

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1337 Session of
1987

INTRODUCED BY DORR, RYAN, HAYES, NOYE, CESSAR, JOSEPHS,
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GEIST, TIGUE, SCHULER, GODSHALL, BUNT, GRUPPO, VROON AND
BUSH, MAY 11, 1987

REFERRED TO COMMITTEE ON HEALTH AND WELFARE, MAY 11, 1987

AN ACT

1 Providing incentives and opportunities for the employment of
2 public assistance recipients; making appropriations; and
3 making a repeal.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Welfare
8 Recipient Employment Opportunities Incentive Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall
11 have the meanings given to them in this section unless the
12 context clearly indicates otherwise:

13 "Department." The Department of Public Welfare of the
14 Commonwealth.

15 "Private industry council." An entity established pursuant
16 to section 102 of the Federal Job Training Partnership Act

1 (Public Law 97-300, 96 Stat. 1322).

2 "Public assistance recipient." An individual who is eligible
3 for benefits under the aid to families with dependent children
4 program or the general assistance program pursuant to section
5 432 of the act of June 13, 1967 (P.L.31, No.21), known as the
6 Public Welfare Code. Individuals who meet the eligibility
7 criteria for general assistance as transitionally needy but who
8 are not currently receiving cash assistance are considered
9 public assistance recipients for the purposes of this act.

10 "Secretary." The Secretary of Public Welfare of the
11 Commonwealth.

12 Section 3. Grant program.

13 (a) Program establishment.--There is hereby established
14 within the department a welfare recipient employment
15 opportunities incentive grant program. The department is
16 authorized to make grants to private industry councils entitled
17 to incentive grants under section 202 of the Federal Job
18 Training Partnership Act (Public Law 97-300, 96 Stat. 1322) or
19 their administrative entities for the purpose of providing
20 employment and training assistance that results in employment
21 for public assistance recipients. Grants provided by the
22 department shall be used to support programs which meet the
23 requirements of section 4.

24 (b) Procedures, rules and forms.--The secretary shall adopt
25 rules, regulations, procedures and forms necessary to implement
26 this grant program. Applications shall be made to the department
27 in such form and at such time as the secretary prescribes. Funds
28 received under this program may be used in conjunction with
29 funds received from any other public or private source.

30 (c) Subcontracting.--In carrying out a program funded under

1 this act, a private industry council or its administrative
2 entity may subcontract with a public or licensed private school,
3 institution of higher education, county assistance office, job
4 service office, nonprofit community-based organization, business
5 entity, unit of local government, or any other organization or
6 entity which has demonstrated the ability to provide effective
7 employment and training services. The private industry council
8 or its administrative entity may subcontract for either a
9 portion of the services to be provided or the entire program.

10 (d) Coordination.--A private industry council, its
11 administrative entity or a subcontractor providing employment
12 and training services with grant funds received through this act
13 shall coordinate its services with other existing employment and
14 training and social services agencies.

15 (e) Review of grant applications.--The department, in its
16 review of grant applications from private industry councils
17 entitled to incentive grants under section 202 of the Federal
18 Job Training Partnership Act, shall give priority consideration
19 to applications involving matching funds from sources other than
20 Federal and State government and shall carefully consider all
21 other available funding resources, including, but not limited
22 to, private sector funds, other Federal, State or local agency
23 funds, and other funds made available under the Federal Job
24 Training Partnership Act. The department may also coordinate its
25 review of grant applications with other Commonwealth agencies to
26 insure coordination of Commonwealth programs and to avoid
27 duplication of State efforts and resources. The final decision
28 to award grant funds available under this act will be the
29 responsibility of the department.

30 Section 4. Public assistance recipient job training program.

1 (a) General rule.--Grants provided under this section shall
2 be used to support pre-vocational, educational and training
3 programs for public assistance recipients.

4 (b) Persons eligible to be served.--Projects which receive
5 funding under this section shall serve public assistance
6 recipients who cannot be placed directly in an employment search
7 program or an occupational skills training program and who have
8 multiple barriers to employment or have special needs. Persons
9 with multiple barriers to employment are individuals with two or
10 more of the following characteristics:

11 (1) Functional illiteracy.

12 (2) Limited fluency in the English language.

13 (3) No previous training in skills for which jobs are
14 available.

15 (4) Lack of recent employment history.

16 (5) Need for child care.

17 (6) Victims of domestic violence.

18 (7) School dropouts prior to high school graduation.

19 (8) Public assistance recipients for two or more years.

20 (9) Residing in a county with an unemployment rate that
21 has exceeded the Statewide average by 10% for six months.

22 (c) Eligible services.--The following individual services or
23 a combination of services may be provided under this subsection:

24 (1) Work experience projects, not to exceed six months'
25 duration per participant. Projects shall include intensive
26 job-readiness and personal counseling services and job-
27 placement services which aim to place participants in
28 unsubsidized jobs after completing the work experience
29 component. Wages at the applicable Federal or State minimum
30 wage shall be provided for participants in this component.

1 Work experience projects may be established with private
2 employers or nonprofit organizations established as
3 unincorporated associations or established under 15 Pa.C.S.
4 Part III (relating to corporations not-for-profit). Work
5 experience projects may be combined with adult basic
6 education, general equivalency diploma preparation or English
7 as a second language programs.

8 (2) Integrated vocational, basic and life skills
9 training projects which effectively combine adult basic
10 education, general equivalency diploma preparation or English
11 as a second language; vocational or technical training; and
12 job-readiness services in order to prepare participants for
13 identifiable jobs within the community or for enrollment in
14 an occupational-skills training program. Projects shall
15 include provisions of job-placement services or enrollment in
16 a skills training course upon completion of training.

17 (3) On-the-job training projects, including support
18 services and job-readiness counseling. If on-the-job training
19 does not result in permanent employment for participants,
20 job-placement services which aim to place participants in
21 unsubsidized full-time employment by the time the on-the-job
22 training is completed shall be provided. Wages may be
23 subsidized up to 50% for on-the-job training participants for
24 up to six months. The department shall establish guidelines
25 which encourage the transition of subsidized positions into
26 unsubsidized permanent positions.

27 (4) Support services, including, but not limited to,
28 transportation, health care, medical services, special
29 service and material for the handicapped, child care, meals,
30 temporary shelter, personal counseling, financial counseling,

1 assistance in securing bonds, subsistence, follow-up services
2 necessary to assist participants in retaining employment,
3 relocation assistance and needs-based payments. When
4 possible, these services shall be provided through other
5 existing programs funded with Federal, State or local funds.

6 (d) Coordination and referral.--Private industry councils
7 applying for grants under this section shall prepare their
8 application jointly with at least one county assistance office
9 within their service delivery area.

10 Section 5. Private sector employment incentive program.

11 (a) General rule.--Grants provided under this section to
12 private industry councils shall be used to encourage private
13 sector employers to create new jobs and hire public assistance
14 recipients to fill the new jobs.

15 (b) Criteria.--The following criteria shall apply to grants
16 used for the purpose of this section:

17 (1) Funds may be provided for a maximum total of 1,040
18 hours over a maximum period of 26 weeks per job.

19 (2) Funds may be used to pay a portion of wage and
20 fringe benefit costs for public assistance recipients. Wage
21 subsidies shall not exceed one-half of the actual hourly wage
22 paid or \$4.50 per hour, whichever is less. The subsidy for
23 fringe benefits, including employer payroll taxes, shall not
24 exceed one-half of the actual hourly fringe benefit cost or
25 \$1.50 per hour, whichever is less.

26 (3) Funds may only be used to pay a portion of the wage
27 and benefit costs of public assistance recipients when the
28 employer creates a net new job position.

29 (4) At least 75% of the funds provided shall be used to
30 provide private sector employers with wage and fringe benefit

1 subsidies. Up to 25% may be used to provide support services,
2 such as counseling, transportation and day care, to
3 individuals for whom wage and benefit subsidies are paid.

4 (5) In order to receive funds under this section, an
5 employer must agree in writing to continue to employ an
6 individual for which the employer receives the funds for a
7 minimum period of one year beyond the expiration of the grant
8 or to guarantee placement in an unsubsidized position which
9 actually results in a minimum of one year of employment while
10 the employer continues the training position during a like
11 time period for a new recipient.

12 (6) If the employment is terminated prior to the end of
13 the minimum one-year period, the employer will be required to
14 return, on a prorated basis, Commonwealth funds provided for
15 wages and fringe benefits. This requirement may be waived by
16 the secretary if it is determined that the employee was
17 terminated for cause, became disabled or voluntarily left
18 employment.

19 Section 6. Innovative training program.

20 (a) General rule.--Grants provided under this section to
21 private industry councils shall be used to support innovative
22 training projects designed to identify new and effective
23 employment and training programs for public assistance
24 recipients.

25 (b) Criteria.--The following criteria shall apply to grants
26 used for this purpose:

27 (1) Projects shall be designed either to provide
28 employment or training services to a specific group or
29 population with similar or common problems or barriers that
30 currently prevent participation in or the successful

1 completion of an existing employment or job training program,
2 or to provide employment and training services for a
3 particular type of job or occupations.

4 (2) Projects shall contain a research component to
5 measure the effectiveness of the program in assisting
6 individuals in securing and retaining employment.

7 (3) Projects shall demonstrate the potential for
8 replication in other areas of the Commonwealth.

9 (4) Priority in awarding grants for innovative projects
10 shall be given to areas of this Commonwealth with an
11 unemployment rate which is higher than the Statewide average
12 or areas of this Commonwealth where the proportion of public
13 assistance recipients is higher than the Statewide average.

14 (5) Projects are eligible to receive grant funds for a
15 maximum period of three years. At the end of that period,
16 those projects which demonstrate that they are successful in
17 assisting individuals in securing and retaining jobs may be
18 funded through other Federal, State or local resources.

19 (6) The department will provide private industry
20 councils and other interested agencies with information on
21 successful projects tested under this section. Private
22 industry councils, their administrative entities or
23 subcontractors operating successful projects will assist the
24 department in replicating these efforts in other areas of
25 this Commonwealth.

26 Section 7. Monitoring and reporting.

27 (a) Reports by grant recipients.--Private industry councils,
28 their administrative entities and subcontractors shall report to
29 the department the information on programs and projects funded
30 under this act which is required to be reported under the

1 Federal Job Training Partnership Act (Public Law 97-300, 96
2 Stat. 1322), and other information that may be requested by the
3 secretary.

4 (b) Report by the department.--The secretary shall provide
5 to the General Assembly on or before January 1 of each year an
6 annual report which covers programs funded under this act during
7 the prior fiscal year. The report shall include, but not be
8 limited to, the following information:

9 (1) A list of projects funded under this act and the
10 amount awarded for each project.

11 (2) The number and characteristics of individuals
12 served.

13 (3) The number of individuals placed in employment and
14 the job retention rate.

15 (4) The average training cost for participants.

16 (5) Recommendations regarding revisions deemed necessary
17 to this act.

18 Section 8. Extended medical assistance benefits.

19 (a) Election to continue benefits.--The department shall
20 establish a system for public assistance recipients who become
21 employed but are earning less than 150% of the Federal poverty
22 level to elect whether to continue to receive medical assistance
23 benefits beyond the period of Federal eligibility for aid to
24 families with dependent children recipients and beyond
25 eligibility for State medical assistance benefits when health
26 benefits are not provided by the employer for the employee and
27 his or her dependents.

28 (b) Optional methods of coverage.--The department may
29 contract for health insurance coverage from a licensed health
30 insurer or continue to provide the benefits through the medical

1 assistance program and the Office of Income Maintenance.

2 (c) Purchase upon election to receive.--Eligible
3 beneficiaries who wish to receive continued medical assistance
4 benefits shall be required to purchase the benefits based on a
5 sliding fee scale developed by the department based on income
6 and length of time of participation in this program.

7 (d) Term of eligibility.--Eligibility for extended medical
8 assistance benefits shall not exceed five years.

9 (e) Model State project.--The department shall apply for
10 Federal participation as a model State project.

11 Section 9. Audits and records.

12 The department may audit the records and accounts of a
13 private industry council, its administrative entity and
14 subcontractor relating to a grant award pursuant to this act.
15 The private industry council, its administrative entity and
16 subcontractor shall make its records and accounts available to
17 the department upon its request.

18 Section 10. Limitations on funding.

19 (a) For new programs only.--No funds appropriated under this
20 act shall be used to supplant Federal or Commonwealth funds
21 available for existing employment and training and related
22 programs.

23 (b) Limit on administrative costs.--Not more than 15% of
24 those funds may be used by the department and private industry
25 councils for administrative costs incurred by programs
26 authorized by this act.

27 (c) Limit on county allocation.--Not more than 20% of the
28 funds appropriated each year for the purpose of this act may be
29 used for projects in any one county.

30 Section 11. Appropriations.

1 The sum of \$11,000,000 is hereby appropriated from the Job
2 Training and Partnership Act Fund to the Department of Public
3 Welfare to accomplish the purposes of sections 3 through 7. The
4 sum of \$6,000,000 is hereby appropriated from the General Fund
5 to the Department of Public Welfare to accomplish the purpose of
6 section 8.

7 Section 12. Repeals.

8 Section 493 of the act of June 13, 1967 (P.L.31, No.21),
9 known as the Public Welfare Code, is repealed.

10 Section 13. Effective date.

11 This act shall take effect July 1, 1987.