

HOUSE BILL 414

Unofficial Copy  
C8

1999 Regular Session  
(9r0065)

**ENROLLED BILL**

-- Economic Matters/Budget and Taxation and Finance --

Introduced by **Chairman, Economic Matters Committee (Departmental -  
Dept. Business & Economic Dev.)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2

**Partnership for Workforce Quality**

3 FOR the purpose of establishing the Partnership for Workforce Quality Fund as a  
4 continuing, nonlapsing fund in the Department of Business and Economic  
5 Development; providing for the funding, uses, and management of the Fund;  
6 altering the criteria under which employers may receive grants from the  
7 Partnership for Workforce Quality Program; altering the maximum dollar  
8 amount that may be received under the Program; providing for a certain  
9 procurement exemption under the Program; defining certain terms; *making a*  
10 *stylistic change*; and generally relating to the Partnership for Workforce Quality  
11 Program.

12 BY repealing and reenacting, with amendments,  
13 Article 83A - Department of Business and Economic Development  
14 Section 3-701 ~~and~~ *through* 3-703  
15 Annotated Code of Maryland

1 (1998 Replacement Volume)

2 BY repealing and reenacting, without amendments,  
3 Article 83A - Department of Business and Economic Development  
4 Section ~~3-702~~ and 3-704  
5 Annotated Code of Maryland  
6 (1998 Replacement Volume)

7 BY adding to  
8 Article 83A - Department of Business and Economic Development  
9 Section 3-702.1  
10 Annotated Code of Maryland  
11 (1998 Replacement Volume)

12 BY repealing and reenacting, with amendments,  
13 Article - State Finance and Procurement  
14 Section 11-203(a)(1)(v)  
15 Annotated Code of Maryland  
16 (1995 Replacement Volume and 1998 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article 83A - Department of Business and Economic Development**

20 3-701.

21 (A) (1) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
22 INDICATED.

23 (2) "BOARD" MEANS THE PARTNERSHIP FOR WORKFORCE QUALITY  
24 ADVISORY BOARD.

25 (3) "FUND" MEANS THE PARTNERSHIP FOR WORKFORCE QUALITY FUND.

26 (4) "PROGRAM" MEANS THE PARTNERSHIP FOR WORKFORCE QUALITY  
27 PROGRAM IN THE DEPARTMENT.

28 [(a)] (B) There is a Partnership for Workforce Quality Program within the  
29 Department of Business and Economic Development.

30 [(b)] (C) The Partnership for Workforce Quality Program shall provide  
31 training services:

32 (1) To improve the competitiveness and productivity of Maryland's  
33 workforce and business community;

1 (2) To upgrade employee skills for new technologies or production  
2 processes; and

3 (3) To assist Maryland businesses in promoting employment stability.

4 3-702.

5 (a) (1) There is a Partnership for Workforce Quality Advisory Board as part  
6 of the Department of Business and Economic Development.

7 (2) (i) The Board shall consult on a regular basis with the Work Force  
8 Investment Board and Commission concerning the activities of the Partnership for  
9 Workforce Quality Program.

10 (ii) The Board shall submit a quarterly report on the Program to  
11 the Work Force Investment Board.

12 (3) The Board consists of 15 members, appointed by the Governor, with  
13 the advice of the Secretary of Business and Economic Development and the Chairman  
14 of the Work Force Investment Board.

15 (4) The Board membership shall include:

16 (i) 5 representatives of business of which 3 shall be representatives  
17 of employers with ~~less~~ FEWER than 100 employees;

18 (ii) 3 representatives of organized labor;

19 (iii) 2 representatives of the general public;

20 (iv) 1 member of the Senate of Maryland to be appointed by the  
21 President of the Senate;

22 (v) 1 member of the House of Delegates to be appointed by the  
23 Speaker of the House; and

24 (vi) 1 representative each from the Maryland Higher Education  
25 Commission, the State Department of Education, and the Work Force Investment  
26 Board.

27 (b) (1) Except those who serve ex officio, appointments as members of the  
28 Board shall be for 3 years.

29 (2) The terms of the members are staggered as required by the terms  
30 provided for members of the Board on July 1, 1989.

31 (3) At the end of a term, a member continues to serve until a successor is  
32 appointed and qualifies.

33 (4) A member who is appointed after a term has begun serves only for  
34 the rest of the term and until a successor is appointed and qualifies.

1 (5) Each member of the Board shall serve without compensation, but  
2 shall be entitled to reimbursement for expenses under the Standard State Travel  
3 Regulations.

4 (c) The Governor shall select the chairman of the Board.

5 (d) The Board shall be advisory to the Secretary. The duties of the Board shall  
6 be to:

7 (1) Submit recommendations to the Secretary concerning overall  
8 Program policy for the Partnership for Workforce Quality;

9 (2) Recommend a system for evaluating requests for assistance under  
10 the Partnership for Workforce Quality Program, including eligibility criteria and  
11 priorities for assistance;

12 (3) Develop criteria to assess and evaluate Program performance and  
13 advise the Secretary of such criteria; and

14 (4) Advise the Secretary on coordination of partnership activities at the  
15 State and local level between the Department, business, labor, and other public and  
16 private entities involved with workforce quality.

17 (e) The Board, in recommending a system for evaluating requests for  
18 assistance, shall give due consideration to the equal distribution of assistance to all  
19 subdivisions of the State.

20 3-702.1.

21 (A) THERE IS A PARTNERSHIP FOR WORKFORCE QUALITY FUND IN THE  
22 DEPARTMENT MANAGED AND SUPERVISED BY THE SECRETARY.

23 (B) (1) THE FUND IS A CONTINUING, NONLAPSING FUND WHICH IS NOT  
24 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

25 (2) THE TREASURER SHALL SEPARATELY HOLD AND THE COMPTROLLER  
26 SHALL ACCOUNT FOR THE FUND.

27 (3) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO  
28 THE FUND.

29 (C) THE FUND MAY CONSIST OF ANY OF:

30 (1) MONEYS APPROPRIATED BY THE STATE TO THE FUND;

31 (2) MONEYS MADE AVAILABLE TO THE FUND THROUGH FEDERAL  
32 PROGRAMS OR PRIVATE CONTRIBUTIONS;

33 (3) APPLICATION OR OTHER FEES PAID TO THE PROGRAM IN  
34 CONNECTION WITH THE PROCESSING OF REQUESTS FOR FINANCIAL ASSISTANCE;  
35 AND

1 (4) ANY OTHER MONEYS MADE AVAILABLE TO THE FUND.

2 (D) THE DEPARTMENT MAY USE MONEYS IN THE FUND TO:

3 (1) PROVIDE GRANTS TO DEFRAY THE COSTS OF WORKFORCE TRAINING;  
4 AND

5 (2) PAY EXPENSES FOR ADMINISTRATIVE, ACTUARIAL, LEGAL, AND  
6 TECHNICAL SERVICES FOR THE PROGRAM.

7 3-703.

8 (a) The Secretary or the Secretary's designee shall direct the Partnership for  
9 Workforce Quality Program.

10 (b) The Secretary shall provide training assistance under the Program only at  
11 the specific request of an employer or group of employers.

12 (c) (1) Except as provided in paragraphs (2), (3), (4), and (5) of this  
13 subsection, the Secretary shall establish eligibility criteria and priorities for  
14 assistance under the Partnership for Workforce Quality Program.

15 (2) Notwithstanding the provisions of paragraph (1) of this subsection,  
16 an employer receiving assistance under the Program:

17 (i) Shall be a Maryland employer that operates under the  
18 provisions of Title 8 of the Labor and Employment Article [and has 500 or fewer  
19 full-time employees];

20 ~~(H) SHALL BE LOCATED IN A PRIORITY FUNDING AREA AS DEFINED~~  
21 ~~IN § 5-7B-02 OF THE STATE FINANCE AND PROCUREMENT ARTICLE;~~

22 ~~{(ii)}~~ ~~(III)~~ Shall request training assistance for job specific skills;

23 ~~{(iii)}~~ ~~(IV)~~ Shall request training assistance for Maryland-based  
24 employees who are covered under the provisions of Title 8 of the Labor and  
25 Employment Article; and

26 ~~{(iv)}~~ ~~(V)~~ Shall request training assistance to upgrade or retrain  
27 existing employees.

28 (3) (I) Not less than 60 percent of all funds available shall be reserved  
29 for Maryland employers with [100] ~~250~~ 150 or fewer Maryland-based employees.

30 (II) NOT MORE THAN 20 PERCENT OF ALL FUNDS AVAILABLE MAY  
31 BE PROVIDED TO MARYLAND EMPLOYERS WITH MORE THAN 500 MARYLAND-BASED  
32 EMPLOYEES, PROVIDED THAT THE EMPLOYERS:

33 1. ARE PRIMARILY ENGAGED IN MANUFACTURING OR IN A  
34 TECHNOLOGY-BASED BUSINESS;

1                               2.       AGREE TO INCREASE THEIR PURCHASES OF GOODS  
2 PRODUCED IN MARYLAND AND SERVICES FROM MARYLAND-BASED SUPPLIERS; AND

3                               3.       AGREE TO PROVIDE THE WORKFORCE TRAINING TO A  
4 CERTAIN NUMBER, AS DETERMINED BY THE PROGRAM, OF EMPLOYEES OF SMALLER  
5 EMPLOYERS THAT SHALL SUPPLY GOODS OR SERVICES TO THE EMPLOYER  
6 RECEIVING THE GRANT.

7                   (4)       No single Maryland employer shall receive more than [the greater of  
8 \$25,000 or 5 percent of total funds available to the Program] \$200,000 within a year.

9                   (5)       Priority shall be given to Maryland employers who are:

10                   (i)       Manufacturers; or

11                   (ii)      Threatened by the pressures of increased foreign or domestic  
12 competition.

13       (d)       (1)       The Secretary shall utilize local advisory groups such as private  
14 industry councils, and joint apprenticeship committees, to identify employers in need  
15 of assistance.

16                   (2)       Business assistance services provided by the Program shall:

17                   (i)       Determine whether the employer's specific needs are best met  
18 by training, by other types of assistance, or by a combination of services;

19                   (ii)      Identify the availability of existing training programs which  
20 could be adapted to meet the employer's needs;

21                   (iii)     Identify the resources the business can provide to support the  
22 training, including facilities, materials, and equipment;

23                   (iv)     Identify or develop appropriate curricula; and

24                   (v)       Determine the most cost effective approach to meeting the  
25 employer's training needs.

26       (e)       The Secretary may award grants for job specific training assistance to a  
27 qualified business, union sponsored training program, community college, private  
28 career school, trade association, or State-accredited training agency.

29       (f)       All training must be approved by the employer of those being trained.

30       (g)       Under the Partnership for Workforce Quality Program, job specific  
31 training may not exceed one year.

32       (h)       (1)       The Partnership for Workforce Quality Program may not contribute  
33 more than 50 percent of direct training costs for job specific training assistance.

1 (2) The Partnership for Workforce Quality Program may provide  
2 business assistance services under subsection (d)(2) of this section at no cost to the  
3 employer.

4 (i) (1) Partnership for Workforce Quality Program funds may be used for  
5 those costs associated with the direct delivery of instruction such as curriculum  
6 development, course materials, and instructor's salary and expenses for training.

7 (2) Program funds may not be used for the cost of capital equipment for  
8 an employer or the cost of trainee wages.

9 3-704.

10 The Secretary shall submit an annual report to the Governor, the Commission,  
11 and the Work Force Investment Board and, subject to § 2-1246 of the State  
12 Government Article, the General Assembly on the operation and performance of the  
13 Partnership for Workforce Quality.

14 **Article - State Finance and Procurement**

15 11-203.

16 (a) Except as provided in subsection (b) of this section, this Division II does  
17 not apply to:

18 (1) procurement by:

19 (v) the Maryland Industrial Training Program OR THE  
20 PARTNERSHIP FOR WORKFORCE QUALITY PROGRAM in the Department of Business  
21 and Economic Development, for training SERVICES OR programs for new or  
22 expanding businesses or industries OR BUSINESSES OR INDUSTRIES IN TRANSITION;

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
24 effect July 1, 1999.