
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 697 Session of
1989

INTRODUCED BY KUKOVICH, COHEN, ITKIN, VEON, STUBAN, MORRIS,
LaGROTTA, TRELLO, PRESSMANN, FEE, HALUSKA, DOMBROWSKI, RYBAK,
JOSEPHS, LAUGHLIN, MRKONIC, COY, JAROLIN, TIGUE, HERMAN,
ROBINSON, COWELL, DIETTERICK, LEVDANSKY, BELFANTI, LASHINGER,
TANGRETTI, McHALE, TRICH, WAMBACH, RITTER, ANGSTADT, CAWLEY,
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BILLOW, PISTELLA, HECKLER, MAINE, KASUNIC, HARPER, SERAFINI,
RAYMOND, KOSINSKI, ACOSTA, HUGHES, F. TAYLOR, VAN HORNE,
ROEBUCK AND CARN, MARCH 13, 1989

REFERRED TO COMMITTEE ON LABOR RELATIONS, MARCH 13, 1989

AN ACT

1 Creating the Pennsylvania Economic Adjustment Board; providing
2 for the development and implementation of a planning process
3 designed to reduce the impact of unstable or declining
4 industry; providing for the establishment of local economic
5 adjustment committees to be monitored by the board; and
6 making an appropriation.

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

9 Section 1. Short title.

10 This act shall be known and may be cited as the Pennsylvania
11 Economic Adjustment Act.

12 Section 2. Legislative purpose.

13 It is the finding of the General Assembly that many
14 communities in this Commonwealth are dependent on employment
15 provided by economic facilities which may represent declining or
16 unstable sectors within the industrial economy. Recent

1 experience indicates the severe economic and social hardships
2 suffered when such instability surfaces without a smooth plan
3 for transition to viable economic alternatives. In the absence
4 of plans for alternative production, the dislocation of workers
5 and the decline of communities created by such industrial
6 instability pose a threat to the long-term stability of this
7 Commonwealth. Combined with the problems of cyclical and
8 structural unemployment, the effects are devastating. The
9 destruction of our industrial base has taken a tremendous toll
10 on the productive lives of many workers and their communities.
11 It is essential for the Commonwealth to address this problem in
12 a unified manner. To accomplish this and promote the general
13 welfare of the people of this Commonwealth, the development and
14 implementation of an economic adjustment strategy is needed.
15 Such a strategy should attempt to find new and productive uses
16 for workers and facilities which match or improve the stability,
17 level of employment, wage and benefit levels, skills and ripple
18 impact of these facilities at their operational peak.

19 Section 3. Definitions.

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

23 "Board." The Pennsylvania Economic Adjustment Board
24 established by this act.

25 "Committee." The model economic adjustment committee
26 established in section 6.

27 "Economic adjustment." Industrial alternative-use planning
28 designed to facilitate new or related product development and
29 create jobs in declining facilities consistent with existing
30 skills, and wage and benefit levels to prevent adverse community

1 ripple impact.

2 "Unstable industry." Any facility, public or private, which
3 evidences declining employment, or unstable or cyclical
4 employment cycles, or which is historically subject to abrupt
5 declines or shutdowns.

6 Section 4. Pennsylvania Economic Adjustment Board.

7 (a) Creation.--There is hereby created the Pennsylvania
8 Economic Adjustment Board within the Department of Labor and
9 Industry.

10 (b) Membership.--The board shall consist of the following:

11 (1) Six members of the business community who are
12 residents of this Commonwealth. Three members shall be
13 appointed by the President pro tempore of the Senate and
14 shall include one representative of small business. Three
15 members shall be appointed by the Speaker of the House of
16 Representatives and shall include one representative of small
17 business.

18 (2) Six representatives of organized labor, three
19 appointed by the President pro tempore of the Senate and
20 three appointed by the Speaker of the House of
21 Representatives.

22 (3) The Lieutenant Governor.

23 (4) The Secretary of Commerce.

24 (5) The Secretary of Community Affairs.

25 (6) The Secretary of Labor and Industry.

26 (7) The Executive Director of the Human Relations
27 Commission.

28 (8) The Executive Director of the Commission for Women.

29 (9) A member of the Ben Franklin Partnership Fund,
30 designated by the Secretary of Commerce.

1 (10) The chairman and minority chairman of the Labor
2 Relations Committee of the House of Representatives.

3 (11) The chairman and minority chairman of the Labor and
4 Industry Committee of the Senate.

5 (12) Five persons, appointed by the Governor, who
6 provide technical expertise and geographic and demographic
7 diversity to the board.

8 (c) Officers.--The members shall select a chairman from
9 among them.

10 (d) Compensation.--Members shall receive no compensation for
11 their services as members other than reimbursement for actual
12 and necessary expenses incurred in the performance of board
13 duties.

14 Section 5. Powers and duties of board.

15 The board shall have the power and its duty shall be:

16 (1) To develop, advocate and monitor an economic
17 adjustment strategy for this Commonwealth. In furtherance of
18 such strategy, the board shall do the following:

19 (i) Undertake studies of unstable, declining or
20 failing industries and facilities in this Commonwealth.

21 (ii) Appoint and assure the development and
22 oversight of economic adjustment committees in counties
23 and other geographical areas where there has been
24 demonstrated interest in these committees' development,
25 and allocate such moneys as the board deems appropriate
26 for the operation of each.

27 (iii) Monitor and review the findings and periodic
28 reports of the committees and report recommendations of
29 those findings to the Secretary of Labor and Industry and
30 to the General Assembly.

1 (2) To hire and establish salaries for a Pennsylvania
2 Economic Adjustment Plan Manager and other staff and clerical
3 assistance as may be necessary to perform its duties under
4 this act.

5 (3) To purchase such equipment as may be deemed
6 necessary to perform its duties under this act.

7 (4) To hold such public hearings as the board deems
8 necessary to fulfill its functions.

9 Section 6. Economic adjustment committees.

10 Each economic adjustment committee appointed by the board
11 shall consist of an equal membership of representatives of
12 labor, management and voluntary organizations. The membership of
13 these committees shall be demographically diverse.

14 Section 7. Powers and duties of committee.

15 It shall be the power and duty of each committee to:

16 (1) Review the skills and mechanical capabilities of the
17 area facilities and labor force.

18 (2) Conduct research or engage technical assistance to
19 determine diverse types of business activities which can use
20 the skills and facilities in the area in a way likely to
21 maximize the employment, benefits and skill utilization of
22 workers and prospective workers, while minimizing community
23 and worker dislocation in the event of a crisis of economic
24 stability.

25 (3) Conduct such interviews and hold such public
26 hearings as the committee deems necessary to properly fulfill
27 its functions.

28 (4) Report its findings, in writing, on an annual basis
29 to the board or its designee.

30 Section 8. Confidential financial or trade secret information.

1 Notwithstanding the provisions of section 7, no business
2 shall be required to provide confidential financial or trade
3 secret information to an economic adjustment committee.

4 Section 9. Annual plan and report.

5 An annual plan and report shall be made to the Secretary of
6 Labor and Industry at the end of each calendar year. Copies
7 shall be sent to each member of the General Assembly.

8 Section 10. Appropriation.

9 The sum of \$2,000,000, or as much thereof as may be
10 necessary, is hereby appropriated to the Pennsylvania Economic
11 Adjustment Board for the fiscal year July 1, 1989, to June 30,
12 1990, to carry out the provisions of this act.

13 Section 11. Effective date.

14 This act shall take effect immediately.