
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1824 Session of
2001

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THOMAS, TULLI, WALKO, WILT, YOUNGBLOOD AND ZUG, JUNE 21, 2001

REFERRED TO COMMITTEE ON COMMERCE AND ECONOMIC DEVELOPMENT,
JUNE 21, 2001

AN ACT

1 Establishing industrial resource centers within the Department
2 of Community and Economic Development.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Industrial
7 Resources Center Partnership Act.

8 Section 2. Legislative findings and policies.

9 (a) Findings.--The General Assembly finds as follows:

10 (1) A growing base of companies which leverage advanced
11 technology and innovation to achieve leading positions in
12 their markets and industries is essential to the economic
13 strength and vitality of this Commonwealth in the global,
14 knowledge-based economy.

1 (2) A growing base of productive and profitable small-
2 to-medium-sized manufacturing companies is essential to the
3 economic strength and vitality of this Commonwealth.

4 (3) The competitive success of Commonwealth companies
5 depends on the ability of each company to:

6 (i) identify, understand and serve demanding
7 domestic and foreign markets;

8 (ii) employ modern management methods in all aspects
9 of the enterprise;

10 (iii) educate, empower, reward, recruit and retain a
11 skilled work force;

12 (iv) select, implement and optimize the most
13 advanced technologies appropriate to the enterprise;

14 (v) perform as a resourceful supplier and responsive
15 customer; and

16 (vi) master the dynamic requirements for robust
17 participation in electronic business as information
18 technologies transform commerce.

19 (4) There is a need to inform the body politic, the
20 press, the academic and business communities and the
21 population at large about the significance of a successful,
22 competitive United States manufacturing industry and the
23 importance of an entrepreneurial environment to the quality
24 of life, security and economic strength.

25 (5) The industrial resource centers were created to
26 support the modernization efforts of this Commonwealth's
27 manufacturing companies through collaborative initiatives and
28 individual projects which apply and deploy advanced
29 manufacturing management and production philosophies and
30 techniques in such areas as:

- (i) market analysis and development;
- (ii) selection, implementation and optimization of available technologies;
- (iii) production planning and inventory control;
- (iv) factory and office automation;
- (v) quality assurance and improvement;
- (vi) lean manufacturing;
- (vii) supply chain development;
- (viii) work force development;
- (ix) enterprise management; and
- (x) electronic business and information technology.

(b) Policy.--

(1) It is declared to be the policy of the Commonwealth to promote the health, safety and general welfare of its inhabitants through the department by the certification of industrial resource centers, which shall exist for the purpose of promoting the competitiveness of Commonwealth manufacturing companies through interaction of technology deployment, market analysis, management modernization, work force development and training programs.

(2) These purposes are hereby declared to be public purposes for which public money may be spent.

(3) It is also the policy of the Commonwealth not to duplicate or to mandate the delivery of technical and professional economic development services currently being provided or those which may be provided in the future by other economic development organizations throughout this Commonwealth.

Section 3. Definitions.

The following words and phrases when used in this act shall

1 have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 "Advisory board." The Industrial Resource Center Strategic
4 Advisory Board established in section 9.

5 "Commonwealth manufacturing company." A Pennsylvania
6 manufacturing company.

7 "Department." The Department of Community and Economic
8 Development of the Commonwealth.

9 "Industrial resource center" or "center." A nonprofit
10 corporation, incorporated for the purposes of enhancing and
11 supporting the competitive ability of Commonwealth manufacturers
12 by helping them to identify, assess, select, implement and
13 optimize techniques and technologies.

14 "Manufacturing." The giving of new shapes, new qualities or
15 new combinations to matter by the application of skill and labor
16 thereto.

17 "Private sector funds." Monetary or in-kind support from
18 private businesses, corporations, individuals, trade
19 associations, foundations, federally and locally supported grant
20 programs and other non-Commonwealth sources.

21 "Secretary." The Secretary of Community and Economic
22 Development of the Commonwealth.

23 Section 4. Powers and duties of department.

24 The department shall have the following powers and duties:

25 (1) To take responsibility for overall funding
26 allocation, direct policy development and foster coordination
27 among the industrial resource centers.

28 (2) To monitor the development of State and regional
29 plans to advance the economy of this Commonwealth in relation
30 to manufacturing performance and to promote collaboration

1 between regional entities and Commonwealth agencies in the
2 preparation and execution of such plans.

3 (3) To encourage and assist efforts to identify and
4 pursue Federal and other funding opportunities, particularly
5 those leading to or supporting Statewide strategic
6 initiatives.

7 (4) To establish guidelines and regulations dealing with
8 the program as it is deemed appropriate and consistent.

9 (5) To review the financial and disclosure information
10 submitted by the centers and insure that independent audits
11 and regional board oversight are in place which should
12 reasonably be able to detect and respond to any matters of
13 impropriety at the centers.

14 Section 5. Industrial resource centers.

15 An industrial resource center shall:

16 (1) Serve manufacturing industries in this Commonwealth.

17 (2) Work with companies, such as engineering design,
18 software engineering, accounting, educational corporations
19 and institutions and distribution centers, to help specific
20 manufacturing firms serviced by those companies that
21 modernize their manufacturing techniques and technologies.

22 (3) Offer manufacturers comprehensive assistance which
23 may include, but is not limited to:

24 (i) The capacity to help manufacturing firms
25 evaluate those elements which are critical to their
26 competitive ability, such as implementation of
27 commercially available process technologies, continuous
28 improvement in quality, development of work force skills
29 and understanding the nature of global markets.

30 (ii) The ability to assist companies in identifying

1 and applying appropriate technologies.

2 (iii) The ability to transmit products and
3 techniques to improve manufacturing processes.

4 (iv) Information services which provide
5 manufacturers with practical data on business issues and
6 the availability and capability of commercially available
7 processes and technologies and assistance with
8 implementation.

9 (v) The development of demonstration sites which
10 manufacturers can visit to learn about and evaluate
11 technologies.

12 (vi) Providing manufacturers with services designed
13 to help them better understand and apply modern
14 manufacturing techniques and concepts.

15 (vii) Working with the department and other State
16 agencies and local or regional organizations in the
17 implementation of economic development plans.

18 (viii) Providing manufacturers with marketing
19 strategies and assistance in training and work force
20 development.

21 (4) Represent a consortium of interest designed to meet
22 the needs of manufacturers in their particular regions.

23 (5) Partner with private sector firms in the development
24 of joint initiatives and ventures that address the needs of
25 and benefit manufacturers.

26 (6) Be an independent nonprofit institution overseen by
27 a regional board of directors comprising private industry,
28 economic development organization and university and
29 educational institution representatives, with at least 50%
30 representation from privacy industry.

(7) Complement and cooperate with every other center and make every effort to share expertise and clientele to develop a strong Statewide network.

Section 6. Requirement of matching funds.

Funds in the form of a grant to an industrial resource center or to regional partners by the partnership pursuant to this act shall be matched by private sector funds on a minimum basis to be established by the department. Private matching funds shall include, but not be limited to, monetary or in-kind support from private businesses, corporations, individuals, trade associations, foundations, federally and locally subsidized grants and other forms of non-Commonwealth support. For partners only, private matching funds shall also include machinery and equipment.

Section 7. Reporting requirements.

Centers shall be required to annually submit the following to the department:

(1) The center's current mailing address and telephone number.

(2) A copy of the center's current articles of incorporation and bylaws if they are amended during the previous year.

(3) A list of the center's current officers and directors.

(4) Financial information as the department may request. However, at a minimum, centers shall submit an independent audit which covers all funds received directly from the Commonwealth and funds derived from Commonwealth support, such as paybacks, reimbursements, investment returns, fees for services and any other similar forms of income which

1 result at least partially from initial expenditure of
2 Commonwealth funds. Upon request, centers shall also furnish
3 general financial and program information about activities at
4 the center supported entirely by non-Commonwealth sources,
5 such as Federal or foundation grants arranged directly by the
6 center.

7 (5) Disclosure information of the center's officers and
8 directors as the department may require to ensure the
9 integrity of this act.

10 Section 8. Repeal.

11 The act of July 2, 1993 (P.L.439, No.64), known as the Ben
12 Franklin/IRC Partnership Act, is repealed insofar as it relates
13 to industrial resource centers.

14 Section 9. Industrial Resource Center Strategic Advisory Board.

15 (a) Establishment.--There is hereby established within the
16 department the IRC Strategic Advisory Board.

17 (b) Members.--The advisory board shall be composed of the
18 following members:

19 (1) The secretary.

20 (2) Four members of the General Assembly appointed as
21 follows:

22 (i) One member appointed by the President pro
23 tempore of the Senate.

24 (ii) One member appointed by the Minority Leader of
25 the Senate.

26 (iii) One member appointed by the Speaker of the
27 House of Representatives.

28 (iv) One member appointed by the Minority Leader of
29 the House of Representatives.

30 (3) Seven representatives from the private manufacturing

1 industry to be appointed by the Governor from nominees
2 submitted by the Industrial Resource Centers.

3 (c) Chair.--The advisory board shall be chaired by the
4 secretary.

5 (d) Compensation.--The advisory board members shall receive
6 no compensation for their services but shall be reimbursed for
7 the expenses actually incurred by them in the performance of
8 their duties under this act.

9 (e) Purpose.--The advisory board shall provide perspective
10 to the department and the Industrial Resource Centers on the
11 needs and issues of Pennsylvania manufacturers.

12 Section 10. Duties of advisory board.

13 (a) Duties.--The advisory board shall:

14 (1) Make recommendations to the department and IRCs.

15 (2) Develop strategies designed to enhance the
16 Commonwealthwide impact of the IRCs.

17 (3) Develop strategies designed to facilitate
18 communication among Pennsylvania manufacturers.

19 (b) Exclusions.--The duties of the advisory board shall not
20 include the review and approval of annual funding proposals and
21 allocations for each of the IRCs.

22 Section 11. Effective date.

23 This act shall take effect immediately.