

Seattle Jobs Initiative

Policy Update—May 2009

Federal Policy Developments

US Unemployment Numbers Continue Rise

- **5.24 million US workers have lost their jobs** from April 2008 to April 2009.

President Focuses on Postsecondary Education

- In early May, President Barack Obama announced the launch of a new website that will serve as a resource for those seeking training or retraining. In making the announcement, he called on each American "to commit to at least one year or more of higher education or career training. It can be community college or a four-year school; vocational training or an apprenticeship. . ." The website includes a page titled: Department of Labor Tools: www.opportunity.gov

American Recovery and Reinvestment Act

- *Guidance Issued on ARRA Green Jobs Competitive Funding*

The Department of Labor issued guidance in May on \$500 million in competitive ARRA funding for projects to train workers for jobs in the energy efficiency and renewable energy sectors. It will issue Solicitations for Grant Applications in June 2009. The following is an overview of potential funding opportunities for these dollars, adapted from a summary of DOL guidance by The Workforce Alliance:

- State Labor Market Information Improvement Grants: to State Workforce Agencies (SWAs) to collect, analyze, and disseminate labor market information, and to develop a labor exchange infrastructure to help workers find careers in the energy efficiency and clean energy sectors. Activities funded under these grants should ensure that workers receiving training will be able to find employment in the targeted sectors upon completion of training.
- Energy Training Partnership Grants: Two sets of grants which will be used to provide training to help workers gain employment in energy efficiency and clean energy sectors, with a focus on incumbent and dislocated workers. One set of grants will be made available to eligible national labor-management organizations with local networks, while the second set of grants would be made to state or local nonprofit partnerships comprised of labor-management organizations, labor, business, workforce investment boards, and other stakeholders.
- Pathways Out of Poverty Grants: This program would provide two sets of grants to provide recruitment, training, and supportive services to help low-income and under-skilled workers, unemployed youth and adults, and other underserved populations to find employment in energy efficiency and clean energy sectors. One set of grants under this program will be made available to eligible *national* community-based organizations with local networks, while the second set of grants would be made to local partnerships of community-based organizations, education and training institutions, business, and labor organizations.

- **State Sector Training Grants:** Establishes a competitive grant program for state workforce investment boards (WIBs) or regional consortia of WIBs to support job training and related activities aligned with sector strategies in the energy efficiency and renewable energy sectors. Applicants must demonstrate strong partnerships to develop the energy efficiency and clean energy workforce; relationships with other state agencies receiving Recovery Act funding to support strategic planning and implementation efforts; and an ability to provide an integrated system of education, training, and supportive services and to target the needs of a specific industry sector.

State Policy Developments

State Unemployment Numbers

- The **jobless rate** in Washington State in April 2009 was **9.1%** . The rate held steady from March 2009, the first time in more than a year that the state's unemployment rate did not rise month to month. This may be an encouraging sign.
- The **state lost 116,000 jobs** from April 2008 to April 2009, with Construction and Manufacturing the hardest hit sectors.

State Budget Impacts

- As mentioned in SJI's March-April Policy Update, the state made \$4 billion in cuts to the budget in the recently concluded legislative session, including a 10.7% cut to community colleges (net cut calculated at 7.6% when adding back allowed tuition increases).
- In addition, the state Workforce Board received an annual cut a \$565,000 over the 2010-11 biennium.
- The Evergreen Jobs Act (ESHB 2227), was signed in to law. Funding (federal pass through) of \$10.5 million will be allocated by CTED for training/technical assistance associated with low-income weatherization/energy efficiency training as follows:
 - Up to \$4 million to SBCTC to provide workforce training related to weatherization/energy efficiency;
 - Up to \$3 million to Bellingham Opportunity Council to provide workforce training related to weatherization/energy efficiency;
 - Up to \$3.5 million to community-based organizations and community action associations to provide workforce training related to weatherization/energy efficiency.

State Legislation Related to Workforce, Community College, Low-Income Residents¹

[Enacted into Law in May]

In addition to bills already enacted into law at the end of April, SJI's March-April 2009 Policy Update listed several bills that had been delivered to the Governor for signature but not yet signed. The following bills among that list have since been signed into law:

¹ This section primarily adapted from the Washington State Workforce Training and Coordinating Board's 2009 Legislative Update series (See <http://www.wtb.wa.gov/2009Bills.asp>) as well as the Washington State Board for Community and Technical Colleges 2009 Legislative News series (See <http://www.sbctc.edu/docs/legislative/2009/legisnews/>)

HB 1395 – High Demand Definitions - Creates clarity and consistency in a number of statutes that utilize “high demand” terminology.

SHB 1481 – Electric Vehicles – Directs the Workforce Board to facilitate collaboration among stakeholders to develop the workforce needed to transform and support an electrified transportation network and vehicle fleet, and, in collaboration with stakeholders, establish and maintain a state strategic plan for ensuring an adequate supply of workers to transform and support an electrified transportation network and vehicle fleet in Washington.

SHB 1758 – College High School Diplomas – Authorizes a community or technical college to issue a high school diploma for a Running Start student who enrolls in a college and satisfactorily completes an associate degree.

2SHB 1946 – Online Learning Technology – Encourages all institutions of higher education to use common online learning technologies including existing learning management and web conferencing systems currently managed and governed by the State Board for Community and Technical colleges and to share professional development materials and activities related to effective use of these tools. Requires the Higher Education Coordinating Board to convene a higher education technology transformation task force (that includes the Workforce Board) to improve the efficiency, effectiveness, and quality of education relative to the strategic and operational use of technology.

2SHB 2119 – Dual Credit Opportunities - Directs the Office of the Superintendent of Public Instruction (OSPI), in collaboration with the State Board for Community and Technical Colleges, the Workforce Board, the Apprenticeship Council, the Higher Education Coordinating Board and the public baccalaureate institutions, to annually report to the education and higher education committees of the legislature regarding participation in dual credit programs. Directs OSPI to develop advising guidelines to assure that students and parents understand that college credits earned in high school dual credit programs may impact eligibility for financial aid. Directs OSPI to prepare and annually distribute an information booklet outlining parents' and guardians' enrollment options for their children. Permits Running Start enrollments to be used in meeting, instead of determining, enrollment targets. The prohibition on four-year institutions of higher education charging Running Start student fees is removed.

ESHB 2227 – Evergreen Jobs Act – Directs the Department of Community, Trade and Economic Development (CTED) and the Workforce Board (WTB) to establish a working group to develop and maintain a comprehensive strategic plan to: coordinate and accelerate efforts to capture and use federal stimulus dollars across the state, both at the local and state level; develop a statewide framework to provide state assistance to local organizations seeking to draw green businesses to the state; and emphasize projects that lead to exportable goods or services or have a strong and lasting economic or environmental impact. They must also identify emerging technologies, performance metrics for projects receiving assistance, and strategies to allocate existing and new funding streams for green economy workforce training programs. Directs CTED, WTB, and their working group to provide semi-annual performance reports to the Legislature on specified criteria, including those developed by the working group and explanations of how projects have been supported, as well as any information that associate development organizations or workforce development councils choose to pass on to the Legislature. Directs the Employment Security Department to define middle- and high-wage green economy occupations. SBCTC, WTB, and the Apprenticeship Council may prioritize programs that lead to credentials, certificates, or degrees in green economy jobs.

SSB 5410 – Digital Learning Commons - Identifies the responsibilities of the Digital Learning Commons, the Office of Public Instruction and local school districts with respect to “alternative learning experience online programs.”

E2SSB 5649 – Energy Efficiency in Buildings – Authorizes Washington State University (WSU), in collaboration with WA CTED, to implement grants for pilot programs that provide community-wide residential and commercial energy efficiency upgrades. Declares a goal of weatherizing 20,000 homes and businesses in Washington in the next five years. The Governor partially vetoed the bill (technical change only).

E2SSB 5809 – Unemployed Worker Training – Requires the Employment Security Department (ESD) to distribute up to \$5 million of their Administrative Contingency Funds to create incentives for education and training as a match for funds provided by Workforce Development Councils (WDCs) . If the funds are used to increase capacity, the match is 75 percent. If the funds are used to provide student financial aid, the match is 25 percent. Requires the ESD to develop guidelines on allowable uses of the funds in cooperation with the Workforce Board and the SBCTC and to periodically bring together representatives of the Workforce Board, the SBCTC, WDCs, business, labor and the Legislature to review development and implementation of these provisions and the training benefits program.

SSB 5921 – Clean Energy Collaborative – Directs the Washington Technology Center to contract with an advocacy organization that has a focus on emerging clean energy, green technology, and environmental technologies and that collaborates with business and economic development interests, to create a clean energy collaborative. Directs the clean energy collaborative to provide

a forum for public and private cooperative initiatives to promote and strengthen clean energy clusters and living wage jobs in Washington State and the Pacific Northwest.

Local Policy Developments

Economic News for Seattle and King County

- The **jobless rate in King County** was **7.9%** in April 2009—a decrease from March 2009.
- The Seattle MSA **lost 54,000** jobs between April 2008 and April 2009, with Construction, Manufacturing, and Trade, Transportation and Utilities the hardest hit sectors. Professional & Business Services has now joined the list of hardest hit sectors.
- Local companies **announcing or completing layoffs** in May include ZymoGenetics (161), LexisNexis (35), Johnson Controls (45), ElderCare NW (40), Seattle Public Schools (TBD), Microsoft.
- PEW Charitable Trust completed a study looking at the fiscal health of 13 major US cities in the current recession. The City of Seattle was ranked first in terms of fiscal health (facing a \$44 million deficit). Detroit ranked last (\$300 million deficit).

Other Local Developments

- Sound Transit received early \$44 million in ARRA funding for the extension of the light rail line to the University of Washington.

