

National Skill Standard S/
~~School Work Initiative~~

PHOTOCOPY
PRESERVATION

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503

18 pgs
**SPECIAL
SPECIAL**

March 12, 1993

LEGISLATIVE REFERRAL MEMORANDUM

LRM #D-57

DRAFT #20

TO: Legislative Liaison Officer -

EDUCATION - John Kristy - (202)401-2670 - 207
INTERIOR - Ralph Hill - (202)208-6706 - 329
JUSTICE - Faith Burton - (202)514-2141 - 217
OPM - James N. Woodruff - (202)606-1424 - 331
SBA - Christine Swedin - (202)205-6702 - 315
GSA - William R. Ratchford - (202)501-0563 - 237
NEC - Elizabeth Lindemuth - (202)455-6630 - 429
COMMERCE - Michael A. Levitt - (202)482-3086 - 324
OGE - Jane Lay - (202)523-5377 - 261
TREASURY - Richard S. Carro - (202)622-1146 - 228
CEA - Francine Obermiller - (202)395-5036 - 242

FROM:

JANET R. FORSGREN (for) *Janet R. Forsgren*
Assistant Director for Legislative Reference

OMB CONTACT: Connie BOWERS (395-3803)

Secretary's line (for simple responses): 395-7362

SUBJECT:

EDUCATION Draft Bill Goals 2000: The Educate
America Act

DEADLINE: 11:00 A.M., TUESDAY March 16, 1993

COMMENTS: Labor is proposing that this "National Skill Standards Board" title be part of Education's proposed "Goals 2000: the Educate America Act" draft bill that is scheduled for Presidential transmittal on March 18. It is possible it will instead be part of a different initiative.

OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or receipts for purposes of the the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

Isabel Sawhill
Barbara Selfridge
Barry White
Bayla White
Larry Matlack
Cora Beebe
Bob Damus
William Galston

Dan Chenok
Ray Kogut
Bob Tucillo
Justine Rodriguez
Walter Delinger
Delphine Motley
Bernie Martin
Janet Forsgren

DRAFT

3-15-93 1:30PM

TITLE IV. NATIONAL SKILL STANDARDS BOARD.

SEC. 401. STATEMENT OF PURPOSE.

It is the purpose of this title to stimulate the development and adoption of a voluntary national system of skills standards and certification to serve as a cornerstone of the national strategy to enhance workforce skills, and which may be used--

(1) by the Nation, to ensure the development of a high skills, high quality, high performance workforce, including the most skilled front-line workforce in the world, and which will result in increased productivity, economic growth and American economic competitiveness;

(2) by industries, as a vehicle for informing training providers and prospective employees of skills necessary for employment;

(3) by employers, to assist in evaluating the skill levels of prospective employees and to assist in the training of current employees;

(4) by labor organizations, to enhance the employment security of workers by providing portable credentials and skills;

(5) by workers, to obtain certifications of their skills to protect against dislocation, to pursue career advancement and to enhance their ability to reenter the workforce;

(6) by students and entry level workers, to determine the skill levels and competencies needed to be obtained

2

in order to compete effectively for high wage jobs;

(7) by training providers and educators, to determine appropriate training services to offer;

(8) by Government, to protect the integrity of public expenditures by requiring that employment-related training meets industry standards where they exist; and

(9) to facilitate linkages between other components of the workforce investment strategy, including school-to-work transition and job training programs.

SEC. 402. ESTABLISHMENT OF NATIONAL BOARD.

(a) IN GENERAL.- There is established a National Skill Standards Board (hereafter referred to in this title as the "National Board").

(b) COMPOSITION.

(1) IN GENERAL.- The National Board shall be composed of 28 members, appointed in accordance with paragraph (2), of whom--

(A) one member shall be the Secretary of Labor;

(B) one member shall be the Secretary of Education;

(C) one member shall be the Secretary of Commerce;

(D) one member shall be the Chairperson of the National Education Standards and Assessments Council established pursuant to title II of this Act;

(E) eight members shall be representatives of

3

business and industry selected from among individuals recommended by business organizations and trade associations;

(F) eight members shall be representatives of organized labor selected from among individuals recommended by recognized national labor federations; and

(G) eight members shall be representatives of educational institutions, technical associations, community-based organizations and State governments whose expertise reflects a broad cross-section of occupations and industries.

how to choose

(2) APPOINTMENT.- The membership of the National Board shall be appointed as follows:

(A) Twelve members (4 from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the President.

(B) Six members (2 from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the Speaker of the House of Representatives, upon the recommendations of the Majority and Minority Leaders of the House, respectively.

(C) Six members (2 from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed by the President pro tempore of the Senate, upon the recommendations of the Majority and Minority

Leaders of the Senate, respectively.

(3) TERM.- Each member of the National Board appointed under subparagraphs (E), (F), and (G) of paragraph (1) shall be appointed for a term of 4 years, except that of the initial members of the Board appointed under such paragraph, 12 members (4 from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed for a term of 3 years, and 12 members (4 from each class of members described in subparagraphs (E), (F), and (G) of paragraph (1)) shall be appointed for a term of 4 years. *5/27/93*

(c) CHAIRPERSON AND VICE CHAIRPERSONS.

(1) CHAIRPERSON.-

(A) Except as provided in subparagraph (B), the Chairperson of the National Board shall be elected biennially from among the members of the National Board by a majority vote of such members.

(D) For the first two years following the establishment of the National Board, the Chairperson shall be the Secretary of Labor.

(2) VICE CHAIRPERSONS.- The National Board shall annually elect 3 Vice Chairpersons (each representing a different one of the classes of members described in subparagraphs (E), (F), and (G) of paragraph (1)) from among its members appointed under paragraph (2), each of whom shall serve for a term of 1 year.

(d) COMPENSATION AND EXPENSES.

5

(1) COMPENSATION.- Members of the National Board who are not regular full-time employees of the United States Government shall serve without compensation.

(2) EXPENSES.- While away from their homes or regular places of business on the business of the National Board, members of such Board may be allowed travel expenses, including per diem in lieu of subsistence, as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(e) EXECUTIVE DIRECTOR AND STAFF.- The Chairperson of the National Board shall appoint an Executive Director, who shall be compensated at a rate determined by the National Board that shall not exceed the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, and who may appoint such staff as is necessary. - staff?

(f) GIFTS.- The National Board is authorized, in carrying out this title, to accept, purchase, or lease, and employ or dispose of in furtherance of the purposes of this title, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise, and to accept voluntary and uncompensated services notwithstanding the provisions of section 1342 of title 31, United States Code.

(g) AGENCY SUPPORT.--

(1) USE OF FACILITIES-- The National Board may, with their consent, use the research, equipment, services and facilities of any agency or instrumentality of the United

States.

(2) **STAFF OF FEDERAL AGENCIES.**-- Upon the request of the National Board, the head of any department or agency of the United States may detail to the National Board, on a reimbursable basis, any of the personnel of such department or agency to assist the National Board in carrying out this title.

SEC. 403. FUNCTIONS OF THE NATIONAL BOARD.

(a) **IDENTIFICATION OF OCCUPATIONS.**-- The National Board shall identify broad clusters of major occupations that involve one or more than one industry in the United States and the skills that are common to the occupations in each cluster.

(b) **DEVELOPMENT OF SKILL STANDARDS.**-- With respect to each broadly based occupational cluster identified pursuant to subsection (a), the National Board shall encourage and promote the development and adoption of --

(1) skill standards, that at a minimum --

(A) take into account, to the extent practicable, standards used in other countries;

(B) take into account the requirements of high performance work organizations;

(C) are in a form that allows for regular updating to take into account advances in technology or other developments within the occupational cluster;

(D) are formulated in such a manner that the

7

attainment of such standards is likely to meet the requirements for transferable credit and enable a student, trainee, or employee to continue education and training, with a special emphasis on transferability among firms and labor markets; and

(E) are not discriminatory with respect to race, gender, age, ethnicity, disability or national origin;

(2) multiyear curricula and training materials for attaining the skill standards developed pursuant to paragraph (1), that include structured work experiences and related study programs leading to progressive levels of professional and technical certification;

(3) a system of assessment and certification of the attainment of skill standards developed pursuant to paragraph (1), that at a minimum shall --

(A) take into account, to the extent practicable, methods of assessment and certification used in other countries;

(B) utilize a variety of evaluation techniques, including oral and written evaluations, portfolio assessments and, where appropriate, performance tests; and

(C) include methods for validating the fairness and effectiveness of the assessment and certification system;

- already going on in SCAWS

8

(4) a system to evaluate the implementation of the skill standards, curricula and training materials, and assessment and certification systems developed pursuant to this subsection;

(5) a system to promote the use of and disseminate information relating to skill standards, curricula and training materials, and assessment and certification systems developed pursuant to this subsection; and

(6) a system to periodically revise and update the skill standards, curricula and training materials, and assessment and certification systems developed pursuant to this subsection, which will take into account changes in standards in other countries.

(c) PARTICIPATION OF REPRESENTATIVES.- (1) In order to carry out subsection (b), the National Board shall invite and solicit the participation of --

(A) representatives of business and industry that have acknowledged expertise in the area of workforce skill requirements, including representatives of large and small employers within an industry and representatives recommended by national business organizations and trade associations representing employers in such industries;

(B) (i) representatives of organized labor that have acknowledged expertise in the area of workforce skill requirements and experience within the occupation or industry with training and educational programs, including

9

individuals recommended by recognized labor organizations representing employees in such occupation or industry; and

(ii) other appropriate worker representatives, who are nonmanagerial employees with significant experience and tenure in the occupation or industry, if a significant segment of the occupation or industry is not represented by labor organizations;

interesting

(C) representatives of educational institutions, technical associations, community-based organizations and State governments with acknowledged expertise in the area of workforce skill requirements, including representatives of high schools, technical and trade schools, junior and community colleges, four-year postsecondary institutions, State agencies with jurisdiction over education, employment and training, and other policy development organizations;

(D) any skill standards industry committees that have been established pursuant to demonstration projects assisted by the Department of Labor or the Department of Education prior to the date of enactment of this title; and

(E) such other individuals as the National Board deems appropriate.

(2) The provisions of the Federal Advisory Committee Act shall not apply to activities undertaken pursuant to this subsection.

(d) LIMITATIONS.- The National Board shall not carry out the requirements of subsection (b) and (c) with respect to any

10

occupation or trade within the construction industry for which recognized apprenticeship standards have been jointly developed by labor and management representatives and are being actively used for training workers in such occupation or trade unless labor and management representatives of such occupation or trade and representatives of certified apprenticeship programs within such occupation or trade jointly request the assistance of the National Board.

(e) COORDINATION.- The National Board shall coordinate the development of skill standards under this title with the development of academic content standards developed in accordance with title II of this Act. — *What is this title? SCANS skills?*

(f) ADDITIONAL DUTIES.-- In order to support the activities described in subsection (b), the National Board shall --

(1) conduct workforce research relating to skill standards and make such research available to the public, including the representatives described in subsection (c);

(2) identify and maintain a catalog of skill standards used by other countries and by States and leading firms in the United States;

(3) serve as a clearinghouse to facilitate the sharing of information on the development of skill standards and other relevant information among representatives of occupations and industries identified pursuant to subsection (a);

(4) develop a common nomenclature relating to skill

very important

11

standards;

(5) provide appropriate financial and technical assistance; and

(6) develop long-term strategic plans relating to the development and utilization of skill standards.

SEC. 404. DEADLINES.

Not later than December 31, 1995, the National Board shall identify occupational clusters pursuant to section 403(a) representing a substantial portion of the workforce and ensure the development of the skill standards in accordance with section 403(b) for such clusters.

SEC. 405. REPORTS.

The National Board shall submit to the President and the Congress in each fiscal year a report on the activities conducted under this title, including the extent to which skill standards have been adopted by employers, training providers, and other entities and the effectiveness of such standards in accomplishing the purposes described in section 401.

SEC. 406. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.- There are authorized to be appropriated \$15,000,000 for fiscal year 1994 and such sums as may be necessary for each of fiscal years 1995 through 1999 to carry out this title.

SENT BY:

03/15/93

15:08

OMB LRD/LIC

014

3-15-93 ; 2:07PM ;

USDOL SOL LLC-

202 385 0146;#13

12

(b) AVAILABILITY.- Amounts appropriated pursuant to subsection (a) shall remain available until expended.

DRAFT
3-15-93

Section-by-Section Description

Title IV of the bill would establish a National Skill Standards Board to promote the development of skill standards.

Section 401 describes the purpose of title IV as stimulating the development and adoption of a voluntary national system of skill standards and certification to serve as a cornerstone of the national strategy to enhance workforce skills. This section also identifies how various stakeholders will be able to use the skill standards system. Section 401(1) states that the standards may be used by the Nation to ensure the development of a high skills, high quality, high performance workforce that will increase productivity, economic growth and American economic competitiveness. Section 401(2) provides that industries may use the standards as a vehicle for informing training providers and prospective employees of the skills necessary for employment. Section 401(3) indicates that employers may use the standards to assist in evaluating the skill levels of prospective employees and to assist in the training of current employees. Section 401(4) states that labor organization may use the standards to enhance the employment security of workers by providing portable credentials and skills. Section 401(5) provides that workers may use the standards to obtain certification of their skills which will protect against dislocation, facilitate career advancement, and enhance their ability to re-enter the workforce. Section 401(6) indicates that students and entry-level workers may use the standards to determine the skill levels and competencies needed to be obtained in order to compete for high wage jobs. Section 401(7) states that the standards may be used by training providers to determine appropriate training services to offer. Section 401(8) provides that the government may use the standards to protect the integrity of public expenditures by requiring employment-related training meets industry standards where such standards exist. Finally, section 401(9) indicates that the standards may be used to facilitate linkages between other components of the national workforce investment strategy, including school-to-work and job training programs.

Section 402(a) would provide for the establishment of a National Skill Standards Board.

Section 402(b) would provide that the National Board is to be composed of 28 members, which would include the Secretaries of Labor, Education and Commerce, the Chairperson of the National Education Standards and Assessment Council established under title II of this Act, 8 members who are representatives of business and industry, 8 members who are representatives of organized labor, and 8 members who are representatives of educational institutions, technical associations, community-based organizations and State governments. Of the business, labor, and

educational representatives, one-half (12) are to be appointed by the President (4 from each group), and one-half by the Congress, with the Speaker of the House appointing 2 from each group (for a total of 6) based on recommendations of the Majority and Minority Leaders, and the President ~~pro tempore~~ of the Senate also appointing 2 from each group (for a total of 6) upon Majority and Minority Leader recommendations. The terms of the members in each of these 3 classes of representatives is to be four years. However, in order to provide continuity the initial terms are staggered, with half the members appointed for a three-year term and half for the full four-year term.

Section 402(c) would provide that for the first two years after the establishment of the National Board the Secretary of Labor would be the Chairperson. Thereafter, the Chairperson is to be elected biennially from among the members of the National Board by a majority vote. The National Board is also to annually elect three Vice Chairpersons, one from the business representatives, one from the organized labor representatives, and one from the educational/State/Community-based organization representatives.

Section 402(d) would provide that the members of the National Board who are not regular Federal employees are to serve without compensation, but may be allowed travel expenses and related per diem.

Section 402(e) would provide that the Chairperson of the Board is to appoint an Executive Director, who may be compensated at a level determined by the National Board that does not exceed level V of the Federal Executive Schedule, and who may appoint such staff as is necessary.

Section 402(f) would authorize the National Board to accept gifts and voluntary services.

Section 402(g) would authorize the National Board to use, with their consent, the facilities and services of Federal agencies, and would authorize the heads of Federal agencies, upon the request of the National Board, to detail personnel to the National Board to assist in carrying out this title.

Section 403 describes the functions of the National Board. Section 403(a) would require the National Board to identify broad clusters of major occupations involving one or more than one industry in the U.S. and the skills that are common to occupations in each cluster.

Section 403(b) would provide that with respect to each occupational cluster identified by the National Board, the National Board is to encourage and promote the development and adoption of a national voluntary skill standards system. This

system would include six components. First, the National Board is to promote the development and adoption of skill standards that, at a minimum: take into account standards used in other countries; take into account the requirements of high performance work organizations; are in a form that allows regular updating; are formulated in a manner that will promote transferability of credit for students, trainees and employers among firms and labor markets; and are not discriminatory with respect to race, gender, age, ethnicity, disability or national origin. Second, the National Board is to promote the development and adoption of multi-year curricula and training materials for attaining the skill standards. The curricula is to include structured work experiences and related study programs leading to progressive levels of skill certification. Third, the National Board is to promote the development and adoption of a system of assessment and certification of the attainment of skill standards, which at a minimum are to: take into account methods used in other countries; utilize a variety of evaluation techniques, including oral and written evaluations, portfolio assessments, and appropriate performance tests; and include methods for validating the fairness and effectiveness of the assessment and certification system. Fourth, the National Board is to promote the development of a system to evaluate the implementation of the skill standards, curricular and training materials, and assessment and certification systems. Fifth, the National Board is to encourage the development and adoption of a system that will promote the use of and disseminate information relating to skill standards, curricula and training materials, and assessment and certification systems. Finally, the National Board is to promote the development and adoption of a system to periodically revise and update the skill standards, curricula and training materials, and assessment and certification systems that will take into account changes in standards in other countries.

3 already going on

Section 403(c) would provide that, in carrying out these functions, the National Board is to invite and solicit the participation of: representatives of business and industry; representatives of organized labor, and, where a significant segment of an occupation or industry is not represented by labor organization, other appropriate worker representatives; representatives of educational institutions, technical associations, community-based organizations and State governments; any skill standards industry committees established under demonstration projects assisted by the Departments of Labor or Education prior to the enactment of this title; and such other individuals as the National Board considers appropriate. The representatives described above are to have acknowledged expertise in the area of workforce skill requirements.

This section would also exempt the National Board from the requirements of the Federal Advisory Committee Act in carrying out consultations with these representatives.

Section 403(d) would impose a limitation that the National Board is not to promote the development of skill standards or solicit the participation of representatives relating to any occupation or trade within the construction industry for which recognized apprenticeship standards have been jointly developed by labor and management representatives and are being used to train workers unless labor and management representatives of that occupation or trade and representatives of the certified apprenticeship programs within that occupation or trade jointly request the assistance of the National Board.

Section 403(e) would require the National Board to coordinate the development of skill standards with the development of academic content standards developed under title II of this Act.

Section 403(f) would provide that in order to support the development of skill standards the National Board is to carry out additional duties. These duties include: conducting workforce research and making such research available to the public; identifying and maintaining a catalog of skill standards used by other countries and by States and leading firms within the U.S.; serving as a clearinghouse to facilitate the sharing of information on the development of skill standards; developing a common nomenclature relating to skill standards; providing appropriate financial and technical assistance; and developing long-term strategic plans relating to the development and utilization of skill standards.

Section 404 would require that no later than December 31, 1995, the National Board identify occupational clusters that represent a substantial portion of the workforce and ensure the development of skill standards for those clusters.

Section 405 would require that the National Board submit to the President and the Congress each fiscal year a report on the activities conducted under this title. Each report is to include a description of the extent to which skill standards have been adopted by employers, training providers and other entities and an assessment of the effectiveness of the skill standards in accomplishing the purposes of this title.

Section 406 would authorize an appropriation of \$15 million in FY 1994 and such amounts as may be necessary for FY 1995-99 to carry out this title. This section would also provide that the amounts appropriated under this title are to remain available until expended.

Skill Standards Board -- Comments

- Sounds like the work of the Commission on Workbased Learning

* 1.10 (e) - Need to see whole "Educate America Act" to compare -- see how it links with title IV

- p. 10 - common nomenclature -- very important -- big issue today. (SCANS)

p 11 - ^{sect 403} (s) - what is "appropriate financial assistance?"

p 11 - Sect 406(a) - leaves funding for years 1995 - 1999 open -- no set limits

No enforcement power here --
the board will "encourage" and "promote"
the adoption of a national "voluntary" skill standards
system (sect 403(b))
- not a bad thing, just very important

* * to get industry buy in -- also important
to get schools to buy in to teach to these
skills -- that's why linkage to other parts of
the Act (title IV Academic Content standards) is crucial

Skill standards board - p. 2

- Its also important that the Academic Content Standards in title II are work related -- teach in context -- means the encouragement of "break the mold" schools:

Huge effort

- community involvement
- in-context learning
- empowering teachers & parents to re-design curriculum, run schools, allocate resources
- technology very important for tie-in to real world -- takes \$ to buy technology - Fed Grants could help here

*

* - Not one-sided -- Industry must move to high-performance workplaces. Otherwise, skills will be ~~mean~~ meaningless. (Great skills, no where to use them $\Rightarrow$ just like current curriculum -- no tie to real life)

(*) In reality, not many high performance workplaces -- yet this act calls for skill standards that take into account the requirements of high performance work places. -- one side of equation missing!

901
403
~~It~~ It is right to include ~~this~~ this Act
in overall Education Act -- must look
at issue in ~~a~~ holistic terms:

Schools →

- must be reformed
- break the mold, HP schools
- teach, in context, to new standards
- new means of assessment (CIM)

Industry Boards →

- this Act
- define standards
- get broad buy in

→ Employers

- must move to become HP work organizations

- Failure of any one piece jeopardizes entire system. ~~Can't have one or two without having~~ Can't just do one or two -- must do all 3.

sect 403^{p.6,} -- don't reinvent the wheel --
Scans went a long way, towards defining a set of widely - accepted competencies, or skills. Also a variety of certification^x assessment projects linked to SEALS Skills:

- New Standards Project
- ACT
- College Entrance Exam Board
- Am Council on Ed
- Ed. Testing Service
- Fed Govt (CEG)

SEANS provides "Common Nomenclature"
relating to Skill Standards (sect 403(F))