

ASSEMBLY BILL NO. 5213
(First Reprint)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 5213 (First Reprint) with my recommendations for reconsideration.

The bill requires the State Employment and Training Commission ("SETC") to initiate a pilot program in three local areas to strengthen strategic alignment and collaboration between the operations of local workforce development boards, community colleges, and post-secondary programs in county vocational school districts.

The pilot program includes joint development and implementation of workforce training programs that emphasize industry-recognized credentials, collaborative branding, and marketing to increase awareness of available training and career services, coordination of funding sources, and evaluation based on metrics aligned with State and federal workforce development programs.

The bill further mandates that the SETC, in consultation with the New Jersey Council of Colleges ("NJCCC") and the New Jersey Council of County Vocational-Technical Schools, develop a strategy to strengthen the alignment and collaboration between the workforce development boards, community colleges, and post-secondary programs in vocational schools including a detailed strategy to scale up the pilot program statewide. The bill also requires the SETC to submit an annual report to the Governor and Legislature on progress and outcomes of the pilot program.

I commend the sponsors for seeking ways to better integrate the efforts of the workforce development boards, county colleges, and county technical schools to improve access and availability of training and to support better workforce development programming.

I am concerned, however, that the bill as currently drafted is not administratively feasible.

Although the SETC supports workforce investment through strategic planning, policy generation, and performance evaluation, the SETC does not engage in the type of program administration assigned to it in this bill.

For this reason, I recommend amendments to Assembly Bill 5213 (First Reprint) to replace references to the SETC with the Division of Workforce Development ("Division") within the New Jersey Department of Labor and Workforce Development ("Department") as the entity that will initiate and maintain the pilot program set forth in the bill. My recommendations also remove the appropriation language and authorize the commissioner to expend moneys from the New Jersey Workforce Development Partnership Fund and from the Supplemental Workforce Fund for Basic Skills to effectuate the purposes of the act. I also recommend deleting language making community colleges and post-secondary programs in county colleges the preferred providers of postsecondary education and workforce training. The Department already maintains a robust Eligible Training Provider List ("ETPL") with specific eligibility procedures.

To promote fiscal accountability and transparency, I recommend adding provisions requiring participating entities in the pilot program to enter into a memorandum of understanding outlining the scope of work, pilot timeline, roles and responsibilities, sources of funding and funding distribution mechanisms, and reporting requirements. My recommendations also require the Division to partner with the Department's Office of Research and Information in selecting pilot participants and to ensure pilot outcomes are evaluated utilizing evidence-based criteria.

Finally, I recommend amending the bill to require one report at the end of the pilot period so that the program can be comprehensively evaluated.

Therefore, I herewith return Assembly Bill No. 5213 (First Reprint) and recommend that it be amended as follows:

<u>Page 2, Title, Line 3:</u>	After "districts," insert "and"
<u>Page 2, Title, Lines 4-5:</u>	Delete ", and making an appropriation"
<u>Page 2, Section 2, Line 20:</u>	After "districts;" insert "and"
<u>Page 2, Section 2, Line 24:</u>	Delete "; and" and insert "."
<u>Page 2, Section 2, Lines 25-30:</u>	Delete in their entirety
<u>Page 2, Section 3, Line 32:</u>	After "act:" insert "'Commissioner' means the Commissioner of Labor and Workforce Development."
<u>Page 2, Section 3, Line 40:</u>	After "students." insert "'Department' means the Department of Labor and Workforce Development. 'Division' means the Division of Workforce Development in the Department of Labor and Workforce Development."
<u>Page 2, Section 3, Line 42:</u>	Delete "service delivery area" and insert "local workforce development area"
<u>Page 3, Section 3, Lines 1-3:</u>	Delete in their entirety
<u>Page 3, Section 4, Lines 6-7:</u>	Delete "State Employment and Training Commission" and insert "division"
<u>Page 3, Section 4, Line 7:</u>	Delete "three" insert "a select number of"
<u>Page 3, Section 4, Line 7:</u>	After "local" insert "workforce development"
<u>Page 3, Section 4, Line 11:</u>	Delete "The" and insert "Under the division's oversight, the"
<u>Page 3, Section 4, Line 13:</u>	After "credentials" insert "along with strengthening and validating program participants' existing skills and experience"
<u>Page 3, Section 4, Line 14:</u>	After "(2)" insert "dedication to a customer-centered approach that enables participants' success through"

delivery of wrap-around assistance as appropriate;

(3)"

Page 3, Section 4, Line 16:

Delete "(3)" and insert "(4)"

Page 3, Section 4, Line 19:

Delete "(4)" and insert "(5)"

Page 3, Section 4, Line 24:

After "laws;" insert " and (6) a memorandum of understanding binding all participating entities through a specific scope of work, pilot timeline, delineated roles and responsibilities, funding and mechanisms for disbursement of funds to participating entities by the division, and reporting requirements to ensure participating entities expend public monies efficiently towards pilot goals.

b. The Division shall partner with the Office of Research and Information in the department to ensure the local workforce development areas participating in the pilot program are selected based on objective, scientific criteria. To the extent possible, the division shall consider the criteria identified by the Office of Research and Information to ensure participating areas are representative of the larger universe of local workforce development areas in the State so that the pilot outcomes may be evaluated based on evidence-based criteria."

Page 3, Section 4, Line 25:

Delete "b." and insert "c."

Page 3, Section 4, Line 25:

Delete "commission" and insert "division"

Page 3, Section 4, Line 39:

Delete "c. The commission" and insert "d. At the end of the pilot period, the division"

Page 4, Section 4, Line 3:

Delete "and"

Page 4, Section 4, Line 5:

Delete "." and insert "; and (4) a recommendation as to whether the pilot program can and should be scaled and expanded statewide."

Page 4, Section 5, Lines 7-16:

Delete in their entirety

Page 4, Section 6, Line 18:

Delete "6. There" and insert "5. The commissioner is authorized to expend moneys from the Workforce Development Partnership Fund and from the Supplemental Workforce Fund

for Basic Skills to effectuate
the purpose of this act."

Page 4, Section 6, Lines 23-26:

Delete in their entirety

Page 4, Section 6, Line 27:

Delete "Commission."

Page 4, Section 6, Lines 28-29:

Delete "State Employment and
Training Commission" insert
"division"

Page 4, Section 6, Line 32:

Delete "If federal funds"

Page 4, Section 6, Lines 33-36:

Delete in their entirety

Page 4, Section 7, Lines 39-40:

Delete "Chairperson of the
State Employment and
Training Commission" and
insert "Commissioner"

[seal]

Respectfully,

/s/ Philip D. Murphy

Governor

Attest:

/s/ Kate E. McDonnell

Chief Counsel to the Governor