

No. 2001-31

AN ACT

SB 877

Establishing industrial resource centers within the Department of Community and Economic Development.

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

Section 1. Short title.

This act shall be known and may be cited as the Industrial Resources Center Partnership Act.

Section 2. Definitions.

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

“Advisory board.” The Industrial Resource Center Strategic Advisory Board established in section 9.

“Commonwealth manufacturing company.” A Pennsylvania manufacturing company.

“Department.” The Department of Community and Economic Development of the Commonwealth.

“Industrial resource center” or “center.” A nonprofit corporation incorporated for the purposes of enhancing and supporting the competitive ability of Commonwealth manufacturers by helping them to identify, assess, select, implement and optimize techniques and technologies.

“Manufacturing.” The giving of new shapes, new qualities or new combinations to matter by the application of skill and labor thereto.

“Private sector funds.” Monetary or in-kind support from private businesses, corporations, individuals, trade associations, foundations, federally and locally supported grant programs and other non-Commonwealth sources.

“Secretary.” The Secretary of Community and Economic Development of the Commonwealth.

Section 3. Powers and duties of department.

The department shall have the following powers and duties:

(1) To take responsibility for overall funding allocation, direct policy development and foster coordination among the industrial resource centers.

(2) To monitor the development of State and regional plans to advance the economy of this Commonwealth in relation to manufacturing performance and to promote collaboration between regional entities and Commonwealth agencies in the preparation and execution of such plans.

(3) To encourage and assist efforts to identify and pursue Federal and other funding opportunities, particularly those leading to or supporting Statewide strategic initiatives.

(4) To establish guidelines and regulations dealing with the program as it is deemed appropriate and consistent.

(5) To establish criteria for and select and certify nonprofit corporations as industrial resource centers.

(6) To review the financial and disclosure information submitted by the centers and insure that independent audits and regional board oversight are in place which should reasonably be able to detect and respond to any matters of impropriety at the centers.

Section 4. Industrial resource centers.

An industrial resource center shall:

(1) Serve manufacturing industries in this Commonwealth.

(2) Work with companies, such as engineering design, software engineering, accounting, educational corporations and institutions and distribution centers, to help specific manufacturing firms serviced by those companies that modernize their manufacturing techniques and technologies.

(3) Offer manufacturers comprehensive assistance which may include, but is not limited to:

(i) The capacity to help manufacturing firms evaluate those elements which are critical to their competitive ability, such as implementation of commercially available process technologies, continuous improvement in quality, development of work force skills and understanding the nature of global markets.

(ii) The ability to assist companies in identifying and applying appropriate technologies.

(iii) The ability to transmit products and techniques to improve manufacturing processes.

(iv) Information services which provide manufacturers with practical data on business issues and the availability and capability of commercially available processes and technologies and assistance with implementation.

(v) The development of demonstration sites which manufacturers can visit to learn about and evaluate technologies.

(vi) Providing manufacturers with services designed to help them better understand and apply modern manufacturing techniques and concepts.

(vii) Working with the department and other State agencies and local or regional organizations in the implementation of economic development plans.

(viii) Providing manufacturers with marketing strategies and assistance in training and work force development.

(4) Represent a consortium of interest designed to meet the needs of manufacturers in their particular regions.

(5) Partner with private sector firms in the development of joint initiatives and ventures that address the needs of and benefit manufacturers.

(6) Be an independent nonprofit institution overseen by a regional board of directors comprising private industry, economic development organization and university and educational institution representatives, with at least 50% representation from privacy industry.

(7) Complement and cooperate with every other center and make every effort to share expertise and clientele to develop a strong Statewide network.

Section 5. Certification.

A nonprofit corporation may submit an application for designation as an industrial resource center to the department. After a review of the applications, the department shall select and certify nonprofit corporations meeting its criteria and the requirements of section 5 as industrial resource centers. The department may modify or revoke an industrial resource center's certification consistent with the regulations, policies and guidelines of the department. An industrial resource center in existence and in receipt of funds from the Ben Franklin/IRC Partnership as of the effective date of this act is hereby deemed certified as an industrial resource center.

Section 6. Requirement of matching funds.

Funds in the form of a grant to an industrial resource center pursuant to this act shall be matched by private sector funds on a minimum basis to be established by the department. Private matching funds shall include, but not be limited to, monetary or in-kind support from private businesses, corporations, individuals, trade associations, foundations, federally and locally subsidized grants and other forms of non-Commonwealth support.

Section 7. Reporting requirements.

Centers shall be required to annually submit the following to the department:

- (1) The center's current mailing address and telephone number.
- (2) A copy of the center's current articles of incorporation and bylaws if they are amended during the previous year.
- (3) A list of the center's current officers and directors.
- (4) Financial information as the department may request. However, at a minimum, centers shall submit an independent audit which covers all funds received directly from the Commonwealth and funds derived from Commonwealth support, such as paybacks, reimbursements, investment returns, fees for services and any other similar forms of income which result at least partially from initial expenditure of Commonwealth funds. Upon request, centers shall also furnish general financial and program information about activities at the center

supported entirely by non-Commonwealth sources, such as Federal or foundation grants arranged directly by the center.

(5) Disclosure information of the center's officers and directors as the department may require to ensure the integrity of this act.

Section 8. Repeal.

The act of July 2, 1993 (P.L.439, No.64), known as the Ben Franklin/IRC Partnership Act, is repealed insofar as it relates to industrial resource centers.

Section 9. Industrial Resource Center Strategic Advisory Board.

(a) Establishment.—There is hereby established within the department the IRC Strategic Advisory Board.

(b) Members.—The advisory board shall be composed of the following members:

(1) The secretary.

(2) Four members of the General Assembly appointed as follows:

(i) One member appointed by the President pro tempore of the Senate.

(ii) One member appointed by the Minority Leader of the Senate.

(iii) One member appointed by the Speaker of the House of Representatives.

(iv) One member appointed by the Minority Leader of the House of Representatives.

(3) Six representatives from the private manufacturing industry to be appointed by the Governor from nominees submitted by the industrial resource centers.

(4) One representative from organized labor to be appointed by the Governor.

(c) Chair.—The advisory board shall be chaired by the secretary.

(d) Compensation.—The advisory board members shall receive no compensation for their services but shall be reimbursed for the expenses actually incurred by them in the performance of their duties under this act.

(e) Purpose.—The advisory board shall provide perspective to the department and the industrial resource centers on the needs and issues of Pennsylvania manufacturers.

Section 10. Duties of advisory board.

(a) Duties.—The advisory board shall:

(1) Make recommendations to the department and IRCs.

(2) Develop strategies designed to enhance the Commonwealthwide impact of the IRCs.

(3) Develop strategies designed to facilitate communication among Pennsylvania manufacturers.

(b) Exclusions.—The duties of the advisory board shall not include the review and approval of annual funding proposals and allocations for each of the IRCs.

Section 11. Effective date.

This act shall take effect July 1, 2001, or immediately, whichever is later.

APPROVED—The 22nd day of June, A.D. 2001.

THOMAS J. RIDGE