

WORKFORCE DEVELOPMENT ACT - AMEND STAFF AND OPERATIONS, JOB TRAINING  
GRANTS AND WORKFORCE DEVELOPMENT COURSE

Act of Dec. 16, 2002, P.L. 1930, No. 224

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HB 2778

AN ACT

Amending the act of December 18, 2001 (P.L.949, No.114), entitled "An act establishing a unified workforce investment system; restructuring certain administrative functions, procedures and entities; transferring workforce development functions of Commonwealth agencies; establishing the Pennsylvania Workforce Investment Board; providing for critical job training grants; and authorizing local workforce investment boards," further providing for definitions, for staff and operations, for critical job training grants and for workforce development courses.

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

Section 1. The title of the act of December 18, 2001 (P.L.949, No.114), known as the Workforce Development Act, is amended to read:

AN ACT

Establishing a unified workforce investment system; restructuring certain administrative functions, procedures and entities; transferring workforce development functions of Commonwealth agencies; establishing the Pennsylvania Workforce Investment Board; providing for critical job training grants, **for guarantees for program quality and performance for workforce development programs, for workforce leadership grants**; and authorizing local workforce investment boards.

Section 2. Section 102(4) of the act is amended to read:  
Section 102. Declaration of policy.

The General Assembly finds and declares as follows:

\* \* \*

(4) Achievement of a world-class workforce in this Commonwealth is best accomplished through a unified system which is dedicated to and operates in adherence with the following basic philosophy and core values:

(i) Economic competitiveness based on improvements in productivity, quality and service.

(ii) Excellence and informed choice in education, training opportunities, workplace preparation and career decision making for eligible youth and adults.

(iii) A strong work ethic, mutual respect, a commitment to lifelong learning and the valuing of all workers and their work.

(iv) Stewardship of public resources, emphasizing private sector solutions to workforce investment goals supplemented by **public/private partnerships** and limited government involvement when necessary.

(v) The highest-quality delivery of market-driven services which are readily identifiable and easily accessible and which consider the abilities and work-support needs of a diverse population.

(vi) Continuous quality improvement through cooperation and collaboration among all who participate in the unified system in order for individuals to earn family-sustaining wages for economic self-sufficiency.

**(vii) Guaranteeing the quality and performance of workforce development programs and the skill training provided to employees, incumbent workers, job seekers and students.**

\* \* \*

Section 3. The definitions of "certification" and "workforce development" in section 103 of the act are amended to read:

Section 103. Definitions.

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

\* \* \*

"Certification." An approval issued by the Governor, upon recommendation by the board, to a local workforce investment board which satisfies the eligibility requirements established by **the Governor, upon recommendation by** the board.

\* \* \*

"Workforce development." Information access and lifelong learning activities. The term includes vocational education programs; programs in community colleges, **technical colleges** and postsecondary education institutions authorized to grant **diplomas and certificates**, specialized associate, associate, baccalaureate and advanced degrees; and transitional support and work support services or activities which enable customers to engage in or prepare for employment opportunities.

\* \* \*

Section 4. Sections 301 and 302(a) and (f) of the act are amended to read:

Section 301. Establishment.

The Pennsylvania Workforce Investment Board is established to advise and assist the Governor and the General Assembly on the implementation of a unified system to assure a well-educated, highly skilled workforce. The board is responsible for unifying the Commonwealth's existing Federal and State workforce investment programs into an integrated system. **All recommendations and decisions of the board shall be in compliance with the Workforce Investment Act of 1998 (Public Law 105-220, 112 Stat. 936).**

Section 302. Membership.

(a) General rule.--The board shall be established as follows:

(1) The Governor or a designee.

(2) Four members of the General Assembly:

(i) Two senators, one appointed by the President pro tempore of the Senate and one appointed by the Minority Leader of the Senate.

(ii) Two representatives, one appointed by the Speaker of the House of Representatives and one appointed by the Minority Leader of the House of Representatives.

(3) Representatives appointed by the Governor who are:

(i) Representatives of business, including private sector employers, representatives from each of the Commonwealth's marketing regions, owners of businesses, chief executive officers, other business executives with optimum policymaking or hiring authority, members of local workforce investment boards and businesses that reflect the employment opportunities in this Commonwealth, **including large and small employers.**

(ii) Chief elected officials[.] **nominated by Statewide organizations or associations representing elected officials.**

(iii) Representatives of labor organizations who have been nominated by State labor federations.

(iv) Representatives of individuals and organizations experienced with respect to youth activities.

(v) Representatives of organizations which have experience and expertise in the delivery of workforce investment activities, including chief executive officers of community colleges, **technical colleges** and community-based organizations in this Commonwealth.

(vi) Lead Commonwealth agency officials, including:

(A) The Secretary of Aging.

(B) The Secretary of Community and Economic Development.

(C) The Secretary of Education.

(D) The Secretary of Labor and Industry.

(E) The Secretary of Public Welfare.

(F) The Director of the Governor's Policy Office.

(vii) Any other representative or Commonwealth agency official the Governor deems necessary.

(4) A majority of the board under this subsection must be representatives of business.

**(5) The Governor shall solicit recommendations from State, regional and local business organizations in making appointments to the board.**

\* \* \*

(f) Executive committee.--An executive committee that includes representation from the private sector may be established and authorized under the board to [oversee and monitor the unified system] **fulfill the board's responsibilities.** The organization framework may utilize existing staff structure or develop its own staffing arrangement.

\* \* \*

Section 5. Sections 304 and 305 of the act are amended to read: Section 304. Plan, functions and responsibilities.

**(a) General rule.**--The board, in furtherance of section 102, shall advise and assist the Governor on all of the following:

(1) Development and adoption of and adherence to, throughout the unified system, standards, principles, policies, goals, financial resource investment priorities and strategies for workforce investment to maintain continuously a competitive advantage for this Commonwealth.

(2) Monitoring and assuring collaboration of the investment of all funds specifically appropriated by the Federal Government and designated by the Governor or funds specifically appropriated by State government for workforce investment under any Federal or State statute.

(3) Assuring that no funds designated for Statewide youth activities are used to develop or implement education curricula for school districts.

(4) Examination of Federal and State statutes and regulations to assess whether they present barriers to achieving the provisions of this act and to recommend to the Federal Government, the Governor and the General Assembly amendments to statutes and regulations and waivers of regulations to eliminate barriers and to promote the provisions of this act.

(5) Development and dissemination of appropriate and necessary research and statistical information, to set the requisite protocols and standards for common data reference, to engage in or sponsor studies to identify unified system needs and to gather and disseminate information.

(6) Establishment of and adherence to performance-based quality assurance standards designed to optimize unified system function, performance and effectiveness.

(7) Evaluation of the unified workforce investment plans submitted by local workforce investment boards consistent with local plan requirements developed by the board. **The objective of the plans is to develop local and regional templates from which Federal and State funds can be aligned and targeted toward common goals and objectives.**

(8) [Implementation of mechanisms to secure] **Securing** appropriate input from local workforce investment boards in the development of policies, local performance measures or investment strategies.

(9) Establishment and maintenance of a universally accessible information access system which enables the unified system to function and serve its customers effectively.

(10) Contracting or developing written agreements or memoranda of understanding with participating agencies for the administration and management of workforce investment programs and activities under the responsibility of the board.

(11) Providing technical assistance to local workforce investment boards to assist them in maximizing the investment of public money.

(12) Setting the criteria for unified system and service provider participation and developing a systemwide marketing program.

(13) Recommending certification or recertification of local workforce investment boards by giving consideration to all of the following:

(i) The proposed local workforce investment board's leadership system and its capability to effectively monitor and assure collaboration of workforce investment programs.

(ii) The portion of the labor market or geographical area to be served by the proposed local workforce investment board.

(14) Recommending necessary action if a local workforce investment board fails to act, acts improperly or fails to meet the conditions of its unified local workforce investment plan in which Federal or State funds have been invested.

(15) Recognition of the potential of citizens, employers and communities in this Commonwealth by affirming the continued existence and independence of all current funding streams and programs for persons with disabilities while ensuring that employment-related programs for individuals with disabilities operate efficiently.

(16) Assessment of the economic and workforce needs of this Commonwealth and to develop the unified system to build on available services and resources to effectively meet these Statewide needs.

(17) Establishing cooperative and collaborative relationships with other states' unified system governing bodies.

(18) Assuring the implementation of Federal and State statutory mandates which fall within the purview of the unified system.

**(18.1) Recommendations regarding the operation of the one-stop delivery system and local workforce investment boards.**

(19) Compilation of an annual report which shall be submitted to the General Assembly, the Secretary of the Senate and the Chief Clerk of the House of Representatives by March 1 and which shall include all of the following:

(i) A detailed explanation of the performance measures used and how the performance measures were developed.

(ii) An explanation of the process used to achieve continuous improvement of workforce investment activities.

(iii) The anticipated course of actions to be taken by the board to encourage continuous improvement in the unified system.

(iv) A list of the membership of the board, including name, affiliation, address, telephone number, telefax number and electronic mail address.

(v) An explanation of the process used to negotiate levels of local performance.

(vi) A list of all certified local workforce investment boards in this Commonwealth, including each local workforce board's negotiated level of local performance, each local workforce board's level of performance attained and the action taken with respect to any local workforce investment board which failed to meet its negotiated level of local performance.

(vii) A copy of the annual report submitted by each local workforce investment board to the board.

(viii) An accounting of Federal and State funds expended for workforce investment in the previous fiscal year by line item and program.

**(b) Evaluation of plans.--In order to develop an effective system to evaluate the unified workforce investment plans submitted by local workforce investment boards, the board shall:**

**(1) Seek the participation of the participating agencies to ensure that the plans integrate workforce programs.**

**(2) Seek the advice of local workforce investment boards to identify areas where federally and State-funded workforce resources can be maximized in a local region.**

**(3) Work with the participating agencies and local workforce investment boards to fully implement local workforce investment plans.**

**(4) Ensure that local workforce investment plans incorporate sufficient levels of community engagement, participation and input from workforce development partnerships.**

**The review of the plans shall determine the extent to which State workforce development funds have been integrated with the approved plan.**

[Section 305. State performance measures.

(a) General rule.--The board shall establish a comprehensive performance accountability system, including, at a minimum, a focus on all of the following:

(1) Entry into unsubsidized employment.

(2) Retention in unsubsidized employment six months after entry into the employment.

(3) Earnings received in unsubsidized employment six months after entry into the employment.

(4) Attainment of a recognized credential relating to achievement of educational skills, including attainment of a secondary school diploma or its recognized equivalent, or occupational skills by participants who enter unsubsidized employment or by participants who are eligible youths between the ages of 19 and 21 and who enter postsecondary education, advanced training or unsubsidized employment.

(b) Customer satisfaction.--As an indicator of performance, customer satisfaction shall also be considered. The customer satisfaction indicator of performance shall consist of customer satisfaction of employers and participants with services received from workforce investment activities. Customer satisfaction may be measured through surveys conducted after the conclusion of participation in the workforce investment activities.]

Section 6. The act is amended by adding a section to read:

Section 305.1. State performance management system.

(a) General rule.--The board shall establish a system for the development, oversight, modification and continuous improvement of a comprehensive performance accountability system that will provide effective measures of the performance and impact of the workforce development system at the State and local levels. The system will include input from board members, local workforce investment boards, operators of the one-stop delivery system, workforce development program providers, business and industry and the participating agencies. The system will be designed to produce recommendations to the board, the Governor and the General Assembly and shall function within time frames established by the board. The system shall be comprehensive and provide a reporting system for program funding as established by the board. The system shall:

(1) Identify one or more State agencies responsible for the coordination and management of data.

(2) Identify systems for tracking and reporting of information and determining the role of the State and local workforce investment boards.

(3) Enable the development and funding of a locally based management information system that will provide local workforce investment boards and the board with management data.

(4) Enable revisions to the performance management system.

(b) Required performance measures.--The State performance management system shall include:

(1) Entry into unsubsidized employment.

(2) Retention in unsubsidized employment six months after entry into the employment.

(3) Earnings received in unsubsidized employment six months after entry into the employment.

(4) Attainment of a recognized credential relating to achievement of educational skills, including attainment of a secondary school diploma or its recognized equivalent, or occupational skills by participants who enter unsubsidized employment or by participants who are eligible youths between the ages of 19 and 21 and who enter postsecondary education, advanced training or unsubsidized employment.

(5) The use of Federal funds for training services, including activities authorized under Chapter 2 of Title II of the Trade Act of 1974 (Public Law 93-618, 19 U.S.C. § 2101 et seq.).

(6) Guarantees for program quality and performance.

(7) Uniform program performance measures.

The required performance measures in paragraphs (1) through (5) may be modified by the board to be aligned with common performance measures adopted pursuant to revisions to the Workforce Investment Act of 1998 (Public Law 105-220, 112 Stat. 936) or the adoption of common performance measures by the Federal agencies covered by this act.

(c) Customer satisfaction.--As an indicator of performance, customer satisfaction shall also be considered. The customer satisfaction indicator of performance shall consist of customer satisfaction of employers and participants with services received from workforce investment activities. Customer satisfaction may be measured through surveys conducted after the conclusion of participation in the workforce investment activities. These surveys shall include questions about whether employers, grant recipients and participants are able to quickly receive funding.

(d) Guarantees for program quality and performance.--Ensuring the quality of workforce development programs is an essential

function of the board. The board shall establish one or more quality performance guarantees for workforce development programs under this act. A guarantee may include:

- (1) A guarantee or warranty for the training provided to an incumbent worker, employee, job seeker or student.
- (2) Successful completion of a certificate or short-term training class or program established by a college or university, a private licensed school established under the act of December 15, 1986 (P.L.1585, No.174), known as the Private Licensed Schools Act, or a local workforce investment board.
- (3) Passage of a nationally recognized or industry-recognized certificate examination.
- (4) A combination of paragraphs (1) through (3).
- (5) Other requirements established by the board.

The program quality and performance guarantee shall provide for additional education or training for persons who become employed and are not able to perform their duties at a satisfactory level, for employees receiving customized job training or other training that is not satisfactory for the employer and for students advancing to the next sequence of an integrated and seamless secondary and postsecondary education program, as established in section 902, who are not capable of performing at this academic level. The board shall consult with local workforce investment boards and program providers prior to the adoption of the guarantees for program quality and performance. The guarantee provisions shall be adopted by the board by June 30, 2003.

Section 7. Sections 501, 502(a) and 504 of the act are amended to read:

Section 501. Establishment.

(a) Areas and local workforce investment boards.--

(1) Local workforce investment areas shall be designated by the Governor through consultation with the board and the chief elected officials and after consideration of comments received through the public comment process. In making the designation of local workforce investment areas, the Governor shall take into consideration the following:

- (i) Geographic areas served by school entities.
- (ii) Geographic areas served by postsecondary educational institutions, **including community colleges and technical colleges and area vocational-technical schools and career technology centers.**
- (iii) The extent to which such local workforce investment areas are consistent with labor market areas.
- (iv) The distance that individuals will need to travel to receive services provided in such local workforce investment areas.
- (v) The resources of such local workforce investment areas that are available to effectively administer the activities carried out under Federal **and State** law.

(2) Local workforce investment boards shall be established in each local workforce investment area of this Commonwealth, recommended for certification by the board and certified by the Governor, to set policy for the portion of the unified system within that local workforce investment area. **The local workforce investment boards shall work to establish workforce development services in collaboration with postsecondary institutions, area vocational-technical schools and career technology centers; secondary schools, including charter schools at these grade levels; community colleges; and technical colleges.**

(3) No local workforce investment board may conduct business unless it is certified by the Governor.

(b) Purpose.--The purpose of each local workforce investment board is to advise and assist the chief elected official in the county or counties served by the local workforce investment board by setting policy to promote effective workforce investment programs in a designated geographic area.

(c) [Liability.--The] **Administration and liability.**--

(1) **The chief elected official in a local workforce investment area shall serve as the local grant recipient for and shall be liable for any misuse of the grant funds allocated to the local workforce investment area under Federal law or this act.**

(2) **The chief elected official in a local workforce investment area may designate an entity to serve as a local grant subrecipient for such funds or as a local fiscal agent. Such designation shall not relieve the chief elected official of liability for any misuse of grant funds as described in paragraph (1).**

(3) **The local grant recipient or an entity designated under paragraph (2) shall disburse such funds for workforce investment activities at the direction of the local board, pursuant to the requirements of this act.**

#### Section 502. Membership.

(a) Composition.--

(1) A local workforce investment board appointed by the chief elected official shall be as follows:

(i) A majority shall be representatives of business in the local workforce investment area who:

(A) are owners of businesses, chief executives or operating officers of businesses and other business executives or employers with optimum policymaking or hiring authority;

(B) represent businesses with employment opportunities which reflect the employment opportunities of the local workforce investment area; and

(C) are appointed from among individuals nominated by local business organizations and business trade associations.

(ii) Representatives of local educational entities, including representatives of local educational agencies, local school boards, entities providing adult education and literacy activities, postsecondary educational institutions [and], community colleges **and technical colleges**, selected from among individuals nominated by regional or local educational agencies, institutions or organizations representing such local educational entities.

(iii) In a local workforce investment area in which employees are represented by labor organizations, representatives nominated by local labor federations.

(iv) In a local workforce investment area in which no employees are represented by labor organizations, other representatives of employees.

(v) Representatives of community-based organizations, which may include organizations representing minorities [and], individuals with disabilities, **older workers** and veterans, from a local workforce investment area in which such organizations are present.

(vi) Representatives of economic development entities.

(vii) Representatives of each of the one-stop delivery system partners.

(viii) Other individuals or representatives of entities as the chief elected official in the local workforce investment area may determine to be appropriate.



(2) Members of the local workforce investment board must be individuals who have optimum policymaking authority within the organizations, agencies or other entities which they represent.

(3) The membership shall select a chairperson from the private sector representatives.

(4) A local workforce investment board may hire limited staff to implement the decisions of the local workforce investment board.

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Section 504. Plan, functions and responsibilities.

(a) Unified workforce investment plan.--A local workforce investment board, in partnership with the chief elected official of the county or counties served by the local workforce investment board, shall submit to the Governor for approval a unified workforce investment plan. The unified workforce investment plan shall be developed through a process which includes the opportunity for participation by current and potential customers and service providers and which shall contain, at a minimum, the following:

(1) A description of the local workforce investment area's strategic economic and workforce vision and of how the vision will be attained.

(2) A description of how the plan supports the Commonwealth's overall mission and goals.

(3) An analysis of the local workforce investment area market, including projected growth industries and declining industries.

(4) A description of the respective roles of the local elected officials and the local workforce investment board.

(5) A description of programs for eligible youth.

(6) A description of the local workforce investment area's one-stop delivery system.

(7) A description of the services to be provided to all customers.

(8) A description of how, **in serving the local workforce investment area**, coordination of workforce **development services** and investment activities will occur[.] **with postsecondary institutions; area vocational-technical schools and career technology centers; secondary schools, including charter schools at these grade levels; community colleges; and technical colleges.**

(9) If appropriate, a description of a regional strategic component to the local plan.

(10) If available, an analysis of regional market trends.

(b) Functions and responsibilities.--A local workforce investment board, in order to develop and implement a unified workforce investment plan for the investment and utilization of private and public resources to meet the current and future workforce investment needs of its region in furtherance of section 102, has the following functions and responsibilities:

(1) To organize and elect a chairperson.

(2) To assess the economic and workforce needs of the local workforce investment area and to develop a unified plan which builds on available services and resources to effectively meet the workforce and economic needs of the local workforce investment area.

(3) To implement mechanisms to secure appropriate input in the development of policies, performance standards or investment strategies.

(4) To assist in the development of and collaboration within the one-stop delivery system.

(5) To develop, adopt and assure adherence to local performance standards, quality assurance standards and applied

operating principles which are consistent with criteria throughout the one-stop delivery system.

(6) To establish cooperative and collaborative relationships with other local workforce investment boards and, if appropriate, with the unified system governing bodies of other states.

(7) To authorize use of local workforce investment funds, including individual training accounts, where applicable, for eligible customers, for any of the following services:

(i) Core services shall be available to individuals who are adults or dislocated workers through the one-stop delivery system and shall, at a minimum, include all of the following:

(A) Determinations of whether the individuals are eligible to receive assistance.

(B) Outreach; intake, which may include worker profiling; and orientation to the information and other services available through the one-stop delivery system.

(C) Initial assessment of skill levels, aptitudes, abilities and supportive service needs.

(D) Job search and placement assistance and, where appropriate, career counseling.

(E) Provision of employment statistics information, including the provision of accurate information relating to national, regional and local labor market areas, such as:

(I) job vacancy listings in such labor market areas;

(II) information on job skills necessary to obtain the jobs described in subclause (I); and

(III) information relating to local occupations in demand and the earnings and skill requirements for such occupations.

(F) Provision of performance information and program cost information on eligible providers of training services, provided by program, eligible providers of youth activities, providers of adult education, providers of postsecondary vocational education activities and vocational education activities available to school dropouts under the Carl D. Perkins Vocational and Applied Technology Education Act (Public Law 88-210, 20 U.S.C. § 2301 et seq.) and providers of vocational rehabilitation program activities described in the Rehabilitation Act of 1973 (Public Law 93-112, 29 U.S.C. § 701 et seq.).

(G) Provision of information regarding how the local workforce investment area is performing on the local performance measures and any additional performance information with respect to the one-stop delivery system in the local workforce investment area.

(H) Provision of accurate information relating to the availability of [work support] services **in community colleges, area vocational-technical schools and career technology centers and technical colleges, workforce development services and the availability of work support services**, including child care and transportation, [available] in the local workforce investment area and referral to such services as appropriate.

(I) Provision of transitional support, including information regarding filing claims for unemployment compensation.

(J) Assistance in establishing eligibility for welfare-to-work activities under section 403(a)(5) of the Social Security Act (49 Stat. 620, 42 U.S.C. § 603(a)(5)) available in the local workforce investment area and programs of financial aid assistance for training and education programs that are not funded under this act and are available in the local workforce investment area.

(K) Follow-up services, including counseling regarding the workplace.

(ii) Intensive services:

(A) Intensive services shall be provided to adults and dislocated workers who:

(I) are unemployed and are unable to obtain employment through core services;

(II) have been determined by the one-stop delivery system operator to be in need of more intensive services in order to obtain employment; or

(III) are employed but are determined by a one-stop delivery system operator to be in need of intensive services in order to obtain or retain employment that allows for self-sufficiency.

(B) Intensive services shall be provided through the one-stop delivery system directly through one-stop delivery system operators or through contracts with service providers, which may include contracts with public, private for-profit and private nonprofit service providers, approved by the local workforce investment board.

(C) Intensive services may include the following:

(I) Comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers, which may include diagnostic testing and use of other assessment tools and in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

(II) Development of an individual employment plan to identify the employment goals, appropriate achievement objectives and appropriate combination of services for the participant to achieve the employment goals.

(III) Group counseling.

(IV) Individual counseling and career planning.

(V) Case management.

(VI) Short-term prevocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills and professional conduct to prepare individuals for employment or training.

(iii) Training services:

(A) Training services shall be provided to adults and dislocated workers who:

(I) have met the eligibility requirements for intensive services and who are unable to obtain or retain employment through such services;

(II) after an interview, evaluation or assessment and case management, have been determined by a one-stop delivery system operator or one-stop delivery system partner to be in need

of training services and to have the skills and qualifications to successfully participate in the selected program of training services; and

(III) select programs of training services which are directly linked to the employment opportunities in the local workforce investment area involved or in another area in which the adults or dislocated workers receiving such services are willing to relocate.

(B) Training services shall be limited to individuals who are unable to obtain other grant assistance for such services, including Federal Pell Grants established under Title IV of the Higher Education Act of 1965 (Public Law 89-329, 20 U.S.C. § 1070 et seq.), or require assistance beyond the assistance made available under other grant assistance programs, including Federal Pell Grants.

(C) Training services may include:

(I) Occupational skills training, including training for nontraditional employment.

(II) On-the-job training.

(III) Programs which combine workplace training with related instruction, including cooperative education programs.

(IV) Training programs operated by the private sector.

(V) Skill upgrading and retraining.

(VI) Entrepreneurial training.

(VII) Job readiness training.

(VIII) Adult education and literacy activities provided in combination with services described in any of subclauses (I) through (VII).

(IX) Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

(8) To compile an annual report to be submitted to the board by a deadline to be determined by the board. This report shall include, at a minimum:

(i) a list of the membership of the local workforce investment board, including the name, affiliation, address, telephone number, telefax number and electronic mail address;

(ii) the negotiated local level of performance;

(iii) the level of performance achieved, including an analysis of the strengths and weaknesses;

(iv) the programs participated in; and

(v) a list of the local eligible service providers.

Section 8. Chapter 7 of the act is repealed.

Section 9. The act is amended by adding chapters to read:

#### **CHAPTER 7-A**

#### **CRITICAL JOB TRAINING GRANTS**

#### **Section 701-A. Purpose.**

The purpose of this chapter is to expand the coordination of the resources within the unified system and to enhance the leadership of the workforce investment system, particularly with reference to the resources under the control and direction of the participating agencies. This grant program shall be agile, flexible and responsive to the immediate and long-term training needs of job seekers, private businesses and the workforce regions of the Commonwealth. The coordination and leveraging of resources within

the workforce investment system is crucial to the effective delivery of services to the employers and residents of this Commonwealth.  
Section 702-A. Definitions.

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

"Critical job training." Training for dislocated workers and underemployed workers for occupations with immediate skill needs or for high-demand jobs or jobs with a shortage of skilled workers, as identified by the Pennsylvania Workforce Investment Board and the participating agencies.

"Dislocated worker." A person who meets any one of the following conditions:

(1) Has been terminated or laid off, or who has received notice of termination or layoff, and is eligible for or has exhausted unemployment compensation benefits.

(2) Is unlikely to return to the industry or occupation in which the individual was employed.

(3) Has been terminated or received notice of termination as a result of the permanent closure or relocation of a plant, facility or plant operation in which the individual was employed.

(4) Is chronically unemployed.

(5) Has limited opportunities of employment in the geographic area in which the individual resides.

(6) Is an individual who may face substantial barriers to employment because of age or disability.

"Eligible applicant." Providers of workforce services and activities, including, but not limited to, public agencies, nonprofit organizations and private providers; a local education agency; an industrial resource center; an economic development organization certified by the Department of Community and Economic Development; a greenhouse; a private company; a labor organization; a local workforce investment board.

"Greenhouse." A nonprofit organization recognized under section 501 (c) (3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.) that is formed for the express purpose of creating university/business partnerships to advance science and technology and to support economic and workforce development.

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

"Local education agency." A Pennsylvania institution certified by the Department of Education, which may include any of the following:

(1) Area vocational-technical schools.

(2) Community, technical and junior colleges.

(3) Intermediate units.

(4) Licensed private/proprietary business and trade schools.

(5) Public school districts.

(6) State or private colleges and universities.

"Private company." A business, professional service company or other enterprise. The term may include a group of two or more private companies operating as a consortium in order to take advantage of a common training program.

"Underemployed worker." A person requiring skill training to meet industry skill demands or to increase his employment opportunities.

Section 703-A. Program operation.

The board shall oversee the operation of this program, with appropriate agency staffing support as determined by the participating agencies and the Governor. The board shall work with the participating agencies and local workforce investment boards to identify sources of Federal and State funds to be used for these grants. The board shall recommend procedures for the award of grants to eligible applicants for projects that are consistent with the criteria set forth in section 704-A.

#### Section 704-A. Grants.

(a) Single application.--There shall be a single multiagency application for the grants awarded under this chapter. An application must demonstrate:

(1) The number of dislocated workers or others that will receive training.

(2) The existence of job opportunities directly related to the training.

(3) How the training will support growth industries within this Commonwealth which are identified in the strategic plan of the local workforce investment board or by industry clusters identified by the participating agencies and the Pennsylvania Workforce Investment Board.

(4) Private sector participation in training design and placement of training recipients.

(b) Applications and guidelines.--The participating agencies, in consultation with the board and local workforce investment boards, shall develop grant applications, establish guidelines, develop forms and institute such procedures, including the utilization of participating agency resources, as may be necessary to implement the provisions of this chapter.

(c) Information.--The participating agencies shall require such information and records from each applicant and its authorized training providers as deemed necessary to carry out its responsibilities under this chapter.

(d) Limitations.--A local workforce investment board, a certified economic development organization and a greenhouse may not serve as a training provider for these grants.

(e) Board recommendations.--Beginning October 1, 2003, and each year thereafter, the board may recommend changes in the operation and funding of the program to the Governor and the General Assembly. The recommendations shall be made after the board consults with local workforce investment boards, secondary schools and postsecondary institutions.

#### Section 705-A. Approval of applications and contracts.

A committee composed of the participating agencies may approve a grant application, and the appropriate Commonwealth agency or agencies shall enter into a contract with an eligible applicant to provide critical job training grants to the extent of funds identified by participating agencies for this purpose.

Notwithstanding the act of December 20, 1985 (P.L.492, No.116), known as the Customized Job Training Act, or its successor provisions, the Department of Community and Economic Development may use funds appropriated under the act to provide critical job training grants to eligible applicants.

### CHAPTER 9

#### WORKFORCE LEADERSHIP GRANTS

#### Section 901. Purpose.

The purpose of this chapter is to use funds appropriated for these grants to establish innovative programs that address short-term and long-term workforce development needs in industry

clusters critical to the development of the new economy in this Commonwealth.

Section 902. Innovative programs.

(a) Program content.--An innovative program shall address one of the following:

(1) Integrated and seamless secondary and postsecondary education and training with area vocational-technical schools and career technology centers; secondary schools, including charter schools at these grade levels; community colleges; technical colleges; and postsecondary institutions.

(2) Assistance to local workforce investment areas to establish or expand a comprehensive delivery system of workforce development services, particularly with degree-granting programs.

(3) Agile, flexible and responsive training programming for incumbent workers.

(b) Curriculum concentrations.--The curriculum and programs under subsection (a)(1) shall be focused on three cluster areas: Biotechnology/Life Sciences, Information Technology/Optoelectronics and Advanced Manufacturing and Materials.

(c) Business interaction.--The programs under subsection (a)(1) must be developed and continue to operate with direct business interaction in the curriculum, the recruitment of students, internships and the placement of graduates. The application and use of nanotechnology shall be an integral part of postsecondary instruction with exposure to this technology for students at the secondary level.

(d) Award of grants.--Workforce leadership grants shall be awarded for each of the three cluster areas in subsection (a)(1) to applicants demonstrating substantial program integration across educational levels and with a significant number of participating institutions. Applicants able to leverage other funding and programming resources shall receive additional consideration in the determination of awards.

Section 903. Program operation.

In collaboration with the participating agencies and the board, the Department of Community and Economic Development shall manage the operation of this program, establish guidelines and an application process for the grants, develop such forms and institute procedures to implement this program, determine the distribution of funds and determine the approved applications for innovative programs as established in section 902. The department shall enter into a contract with an eligible applicant to provide workforce leadership grants from funds appropriated for this purpose or from funds identified by the participating agencies for this purpose under the General Appropriations Act.

CHAPTER 15

WORKFORCE DEVELOPMENT COURSES

Section 1501. Reimbursement for community colleges.

(a) Calculation.--Community colleges offering noncredit courses defined in this chapter as "workforce development courses" shall be reimbursed by the Commonwealth using 90% of the reimbursement factor utilized for credit courses under section 1913-A of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949.

(b) Priorities.--The priorities of the Commonwealth and its needs for education and training of workers and potential workers shall be considered in changes and additions to the subject matter of workforce development courses.

(c) Course sites.--Noncredit workforce development courses may be offered by a community college at an off-campus site, at any of its facilities or through any form of distance education.  
Section 1502. Definition.

For the purposes of this chapter, the term "workforce development courses" is defined as those noncredit courses having the specific purpose of providing opportunities for students and incumbent workers to develop and/or upgrade skills necessary or useful in gainful employment, for promotion or other similar opportunities in existing employment or for learning new job skills. The subject matter of noncredit workforce development courses may encompass, but is not limited to, instruction in any of the following general areas:

(1) Computers and information processing and technology, including the study of both hardware and software applications.

(2) Management, supervision and basic employability skills, including, but not limited to, working in teams, management and supervisory skills, effective interpersonal relations, problem solving, self-management strategies, project management and the application of Federal and State laws to the workplace.

(3) Health professional and allied health job skills.

(4) Technical, manufacturing and service industries, including, but not limited to, jobs in such fields as powdered metals, machine tool and die making, electronics, safety, plastics technology, hydraulics, construction, warehouse/materials management, automotive repair and management, heating, ventilation and air conditioning, refrigeration and tourism.

Section 10. Section 4903 of the act is repealed.

Section 11. Section 1913-A(b)(1.4)(ii)(B) of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, is repealed insofar as it is inconsistent with this act.

Section 12. This act shall take effect as follows:

(1) The addition of Chapter 15 of the act shall take effect July 1, 2003.

(2) The remainder of this act shall take effect immediately.

APPROVED--The 16th day of December, A. D. 2002.

MARK S. SCHWEIKER