

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. Senate Bill 118

PRINTER NO. 725

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

January 31, 2019

PRIME SPONSOR

Senator Langerholc

DESCRIPTION

Senate Bill 118 establishes the Recovery-to-Work pilot program.

This legislation directs the Department of Labor and Industry (department) to administer the Recovery-to-Work pilot program and provide funding when available in the form of grants to local workforce development boards. Workforce development boards that will participate in the program will be required to focus on providing individuals in recovery with job training and work experience to succeed in job opportunities in the local workforce development areas.

The department is required to develop requirements and outcome-based metrics for local workforce development boards and shall select seven participants. Priority shall be given to local workforce development areas that include a county rated in the highest 25% of drug-related overdoses.

This bill authorizes employment incentive payments to business owners in the amount of \$1,250 if they hire an individual who has participated in the program and the person remains employed for 12 weeks, for an average of 35 hours per week.

Senate Bill 118 provides that funds for the Recovery-to-Work pilot program may include monies from the Reemployment Fund, existing funds appropriated to the department if use for the program is consistent with law, or any appropriated funds for the program. Any appropriation of funds for the program must be published in the PA Bulletin. Of funds appropriated for the program, 15% shall be reserved to make the employment incentive payments to business owners with fewer than 100 employees. If by April 30 of each year the amount is not committed, the amount may be used for employers with more than 100 employees.

The department and participating local workforce development boards shall provide an annual report and upon program completion, a final report to the Governor, Auditor General, and respective legislative committees.

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FISCAL IMPACT:

Senate Bill 118 will have no negative fiscal impact on Commonwealth funds. The department believes it can administer this program without the need for additional funding.