ANDY BESHEAR
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2020-857
October 7, 2020

RELATING TO THE KENTUCKY WORKFORCE INNOVATION BOARD

WHEREAS, the Commonwealth of Kentucky is committed to continuous improvement in the effectiveness and efficiency of its workforce development system in support of a world class workforce; and

WHEREAS, the Workforce Innovation and Opportunity Act, codified at 29 USCA § 3101 et seq., and known as WIOA, was enacted by the United States Congress and signed by the President on July 22, 2014, to reauthorize the Workforce Investment Act of 1998 to eliminate some programs and streamline reporting requirements and administration; and

WHEREAS, the WIOA was enacted to provide an alignment of workforce activities through state and local workforce development systems and integration of service delivery systems, which are aimed at increasing the employment, training, education, and support for jobseekers and workers, while simultaneously improving the quality and productivity of the workforce which directly matches the needs of employers; and

WHEREAS, the principles of the WIOA include significantly increasing the linkages between education, economic development, and workforce development to maximize success in improving opportunities for jobseekers, workers, and employers; and

WHEREAS, successfully implementing Kentucky's workforce development system will require the alliance of the leadership, vision, and resources of the Commonwealth's workforce, economic and educational systems, business and labor entities, and elected officials in a strategic effort built on public/private partnerships; and

WHEREAS, WIOA requires the Governor to establish a state workforce development board to initiate and oversee critical transition activities, to assist in the development, implementation, and modification of a state plan, to ensure a customer driven workforce delivery system for both jobseekers and employers is present, to increase

accountability and transparency of the system, and to provide leadership and guidance in ensuring alignment of federal and state investments as related to workforce development activities to accomplish those purposes:

NOW, THEREFORE, I, Andy Beshear, Governor of the Commonwealth of Kentucky, by virtue of the authority vested in me by Sections 69 and 81 of the Kentucky Constitution and KRS 12.028, and otherwise, do hereby Order and Direct the following:

1. The Kentucky Workforce Innovation Board is hereby created and established for the purpose of assisting the Governor in creating an integrated statewide strategic plan for the workforce development system of Kentucky which will link workforce policies, education and training programs, and funding with the economic development needs of the Commonwealth and its areas and regions. The Board shall be attached to the Education and Workforce Development Cabinet for administrative and staff purposes.

2. The Kentucky Workforce Innovation Board created under Executive Orders 2017-650 and 2017-0643 is hereby abolished. All records, duties, functions and responsibilities of the Kentucky Workforce Innovation Board created under Executive Orders 2017-650 and 2017-0643 is hereby transferred to the Kentucky Workforce Innovation Board created and established in paragraph 1. of this Order.

3. The duties and functions of the Kentucky Workforce Innovation Board (the "Board") created and established in paragraph 1. of this Order shall include assisting the Governor in complying with the provisions and requirements of the WIOA, and performing any and all other duties and functions pursuant to 29 U.S.C.A. § 3111 and pursuant to KRS 156.802(6)(b) to conduct state leadership activities referred to in 20 U.S.C.A. § 2344 in accordance with the required and permissible uses of funds specified in the Carl D. Perkins Career and Technical Education Act of 2006 and subsequent amendments thereto.

4. The membership of the Board shall include 31 voting members and nine (9) non-voting members, as follows:

    a. Governor or designee;

    b. One (1) member of each state legislative chamber;

    c. Sixteen (16) representatives of businesses constituting not less than 51-percent (51%) percent of the Board and reflective of state and local industry sectors, who satisfy the following criteria:

i. Are owners of businesses, chief executives, or operating officers of businesses, or other business executives or employers with optimum policy-making or hiring authority, and who, in addition, may be members of a local board described in section 29 U.S.C.A. § 3122(b)(2)(A)(i);

ii. Represent businesses (including at least one representative of small business) or organizations representing businesses and provide employment opportunities that, at a minimum, including high-quality, work-relevant training and development in in-demand industry sectors or occupations in the state; and

iii. Are appointed from among individuals nominated by state business organizations and business trade associations;

d. Seven (7) representatives of the workplace within the state, constituting not less than 20-percent (20%) of the Board, who shall include:

i. A minimum of two (2) representatives of labor organizations, who have been nominated by state labor federations; and

ii. A minimum of one (1) representative who must be a member of a labor organization or a training director from a joint labor-management registered apprenticeship program, or, if no such joint program exists in the state, such a representative of a registered apprenticeship program in the state.

iii. In addition to the representatives enumerated above, the Governor may appoint one (1) or more representatives of the following organizations to contribute to the 20-percent (20%) of workforce representation: community-based organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive, integrated employment for individuals with disabilities, and training, or education needs of eligible youth, including representatives or organizations that serve out-of-school youth; and

e. Two (2) chief elected officials as defined in 29 U.S.C.A. § 3102(9) (collectively representing both cities and counties, where appropriate).

f. The balance of the Board shall include the lead state officials with primary responsibility for the core programs.

g. Additionally, the Secretaries of the Cabinet for Economic Development and the Labor Cabinet, and the Commissioner of the Kentucky

Department of Education shall serve as ex-officio non-voting members of the Board.

5. As a general condition of Board membership, each member appointed or any authorized designee must have optimum policy-making authority. A member cannot represent an entity in more than one (1) of the following three (3) categories: business representatives, workforce representatives, or government representatives. Except where a single government agency is responsible for multiple required programs, a member shall not represent more than one (1) entity within a category.

6. The Board membership shall reflect statewide geographic and diverse population representation.

7. Members of the Board shall be initially appointed to serve staggered terms and thereafter shall serve terms of three (3) years. Board members representing the business and workforce categories shall not serve more than two (2) full, consecutive three-year terms. Any vacancy shall be filled for the balance of the unexpired term in the same manner as the original appointment. Members of the Board may continue to serve beyond the expiration of their terms until their successors are appointed.

8. The Governor shall appoint the Chairperson of the Board from the business representative membership to serve at the pleasure of the Governor. The chairperson shall appoint a Vice-Chair and an Executive Committee.

9. The Board may invite non-members, to be approved by the Chair, to serve on committees and workgroups created by the Board.

10. Members of the Board, and non-members serving on committees or workgroups, shall serve without compensation, but may be reimbursed for their expenses in accordance with state travel expense and reimbursement administrative regulations.

11. The Governor hereby exercises the authority designated by the WIOA to reserve up to 15-percent (15%)of the state allocation for statewide workforce investment activities within the parameters set forth in 29 U.S.C.A. § 3163.

12. The Board members and the non-members serving on committees and workgroups of the Kentucky Workforce Innovation Board are hereby subject to the provisions of Executive Orders 2008-454 and 2009-882 as well as the gift and conflict of interest rules for Executive Branch public servants set forth in KRS Chapter 11A. Any conflict of interest issue shall be submitted to the Executive Branch Ethics Commission for resolution.

13. The Education and Workforce Development Cabinet and all relevant state agencies of the Commonwealth of Kentucky shall take any and all necessary actions to effectuate the provisions of this Order.

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14. I hereby appoint the following to serve as members of the Board until such time as they no longer hold their respective positions:

    Lieutenant Governor Jacqueline Coleman (non-voting)
    Secretary Larry Hayes, Economic Development Cabinet (non-voting)
    Secretary Larry Roberts, Labor Cabinet (non-voting)
    Jason Glass, Kentucky Department of Education (non-voting)
    J. Michael Brown, Secretary of the Executive Cabinet (non-voting)

15. I hereby appoint the following to serve as members of the Board for terms expiring October 7, 2021:

    Heidi Margulis, Humana
    Jaqueline Korengal, Office of Adult Education
    Lori Ulrich, Fleming-Mason Energy
    Sadiqa Reynolds, Louisville Urban League
    Beau Matthews, Superintendent of Barren County School District (non-voting)
    Terry Sexton, Boilermakers
    Ryan Holmes, EHI Consultants
    Scott Pierce, Operating Engineers
    Cora McNabb, Office of Vocational Rehabilitation
    Kurtis Mishler, AxiomOne
    President of Kentucky Community and Technical College System (non-voting)
    Michael Buckentin, Logan Aluminum

16. I hereby appoint the following to serve as members of the Board for terms expiring October 7, 2022:

    Beth Davisson, Kentucky Chamber of Commerce
    Senator Jimmy Higdon
    Representative Bobby McCool
    Kim Menke, Toyota
    Michael Hale, Barren County Judge Executive
    Sharon Price, Community Action
    Todd Dunn, UAW
    Rob Southard, Southern Star Central Gas Pipeline
    Kevin Smith, Beam Suntory
    Lynn Parrish, BitSource
    Deputy Secretary Mary Pat Regan, Education and Workforce Development Cabinet

17. I hereby appoint the following to serve as members of the Board for terms expiring October 7, 2023:

    Aaron Thompson, Council on Post-Secondary Education (non-voting)
    Tony Georges, UPS
    Karen Trial, Hitachi

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Julie Whitis, Ignite Institute (non-voting)
Amy Luttrell, Goodwill
Carla Webster, Xerox
Suhas Kulkarni, Indus, Inc.
Jonathan Webb, AppHarvest
Robert Blythe, Mayor of City of Richmond
Dianne Owen, Four Rivers Scholarship Foundation
Keith Sparks, Enerfab

18. I hereby appoint Kevin Smith to serve as Chair of the Board.

This Order is effective immediately upon filing with the Secretary of State.

ANDY BESHEAR, Governor
Commonwealth of Kentucky

MICHAEL G. ADAMS
Secretary of State

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REORGANIZATION PLAN

On September 27, 2017, by Executive Orders 2017-650 and 2017-0643, former Governor Matt Bevin reorganized and established the Kentucky Workforce Innovation Board (KWIB). In September 2018, the U.S. Department of Labor issued a Targeted Program Compliance and Assistance Comprehensive Review, which determined, among other findings, that the KWIB failed to comply with 20 CFR § 679.110.

On June 29, 2020, a letter, subject to condition, was sent approving Kentucky's four-year WIOA Unified State Plan, pursuant to section 102(c)(3)(A) of WIOA. However, the letter reiterated that the KWIB failed to comply with 20 CFR § 679.110. Subsequent communication with the U.S. Department of Labor and the U.S. Department of Education resulted in those federal agencies granting an extension to comply with 20 CFR § 679.110 by October 7, 2020.

Reorganization of the Kentucky Workforce Innovation Board (the "Board") is necessary in order to bring Board membership into compliance with 20 CFR § 679.110, prior to October 7, 2020.

Fiscal Impact:

This Executive Order will have minimal, if any, fiscal impact.

Delivery of Services:

It is expected that the newly-created and established Board will improve delivery of workforce development services throughout the state by improving coordination among stakeholders in education, economic development, and workforce development.

Personnel Impact:

This reorganization is for administrative purposes with no resulting personnel or fiscal impact.