

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 1539 Session of  
2011

INTRODUCED BY SAYLOR, SONNEY, MILLER, AUMENT, BOYD, COX, GILLEN,  
GROVE, MURT, CLYMER, CREIGHTON, DALEY, DAVIS, DENLINGER,  
ELLIS, EVANKOVICH, EVERETT, GABLER, GEIST, GIBBONS, GINGRICH,  
GOODMAN, GRELL, HARRIS, HESS, HICKERNELL, HUTCHINSON,  
M. K. KELLER, KILLION, LONGIETTI, MARSHALL, MASSER, MILNE,  
MOUL, OBERLANDER, O'NEILL, PAYTON, PICKETT, PYLE, REICHLEY,  
ROCK, SCHRODER, SIMMONS, TALLMAN, TRUITT, VULAKOVICH, WAGNER,  
YOUNGBLOOD, BAKER, MILLARD, F. KELLER, CUTLER, MICOZZIE,  
WATSON, DELOZIER, TURZAI, PERRY, MARSICO, LAWRENCE, QUINN,  
TOEPEL, METCALFE, KAUFFMAN AND KNOWLES, MAY 12, 2011

AS REPORTED FROM COMMITTEE ON LABOR AND INDUSTRY, HOUSE OF  
REPRESENTATIVES, AS AMENDED, MAY 21, 2012

## AN ACT

1 ~~Establishing the Keystone Works I Program.~~ ←  
2 AMENDING THE ACT OF DECEMBER 18, 2001 (P.L.949, NO.114), ←  
3 ENTITLED, AS AMENDED, "AN ACT ESTABLISHING A UNIFIED  
4 WORKFORCE INVESTMENT SYSTEM; RESTRUCTURING CERTAIN  
5 ADMINISTRATIVE FUNCTIONS, PROCEDURES AND ENTITIES;  
6 TRANSFERRING WORKFORCE DEVELOPMENT FUNCTIONS OF COMMONWEALTH  
7 AGENCIES; ESTABLISHING THE PENNSYLVANIA WORKFORCE INVESTMENT  
8 BOARD; PROVIDING FOR CRITICAL JOB TRAINING GRANTS, FOR  
9 GUARANTEES FOR PROGRAM QUALITY AND PERFORMANCE FOR WORKFORCE  
10 DEVELOPMENT PROGRAMS, FOR WORKFORCE LEADERSHIP GRANTS, FOR  
11 INDUSTRY PARTNERSHIPS; AND AUTHORIZING LOCAL WORKFORCE  
12 INVESTMENT BOARDS," AMENDING THE TITLE OF THE ACT; AND  
13 ESTABLISHING THE KEYSTONE WORKS PROGRAM.

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

16 ~~Section 1. Short title.~~ ←

17 ~~This act shall be known and may be cited as the Keystone~~  
18 ~~Works I Program Act.~~

19 ~~Section 2. 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:~~

~~"Business." A business located in this Commonwealth and approved by the Department of Labor and Industry for participation in the program.~~

~~"Claimant." A person collecting unemployment compensation benefits under the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment Compensation Law.~~

~~"Department." The Department of Labor and Industry of the Commonwealth.~~

~~"Program." The Keystone Works I Program.~~

~~"Skill enhancement." Raising to a higher degree a person's knowledge and execution of a fundamental job function.~~

~~Section 3. Keystone Works I Program.~~

~~(a) Establishment. The Keystone Works I Program is established. The department shall administer the program.~~

~~(b) Duties. The department shall do all of the following:~~

~~(1) Within 30 days of the effective date of this section, establish the program.~~

~~(2) Establish a form which claimants shall use to request to be approved for participation in the program.~~

~~(3) Within ten days of receipt of the form, grant or deny a claimant's request to participate in the program.~~

~~(4) In partnership with the department, notify businesses of the availability of the program.~~

~~(5) Provide a business with information and materials necessary to participate upon request.~~

~~(6) Match claimants to businesses participating in the program.~~

~~(c) Certification. In order to participate in the program,  
a business shall certify all of the following to the department:~~

~~(1) That it has open employment positions available.~~

~~(2) That it intends to hire for a position that a  
claimant may fill through the program.~~

~~(3) That it will follow up a claimant's participation in  
the program with a performance evaluation of the claimant,  
regardless of whether or not the claimant is hired for  
employment.~~

#### ~~Section 4. Operation.~~

~~(a) Structure. The department shall structure the program  
to permit a claimant to be matched with a business participating  
in the program. The claimant shall be placed in an open  
employment position made available by the business. The business  
shall provide skill enhancement from a business for up to 24  
hours per week for up to six weeks. Upon completion of the six  
week period, claimants must be considered for employment by the  
business. A business shall not be required to compensate  
claimants involved with the program.~~

~~(b) Termination. A business may terminate its participation  
in the program at any time.~~

#### ~~Section 5. Eligibility.~~

~~Notwithstanding any other law, participation in the program  
shall not affect the unemployment compensation benefits of a  
claimant.~~

#### ~~Section 20. Effective date.~~

~~This act shall take effect immediately.~~

SECTION 1. THE TITLE OF THE ACT OF DECEMBER 18, 2001  
(P.L.949, NO.114), KNOWN AS THE WORKFORCE DEVELOPMENT ACT,  
AMENDED JULY 7, 2011 (P.L.289, NO.67), 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 FOR INDUSTRY PARTNERSHIPS;  
ESTABLISHING THE KEYSTONE WORKS PROGRAM; AND AUTHORIZING  
LOCAL WORKFORCE INVESTMENT BOARDS.

SECTION 2. THE ACT IS AMENDED BY ADDING A CHAPTER TO READ:

CHAPTER 14

KEYSTONE WORKS PROGRAM

SECTION 1401. 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:

"BUSINESS." AN INDIVIDUAL OR ENTITY THAT IS AN "EMPLOYER  
WITHIN THE MEANING OF THE ACT OF DECEMBER 5, 1936 (2ND SP.SESS.,  
1937 P.L.2897, NO.1), KNOWN AS THE UNEMPLOYMENT COMPENSATION  
LAW.

"CLAIMANT." A PERSON COLLECTING REGULAR UNEMPLOYMENT  
COMPENSATION BENEFITS UNDER ARTICLE IV OF THE UNEMPLOYMENT  
COMPENSATION LAW. THE TERM DOES NOT INCLUDE A CLAIMANT RECEIVING  
EXTENDED BENEFITS UNDER ARTICLE IV-A OF THE UNEMPLOYMENT  
COMPENSATION LAW OR FEDERALLY FUNDED UNEMPLOYMENT COMPENSATION  
BENEFITS.

"DEPARTMENT." THE DEPARTMENT OF LABOR AND INDUSTRY OF THE  
COMMONWEALTH.

1 "HIGH-PRIORITY OCCUPATIONS." AS DEFINED IN SECTION 1301.

2 "JOB OPENING." A BONA FIDE OPPORTUNITY FOR EMPLOYMENT WITH A  
3 BUSINESS IN A HIGH-PRIORITY OCCUPATION FOR AT LEAST 30 HOURS PER  
4 WEEK.

5 "PROGRAM." THE KEYSTONE WORKS PROGRAM ESTABLISHED IN SECTION  
6 1402.

7 "TRAINING." A PLANNED, STRUCTURED LEARNING ENVIRONMENT FOR  
8 THE PRIMARY BENEFIT OF THE TRAINEE AND FROM WHICH THE EMPLOYER  
9 DERIVES NO IMMEDIATE ADVANTAGE AND WHICH IS DESIGNED TO PROVIDE  
10 THE SKILLS AND KNOWLEDGE NECESSARY TO MEET A BUSINESS'S  
11 SPECIFICATIONS FOR AN OCCUPATION OR TRADE.

12 SECTION 1402. PROGRAM.

13 (A) ESTABLISHMENT.--

14 (1) THE KEYSTONE WORKS PROGRAM IS ESTABLISHED.

15 (2) THE DEPARTMENT SHALL ADMINISTER THE PROGRAM FROM  
16 FUNDS APPROPRIATED FOR THE PROGRAM.

17 (3) THE DEPARTMENT MAY PROMULGATE REGULATIONS AND ISSUE  
18 GUIDELINES THAT IT DEEMS NECESSARY TO ADMINISTER THE PROGRAM.

19 (B) CLAIMANTS.--A CLAIMANT MAY VOLUNTARILY ENROLL IN THE  
20 PROGRAM AND SHALL BE QUALIFIED FOR TRAINING, IF ALL OF THE  
21 FOLLOWING APPLY:

22 (1) THE DEPARTMENT DETERMINES THAT THE CLAIMANT IS AN  
23 APPROPRIATE MATCH WITH A JOB OPENING AT A PARTICIPATING  
24 BUSINESS.

25 (2) AT THE START OF THE TRAINING, THE UNEXPENDED BALANCE  
26 OF REGULAR UNEMPLOYMENT COMPENSATION TO WHICH THE CLAIMANT IS  
27 FINANCIALLY ELIGIBLE EQUALS OR EXCEEDS THE PRODUCT OF:

28 (I) THE CLAIMANT'S WEEKLY BENEFIT RATE; AND

29 (II) THE NUMBER OF WEEKS REMAINING.

30 (3) THE CLAIMANT CERTIFIES TO THE DEPARTMENT, IN A

1 WRITING SUBJECT TO 18 PA.C.S. § 4904 (RELATING TO UNSWORN  
2 FALSIFICATION TO AUTHORITIES), THAT THE CLAIMANT:

3 (I) WILL NOT ACCEPT ANY FORM OF COMPENSATION, CASH  
4 OR OTHERWISE, FROM THE PARTICIPATING BUSINESS OR  
5 INDIVIDUAL OR ENTITY ASSOCIATED WITH THE PARTICIPATING  
6 BUSINESS FOR PARTICIPATION IN THE PROGRAM;

7 (II) WILL PROVIDE INFORMATION AND DOCUMENTATION TO  
8 THE DEPARTMENT AS REQUESTED; AND

9 (III) WILL COOPERATE WITH REQUESTS FROM THE  
10 DEPARTMENT FOR EVALUATION OF ASPECTS OF THE PROGRAM.

11 (C) BUSINESSES.--THE FOLLOWING ARE REQUIRED FOR A BUSINESS  
12 TO BE ELIGIBLE TO PROVIDE TRAINING UNDER THE PROGRAM.

13 (1) THE BUSINESS MUST SATISFY ALL OF THE FOLLOWING  
14 CRITERIA:

15 (I) THE BUSINESS HAS A JOB OPENING TO WHICH A  
16 CLAIMANT MAY BE MATCHED BY THE DEPARTMENT.

17 (II) THE BUSINESS WILL PROVIDE BONA FIDE TRAINING TO  
18 THE CLAIMANT FOR THE JOB OPENING.

19 (III) UPON COMPLETION OF THE TRAINING PERIOD, THE  
20 BUSINESS WILL CONSIDER THE CLAIMANT FOR EMPLOYMENT IN THE  
21 JOB OPENING FOR WHICH THE CLAIMANT WAS TRAINED.

22 (IV) IF THE BUSINESS HIRES THE CLAIMANT UPON  
23 COMPLETION OF THE TRAINING PERIOD, THE CLAIMANT WILL  
24 PERFORM SERVICES IN "EMPLOYMENT" WITHIN THE MEANING OF  
25 THE ACT OF DECEMBER 5, 1936 (2ND SP.SESS., 1937 P.L.2897,  
26 NO.1), KNOWN AS THE UNEMPLOYMENT COMPENSATION LAW.

27 (V) THE CLAIMANT WILL NOT WORK IN A CONTRACT OR  
28 SELF-EMPLOYMENT CAPACITY FOR THE BUSINESS.

29 (VI) THE BUSINESS AND INDIVIDUALS OR ENTITIES  
30 ASSOCIATED WITH THE BUSINESS WILL NOT PROVIDE A

1 PARTICIPATING CLAIMANT WITH ANY FORM OF COMPENSATION,  
2 CASH OR OTHERWISE, FOR PARTICIPATION IN TRAINING UNDER  
3 THE PROGRAM.

4 (VII) THE BUSINESS WILL NOT PROVIDE TRAINING UNDER  
5 THE PROGRAM WHILE A WORK STOPPAGE ATTRIBUTABLE TO A LABOR  
6 DISPUTE IS IN EFFECT.

7 (VIII) THE BUSINESS WILL NOT PROVIDE TRAINING WHILE  
8 CONCURRENTLY PARTICIPATING IN A WORK SHARE PROGRAM UNDER  
9 ARTICLE XIII OF THE UNEMPLOYMENT COMPENSATION LAW.

10 (IX) PROVIDING TRAINING UNDER THE PROGRAM AND HIRING  
11 THE CLAIMANT UPON COMPLETION OF TRAINING WOULD NOT  
12 VIOLATE A COLLECTIVE BARGAINING AGREEMENT.

13 (X) PROVIDING TRAINING UNDER THE PROGRAM AND HIRING  
14 THE CLAIMANT UPON COMPLETION OF TRAINING WOULD NOT  
15 DISPLACE OR ADVERSELY IMPACT EXISTING EMPLOYEES.

16 (XI) THE BUSINESS WILL COOPERATE WITH REQUESTS FROM  
17 THE DEPARTMENT FOR INFORMATION AND DOCUMENTATION RELATED  
18 TO THE PROGRAM.

19 (2) THE BUSINESS MUST SATISFY ANY ADDITIONAL CRITERIA  
20 ESTABLISHED BY THE DEPARTMENT IN ADMINISTERING THE PROGRAM.

21 (3) THE BUSINESS MUST CERTIFY IN A WRITING SUBJECT TO 18  
22 PA.C.S. § 4904 THAT ALL REQUIREMENTS OF THIS SUBSECTION ARE  
23 OR WILL BE SATISFIED.

24 (D) DESCRIPTION.--

25 (1) THE DEPARTMENT SHALL MATCH CLAIMANTS WITH BUSINESSES  
26 THAT HAVE JOB OPENINGS AND ARE WILLING TO PROVIDE TRAINING  
27 FOR THE CORRESPONDING HIGH-PRIORITY OCCUPATIONS.

28 (2) WHEN A CLAIMANT IS MATCHED WITH A BUSINESS, THE  
29 BUSINESS SHALL PROVIDE THE CLAIMANT A MAXIMUM OF 24 HOURS OF  
30 UNPAID TRAINING PER WEEK, FOR A MAXIMUM OF EIGHT WEEKS. AT

1 THE END OF THE TRAINING PERIOD, THE BUSINESS SHALL CONSIDER  
2 THE CLAIMANT FOR EMPLOYMENT IN THE JOB OPENING, BUT IS NOT  
3 REQUIRED TO HIRE THE CLAIMANT. A CLAIMANT WHO IS  
4 PARTICIPATING IN TRAINING MAY OPT TO DISCONTINUE  
5 PARTICIPATION IN THE PROGRAM AND IS NOT REQUIRED TO ACCEPT AN  
6 OFFER OF EMPLOYMENT AT THE END OF THE TRAINING PERIOD.

7 SECTION 1403. ADMINISTRATION.

8 THE DEPARTMENT HAS THE FOLLOWING POWERS AND DUTIES UNDER THE  
9 PROGRAM:

10 (1) ESTABLISH GUIDELINES AND APPLICATIONS IT DEEMS  
11 NECESSARY FOR THE ADMINISTRATION OF THE PROGRAM.

12 (2) PROVIDE NOTICE TO BUSINESSES AND CLAIMANTS REGARDING  
13 ELIGIBILITY FOR AND PARTICIPATION IN THE PROGRAM.

14 (3) DEVELOP POLICIES AND PROCEDURES TO REGISTER ELIGIBLE  
15 BUSINESSES AND ELIGIBLE CLAIMANTS FOR THE PROGRAM.

16 (4) DEVELOP POLICIES AND PROCEDURES TO REVIEW  
17 APPLICATIONS.

18 (5) DEVELOP POLICIES AND PROCEDURES TO MATCH CLAIMANTS  
19 WITH BUSINESSES THAT HAVE JOB OPENINGS FOR TRAINING UNDER THE  
20 PROGRAM,

21 (6) DEVELOP POLICIES AND PROCEDURES TO PROVIDE  
22 PARTICIPATING CLAIMANTS AND BUSINESSES WITH ADMINISTRATIVE  
23 REMEDIES FOR DEPARTMENT DETERMINATIONS.

24 SECTION 1404. WORKERS' COMPENSATION.

25 (A) DEPARTMENT.--THE DEPARTMENT SHALL PURCHASE OR ARRANGE  
26 FOR WORKERS' COMPENSATION INSURANCE COVERAGE FOR APPROVED  
27 CLAIMANTS DURING THEIR PARTICIPATION IN THE PROGRAM WITH AN  
28 APPROVED BUSINESS.

29 (B) EMPLOYMENT RELATIONSHIP.--A CLAIMANT'S PARTICIPATION IN  
30 THE PROGRAM DOES NOT CREATE AN EMPLOYMENT RELATIONSHIP WITH THE



1 DEPARTMENT FOR PURPOSES OF THE ACT OF JUNE 2, 1915 (P.L.736,  
2 NO.338), KNOWN AS THE WORKERS' COMPENSATION ACT.

3 (C) COMPUTATION.--FOR THE PURPOSES OF COMPUTING AN APPROVED  
4 CLAIMANT'S WAGE COMPENSATION AND BENEFIT AMOUNT UNDER THE  
5 WORKERS' COMPENSATION ACT:

6 (1) THE AVERAGE WEEKLY WAGE SHALL BE THE CLAIMANT'S  
7 MAXIMUM WEEKLY UNEMPLOYMENT COMPENSATION BENEFIT RATE FOR THE  
8 BENEFIT YEAR IN EFFECT AT THE TIME OF INJURY; AND

9 (2) THE UNEMPLOYMENT COMPENSATION BENEFIT OFFSET  
10 PERMITTED UNDER SECTION 204(A) OF THE WORKERS' COMPENSATION  
11 ACT SHALL NOT APPLY.

12 SECTION 1405. ELIGIBILITY.

13 NOTWITHSTANDING ANY OTHER LAW, A CLAIMANT'S PARTICIPATION IN  
14 THE PROGRAM, OPTION TO DISCONTINUE PARTICIPATION IN THE PROGRAM,  
15 TERMINATION FROM THE PROGRAM BY A PARTICIPATING BUSINESS OR  
16 COMPLETION OF THE PROGRAM SHALL NOT AFFECT THE ELIGIBILITY OF  
17 THE CLAIMANT TO RECEIVE UNEMPLOYMENT COMPENSATION IF THE  
18 CLAIMANT REMAINS ELIGIBLE TO RECEIVE THOSE BENEFITS UNDER THE  
19 ACT OF DECEMBER 5, 1936 (2ND SP.SESS., 1937 P.L.2897, NO.1),  
20 KNOWN AS THE UNEMPLOYMENT COMPENSATION LAW.

21 SECTION 1406. BUSINESS INCENTIVES.

22 (A) ELIGIBILITY.--SUBJECT TO THE AVAILABILITY OF FUNDING  
23 UNDER SUBSECTION (B), IF, AT THE END OF A TRAINING PERIOD, A  
24 BUSINESS HIRES A CLAIMANT FOR A JOB OPENING UNDER SECTION  
25 1402(D), THE BUSINESS IS ELIGIBLE TO RECEIVE INCENTIVE PAYMENTS  
26 IN THE AMOUNT OF \$375 FOR EACH PERIOD OF FOUR CONSECUTIVE WORK  
27 WEEKS THE CLAIMANT REMAINS EMPLOYED AT A MINIMUM OF 30 HOURS PER  
28 WEEK, FOR UP TO FOUR CONSECUTIVE PERIODS OF FOUR CONSECUTIVE  
29 WORK WEEKS AND FOR A MAXIMUM OF \$1,500 TOTAL INCENTIVE PAYMENTS.

30 (B) FUNDING.--

1       (1) INCENTIVE PAYMENTS UNDER SUBSECTION (A) SHALL BE  
2       PAID FROM MONEY APPROPRIATED FOR PAYMENT.

3       (2) FIFTEEN PERCENT OF THE TOTAL AMOUNT OF MONEY  
4       AUTHORIZED FOR A FISCAL YEAR SHALL BE RESERVED FOR BUSINESSES  
5       WITH FEWER THAN 100 EMPLOYEES. IF THE RESERVED AMOUNT IS NOT  
6       COMMITTED BY APRIL 30 OF EACH YEAR, IT SHALL BE AVAILABLE TO  
7       BUSINESSES THAT HAVE AT LEAST 100 EMPLOYEES.

8       SECTION 1407. PERFORMANCE EVALUATION SYSTEM.

9       THE DEPARTMENT SHALL DEVELOP AND IMPLEMENT AN EVALUATION AND  
10      PERFORMANCE IMPROVEMENT SYSTEM WHICH DOES THE FOLLOWING:

11       (1) COLLECTS CRITICAL INFORMATION ON AN ANNUAL BASIS OR  
12      MORE FREQUENTLY AS DETERMINED BY THE DEPARTMENT, INCLUDING:

13           (I) INCREASES IN CLAIMANT SKILLS.

14           (II) SKILL TRAINING BEING PROVIDED BY BUSINESSES.

15           (III) PLACEMENT OF CLAIMANTS AFTER TRAINING.

16           (IV) CHALLENGES FORESEEN BY BUSINESSES.

17           (V) BUSINESS TRAINING BEST PRACTICES.

18           (VI) AMOUNT OF WEEKS CLAIMANTS RECEIVED UNEMPLOYMENT  
19      COMPENSATION BENEFITS AFTER COMPLETION OF THE TRAINING  
20      PERIOD.

21       (2) DEFINES THE BENEFITS OF THE PROGRAM AND ITS TRAINING  
22      TO BUSINESSES, CLAIMANTS AND THE UNEMPLOYMENT COMPENSATION  
23      FUND.

24      SECTION 1407.1. ANNUAL REPORT.

25      NO LATER THAN JULY 1 OF EACH YEAR, THE DEPARTMENT SHALL  
26      SUBMIT AN ANNUAL REPORT TO THE CHAIRMAN AND MINORITY CHAIRMAN OF  
27      THE LABOR AND INDUSTRY COMMITTEE OF THE SENATE AND TO THE  
28      CHAIRMAN AND MINORITY CHAIRMAN OF THE LABOR AND INDUSTRY  
29      COMMITTEE OF THE HOUSE OF REPRESENTATIVES PROVIDING ALL DATA  
30      AVAILABLE ON THE OPERATION OF THE PROGRAM DURING THE PRIOR YEAR.

1 THE REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO, CLAIMANT AND  
2 BUSINESS PARTICIPATION, ADMINISTRATIVE COSTS, RELEVANT DATA,  
3 FACTS AND STATISTICS AND ANY OTHER INFORMATION THAT THE  
4 DEPARTMENT BELIEVES NECESSARY IN THE CONTENT OF THE REPORT THAT  
5 IS AVAILABLE.

6 SECTION 1408. EXPIRATION.

7 THIS CHAPTER SHALL EXPIRE JUNE 30, 2017.

8 SECTION 3. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.