



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 425

PRINTERS NO. 882

PRIME SPONSOR: Mackenzie

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	\$0	See "Fiscal Impact"

SUMMARY: Establishes the CareerBound Program. Section 8 (Funding and Notice) of the act would take effect immediately and the remainder of the legislation would take effect when the notice of appropriation is published in the PA Bulletin.

ANALYSIS: This legislation creates the CareerBound Program, providing for school-to-work programs. The program will be managed by the Department of Labor & Industry (L&I), with cooperation from the Department of Education (PDE), Department of Community and Economic Development (DCED), and the statewide Workforce Investment Board (statewide WIB).

Career Bound Program Intent: The program will be administered by L&I to empower local workforce development boards (WDB), school partners, and business partners to collaboratively develop school-to-work programs for the following purposes:

- To provide students with career exploration opportunities and exposure to high priority occupations (HPOs) which will enable the student to make informed decisions on his/her future career path.
- To provide local WDBs with the funding and support necessary to implement innovative school-to-work programs.
- To provide business partners with an opportunity to develop collaborative relationships with school partners and local WDBs.
- To provide school partners with the funds and framework to deliver a relevant curriculum which will prepare students for HPOs.
- To provide program partners with informational resources to help them conduct successful school-to-work programs.

School-to-Work Program Requirements: The curriculum for a school-to-work program must be focused on HPOs and must include one or more of the following:

- Early Exposure: Provides students broad orientation to the tools, processes and procedures used by individuals employed in HPOs. Activities may include company tours, demonstrations, and field trips.
- Practical Exposure: Provides students with a detailed understanding of the tools, processes, and procedures used by individuals in HPOs. Activities may include extended facility visits, job shadowing, and miscellaneous hands-on experience.
- Extended Exposure: Provides students with an in-depth understanding of the tools, processes, and procedures used by individuals in HPOs. Activities may include apprenticeships, internships, and cooperative learning opportunities.

Application and Approval Process: A local WDB may submit an application to L&I requesting approval for participation in CareerBound. Applications must include:

- A list of program partners, including a declaration of interest by at least one school partner and one business partner. Partners may include institutions of higher learning, business-support entities and economic development agencies.
- A description of proposed curriculum and a plan for early/practical/extended exposure.
- A projection of costs, including opportunities to leverage other funding/programming resources.
- A list of HPOs which will be the focus of the program.
- A start date for the proposed program.
- A list of clear objectives and measurable goals for the proposed school-to-work program.
- Documentation of an agreement among program partners describing the role of, and expectations for, each partner.

L&I, in consultation with PDE, DCED, and the statewide WDB, will approve programs based on available funding. Priority must be given to proposed programs demonstrating integration across multiple educational levels, an ability to leverage other funding and programming resources, or a commitment from a business partner to provide preferred interviews to students completing the school-to-work program.

Additional consideration must be given to proposed programs which include multiple businesses/school partners or which targets middle school/early high school students for early exposure activities, or which integrates the program into a school partner's curriculum as a credit course. Upon completion of the approval process, L&I will enter into a contractual agreement with local WDBs which submitted an approved application.

L&I may terminate a program for failure to comply with program requirements, but a replacement program may be approved.

Program Operation: L&I, in collaboration with PDE, DCED, and the statewide WDBs, will manage CareerBound, establish an application process, enumerate outcome-based metrics, institute guidelines and procedures, and distribute funds as necessary. The guidelines must enumerate allowable expenses, provided that administrative expenses over 5% shall be disallowed.

Annual Reports: L&I, PDE, DCED, and the statewide WDB shall jointly submit an annual report regarding CareerBound and the school-to-work programs to the Governor, Auditor General, Chairmen and Minority Chairmen of the Senate and House Appropriations, Education, and Labor & Industry Committees. The annual reports must identify best practices from the most successful programs. The report must also include additional information about each program, including:

- Whether objectives and goals were achieved;
- An analysis of each program based on L&I's outcome-based metrics;
- The number of participating students; and
- The amount spent.

Funding Sources & Notice: DLI may utilize any of the following funding sources to implement this act:

- Funds deposited in the Reemployment Fund
- Existing funds appropriated to DLI, if the use of funds for CareerBound is consistent with law
- Funds appropriated to DLI for CareerBound

Once funding is identified, DLI will transmit notice to the Legislative Reference Bureau to be published in the PA Bulletin.

FISCAL IMPACT: According to the Department of Labor and Industry, administrative costs would be based upon the size of the CareerBound program. The Department indicates that they would not realize any costs until funding is available for the program with those costs being covered by an appropriation or within other available funding.

The legislation would have no adverse fiscal impact on school districts or institutions of higher education as the program is completely voluntary.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: March 19, 2019

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.