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

Introduced and read first time: February 8, 1999

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 27, 1999

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; 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

1 Section 3-702.1
2 Annotated Code of Maryland
3 (1998 Replacement Volume)

4 BY repealing and reenacting, with amendments,
5 Article - State Finance and Procurement
6 Section 11-203(a)(1)(v)
7 Annotated Code of Maryland
8 (1995 Replacement Volume and 1998 Supplement)

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

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

12 3-701.

13 (A) (1) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
14 INDICATED.

15 (2) "BOARD" MEANS THE PARTNERSHIP FOR WORKFORCE QUALITY
16 ADVISORY BOARD.

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

18 (4) "PROGRAM" MEANS THE PARTNERSHIP FOR WORKFORCE QUALITY
19 PROGRAM IN THE DEPARTMENT.

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

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

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

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

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

29 3-702.

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

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

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

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

9 (4) The Board membership shall include:

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

12 (ii) 3 representatives of organized labor;

13 (iii) 2 representatives of the general public;

14 (iv) 1 member of the Senate of Maryland to be appointed by the
15 President of the Senate;

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

18 (vi) 1 representative each from the Maryland Higher Education
19 Commission, the State Department of Education, and the Work Force Investment
20 Board.

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

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

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

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

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

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

33 (d) The Board shall be advisory to the Secretary. The duties of the Board shall
34 be to:

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

3 (2) Recommend a system for evaluating requests for assistance under
4 the Partnership for Workforce Quality Program, including eligibility criteria and
5 priorities for assistance;

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

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

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

14 3-702.1.

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

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

19 (2) THE TREASURER SHALL SEPARATELY HOLD AND THE COMPTROLLER
20 SHALL ACCOUNT FOR THE FUND.

21 (3) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO
22 THE FUND.

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

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

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

27 (3) APPLICATION OR OTHER FEES PAID TO THE PROGRAM IN
28 CONNECTION WITH THE PROCESSING OF REQUESTS FOR FINANCIAL ASSISTANCE;
29 AND

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

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

32 (1) PROVIDE GRANTS TO DEFRAY THE COSTS OF WORKFORCE TRAINING;
33 AND

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

3 3-703.

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

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

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

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

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

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

18 ~~{(ii)}~~ ~~(iii)~~ Shall request training assistance for job specific skills;

19 ~~{(iii)}~~ ~~(iv)~~ Shall request training assistance for Maryland-based
 20 employees who are covered under the provisions of Title 8 of the Labor and
 21 Employment Article; and

22 ~~{(iv)}~~ ~~(v)~~ Shall request training assistance to upgrade or retrain
 23 existing employees.

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

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

29 1. ARE PRIMARILY ENGAGED IN MANUFACTURING OR IN A
 30 TECHNOLOGY-BASED BUSINESS;

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

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

1 (4) No single Maryland employer shall receive more than [the greater of
2 \$25,000 or 5 percent of total funds available to the Program] \$200,000 within a year.

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

4 (i) Manufacturers; or

5 (ii) Threatened by the pressures of increased foreign or domestic
6 competition.

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

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

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

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

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

17 (iv) Identify or develop appropriate curricula; and

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

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

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

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

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

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

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

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

3 3-704.

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

8 **Article - State Finance and Procurement**

9 11-203.

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

12 (1) procurement by:

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

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