

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

Senate Bill 252

FISCAL
NOTE

BY SENATORS JEFFRIES, LINDSAY, BALDWIN, AND BEACH

[Introduced January 11, 2019; Referred
to the Committee on Government Organization; and then
to the Committee on Finance]

1 A BILL to amend and reenact §5-26-1, §5-26-2, and §5-26-3 of the Code of West Virginia, 1931,
2 as amended; to amend said code by adding thereto eight new sections, designated §5-
3 26-4, §5-26-5, §5-26-6, §5-26-7, §5-26-8, §5-26-9, §5-26-10, and §5-26-11; to amend and
4 reenact §5B-2B-3 of said code; and to amend and reenact §31-15-3 of said code, all
5 relating to improving the efforts of state government to address certain societal challenges
6 facing racial minority populations; enhancing the Herbert Henderson Office of Minority
7 Affairs and clarifying its role within the executive branch; establishing that the office has a
8 primary focus on eight pillars that often disproportionately affect racial minorities; adjusting
9 the duties of the office; requiring the office to undertake certain action; authorizing the
10 executive director of the office to hire necessary staff; clarifying the objective of the
11 community-based pilot project the office is required to undertake; setting certain deadlines
12 and authorizing funding for the pilot project; detailing the mission of the office and certain
13 specific duties with respect to family development, community development, workforce
14 development, economic development, education, housing development, criminal justice
15 reform, and health and social involvement; requiring the office to collaborate with other
16 entities on certain responsibilities; adding the executive director of the office, or his or her
17 designee, to the West Virginia Workforce Development Board; further clarifying one of the
18 office's responsibilities to work with the West Virginia Economic Development Authority;
19 creating the Small Business and Minority Populations Economic and Workforce Taskforce
20 to assist the Director of the Economic Development Authority; declaring legislative
21 findings; declaring the membership of the Small Business and Minority Populations
22 Economic and Workforce Taskforce; clarifying that taskforce members do not receive
23 compensation but may be reimbursed for expenses; detailing the duties of the taskforce;
24 requiring certain work groups of the taskforce; stating measurements by which
25 effectiveness will be judged; requiring the taskforce to meet at least once a year; and

26 declaring that all taskforce meetings follow the Open Governmental Meetings Proceedings
27 Act.

Be it enacted by the Legislature of West Virginia:

**CHAPTER 5. GENERAL POWERS AND AUTHORITY OF THE
GOVERNOR, SECRETARY OF STATE AND ATTORNEY GENERAL;
BOARD OF PUBLIC WORKS; MISCELLANEOUS AGENCIES,
COMMISSIONS, OFFICES, PROGRAMS, ETC.**

ARTICLE 26. HERBERT HENDERSON OFFICE ON MINORITY AFFAIRS.

§5-26-1. Herbert Henderson Office of Minority Affairs; duties and responsibilities.

1 (a) The Herbert Henderson Office of Minority Affairs within the Office of the Governor is
2 continued. The office shall dedicate its efforts to improving conditions in West Virginia for racial
3 minorities who have historically faced discrimination. These efforts shall include a primary focus
4 on the following eight pillars that affect all West Virginians, but often disproportionately affect West
5 Virginians who are racial minorities:

6 (1) Family Development.- West Virginia has a foster care crisis and there are a
7 disproportionate number of minorities in the juvenile justice system;

8 (2) Community Development.- Despite being part of the wealthiest country in the world,
9 West Virginia communities still face poverty, substance abuse issues, and public health concerns;

10 (3) Workforce Development.- West Virginia has one of the lowest workforce participation
11 rates in the country, which must be improved considerably;

12 (4) Economic Development.- To fully reach the goals of the Legislature, West Virginia must
13 work to help minority-owned small businesses flourish;

14 (5) Education.- Successful public schools are the most important initiative a state
15 government can undertake and improving educational outcomes for racial minorities must be a

16 centerpiece of any successful education system;

17 (6) Housing Development.- West Virginia must improve its promotion of the development
18 of safe, affordable housing;

19 (7) Criminal Justice Reform.- West Virginia must build on the Justice Reinvestment and
20 Second Chance for Employment Act by continuing to reform the criminal justice system and the
21 consequences of entering the system.

22 (8) Health and Social Services.- West Virginia must provide health services and other
23 social services to communities throughout the state.

24 (b) There are many issues that span across more than one of these pillars, but it is the
25 duty of the office to help create progress on all of the pillars in working toward a more just society
26 for all West Virginians. In order to address these pillars and meet the goals of this article, the
27 office shall:

28 (1) Provide a forum for discussion of issues that affect the state's minorities;

29 (2) Identify and promote best practices in the provision of programs and services to
30 minorities;

31 (3) Review information and research that can inform state policy as to the delivery of
32 programs and services to minorities;

33 (4) Make recommendations to the Governor and the Legislature in areas of policy related
34 to each of the eight pillars described in this article and allocation of resources;

35 (5) Apply for grants, and accept gifts from private and public sources for research to
36 improve and enhance minority affairs;

37 (6) Integrate and coordinate state grant and loan programs established specifically for
38 minority related issues;

39 (7) Award grants, loans and loan guaranties for minority affairs programs and activities in
40 this state if such funds are available from grants or gifts from public or private sources;

41 (8) Identify and coordinate with other state and local agencies and programs that provide
42 services or assistance to minorities;

43 (9) Identify and recommend to the Governor racial minorities in West Virginia to serve on
44 state boards and commissions;

45 ~~(9)~~ (10) Establish the appropriate program linkages with related federal, state and local
46 agencies and programs including, but not limited to, the Office of Minority Health located within
47 the Department of Health and Human Resources, the Human Rights Commission, and the
48 Economic Development Authority established pursuant to §31-15-1 *et seq.* of this code; and

49 ~~(10)~~ (11) Provide recommendations to the Governor and the Legislature regarding the
50 most appropriate means to provide programs and services to support minority groups in the state.

51 ~~(b)~~ (c) On or before ~~January 1~~ December 31 of each year, the office shall submit a report
52 to the Governor and the Joint Committee on Government and Finance. The report may include,
53 but is not limited to, findings and recommendations regarding:

54 (1) The extent to which programs and services for minorities are available in the state, and
55 to which funding for providing those programs and services is available;

56 (2) The most appropriate means for the planning, delivery and evaluation of existing and
57 needed programs and services for minority groups in the manner that best promotes diversity and
58 regional, cultural and ethnic sensitivity;

59 (3) Recommendations for the coordination of programs and services to minority groups
60 throughout the state and with those of other states and the federal government;

61 (4) Identifications of governmental and private agencies, offices, departments or other
62 entities in existence or recommended for creation that would, alone or in concert, most effectively
63 improve the delivery of programs and services to minority groups throughout the state;

64 (5) Recommendations for changes to law that would facilitate the achievement of the
65 objectives of the office; and

66 (6) Other matters as the office may determine appropriate to its purposes.

67 ~~(e)~~ (d) The Governor shall appoint an executive director of the office to carry out its
 68 functions, and shall provide funding and offices for those purposes. The executive director shall
 69 serve at the will and pleasure of the Governor. ~~(d)~~ The executive director may hire ~~one~~
 70 ~~administrative assistant~~ staff necessary to assist in carrying out the functions of the office.

71 (e) On or before ~~January 1~~ December 31 of each year, the office shall report to the Select
 72 Committee on Minority Affairs Interim Committee on the efforts and progress of the office.

73 (f) The executive director shall review and consider any recommendations of the Select
 74 Committee on Minority Affairs Interim Committee's report and recommendations.

§5-26-2. Minority Affairs Fund created; purpose.

1 There is continued in the State Treasury a Special Revenue Fund to be known as the
 2 "Minority Affairs Fund," shall consist of all gifts, grants, bequests, transfers, appropriations or other
 3 donations or payments received by the Herbert Henderson Office of Minority Affairs from any
 4 governmental entity or unit or any person, firm, foundation or corporation for the purposes of this
 5 article and all interest or other return earned from investment of the fund. Expenditures from the
 6 fund shall be made by the Executive Director of the Herbert Henderson Office of Minority Affairs
 7 ~~to provide matching funds to obtain federal funds for the delivery of programs and services to~~
 8 ~~minorities in this state, to award grants, loans and loan guaranties for minority affairs programs~~
 9 ~~and activities and for performance of the duties of the office prescribed in this article. Expenditures~~
 10 ~~from the fund shall be~~ for the purposes set forth in this article and are not authorized from
 11 collections but are to be made only in accordance with appropriation by the Legislature and in
 12 accordance with the provisions of §12-3-1 *et seq.* of this code and upon the fulfillment of the
 13 provisions of §11B-2-1 *et seq.* of this code.

§5-26-3. Establishment of a community-based pilot project.

1 (a) The office shall establish a community-based pilot project. The pilot expires on July 1,
 2 2021. The pilot shall develop a model to promote public health through comprehensive community
 3 development in communities across West Virginia. This model shall address poverty, substance

4 abuse and other social determinants of health; improve community and populations' health;
5 improve labor force participation; and support economic development through comprehensive
6 community development in rural, suburban and urban communities. The objective of the pilot
7 project is to create a template to address poverty, substance abuse, and other social detriments
8 of health; to improve community and populations' health; to improve labor force participation; and
9 to support economic development through comprehensive community development in rural,
10 suburban, and urban communities across West Virginia.

11 (b) As selected by the executive director, the pilot shall include a collaborative of nonprofit
12 organizations. The pilot project shall seek to further the pillars and priorities set forth in this article.

13 (c) The pilot shall be funded by coordinating existing funded projects and any additional
14 funds needed from the Minority Affairs Fund, created in §5-26-2 of this code. The pilot shall
15 leverage existing resources, including housing and urban development services provided by the
16 federal government and any youth, education and family services offered by the state government
17 or other local organizations. ~~If funds are available, the pilot project may receive funding from the~~
18 ~~office.~~ The executive director shall coordinate with other state agencies to identify resources and
19 ensure the pilot project is operational no later than July 1, 2019.

20 (d) The office shall report to the Select Committee on Minority Affairs Interim Committee
21 on the efforts and progress of the pilot program.

§5-26-4. Family Development.

1 It takes strong families in order to raise strong children. The child foster care system in
2 West Virginia is currently in a crisis with more children being removed from homes than there are
3 willing foster families to accept them. More children are ending up in the juvenile justice system
4 and in the hands of child protective services. These issues disproportionately affect racial
5 minorities and solutions must be put forth to address the ongoing crisis. In order to continue
6 addressing these issues, the office shall:

7 (1) Work with the Department of Health and Human Resources and the Department of

8 Education to fully implement and evaluate the Community-Based Pilot Demonstration Project to
9 Improve Outcomes for At-Risk Youth, as contained in §18-21-1 et seq. of this code;

10 (2) Work with the Consumer Protection Division of the Attorney General's Office to expand
11 presentations on consumer literacy, including, but not limited to, presentations on how to identify
12 consumer scams, how to manage money, and how to analyze financial decisions; and

13 (3) Work with the Department of Health and Human Resources to develop a plan to
14 address the crisis in the child foster care system, including, but not limited to, strategies to reduce
15 the number of children being placed into the foster care system and increasing the number of
16 people who are willing to be foster parents.

§5-26-5. Community Development.

1 Developing strong communities is critical to breaking the cycle of poverty and substance
2 abuse. As required by §5-26-3 of this code, the Herbert Henderson Office of Minority Affairs shall
3 establish a community-based pilot project to address the social, economic, and environmental
4 determinants of community health in Charleston's west side community. The results and lessons
5 learned from this project should serve as a guide for community development in other
6 communities across the state in order to improve the health of communities throughout this state.
7 In addition, to further enhance community development, the office shall:

8 (1) Work with municipalities and counties to help identify communities that need additional
9 services and create a starting point for communities in need to reach out with requests;

10 (2) Work with the Supreme Court of Appeals, the Division of Juvenile Services, the
11 Department of Health and Human Resources, and the Department of Education to receive and
12 analyze the data those agencies are required to compile by §49-5-106 of this code, in order to
13 work with those agencies to create a training related to the disproportionate contact with the
14 juvenile justice system that occurs among racial minorities with the goal of using evidenced-based
15 strategies to increase awareness and reverse this trend; and

16 (3) Work with the Human Rights Commission to expand its efforts to inform the general

17 public of their right to engage in lawful activities without having their human rights violated, as
18 provided in §5-11-1 et seq. of this code, and encourage the Attorney General's Office to institute
19 civil actions when such violations are identified.

§5-26-6. Workforce Development.

1 West Virginia has maintained the lowest or one of the lowest labor force participation rates
2 in the nation in recent years. This is an issue that impacts all West Virginians, but
3 disproportionately affects racial minorities in the state. In order to improve participation, the office
4 must work hand-in-hand with Workforce West Virginia within the confines of the Workforce
5 Innovation and Opportunities Act, as detailed in §5B-2B-1 et seq. of this code, to help improve
6 workforce participation, provide training opportunities, and generally increase the percentage of
7 people who are working in this state. The office shall:

8 (1) Work with Workforce West Virginia to develop and implement a strategic plan to
9 improve labor force participation rates, with a specific focus on addressing policies that act as a
10 roadblock to minority employment and collaborating on possible remedies;

11 (2) Support the development and establishment of a special workforce development
12 project that would target at-risk youth and young adults ages 14 through 24, inclusive, as
13 authorized by the Workforce Innovation and Opportunities Act, 29 U.S.C. §3101 et seq.;

14 (3) Work with Workforce West Virginia to expand the number or adjust the location of
15 Workforce West Virginia local offices in the state to provide broader outreach to minority
16 communities throughout the state; and

17 (4) Work with the Human Rights Commission to expand its efforts to inform the general
18 public that there is an equal opportunity to obtain employment and violation of that is a violation
19 of their human rights, as provided in §5-11-1 et seq. of this code, and encourage the Human
20 Rights Commission to thoroughly investigate any allegations of violations.

§5-26-7. Economic Development.

1 Economic development is directly tied with workforce development, as prospective

2 employers will only come to West Virginia if a trained workforce is here and ready to work. Rather
3 than focusing solely on bringing employers to the state, there must also be a focus on growing
4 small businesses and entrepreneurship from those in West Virginia now. Developing the economy
5 can also occur by ensuring government projects are properly employing West Virginia workers.
6 Growing the economy will help all West Virginians and improve the employment options for racial
7 minorities in the state. The office shall:

8 (1) Work with the Department of Transportation to advocate for job training, employment,
9 and economic development opportunities resulting from the Roads to Prosperity Amendment of
10 2017 to be promoted to West Virginia residents;

11 (2) Work with the Department of Commerce and other relevant state agencies to ensure
12 that federal Community Development Block Grant programs are implemented to maximize
13 minority business outreach and promote job training, employment, and economic development;

14 (3) Work with the Economic Development Authority to ensure that state procurement
15 policies effectively encourage meaningful participation by racial minorities and work to create a
16 Small Business and Minority Populations Economic and Workforce Taskforce, pursuant to §31-
17 15-3 of this code;

18 (4) Work with the Department of Administration to review annual progress reports from
19 state agencies on small, women and minority-owned business procurement, as detailed in §5A-
20 3-59 of this code, and work to promote the availability of potential public contracts to minority-
21 owned business; and

22 (5) Collaborate with the West Virginia Development Office, its Small Business
23 Development Center, and the U.S. Small Business Administration to implement and promote
24 minority-business grant and loan programs and provide recommendations on where funds from
25 the Development Office Promotion Fund, as created in §5B-2-3b of this code, could be spent to
26 best lead to more and better jobs with higher wages for racial minorities in the state.

§5-26-8. Education.

1 There is no more important duty of a state government than to provide a thorough and
2 efficient system of free schools. The backbone of society and the future of our state depend on
3 schools that provide an excellent education to all West Virginians. It is incumbent on the office to
4 work with the Department of Education to ensure that the system of free schools adequately
5 provides the same education to all West Virginians and works to expand the delivery of an
6 education to the state's most vulnerable populations. The office shall:

7 (1) Work with the State Superintendent of Schools to further develop the Special
8 Community Development School Pilot Program contained in §18-3-12 of this code;

9 (2) Work with the Department of Education and the Higher Education Policy Commission
10 to develop and implement a plan to attract more racial minorities into the field of education, hire
11 more teachers of color in K-12 education instruction, hire more teachers of color in higher
12 education, increase applications by racial minorities for the Underwood-Smith Teacher
13 Scholarships, pursuant to §18C-4-1 et seq. of this code, and increase appointment of racial
14 minorities to higher education boards of governors, as suggested in §18B-2A-1 of this code;

15 (3) Work with the Department of Education and other related entities to assess the Early
16 College Academy and, if successful, create similar programs to allow high school students to earn
17 college credits while still in high school;

18 (4) Work with the Department of Education to address disciplinary referrals of racial
19 minorities to better understand national data, work with schools, families, and communities to
20 address the issue and provide tangible solutions to educators and principals; and

21 (5) Work with West Virginia University and the Higher Education Policy Commission to
22 support and expand the Health Sciences & Technology Academy throughout the state and
23 highlight minority students worthy of the West Virginia Engineering, Science and Technology
24 Scholarship, pursuant to §18C-6-1 et seq. of this code, to increase the pursuit of STEM majors
25 by underrepresented students and ultimately the number of health practitioners and advocates in
26 the medically underserved communities of West Virginia.

§5-26-9. Housing Development.

1 In order for children to thrive in education, they must also have a safe home life. The office
2 must work to improve housing options, increase home ownership rate among racial minorities,
3 and connect housing opportunities to job training, employment, and economic development. The
4 office shall:

5 (1) Work with the West Virginia Housing Development Fund to evaluate the effectiveness
6 of the Neighborhood Housing and Economic Stabilization Program contained in §31-15-6c of this
7 code, taking into consideration evidence presented by program recipients, and make a
8 recommendation on whether to expand the program, and further those efforts by encouraging
9 municipalities and counties to create neighborhood rehabilitation funds, pursuant to §8-20A-1 et
10 seq. of this code;

11 (2) Work with the West Virginia Housing Development Fund to assess the Affordable
12 Housing Fund and increase the development of safe, affordable, energy efficient housing;

13 (3) Work with the Department of Commerce and other relevant agencies to ensure that
14 federal Community Development Block Grants and other federal Housing and Urban
15 Development funding for housing rehab, construction, weatherization, and maintenance is used
16 as a job training, employment, and economic development driver in low income communities by
17 employing people from those communities to the greatest extent possible and pursuant to federal
18 law; and

19 (4) Work with the Human Rights Commission to expand its efforts to inform the general
20 public that there is an equal opportunity to obtain housing accommodations and violation of that
21 is a violation of their human rights, as provided in §5-11-1 et seq. of this code, encourage the
22 Human Rights Commission to thoroughly investigate any allegations of violations, and work with
23 the Human Rights Commission and the Attorney General to identify patterns and practices that
24 require intervention to address, as authorized in §5-11A-1 et seq. of this code.

§5-26-10. Criminal Justice Reform.

1 It is well documented that the criminal justice system disproportionately affects racial
2 minorities. Even when the crime rate has reduced over time, the prison population has increased,
3 and the prison population has a disproportionate number of racial minorities. Furthermore, after
4 completing a criminal sentence, the statutory and cultural barriers to convicts can often preclude
5 any realistic ability to become a functioning and productive member of society. This is a contributor
6 to systemic perpetual generational poverty and the office must work to continue to reform the
7 criminal justice system to provide fair and just punishment with a true opportunity for rehabilitation.

8 The office shall:

9 (1) Work with the Attorney General's Office and the Governor's General Counsel's Office
10 to review criminal justice laws and recommend changes to state code to improve the transition
11 from incarceration to full citizenship of convicted misdemeanants and felons;

12 (2) Work with the Governor's General Counsel's Office to review requests for pardons and
13 sentence commutations based on accusation of disparate treatment in prosecution or sentencing
14 because of, or based on, race, and serve as an informational resource to the community regarding
15 the process for applying for a pardons, expungement, and offense reduction, as authorized in the
16 West Virginia Constitution and this code;

17 (3) Work with the Division of Corrections and Rehabilitation, the Department of Education,
18 and other relevant agencies to review the education and job training available to inmates in state
19 corrections facilities and suggest changes to improve the education and job training resources so
20 that they provide quality education and employment skills to help inmates upon their release;

21 (4) Develop an educational tool to inform people who have felony convictions and have
22 served their entire sentence that they are eligible to vote in West Virginia if they register;

23 (5) Work with the Governor's Committee on Crime, Delinquency and Correction's law-
24 enforcement professional standards subcommittee and the State Police on law-enforcement
25 officer training, policies, and procedures to ensure racial profiling is eliminated and any allegation
26 of racial profiling is effectively investigated and appropriate discipline occurs for any law-

27 enforcement officers found to engage in racial profiling, as required by §30-29-1 et seq. of this
28 code;

29 (6) Work with the Governor's Committee on Crime, Delinquency and Correction's law-
30 enforcement professional standards subcommittee and the State Police on law-enforcement
31 officer training, policies, and procedures to identify crimes committed against a person or property
32 because of race, color, religion, ancestry, national origin, or sex, as prohibited by §61-6-21 of this
33 code; and

34 (7) Work with the Supreme Court of Appeals to ensure that racial minorities make up their
35 proportionate share of the eligible participants in the Drug Court program, as determined by the
36 data collection required by §62-15-10 of this code and the general data collected by the Supreme
37 Court of Appeals regarding eligible offenders.

§5-26-11. Health and Social Involvement.

1 Without individual health, general social services, and community involvement, a person
2 is at risk of isolation in society. The importance of belonging to a community cannot be
3 understated. It is incumbent upon the office to identify systemic barriers that serve as road blocks
4 to racial minorities and lead to disproportionately poor health outcomes and disproportionately
5 increased use of certain social services. Furthermore, the office must use its status within the
6 Governor's Office to promote greater community involvement of racial minorities. To reach these
7 goals, the office shall:

8 (1) Collaborate with the Department of Health and Human Resources and its Bureau for
9 Public Health to have a fully staffed Office of Minority Health; and work with that Office of Minority
10 Health and the Minority Health Coordinator to ensure it helps collect and analyze relevant data
11 and offers programs and services to minorities throughout the state;

12 (2) Facilitate collaboration among state, nonprofit, public, and private sector agencies to
13 identify the needs of minority communities, identify gaps in services and develop strategies to
14 provide needed services and programs;

15 (3) Continue and promote social activities that have their roots in minority communities,
16 including, but not limited to, the Martin Luther King, Jr. State Holiday Events, Black History Month
17 Celebration of Diversity, Annual Stand Against Racism events, events celebrating historic and
18 groundbreaking achievements by racial minorities, the Juneteenth Celebration, the Civil Rights
19 Advocacy Awards, the Minority Business Expo, events at Camp Washington-Carver, and other
20 similar events, collaborating with the Division of Culture and History when possible;

21 (4) Continue to hold listening tours throughout the state to hear from racial minorities and
22 address concerns raised;

23 (5) Actively seek to increase:

24 (A) The recruitment of racial minorities for public employment, with a particular focus on
25 education and law enforcement employment;

26 (B) The number of racial minorities serving on all state boards, councils, commissions,
27 and committees;

28 (C) The number of racial minorities serving on regional planning and development
29 councils, established in §8-25-1 et seq. of this code, and other regional and local boards,
30 commissions, committees, and councils;

31 (D) The number of racial minorities running for elected public office; and

32 (E) The number of racial minorities serving on hospital boards of directors, as provided in
33 §16-5B-6a of this code; and

34 (6) Coordinate with the Insurance Commissioner to ensure that entities offering insurance
35 products in West Virginia are not making decisions to offer, decline, non-renew, or any other
36 similar decision on the basis of race, as prohibited throughout chapter 33 of this code.

CHAPTER 5B. ECONOMIC DEVELOPMENT ACT OF 1985.

ARTICLE 2B. WEST VIRGINIA WORKFORCE INVESTMENT ACT.

§5B-2B-3. West Virginia Workforce Development Board; membership of board; meetings;

quorum requirements.

1 (a) The West Virginia Workforce Development Board is hereby created and shall serve as
2 the state's Workforce Development Board, as required by the WIOA. The board shall make
3 general recommendations regarding workforce investment in the state to the Governor and the
4 Legislature.

5 (b) The membership of the board shall meet the requirements of WIOA §101(b) and
6 represent diverse geographic areas of the state, including urban, rural and suburban areas. The
7 board membership includes:

8 (1) The Governor, or his or her designated representative; and

9 (2) The President of the Senate, or his or her designee, and the Speaker of the House of
10 Delegates, or his or her designee, both of whom shall be nonvoting members of the board; and

11 (3) Members appointed by the Governor, with the advice and consent of the Senate, which
12 shall include:

13 (A) Representatives of businesses or organizations, who shall comprise a majority of the
14 board membership, who:

15 (i) Are the owner or chief executive officer for the business or organization, or is an
16 executive with the business or organization with optimum policy-making or hiring authority, and
17 may also be members of a local board as described in WIOA §107(b)(2)(A)(i);

18 (ii) Represent businesses, or organizations that represent businesses described in this
19 paragraph, ~~(A), subdivision (3), subsection (b) of this section~~ that, at a minimum, provide
20 employment and training opportunities that include high-quality, work-relevant training and
21 development in in-demand industry sectors or occupations in the state;

22 (iii) Are appointed from a list of potential members proposed by state business
23 organization and business trade associations; and

24 (iv) At a minimum, one member representing small businesses as defined by the U. S.
25 Small Business Administration.

26 (B) Not less than 20 percent of the board shall be representatives of the workforce within
27 the state, which:

28 (i) Shall include two or more representatives of labor organizations appointed from a list
29 proposed by state labor federations;

30 (ii) Shall include one representative who shall be a member of a labor organization or
31 training director from a joint labor-management apprenticeship program, or, if no such joint
32 program exists in the state, a member of a labor organization or training director who is a
33 representative of an apprenticeship program;

34 (iii) May include one or more representatives of community-based organizations that have
35 demonstrated experience and expertise in addressing the employment, training or education
36 needs of individuals with barriers to employment, including organizations that serve veterans or
37 provide or support competitive, integrated employment for individuals with disabilities; and

38 (iv) May include one or more representative of organizations that have demonstrated
39 experience and expertise in addressing the employment, training or education needs of eligible
40 youth, including representative of organizations that serve out-of-school youth.

41 (C) The balance of the members:

42 (i) Shall include representatives of government including:

43 (I) The lead state officials with primary responsibility for each of the core programs. Where
44 the lead official represents more than one core program, that official shall ensure adequate
45 representation of the needs of all core programs under his or her jurisdiction; ~~and~~

46 (II) Two or more chief elected officials, collectively representing both cities and counties,
47 where appropriate; and

48 (III) The Executive Director of the Herbert Henderson Office of Minority Affairs, or his or
49 her designee.

50 (ii) May include other appropriate representatives and officials designated by the
51 Governor, such as, but not limited to, state agency officials responsible for one-stop partner

52 programs, economic development or juvenile justice programs in the state, individuals who
53 represent an Indian tribe or tribal organization as defined in WIOA §166(b), and state agency
54 officials responsible for education programs in the state, including chief executive officers of
55 community colleges and other institutions of higher education.

56 (c) The Governor shall select a chairperson for the board from the business
57 representatives on the board described in §5B-2B-3(b)(3)(A) of this code.

58 (d) Initial terms for appointed members of the board are for up to three years as determined
59 by the Governor. All subsequent terms shall be for three years.

60 (e) Members who represent organizations, agencies or other entities described in §5B-
61 2B-3(b)(3)(B) and §5B-2B-3(b)(3)(C) of this code shall be individuals who have optimum policy-
62 making authority in the organizations they represent.

63 (f)(1) A board member may not represent more than one of the categories described in:

64 (A) §5B-2B-3(b)(3)(A) of this code;

65 (B) §5B-2B-3(b)(3)(B) of this code; or

66 (C) §5B-2B-3(b)(3)(C) of this code.

67 (2) A board member may not serve as a representative of more than one subcategory
68 under §5B-2B-3(b)(3)(B) of this code.

69 (3) A board member may not serve as a representative of more than one subcategory
70 under §5B-2B-3(b)(3)(C) of this code: *Provided*, That where a single government agency is
71 responsible for multiple required programs, the head of the agency may represent each of the
72 required programs.

73 (g) All required board members, other than the ex officio members of the Legislature, shall
74 have voting privileges. The Governor may also convey voting privileges to nonrequired members.

CHAPTER 31. CORPORATIONS.

ARTICLE 15. WEST VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY.

§31-15-3. Purposes of article.

1 (a) The purposes of this article ~~shall be~~ are to provide for the formation of a public
2 economic development authority to promote, assist, encourage and, in conjunction with such
3 banking corporations or institutions, trust companies, savings banks, building and loan
4 associations, insurance companies or related corporations, partnerships, foundations, nonprofit
5 organizations or other institutions, to develop and advance the business prosperity and economic
6 welfare of the State of West Virginia; to encourage and assist in the location of new business and
7 industry; to stimulate and assist in the expansion of all kinds of business activity which will tend
8 to promote the business development and maintain the economic stability of this state, provide
9 maximum opportunities for employment, encourage thrift and improve the standard of living of the
10 citizens of this state; to cooperate and act in conjunction with other organizations, public or private,
11 the objects of which are the promotion and advancement of industrial, commercial, tourist or
12 manufacturing developments in this state; to borrow moneys and to issue its bonds, notes,
13 commercial paper, other debt instruments and security interests as well as creating an insurance
14 fund for credit enhancement purposes; to furnish money and credit or credit enhancement to
15 approved industrial development agencies or enterprises in this state or for the promotion of new
16 projects or to retain existing projects or to financially assist projects by insuring bonds, notes,
17 loans, and other instruments, including, but not limited to, the insuring of financing of working
18 capital or the refinancing of existing debt of an enterprise, thereby establishing a source of credit
19 and credit enhancement not otherwise available; to review state procurement policies and
20 practices to assure that they meet federal and state requirements and that they effectively
21 encourage meaningful participation of African-Americans and other minority persons in the
22 process of competing for and awarding of state contracts for goods and services; to encourage
23 the state to continue to support and expand small business incubator programs, including the
24 program at institutions of higher education in the state; to encourage new and minority small
25 business development; to undertake initiatives to encourage minority business ownership similar

26 to those efforts used to encourage greater rates of business ownership among women; to assist
27 community and economic development corporations to provide effective technical and business
28 advisory services to small and minority-owned and -operated enterprises; to encourage industry,
29 banks, and other private businesses to hire African-Americans and other minority persons; to
30 encourage governmental agencies and bodies and businesses to be more aggressive in
31 establishing diversity-conscious practices as employers and for their operations; to enlist
32 traditional and nontraditional lending institutions to be more creative and favorable to lending in
33 minority communities and to minority persons, especially for business enterprises; to encourage
34 small business start-up and expansion and provide funding to assist minority vendors to meet bid
35 bonding requirements; and to encourage workforce investment boards to be accountable for
36 educating poor and minority persons for jobs better than low-paying service jobs. These purposes
37 are hereby declared to be public purposes for which public money may be spent and are purposes
38 which will promote the health, safety, morals, right to gainful employment, business opportunities,
39 and general welfare of the inhabitants of the state.

40 (b)(1) It is hereby determined and declared, as a matter of legislative finding:

41 The West Virginia Forward Collaborative Report Strategy for Economic Development and
42 Job Growth compiled jointly by West Virginia University, Marshall University and the State of West
43 Virginia, in Section 6.2, Innovation and Business Development contains the following:

44 “Many of the challenges to small business growth in West Virginia are due to the fact that
45 small businesses are not fully aware of the resources at their disposal to grow and succeed. In
46 addition, there is a lack of business support services across different topics, e.g. financial
47 forecasting and literacy resources, affordable technical business operations such as accounting,
48 commerce, and web design, and affordable vetted legal services in general business and
49 intellectual property (IP). Access to resources would help companies plan ahead and adapt to
50 changing business needs.”

51 One of the key actions the report suggests is that West Virginia consider addressing the

52 challenges set forth in this subdivision is to create a one-stop resource that can map current
53 resources and business needs, direct business to the right entities and identify vacant spaces in
54 support resources.

55 (2) Furthermore, it is hereby determined and declared as a legislative finding that West
56 Virginia has the lowest labor force participation rate in the nation and has had this dubious
57 distinction since 1976. West Virginia's low labor force participation rate is one of the factors that
58 stymies economic development and growth. The West Virginia Forward Collaborative Report
59 Strategy for Economic Development and Job Growth compiled jointly by West Virginia University,
60 Marshall University, and the State of West Virginia, in Section 8, Human Capital provides the
61 following:

62 (A) West Virginia's level of educational attainment and particularly the volume of STEM
63 graduates per year is lower than surrounding states.

64 (B) Labor force participation has been declining in West Virginia and less than half of
65 working age people are actively seeking employment in some counties of the state.

66 (3) The West Virginia Forward Collaborative Report identifies five likely drivers that explain
67 the trends identified in this subsection:

68 (A) Among neighboring states, West Virginia has the highest percentage of its population
69 with a disability (22 percent);

70 (B) West Virginia has the lowest percentage of women participating in the labor force (51
71 percent) across the United States;

72 (C) There is a mismatch between labor supply and demand according to employers;

73 (D) The opioid crisis has affected the ability of large portions of the population to participate
74 in the job market; and

75 (E) Large waves of out-migration over the past three years have further contributed to a
76 shrinking population and cohort pool.

77 (4) The West Virginia Forward Collaborative Report makes the following observations:

78 (A) Ongoing efforts exist to address these challenges across the state, specifically in
79 relation to increasing workforce participation.

80 (B) There may be an opportunity to consolidate these efforts under one umbrella that
81 channels resources into a human capital priority for the state in a more coordinated manner.

82 (C) A taskforce could bring together the education providers, major employers, and
83 existing institutions working within the human capital space across West Virginia to identify and
84 launch an integrated effort that addresses existing challenges to the labor force.

85 (5) Furthermore, it is hereby determined and declared as a legislative finding that the 2014
86 Federal Workforce Innovation and Opportunity Act, and the companion 2016 West Virginia State
87 Workforce Innovation and Opportunity Act, require the creation of the Legislative Oversight
88 Commission on Workforce Investment for Economic Development, the West Virginia Workforce
89 Development Board, the Workforce Investment Interagency Collaborative Team, and local
90 workforce development boards. The structure of the state and local workforce development board
91 memberships includes private employers, government agencies, and nonprofit organizations to
92 provide the framework and structure for a comprehensive, seamless, integrated workforce
93 investment and development system to support small business growth and development,
94 increase labor force participation, and address employment challenges of low income and
95 minority populations.

96 (c) In order to more effectively address the purposes of this article, there is hereby created
97 and established, the Small Business and Minority Populations Economic and Workforce
98 Taskforce to assist the Director of the Economic Development Authority to develop and implement
99 a procedure to address employment, labor force participation, and economic development
100 problems of minority populations in West Virginia and to increase small business growth and
101 development as recommended in the West Virginia Forward Collaborative Report. The Small
102 Business and Minority Populations Economic and Workforce Taskforce consists of the following:

103 (1) The Executive Director of the West Virginia Economic Development Authority, or his

104 or her designee;

105 (2) The Executive Director of the West Virginia Governor's Workforce Investment Division,

106 or his or her designee;

107 (3) The Executive Director of the West Virginia Development Office, or his or her designee;

108 (4) The Executive Director of the West Virginia Office of Economic Opportunity, or his or

109 her designee;

110 (5) The Executive Director of the West Virginia Housing Development Fund;

111 (6) The Executive Director of the Herbert Henderson Office of Minority Affairs, or his or

112 her designee;

113 (7) The President of West Virginia University, or his or her designee;

114 (8) The President of Marshall University, or his or her designee;

115 (9) The President of West Virginia State University, or his or her designee;

116 (10) The President of a local community and technical college, or his or her designee;

117 (11) The Executive Director of Workforce West Virginia, or his or her designee;

118 (12) Four small business owners, at least one of which is a minority business owner; and

119 (13) The Executive Director of the West Virginia Chamber of Commerce, or his or her

120 designee; and

121 (14) Any other members deemed necessary and relevant by the Executive Director of the

122 West Virginia Economic Development Authority.

123 (d) The Small Business and Minority Populations Economic and Workforce Taskforce

124 shall:

125 (1) Provide technical assistance, consultation, and support that may be requested by the

126 Executive Director of the West Virginia Economic Development Authority;

127 (2) Provide consultation, technical assistance, and support to local communities in the

128 development of their small business and minority economic and workforce development plans;

129 (3) Provide technical assistance, consultation, and support to local communities in the

130 execution of their plans;

131 (4) Provide support to local communities in identifying resources to support their plans;

132 (5) Work with state executives to ensure that existing legislation targeting vulnerable
133 communities is effectively executed;

134 (6) Create a one stop portal that identifies current resources and business needs, directs
135 businesses to the right entities, and identifies gaps in support resources for the purpose of making
136 recommendations to the Governor and the Legislature on how to fill those gaps;

137 (7) Bring together education providers, major employers, and existing institutions working
138 within the human capital space across West Virginia to identify and launch an integrated effort
139 that addresses existing challenges to the labor force that will increase labor force participation;

140 and

141 (8) Develop a plan that can be used as a model to promote small business growth and
142 development to address employment, labor force participation, and economic development
143 challenges of low income and minority population across West Virginia.

144 (e) Members of the Small Business and Minority Populations Economic and Workforce
145 Taskforce are not entitled to compensation for service on the taskforce, but may be reimbursed
146 by the West Virginia Economic Development Authority for all reasonable and necessary expenses
147 actually incurred in the performance of their duties in a manner consistent with guidelines of the
148 travel management office of the Department of Administration or its successor.

149 (f) The Small Business and Minority Populations Economic and Workforce Taskforce shall
150 be divided into work groups as needed and the work group will solicit input from appropriate
151 individuals from state government, education, private sectors, and community representatives.

152 The workgroups shall include:

153 (1) Small Business and Minority Business Work Group;

154 (2) Workforce Development System Improvement Work Group; and

155 (3) Labor Force Participation Improvement Work Group.

156 (g) The Small Business and Minority Populations Economic and Workforce Taskforce
157 effectiveness will be measured by the following metrics:
158 (1) The number of small businesses with less than 75 full-time employees or full-time
159 equivalent employees that expand;
160 (2) The reduction in small business failures;
161 (3) The number of new small business and minority business start-ups;
162 (4) The overall increase in labor force participation; and
163 (5) The increase in labor force participation among youth, racial minorities, and women.
164 (h) The Small Business and Minority Populations Economic and Workforce Taskforce shall
165 meet at least once each quarter and conduct all meetings in accordance with the Open
166 Governmental Meetings Proceedings Act pursuant to §6-9A-1 et seq. of this code.

NOTE: The purpose of this bill is to improve the efforts of state government to address certain societal challenges facing racial minorities, by enhancing and clarifying the duties of the Herbert Henderson Office of Minority Affairs and creating the Small Business and Minority Populations Economic and Workforce Taskforce within the West Virginia Economic Development Authority.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.