

FIRST SOURCE RESIDENT EMPLOYMENT AMENDMENT ACT OF 2019

WHAT THIS BILL DOES

This bill would get more qualified District residents working on First Source projects, improve the Department of Employment Services' assistance to First Source contractors, and remove bureaucratic reporting requirements for contractors. This bill particularly addresses how to get District residents into higher-skill jobs, such as in health care.

WHY THIS LEGISLATION IS IMPORTANT

First Source was put in place to make sure that when District tax dollars fund projects, District residents benefit by getting a first shot at the new jobs created. However, First Source contractors repeatedly state that there aren't enough qualified District residents available to work on these projects.

This bill would allow employers to meet hiring requirements by promoting existing District-resident employees into higher-skilled positions. This will incentivize employers to upskill their existing workers, which will boost workers' success and help employers meet hiring requirements.

This bill would grant community-based organizations (CBOs) explicit authority to help identify, vet, and refer candidates for First Source projects. CBOs serve District residents on a daily basis and are well positioned to connect these residents to First Source jobs. The law currently requires DOES to do outreach to CBOs, but several organizations have indicated that this hasn't happened.

This bill would require that the existing workforce intermediary job training program, which is funded by fines paid by First Source contractors, be used to train DC residents exclusively for First Source projects. This will help employers fill their open positions with qualified DC residents, while helping residents access related training programs.

This bill would require the Department of Employment Services (DOES) to proactively help employers meet hiring requirements under two special provisions. Right now, the onus is on contractors to take advantage of these provisions, but most are unaware of this option. First, contractors may "double count" the hours worked by "hard-to-serve" District residents. These include people unemployed for six months or longer, on public benefits, and citizens returning from prison. Second, contractors may "roll over" any hours worked by DC residents in excess of the law's requirements on a previous First Source project to a current contract. The bill would put the onus on DOES to identify hard-to-serve individuals, which should encourage more contractors to hire them, and it will have DOES calculate and apply the roll-over.

This bill would require DOES's business engagement unit to develop specific standard operating procedures for their First Source work. DOES's Office of First Source Compliance receives contractors' employment plans and conducts enforcement of hiring requirements, but it is the Department's Office of Talent & Client Services that is responsible for helping employers actually meet their hiring needs.

Finally, this bill would eliminate the requirement for contractors to submit their monthly direct and indirect labor costs. The only purpose for collecting these costs is to calculate potential fines for non-compliance at the end of a contract or project. If DOES plans to move ahead with assessing a penalty, the Department can ask for the total labor costs at that point.