

# HOUSE BILL No. 6516

September 14, 2006, Introduced by Reps. Cheeks, Kolb, Lemmons, III and Lemmons, Jr. and referred to the Committee on Employment Relations, Training, and Safety.

A bill to codify the workforce development system to deliver workforce development programs and services tailored to local needs; to provide for Michigan works areas; to provide for local workforce development boards; to provide for education advisory groups; to provide for consolidated access to employment and retention programs in one-stop service centers; and to prescribe the powers and duties of certain state and local governmental officers and agencies.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. This act shall be known and may be cited as the  
2       "Michigan works one-stop service center system act".

3       Sec. 3. As used in this act:

4       (a) "Chief elected official" means a chief elected executive

1 officer of a unit of general local government.

2 (b) "Department" means the department of labor and economic  
3 growth.

4 (c) "Education advisory group" means an education advisory  
5 group described in section 23.

6 (d) "Michigan works agency" means an agency designated to be  
7 the primary administrator for workforce development activities in a  
8 local Michigan works area under the guidance of the local workforce  
9 development board.

10 (e) "Michigan works area" means a geographic area that the  
11 governor designates as a local workforce investment area under  
12 section 116 of the workforce investment act, 29 USC 2831, including  
13 an area designated before the effective date of this act.

14 (f) "Michigan works one-stop service center" means a facility  
15 designated to provide access to services delivered under the  
16 Michigan works system.

17 (g) "Michigan works system" means the integrated and  
18 coordinated system of local boards, agencies, service centers, and  
19 advisory groups described in section 5 to deliver workforce  
20 development services and implement federal and state law.

21 (h) "Local workforce development board" means a local  
22 workforce investment board established as provided in section 9.

23 (i) "Workforce investment act" means the workforce investment  
24 act of 1998, 29 USC 2801 to 2945.

25 Sec. 5. (1) The Michigan workforce development system is  
26 created to provide an integrated and coordinated system for  
27 delivery of workforce development programs and services tailored to

1 local needs, including, but not limited to, services and programs  
2 regulated or funded under all of the following state and federal  
3 laws:

4 (a) Title I of the workforce investment act, Public Law 105-  
5 220.

6 (b) The Wagner-Peyser act, 29 USC 49 to 49c and 49d to 49l-2.

7 (c) Section 221 of the trade act of 1974, 19 USC 2271.

8 (d) Section 57f of the social welfare act, 1939 PA 280, MCL  
9 400.57f.

10 (e) Section 6(d)(4) of the food stamp act of 1977, 7 USC 2015.

11 (f) Reed act transfers under 42 USC 1101 to 1110.

12 (2) The system consists of the workforce development board in  
13 each Michigan works area working cooperatively with the chief  
14 elected local official, Michigan works agencies, Michigan works  
15 one-stop service centers, and education advisory groups.

16 (3) The system is under the general supervision of the  
17 department, which shall provide the system with statewide career  
18 guidance, labor market and labor exchange information, and a  
19 management information system that supports the Michigan works one-  
20 stop service centers.

21 Sec. 7. The governor shall designate Michigan works areas in  
22 the state in accordance with section 116 of the workforce  
23 investment act, 29 USC 2831.

24 Sec. 9. The chief elected official in each Michigan works area  
25 shall appoint and the governor shall certify a local workforce  
26 development board for that Michigan works area in accordance with  
27 section 117 of the workforce investment act, 29 USC 2832.

1       Sec. 11. All of the following apply to a local workforce  
2 development board:

3       (a) A majority of the members of a local workforce development  
4 board shall be representatives of the private sector appointed from  
5 a list of individuals nominated by local business organizations and  
6 business trade associations.

7       (b) A local workforce development board shall include  
8 representatives of education, the department of human services, the  
9 department of labor and economic growth, vocational rehabilitation  
10 providers, organized labor, economic development organizations, and  
11 community-based organizations. Representatives of government  
12 agencies shall be nominated by the department.

13       (c) Members of a local workforce development board shall be  
14 appointed for fixed and staggered terms.

15       (d) The chairperson of the local workforce development board  
16 shall be an individual from the private sector elected by the  
17 board.

18       Sec. 13. A local workforce development board shall do all of  
19 the following in cooperation with the chief elected officials in  
20 the workforce development area:

21       (a) Develop and submit to the governor a plan for coordinating  
22 local workforce development services for employers and job seekers  
23 in the area. The plan shall provide for access to designated core  
24 services with no fees or charges and shall provide services beyond  
25 the core services based on eligibility criteria.

26       (b) Identify providers eligible to provide youth services,  
27 training services for adults and dislocated workers, and intensive

1 services.

2 (c) Award competitive grants or contracts to eligible  
3 providers.

4 (d) Develop a budget.

5 (e) Employ staff necessary to carry out the duties of the  
6 board.

7 (f) Solicit and accept grants and donations.

8 (g) Oversee the operation of the one-stop delivery of services  
9 through the Michigan works system.

10 (h) Establish local performance standards through negotiation  
11 with the governor for evaluating and improving the workforce  
12 development system.

13 (i) Coordinate workforce development activities with other  
14 economic development activities and strategies in the Michigan  
15 works area.

16 (j) Promote private sector employer participation in the  
17 Michigan works system.

18 (k) Make available connecting, brokering, and coaching  
19 activities through intermediaries to help meet employer hiring  
20 needs.

21 (l) Appoint an education advisory group and its chair.

22 (m) Conduct business at public meetings held in compliance  
23 with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and  
24 make information concerning performance of its duties available to  
25 the public.

26 (n) Any other duties, functions, or responsibilities required  
27 of the board to implement the workforce investment act or state or

1 federal law.

2       Sec. 15. (1) A local workforce development board and each  
3 member of the board shall avoid a conflict of interest with duties  
4 of the board. Except as provided in subsection (2), an individual  
5 shall not be appointed to or serve on a local workforce development  
6 board if he or she has an ownership interest in or is employed by  
7 an organization that receives money under the direct control of the  
8 board or if the individual engages in any other activity that  
9 creates a conflict of interest or what would appear to a reasonable  
10 person to be a conflict of interest.

11       (2) An individual who has an interest in or is employed by an  
12 entity that receives money under the partial or complete control of  
13 the local workforce development board may be appointed to or  
14 continue to serve on the board if the individual does not hold a  
15 policy-making position with the entity and would not receive other  
16 than a remote or incidental benefit from the board's decisions.  
17 This exception to the strict conflict of interest policy applies to  
18 allow local workforce development board representation from  
19 entities such as a school that enrolls students with tuition paid  
20 from funds under the control of the board, a government agency from  
21 which representation is required, and an employer that accepts  
22 compensation for extraordinary costs of providing on-the-job  
23 training from funds under the board's control.

24       Sec. 17. The governor shall certify a Michigan works agency in  
25 each Michigan works area from agencies designated by the local  
26 workforce development board in cooperation with chief elected  
27 officials. A Michigan works agency shall be 1 of the following:

1 (a) A public office or agency of a local unit of government  
2 within the Michigan works area.

3 (b) A private nonprofit agency servicing 1 or more units of  
4 local government within the Michigan works area.

5 (c) A nonprofit organization exempt from tax under section  
6 501(c)(3) of the internal revenue code, 26 USC 501.

7 Sec. 19. (1) A Michigan works agency shall serve as the  
8 primary administrator for state and federally funded workforce  
9 development services and activities in its Michigan works area.  
10 Subject to subsection (2), a local agency may engage in any  
11 activity necessary to fulfill the intent of this act, including,  
12 but not limited to, the following:

13 (a) Informing the state, units of local government, private  
14 agencies and organizations, and the general public of the nature  
15 and extent of the need for workforce development services for  
16 businesses and individuals within the Michigan works area.

17 (b) Developing and administering local workforce development  
18 programs within the Michigan works area.

19 (c) Conducting pilot and demonstration projects with  
20 innovative approaches to reduce unemployment, improve services, and  
21 utilize resources.

22 (d) Providing and advocating for training and technical  
23 assistance to public and private agencies, community groups, and  
24 local units of government to better define problems, improve  
25 services, and facilitate citizen participation.

26 (e) Increasing interagency coordination and cooperation in  
27 serving businesses and individuals.

1 (f) Entering into agreements with federal, state, and local  
2 public and private agencies and organizations if necessary to carry  
3 out the purposes of this act.

4 (g) Receiving and accepting grants or gifts to support or  
5 promote the activities authorized by this act.

6 (h) Implementing and operating a Michigan works one-stop  
7 service center.

8 (i) Engaging in any other activity necessary to fulfill the  
9 intent of this act.

10 (2) Except for incumbent worker training and business  
11 services, a Michigan works agency shall not provide workforce  
12 development services directly to job seekers and individual  
13 trainees without the agreement of the governor.

14 Sec. 21. (1) Except as provided in subsection (2), a local  
15 workforce development board or Michigan works agency shall provide  
16 state or federally funded workforce development services to program  
17 applicants and participants only through service providers selected  
18 by a competitive procurement process established by the department  
19 or that meets any applicable federal law or regulations.

20 (2) A local workforce development board or a Michigan works  
21 agency may provide state or federally funded services directly to  
22 program applicants and participants without contracting with a  
23 service provider, if the governor determines after a competitive  
24 procurement process that no other provider is capable of providing  
25 the required services at a reasonable cost.

26 (3) Except as otherwise provided in this section, a local  
27 workforce development board or Michigan works agency may enter any



1 agreement necessary to deliver services under this act.

2       Sec. 23. (1) A local workforce development board shall appoint  
3 an education advisory group to operate in the Michigan works area  
4 and serve in an advisory capacity to the board on educational  
5 issues. The board shall appoint the chairperson of that group.

6       (2) An education advisory group appointed under this section  
7 shall include local workforce development board members and  
8 representatives of employers, labor representatives, local school  
9 districts, postsecondary institutions, intermediate school  
10 districts, career and technical educators, public school parents,  
11 and academic educators. An education advisory group member shall be  
12 employed in the sector he or she represents.

13       (3) The conflict of interest provisions in section 15 do not  
14 apply to the members of an education advisory group appointed under  
15 this section.