THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1409 Session of 2010

INTRODUCED BY BRUBAKER, ALLOWAY, RAFFERTY, WASHINGTON, TARTAGLIONE, FOLMER, PIPPY, D. WHITE, SMUCKER, ERICKSON, ARGALL, McILHINNEY, STOUT, ROBBINS, VANCE, WAUGH, GREENLEAF, BROWNE, TOMLINSON, BOSCOLA, STACK, KASUNIC, ORIE, WOZNIAK, LOGAN, WARD AND FARNESE, JUNE 16, 2010

REFERRED TO LABOR AND INDUSTRY, JUNE 16, 2010

AN ACT

| 1 2 3 4 5 6 7 8 | Amending the act of December 18, 2001 (P.L.949, No.114), entitled, as amended, "An act establishing a unified workforce investment system; restructuring certain administrative functions, procedures and entities; transferring workforce development functions of Commonwealth agencies; establishing the Pennsylvania Workforce Investment Board; providing for critical job training grants, for guarantees for program quality and performance for workforce development programs, for workforce leadership grants; and |
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| 10 11 | authorizing local workforce investment boards," providing for industry partnerships. |
| 12 | The General Assembly of the Commonwealth of Pennsylvania |
| 13 | hereby enacts as follows: |
| 14 | Section 1. The title of the act of December 18, 2001 |
| 15 | (P.L.949, No.114), known as the Workforce Development Act, |
| 16 | amended December 16, 2002 (P.L.1930, No.224), is amended to |
| 17 | read: |
| 18 | AN ACT |
| 19 | Establishing a unified workforce investment system; |
| 20 | restructuring certain administrative functions, procedures |
| 21 | and entities; transferring workforce development functions of |

- 1 Commonwealth agencies; establishing the Pennsylvania
- 2 Workforce Investment Board; providing for critical job
- 3 training grants, for guarantees for program quality and
- 4 performance for workforce development programs, for workforce
- 5 leadership grants, for industry partnerships; and authorizing
- 6 local workforce investment boards.
- 7 Section 2. The act is amended by adding a chapter to read:
- 8 CHAPTER 11
- 9 <u>INDUSTRY PARTNERSHIPS</u>
- 10 Section 1101. Definitions.
- 11 The following words and phrases when used in this chapter
- 12 <u>shall have the meanings given to them in this section unless the</u>
- 13 <u>context clearly indicates otherwise:</u>
- 14 <u>"Career pathways." An identified series of positions, work</u>
- 15 <u>experiences or educational benchmarks or credentials which offer</u>
- 16 occupational and financial advancement within a specified career
- 17 field or related fields over time.
- 18 "Department." The Department of Labor and Industry of the
- 19 Commonwealth.
- 20 "High-priority occupations." Occupations which have a
- 21 significant presence in a targeted industry cluster, are in
- 22 <u>demand by employers and pay or lead to payment of a family-</u>
- 23 sustaining wage.
- 24 "Industry cluster." A group of employers closely linked by
- 25 common product or services, workforce needs, similar
- 26 technologies, supply chains or other economic ties.
- 27 "Industry partnership." A collaboration which brings
- 28 together multiple employers and workers or, when appropriate,
- 29 worker representatives and career and technical educators, in a
- 30 <u>targeted industry cluster to address common workforce needs.</u>

- 1 "Industry partnership performance improvement and evaluation
- 2 system." The evaluation system established under section 1107.
- 3 "Participating agency." An agency under the Governor's
- 4 <u>jurisdiction</u>.
- 5 <u>"TANF." The Temporary Assistance for Needy Families program</u>
- 6 under the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et
- 7 seq.), which provides temporary assistance to needy, dependent
- 8 <u>children and their parents or caretaker relatives.</u>
- 9 <u>"Targeted industry cluster." An industry cluster identified</u>
- 10 by the department as having a Statewide economic impact,
- 11 immediate workforce development needs and emerging or
- 12 competitive career opportunities.
- 13 <u>Section 1102</u>. <u>Industry clusters</u>.
- 14 (a) Identification of industry clusters. -- The department
- 15 shall work with businesses, industry associations, career and
- 16 technical associations and organizations, participating
- 17 agencies, State and local workforce investment boards and
- 18 <u>economic development entities to identify industry clusters</u>
- 19 based on the following:
- 20 <u>(1) Statistics showing the competitiveness of a</u>
- 21 <u>potential industry cluster.</u>
- 22 (2) Importance of an industry cluster to the economic
- 23 development of this Commonwealth or the region.
- 24 (3) Identification of other employers that supply
- 25 <u>materials, technology and services to the industry.</u>
- 26 (4) Research studies on industry clusters.
- 27 (5) Any other criteria deemed relevant by the
- department.
- 29 (b) Identification of targeted industry clusters.--The
- 30 <u>department shall work with State and regional workforce and</u>

- 1 economic development agencies, with input from regional business
- 2 and labor leaders, to identify which industry clusters shall be
- 3 <u>targeted for workforce and economic development investments</u>
- 4 based on:
- 5 (1) Importance of the cluster to the economy of this
- 6 <u>Commonwealth and the region.</u>
- 7 <u>(2) Workforce development needs.</u>
- 8 <u>(3) Economic growth potential.</u>
- 9 <u>(4) Competitiveness.</u>
- 10 (5) Employment base.
- 11 (6) Wages, benefits and career opportunities.
- 12 <u>(7) Any other criteria deemed relevant by the</u>
- department.
- 14 (c) Ongoing evaluation. -- The department shall periodically
- 15 <u>evaluate the targeted industry clusters to determine the need</u>
- 16 for any changes to the targeted industry clusters.
- 17 (d) Publication of information. -- The department shall issue
- 18 by July 1 of each year, on its website, information and
- 19 <u>statistics on the targeted industry clusters</u>, including labor
- 20 market information highlighting the clusters. The information
- 21 shall include an occupational analysis depicting the employment
- 22 and wages within the targeted industry cluster.
- 23 (e) List of occupations. -- The department shall annually
- 24 issue a list of Statewide and regional high-priority occupations
- 25 which will guide workforce and educational investments by the
- 26 <u>department</u> and participating agencies.
- 27 <u>Section 1103. Grant program.</u>
- 28 (a) Establishment. -- There is established a grant program, to
- 29 be administered by the department, to provide funding from funds
- 30 appropriated for this purpose to industry partnerships.

- 1 (b) Use of grant funding. -- Industry partnerships shall, to
- 2 the extent funds are available, use a grant awarded under this
- 3 section to do any of the following:
- 4 (1) Organize businesses, employers, workers, labor
- 5 <u>organizations and industry associations into a collaborative</u>
- 6 structure that supports the sharing of information, ideas and
- 7 <u>challenges common to their industry cluster.</u>
- 8 (2) Identify the training needs of multiple businesses,
- 9 <u>especially skill gaps critical to competitiveness and</u>
- innovation to their industry cluster.
- 11 (3) Facilitate economies of scale by aggregating
- training and education needs of multiple employers.
- 13 (4) Assist educational and training institutions in
- 14 aligning curricula and programs to industry demand,
- particularly for high-priority occupations.
- 16 (5) Collaborate with the PA CareerLinks, youth councils,
- 17 business-education partnerships, intermediate units,
- 18 secondary and postsecondary educational institutions,
- 19 parents, career counselors and career and technical educators
- for the purpose of addressing the challenges of connecting
- 21 disadvantaged adults and youth to careers.
- 22 (6) Assist companies in identifying and working together
- 23 <u>to address common organizational and human resource</u>
- 24 challenges, such as recruiting new workers, retaining
- incumbent workers, implementing a high-performance work
- 26 organization, adopting new technologies and fostering
- 27 <u>experiential and contextualized on-the-job learning.</u>
- 28 (7) Assist in developing and strengthening career
- 29 ladders within and across companies, enabling entry-level
- workers to improve skills and advance to higher-wage jobs.

- 1 (8) Assist partner companies in industry partnerships in
- 2 <u>attracting potential employees from a diverse job-seeker</u>
- base, including individuals with barriers to employment, such
- 4 <u>as job seekers who are economically disadvantaged, youth,</u>
- 5 <u>older workers, ex-offenders and others.</u>
- 6 (9) Assist in strengthening connections among businesses
- 7 <u>in industry clusters, leading to cooperation, beyond</u>
- 8 workforce issues, which would improve competitiveness and job
- 9 quality, such as joint purchasing, market research or centers
- 10 for technology and innovation.
- 11 Section 1104. Grant program operation.
- 12 In order to receive grant funding under this section, an
- 13 industry partnership must, in its grant application, do all of
- 14 the following:
- 15 (1) Show evidence of involvement of the local workforce
- investment board.
- 17 (2) Show evidence of participation of workers or labor
- 18 representatives in industry partnerships.
- 19 (3) Provide for private sector matching funding of at
- 20 least 25% of the grant.
- 21 (4) Commit to participate in the industry partnership's
- 22 performance improvement and evaluation system.
- 23 Section 1105. Powers and duties.
- The department has the following powers and duties:
- 25 (1) Establish grant guidelines and develop grant
- 26 applications.
- 27 (2) Develop forms and institute procedures to award
- 28 competitive grants under this section.
- 29 (3) Establish a process to review applications.
- 30 (4) Establish a process for providing applicants with

- 1 additional information about eligibility requirements and
- 2 <u>assistance in preparing applications.</u>
- 3 (5) Provide technical assistance to grant applicants and
- 4 <u>grantees</u>.
- 5 <u>(6) Apply for grants and seek other revenue sources to</u>
- fund the industry partnership administrative and training
- 7 activities.
- 8 <u>Section 1106. Grant period.</u>
- 9 The grant period shall be for a period of not less than 12
- 10 months and not more than 24 months. A grantee may apply to renew
- 11 the grant.
- 12 <u>Section 1107. Interdepartmental cooperation.</u>
- 13 <u>(a) Oversight.--The department shall oversee the operation</u>
- 14 of the grant program, with appropriate agency staffing support
- 15 from the participating agencies.
- 16 (b) Assistance. -- In addition to the specific departmental
- 17 duties under subsection (c), participating agencies shall assist
- 18 the department in carrying out this chapter in relation to each
- 19 agency's roles and responsibilities, including providing to the
- 20 department all information relevant to the implementation of
- 21 this chapter. The information shall include all performance
- 22 measurement information necessary to evaluate any program or
- 23 policy impacting workforce development in this Commonwealth.
- 24 (c) Agencies. -- The following agencies shall work with the
- 25 department as set forth below:
- 26 (1) The Department of Agriculture shall:
- 27 <u>(i) Advise the department on the agriculture</u>
- industry and agriculture education economic development
- 29 <u>strategies, programs and initiatives.</u>
- 30 (ii) Facilitate agricultural industry clusters, to

| Τ | include production agriculture, at the state and rocar |
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| 2 | levels to ensure accurate representation of all sectors |
| 3 | and inclusion of those fields typically categorized as |
| 4 | self-employment. |
| 5 | (iii) Advise the department on career pathways |
| 6 | available in the rural communities of this Commonwealth |
| 7 | and nontraditional career pathways available to urban and |
| 8 | disadvantaged students and citizens. |
| 9 | (iv) Work in collaboration with the department and |
| 10 | the Department of Education to identify emerging career |
| 11 | opportunities, including support in establishing career |
| 12 | ladders and career pathways. |
| 13 | (v) Support initiatives to develop industry- |
| 14 | recognized credentials and new credit-bearing programs in |
| 15 | this Commonwealth's public and private postsecondary |
| 16 | institutions, especially in critical occupations. |
| 17 | (2) The Department of Community and Economic Development |
| 18 | <pre>shall:</pre> |
| 19 | (i) Advise the department of its workforce and |
| 20 | economic development strategies, programs and |
| 21 | <u>initiatives.</u> |
| 22 | (ii) Align existing training programs with industry |
| 23 | partnerships. |
| 24 | (iii) Make relevant business assistance programs |
| 25 | available to industry partnerships. |
| 26 | (iv) Coordinate with the department on areas of |
| 27 | business retention. |
| 28 | (v) Advise the department of its industry |
| 29 | competitiveness programs and cluster strategies. |
| 30 | (3) The Department of Corrections shall: |

| 1 | (i) Align training for inmates with industry |
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| 2 | clusters and high-priority occupations and annually |
| 3 | review these training programs to assure that the |
| 4 | training programs prepare individuals for high-priority |
| 5 | occupations. |
| 6 | (ii) Align reentry programs to take advantage of |
| 7 | information and career opportunities provided by industry |
| 8 | partnerships. |
| 9 | (4) The Department of Education shall: |
| _0 | (i) Work with the department to support career |
| 11 | pathways. |
| 12 | (ii) Support innovative programs to address |
| 13 | literacy, including English as a second language, and |
| _4 | numeracy shortcomings, especially in those occupations |
| 15 | which are critical to targeted industry clusters and |
| L 6 | which lead to postsecondary education and employment. |
| _7 | (iii) Collaborate with the department to develop |
| 8 | programs and strategies to reduce barriers to adult |
| _9 | education. |
| 20 | (iv) Coordinate career education initiatives in |
| 21 | middle and high schools, especially in Project 720 |
| 22 | schools and career and technical education programs. |
| 23 | (v) Support initiatives to develop industry- |
| 24 | recognized credentials and new credit-bearing programs in |
| 25 | this Commonwealth's public and private postsecondary |
| 26 | institutions, especially in occupations critical to |
| 27 | targeted industry clusters. |
| 28 | (vi) Work in collaboration with the department to |
| 29 | determine education and skill gaps associated with |
| 30 | targeted industry clusters and high-priority occupations. |

| Τ | (V11) Advise and assist high-school-based career and |
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| 2 | technical education programs to qualify as high-priority |
| 3 | occupation programs. |
| 4 | (5) The Department of Public Welfare shall: |
| 5 | (i) Create and maintain innovative programs which |
| 6 | connect qualified TANF clients with employment |
| 7 | opportunities in the targeted industry clusters. |
| 8 | (ii) Support strategies to prepare TANF clients for |
| 9 | success in postsecondary education and training programs. |
| 10 | (iii) Develop career education initiatives which |
| 11 | provide TANF clients with information to guide their |
| 12 | education and training plans. |
| 13 | (iv) Collect and share employment information with |
| 14 | the department. |
| 15 | Section 1108. Industry and labor market research. |
| 16 | The department shall provide the necessary industry and labor |
| 17 | market research to support and further develop the work of |
| 18 | <pre>industry partnerships, including:</pre> |
| 19 | (1) Providing current data on all targeted industry |
| 20 | clusters. |
| 21 | (2) Providing the most current available analysis of |
| 22 | industry employment in this Commonwealth for the purpose of |
| 23 | determining trends in this Commonwealth which may lead to |
| 24 | changes in the targeted industry clusters. |
| 25 | (3) Maintaining and updating the annual list of the |
| 26 | Commonwealth's high-priority occupations. |
| 27 | (4) Providing the most currently available analysis of |
| 28 | high-priority occupations for the purpose of determining |
| 29 | trends which may lead to adjustments to the list. |
| 30 | Section 1109. Industry partnership performance improvement and |
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| 1 | <u>evaluation system.</u> |
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| 2 | The department shall develop and implement an evaluation and |
| 3 | performance improvement system which does all of the following: |
| 4 | (1) Collects critical industry partnership information |
| 5 | on an annual basis or more frequently as determined by the |
| 6 | <pre>department, including:</pre> |
| 7 | (i) What the industry partnership has learned. |
| 8 | (ii) What human resource challenges were most common |
| 9 | within the industry partnership. |
| 10 | (iii) The influence and use of technology by the |
| 11 | industry partnership. |
| 12 | (iv) Challenges foreseen by the industry |
| 13 | partnership. |
| 14 | (v) Industry partnership best practices. |
| 15 | (2) Defines the benefits of the industry partnership and |
| 16 | its activities to employers, workers and communities. |
| 17 | (3) Provides annual performance information to the |
| 18 | General Assembly, the public and workforce stakeholders. |
| 19 | Section 3. This act shall take effect immediately. |