

# NORTH CAROLINA GENERAL ASSEMBLY



---

## JOINT LEGISLATIVE WORKFORCE DEVELOPMENT SYSTEM REFORM OVERSIGHT COMMITTEE

---

### REPORT TO THE 2016 SESSION of the 2015 GENERAL ASSEMBLY OF NORTH CAROLINA

APRIL 21, 2016

A LIMITED NUMBER OF COPIES OF THIS REPORT ARE AVAILABLE FOR  
DISTRIBUTION THROUGH THE LEGISLATIVE LIBRARY

ROOM 500  
LEGISLATIVE OFFICE BUILDING  
RALEIGH, NORTH CAROLINA 27603-5925  
TELEPHONE: (919) 733-9390

---

## TABLE OF CONTENTS

---

LETTER OF TRANSMITTAL .....	5
COMMITTEE PROCEEDINGS .....	7
FINDING AND RECOMMENDATIONS .....	11
APPENDICES	
<u>APPENDIX A</u>	
MEMBERSHIP OF THE JOINT LEGISLATIVE WORKFORCE	
DEVELOPMENT SYSTEM REFORM OVERSIGHT COMMITTEE .....	13
<u>APPENDIX B</u>	
COMMITTEE CHARGE/STATUTORY AUTHORITY .....	14
<u>APPENDIX C</u>	
LEGISLATIVE PROPOSALS .....	16

This page intentionally left blank

---

## TRANSMITTAL LETTER

---

April 21, 2016

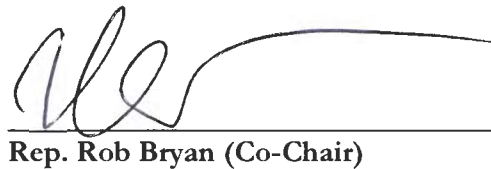
[\[Back to Top\]](#)

TO THE MEMBERS OF THE 2016 REGULAR SESSION  
OF THE 2015 GENERAL ASSEMBLY

The **JOINT LEGISLATIVE WORKFORCE DEVELOPMENT SYSTEM REFORM OVERSIGHT COMMITTEE**, respectfully submits the following report to the 2016 Regular Session of the 2015 General Assembly.



Sen. Chad Barefoot (Co-Chair)



Rep. Rob Bryan (Co-Chair)

This page intentionally left blank

---

## COMMITTEE PROCEEDINGS

---

[\[Back to Top\]](#)

The Joint Legislative Workforce Development System Reform Oversight Committee met 4 times after the 2015 Regular Session. The following is a brief summary of the Committee's proceedings. Detailed minutes and information from each Committee meeting are available in the Legislative Library.

### **February 2, 2016**

The Joint Legislative Workforce Development System Reform Oversight Committee met on February 2, 2016. The purpose of the first meeting was to get an overview of North Carolina's workforce system and to begin examining some specific services and programs.

Catherine Moga Bryant, the Deputy Assistant Secretary of the Division of Workforce Solutions, Department of Commerce, gave an overview of North Carolina's workforce system. She explained NC Works, which is North Carolina's strategy to ensure that the State has the best workforce in the country. Ms. Bryant noted the importance of alignment and coordination of workforce development programs in the Department of Commerce, the community colleges, and the Department of Public Instruction. She also described the Workforce Innovation and Opportunity Act (WIOA), which was passed by Congress and signed by President Obama in July of 2014.

The next set of presenters described the services of the Division of Workforce Solutions.

Will Collins, Assistant Secretary of the Department of Commerce, noted that the Division of Workforce Solutions is a key member of the NC Works System. Its work focuses on connecting talent to jobs. The Division of Workforce Solutions meets with employers to understand workforce needs and meets with job seekers to help them plan their careers.

Danny Giddens, Director of Field Operations, Department of Commerce, Division of Workforce Solutions, discussed WIOA Title 1. He gave an overview of the program whose purpose is to help individuals obtain employment through training or job placement and help businesses find qualified workers. Services are offered by local workforce development boards at NC Works Career Centers and online. Mr. Giddens also offered some specifics regarding youth programs. These services include assistance to stay in school, soft-skills training, and support for post-secondary training. Finally, Mr. Giddens discussed services which help individuals receiving unemployment get back to work.

Pam Howze, Director, Work-Based Learning, Business and Veterans Services, Department of Commerce, Division of Workforce Solutions, discussed veterans' services. These programs help veterans with job placement and help businesses hire qualified veterans. Ms. Howze also discussed the NC Works Apprenticeship program. The apprenticeships offer employers the tools to develop and grow their businesses and allow individuals to earn a salary while learning the skills needed to succeed.

The Committee heard a presentation from David Locklear, the Section Chief of the Division of Social Services, Economic and Family Services, Department of Health and Human Services. Mr. Locklear gave an overview of the Able-Bodied Adults without Dependents (ABAWD) program. An ABAWD is a person between ages 18 and 49 who has no dependents and is not disabled. Mr. Locklear noted that DHHS and local Departments of Social Services are phasing in reimplementation of work requirements for food and nutrition services that were originally waived statewide in 2008.

### **March 1, 2016**

The Committee held its second meeting on March 1, 2016. The purpose of the meeting was to learn more about the current workforce needs in North Carolina.

Jackie Keener, Assistant Secretary of Policy, Research & Strategy, Labor & Economic Analysis, North Carolina Department of Commerce gave an overview of workforce needs. She provided information about job numbers and the employment rate, estimated job demand by industry and occupation, and the economic impact of the North Carolina Education, Training, and Workforce System. Ms. Keener noted that skill demands are changing in the labor market, and the solution is the continued alignment of education, workforce, and economic development to meet the needs of employers and employees.

Jeff DeBellis, Director of Economic & Policy Analysis, Labor and Economic Analysis, North Carolina Department of Commerce, described the 2016 Employer Needs Survey of the NC Works Commission. The survey updated a 2014 survey and focused on four industries: (i) manufacturing, (ii) construction, (iii) health care, and (iv) science, technology, engineering, and math (STEM) careers. Compared to 2014, hiring remains strong, but some hiring difficulty still exists. Mr. DeBellis noted that applicants' lack of sufficient soft skills was a growing difficulty among hiring employers.

Catherine Moga Bryant, Deputy Assistant Secretary, North Carolina Department of Commerce, presented information on the WIOA Unified State Plan. She noted that the act passed Congress and was signed in 2014. She gave additional information on the requirements of the act, described its core programs, and discussed implementation of State strategy.

Dr. Erin Fraher, Director, Program on Health Workforce Research and Policy, Cecil G. Sheps Center for Health Services Research, University of North Carolina at Chapel Hill, gave an overview of North Carolina's nursing needs. Dr. Fraher's research indicated that



North Carolina does not face an overall nursing shortage, but that there is an uneven distribution of where nurses are located in the State. Rural areas have far fewer nurses than urban areas. Dr. Fraher noted that the major concern is whether North Carolina will have the right mix of nurses in the right locations with the skills and competencies to meet the demands of the health care system.

Jeff Frederick, Vice President Human Resources, Purolator Advanced Filtration, and Adrian Tait, Director, High Country Workforce Development Board, gave an overview of North Carolina's Workforce Development Boards. Mr. Frederick noted that North Carolina has 23 local workforce boards and that all 23 boards are part of the Association of Workforce Development Boards. The local workforce development boards serve as conveners who bring together business, labor, economic development, and other community groups. Mr. Tait shared marketing materials which are useful to job seekers and highlighted the work of the High County Business Engagement Network.

Kip Blakely, HAECO Americas (HAECO), Vice President of Industry and Government Relations, provided an industry perspective on workforce issues. He highlighted the Aviation Academy at T.W. Andrews High School in High Point, North Carolina and described training for pilots, mechanics, and airport management. Mr. Blakely also mentioned a program which allows 11th grade students to job shadow at HAECO.

#### **April 5, 2016**

The Committee met again on April 5, 2016. The purpose of the meeting was to learn more about current workforce pipelines in North Carolina.

Jo Anne Honeycutt, Director, Career and Technical Education (CTE) Division, North Carolina Department of Instruction, gave an overview of career and technical education programs. She noted that these programs are designed to ensure that students are ready for college and careers. Career and technical education involves focused areas of study aligned to industry knowledge and skill requirements. It is a collective effort in which businesses determine the skills needed, and education partners design programs of study to meet the need. Ms. Honeycutt offered statistics of CTE credentials earned and the top certifications earned in 2014-2015.

Dr. Lisa Chapman, Vice President/Chief Academic Officer, North Carolina Community College System and Maureen Little, Associate Vice President for Customized Training, North Carolina Community College System, discussed workforce needs from the community colleges' perspective. They mentioned Success NC, a systemwide focus to increase student success and Align4NCWorks, the North Carolina Community College System's strategic initiative for workforce development. They also mentioned support for North Carolina's goal of having 67% of working-aged North Carolinians with education and training beyond high school by 2025. Dr. Chapman and Ms. Little also highlighted programs in demand among various industries.

Leslie Boney, Vice President for International, Community and Economic Engagement UNC General Administration, offered a perspective from the university system. He noted that UNC institutions want their graduates to have deep knowledge in one field, but also have broad knowledge that can be applied across situations. To address changing market needs, some new majors are established, while other majors are discontinued. Finally, Mr. Boney outlined where UNC gets data to prepare students for the workforce.

Patrick Madsen Ed.D., Director of the University Career Center, UNC Charlotte, outlined some programs which connect employers to higher education in North Carolina.

Bill Stricker, Vice President of Professional Development, Carolinas Associated General Contractors (CAGC), discussed workforce challenges in the construction industry. Mr. Stricker noted that 51% of companies surveyed by the Department of Commerce cited hiring difficulties, and experienced positions are very difficult to fill. CAGC is trying to promote the industry as a career choice and is offering training and education opportunities. Mr. Stricker proposed that there should be a coordinated effort to provide information on construction career opportunities and that career counselors need to do a better job in talking about the needs of the construction industry.

#### **April 21, 2016**

The Committee held its final meeting on April 21, 2016. The Committee approved the minutes from prior meetings, discussed the Committee's draft report, and approved the Committee's final report.

---

## FINDINGS AND RECOMMENDATIONS

---

[\[Back to Top\]](#)

### **Continue the Joint Legislative Workforce Development System Reform Oversight Committee:**

The Committee finds that North Carolina's workforce development system is complex and involves a wide range of stakeholders. The Committee was able to obtain some helpful information in its meetings this interim. However, committee members had additional questions and requested follow-up information on a number of topics. The Committee believes that its role of oversight and monitoring should continue.

The Committee recommends that the General Assembly enact legislation to allow the Committee to continue to meet until December 31, 2016. [See attached legislative proposal 2015-RNz-5.](#)

### **Apprenticeships:**

The Committee finds that students in North Carolina who take part in apprenticeships gain access to training and educational programs and learn how to transition to a career by studying the skills required in that industry. The Committee also recognizes that employers use apprenticeships to fulfill their needs in an ever changing workforce.

The Committee recommends that the North Carolina Department of Commerce, in consultation with the North Carolina Community College System, study and recommend proposals to incentivize the program for participating businesses. [See attached legislative proposal 2015-RNz-6.](#)

### **Nursing Workforce in Rural and Underserved Areas:**

The Committee finds that the health care workforce is an area of particular importance. One concern involves ensuring the sustainability of the rural health care workforce, especially with respect to nurses.

Associate Degree Nursing (ADN) nurses are two times more likely to practice in rural areas, according to a report from the North Carolina Institute of Medicine.<sup>1</sup> The Regionally Increasing Baccalaureate Nurses (RIBN) program is an effort to promote the education and training of ADN prepared nurses while keeping them in the local

---

<sup>1</sup> North Carolina Rural Health Action Plan: A Report of the NCIOM Task Force on Rural Health, August 2014.

community. Students are admitted to a community college and the local university in a four-year nursing curriculum. The students receive training in the community college for the first three years. After the third year, they become licensed after passing NCLEX (nurse licensure) exam. They then move to the university for the fourth year for additional coursework and clinical training before graduating with a BSN. The goal is to increase opportunities for nurses in rural and underserved areas of the State and to build the pool of nurses in their home communities.<sup>2</sup>

The Committee recommends that the General Assembly encourage the university system, the community college system, and the North Carolina Board of Nursing to continue to study the nursing needs of rural areas and report back to the General Assembly with recommendations, including recommendations for growing and improving the RIBN program.

### **Soft Skills Needs:**

The Committee finds that many job seekers lack sufficient soft skills. Soft skills are employability skills which may include: communications skills, team building, critical thinking, problem solving, and accountability.

The Committee recommends that the General Assembly encourage the Department of Commerce, the NC Works Commission, the North Carolina Community College System, the university system, and the business community to work together to define and identify the soft skills needs of North Carolina's workforce and to report back to the General Assembly with recommendations for addressing this issue.

### **Youth Programs:**

The Committee finds that North Carolina's youth programs provide important services for in-school youth, ages 14-21, and out-of-school youth, ages 16-24. However, the Committee believes that the State must determine a clearer goal and develop strategies for these programs. The Committee believes that funding should also be used in a manner that is consistent with current education and workforce strategies.

The Committee recommends that the General Assembly encourage the Department of Commerce and all of its workforce partners to offer solutions to improve the youth programs, to better define the programs' goals, and to align strategies with current education and workforce goals.

---

<sup>2</sup> *Id.*

---

## COMMITTEE MEMBERSHIP

---

[\[Back to Top\]](#)

2015-2016

**President Pro Tempore of the Senate**  
**Appointments:**

Sen. Chad Barefoot (Co-Chair)

Sen. Bill Cook  
Sen. David L. Curtis  
Sen. Jim Davis  
Sen. Louis Pate  
Sen. Ronald J. Rabin  
Sen. Jane W. Smith  
Sen. Terry Van Duyn

**Speaker of the House of Representatives**  
**Appointments:**

Rep. Rob Bryan (Co-Chair)

Rep. Jay Adams  
Rep. Hugh Blackwell  
Rep. Kelly E. Hastings  
Rep. Yvonne Lewis Holley  
Rep. Frank Iler  
Rep. Marvin W. Lucas  
Rep. Chris Malone  
Rep. Linda P. Johnson (Advisory Member)  
Rep. Susan Martin (Advisory Member)  
Rep. Jacqueline Michelle Schaffer (Advisory Member)

---

## COMMITTEE CHARGE/STATUTORY AUTHORITY

---

[\[Back to Top\]](#)

Sections 7.(a)-(e) of S. L. 2012-131 provide:

**SECTION 7.(a)** The Joint Legislative Workforce Development System Reform Oversight Committee is created. The Committee consists of 16 members to be appointed as follows:

- (1) Eight members of the Senate appointed by the President Pro Tempore of the Senate, at least two of whom are members of the minority party and at least one cochair of each of the following committees:
  - a. Senate Appropriations Committee on Education and Higher Education.
  - b. Senate Appropriations Committee on General Government and Information Technology.
  - c. Senate Appropriations Committee on Health and Human Services.
  - d. Senate Appropriations Committee on Natural and Economic Resources.
- (2) Eight members of the House of Representatives appointed by the Speaker of the House of Representatives, at least two of whom are members of the minority party and at least one cochair of each of the following committees:
  - a. House Appropriations Subcommittee on Education.
  - b. House Appropriations Subcommittee on General Government.
  - c. House Appropriations Subcommittee on Health and Human Services.
  - d. House Appropriations Subcommittee on Natural and Economic Resources.

A member continues to serve until a successor is appointed. A vacancy shall be filled within 30 days by the officer who made the original appointment. The President Pro Tempore of the Senate and the Speaker of the House of Representatives each shall designate a cochair of the Joint Legislative Workforce Development System Reform Oversight Committee. The Committee shall meet at least once per quarter, except while the General Assembly is in regular session, and may meet at other times upon the joint call of the cochairs.

A quorum of the Committee is nine members. No action may be taken except by a majority vote at a meeting at which a quorum is present. While in the discharge of its official duties, the Committee has the powers of a joint committee under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.

Members of the Committee receive subsistence and travel expenses as provided in G.S. 120-3.1. The Committee may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Committee in its work. Upon the direction of the Legislative Services Commission, the Supervisors of Clerks of the Senate and of the House of Representatives shall assign clerical staff to the Committee. The expenses for clerical employees shall be borne by the Committee.

**SECTION 7.(b) Purpose and powers.** – The Joint Legislative Workforce Development System Reform Oversight Committee shall monitor and oversee efforts to streamline the workforce development system, enhance accountability for the workforce development system, strengthen the JobLink Career Center system, implement technology to integrate programs at JobLink Career Centers, and improve access to workforce development activities. In conducting this monitoring and oversight, the Committee shall do all of the following:

- (1) Review reports prepared by the Department of Commerce, the Commission on Workforce Development, and any other State, local, or non-State entity related to the workforce development system.
- (2) Monitor the integration of workforce development programs from the former Employment Security Commission into the Department of Commerce.
- (3) Monitor the implementation of any realignment of the local workforce development areas based on the regional council structure.
- (4) Monitor and review the development and implementation of the performance measures developed by the Commission on Workforce Development.
- (5) Monitor the implementation of improvements to the common follow-up information management system authorized by G.S. 96-30 through G.S. 96-35.
- (6) Monitor and review the programmatic requirements and the memorandum of understanding for the JobLink Career Center system.
- (7) Monitor and review the development plan of the common Web-based intake form for workforce development programs.
- (8) Study any other matter related to the workforce development system that the Committee deems necessary to accomplish its purpose.

**SECTION 7.(c) Additional Powers.** – The Joint Legislative Workforce Development System Reform Oversight Committee, while in discharge of official duties, shall have access to any paper or document, and may compel the attendance of any State official or employee before the Committee, or secure any evidence under G.S. 120-19. In addition, G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Committee as if it were a joint committee of the General Assembly.

**SECTION 7.(d) Reports to Committee.** – Whenever a State agency is required by law to report to the General Assembly or to any of its permanent, study, or oversight committees or subcommittees on matters affecting the workforce development system, the Department shall transmit a copy of the report to the cochairs of the Joint Legislative Workforce Development System Reform Oversight Committee.

**SECTION 7.(e) Interim and Final Reports.** – The Committee shall make an interim report to the 2014 Session of the 2013 General Assembly and a final report to the 2015 Regular Session of the 2015 General Assembly. The interim and final reports may contain any legislation needed to implement a recommendation of the Committee. The Committee shall terminate upon filing its final report.

---

## LEGISLATIVE PROPOSALS

---

[\[Back to Top\]](#)

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

U

D

BILL DRAFT 2015-RNz-5 [v.3] (04/15)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
04/19/2016 11:55:15 AM

Short Title: Continue Workforce Development Oversight Com.

(Public)

---

Sponsors:

---

Referred to:

---

A BILL TO BE ENTITLED  
AN ACT TO CONTINUE THE JOINT LEGISLATIVE WORKFORCE  
DEVELOPMENT SYSTEM REFORM OVERSIGHT COMMITTEE, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE WORKFORCE  
DEVELOPMENT SYSTEM REFORM OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 7.(e) of S.L. 2012-131 reads as rewritten:

**"SECTION 7.(e)** Interim and Final Reports. – The Committee shall may  
make an interim report ~~to the 2014 Session of the 2013 General Assembly at any time~~  
and a final report ~~to the 2015 Regular Session of the 2015 General Assembly. no later~~  
than December 31, 2016. The interim and final reports may contain any legislation  
needed to implement a recommendation of the Committee. The Committee shall  
terminate ~~upon~~ on December 31, 2016, or upon the filing of its final report whichever  
occurs first."

**SECTION 2.** This act is effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

U

D

BILL DRAFT 2015-RNz-6 [v.6] (04/20)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
04/21/2016 11:17:45 AM

Short Title: Study Apprenticeship Incentives. (Public)

---

Sponsors:

---

Referred to:

---

1 A BILL TO BE ENTITLED  
2 AN ACT TO STUDY APPRENTICESHIP INCENTIVES, AS RECOMMENDED BY THE  
3 JOINT LEGISLATIVE WORKFORCE DEVELOPMENT SYSTEM REFORM  
4 OVERSIGHT COMMITTEE.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. The North Carolina Department of Commerce, in consultation with  
7 the North Carolina Community College System, shall study and propose improvements to the  
8 NC Works Apprenticeship Program. The study may include proposals to incentivize the  
9 program for businesses who participate, including proposals that would reduce the tuition costs  
10 that businesses pay for students enrolled. The Department of Commerce shall report its  
11 findings, including any legislative proposals, to the Joint Legislative Workforce Development  
12 System Reform Oversight Committee and the Joint Legislative Education Oversight Committee  
13 no later than October 1, 2016.

14 SECTION 2. This act is effective when it becomes law.  
15  
16



