
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2464 Session of
2020

INTRODUCED BY PUSKARIC, ZIMMERMAN, BERNSTINE, JONES AND KEEFER,
APRIL 29, 2020

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, APRIL 29, 2020

AN ACT

1 Amending Title 12 (Commerce and Trade) of the Pennsylvania
2 Consolidated Statutes, consolidating Chapter 29 of the act of
3 June 29, 1996 (P.L.434, No.67), known as the Job Enhancement
4 Act; making a related repeal; and making an editorial change.

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

7 Section 1. The heading of Chapter 27 of Title 12 of the
8 Pennsylvania Consolidated Statutes is amended to read:

9 CHAPTER 27

10 CUSTOMIZED JOB TRAINING

11 [(Reserved)]

12 Section 2. Title 12 is amended by adding sections to read:

13 § 2701. Definitions.

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

17 "Applicant." Any of the following:

18 (1) A local education agency.

19 (2) An industrial resource center.

1 (3) An economic development organization.

2 (4) A greenhouse.

3 (5) A private company.

4 (6) A local workforce investment board.

5 "Capital investment." An expenditure for land, buildings,
6 renovations, machinery and equipment which is directly related
7 to the need for the proposed training.

8 "Developer." Any person, partnership, corporation or other
9 for-profit business entity or any nonprofit corporation that
10 promotes or constructs industrial development projects and is
11 engaged in the development of real estate for use by more than
12 one company.

13 "Economic development organization." As follows:

14 (1) An entity certified by the department.

15 (2) An area loan organization.

16 (3) An industrial development corporation.

17 "Educational institution." Any of the following:

18 (1) An area career and technical school.

19 (2) A community or junior college.

20 (3) An intermediate unit.

21 (4) A licensed private/proprietary business or trade
22 school.

23 (5) A public school district.

24 (6) A State or private college or university.

25 "Greenhouse." A nonprofit organization recognized under
26 section 501(c)(3) of the Internal Revenue Code of 1986 (Public
27 Law 99-514, 26 U.S.C. § 501(c)(3)) that is formed for the
28 express purpose of creating university and business partnerships
29 to advance science and technology and to support economic and
30 workforce development.

1 "Industrial resource center." An industrial resource center
2 as defined in section 2 of the act of June 22, 2001 (P.L.400,
3 No.31), known as the Industrial Resources Center Partnership
4 Act.

5 "Labor organization." As follows:

6 (1) An organization, agency or employee representation
7 committee or plan in which employees participate and that
8 exists for the purpose, in whole or in part, of dealing with
9 disputes between an employer and the employer's employees
10 involving grievances, labor disputes, wages, rates of pay,
11 hours of employment or conditions of work.

12 (2) The term does not include an organization, agency,
13 committee or plan that practices discrimination in membership
14 because of race, color, creed, national origin, sex or
15 political affiliation.

16 "Local education agency." An educational institution located
17 in this Commonwealth and certified by the Department of
18 Education.

19 "Local workforce investment board." An entity recommended
20 for certification by the Pennsylvania Workforce Investment Board
21 and certified by the Governor in accordance with the act of
22 December 18, 2001 (P.L.949, No.114), known as the Workforce
23 Development Act.

24 "Private company." As follows:

25 (1) A business, professional service company or other
26 enterprise.

27 (2) The term includes a group of two or more private
28 companies operating as a consortium in order to take
29 advantage of a common training program.

30 (3) The term does not include a point-of-sale retail

1 business.

2 "Private matching fund." A new private investment made by a
3 company or developer in a facility or infrastructure improvement
4 at the site of the enterprise as provided by the department in
5 guidelines under section 2109 (relating to guidelines).

6 "Program." The Customized Job Training Program continued
7 under this chapter.

8 "Trainee." An individual who is an employee or prospective
9 employee and is enrolled in an eligible training program that is
10 designed to enable the individual to obtain or retain
11 employment.

12 "Training program." As follows:

13 (1) A systematic program that is designed to provide a
14 trainee with the skills and knowledge necessary to meet a
15 private company's or labor organization's specifications for
16 an occupation or trade, the successful completion of which
17 results in any of the following:

18 (i) The trainee being employed or continuing to be
19 employed full time by that private company.

20 (ii) A trainee receiving instruction or training
21 related to an occupation with a shortage of skilled
22 workers or a growth industry specified under section
23 2705(3)(i) (relating to approval of applications and
24 award of grants).

25 (2) A training program may involve instruction:

26 (i) within a local education agency;

27 (ii) within a private company or on-the-job
28 training;

29 (iii) within a training program of a labor
30 organization;

1 (iv) through technology-based instruction; or
2 (v) a combination of any of the instruction
3 specified under subparagraphs (i), (ii), (iii) and (iv).

4 § 2702. Customized Job Training Program.

5 (a) Program continuation.--The Customized Job Training
6 Program is continued within the department. Money appropriated
7 to the department for the program shall be used to provide
8 grants for training programs.

9 (b) Departmental responsibilities.--The department shall do
10 all of the following:

11 (1) Administer the program.

12 (2) Review, approve and award grants to applicants in
13 accordance with sections 2704 (relating to review of
14 applications) and 2705 (relating to approval of applications
15 and award of grants).

16 (3) Enter into one or more partnerships with one or more
17 local education agencies or other training providers in
18 accordance with section 2707 (relating to partnerships).

19 (4) Establish, at the beginning of each fiscal year, a
20 reserve not to exceed 25% of the money appropriated to the
21 department for the program for the use of small business
22 applicants. Uncommitted funds in the reserve after March 1 of
23 a fiscal year may be made available to an applicant.

24 (5) Establish a private matching fund requirement for
25 applicants. The following shall apply:

26 (i) The department shall establish the private
27 matching fund requirement for applicants that are private
28 companies or labor organizations at not less than 25% of
29 the total eligible training project cost.

30 (ii) The department may establish different matching

1 fund requirements for a small business, as defined in
2 section 2302 (relating to definitions), and a labor
3 organization.

4 § 2703. Applications.

5 (a) Provisions of application.--An applicant may submit an
6 application to the department for a grant to fund a training
7 program in accordance with the following:

8 (1) If an application is submitted by an industrial
9 resource center or economic development organization, the
10 industrial resource center or economic development
11 organization may apply for a grant on behalf of a private
12 company, greenhouse or labor organization. An economic
13 development organization may not serve as the direct training
14 provider of the trainees.

15 (2) If an application is submitted by a local workforce
16 investment board, the local workforce investment board may
17 apply for a grant only on behalf of projects that promote
18 local education agency and private company partnerships or
19 private company and private company partnerships.

20 (3) If an application to train entry-level employees is
21 submitted by or on behalf of a private company, the applicant
22 shall demonstrate that the private company has contacted the
23 local workforce investment board and the local county board
24 of assistance to solicit referrals of candidates for the
25 training program.

26 (4) If an application is submitted by any other person,
27 the application shall satisfy the requirements established by
28 the department.

29 (b) Requirements of application.--An application shall:

30 (1) Demonstrate that the applicant considered other

1 available resources, including private sector money, other
2 State or local agency training programs or money made
3 available under the Workforce Innovation and Opportunity Act
4 (Public Law 113-128, 128 Stat. 1425) or other Federal
5 programs that provide funds for employment training.

6 (2) Contain a description of the proposed training or
7 instructional program to be carried out.

8 (3) Disclose if an applicant intends to contract with
9 other organizations or individuals for the provision of all
10 or a portion of the services to be provided and, if
11 disclosed, contain a request to allocate a portion of the
12 grant from the applicant to the subcontractor.

13 (4) Include a written commitment from the applicant to
14 invest private matching funds in the training project.

15 § 2704. Review of applications.

16 The department shall review an application and may request
17 from the applicant and the applicant's training provider
18 additional information and records as it deems necessary to
19 carry out responsibilities under this chapter.

20 § 2705. Approval of applications and award of grants.

21 The department may approve and award grants to applicants in
22 accordance with all of the following:

23 (1) The department must find that the applicant has
24 satisfied the applicable matching fund requirement and that
25 the grant will be used by the applicant to provide training
26 or instruction only to Commonwealth residents.

27 (2) The department must find that the grant will result
28 in any of the following objectives:

29 (i) The location or expansion of a private company
30 or greenhouse within this Commonwealth with the creation

1 of jobs paying competitive wages and the private company
2 or greenhouse making capital expenditures.

3 (ii) The expansion or upgrade of existing jobs that
4 result in increased wages for the jobs.

5 (iii) The retention of jobs in this Commonwealth
6 that would otherwise be lost.

7 (iv) The promotion of local education agency and
8 private company partnerships and private company and
9 private company partnerships if a direct connection
10 between the development of skills and subsequent
11 employment by one or more private companies can be
12 demonstrated.

13 (v) The promotion of efforts by a labor organization
14 to upgrade the skills of the labor organization's
15 members.

16 (3) The department shall give priority to those
17 applications that have any of the following characteristics:

18 (i) The application would establish a training
19 program determined by the department to be in a growth
20 industry vital to this Commonwealth's competitiveness.

21 These industries include:

22 (A) Agribusiness.

23 (B) Advanced manufacturing.

24 (C) Advanced materials.

25 (D) Life sciences.

26 (E) Biotechnology and health care.

27 (F) Environmental technology.

28 (G) Information technology.

29 (ii) The application is submitted on behalf of a
30 private company or labor organization that is located:

1 (A) in a municipality in which the average
2 unemployment rate in the most recently completed
3 calendar year is above the Statewide average
4 unemployment rate for the same period;

5 (B) in a State-designated enterprise zone; or

6 (C) in a municipality or region that has
7 suffered a significant loss of jobs due to one or
8 more major plant closings, layoffs or natural or man-
9 made disasters.

10 (iii) The application is submitted by or on behalf
11 of a private company that plans to create 50 or more jobs
12 and that is making a capital investment of at least
13 \$1,000,000.

14 (4) The department may determine that the grant will be
15 used by the applicant to reimburse the cost of training.
16 Costs may include instructional costs, costs of instructional
17 or training material or software, costs associated with
18 tuition reimbursement and reasonable administrative costs as
19 determined by the department.

20 § 2706. Limitations.

21 (a) Department.--The department may not do any of the
22 following:

23 (1) Award grants under this chapter that in the
24 aggregate exceed the amount of the annual appropriations to
25 the department for the program.

26 (2) Award more than 10% of the money appropriated to the
27 program in any one fiscal year to any one private company,
28 greenhouse or labor organization, including any affiliates
29 thereof.

30 (3) Award a grant to or on behalf of a private company

1 or labor organization, including any affiliates thereof, for
2 more than two successive fiscal years and for no more than
3 three out of every five fiscal years.

4 (b) Recipients.--A recipient of a grant may not do any of
5 the following:

6 (1) Use a grant to do any of the following:

7 (i) Pay wages of trainees during training.

8 (ii) Pay costs associated with building construction
9 or renovation or the acquisition, upgrade or installation
10 of equipment or machinery, including computer equipment.

11 (2) Use a grant to reduce the workforce or displace
12 workers of a private company prior to the commencement of a
13 training program except because the introduction of new
14 manufacturing techniques, technology and modernization may
15 lead to short-term reductions in a private company's
16 workforce. The secretary may waive this grant limitation if
17 the long-term economic benefits to be gained by the private
18 company significantly exceed the short-term detriment to the
19 private company's workforce.

20 (3) Use a grant to violate a condition of an existing
21 collective bargaining agreement.

22 (4) Use a grant for point-of-sale retail job training.

23 § 2707. Partnerships.

24 (a) Partnership agreements.--If the department determines
25 that a training program is more effectively delivered through a
26 partnership, the department may enter into partnership
27 agreements with one or more local education agencies or other
28 training providers to provide the training program.

29 (b) Contents of training programs.--The training programs
30 under subsection (a) shall consist of basic and entry-level

1 skills, technology skill training, training related to job
2 retention or other specified training assistance.

3 (c) Authorization of department.--Under a partnership
4 arrangement, the department may:

5 (1) limit the number and category of applicants that may
6 submit applications for assistance; and

7 (2) establish minimal standards and requirements for
8 project eligibility. The requirements may be separate and
9 distinct from the requirements established under this
10 chapter, except that section 2706 (relating to limitations)
11 shall apply to all training programs funded under this
12 chapter.

13 § 2708. Compliance with statutes and collective bargaining
14 agreements.

15 (a) Compliance generally.--The department shall require each
16 person receiving a grant under this chapter to comply with
17 applicable Federal and State statutes governing employment
18 discrimination, minority recruitment, minimum or prevailing
19 wages, work site safety and procurement practices.

20 (b) Certification.--The department shall require each
21 private company receiving a grant under this chapter to certify
22 that the private company's training program does not abridge any
23 contractual agreement between the private company and the
24 collective bargaining representative of the private company's
25 employees.

26 § 2709. Penalties and investigations.

27 (a) Private company.--Unless the department determines that
28 a private company's failure is due to circumstances outside the
29 control of the private company, the private company shall be
30 liable to repay all or part of the amount of a grant awarded

1 under this chapter if the private company does any of the
2 following:

3 (1) Fails to create the number of jobs specified in the
4 private company's agreement with or commitment to the
5 department.

6 (2) Fails to make the amount of capital investment
7 specified in the application to the department.

8 (3) Fails to substantially carry out the training
9 program approved by the department.

10 (b) Applicants.--An applicant or subcontractor that fails to
11 provide for or to perform a training program approved by the
12 department may be required to repay to the department money that
13 the applicant or subcontractor received under a grant awarded by
14 the department.

15 (c) Investigation.--Upon receiving a complaint from a
16 private company, greenhouse, labor organization or trainee as to
17 the inadequacy of training received, the department may initiate
18 an investigation and take appropriate action, including the
19 recovery of grant money expended.

20 Section 3. Repeals are as follows:

21 (1) The General Assembly declares that the repeal under
22 paragraph (2) is necessary to effectuate the amendment of 12
23 Pa.C.S. Ch. 27.

24 (2) Chapter 29 of the act of June 29, 1996 (P.L.434,
25 No.67), known as the Job Enhancement Act, is repealed.

26 Section 4. The amendment of 12 Pa.C.S. Ch. 27 is a
27 continuation of Chapter 29 of the act of June 29, 1996 (P.L.434,
28 No.67), known as the Job Enhancement Act. The following apply:

29 (1) Except as otherwise provided in 12 Pa.C.S. Ch. 27,
30 all activities initiated under Chapter 29 of the Job

1 Enhancement Act shall continue and remain in full force and
2 effect and may be completed under 12 Pa.C.S. Ch. 27. Orders,
3 regulations, rules and decisions which were made under
4 Chapter 29 of the Job Enhancement Act and which are in effect
5 on the effective date of section 3(2) of this act shall
6 remain in full force and effect until revoked, vacated or
7 modified under 12 Pa.C.S. Ch. 27. Contracts, obligations and
8 collective bargaining agreements entered into under Chapter
9 29 of the Job Enhancement Act are not affected nor impaired
10 by the repeal of Chapter 29 of the Job Enhancement Act.

11 (2) Any difference in language between 12 Pa.C.S. Ch. 27
12 and Chapter 29 of the Job Enhancement Act is intended only to
13 conform to the style of the Pennsylvania Consolidated
14 Statutes and is not intended to change or affect the
15 legislative intent, judicial construction or administration
16 and implementation of Chapter 29 of the Job Enhancement Act.
17 Section 5. This act shall take effect in 60 days.