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By: **Chairman, Economic Matters Committee (Departmental - Dept.  
Business & Economic Dev.)**

Introduced and read first time: February 8, 1999

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

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**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; and  
10 generally relating to the Partnership for Workforce Quality Program.

11 BY repealing and reenacting, with amendments,  
12 Article 83A - Department of Business and Economic Development  
13 Section 3-701 and 3-703  
14 Annotated Code of Maryland  
15 (1998 Replacement Volume)

16 BY repealing and reenacting, without amendments,  
17 Article 83A - Department of Business and Economic Development  
18 Section 3-702 and 3-704  
19 Annotated Code of Maryland  
20 (1998 Replacement Volume)

21 BY adding to  
22 Article 83A - Department of Business and Economic Development  
23 Section 3-702.1  
24 Annotated Code of Maryland  
25 (1998 Replacement Volume)

26 BY repealing and reenacting, with amendments,  
27 Article - State Finance and Procurement  
28 Section 11-203(a)(1)(v)

1 Annotated Code of Maryland  
2 (1995 Replacement Volume and 1998 Supplement)

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

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

6 3-701.

7 (A) (1) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
8 INDICATED.

9 (2) "BOARD" MEANS THE PARTNERSHIP FOR WORKFORCE QUALITY  
10 ADVISORY BOARD.

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

12 (4) "PROGRAM" MEANS THE PARTNERSHIP FOR WORKFORCE QUALITY  
13 PROGRAM IN THE DEPARTMENT.

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

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

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

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

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

23 3-702.

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

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

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

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

1 (4) The Board membership shall include:

2 (i) 5 representatives of business of which 3 shall be representatives  
3 of employers with less than 100 employees;

4 (ii) 3 representatives of organized labor;

5 (iii) 2 representatives of the general public;

6 (iv) 1 member of the Senate of Maryland to be appointed by the  
7 President of the Senate;

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

10 (vi) 1 representative each from the Maryland Higher Education  
11 Commission, the State Department of Education, and the Work Force Investment  
12 Board.

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

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

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

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

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

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

25 (d) The Board shall be advisory to the Secretary. The duties of the Board shall  
26 be to:

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

29 (2) Recommend a system for evaluating requests for assistance under  
30 the Partnership for Workforce Quality Program, including eligibility criteria and  
31 priorities for assistance;

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

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

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

7 3-702.1.

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

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

12 (2) THE TREASURER SHALL SEPARATELY HOLD AND THE COMPTROLLER  
13 SHALL ACCOUNT FOR THE FUND.

14 (3) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO  
15 THE FUND.

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

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

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

20 (3) APPLICATION OR OTHER FEES PAID TO THE PROGRAM IN  
21 CONNECTION WITH THE PROCESSING OF REQUESTS FOR FINANCIAL ASSISTANCE;  
22 AND

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

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

25 (1) PROVIDE GRANTS TO DEFRAY THE COSTS OF WORKFORCE TRAINING;  
26 AND

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

29 3-703.

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

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

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

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

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

9 (II) SHALL BE LOCATED IN A PRIORITY FUNDING AREA AS DEFINED  
10 IN § 5-7B-02 OF THE STATE FINANCE AND PROCUREMENT ARTICLE;

11 [(ii)] (III) Shall request training assistance for job specific skills;

12 [(iii)] (IV) Shall request training assistance for Maryland-based  
13 employees who are covered under the provisions of Title 8 of the Labor and  
14 Employment Article; and

15 [(iv)] (V) Shall request training assistance to upgrade or retrain  
16 existing employees.

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

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

22 1. ARE PRIMARILY ENGAGED IN MANUFACTURING OR IN A  
23 TECHNOLOGY-BASED BUSINESS;

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

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

30 (4) No single Maryland employer shall receive more than [the greater of  
31 \$25,000 or 5 percent of total funds available to the Program] \$200,000 within a year.

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

33 (i) Manufacturers; or

34 (ii) Threatened by the pressures of increased foreign or domestic  
35 competition.

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

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

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

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

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

11 (iv) Identify or develop appropriate curricula; and

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

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

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

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

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

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

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

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

30 3-704.

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

1 **Article - State Finance and Procurement**

2 11-203.

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

5 (1) procurement by:

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

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