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LABOR AND INDUSTRIAL RELATIONS

Georgia Workforce Investment Board: Amend Title 34 of the Official Code of Georgia Annotated, Relating to Labor and Industrial Relations, so as to Create the Georgia Workforce Investment Board; Provide for Definitions; Provide for the Membership of Said Board; Provide for the Board’s Powers, Functions, and Funding; Establish Georgia Work Ready; Provide for Related Matters; Provide for an Effective Date; Repeal Conflicting Laws; and for Other Purposes.

Bill Number: HB 1195
Act Number: 361
Georgia Laws: 2010 Ga. Laws 84
Summary: The Act creates the Georgia Workforce Investment Board. The Act provides for the members who will compose the Board, the allocation of funding for the Board, and the powers and duties of the Board. The Act also provides that the Board is established to implement the state workforce development policy, as directed by the Governor.

Effective Date: May 20, 2010

History

On August 23, 2006, Governor Sonny Perdue launched Georgia’s innovative Work Ready Program. Successful work ready assessment programs have also been launched in South Carolina, Florida, South Carolina, Florida, etc.
Maine, Oklahoma, and Philadelphia. Georgia’s program was created to “improve the training and marketability of Georgia’s workforce” and promote robust economic growth. “The Work Ready Program will bridge the gap that exists in some communities where the local workforce lacks the right education and training for the jobs of the 21st Century economy.”

This initiative provides for a Work Ready Certificate program whereby adults, out-of-school youth, and recent high school graduates take a series of job assessments that identify their skills and education level. This information is then used to create individual job profiles that employers can use to match with specific job opportunities. The Technical College System of Georgia administers the Work Ready assessments, and their economic development department is home to the state’s thirty-one authorized job profilers. These colleges not only provide initial job assessments, but also provide training for individuals seeking to improve their occupational profiles.

In addition to the certification process for individuals, Governor Perdue and the Georgia Chamber of Commerce also created the Certified Work Ready Community to inform employers that work
ready communities are available. The Work Ready Community is a voluntary program that allows communities to demonstrate that they “have the validated, skilled workforce needed to fill current and future jobs.” The criteria used to determine whether a community is a “Certified Work Ready Community” consists of the number of individuals with Work Ready Certificates and a demonstrated commitment to improving high school graduation rates.

Governor Perdue has stated that a further goal of Georgia Work Ready and the certification programs is to attract companies seeking to relocate or expand in Georgia. From the beginning of Georgia Work Ready, companies such as Georgia Power, Callaway Gardens, Milsco Manufacturing Company, IBM, and UPS have been onboard and supportive of the initiative. To date, there are twenty-three Georgia Work Ready Companies.

Georgia Work Ready has been coordinated through the Governor’s Office of Workforce Development and funded by the Workforce Investment Act’s discretionary funds. An Executive Order by Governor Perdue on February 2, 2006, as required by the Workforce Investment Act of 1998, established this Workforce Investment Board to provide for “a robust and resilient job-driven economy, ready to respond to opportunities for growth[.]” Another Executive Order, dated October 15, 2009, established the Governor’s Complete Count Committee. This Order appointed Debra Lyons as program
manager for Georgia Work Ready. Debra Lyons, who has been instrumental in the passage of House Bill (HB) 1195, stated that “the reason we’re introducing [HB 1195] is because we’ve had tremendous success with Georgia Work Ready,” and “the businesses that we work with wanted to make sure that Georgia Work Ready was sustained.” Representative Jimmy Pruett, a sponsor of HB 1195, explained that this program was not mandated prior to HB 1195 but was left to the discretion of the Governor; without this bill, the program’s continued success was contingent upon support from future Governors. Essentially, the passage of HB 1195 ensures that Georgia Work Ready will remain in place in perpetuity.

**Bill Tracking of HB 1195**

**Consideration and Passage by the House**

Representatives Terry England (R-108th), Clay Cox (R-102nd), Mike Coan (R-101st), Jimmy Pruett (R-144th), and Melvin Everson (R-106th), respectively, sponsored HB 1195. The House of Representatives read the bill for the first time on February 17, 2010, and for the second time the following day. The Speaker of the House David Ralston (R-7th) assigned the bill to the House Committee on Industrial Relations. The bill, as introduced, contained a very detailed description of the individuals who will comprise the Workforce Committee, how they are to be appointed, and the length of their terms. In order to create Code section 34-14-2(b), the bill included eighteen subsections listing thirty-one specific individuals to comprise the Workforce Committee.
Committee. Additionally, the bill stated that the chairperson and vice chairperson of the Board are to be appointed by the twenty members of the business community. The bill required that each member of the Board serve a three year term. If a vacancy arises, the bill mandated that the Governor appoint a replacement. Further, the bill provided a “for cause” removal provision.

The Committee’s substitute to HB 1195 eliminated many of the detailed provisions contained in the first version of the bill. The substitute removed the specific list of individuals to comprise the Workforce Committee, leaving only a requirement that two members be from the House, two be from the Senate, and a majority of the members be representatives of businesses in Georgia. The diversity requirement and the provision for removal by cause were both eliminated. The substitute provided that the chairperson would be appointed by the Governor and the “other officers” were to be elected or otherwise selected as determined by the Governor. Additionally, the three year term requirement was eliminated and replaced by a provision allowing the Governor to determine lengths of terms at his discretion. These changes made the bill more concise, so there is “just enough infrastructure for sustainability.”

HB 1195, as introduced, also allowed the Governor to use between 10.5% and 15% of the Governor’s discretionary funds for state-wide workforce activities. The Committee’s substitute eliminated the percentage range so that all of the Governor’s discretionary funds...
were connected to Georgia Work Ready.\textsuperscript{44} The House Committee looked at the February 2, 2006 Executive Order\textsuperscript{45} and took suggestions from its members about what the actual “budget” is, based on the current economy; the committee decided to tie the budget to federal funding only, so as not to negatively impact the state.\textsuperscript{46} Representative Jimmy Pruett elaborated on the reasons for these changes: “[I]t is hard to obligate future governors and future legislators on long-term debt and we didn’t want to tie their hands in any way.”\textsuperscript{47}

The House Committee Substitute also added three provisions to the bill requiring the Board to comply with federal law when: (1) exercising its powers and duties, (2) approving travel and other expenses, and (3) employing and contracting.\textsuperscript{48} Representative Pruett explained that the House Committee wanted to set the bill up properly to ensure compliance with the criteria of the federal government to continue to receive its allocation of federal funding.\textsuperscript{49}

HB 1195 was read for the third time on March 26, 2010.\textsuperscript{50} On that same day, the House passed the committee substitute by a vote of 155 to 5.\textsuperscript{51} Those opposed to HB 1195 disfavored the creation of a new board that would lead to an increase in the size and cost of government.\textsuperscript{52} After the Senate passed the bill by substitute by a vote of 42 to 1, the House disagreed with the Senate substitute, so a House Committee was appointed.\textsuperscript{53} On April 29, 2010, the House adopted

\begin{itemize}
  \item 44. HB 1195 (HCS), § 1, p. 4, ln. 86, 2010 Ga. Gen. Assem.; Debra Lyons Electronic Mail Interview, \textit{supra} note 5.
  \item 45. Lyons Interview, \textit{supra} note 25 (“When we first wrote the bill we modeled it on the executive order of February 2, 2006.”); \textit{see also} Ga. Exec. Order No. 02.02.06.02 (Feb. 2, 2006) (“That the Governor hereby exercises the authority designated by the Workforce Investment Act to reserve up to 15 percent of the state allocation for statewide workforce investment activities . . . .”).
  \item 46.\textit{ See} Lyons Interview, \textit{supra} note 25.
  \item 47. Pruett Interview, \textit{supra} note 24.
  \item 49. \textit{See} Pruett Interview, \textit{supra} note 24.
  \item 51. Georgia House of Representatives Voting Record, HB 1195 (Mar. 26, 2010).
\end{itemize}
the House Conference Committee Report by a vote of 46 to 1, after the problematic language introduced by the Senate regarding deduction of dues for education was removed.

Consideration and Passage by the Senate

On March 30, 2010, the Senate first read HB 1195 and the Senate President Pro Tempore Tommie Williams (R-19th) assigned the bill to the Senate Insurance and Labor Committee. On April 14, 2010, the Insurance and Labor Committee reported favorably on HB 1195. On April 14, 2010, the Senate read HB 1195 for the second time, and then again on April 27, 2010 for a third time.

On April 27, 2010, the Senate passed HB 1195 by substitute by a vote of 42 to 1. As discussed below, the House of Representatives did not agree with the Senate substitute. Thus, on April 29, 2010, after insistence from both the House and Senate, House of Representatives and Senate Conference Committees were created. The first Senate Conference Committee lost by a vote of 27 to 10. The loss was due to the Conference Committee’s addition of language to the bill only hours before adjourning; the language had

54. Georgia Senate Voting Record, HB 1195 (Apr. 29, 2010). See Video Recording of House Conference Committee Report, Apr. 29, 2010 at 3 hr., 33 min., 25 sec. (remarks by Rep. Terry England (R-108th)), http://www.gpb.org/general-assembly/2010 [hereinafter House Conference Video] (“The section 2 that had been in the earlier conference committee report that gave everybody so much indigestion has been taken out of it. It is the same bill we passed out of the House, with the only exception being that we changed a typo on a date from 1988 to 1998.”).

55. House Video, supra note 50, at 3 hr., 33 min., 25 sec. (remarks by Rep. Porter (D-143d)) (ensuring that the problematic Section 2 language dealing with the deduction of dues for education was removed).


59. See Georgia Senate Voting Record, HB 1195 (Apr. 27, 2010).


61. Id.

62. See Senate Video 1, supra note 56, at 2 min., 42 sec. (remarks by Senate President Pro Tempore Tommie Williams).
not been seen before, had not been filed as a bill, and had not been heard in any committee. The added language would have required all state teachers, firefighters, and police officers to go through the exercise of sending certified mail to their employers every six months to authorize wage and dues deductions to labor organizations from their pay checks—thus creating a tremendous administrative burden that would likely serve to kill off labor organizations. The majority of Senators agreed that this added language was not relevant to the purpose of HB 1195 and hurt the integrity of the process. Senator Doug Stoner (D-6th) summed this up by stating the following:

[T]he purpose of what the main bill does is about workforce development. This is about economic development for this state. It’s about federal dollars that we’re going to get to be able to do workforce development. Now, Georgia has been known as one of the top states in this union [for being] aggressive in helping with workforce training, and that’s [why] this task force is being created. So now we’re going to mess with this bill by throwing around what I consider a vindictive amendment that serves no purpose except to create problems for teachers, police officers, [] even airline pilots that belong to unions. I mean there’s just no reason for this [amendment to the] bill, but in the meantime we’re going to jeopardize federal dollars with this piece of

63. Id. at 34 min., 30 sec. (remarks by Sen. Nan Orrock (D-36th)) (“[W]hat we have here is language that’s been added to a conference committee report. This language has never appeared in a bill that’s been filed for anybody’s scrutiny or review. This language has not been before any committee in the House or in the Senate, not this year, not last year, not during this entire two year term. And here we have a situation, and I think regardless of where you might stand ultimately on the issue, we could all possibly agree that there is a question of whether we’re upholding the integrity of the process down here—this process that we’ve just had thrust upon us at 7:00 at night on the last day of a session, almost the end of April.”).

64. See id. at 34 min., 30 sec. (remarks by Sen. Ronald Ramsey, Jr. (D-43d)) (“No employer shall deduct from the wages or other earnings of any employee, any fee . . . whatsoever to be held for or to be paid over to a labor organization except [by] request of the employee which shall not be valid unless renewed in writing every 6 months by certified mail and kept on file by the labor organization. Notwithstanding any law to the contrary, a payroll deduction made pursuant to Code section 22-2-19 shall be considered the same as a deduction made by a labor organization and shall be subject to the requirements of this Code section and provision.”).

65. Id.
legislation for economic development, to develop the workforce of this state to be competitive.66

After the first Senate Conference Committee Report failed to pass, a second Senate Conference Committee Report was presented on April 29, 2010.67 The Conference Committee removed the previously disputed language that the first Senate Conference Committee Report68 deemed to harm the “integrity of the process.”69 The Senate adopted the second report by a vote of 42 to 1.70 Both the House and the Senate adopted the Conference Committee Report on April 29, 2010.71

The Act

The Act amends Title 34 to create and codify the Georgia Workforce Investment Board.72 The bill, as introduced, had four main purposes.73 These purposes, which remain intact, consist of the following: (1) codifying the Workforce Investment Board into law, (2) creating the Governor’s Office of Workforce Development, (3) creating Georgia Work Ready, and (4) providing the infrastructure and funding necessary to maintain Georgia Work Ready.74 Additionally, the bill furthered the Governor’s vision to “link[] education and workforce development together and align[] it with economic development at the state, regional, and local level.”75

66. Senate Video 1, supra note 56, at 34 min., 30 sec. (remarks by Sen. Nan Orrock (D-36th)). Senator Orrock additionally stated that “this bill was to address workforce development, to draw down federal funds, and here in a midnight raid, six people in a conference committee have added language no one has seen . . . .” Id.
68. Id.
69. Senate Video 1, supra note 56, at 2 min., 42 sec. (remarks by Senate President Pro Tempore Tommie Williams).
71. Id.
72. See O.C.G.A. 34-14-1 (Supp. 2010).
73. See Lyons Interview, supra note 25.
74. See id. (“The ultimate goal is to sustain Georgia Work Ready.”).
75. Id.
Section 1 of the Act amends Title 34 of the Official Code of Georgia Annotated76 by repealing Chapter 1477 and adding a new Chapter 14.78 Code section 34-14-1 defines terms used in Chapter 14.79 Code section 34-14-2 creates the Georgia Workforce Investment Board. It also establishes the members that shall comprise the Board, specifies how and by whom the members will be selected, and establishes terms for Board members. This section also creates Board bylaws and attaches the Board to the Office of Planning and Budget for administrative purposes. Finally, the section provides that the Board shall be funded in accordance with federal law.80

Code section 34-14-3 establishes the Governor’s Office of Workforce Development, which serves as staff for the Board and implements state workforce development under the direction of the Governor.81 The section also establishes that the Governor’s Office of Workforce Development will have an executive director, and the Office will be attached to the Office of Planning and Budget for administrative purposes.82

Code section 34-14-4 provides for the funding of the Georgia Workforce Investment Board83 and emphasizes that the funding will not come from state funds.84

76. This Code section relates to labor and industrial relations. O.C.G.A. § 34-14-1 (Supp. 2010).
78. O.C.G.A. § 34-14 (Supp. 2010).
79. Id. § 34-14-1 (defining Board, Director, Federal law, and Georgia Work Ready).
80. Id. § 34-14-2. This section also discusses reimbursement of members for reasonable and necessary travel expenses, the Board’s authorization to consult with and form committees, the Board’s authorization to employ and contract with others, and other entities that shall provide information and support necessary for the Board to perform its duties.
81. Id. § 34-14-3.
82. Id.
83. Id. § 34-14-4 (“The annual allocation reserved by federal law for state-wide workforce activities and administration, known as the ‘Governor’s discretionary funds,’ shall be reserved for use by the Governor to support state-wide workforce activities recommended by the board . . . [and] implemented through the creation of the Georgia Work Ready program.”).
84. O.C.G.A. § 34-14-4 (Supp. 2010) (“Nothing in this chapter shall be construed to require any appropriation of state funds.”).
Analysis

The Act codifies Georgia’s Workforce Investment Board, so as to keep this Board in place in perpetuity, even with changing Governors. This Act is about economic development and developing a competitive workforce in Georgia. According to the Consumer News and Business Channel (CNBC), Georgia is currently a leader in workforce development. Thus, this Act is imperative to ensure the continuation of this program, which keeps Georgia ahead of its competition. Although five other states offer Work Ready programs, only South Carolina, Florida, and Oklahoma offer in-depth training. Further, although Philadelphia’s program is successful, it is not state-wide and only serves fourteen to twenty-one year old students. Georgia’s website surpasses the competition as the most user-friendly for employers and potential employees. Therefore, Georgia’s program stands out as an easily accessible and inclusive program.

Currently, there are 146 counties in Georgia that are making an active commitment to becoming Work Ready certified. From June 2009 to April 2010, over 5,000 Georgians, not including high school or college students, obtained jobs through Georgia Work Ready. Hundreds of companies that realize the value of Work Ready drove this employment success. Many of these companies actively supported the passage of this Act. By identifying both the needs of

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85. Pruett Interview, supra note 24.
86. See generally Senate Video 1, supra note 56.
87. See Lyons Interview, supra note 25 (According to CNBC, Georgia was voted number one in workforce development.).
88. See Pruett Interview, supra note 24.
89. Work Ready South Carolina, supra note 2.
90. Florida Ready to Work, supra note 3.
91. Oklahoma Work Ready Communities Program, supra note 5.
94. Debra Lyons Electronic Mail Interview, supra note 5 (providing information from Georgia Work Ready Scorecard – September 2010).
95. Lyons Interview, supra note 25 (“And most important is that over 5,000 Georgians in the last 10 months have gotten jobs, Work Ready certified.”).
businesses and the available skills of Georgia’s workforce, the state can more effectively generate the right talent for the right jobs\textsuperscript{98} and make Georgia more work ready.

Additionally, by following the guidelines set forth in the Workforce Investment Act,\textsuperscript{99} many Georgia Work Ready programs qualify for federal funding without placing a financial burden on the state. For example, Governor Sonny Perdue recently announced the launch of Hire Work Ready, “a new initiative designed to provide funding to small businesses that hire Work Ready certified employees.”\textsuperscript{100} Hire Work Ready is funded by the American Recovery and Reinvestment Act and is expected to create 2,000 jobs in more than 400 small businesses throughout Georgia.\textsuperscript{101} Additionally, on June 13, 2010, Governor Sonny Perdue announced thirty-one high schools that have been awarded $5,000 Work Ready training grants for software.\textsuperscript{102} The training software is designed to help students improve performance on the Work Ready assessment and improve graduation rates.\textsuperscript{103} The end goal is to increase post-graduation employment.\textsuperscript{104} Georgia Work Ready provides tools and training for the creation of a sustainable, robust workforce in Georgia.

\textit{Weaknesses}

One weakness of Georgia Work Ready\textsuperscript{105} is communication—not all Georgians are informed about the program, and educating more Georgian workers and employers about the program is an ongoing

\textsuperscript{98}. \textit{Id.} (remarks by Diethard Lindner) (“Since January 2007, more than 16,500 Georgians have earned Work Ready Certificates. Additionally, 20 companies hired 965 Work Ready Certified Georgians in 2007.”).


\textsuperscript{101}. \textit{Id.}


\textsuperscript{103}. \textit{Id.}

\textsuperscript{104}. \textit{Id.}

\textsuperscript{105}. \textit{See Lyons Interview, supra note 25.}
However, the Georgia Work Ready has been very successful so far; thus, Debra Lyons, the Executive Director of the Governor’s Office of Workforce Development, does not believe that communication is a weakness. Additionally, she does not foresee any unintended consequences with HB 1195 because “[Georgia has] actually done this and it works. . . . [HB 1195] has really codified something that’s been very successful in our state.”

Future Contemplated Legislation

Representative Jimmy Pruett (R-144), a sponsor of this Act, would like to see a bill where unemployed Georgians and Georgians on welfare participate in a drug testing program and the Georgia Work Ready program. Representative Pruett feels that this is what Georgians “are supposed to do as a state and even as [people] who care[] about [other individual[s].” Representative Pruett believes that the first thing that needs to be done to help troubled Georgians is to identify their problem, whether it is drugs or education. Currently, only a small number of people are required to take the test to have a Work Ready Community, but Representative Pruett would like to see this number increase and become a requirement for all unemployed Georgians and welfare recipients. This program would give struggling Georgians a place to go, free of cost, to determine their strengths and weaknesses and help them become more productive citizens.

Regardless of potential future spin-offs to this Act, the support given to Georgia’s Work Ready Program through HB 1195’s
codification of the Georgia Workforce Investment Board will help make Georgia a leader in economic workforce development.

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