTIVE FUNDING  
8 FOR WORKFORCE READINESS; PROVIDING A SUNSET DATE; AND PROVIDING AN EF-  
9 FECTIVE DATE.  
10

11 Be It Enacted by the Legislature of the State of Idaho:

12 SECTION 1. LEGISLATIVE INTENT. The Legislature recognizes the impor-  
13 tance of secondary career and technical education courses and programs as  
14 opportunities for students to acquire workforce skills and to demonstrate  
15 college and career readiness. These education pathways are critical to  
16 building the state's talent pipeline to meet the need for a skilled work-  
17 force. To meet these education and workforce needs, the state must build  
18 capacity at the secondary level by providing school districts with sup-  
19 port to recruit and retain instructors for career and technical education  
20 courses, acquire the equipment necessary to deliver those courses and estab-  
21 lish student organizations to provide students with workforce experience  
22 and guidance on career and postsecondary pathways. The Career and Technical  
23 Education Program Quality and Workforce Readiness Incentive Program will  
24 encourage school districts to establish, build and maintain career and tech-  
25 nical pathways and options for all students.

26 SECTION 2. That Chapter 16, Title 33, Idaho Code, be, and the same is  
27 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
28 ignated as Section 33-1634, Idaho Code, and to read as follows:

29 33-1634. CAREER TECHNICAL EDUCATION PROGRAM QUALITY AND WORKFORCE  
30 READINESS INCENTIVE PROGRAM. (1) It is the ultimate goal of the legislature  
31 that every student have access to career technical education courses and  
32 programs that lead to workforce readiness certification.

33 (2) The state board for career technical education shall establish  
34 and administer a quality program funding mechanism for high-quality career  
35 technical education secondary programs and program technical assistance  
36 offered in grades 9 through 12.

37 (a) Quality program incentive funding will be available to high-per-  
38 forming approved career technical education programs in the areas of  
39 business management and marketing, engineering and technology, family  
40 and consumer sciences, health sciences, and skilled and technical sci-  
41 ences.

1 (b) Technical assistance funding will be available to approved career  
2 technical education programs in the areas of agriculture and natural  
3 resources, business management and marketing, engineering and tech-  
4 nology, family and consumer sciences, health sciences, and skilled and  
5 technical sciences.

6 (c) The division of career technical education will develop criteria  
7 to evaluate each program and will award funding to those programs that  
8 meet or exceed the criteria established by the division for quality pro-  
9 gram funding and technical assistance funding. Specific criteria will  
10 be developed for each type of program. Types of programs will be defined  
11 by the state board for career technical education. All eligible career  
12 technical programs will be considered for funding. Eligible programs  
13 may not be career technical schools and must meet all eligibility crite-  
14 ria developed by the division of career technical education. The amount  
15 of each award will be determined each award cycle by the division of ca-  
16 reer technical education and will be contingent upon the availability  
17 of appropriated funds.

18 (3) The state board for career technical education may adopt rules to  
19 implement the provisions of this section.

20 SECTION 3. That Chapter 16, Title 33, Idaho Code, be, and the same is  
21 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
22 ignated as Section 33-1634, Idaho Code, and to read as follows:

23 33-1634. CAREER TECHNICAL EDUCATION PROGRAM QUALITY AND WORKFORCE  
24 READINESS INCENTIVE PROGRAM. (1) It is the ultimate goal of the legislature  
25 that every student have access to career technical education courses and  
26 programs that lead to workforce readiness certification.

27 (2) The state board for career technical education shall establish  
28 and administer a quality program funding mechanism for high-quality career  
29 technical education secondary programs and program technical assistance  
30 offered in grades 9 through 12.

31 (a) Quality program incentive funding will be available to high-per-  
32 forming approved career technical education programs in the areas of  
33 business management and marketing, engineering and technology, family  
34 and consumer sciences, health sciences, and skilled and technical sci-  
35 ences.

36 (b) Technical assistance funding will be available to approved career  
37 technical education programs in the areas of agriculture and natural  
38 resources, business management and marketing, engineering and tech-  
39 nology, family and consumer sciences, health sciences, and skilled and  
40 technical sciences.

41 (c) The division of career technical education will develop criteria  
42 to evaluate each program and will award funding to those programs that  
43 meet or exceed the criteria established by the division for quality pro-  
44 gram funding and technical assistance funding. Specific criteria will  
45 be developed for each type of program. Types of programs will be defined  
46 by the state board for career technical education. All eligible career  
47 technical programs will be considered for funding. Eligible programs  
48 may not be career technical schools and must meet all eligibility crite-  
49 ria developed by the division of career technical education. The amount

1 of each award will be determined each award cycle by the division of ca-  
2 reer technical education and will be contingent upon the availability  
3 of appropriated funds.

4 (3) Workforce readiness incentive funding.

5 (a) Eligible career technical education pathway programs in any career  
6 technical education program area may receive workforce readiness in-  
7 centive funds. Workforce readiness incentive funds will be distributed  
8 based on the number of secondary career technical concentrators who  
9 have demonstrated workforce readiness at the completion of the career  
10 technical education program.

11 (b) The division of career technical education will develop criteria  
12 to evaluate each program and will award funding to those programs that  
13 meet or exceed the criteria established by the division for quality pro-  
14 gram funding and technical assistance funding. Specific criteria will  
15 be developed for each type of program. Types of programs will be defined  
16 by the state board for career technical education. All eligible career  
17 technical programs will be considered for funding. Eligible programs  
18 may not be career technical schools and must meet all eligibility crite-  
19 ria developed by the division of career technical education. The amount  
20 of each award will be determined each award cycle by the division of ca-  
21 reer technical education and will be contingent upon the availability  
22 of appropriated funds.

23 (4) The state board for career technical education may adopt rules to  
24 implement the provisions of this section.

25 SECTION 4. The provisions of Section 2 of this act shall be null, void  
26 and of no force and effect on and after July 1, 2019.

27 SECTION 5. The provisions of Section 3 of this act shall be in full force  
28 and effect on and after July 1, 2019.