

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, KNOWLES, GILLESPIE, BROOKS AND
BURNS, MAY 12, 2011

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JUNE 19, 2012

AN ACT

1 Amending the act of December 18, 2001 (P.L.949, No.114),
2 entitled, as amended, "An act establishing a unified
3 workforce investment system; restructuring certain
4 administrative functions, procedures and entities;
5 transferring workforce development functions of Commonwealth
6 agencies; establishing the Pennsylvania Workforce Investment
7 Board; providing for critical job training grants, for
8 guarantees for program quality and performance for workforce
9 development programs, for workforce leadership grants, for
10 industry partnerships; and authorizing local workforce
11 investment boards," amending the title of the act; and
12 establishing the Keystone Works Program.

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

15 Section 1. The title of the act of December 18, 2001
16 (P.L.949, No.114), known as the Workforce Development Act,
17 amended July 7, 2011 (P.L.289, No.67), is amended to read:

18 AN ACT

1 Establishing a unified workforce investment system;
2 restructuring certain administrative functions, procedures
3 and entities; transferring workforce development functions of
4 Commonwealth agencies; establishing the Pennsylvania
5 Workforce Investment Board; providing for critical job
6 training grants, for guarantees for program quality and
7 performance for workforce development programs, for workforce
8 leadership grants[,] and for industry partnerships;
9 establishing the Keystone Works Program; and authorizing
10 local workforce investment boards.

11 Section 2. The act is amended by adding a chapter to read:

12 CHAPTER 14

13 KEYSTONE WORKS PROGRAM

14 Section 1401. Definitions.

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

18 "Business." An individual or entity that is an "employer
19 within the meaning of the act of December 5, 1936 (2nd Sp.Sess.,
20 1937 P.L.2897, No.1), known as the Unemployment Compensation
21 Law.

22 "Claimant." A person collecting regular unemployment
23 compensation benefits under Article IV of the Unemployment
24 Compensation Law. The term does not include a claimant receiving
25 extended benefits under Article IV-A of the Unemployment
26 Compensation Law or federally funded unemployment compensation
27 benefits.

28 "Department." The Department of Labor and Industry of the
29 Commonwealth.

30 "High-priority occupations." As defined in section 1301.

1 "Job opening." A bona fide opportunity for employment with a
2 business in a high-priority occupation for at least 35 hours per
3 week.

4 "Program." The Keystone Works Program established in section
5 1402.

6 "Training." A planned, structured learning environment for
7 the primary benefit of the trainee and from which the employer
8 derives no immediate advantage and which is designed to provide
9 the skills and knowledge necessary to meet a business's
10 specifications for an occupation or trade.

11 Section 1402. Program.

12 (a) Establishment.--

13 (1) The Keystone Works Program is established.

14 (2) The department shall administer the program from
15 funds appropriated for the program.

16 (3) The department may promulgate regulations and issue
17 guidelines that it deems necessary to administer the program.

18 (b) Claimants.--A claimant may voluntarily enroll in the
19 program and shall be qualified for training, if all of the
20 following apply:

21 (1) The department determines that the claimant is an
22 appropriate match with a job opening at a participating
23 business.

24 (2) At the start of the training, the unexpended balance
25 of regular unemployment compensation to which the claimant is
26 financially eligible equals or exceeds the product of:

27 (i) the claimant's weekly benefit rate; and

28 (ii) the number of weeks ~~remaining~~ OF TRAINING.

29 (3) The claimant certifies to the department, in a
30 writing subject to 18 Pa.C.S. § 4904 (relating to unsworn



1 falsification to authorities), that the claimant:

2 (i) will not accept any form of compensation, cash
3 or otherwise, from the participating business or
4 individual or entity associated with the participating
5 business for participation in the program;

6 (ii) will provide information and documentation to
7 the department as requested; and

8 (iii) will cooperate with requests from the
9 department for evaluation of aspects of the program.

10 (c) Businesses.--The following are required for a business
11 to be eligible to provide training under the program.

12 (1) The business must satisfy all of the following
13 criteria:

14 (i) The business has a job opening to which a
15 claimant may be matched by the department.

16 (ii) The business will register with the
17 Pennsylvania CareerLink system.

18 (iii) The business will provide bona fide training
19 to the claimant for the job opening.

20 (iv) Upon completion of the training period, the
21 business will consider the claimant for employment in the
22 job opening for which the claimant was trained.

23 (v) If the business hires the claimant upon
24 completion of the training period, the claimant will
25 perform services in "employment" within the meaning of
26 the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897,
27 No.1), known as the Unemployment Compensation Law.

28 (vi) The claimant will not work in a contract or
29 self-employment capacity for the business.

30 (vii) The business and individuals or entities

1 associated with the business will not provide a
2 participating claimant with any form of compensation,
3 cash or otherwise, for participation in training under
4 the program.

5 (viii) The business will not provide training under
6 the program while a work stoppage attributable to a labor
7 dispute is in effect.

8 (ix) The business will not provide training while
9 concurrently participating in a Work Share program under
10 Article XIII of the Unemployment Compensation Law.

11 (x) Providing training under the program and hiring
12 the claimant upon completion of training would not
13 violate a collective bargaining agreement.

14 (xi) Providing training under the program and hiring
15 the claimant upon completion of training would not
16 displace or adversely impact existing employees.

17 (xii) The business will cooperate with requests from
18 the department for information and documentation related
19 to the program.

20 (2) The business must satisfy any additional criteria
21 established by the department in administering the program.
22 This paragraph includes imposing conditions on participating
23 businesses to ensure that an appropriate number of claimants
24 participating in the program receive offers of suitable long-
25 term employment.

26 (3) The business must certify in a writing subject to 18
27 Pa.C.S. § 4904 that all requirements of this subsection are
28 or will be satisfied.

29 (4) The business must not be disqualified under
30 subsection (d) (2) (iii).

1 (c.1) Business program.--

2 (1) To be eligible to participate in the program, a
3 business, its owner or authorized agent must certify that:

4 (i) It has no tax liabilities or other obligations
5 under the laws of the United States or the Commonwealth,
6 or has filed a timely administrative or judicial appeal
7 if such liabilities or obligations exist, or is subject
8 to a duly approved deferred payment plan if such
9 liabilities exist.

10 (ii) Neither the business nor any subcontractors are
11 under suspension or debarment by the Commonwealth or
12 other government entity.

13 (2) The Secretary of Labor and Industry may through
14 guidelines provide for additional eligibility requirements or
15 restrictions deemed necessary for a business to participate
16 in the program.

17 (d) Description.--

18 (1) The department shall match claimants with businesses
19 that have job openings and are willing to provide training
20 for the corresponding high-priority occupations.

21 (2) When a claimant is matched with a business, the
22 business shall provide the claimant a maximum of 24 hours of
23 unpaid training per week, for a maximum of eight weeks. At
24 the end of the training period, the following apply:

25 (i) The business shall consider the claimant for
26 employment in the job opening.

27 (ii) The business is not required to hire the
28 claimant.

29 (iii) The department shall disqualify from
30 participation in the program any employer showing a

1 pattern of acting in bad faith regarding job offers.

2 A claimant who is participating in training may opt to
3 discontinue participation in the program and is not required
4 to accept an offer of employment at the end of the training
5 period.

6 Section 1403. Administration.

7 The department has the following powers and duties under the
8 program:

9 (1) Establish guidelines and applications it deems
10 necessary for the administration of the program.

11 (2) Provide notice to businesses and claimants regarding
12 eligibility for and participation in the program.

13 (3) Develop policies and procedures to register eligible
14 businesses and eligible claimants for the program.

15 (4) Develop policies and procedures to review
16 applications.

17 (5) Develop policies and procedures to match claimants
18 with businesses that have job openings for training under the
19 program,

20 (6) Develop policies and procedures to provide
21 participating claimants and businesses with administrative
22 remedies for department determinations.

23 Section 1404. Workers' Compensation.

24 (a) Department.--The department shall purchase or arrange
25 for workers' compensation insurance coverage for approved
26 claimants during their participation in the program with an
27 approved business.

28 (b) Employment relationship.--A claimant's participation in
29 the program does not create an employment relationship with the
30 department for purposes of the act of June 2, 1915 (P.L.736,

1 No.338), known as the Workers' Compensation Act.

2 (c) Computation.--For the purposes of computing an approved
3 claimant's wage compensation and benefit amount under the
4 Workers' Compensation Act:

5 (1) the average weekly wage shall be the claimant's
6 maximum weekly unemployment compensation benefit rate for the
7 benefit year in effect at the time of injury; and

8 (2) the unemployment compensation benefit offset
9 permitted under section 204(a) of the Workers' Compensation
10 Act shall not apply.

11 Section 1405. Eligibility.

12 Notwithstanding any other law, a claimant's participation in
13 the program, option to discontinue participation in the program,
14 termination from the program by a participating business or
15 completion of the program shall not affect the eligibility of
16 the claimant to receive unemployment compensation if the
17 claimant remains eligible to receive those benefits under the
18 act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1),
19 known as the Unemployment Compensation Law.

20 Section 1406. Business incentives.

21 (a) Eligibility.--Subject to the availability of funding
22 under subsection (b), if, at the end of a training period, a
23 business hires a claimant for a job opening under section
24 1402(d), the business is eligible to receive incentive payments
25 in the amount of \$375 for each period of four consecutive work
26 weeks the claimant remains employed at a minimum of 35 hours per
27 week, for up to four consecutive periods of four consecutive
28 work weeks and for a maximum of \$1,500 total incentive payments.

29 (b) Funding.--

30 (1) Incentive payments under subsection (a) shall be

1 paid from money appropriated for payment.

2 (2) Fifteen percent of the total amount of money
3 authorized for a fiscal year shall be reserved for businesses
4 with fewer than 100 employees. If the reserved amount is not
5 committed by April 30 of each year, it shall be available to
6 businesses that have at least 100 employees.

7 Section 1407. Performance evaluation system.

8 The department shall develop and implement an evaluation and
9 performance improvement system which does the following:

10 (1) Collects critical information on an annual basis or
11 more frequently as determined by the department, including:

12 (i) Increases in claimant skills.

13 (ii) Skill training being provided by businesses.

14 (iii) Placement of claimants after training.

15 (iv) Challenges foreseen by businesses.

16 (v) Business training best practices.

17 (vi) Amount of weeks claimants received unemployment
18 compensation benefits after completion of the training
19 period.

20 (2) Defines the benefits of the program and its training
21 to businesses, claimants and the Unemployment Compensation
22 Fund.

23 Section 1407.1. Annual report.

24 No later than July 1 of each year, the department shall
25 submit an annual report to the chairman and minority chairman of
26 the Labor and Industry Committee of the Senate and to the
27 chairman and minority chairman of the Labor and Industry
28 Committee of the House of Representatives providing all data
29 available on the operation of the program during the prior year.
30 The report shall include, but not be limited to, claimant and

1 business participation, administrative costs, relevant data,
2 facts and statistics and any other information that the
3 department believes necessary in the content of the report that
4 is available.

5 Section 1408. Expiration.

6 This chapter shall expire June 30, 2017.

7 Section 3. This act shall take effect immediately.