

No. 2011-67

AN ACT

SB.552

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 authorizing local workforce investment boards," providing for industry partnerships.

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

Section 1. The title of the act of December 18, 2001 (P.L.949, No.114), known as the Workforce Development Act, amended December 16, 2002 (P.L.1930, No.224), is amended to read:

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, *for industry partnerships*; and authorizing local workforce investment boards.

Section 2. The act is amended by adding a chapter to read:

CHAPTER 13
INDUSTRY PARTNERSHIPS

Section 1301. Definitions.

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

"Career pathways." An identified series of positions, work experiences or educational benchmarks or credentials which offer occupational and financial advancement within a specified career field or related fields over time.

"Department." The Department of Labor and Industry of the Commonwealth.

"High-priority occupations." Occupations which have a significant presence in a targeted industry cluster, are in demand by employers and pay or lead to payment of a family-sustaining wage.

"Industry cluster." *A group of employers closely linked by common products or services, workforce needs, similar technologies, supply chains or other economic ties.*

"Industry partnership." *A collaboration which brings together multiple employers and workers or, when appropriate, worker representatives and career and technical educators, in a targeted industry cluster to address common workforce needs.*

"Industry partnership performance improvement and evaluation system." *The evaluation system established under section 1309.*

"Participating agency." *An agency under the Governor's jurisdiction.*

"TANF." *The Temporary Assistance for Needy Families program under the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.), which provides temporary assistance to needy, dependent children and their parents or caretaker relatives.*

"Targeted industry cluster." *An industry cluster identified by the department as having a Statewide economic impact, immediate workforce development needs and emerging or competitive career opportunities.*

Section 1302. Industry clusters.

(a) Identification of industry clusters.—*The department shall work with businesses, industry associations, career and technical associations and organizations, participating agencies, State and local workforce investment boards and economic development entities to identify industry clusters based on the following:*

(1) Statistics showing the competitiveness of a potential industry cluster.

(2) Importance of an industry cluster to the economic development of this Commonwealth.

(3) Identification of other employers that supply materials, technology and services to the industry.

(4) Research studies on industry clusters.

(5) Any other criteria deemed relevant by the department.

(b) Identification of targeted industry clusters.—*The department shall work with State and regional workforce and economic development agencies, with input from regional business and labor leaders, to identify which industry clusters shall be targeted for workforce and economic development investments based on:*

(1) Importance of the cluster to the economy of this Commonwealth and the region.

(2) Workforce development needs.

(3) Economic growth potential.

(4) Competitiveness.

(5) Employment base.

(6) Wages, benefits and career opportunities.

(c) Ongoing evaluation.—*The department shall periodically evaluate the targeted industry clusters to determine the need for any changes to the targeted industry clusters.*

(d) Publication of information.—*The department shall issue by July 1 of each year, on its Internet website, information and statistics on the targeted industry clusters, including labor market information highlighting*

the clusters. The information shall include an occupational analysis depicting the employment and wages within the targeted industry cluster.

(e) List of occupations.—The department shall annually issue a list of Statewide and regional high-priority occupations which will guide workforce and educational investments by the department and participating agencies.

Section 1303. Grant program.

(a) Establishment.—The department shall establish and administer a grant program to provide funding to industry partnerships from funds appropriated by the General Assembly for the purposes of this act.

(b) Use of grant funding.—Industry partnerships shall, to the extent funds are available, use a grant awarded under this section to do any of the following:

(1) Organize businesses, employers, workers, labor organizations and industry associations into a collaborative structure that supports the sharing of information, ideas and challenges common to their industry cluster.

(2) Identify the training needs of multiple businesses, including skill gaps critical to competitiveness and innovation to their industry cluster.

(3) Facilitate economies of scale by aggregating training and education needs of multiple employers.

(4) Assist educational and training institutions in aligning curricula and programs to industry demand, particularly for high-priority occupations.

(5) Collaborate with the PA CareerLink, youth councils, business-education partnerships, intermediate units, secondary and postsecondary educational institutions, parents, career counselors and career and technical educators for the purpose of addressing the challenges of connecting disadvantaged adults and youth to careers.

(6) Assist companies in identifying and working together to address common organizational and human resource challenges, including recruiting new workers, retaining incumbent workers, implementing a high-performance work organization, adopting new technologies and fostering experiential and contextualized on-the-job learning.

(7) Assist in developing and strengthening career ladders within and across companies, enabling entry-level workers to improve skills and advance to higher-wage jobs.

(8) Assist partner companies in industry partnerships in attracting a diverse workforce, including individuals with barriers to employment. This shall include the economically disadvantaged, youth, older workers, ex-offenders and the physically and developmentally disabled.

(9) Assist in strengthening connections among businesses in industry clusters, leading to cooperation, beyond workforce issues, which would improve competitiveness and job quality, including joint purchasing, market research or centers for technology and innovation.

Section 1304. Grant program operation.

In order to receive grant funding under this section, an industry partnership must, in its grant application, do all of the following:

(1) *Show evidence of involvement of the local workforce investment board.*

(2) *Show evidence of participation of workers or labor representatives in industry partnerships.*

(3) *Provide for private sector matching funding of at least 25% of the grant.*

(4) *Commit to participate in the industry partnership's performance improvement and evaluation system.*

Section 1305. Powers and duties.

The department shall have the following powers and duties:

(1) *Establish grant guidelines and develop grant applications.*

(2) *Develop forms and institute procedures to award competitive grants under this section.*

(3) *Establish a process to review applications.*

(4) *Establish a process for providing applicants with additional information about eligibility requirements and assistance in preparing applications.*

(5) *Provide technical assistance to grant applicants and grantees.*

(6) *Apply for grants and seek other revenue sources to fund the industry partnership administrative and training activities.*

Section 1306. Grant period.

The grant period shall be for a period of not less than 12 months and not more than 24 months. A grantee may apply to renew the grant.

Section 1307. Interdepartmental cooperation.

(a) *Oversight.—The department shall oversee the operation of the grant program, with appropriate agency staffing support from the participating agencies.*

(b) *Assistance.—In addition to the specific departmental duties under subsection (c), participating agencies shall assist the department in carrying out this chapter in relation to each agency's roles and responsibilities, including providing to the department all information relevant to the implementation of this chapter. The information shall include all performance measurement information necessary to evaluate any program or policy impacting workforce development in this Commonwealth.*

(c) *Agencies.—The following agencies shall work with the department as set forth below:*

(1) *The Department of Agriculture shall:*

(i) *Advise the department on the agriculture industry and agriculture education economic development strategies, programs and initiatives.*

(ii) *Facilitate agricultural industry clusters, to include production agriculture, at the State and local levels to ensure accurate representation of all sectors and inclusion of those fields typically categorized as self-employment.*

(iii) *Advise the department on career pathways available in the rural communities of this Commonwealth and nontraditional career pathways available to urban and disadvantaged students and citizens.*

(iv) *Work in collaboration with the department and the Department of Education to identify emerging career opportunities, including support in establishing career ladders and career pathways.*

(v) *Support initiatives to develop industry-recognized credentials and new credit-bearing programs in this Commonwealth's public and private postsecondary institutions, especially in critical occupations.*

(2) *The Department of Community and Economic Development shall:*

(i) *Advise the department of its workforce and economic development strategies, programs and initiatives.*

(ii) *Align existing training programs with industry partnerships.*

(iii) *Make relevant business assistance programs available to industry partnerships.*

(iv) *Coordinate with the department on areas of business retention.*

(v) *Advise the department of its industry competitiveness programs and cluster strategies.*

(3) *The Department of Corrections shall:*

(i) *Align training for inmates with industry clusters and high-priority occupations and annually review these training programs to assure that the training programs prepare individuals for high-priority occupations.*

(ii) *Align reentry programs to take advantage of information and career opportunities provided by industry partnerships.*

(4) *The Department of Education shall:*

(i) *Work with the department to support career pathways.*

(ii) *Support innovative programs to address literacy, including English as a second language, and numeracy shortcomings, especially in those occupations which are critical to targeted industry clusters and which lead to postsecondary education and employment.*

(iii) *Collaborate with the department to develop programs and strategies to reduce barriers to adult education.*

(iv) *Coordinate career education initiatives in middle and high schools, especially in Project 720 schools and career and technical education programs.*

(v) *Support initiatives to develop industry-recognized credentials and new credit-bearing programs in this Commonwealth's public and private postsecondary institutions, especially in occupations critical to targeted industry clusters.*

(vi) *Work in collaboration with the department to determine education and skill gaps associated with targeted industry clusters.*

(vii) *Advise and assist high-school-based career and technical education programs to develop high-priority¹ occupation programs.*

¹"develop as high priority" in enrolled bill.

(viii) *Within two years following the effective date of this act, regulations may be promulgated by the Department of Education in consultation with career and technical school administrators. The regulations shall conform to career and technical schools' needs and assist to align their needs with employer demands. Incentives shall be included to increase alignment. Until this program and regulations are in effect, secondary career and technical schools and programs shall not be required to meet the requirements for high-priority occupations for program approval.*

(5) *The Department of Public Welfare shall:*

(i) *Create and maintain innovative programs which connect qualified TANF clients with employment opportunities in the targeted industry clusters.*

(ii) *Support strategies to prepare TANF clients for success in postsecondary education and training programs.*

(iii) *Develop career education initiatives which provide TANF clients with information to guide their education and training plans.*

(iv) *Collect and share employment information with the department.*

Section 1308. Industry and labor market research.

The department shall provide the necessary industry and labor market research to support and further develop the work of industry partnerships, including:

(1) *Providing current data on all targeted industry clusters.*

(2) *Providing the most current available analysis of industry employment in this Commonwealth for the purpose of determining trends in this Commonwealth which may lead to changes in the targeted industry clusters.*

(3) *Maintaining and updating the annual list of this Commonwealth's high-priority occupations.*

(4) *Providing the most currently available analysis of high-priority occupations for the purpose of determining trends which may lead to adjustments to the list.*

Section 1309. Industry partnership performance improvement and evaluation system.

The department shall develop and implement an evaluation and performance improvement system which does all of the following:

(1) *Collects critical industry partnership information on an annual basis or more frequently as determined by the department, including:*

(i) *What the industry partnership has learned.*

(ii) *What human resource challenges were most common within the industry partnership.*

(iii) *The influence and use of technology by the industry partnership.*

(iv) *Challenges foreseen by the industry partnership.*

(v) *Industry partnership best practices.*

(2) *Defines the benefits of the industry partnership and its activities to employers, workers and communities.*

(3) Provides annual performance information to the General Assembly, the public and workforce stakeholders.

Section 3. This act shall take effect immediately.

APPROVED—The 7th day of July, A.D. 2011

TOM CORBETT