

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Eightieth Session  
February 11, 2019**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 8:05 a.m. on Monday, February 11, 2019, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/80th2019](http://www.leg.state.nv.us/App/NELIS/REL/80th2019).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Maggie Carlton, Chair  
Assemblywoman Teresa Benitez-Thompson, Vice Chair  
Assemblywoman Sandra Jauregui  
Assemblyman Al Kramer  
Assemblywoman Daniele Monroe-Moreno  
Assemblywoman Dina Neal  
Assemblywoman Ellen B. Spiegel  
Assemblyman Michael C. Sprinkle  
Assemblywoman Heidi Swank  
Assemblyman Tyrone Thompson  
Assemblywoman Robin L. Titus  
Assemblyman Jim Wheeler

**COMMITTEE MEMBERS EXCUSED:**

Assemblyman Jason Frierson  
Assemblyman John Hambrick

**STAFF MEMBERS PRESENT:**

Cindy Jones, Assembly Fiscal Analyst  
Sarah Coffman, Principal Deputy Fiscal Analyst  
Jaimarie Ortega, Program Analyst  
Janice Wright, Committee Secretary  
Lisa McAlister, Committee Assistant

After a call of the roll, Chair Carlton reminded those in attendance to silence electronic devices, and she reviewed the rules of the Committees. Her office had not received a request for videoconferencing by the end of last week. A request was made over the weekend, but



that was insufficient notice to arrange for the videoconferencing technology by Monday morning. The Legislature would be in session for the next 113 days, and when videoconferencing was needed, she asked that the Committee be informed in advance; individuals should not wait until the Sunday before a Monday morning meeting to make that request.

Chair Carlton opened public comment.

J. Kyle Dalpe, Executive Director, Legislative Affairs, Nevada System of Higher Education, presented [Exhibit C](#), a letter dated February 11, 2019, to the Assembly Committee on Ways and Means, in support of the budget of the Office of Workforce Innovation, Office of the Governor. He read the letter.

Good Morning,

The Nevada System of Higher Education and its institutions have worked with the Governor's Office of Workforce Innovation since its inception a few years back on a variety of initiatives. From informal projects with our universities and state college supporting outreach and workforce alignment, to formal relationships with the community colleges to guide academic program development to meet industry needs, OWINN offers a statewide perspective on workforce development. In addition, Director Lamarre serves on the Chancellor's Workforce Advisory Council, providing strategic input to the system on workforce initiatives and direction to tie workforce credentials to in-demand occupation.

The NSHE strategic plan has 5 goals and begins with access. We strive to increase participation in postsecondary education to ultimately increase the number of Nevadans who hold a postsecondary credential. In addition, we work to collaboratively address the challenges of the workforce and industry education needs, our 4th strategic goal. We were pleased to work with OWINN collaboratively to meet the workforce needs of the state through a variety of programs.

As an example, Truckee Meadows Community College was able to grow enrollment in apprenticeship programs in recent years due to the resurgence in the economy. In fall 2018, there were more than 400 apprentices in the College Credit through Apprenticeships programs, both at the certificate and associate degree levels in construction-related fields alone. In addition, TMCC manages a \$2.9 million U.S. Department of Labor grant in which the college has trained more than 600 apprentices in several sectors, including healthcare and advanced manufacturing, fall 2018.

Mr. Dalpe added that all of those apprenticeships were managed under the OWINN new structure with apprenticeships. He supported OWINN and was happy to work with the

Office. The OWINN assisted the Nevada System of Higher Education with strategic alignment. He thanked the Committee for hearing him today.

Anthony Ruiz, Senior Advisor for Government Relations and Community Affairs, Nevada State College, testified that the Nevada State College was proud to partner with the Office of Workforce Innovation (OWINN), Office of the Governor. Nevada State College participated in the American College Testing (ACT) conference, and Mr. Ruiz put together a panel discussing key themes in preparing students for college and career readiness. Additionally, OWINN helped him develop relationships with Gaining Early Awareness and Readiness for Undergraduate Program (GEAR UP) and other work-based learning initiatives to support his students. When Mr. Ruiz worked at the region's development authority, OWINN was a key partner in leveraging employer engagement for apprenticeship outreach.

Chair Carlton noted there were no further public comments and opened the hearing on budget account 1004 for the Office of Workforce Innovation, Office of the Governor.

## **ELECTED OFFICIALS**

### **OFFICE OF THE GOVERNOR**

#### **GOVERNOR'S OFFICE - OFFICE OF WORKFORCE INNOVATION (101-1004)**

#### **BUDGET PAGE ELECTED-89**

Manny Lamarre, Executive Director, Office of Workforce Innovation (OWINN), Office of the Governor, presented [Exhibit D](#), a PowerPoint presentation titled "Governor's Office of Workforce Innovation (OWINN), Agency #018, Budget Accounts 1004 & 3270, FY 2019-2020 [2019-2021 biennium] Biennial Budget." Mr. Lamarre testified that budget account (BA) 1004 would be addressed first. Following that budget account, he would present BA 3270. Page 3 of [Exhibit D](#) displayed the *Nevada Revised Statutes* (NRS) that created OWINN. It referenced the federal Workforce Innovation and Opportunity Act (WIOA) and federal regulations that guided state apprenticeships across the nation.

Mr. Lamarre explained that page 4 of [Exhibit D](#) was the mission statement of the Office: "OWINN helps drive a skilled, diverse, and aligned workforce in the state of Nevada by promoting cooperation and collaboration among key public and private entities focused on workforce development." The diagram on page 4 of the exhibit indicated that OWINN worked with many partners around workforce alignment. Page 5 of the exhibit outlined the core strategies of OWINN as follows:

- Assess workforce policies at the state level and provide strategic support and direction for the implementation of the federal Workforce Innovation and Opportunity Act (WIOA).
- Design career pathways.
- Scale registered apprenticeships and other forms of work-based learning in existing and emerging industries.
- Leverage labor-market and workforce data.

- Validate industry-recognized credentials and identify high-demand certifications, skill apprenticeships, and other forms of work-based learning.

Mr. Lamarre highlighted OWINN's three key priorities for 2018 and 2019 listed on page 6 of [Exhibit D](#). The first priority was aligning workforce training with labor market data through policies and practices. The second priority was scaling work-based learning and apprenticeships. The third priority was outreach and awareness for workforce opportunities and partnerships.

Mr. Lamarre outlined the activities structure of BA 1004 that guided OWINN's day-to-day work and were described as follows:

- The New Skills for Youth Grant was a collaboration to build partnerships with employers and institutions, establish career pathways, and increase awareness of emerging jobs and skills. This activity was part of a broader grant and OWINN worked with the Department of Education to receive the grant a couple of years ago from J.P. Morgan Chase and Company.
- The Training Resources and Internship Networks (TRAIN) grant program was a policy and planning grant to develop integrated infrastructure to scale registered apprenticeships in high-demand industries and expand youth apprenticeships. The grant from the U.S. Department of Labor was used for outreach and communication to support educators, employers, students, and program administration activities to improve efficiency, quality, outcomes, measurement, and data.
- The National Governors Association Work-Based Learning Grant expanded high-quality work-based learning for young adults (16 to 29 years of age) entering middle-skill jobs using science, technology, engineering, and mathematics (STEM) skills.
- The Governor's Workforce Development Board and State Apprenticeship Council was mandated by federal and state statutes and supported development of apprenticeships.
- The State Occupational Licensure Grant was a U.S. Department of Labor grant used to identify and address barriers to licensure, particularly for the unemployed, military spouses, veterans, persons with criminal records, and service members returning to civilian life.

Mr. Lamarre addressed page 9 of [Exhibit D](#) that listed the remaining activities that OWINN worked on daily using support from the Workforce Innovation and Opportunity Act (WIOA) Governor's Reserve. Those activities supported sector partnership innovation and allowed OWINN to convene statewide workforce activities. The activities included high school certifications, pay-for-performance, work-based learning, incumbent worker training, and pilot projects that could be leveraged to study best practices. The agency worked with Clark and Washoe Counties and rural counties to support certifications for certified nursing assistants, Occupational Safety and Health Administration 10 (OSHA-10) safety training, and manufacturing technician level 1 (MT1) workers for high-demand industries. The OWINN created a pilot project for a pay-for-performance grant by designing a formula to make better

use of funding by basing it on outcomes. The OWINN designed a formula to pay workers when they met the performance requirements. The Office also planned to develop an incumbent-worker training program. An incumbent worker was an employee at an existing Nevada company. The program would upgrade the worker's skill set and avert layoffs because of technology improvements. The final activity through WIOA was a community college credit grant that provided funding for college and apprenticeship programs. Students could receive college credit as part of an apprenticeship program that related to technical instruction.

Mr. Lamarre referenced page 11 of [Exhibit D](#) that displayed the recommended funding sources for budget account 1004. For fiscal year (FY) 2020, 98.65 percent of the recommended funding came from federal sources, 1.3 percent was from a private grant, and State General Fund represented the 0.06 percent balance. Page 12 of the exhibit reported the base budget funding recommendations and noted that five full-time-equivalent (FTE) positions supported all the work of Governor's Office of Workforce Innovation. The current organizational chart was provided on page 13 of [Exhibit D](#). Decision unit Enhancement (E) 225 recommended changing the funding source for the State Apprenticeship Director position from the General Fund to the WIOA Governor's Reserve grant transfers from the Department of Employment, Training and Rehabilitation. Decision unit E-226 recommended funds to convert three contract positions to full-time positions to better support the underrepresented and nontraditional populations. The organizational chart on page 16 of the exhibit outlined the office structure, including the new positions. Mr. Lamarre stated that decision unit E-229 recommended funds for out-of-state and in-state travel that would be used for the state apprenticeship director to attend nationwide conferences, training events, and apprenticeship events in Washington D.C.

Mr. Lamarre referenced page 19 of [Exhibit D](#) that listed the top 13 accomplishments of OWINN. The Office was awarded nearly \$2 million from competitive grants. The Office partnered with the Clark County School District and the Washoe County School District to support individuals who lacked a career plan after high school. The agency held a student workforce summit for employers and included training programs to connect students to careers. Another workforce summit would be held on March 15, 2019, in Clark County, and one was planned for the north as well. The OWINN partnered with the Public Education Foundation to analyze business and industry licenses. It invited individuals with specific licenses to teach a Career and Technical Education (CTE) class. One of the biggest challenges was attracting trained individuals with experience in the field to teach classes. When OWINN analyzed the data, it saw that some of the teaching requirements in Nevada were outside of the typical bell curve. A recommendation was made and adopted by the Governor's Workforce Development Board to reduce barriers and entice more experienced industry professionals to teach CTE classes. Mr. Lamarre indicated the Office scaled registered apprenticeships and gained 2 new sponsors and 11 additional occupations.

Mr. Lamarre continued that the WIOA state plan was approved by the U.S. Department of Labor. A state plan was a requirement under WIOA. A key function of the Governor's Workforce Development Board was to develop a state plan every four years that outlined the

workforce strategies and submit that plan for approval, which required a lot of work. Mr. Lamarre partnered with the Aspen Institute to develop a workforce rubric for policy leaders that was shared nationwide. He participated in conversations on workforce with Mexico, Canada, and other partners. The OWINN launched the LifeWorksNV.org website to connect students, educators, and businesses to work-based learning, CTE, and other resources. Several years ago, Mr. Lamarre had heard young individuals say they were unsure where to find internships or apprenticeships. The OWINN created a database where all of the apprenticeship programs and internships were listed on LifeWorksNV.org. Students could enter their zip code, and the website would inform the students of all the internships or apprenticeships near the student. The site was also available in Spanish.

Mr. Lamarre referred to page 20 of [Exhibit D](#) that showed Nevada's apprenticeship outcomes data from 2016 through June 20, 2018. The LifeWorksNV.org details were listed on page 21 of [Exhibit D](#), and Mr. Lamarre explained that the website was straightforward. Focus groups were conducted with students around the state. Students could find apprenticeships by clicking on the industry or zip code, and the site would show the student the apprenticeships or internships near them. A student could also find technical education programs. He thought that was important because often business and industry wanted to partner but were unaware that Nevada schools had strong programs for technical education. The office's work made it easy to find that information. The website showed all the schools that offered those types of programs. Page 22 of [Exhibit D](#) provided downloadable classroom and business resources. The OWINN partnered with vocational rehabilitation agencies and provided information for students with disabilities. The materials could be easily downloaded from that site by educators, students, and parents. Page 23 of [Exhibit D](#) listed the types of work-based learning on which the Governor's Office of Workforce Innovation focused.

Chair Carlton asked for a discussion about the establishment of the Governor's Office of Workforce Innovation because there had been some problems through the last interim. Knowing that it was a new program, she knew that might be the case. She wanted the members to get complete information. She asked Mr. Lamarre to elaborate on why the state was not in compliance with the National Apprenticeship Act. [The National Apprenticeship Act (50 Stat. 664; 29 U.S.C. 50) enabled the U.S. Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and to cooperate with the states in the promotion of such standards.] She knew he provided some documents but wanted the members to understand the history.

Mr. Lamarre responded that pages 35 and 36 of [Exhibit D](#) outlined details of the compliance problems. The authority for apprenticeship was a function of a federal law through the National Apprenticeship Act (1937) and the regulations developed by the U.S. Department of Labor *29 Code of Federal Regulations (CFR) part 29 and part 30*. In 2008, the regulations were updated. When the updated regulations were approved in 2008, every state had two years to comply with the requirements. It was a national function, and each state had the authority to apply the regulations as it saw fit. In 2010, the U.S. Department of Labor sent its first letter to Nevada's labor commissioner that indicated Nevada was not in compliance with the National Apprenticeship Act. In 2013, Assembly Bill 36 of the 77th Session (2013) was



introduced to address the problems, but the bill failed. In January 2017, a letter was sent to Governor Sandoval saying Nevada was not in compliance with federal regulations. Governor Sandoval was informed in that letter that the consequences of noncompliance were a loss of federal funding and deregistration.

Mr. Lamarre worked during the 79th Session (2017) to address the problems. He worked closely with the various trades to do what was necessary to comply with the federal regulations. Senate Bill (S.B.) 516 of the 79th Session (2017) was approved. He had hoped that bill would put Nevada into compliance. However, 29 CFR 29.13(a)(2) stated that states seeking recognition from the U.S. Department of Labor (DOL) were still required to establish state apprenticeship councils for advisory and or regulatory purposes. Under the revised regulatory framework, when a state had been "recognized," the state apprenticeship council had to operate at the direction of the designated state apprenticeship agency. According to 29 CFR 29.13(b)(9), any changes proposed by a state to law, regulations, policies, or procedures that related to apprenticeship must be approved by the DOL prior to implementation. As he worked to get the agreement to middle ground, he began working with the DOL, but then focused primarily on Nevada stakeholders. It was not until a statewide agreement was reached that he submitted the requirements to the Department of Labor for review under 29 CFR 29.13(b)(9). Stakeholders failed to understand why new legislation would be needed after the statewide agreement was reached. After Nevada made its agreement, Mr. Lamarre knew that the biggest problem was the relationship between the State Apprenticeship Council and the state apprenticeship agency. The Council was required by 29 CFR 29.13(a)(2) to operate at the direction of the State Apprenticeship Agency, making it a government-to-government relationship. The State Apprenticeship Council was a voluntary body and could not be a party to contracts or be sued. In 2018, the Department of Labor informed Nevada of all the things that it needed to change. Some of those things were small and technical. The DOL's primary requirement was that decisions had to be made by the apprenticeship agency and not the Council. Mr. Lamarre noted that in Nevada the Council was a regulatory body. In 2018 he took the comments from the Department of Labor to incorporate into what was now Assembly Bill (A.B.) 68. The Department of Labor requested that an apprenticeship agency be the final authority to approve any changes. Nevada allowed a regulatory body to promulgate statutes at the direction of the state apprenticeship agency. It could be regulatory or could be advisory. That meant the Council could approve policies, but the policies had to be at the direction of the apprenticeship agency because the agency was the only one that could create a government-to-government relationship. He submitted the comments with A.B. 68, but a complaint arose that he had failed to conduct sufficient outreach before submitting the bill. His reason was that he was waiting for the Department of Labor to provide him with its comments.

Mr. Lamarre referred to page 36 of Exhibit D that listed the related regulations and consequences of deregistration. The problem was which agency had the final authority, the Council or the Agency. He complied with the requirements of the federal law. He chose to include the Department of Labor's comments because 29 CFR 29.14(h)(1) stated if Nevada was deregistered by the Department of Labor, Nevada would have to submit all the apprenticeship program standards, agreements, records, and other documents to the DOL.

Then any trade or nontrade program would be a function of the federal law. He included the Department of Labor comments because he knew that this situation would be watched closely, and this matter had received an open discussion at the legislature.

Mr. Lamarre explained that the consequences of deregistration would be devastating to Nevada. Veterans who used the GI Bill as an apprentice would no longer be able to do so if Nevada's program was not recognized. Nevada's apprenticeship programs would no longer be automatically added to the eligible training provider list. Also, contractors and subcontractors paying apprentices less than the prevailing wage could no longer do so because the apprenticeship would no longer be recognized by the DOL. Finally, the federal system superseded the state system because apprenticeship was a federal function, and any new program would register directly through the federal government.

Mr. Lamarre continued that if Nevada was deregistered and failed to comply with federal requirements, then Nevada would have to pay for the operation and infrastructure of apprenticeship. California was operating that way, and it had two systems, costing that state about \$200 million to \$300 million. Even if Nevada paid for its own program, all of those other benefits still would not come to Nevada because the state program would not be recognized by the DOL. Other apprenticeship programs would register with the DOL Office of Apprenticeship. There were two ways to do apprenticeships, either with a state agency or through the federal Office of Apprenticeship, which was what South Carolina did: everybody there registered with the DOL. Mr. Lamarre opposed using the DOL Office of Apprenticeship because there would be no interactions at the state level. He was sure none of the programs wanted to forfeit all of the program standards, agreements, and completion records as stated in 29 CFR 29.14(h)(1). He reiterated that deregistration would have a negative effect on the state.

Chair Carlton said this problem had gone beyond concern to a level of frustration and anger. She was not supportive of creating the Governor's Office of Workforce Innovation during the 79th Session (2017), but she was willing to take a chance to allow everyone to work together to see what could be done. The plan had not worked, and it had been a frustrating problem throughout the entire interim. Many presentations and discussions were held about OWINN. She asked for more documentation. She wanted to have copies of all letters, comments, and data about the concerns from the DOL. She specifically asked for the Department of Labor comments. She wanted to understand what the problem was that needed to be fixed, because it seemed that the problem had changed a couple of times during the discussions. She had served in the legislature a long time, and no problems were evident until 2015. She wanted to understand the real problem, because the legislature would either solve the problem or undo the current structure. The legislature had few choices, because it could not risk losing the federal dollars. It was her understanding that about 5 percent or 6 percent of the federal dollars were tied to the DOL concerns, and the other portion of the program was doing well with no significant problems.

Mr. Lamarre responded that he had provided the 2010 letter, the 2017 letter, the Department of Labor comments, and all of the documents after the Interim Finance Committee (IFC)



meeting to the staff of the Fiscal Analysis Division, Legislative Counsel Bureau. He would follow up again. About 95.5 percent of the support came from federal sources. It was a large portion of those dollars that were tied to federal support and related to state noncompliance.

Chair Carlton said that was totally contradictory to what she knew about the program. She asked him to provide data to sustain his comments about the federal funding. She had real concerns about his statement. Many of the questions from the members were about the basic technicalities of running the agency, but she still had concerns about how OWINN had handled the problems.

Assemblywoman Benitez-Thompson said the federal requirements showed a clear direction to create the distinction between the agency and the Council. The DOL required states to designate a state agency to establish regulatory requirements. After the last IFC meeting, the members were provided a report from the 2015 U.S. Department of Labor notice that was sent to the state. It talked about a chilling effect that was happening in the apprenticeship programs because of the workings of the OWINN office. That was a big concern. She asked Mr. Lamarre to address whether there was still a chilling effect and where the relationship with DOL was today. She thought there had been reorganization of the Office, and there had been a lot of internal workings. She asked how many actual individuals were in the apprenticeship programs and whether Mr. Lamarre had addressed that chilling effect that was outlined by the Department of Labor.

Mr. Lamarre responded that he had addressed the chilling effect and had seen a 40 percent increase in the apprentices and an increase in underrepresented populations. The letter that referenced the chilling effect was sent before OWINN was created. After he submitted the legislation to the Department of Labor, he said there had been improvements in the apprenticeship system in Nevada. The only problem that remained was the role of the Council relative to the role of the apprenticeship agency. He obtained the numbers from the federal data system that recorded the apprenticeship programs, agreements, and completion records. He had also seen an increase in the growth of high-demand and nontraditional apprenticeship industries, including healthcare, hospitality, and manufacturing.

Assemblywoman Benitez-Thompson said the other portion of the Department of Labor initial letter addressed the problem of the equal employment clause to ensure that Nevada had improved its process. She asked whether OWINN had received communications from the Department of Labor about progress or concerns about equal employment and had expanded those apprenticeship programs. She wanted an update about the progress in addressing those concerns.

Mr. Lamarre responded that Governor's Office of Workforce Innovation had taken on the responsibility to support all the programs. The requirements in 29 CFR Part 30 contained the equal employment requirements. One requirement was to increase the number of disabled and women apprentices, because 96 percent of apprenticeship program participants were males in Nevada. The goal was to increase apprenticeships for underrepresented populations and minorities. The Department of Labor recently required reauthorization of Nevada's plan

and those plans of other states to comply with 29 CFR Part 30. The Nevada plan was submitted, and he believed it was tentatively approved by the Department of Labor, and OWINN could begin the implementation phase of that plan. He was optimistic that OWINN would be able to competitively receive external dollars to support the new plan so when apprenticeship programs needed funding, OWINN could support them with outreach to underrepresented populations.

Mr. Lamarre explained that OWINN used various opportunities to go into neighborhoods to share information about apprenticeship programs and direct individuals to apprenticeship programs. The final approval of the plan, showing whether DOL was completely satisfied, was probably still a few months out. He had seen an increase in apprenticeships for women and underrepresented populations, and OWINN had built a relationship with the vocational rehabilitation programs. The next State Apprenticeship Council meeting would be held on Thursday. He worked to support apprenticeship programs for persons with disabilities, including new relationships developed with the local boards, as a way to provide supportive services to apprentices. Sometimes it was difficult for apprentices to find appropriate childcare, transportation, or housing. Mr. Lamarre saw the broader picture of the workforce and knew the funding sources could be used to assist with those problems. Low-income individuals could be supported particularly through WIOA. He had worked with local boards to develop a supportive services process to assist apprentices in need of childcare, transportation, or housing. He was developing a form to use to provide that additional support as part of equal employment opportunity.

Assemblywoman Benitez-Thompson said the Code of Federal Regulations was clear regarding the relationship that the federal government needed with the state. The relationship had to be a federal agency to a state agency for a number of different reasons. She asked whether there was guidance about the distinction of that relationship in regard to whether it was with the Department of Employment, Training and Rehabilitation (DETR) or whether it was with a new office.

Mr. Lamarre responded that the federal regulations were silent and failed to address the requirements of the relationship. The only thing specified was that a regulatory body must promulgate statutes at the direction of the Department of Labor (DOL), but any agency could be designated as the state apprenticeship agency. However, the director of the agency designated as the state apprenticeship agency would have to work out the tension between the Department of Labor and the stakeholders. Nevada could designate the Department of Employment, Training and Rehabilitation (DETR) as the state apprenticeship agency, but any agency would encounter the same problems. During the past year, Mr. Lamarre had seen two states look at Nevada's model. New York created an office similar to Nevada's, and Indiana created an office of apprenticeship and work-based learning. Existing agencies had other priorities. Therefore, when the apprenticeship tasks were assigned to another agency, the apprenticeship tasks might get lost. Apprenticeship tasks were the main focus for OWINN. Individuals with questions about apprenticeship programs or records would receive an immediate response, because that was the sole purpose of the Governor's Office of

Workforce Innovation. Any agency could be designated as the state apprenticeship agency with final authority over the program.

Chair Carlton said she had parts of the DOL letter that said one of the reasons Nevada was out of compliance was because the apprenticeship programs were not under a state agency. She was unsure what the definition of an agency was, but believed that when the programs were under the Office of Labor Commissioner, that solved part of the problem. The Labor Commissioner at that time responded to the 2010 letter from the U.S. Department of Labor.

Mr. Lamarre responded that he was unaware of a response from the Labor Commissioner. It did not solve the problem, because the 2010 letter was before OWINN was created and the Labor Commissioner had also received the letter. Both letters were received before OWINN was created and did not solve the problem. The relationship between the State Apprenticeship Council and the apprenticeship agency had always been the problem in Nevada according to the comments of the Department of Labor.

Chair Carlton asked whether Nevada's problem with the Department of Labor would be solved if the apprenticeship programs were governed by a state agency.

Mr. Lamarre responded no, the problem would only be solved if the *Nevada Revised Statutes* provided that the Council reported to the state agency. If the state agency had the final authority, it would solve Nevada's noncompliance problem. If the Council was under DETR, it would not solve the problem unless the final authority was the state agency. He tried to incorporate those requirements into Assembly Bill 68.

Chair Carlton advised that one should not cite another bill as a reference point, but should talk about documents that actually existed. A person could put anything in a bill. She needed to know what those DOL opinions were based on and where the originating documents were. As she reviewed the conversations held during the 79th Session (2017) in creating OWINN, she did not believe the Legislature was given all the information needed to make the decision that was made during the 2017 Session. She wanted to ensure that before any decisions were made in the 80th Session (2019), the members had all the information necessary to make the correct decision, because she still had concerns about what was created during the 2017 Session.

Assemblywoman Neal said she understood that Mr. Lamarre had talked to the various local apprenticeship councils and had some agreement. She asked who was in agreement with OWINN.

Mr. Lamarre responded that the most outspoken opponent that was not on board was the building trade council.

Assemblywoman Neal asked how many entities were in agreement with OWINN and whether other labor organizations were represented on the Council.

Mr. Lamarre responded that some of the other persons with whom he had spoken said they understood the problem and intention. But before he specifically revealed those names, he wanted to check with those individuals because they had not publicly said they were for or against OWINN. He would provide supplemental information to the members after he communicated with those individuals about their public positions.

Assemblywoman Neal noted that Mr. Lamarre said there was an agreement that had been submitted to the Department of Labor. Then the Department of Labor said more things needed to be adjusted or changed. She asked how many persons were in agreement when he decided to submit the agreement to the Department of Labor.

Mr. Lamarre said all the stakeholders were in agreement, and there was no opposition when the agreement was reached.

Assemblywoman Neal asked when the opposition occurred. She noted there had been an agreement, but then the Department of Labor said there were problems and requested some changes. It was her understanding that when Mr. Lamarre took that information back to the group, it caused some problems and all the parties were no longer in agreement, but later some were in agreement. She asked for an explanation of that process.

Mr. Lamarre responded that the Department of Labor sent its comments stating that the Nevada Apprenticeship Council could not be the final authority. The DOL provided recommendations for the revised language. That was when the disagreements occurred.

Assemblywoman Neal summarized that the DOL problem was having the Council be the final authority over apprenticeships. Documents existed from 2010, and the legislature was in session in 2011, 2013, and 2015. She asked for any documentation that showed the Office of Labor Commissioner had an agenda item at any time to discuss the noncompliance. She expressed concern that for seven years no one resolved the problems noted by the Department of Labor. Clearly the history would be uncovered in the minutes when the Labor Commissioner originally received that letter. She asked whether the Department of Employment, Training and Rehabilitation (DETR) was at any time in a position of control over the apprenticeship council.

Mr. Lamarre responded no.

Assemblywoman Neal said then it would be easy to search through the minutes and find out whether there was any discussion at all because there was only one agency involved.

Mr. Lamarre answered yes and there were minutes that he had seen after 2010 in which the problem was discussed at the State Apprenticeship Council with the former chair. There had been discussions for seven years before OWINN was formed.

Chair Carlton said one of the statements that Mr. Lamarre made in response to Assemblywoman Neal was he returned to the group and talked to them. She was unaware of

that and had received complaints from some individuals that there were no further discussions about the DOL's concerns, and that was one of the problems that arose at several of the Interim Finance Committee (IFC) meetings. People were unaware of some of the changes that were being made and did not receive full details until the BDR materialized. She believed that there was still a communication problem that should be addressed so the legislature could resolve the main problems and not focus solely on related matters.

Assemblyman Sprinkle asked about the specific budget that was presented. During the Interim Finance Committee (IFC) meetings on August 16, 2018, and December 11, 2018, Mr. Lamarre had asked to fund those contract positions that he was now recommending to reclassify as state employees. He asked what had changed to cause Mr. Lamarre to decide to make them full-time state employees. If they were contract employees, then they worked under contract. If the contract funding did not expire until 2020, he thought it would be better to wait until the contract expired and revisit this matter at that time. The Governor's Office of Workforce Innovation recommendation was to reclassify the contract staff to state employees and have them start on July 1, 2019. Assemblyman Sprinkle asked for justification.

Mr. Lamarre responded that the reason he recommended reclassification to state employees was to retain existing talent because the work that they were doing was significant, and it was difficult to retain good employees. Those contract employees were contracted through Manpower, and they were doing high-level work. Having them as state employees would result in a stronger commitment and better talent. It was harder to find the talent with contractors, and OWINN had to pay a fee to Manpower. The reclassified state employees would not be paid through contract, and OWINN was not asking to pay them from State General Funds. The salaries would be paid from the grant money for those positions associated with the grant.

Assemblyman Sprinkle said the three positions that were currently filled appeared to be those same individuals who would transfer over as state employees. He asked whether those individuals had already been offered the state positions.

Mr. Lamarre replied that they had.

Chair Carlton asked why Mr. Lamarre recommended nonclassified rather than classified positions. Typically, a nonclassified position was a different level of employee. She asked why Mr. Lamarre had not recommended those positions to be classified state employees.

Mr. Lamarre responded that all the current five employees of OWINN were nonclassified state employees. He wanted to maintain consistency with the new positions and make them the same as the existing employees.

Chair Carlton said she disagreed, because that reclassification typically would create a system that other agencies would also want to request. Classified employees were the front-line employees and there was a difference. Depending on the human resource codes, those

positions should match other equivalent positions in the state to maintain some equilibrium and provide those employees the opportunity to transfer or stay within the state system. She wanted to study this recommendation further.

Assemblywoman Neal asked about the industry certifications and how OWINN connected employers to the students. Her district was Assembly District No. 7, and Desert Rose High School conducted a program in manufacturing and computer information technology. She asked for details about the OWINN process.

Mr. Lamarre responded that the certification question was important because Nevada had 300,000 adults who lacked a high school diploma. Most of the middle-skill jobs being created required a post-high school education. About 50 percent of those jobs required less than a 4-year degree but more than a high school diploma. He worked to develop a process to identify industry certifications in all eight of his targeted industries. The OWINN process was more robust than other states such as Louisiana or Florida, which had thousands of certifications. He partnered with the workforce sector councils that included the targeted industries and researched and vetted certifications. The OWINN asked employers whether they were familiar with those certifications and if they would be beneficial in their job recruitment. From aerospace to construction to manufacturing to healthcare to IT, once those certifications were vetted, OWINN ensured the certifications were legitimate and posted them.

The Office partnered with schools and the Clark County School District (CCSD) through the Career & Technical Education (CTE) office to provide funding for certifications for Certified Nursing Assistants and OSHA-10 employees training. Mr. Lamarre knew that those certifications cost an average of \$100 to \$200, and that cost could mean the difference between a student obtaining or not obtaining that certification. The certifications related to high-demand industries, and the Governor's Office of Workforce Innovation had a vetting process to ensure that the students could receive the certification. Assembly Bill 7 of the 79th Session (2017) was a Department of Education bill that allowed a college and career-ready high school diploma student to obtain college and career endorsements by attaining those certifications. The OWINN provided a process that affected every high school student, because now there was a list of certifications. Mr. Lamarre saw that difference every time he went into the community and heard of certifications on television that were unfamiliar. Students often wondered whether a certification might or might not be legitimate. The OWINN researched the certifications with stakeholders and employers and determined which certifications were legitimate. Once certifications were determined to be legitimate, OWINN published a list and worked with the school districts. In some instances, when there were students who met all the criteria but were unable to pay for the certification, OWINN would support the payment.

Assemblywoman Neal noted that in 2011, the CCSD created the business license certification to allow persons who had a law degree or banking experience to focus on a certain kind of course to provide expertise to education. She asked whether OWINN had tried to align with that program, noting it was under the Department of Education subservices as a business



certification. She asked how OWINN had tried to align with that program to enhance CTE licensing, because that might be a pipeline of which Mr. Lamarre was unaware, but it had been in existence since 2011.

Mr. Lamarre replied he had information about the business and industry certifications on which OWINN had worked. The public education foundation was created through a fellowship composed of CCSD principals, staff, and stakeholders and was part of a research collaboration project with a broader group of stakeholders, particularly CCSD principals and Washoe County School District staff. The OWINN looked at business and industry CTE licenses and the barriers to entry and compared those with similar licenses in other states. It found inconsistencies and ways licensing could be better aligned. Previously, five to seven years of industry experience were needed before a person could pursue a CTE business license in Nevada. The OWINN mapped every state and determined that the average experience was 1.7 years. A person with seven years of experience made so much money that the person would not leave a job to work in a school district. That experience requirement was passed by the State Board of Education and applied to all the school districts in Nevada.

Assemblywoman Neal spoke about work-based learning opportunities; she knew there were problems with on-the-job training and the workforce agencies. Those workforce agencies might sign up employers to provide on-the-job training, but they would take a 50 percent funding match. When the on-the-job training ended, insufficient funds remained to continue that position and the student was terminated. On-the-job training had limited value because the wage that was offset was insufficient to match the \$12 or \$13 per hour that was paid through that partnership. She asked for details.

Mr. Lamarre clarified that when he said credentials, it could mean four different things: it could be a diploma, certificate, license, or a degree. Work-based learning was a continuum. Work-based learning consisted of a guest speaker or someone from industry coming to speak to students who were in an elementary or middle school. He focused on three different things: internships, preapprenticeships or youth apprenticeships, and registered apprenticeships. Those were all different. There were many fancy terms, but work-based learning was on-the-job experience tied to education. That could look different, but a registered apprenticeship was the gold standard because it was structured and required a high level of rigor, but in high school it could be an internship. Mr. Lamarre knew that all types of experiences that provided students with on-the-job experience tied to education were good and meant that those students were significantly more likely to develop a skill set. OWINN supported the expansion of various work-based learning programs because OWINN knew Nevada had a large percentage of 16- to 24-year-olds who lacked opportunities. One student complained that he could not get experience because every job he applied for required experience. Mr. Lamarre said internships, preapprenticeships, and youth apprenticeships were options, but the gold standard was registered apprenticeships. However, all of those options were on the continuum of work-based learning and job experience tied to education. On-the-job training fell under that same umbrella, but it had

specific requirements and regulations in the same way that a registered apprenticeship had specific requirements tied to it.

Chair Carlton mentioned that the unclassified position salaries were in the Unclassified Pay Bill. The nonclassified salaries were paid from an approved lump sum of money, and the Governor decided how the salaries would be divided. The new agency OWINN was in the Office of the Governor, but she believed that the Legislature should be able to go through each line item in the budget, and the positions should equate to classified state positions depending on the duties. Another thing that had become confusing was registered apprenticeships. The term apprenticeship was often used incorrectly, such as preapprenticeship and youth apprenticeship. Apprenticeship had a legal definition to it. Individuals were confused sometimes when the term was used outside of its actual world. Apprenticeship was a 40-hour per week job, with school almost every night, to earn that journeyman's card to work anywhere in the country. In Nevada, an apprenticeship was typically associated with an associate degree when a person finished the apprenticeship. That person had the equivalent of a two-year degree. When the term preapprenticeship or youth apprenticeship was used, it confused people as to what the actual program would do and what the constituent would receive when the program was completed. She cautioned everyone to be careful with the use of the term apprenticeship.

Assemblywoman Titus commented that her son was gainfully employed after completion of an apprenticeship program, and it was a true apprenticeship program as clarified by Chair Carlton. She said OWINN needed to ensure that the requirements of the Department of Labor were resolved appropriately so as to not risk losing federal funds. She asked for a clear pathway, which she had not seen as yet, and expressed concerns because she wanted the program to succeed. It was important to many persons in the state.

Assemblyman Kramer said what he saw was a department, agency, or council in the state that funneled federal money to programs in the state that could help individuals get jobs or help individuals upgrade their job skills. He was worried about the OWINN recommendation for staffing. When he looked at a nonprofit and saw that 90 percent of the money funded the actual program services of the individuals, it ranked high. When the percentage was closer to 80 percent of the money going to the true services, it meant that the administrative costs were too high and the agency was too top-heavy in management. When the three new positions were added to OWINN, only about 70 percent of the money was spent on services to help individuals. It seemed to him that OWINN spent too much on salaries for staff, and insufficient funds remained to pay for services for individuals who needed skills to get jobs. He wanted that number to be above 80 percent.

Mr. Lamarre responded that there was a cost savings because he changed decision unit Enhancement (E) 225 to fund the salaries from a policy and planning grant awarded to the Governor's Office of Workforce Innovation. The grant funds were for policy and planning to build infrastructure to better support apprenticeship programs. The Office received that funding for those exact purposes. It was not money that he was dipping into or taking out of services. It was new money received from the grant.

Assemblyman Kramer said he looked at the budget for fiscal year (FY) 2021, and the total cost was \$3,579,737. According to Mr. Lamarre's presentation, the salary costs totaled \$516,380 as shown on page 12 of [Exhibit D](#). If OWINN received a grant to pay for those three new positions, that amount should be added into the \$3,579,737, because it did not appear in [Exhibit D](#). It showed the FY 2021 expenditures for labor being around \$270,000 plus the \$516,380, which was about 22 percent of the \$3,579,737. His point was when an agency spent more than 20 percent for overhead, it meant that OWINN was top-heavy on administration, and the job of the Legislature was to study the budgets. He expressed his concern regarding the cost of the salaries and noted he did not like seeing layers of administration expenses at every step. The goal was to get the money to where it was actually needed. He recognized it might be important to create an office and pay salaries, but administrative costs in excess of 20 percent were a concern.

Assemblyman Thompson referred to pages 14 and 16 of [Exhibit D](#). Decision unit E-225 recommended a change in funding source from the General Fund to the Workforce Innovation Opportunity Act (WIOA) Governor's Reserve grant transferred from the Department of Employment, Training and Rehabilitation. When he looked at the organization chart, the Governor had recommended an employer engagement specialist, a youth apprenticeship navigator, and an assistant coordinator. He asked how well OWINN worked with Workforce Connections, because it recently issued a large request for proposal (RFP). Much of the Workforce Connections RFP dealt with youth work. He asked whether OWINN coordinated with Workforce Connections to ensure no duplication existed. When he looked at the employer engagement specialist position, he automatically connected that to Job Connect and asked how OWINN coordinated to make it unique and different.

Mr. Lamarre replied that he worked closely with Workforce Connections and Job Connect and other partners. They were partners, and OWINN helped put together outreach, the framework, and the core team. For the youth apprenticeship aspect, OWINN worked with Workforce Connections on the RFP and provided insight, research, and best practices. They met regularly with the leadership and staff to support OWINN proposals and align their work.

Assemblyman Thompson said the RFP process would not be finalized until May or June, and the last thing he wanted to see was new positions created by the RFP process and new positions created by OWINN. He wanted to avoid that duplication. He was concerned about the program being systemwide, making things connect, and avoiding duplication. He asked how vital those new positions were this biennium.

Mr. Lamarre responded that the assistant coordinator position would be the person who would do the day-to-day work. An apprenticeship program required the apprentices to receive completion and agreement records, and the Office received dozens of requests every day. The assistant coordinator was a significant position to support programs. That was one of the reasons he wanted to avoid deregistration. Otherwise, individuals would need to talk to the Department of Labor to obtain agreements and records. That position was vital to

OWINN to support the administrative work associated with the federal system used by the states.

Mr. Lamarre said the youth apprenticeship work-based learning navigator position was important. The Workforce Connections RFP did not create new positions, but offered funds to service providers. He would work with providers to develop the framework and the processes. The employment engagement specialist would be funded with a different revenue to build new skills for youth.

Assemblyman Thompson referred to page 20 of [Exhibit D](#). He asked for data that showed the individual ethnic groups. It was important to see a significant increase in minorities in apprenticeships. He noted that the African American community experienced double-digit unemployment, and he wanted to see how many apprentices were in each minority group.

Mr. Lamarre said he could provide data that showed the disaggregation of ethnicities, and he was conscious of that effort. When he completed the Community College to Apprenticeship grant, he provided additional incentives for apprentices located in areas that had double-digit unemployment, disabilities, or a high percentage of women. His realignment process focused on studying the factors to meet those needs. African Americans were a population who received OWINN outreach activities. The Office specifically outlined additional benefits as a way to incentivize increases in minority apprenticeships. He said that was also why the preapprenticeships and the youth apprenticeships were vital, because if you want to see an increase in some of those other subpopulations, the students must be prepared before they apply for the registered apprenticeships. They needed to have certain baseline skills and experience. Work focused on preapprenticeships, and youth apprenticeships had been pursued by the states to address the underrepresented populations such as African Americans, Hispanics, and individuals with disabilities.

Chair Carlton asked for clarification. The positions' salaries were currently funded by a grant. The grant would expire. The proposal was to fund the positions with the Governor's Reserve Funds that actually were apprenticeship dollars. If those apprenticeship dollars were used for the salaries, she asked what other functions were allowable expenses. She believed the reserve fund dollars should be used to pay for the actual apprenticeship program. The positions should not be funded with apprenticeship dollars, and those dollars should be spent on training.

Mr. Lamarre responded that those positions would not be funded with apprenticeship dollars. The Governor's Reserve was specifically set aside. A 15 percent reserve was set aside through WIOA, and 10 percent out of that 15 percent was supposed to be used for statewide activities, pilot programs, innovations, system alignment, and WIOA. The apprenticeship funding that was being used for the college credit program would not change: the \$395,000 apprenticeship grant that was previously at DETR was now at the Governor's Office of Workforce Innovation and would be used. The confusion came from the fact that the WIOA reserve was a broad bucket of funds that were used for a variety of different activities and not just one thing. In 2015, the Department of Labor ended the Governor's

Reserve because there were no innovative pilot projects. The new positions would not be taking away funding for apprenticeship services: the salaries would be funded through the training policy and planning grant. The funding that OWINN received from the Department of Labor training grant would pay for those positions through October 2020.

Chair Carlton said she saw a problem. According to her notes, those new positions would be funded with federal apprenticeship grant funds through October 31, 2020. Because those positions would be funded with federal apprenticeship grant funds, she wanted a better understanding of how that worked. She asked Mr. Lamarre to work with the staff of the Fiscal Analysis Division, Legislative Counsel Bureau, to define the source of the funds. The Committee needed to evaluate the funding source and identify any problems. She wanted to ensure that money that was supposed to go for jobs training did not end up being diverted. She needed to ensure a thorough review between the OWINN staff and the Fiscal Analysis Division staff clarified the revenue.

Assemblywoman Spiegel asked how OWINN determined that the OWINN Executive Director position's salary could be funded with the WIOA Governor's Reserve funds and whether that was an acceptable use of those funds.

Mr. Lamarre replied that OWINN made that decision after reading and understanding the statutes, because the other positions at OWINN were already funded with WIOA Governor's Reserve funds. As long as those funds were being used for statewide activities and the duties and responsibilities of the Executive Director fell within that framework, the salary could be funded with the Governor's Reserve funds. That resulted in a General Fund savings because OWINN could use federal dollars to support that position. That was an acceptable use of those funds.

Assemblywoman Spiegel asked how the recommendation to fund the positions with WIOA Governor's Reserve funds would affect other programs that were currently using those funds.

Mr. Lamarre replied that there would be no effect because OWINN was receiving additional Governor's Reserve funds. He was not cutting projects to fund the positions, but was receiving additional funding, and that funding could be used to pay the salaries. Current projects would not be reduced, because OWINN was adding to and growing the funds available. The additional funding could be used to support the positions' salaries.

Assemblywoman Spiegel asked what prompted the need for the state apprenticeship director position to travel 12 times per year to northern Nevada and whether the agency planned to use videoconferencing to reduce the need for so much travel.

Mr. Lamarre replied that the state apprenticeship director and all of the OWINN staff was based in Las Vegas. The OWINN was a statewide agency and held four quarterly State Apprenticeship Council meetings. The OWINN already used videoconferencing for all of those meetings. The reason he recommended 12 additional trips for the state apprenticeship

director to travel to northern Nevada was all of the staff was based in the south. He wanted to ensure that staff could develop relationships with employers, trades, and educators in the north and rural areas as well. Without additional travel funds, the relationships would be primarily with entities in the south. He wanted staff to have the opportunity to meet face-to-face and be present in the other parts of the state. He already used videoconferencing to connect the north and south for all of the State Apprenticeship Council meetings.

Chair Carlton asked for a fund map to allow the Fiscal Analysis Division staff to show the members the sources of revenue matched to appropriate expenditures. The Legislature needed to understand the sources clearly to ensure the dollars were spent on training and not used for other purposes. She closed the hearing on budget account 1004, and asked Mr. Lamarre to begin the presentation on budget account 3270.

**ELECTED OFFICIALS**  
**OFFICE OF THE GOVERNOR**  
**NEVADA P20 WORKFORCE REPORTING (101-3270)**  
**BUDGET PAGE ELECTED-95**

Manny Lamarre, Executive Director, Office of Workforce Innovation (OWINN), Office of the Governor, presented [Exhibit D](#), a PowerPoint presentation titled "Governor's Office of Workforce Innovation (OWINN), Agency #018, Budget Accounts 1004 & 3270, FY 2019-2020 [2019-2021] Biennial Budget." Budget account (BA) 3270 funded the Nevada P20 Workforce Research (NPWR) data system. A website at [npwr.nv.gov](http://npwr.nv.gov) allowed the state to extract and analyze education and workforce development data within a secure environment to help guide and inform education and workforce policy. The NPWR was a partnership between the Nevada Department of Education, the Nevada System of Higher Education, and the Department of Employment, Training and Rehabilitation to provide a longitudinal lens on patterns and trends shaping the state's education and workforce outcomes. The NPWR was able to aggregate the identified data to look at workforce patterns and outcomes.

Mr. Lamarre referred to page 27 of [Exhibit D](#). The data visualization features identified that when the duties were moved to OWINN, staff was able to work on data visualization. The left side of the chart was a downloadable Excel spreadsheet that displayed how data was previously reported. The NPWR was able to analyze and put the data in pie charts that allowed the public to access the information more easily. A few other states had NPWR systems. Using data visualization, staff could encourage individuals to enter apprenticeship programs or engage in technical training. Previously, the outcomes were difficult to see but now could be understood more easily. As an example, a person with an associate's degree in construction management had the highest median earnings potential of about \$101,000 annually. When OWINN provided outreach to parents and students, the pie chart evidence provided a more compelling argument. Individuals could look at longitudinal data to see the outcomes of programs, and the Nevada-specific information could be used to make informed decisions on funding and policy.



Mr. Lamarre moved to page 30 of [Exhibit D](#) that showed the Governor's recommended base budget for BA 3270. The base budget funded one full-time-equivalent (FTE) position for the NPWR system, which linked the various data systems, automated the exchange of data, facilitated the assignment of unique identifications that would deidentify the data, and enabled the participating agencies and stakeholders to augment the access, research, and reporting capabilities. Decision unit Enhancement (E) 226 recommended in-state travel funds that would be used by the strategic data manager for the administration of the NPWR Advisory Committee. Decision unit E-227 recommended the creation of a training category that would provide out-of-state travel funds for the strategic data manager position to support training and workshops on the state longitudinal data system.

Assemblywoman Benitez-Thompson recalled conversations about the sharing of information and the data partner planning program and asked for an update on the status of the programs. She understood there had been some problems with the Social Security Administration and the Department of Motor Vehicles (DMV) and asked whether those problems had been resolved.

Mr. Lamarre replied that the conversation was currently about connecting NPWR with the Department of Employment, Training and Rehabilitation (DETR), the Department of Education, and the Nevada System of Higher Education (NSHE). Another goal was to connect with the Department of Motor Vehicles (DMV). The connection would allow the system to report outcomes for individuals who left K-12 (kindergarten through 12th grade) and did not go directly into NSHE. That was why the connection was important. The data showed the pattern only for individuals who went from K-12 and established a relationship with NSHE because that was where the previous match existed. However, a connection to DMV would allow the system to report outcomes for other students. He cited an example. A student might leave high school and go directly into the workforce and would not have any interaction with NSHE. The agency could still determine his median wage and his average wage in ten years. Mr. Lamarre had been unable to finalize the data-sharing agreement as yet with DMV. He had provided an initial proposal of how the data-sharing agreement could work and tried to facilitate an agreement. There were a few additional conversations needed before agreement would be reached.

Chair Carlton said she recalled having a conversation with him about this data sharing during the 79th Session (2017) also. She would review the archived meeting, because she had serious concerns about some of the information, the security problems, and privacy problems.

Assemblywoman Neal said she understood that Mr. Lamarre also sought a data-sharing agreement with the Department of Health and Human Services (DHHS), and she asked about the use of that data. She understood the workforce, but she questioned whether there would be a tie to welfare or Medicaid to obtain information about a person on Temporary Assistance for Needy Families (TANF) to assist that person to obtain a better job opportunity or tie into some other programmatic structures.

Mr. Lamarre replied that he analyzed workforce funding in 2017 and noticed that DHHS received a significant share of funds for workforce assistance. He wanted to connect and share data with DHHS and add it as a partner. The data sharing would not be used to create individual records or data. No specific data would be shown to identify any individual. Composite information could identify persons on TANF who pursued a specific program and earned a specific wage. He wanted to eventually connect with DHHS because DHHS received a significant amount of workforce dollars and administered core programs such as TANF and others. If OWINN had a connection to the data-sharing agreement, it could look at the effectiveness of programs designed to facilitate the wage increases for those individuals on TANF.

Assemblywoman Neal asked how DMV fit into the data-sharing goal, because DMV did not receive workforce dollars. She did not want OWINN to identify her wage information.

Mr. Lamarre said he would not identify her wage. He sought a data-sharing agreement between the agencies. The DMV fit into the plan because a common identifier was needed for a longitudinal data system to function. Data from NSHE, DETR, and the Department of Education needed one common identifier to match it together to examine patterns and outcomes. The DMV would provide a common identifier for individuals who did not enter NSHE. That was the connection he sought. No individual's data would be pulled, and the data would remain in the respective agencies. No data would be transferred to OWINN.

Chair Carlton thought that common identifier would be a social security number.

Mr. Lamarre confirmed that Chair Carlton was correct.

Assemblywoman Swank asked about the advisory committee. She suggested that OWINN do more videoconferencing to reduce the travel throughout the state. That was something that was well within OWINN's capability. She asked why all the members of the NPWR Advisory Committee were based in northern Nevada.

Mr. Lamarre responded that when OWINN was created, the existing advisory committee was transferred to the Governor's Office of Workforce Innovation. The existing representatives remained on the advisory committee. Those representatives represented DETR, NSHE, and the Department of Education, and their locations reflected where the representatives worked. It just happened that the representatives on the committee were from offices that were physically based in northern Nevada.

Assemblyman Sprinkle said the Legislature during the 79th Session (2017) approved an enhancement to the NPWR's reporting capabilities that funded a business intelligence reporting and analytics tool. He asked about the status of that enhancement and how OWINN used that tool.

Mr. Lamarre responded that OWINN realized cost savings by using the Microsoft Power Business Intelligence (BI) system that was an updated and improved system. Page 27 of [Exhibit D](#) showed an example of the progress and improvement resulting from the change to the previous to the current system. Previously, the public could view an Excel spreadsheet. The OWINN had transferred the Excel data to pie charts. The public could access [npwr.nv.gov](http://npwr.nv.gov), and the data was shown in pie charts. When OWINN talked to parents and students about technical training and the potential wages earned by completing the training, the students were bored with the Excel spreadsheet. The pie charts of the potential wages earned were more interesting to the students. The OWINN used the BI system to transfer data from Excel to pie charts to create the data visualization.

Assemblyman Sprinkle asked whether OWINN had seen positive results by transitioning from Excel to pie charts. He asked whether the students were still bored even when they looked at the pie charts or whether the Office saw positive results.

Mr. Lamarre confirmed that he had seen positive results. He knew that the traffic on the website increased. Industry professionals said they used the information for outreach, and they did not need to ask OWINN for that information, because it was readily available. Quite a few stakeholders used it regularly, and it was part of a conversation at a conference on Friday at Nevada State College. The Office was asked to share information with students from the Black Caucus. He asked the students to guess the wages for some degrees. When he showed the students the chart, the students seemed more interested. Even better, the students then went to the [LifeWorksNV.org](http://LifeWorksNV.org) website to seek information about apprenticeships. They wanted to look up apprenticeships and learn about them. Those were the ways that OWINN had seen an increase.

Assemblywoman Neal said [EmployNV.gov](http://EmployNV.gov) was a data system that shared a common identifier between DETR and Workforce Connections. She asked whether OWINN could create a common identifier and tie into the [EmployNV](http://EmployNV.gov) system to allow data to be shared. She suggested that the [EmployNV.gov](http://EmployNV.gov) was new, and OWINN could do some programmatic structuring with the new system.

Mr. Lamarre responded that he would research and provide her with supplemental data. The Office already had a partnership with DETR within the data-sharing agreement providing information for [EmployNV](http://EmployNV.gov). Every state was required to have an equivalent to [EmployNV](http://EmployNV.gov) as the state's job bank for employers. He thought a connection to the eligible training provider list would be more valuable than a connection to [EmployNV](http://EmployNV.gov). That list showed who was getting the money, and that was the outcome he wanted to see. [EmployNV](http://EmployNV.gov) was the website used by individuals when looking for a job or posting a job. He would go back and speak with them, but he already had a data sharing agreement with DETR. That value was not as significant as the other ones that he sought.

Assemblywoman Neal said when Mr. Lamarre researched this matter, she wanted him to provide more details. She learned that under Assembly Bill 354 of the 79th Session (2017) (which resulted in the creation of Project 354), the system could be designed to include specific data and reprogrammed to focus on needed data only.

Chair Carlton asked whether the Committee members had further questions, and there were none. She thanked Mr. Lamarre and said he had a lot of communication and work to do before the Committee went to the next stage with the two budget accounts, and she closed the hearings on the budget accounts. She opened public comment in Carson City and Las Vegas, and there was no public comment.

[[Exhibit E](#) is a letter that was submitted after the hearing from the College of Southern Nevada dated February 11, 2019, to Chair Carlton and members of the Assembly Committee on Ways and Means, authored by Ricardo Villalobos, Ph.D., Executive Director, Division of Workforce and Economic Development, College of Southern Nevada, in support of the budget for the Office of Workforce Innovation, Office of the Governor.]

There being no further business before the Committee, Chair Carlton adjourned the meeting at 10 a.m.

RESPECTFULLY SUBMITTED:

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Janice Wright  
Committee Secretary

APPROVED BY:

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Assemblywoman Maggie Carlton, Chair

DATE: \_\_\_\_\_

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a letter dated February 11, 2019, to the Assembly Committee on Ways and Means, authored and presented by J. Kyle Dalpe, Executive Director, Legislative Affairs, Nevada System of Higher Education, in support of the budget of the Office of Workforce Innovation, Office of the Governor.

[Exhibit D](#) is a PowerPoint presentation titled, "Governor's Office of Workforce Innovation (OWINN), Agency #018, Budget Accounts 1004 & 3270, FY 2019-2020 [2019-2021 biennium] Biennial Budget," presented by Manny Lamarre, Executive Director, Office of Workforce Innovation, Office of the Governor.

[Exhibit E](#) is a letter dated February 11, 2019, to Chair Carlton and members of the Assembly Committee on Ways and Means, authored by Ricardo Villalobos, Ph.D., Executive Director, Division of Workforce and Economic Development, College of Southern Nevada, in support of the budget for the Office of Workforce Innovation, Office of the Governor.