

AN ACT

1 Amending Title 12 (Commerce and Trade) of the Pennsylvania
2 Consolidated Statutes, consolidating Chapter 29 of the act of
3 June 29, 1996 (P.L.434, No.67), known as the Job Enhancement
4 Act; making a related repeal; and making an editorial change.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. The heading of Chapter 27 of Title 12 of the
8 Pennsylvania Consolidated Statutes is amended to read:

CHAPTER 27

CUSTOMIZED JOB TRAINING

[(Reserved)]

12 Section 2. Title 12 is amended by adding sections to read:

13 § 2701. Definitions.

14 The following words and phrases when used in this chapter
15 shall have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 "Applicant." Any of the following:

18 (1) A local education agency.

1 (2) An industrial resource center.

2 (3) An economic development organization.

3 (4) A greenhouse.

4 (5) A private company.

5 (6) A local workforce investment board.

6 "Capital investment." An expenditure for land, buildings,
7 renovations, machinery and equipment which is directly related
8 to the need for the proposed training.

9 "Developer." Any person, partnership, corporation or other
10 for-profit business entity or any nonprofit corporation that
11 promotes or constructs industrial development projects and is
12 engaged in the development of real estate for use by more than
13 one company.

14 "Economic development organization." As follows:

15 (1) An entity certified by the department.

16 (2) An area loan organization.

17 (3) An industrial development corporation.

18 "Educational institution." Any of the following:

19 (1) An area career and technical school.

20 (2) A community or junior college.

21 (3) An intermediate unit.

22 (4) A licensed private/proprietary business or trade
23 school.

24 (5) A public school district.

25 (6) A State or private college or university.

26 "Greenhouse." A nonprofit organization recognized under
27 section 501(c)(3) of the Internal Revenue Code of 1986 (Public
28 Law 99-514, 26 U.S.C. § 501(c)(3)) that is formed for the
29 express purpose of creating university and business partnerships
30 to advance science and technology and to support economic and

1 workforce development.

2 "Industrial resource center." An industrial resource center
3 as defined in section 2 of the act of June 22, 2001 (P.L.400,
4 No.31), known as the Industrial Resources Center Partnership
5 Act.

6 "Labor organization." As follows:

7 (1) An organization, agency or employee representation
8 committee or plan in which employees participate and that
9 exists for the purpose, in whole or in part, of dealing with
10 disputes between an employer and the employer's employees
11 involving grievances, labor disputes, wages, rates of pay,
12 hours of employment or conditions of work.

13 (2) The term does not include an organization, agency,
14 committee or plan that practices discrimination in membership
15 because of race, color, creed, national origin, sex or
16 political affiliation.

17 "Local education agency." An educational institution located
18 in this Commonwealth and certified by the Department of
19 Education.

20 "Local workforce investment board." An entity recommended
21 for certification by the Pennsylvania Workforce Investment Board
22 and certified by the Governor in accordance with the act of
23 December 18, 2001 (P.L.949, No.114), known as the Workforce
24 Development Act.

25 "Private company." As follows:

26 (1) A business, professional service company or other
27 enterprise.

28 (2) The term includes a group of two or more private
29 companies operating as a consortium in order to take
30 advantage of a common training program.

1 (3) The term does not include a point-of-sale retail
2 business.

3 "Private matching fund." A new private investment made by a
4 company or developer in a facility or infrastructure improvement
5 at the site of the enterprise as provided by the department in
6 guidelines under section 2109 (relating to guidelines).

7 "Program." The Customized Job Training Program continued
8 under this chapter.

9 "Trainee." An individual who is an employee or prospective
10 employee and is enrolled in an eligible training program that is
11 designed to enable the individual to obtain or retain
12 employment.

13 "Training program." As follows:

14 (1) A systematic program that is designed to provide a
15 trainee with the skills and knowledge necessary to meet a
16 private company's or labor organization's specifications for
17 an occupation or trade, the successful completion of which
18 results in any of the following:

19 (i) The trainee being employed or continuing to be
20 employed full time by that private company.

21 (ii) A trainee receiving instruction or training
22 related to an occupation with a shortage of skilled
23 workers or a growth industry specified under section
24 2705(3)(i) (relating to approval of applications and
25 award of grants).

26 (2) A training program may involve instruction:

27 (i) within a local education agency;

28 (ii) within a private company or on-the-job
29 training;

30 (iii) within a training program of a labor

1 organization;

2 (iv) through technology-based instruction; or

3 (v) a combination of any of the instruction

4 specified under subparagraphs (i), (ii), (iii) and (iv).

5 § 2702. Customized Job Training Program.

6 (a) Program continuation.--The Customized Job Training
7 Program is continued within the department. Money appropriated
8 to the department for the program shall be used to provide
9 grants for training programs.

10 (b) Departmental responsibilities.--The department shall do
11 all of the following:

12 (1) Administer the program.

13 (2) Review, approve and award grants to applicants in
14 accordance with sections 2704 (relating to review of
15 applications) and 2705 (relating to approval of applications
16 and award of grants).

17 (3) Enter into one or more partnerships with one or more
18 local education agencies or other training providers in
19 accordance with section 2707 (relating to partnerships).

20 (4) Establish, at the beginning of each fiscal year, a
21 reserve not to exceed 25% of the money appropriated to the
22 department for the program for the use of small business
23 applicants. Uncommitted funds in the reserve after March 1 of
24 a fiscal year may be made available to an applicant.

25 (5) Establish a private matching fund requirement for
26 applicants. The following shall apply:

27 (i) The department shall establish the private
28 matching fund requirement for applicants that are private
29 companies or labor organizations at not less than 25% of
30 the total eligible training project cost.

1 (ii) The department may establish different matching
2 fund requirements for a small business, as defined in
3 section 2302 (relating to definitions), and a labor
4 organization.

5 § 2703. Applications.

6 (a) Provisions of application.--An applicant may submit an
7 application to the department for a grant to fund a training
8 program in accordance with the following:

9 (1) If an application is submitted by an industrial
10 resource center or economic development organization, the
11 industrial resource center or economic development
12 organization may apply for a grant on behalf of a private
13 company, greenhouse or labor organization. An economic
14 development organization may not serve as the direct training
15 provider of the trainees.

16 (2) If an application is submitted by a local workforce
17 investment board, the local workforce investment board may
18 apply for a grant only on behalf of projects that promote
19 local education agency and private company partnerships or
20 private company and private company partnerships.

21 (3) If an application to train entry-level employees is
22 submitted by or on behalf of a private company, the applicant
23 shall demonstrate that the private company has contacted the
24 local workforce investment board and the local county board
25 of assistance to solicit referrals of candidates for the
26 training program.

27 (4) If an application is submitted by any other person,
28 the application shall satisfy the requirements established by
29 the department.

30 (b) Requirements of application.--An application shall:

1 (1) Demonstrate that the applicant considered other
2 available resources, including private sector money, other
3 State or local agency training programs or money made
4 available under the Workforce Innovation and Opportunity Act
5 (Public Law 113-128, 128 Stat. 1425) or other Federal
6 programs that provide funds for employment training.

7 (2) Contain a description of the proposed training or
8 instructional program to be carried out.

9 (3) Disclose if an applicant intends to contract with
10 other organizations or individuals for the provision of all
11 or a portion of the services to be provided and, if
12 disclosed, contain a request to allocate a portion of the
13 grant from the applicant to the subcontractor.

14 (4) Include a written commitment from the applicant to
15 invest private matching funds in the training project.

16 § 2704. Review of applications.

17 The department shall review an application and may request
18 from the applicant and the applicant's training provider
19 additional information and records as it deems necessary to
20 carry out responsibilities under this chapter.

21 § 2705. Approval of applications and award of grants.

22 The department may approve and award grants to applicants in
23 accordance with all of the following:

24 (1) The department must find that the applicant has
25 satisfied the applicable matching fund requirement and that
26 the grant will be used by the applicant to provide training
27 or instruction only to Commonwealth residents.

28 (2) The department must find that the grant will result
29 in any of the following objectives:

30 (i) The location or expansion of a private company

1 or greenhouse within this Commonwealth with the creation
2 of jobs paying competitive wages and the private company
3 or greenhouse making capital expenditures.

4 (ii) The expansion or upgrade of existing jobs that
5 result in increased wages for the jobs.

6 (iii) The retention of jobs in this Commonwealth
7 that would otherwise be lost.

8 (iv) The promotion of local education agency and
9 private company partnerships and private company and
10 private company partnerships if a direct connection
11 between the development of skills and subsequent
12 employment by one or more private companies can be
13 demonstrated.

14 (v) The promotion of efforts by a labor organization
15 to upgrade the skills of the labor organization's
16 members.

17 (3) The department shall give priority to those
18 applications that have any of the following characteristics:

19 (i) The application would establish a training
20 program determined by the department to be in a growth
21 industry vital to this Commonwealth's competitiveness.

22 These industries include:

23 (A) Agribusiness.

24 (B) Advanced manufacturing.

25 (C) Advanced materials.

26 (D) Life sciences.

27 (E) Biotechnology and health care.

28 (F) Environmental technology.

29 (G) Information technology.

30 (ii) The application is submitted on behalf of a

1 private company or labor organization that is located:

2 (A) in a municipality in which the average
3 unemployment rate in the most recently completed
4 calendar year is above the Statewide average
5 unemployment rate for the same period;

6 (B) in a State-designated enterprise zone; or

7 (C) in a municipality or region that has
8 suffered a significant loss of jobs due to one or
9 more major plant closings, layoffs or natural or man-
10 made disasters.

11 (iii) The application is submitted by or on behalf
12 of a private company that plans to create 50 or more jobs
13 and that is making a capital investment of at least
14 \$1,000,000.

15 (4) The department may determine that the grant will be
16 used by the applicant to reimburse the cost of training.
17 Costs may include instructional costs, costs of instructional
18 or training material or software, costs associated with
19 tuition reimbursement and reasonable administrative costs as
20 determined by the department.

21 § 2706. Limitations.

22 (a) Department.--The department may not do any of the
23 following:

24 (1) Award grants under this chapter that in the
25 aggregate exceed the amount of the annual appropriations to
26 the department for the program.

27 (2) Award more than 10% of the money appropriated to the
28 program in any one fiscal year to any one private company,
29 greenhouse or labor organization, including any affiliates
30 thereof.

1 (3) Award a grant to or on behalf of a private company
2 or labor organization, including any affiliates thereof, for
3 more than two successive fiscal years and for no more than
4 three out of every five fiscal years.

5 (b) Recipients.--A recipient of a grant may not do any of
6 the following:

7 (1) Use a grant to do any of the following:

8 (i) Pay wages of trainees during training.

9 (ii) Pay costs associated with building construction
10 or renovation or the acquisition, upgrade or installation
11 of equipment or machinery, including computer equipment.

12 (2) Use a grant to reduce the workforce or displace
13 workers of a private company prior to the commencement of a
14 training program except because the introduction of new
15 manufacturing techniques, technology and modernization may
16 lead to short-term reductions in a private company's
17 workforce. The secretary may waive this grant limitation if
18 the long-term economic benefits to be gained by the private
19 company significantly exceed the short-term detriment to the
20 private company's workforce.

21 (3) Use a grant to violate a condition of an existing
22 collective bargaining agreement.

23 (4) Use a grant for point-of-sale retail job training.

24 § 2707. Partnerships.

25 (a) Partnership agreements.--If the department determines
26 that a training program is more effectively delivered through a
27 partnership, the department may enter into partnership
28 agreements with one or more local education agencies or other
29 training providers to provide the training program.

30 (b) Contents of training programs.--The training programs

1 under subsection (a) shall consist of basic and entry-level
2 skills, technology skill training, training related to job
3 retention or other specified training assistance.

4 (c) Authorization of department.--Under a partnership
5 arrangement, the department may:

6 (1) limit the number and category of applicants that may
7 submit applications for assistance; and

8 (2) establish minimal standards and requirements for
9 project eligibility. The requirements may be separate and
10 distinct from the requirements established under this
11 chapter, except that section 2706 (relating to limitations)
12 shall apply to all training programs funded under this
13 chapter.

14 § 2708. Compliance with statutes and collective bargaining
15 agreements.

16 (a) Compliance generally.--The department shall require each
17 person receiving a grant under this chapter to comply with
18 applicable Federal and State statutes governing employment
19 discrimination, minority recruitment, minimum or prevailing
20 wages, work site safety and procurement practices.

21 (b) Certification.--The department shall require each
22 private company receiving a grant under this chapter to certify
23 that the private company's training program does not abridge any
24 contractual agreement between the private company and the
25 collective bargaining representative of the private company's
26 employees.

27 § 2709. Penalties and investigations.

28 (a) Private company.--Unless the department determines that
29 a private company's failure is due to circumstances outside the
30 control of the private company, the private company shall be

1 liable to repay all or part of the amount of a grant awarded
2 under this chapter if the private company does any of the
3 following:

4 (1) Fails to create the number of jobs specified in the
5 private company's agreement with or commitment to the
6 department.

7 (2) Fails to make the amount of capital investment
8 specified in the application to the department.

9 (3) Fails to substantially carry out the training
10 program approved by the department.

11 (b) Applicants.--An applicant or subcontractor that fails to
12 provide for or to perform a training program approved by the
13 department may be required to repay to the department money that
14 the applicant or subcontractor received under a grant awarded by
15 the department.

16 (c) Investigation.--Upon receiving a complaint from a
17 private company, greenhouse, labor organization or trainee as to
18 the inadequacy of training received, the department may initiate
19 an investigation and take appropriate action, including the
20 recovery of grant money expended.

21 Section 3. Repeals are as follows:

22 (1) The General Assembly declares that the repeal under
23 paragraph (2) is necessary to effectuate the amendment of 12
24 Pa.C.S. Ch. 27.

25 (2) Chapter 29 of the act of June 29, 1996 (P.L.434,
26 No.67), known as the Job Enhancement Act, is repealed.

27 Section 4. The amendment of 12 Pa.C.S. Ch. 27 is a
28 continuation of Chapter 29 of the act of June 29, 1996 (P.L.434,
29 No.67), known as the Job Enhancement Act. The following apply:

30 (1) Except as otherwise provided in 12 Pa.C.S. Ch. 27,

1 all activities initiated under Chapter 29 of the Job
2 Enhancement Act shall continue and remain in full force and
3 effect and may be completed under 12 Pa.C.S. Ch. 27. Orders,
4 regulations, rules and decisions which were made under
5 Chapter 29 of the Job Enhancement Act and which are in effect
6 on the effective date of section 3(2) of this act shall
7 remain in full force and effect until revoked, vacated or
8 modified under 12 Pa.C.S. Ch. 27. Contracts, obligations and
9 collective bargaining agreements entered into under Chapter
10 29 of the Job Enhancement Act are not affected nor impaired
11 by the repeal of Chapter 29 of the Job Enhancement Act.

12 (2) Any difference in language between 12 Pa.C.S. Ch. 27
13 and Chapter 29 of the Job Enhancement Act is intended only to
14 conform to the style of the Pennsylvania Consolidated
15 Statutes and is not intended to change or affect the
16 legislative intent, judicial construction or administration
17 and implementation of Chapter 29 of the Job Enhancement Act.
18 Section 5. This act shall take effect in 60 days.