
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1945

Session of
1985

INTRODUCED BY MANDERINO, HAYES AND PIEVSKY, NOVEMBER 26, 1985

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
DECEMBER 10, 1985

AN ACT

1 Providing for the establishment, implementation and
2 administration of a customized job training program; and
3 imposing additional powers and duties on the Department of
4 Education.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the Customized
9 Job Training Act.

10 Section 2. Legislative intent.

11 It is the intent of the General Assembly that a Customized
12 Job Training Program be established to meet the training needs
13 of the State's new and expanding business by enhancing the
14 skills of the workers of this Commonwealth. In so doing, funding
15 shall be dedicated towards training projects which result in net
16 new full-time employment opportunities, significant wage
17 improvements, the retention of otherwise lost jobs or other
18 conditions which would offer substantial economic benefit to

1 this Commonwealth. Recognizing that many regions of the State
2 remain severely economically distressed, customized job training
3 programs should attempt to meet the special job training needs
4 of these areas.

5 Section 3. Definitions.

6 The following words and phrases when used in this act shall
7 have the meanings given to them in this section unless the
8 context clearly indicates otherwise:

9 "Capital investment." An expenditure for land, buildings,
10 renovations, machinery and equipment which is directly related
11 to the need for the proposed training.

12 "Current employee trainee." An individual who is currently
13 employed by a ~~business~~ PRIVATE COMPANY and who is enrolled in a <—
14 training program designed to enhance that individual's skills
15 and knowledge necessary for that individual to assume a higher
16 level position, or to retrain the individual in order that a job
17 which would have otherwise been lost could be retained.

18 "Department." The Department of Education of the
19 Commonwealth.

20 "Dislocated worker." A worker who MEETS ANY ONE OF THE <—
21 FOLLOWING CONDITIONS:

22 (1) Has been terminated or laid off, or who has received
23 notice of termination or layoff, and is eligible for or has
24 exhausted unemployment compensation benefits.

25 (2) Is unlikely to return to the industry or occupation
26 in which the individual was employed.

27 (3) Has been terminated or received notice of
28 termination as a result of the permanent closure or
29 relocation of a plant, facility or plant operation in which
30 the individual was employed.

1 (4) Is chronically unemployed.

2 (5) (i) Has limited opportunities for employment in the
3 geographic area in which the individual resides.

4 (ii) Is an individual who may face substantial
5 barriers to employment because of age.

6 "Displaced homemaker." A person who meets all of the
7 following criteria:

8 (1) Has worked without pay as a homemaker for his or her
9 family.

10 (2) Is not adequately employed.

11 (3) Has had or would have difficulty finding employment.

12 (4) Has depended on the income of a family member and
13 has lost that income; or is or has been dependent on
14 governmental assistance; or has been the recipient of
15 disability assistance and is no longer eligible.

16 "Entry level trainee." An individual who is a prospective
17 employee of a ~~business~~ PRIVATE COMPANY and is enrolled in a
18 training program designed to enable that individual to obtain
19 and retain an entry-level position, paying at least the
20 currently allowable minimum wage.

21 "Grant recipient." The local educational agency receiving
22 funding from the department for the purpose of job training.

23 "Local educational agency." An eligible educational agency
24 as designated by the department. The term includes any of the
25 following Pennsylvania institutions:

26 (1) Area vocational-technical schools.

27 (2) Community and junior colleges.

28 (3) Intermediate units.

29 (4) Licensed private/proprietary business and trade
30 schools.

1 (5) Public school districts.

2 (6) State or private COLLEGES OR universities. <—

3 (7) State-related universities.

4 "Net new jobs." The difference between the number of
5 employees at the end of a training project (employees on the
6 payroll at the relevant ~~business~~ PRIVATE COMPANY locations on <—
7 the date of submission of a job training application plus those
8 employees training and hired) and the peak number of employees
9 at those locations in the 12-month period immediately prior to
10 the submission of the job training application.

11 "Private company." Any agricultural, industrial,
12 manufacturing or research and development enterprise or
13 enterprises, as defined in section 3 of the act of May 17, 1956
14 (1955 P.L.1609, No.537), known as the Pennsylvania Industrial
15 Development Authority Act.

16 "Public assistance recipient." A person who has qualified
17 for Federal ~~and~~ OR State public assistance payments. <—

18 "Training program." A systematic program, generally no
19 longer than six months in duration, designed to provide a
20 trainee with the skills and knowledge necessary to meet a
21 ~~business's~~ PRIVATE COMPANY'S specifications for a particular <—
22 occupation or trade, the successful completion of which results
23 in the trainee being employed full time by that ~~business~~ PRIVATE <—
24 COMPANY. Such programs may involve classroom instruction within
25 the agency or within the ~~business~~ PRIVATE COMPANY plant, or on- <—
26 the-job training or any combination thereof.

27 "Unemployed individual." A person who has been without a job
28 for a period of four months, who wants to work, and who is
29 available for work.

30 Section 4. Powers and duties of the Department of Education.

1 The department shall have sole authority for the
2 establishment, implementation and administration of the
3 Customized Job Training Program. Funds provided through this act
4 shall be used exclusively for training grants to local
5 educational agencies on behalf of private companies either
6 ~~located or expanding~~ LOCATING, EXPANDING OR STARTING UP in <—
7 Pennsylvania. The department shall be responsible for all of the
8 following:

9 (1) Promulgate such ~~policies~~ REGULATIONS, develop such <—
10 forms and institute such procedures as may be necessary to
11 implement this act.

12 (2) Approve or disapprove any request for grants
13 according to the procedures outlined in this act.

14 (3) Require such information and records from each local
15 educational agency as it deems necessary.

16 Section 5. Grant procedure.

17 (a) Private company commitments.--An application for a grant
18 shall be initiated by a private company which is locating,
19 expanding or upgrading a facility and shall be submitted to a
20 local ~~sponsor~~ EDUCATIONAL AGENCY. <—

21 (b) Eligibility.--A company seeking a grant for customized
22 job training must be able to provide to the department a
23 statement that demonstrates that both the training for which a
24 grant is to be made and State funds are necessary for the
25 ~~efficient and cost effective operation of the business and could~~ <—
26 ~~not be conducted with any other available resources~~ LOCATION OF <—
27 THE PRIVATE COMPANY, CREATION OF JOBS, EXPANSION OF POSITIONS OR
28 THE PRESERVATION OF OTHERWISE LOST JOBS. It is not the intent of
29 the General Assembly to provide a grant to a private company
30 that would have otherwise conducted the training itself.

1 (c) Grant applications:

2 (1) The local educational agency shall be responsible
3 for:

4 (i) Preparing and submitting the application.

5 (ii) Preparing a detailed outline of the proposed
6 training program in cooperation with the ~~business~~ PRIVATE <—
7 COMPANY.

8 (iii) Contacting the local Office of Employment
9 Security (OES) and the local county board of assistance,
10 when the application includes plans for training entry-
11 level employees, to solicit referrals of candidates for
12 the training program. The local educational agency shall
13 request written certification from the Office of
14 Employment Security and the local county board of
15 assistance that there are not unemployed individuals,
16 currently registered, who are adequately trained and
17 available to fill positions for which the ~~business~~ <—
18 PRIVATE COMPANY is seeking training assistance. <—

19 (iv) Assuring compliance with the approved contact.

20 (v) Monitoring in-school, in-plant or on-the-job
21 training programs.

22 (vi) Preparing and submitting reports as required by
23 the department.

24 (vii) Maintaining accurate reports to substantiate
25 expenditures.

26 (2) The private company shall be responsible for:

27 (i) Establishing criteria for the selection of
28 trainees in consultation with the agency.

29 (ii) Recruitment of trainees for the entry-level
30 customized job training program in conjunction with the

1 agency, the local Office of Employment Security and the
2 local county board of assistance.

3 (iii) Determining the number of individuals to be
4 trained for the available entry-level positions. This
5 figure may provide for reasonable attrition during the
6 training period.

7 (iv) Final selection of trainees.

8 (v) Reporting to the agency accurate training
9 records and expenditure reports upon which payments and <—
10 ~~audits~~ can be documented AND AUDITS PERFORMED. Payments <—
11 will be based on documented expenditures.

12 (vi) Selection of individuals from its current
13 workforce to participate in any upgrading course. In
14 making such selection, the ~~firm~~ PRIVATE COMPANY must <—
15 assure the local educational agency:

16 (A) the positions for which employees are being
17 upgraded are positions which are not regularly
18 available to entry-level employees, and for which
19 adequately trained persons are not available WITHIN <—
20 THE PRIVATE COMPANY;

21 (B) the positions for which employees are being
22 upgraded offer higher wages, would have been lost if
23 customized job retraining had not been conducted or
24 are necessary for the company's competitiveness in
25 the market;

26 (C) successful completion of the upgrading
27 course will result in continued employment with the
28 ~~firm~~ PRIVATE COMPANY in the occupation for which the <—
29 employee is being upgraded; and

30 (D) a concurrent capital investment will be made

1 which is at least equal to the cost of the proposed
2 training program and directly related to the need for
3 upgrading of positions, or such upgrading will create
4 an equal number of entry-level positions.

5 Section 6. Training program requirements.

6 (a) Training plan.--In conjunction with its grant
7 application, each agency shall develop and submit to the
8 department a training plan. Such a training plan shall include:

9 (1) A statement of the objectives of the training
10 program.

11 (2) The number of trainees, entry-level and current
12 employees.

13 (3) A job description for the position to be filled by
14 the trainee and the expected wage earned upon completion of
15 the training program.

16 (4) A time schedule for the completion of the training
17 program.

18 (5) A description of the facilities used for training.

19 (6) Evidence of certification by the Office of
20 Employment Security.

21 (7) A statement of the evaluation criteria to be used to
22 determine competency achievement or an evaluation of
23 trainees' performance once the training program is completed.

24 (b) Review of application.--

25 (1) The department, when reviewing applications for
26 training programs, should carefully consider all other
27 available resources, including, but not limited to, private
28 sector funds, other State or local agency training programs
29 or funds made available under the Job Training Partnership
30 Act (Public Law 97-300, 96 Stat. 1322).

1 (2) The department shall establish priorities for
2 awarding of grants. ~~Priority~~ AFTER THE EXAMINATION OF THE <—
3 POTENTIAL RESULTS OF THE TRAINING PROPOSAL, PRIORITY shall be
4 given to a training program which serves a ~~county~~ COMMUNITY <—
5 in which the average unemployment rate in the most recently
6 completed calendar year is above the Statewide average
7 unemployment rate for the same period or to a State-
8 designated enterprise zone.

9 (3) Within 30 days of receipt of its application, the
10 department shall provide each company and local educational
11 agency with a letter outlining the current status of said
12 application. This letter shall include an assessment of the
13 completeness of the application, an estimate of the amount of
14 time required for completion of the review and the
15 application's present location within the process.

16 Section 7. Contracted services.

17 (a) Subcontracts.--The local educational agency may
18 subcontract with a participating ~~business~~ PRIVATE COMPANY or a <—
19 nonprofit organization for ~~provisions~~ PROVISION of all or a <—
20 portion of the services to be provided, and funds may be
21 allocated from the agency to the subcontractor for such
22 purposes.

23 (b) Compliance.--The agreement for contracted services must
24 include all provisions outlined in section 5(c).

25 Section 8. Compliance with statutes and collective bargaining
26 agreements.

27 The department shall require each ~~grant recipient~~ PRIVATE <—
28 COMPANY to comply with appropriate State and Federal statutes
29 and regulations governing employment discrimination, minority
30 recruitment, minimum or prevailing wages, work site safety and

1 procurement practices. The department shall require each ~~grant~~ <—
2 ~~recipient~~ PRIVATE COMPANY to certify that the training program <—
3 does not abridge any contractual agreement between the ~~business~~ <—
4 PRIVATE COMPANY and the duly recognized COLLECTIVE BARGAINING <—
5 representative of its employees.

6 Section 9. Funding.

7 Funding will be provided from an annual appropriation by the
8 General Assembly.

9 (a) Funding support.--

10 (1) Customized job training funding for entry level
11 training will be used to support the training costs for net
12 new jobs. Up to 80% of the eligible entry level training
13 costs will be provided except for those ~~firms~~ PRIVATE <—
14 COMPANIES which meet ONE OF the conditions of this paragraph, <—
15 in which case 100% of the eligible entry level training costs
16 will be provided.

17 (i) A private company locating in this Commonwealth.

18 (ii) A private company located in this Commonwealth
19 which is in the early stages of start-up and expects to
20 provide a substantial number of net new jobs for the
21 Commonwealth.

22 (iii) A private company which is seeking to ~~locate~~ <—
23 ~~or~~ expand and where the entry-level trainees will be at
24 least 20% public assistance recipients, dislocated
25 workers, unemployed individuals or displaced homemakers.

26 (2) Customized job training funding for eligible upgrade
27 training costs shall normally not exceed 70% of such costs;
28 however, the department may choose to grant exceptions when
29 proposed training is considered to be in the best economic
30 development interests of this Commonwealth. Proposals must

1 show both a concurrent and significant capital investment at
2 least equal to the amount of the grant requested and directly
3 related to the need for the upgrading of job positions or
4 that the upgrade training will result in the creation of an
5 equal number of entry-level job positions. ~~The above funding~~ <—
6 ~~support formula will not apply to agency administration~~
7 ~~costs.~~

8 (b) Limitations on funding.--

9 (1) No funds used for training grants awarded under the
10 provisions of this act shall cause the reduction of the work
11 force, the displacement of workers employed by the company
12 prior to the commencement of the training program or cause
13 the violation of any conditions of existing collective
14 bargaining agreement.

15 (2) No funds appropriated pursuant to this act shall be
16 used for retail job training.

17 (3) No funds will be used for training which will not
18 result in full-time permanent employment.

19 (4) Funding for ENTRY-LEVEL training shall be provided <—
20 only to the extent that qualified individuals, as determined
21 by the Office of Employment Security, are not available.

22 (5) Funds appropriated for training programs under this
23 act are not intended to cause, aid or assist in the
24 relocation of any ~~business~~ PRIVATE COMPANY operation from one <—
25 part of the Commonwealth to another.

26 (6) No more than 20% of the funds appropriated pursuant
27 to this act shall be granted to projects in any one county.

28 (c) Reimbursement for training.--The final reimbursement to
29 the local educational agency shall be withheld pending a final
30 program review by the department.

1 Section 10. Report to the General Assembly.

2 (a) Reporting.--On or before March 1 following the adoption
3 of this act and in each succeeding year in which grants are
4 made, the department shall provide a report to the Chief Clerk
5 of the House of Representatives and the Secretary of the Senate
6 for distribution to members of the General Assembly for the
7 preceding calendar year. The report shall contain, but not be
8 limited to, the following information:

9 (1) A list of the approved training programs, including
10 the local educational agency providing the training program,
11 the name of the private company, the cost of the training
12 program, the percentage of the eligible entry level training
13 costs provided, the percentage of the eligible upgrade
14 training cost provided, the number of new ~~firms~~ PRIVATE <—
15 COMPANIES locating in Pennsylvania, the number of ~~firms~~ <—
16 PRIVATE COMPANIES which are in the early stages of startup <—
17 and the number of ~~firms~~ PRIVATE COMPANIES where at least 20% <—
18 of the trainees are unemployed, public assistance recipients,
19 dislocated workers or displaced homemakers, the amount of
20 private investment, number of new jobs, number of individuals
21 trained, location of the training and employment, date of
22 submission of the application by the agency, estimated
23 completion date of project, and evidence of salary upgrading
24 where appropriate.

25 (2) A list of applications not approved.

26 (3) A list of pending applications.

27 (4) A list of the training programs approved and
28 completed in the fiscal year prior to the preceding fiscal
29 year.

30 (5) In addition to the data required above, the

department shall accumulate from the agencies the following data on an annual and cumulative basis:

(i) The number of jobs actually created as a result of the training project.

(ii) The number of people who, 180 days following completion of the training program, are found to be employed by the company.

(6) An overall statement of the progress of the program during the preceding year, along with recommendations for improvements.

(7) the number of unemployed individuals, public assistance recipients, dislocated workers and displaced homemakers participating in the training program.

Section 11. Sanctions.

Any ~~firm~~ PRIVATE COMPANY, after 180 days following completion of the training, which is found to be in violation of ~~any~~ employment A provision of ~~this act~~ THE TRAINING PLAN must pay to the Commonwealth a dollar amount equal to the percentage of workers not employed or upgraded according to the objectives stated in the training plan. The department shall allow the agency or PRIVATE company found to be in violation of the employment provisions a reasonable period of time to appeal the violation when circumstances of employment or employment retention are thought to be beyond the control of the local educational agency or PRIVATE company. After the appeal process has been exhausted, the department shall make a determination that provisions of the training contract have been violated and shall immediately take steps to recover from the PRIVATE company or agency any dollar amounts determined to be payable to the Commonwealth.

1 Section 12. Rules and regulations.

2 (a) Temporary exemption from review.--In order to facilitate
3 the speedy implementation of the program, the department shall
4 have the power and authority to promulgate and adopt and use
5 regulations that shall be published in the Pennsylvania
6 Bulletin. The regulations shall not be subject to review
7 pursuant to section 205 of the act of July 31, 1968 (P.L.769,
8 No.240), referred to as the Commonwealth Documents Law, or the
9 act of June 25, 1982 (P.L.633, No.181), known as the Regulatory
10 Review Act, and except as provided in subsection (c), shall be
11 effective for a period ending not later than June 30, 1986.

12 (b) Expiration of exemption.--Except as provided in
13 subsection (c), after the expiration of the temporary exemption
14 period, all regulations shall expire and shall be replaced by
15 regulations which shall have been promulgated, adopted and
16 published as provided by law.

17 (c) Exception.--Regulations adopted and pursuant to
18 subsection (a) may be continued in effect if the Leadership
19 Committee created pursuant to section 3 of the act of December
20 22, 1981 (P.L.508, No.142), known as the Sunset Act, extends the
21 regulations.

22 Section 13. Requirements of other acts.

23 Enactment of this act shall be deemed to meet the
24 requirements for enactment of a customized job training act by
25 the General Assembly under section 211 of the act of June 30,
26 1985 (P.L. , No.5A), known as the General Appropriation Act of
27 1985, and the department is hereby authorized to expend all
28 funds remaining unexpended, uncommitted or unencumbered in
29 accord with the provisions of this act.

30 Section 14. Effective date.

1 This act shall take effect immediately.