

HOUSE BILL 13

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2001 Regular Session
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CF 1lr1198

(PRE-FILED)

By: **Delegates Kopp, Taylor, Dewberry, Hurson, Arnick, Busch, Doory, Guns,
Harrison, Hixson, Howard, Menes, Montague, Rawlings, Rosenberg,
Vallario, and Wood**

Requested: November 15, 2000

Introduced and read first time: January 10, 2001

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Skills-Based Training for Employment Promotion (STEP) Pilot Program**

3 FOR the purpose of creating a Skills-Based Training for Employment Promotion
4 (STEP) Pilot Program; expressing the intent of the General Assembly; requiring
5 the Governor's Workforce Investment Board, in consultation with the
6 Department of Labor, Licensing, and Regulation, to establish and administer
7 the STEP Program; requiring the STEP Program to provide certain grants on a
8 competitive basis to a certain number of local workforce investment boards;
9 providing for the funding of the STEP Program; specifying the STEP Program
10 application process and application contents; requiring the Board to evaluate
11 certain applications, to consider factors, and to recommend to the Department
12 the distribution of certain grants; requiring the Board to adopt certain
13 performance evaluation standards; authorizing the Board to adopt certain
14 regulations; requiring a local workforce investment board that receives a STEP
15 Program grant to develop certain processes and programs, provide for the
16 creation of certain accounts, ensure that eligible individuals make certain
17 applications prior to use of certain funds, coordinate with certain programs that
18 provide wraparound services, assist eligible individuals in making certain
19 applications prior to use of certain funds, collect and report certain data by a
20 certain date, and comply with certain performance evaluation requirements;
21 requiring a local workforce investment board that receives a STEP Program
22 grant to develop certain employer-based training programs that meet certain
23 requirements; requiring the Board to submit a certain annual report by a
24 certain date; defining certain terms; providing for the termination of this Act;
25 and generally relating to the creation of the Skills-Based Training for
26 Employment Promotion (STEP) Program.

27 BY adding to

28 Article 41 - Governor - Executive and Administrative Departments

29 Section 18-401 through 18-408, inclusive, to be under the new subtitle "Subtitle

30 4. Skills-Based Training for Employment Promotion (STEP) Pilot

31 Program"

1 Annotated Code of Maryland
2 (1997 Replacement Volume and 2000 Supplement)

3 Preamble

4 WHEREAS, Fifteen percent of Maryland's children live in poverty and even
5 more live in near poverty; and

6 WHEREAS, Nationally almost two-thirds of children in poverty have working
7 parents; and

8 WHEREAS, During the past 20 years, low-income families have seen an erosion
9 in their standard of living, while at the same time the wealthiest families have
10 experienced a dramatic increase in real income and wealth; and

11 WHEREAS, While welfare reform efforts have helped many former welfare
12 recipients move into the labor force, many of these individuals have found work in
13 entry-level jobs with low wages and without employer provided health care or other
14 benefits; and

15 WHEREAS, The long-term success of welfare reform and workforce
16 development efforts depends on assisting low-income working parents sustain living
17 wage employment and access career ladders for employment promotion; and

18 WHEREAS, Helping low-income working parents access career ladders for
19 employment promotion to better jobs with higher wages and employer provided
20 benefits can result in long-term improvements in the economic well-being of
21 low-income families thereby reducing the likelihood of future public assistance needs;
22 and

23 WHEREAS, The increased job related skills of parents can also serve to
24 encourage their children to perform better in school, thereby helping to break the
25 cycle of poverty; and

26 WHEREAS, Numerous employers in Maryland are currently suffering
27 shortages of skilled workers which inhibits the economic growth of the State and the
28 increased skills-based training of individuals will contribute to both the economic
29 development and prosperity in the State; now, therefore,

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

Article 41 - Governor - Executive and Administrative Departments

SUBTITLE 4. SKILLS-BASED TRAINING FOR EMPLOYMENT PROMOTION (STEP) PILOT PROGRAM.

18-401.

IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE SKILLS-BASED TRAINING FOR EMPLOYMENT PROMOTION (STEP) PILOT PROGRAM:

(1) ENABLE LOW-INCOME INDIVIDUALS WITH DEPENDENT CHILDREN TO PURSUE EDUCATION AND TRAINING DIRECTED AT ATTAINMENT OF IDENTIFIED SKILLS AND CREDENTIALS;

(2) ASSIST LOW-INCOME INDIVIDUALS WITH DEPENDENT CHILDREN IN MOVING TOWARD LONG-TERM SELF-SUFFICIENCY WITH SKILLS-BASED TRAINING THAT WILL:

(I) LEAD TO JOBS WITH FAMILY SUSTAINING WAGES INCLUDING HEALTH CARE AND OTHER BENEFITS;

(II) PROVIDE ACCESS TO PROFESSIONAL CAREER LADDERS FOR CONTINUED JOB ADVANCEMENT; AND

(III) ELIMINATE FUTURE NEEDS FOR PUBLIC ASSISTANCE;

(3) CREATE SKILLED EMPLOYEES THAT ARE QUALIFIED FOR EMPLOYMENT IN AN AREA OF STATE OR LOCAL WORKFORCE SHORTAGE; AND

(4) COORDINATE WITH AND NOT DUPLICATE EXISTING STATE PROGRAMS.

18-402.

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

(B) "BOARD" MEANS THE GOVERNOR'S WORKFORCE INVESTMENT BOARD ESTABLISHED BY THE GOVERNOR UNDER SUBTITLE 5 OF THE LABOR AND EMPLOYMENT ARTICLE.

(C) "DEPARTMENT" MEANS THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION.

(D) "ELIGIBLE INDIVIDUAL" MEANS AN INDIVIDUAL WHO:

(1) IS THE CUSTODIAL PARENT, NONCUSTODIAL PARENT, OR LEGAL GUARDIAN OF ONE OR MORE DEPENDENT CHILDREN AND IS RESPONSIBLE IN WHOLE OR IN PART FOR THE FINANCIAL SUPPORT OF THE DEPENDENT CHILDREN;

(2) IS A RESIDENT OF THE STATE;

1 (3) LIVES IN A HOUSEHOLD WITH AN INCOME THAT IS NOT MORE THAN
2 200% OF THE FEDERAL POVERTY LEVEL;

3 (4) WORKS AT LEAST 20 HOURS PER WEEK IN:

4 (I) PUBLIC OR PRIVATE EMPLOYMENT;

5 (II) FAMILY INVESTMENT PROGRAM WORK ACTIVITY; OR

6 (III) STATE-SPONSORED OR RELATED WORK ACTIVITY; AND

7 (5) HAS WORKED IN ONE OF THE ACTIVITIES LISTED IN ITEM (4) OF THIS
8 SUBSECTION FOR AT LEAST 6 MONTHS.

9 (E) (1) "EMPLOYER-BASED TRAINING" MEANS SKILLS-BASED TRAINING
10 THAT:

11 (I) IS APPROVED BY A LOCAL WORKFORCE INVESTMENT BOARD;

12 (II) IS PROVIDED TO AN ELIGIBLE INDIVIDUAL IN COORDINATION
13 WITH THE INDIVIDUAL'S EMPLOYER; AND

14 (III) MEETS THE REQUIREMENTS OF § 18-406 OF THIS SUBTITLE.

15 (2) "EMPLOYER-BASED TRAINING" MAY INCLUDE APPROVED IN-HOUSE
16 EMPLOYER TRAINING AND EMPLOYER TRAINING PROGRAMS DEVELOPED IN
17 COLLABORATION WITH INSTITUTIONS OF POSTSECONDARY EDUCATION OR OTHER
18 TRAINING PROVIDERS.

19 (F) "INDIVIDUAL STEP TRAINING ACCOUNT" MEANS AN ACCOUNT HELD ON
20 BEHALF OF AN ELIGIBLE INDIVIDUAL BY A LOCAL WORKFORCE INVESTMENT BOARD
21 THAT MAY BE USED TO PAY FOR SKILLS-BASED TRAINING AND WRAPAROUND
22 SERVICES AND CONSISTS OF MONEYS CONTRIBUTED BY AN ELIGIBLE INDIVIDUAL
23 OR EMPLOYER AND MATCHED WITH FUNDS FROM THE STEP PROGRAM.

24 (G) "LOCAL WORKFORCE INVESTMENT BOARD" MEANS A BOARD
25 ESTABLISHED TO ADMINISTER SERVICES IN A WORKFORCE INVESTMENT AREA
26 ESTABLISHED UNDER SUBTITLE 5 OF THE LABOR AND EMPLOYMENT ARTICLE.

27 (H) "SKILLS-BASED TRAINING" MEANS TRAINING APPROVED BY A LOCAL
28 WORKFORCE INVESTMENT BOARD THAT RESULTS IN THE ISSUANCE OF A
29 POSTSECONDARY EDUCATIONAL DEGREE, THE ISSUANCE OF A CERTIFICATE OF
30 PROFICIENCY IN A SPECIFIC WORK-RELATED SKILL, OR THE ATTAINMENT OF AN
31 IDENTIFIABLE SKILL THAT IS LIKELY TO LEAD TO FUTURE JOB ADVANCEMENT AND
32 IMPROVEMENT IN AN ELIGIBLE INDIVIDUAL'S EARNING POTENTIAL.

33 (I) "STEP PROGRAM" MEANS THE SKILLS-BASED TRAINING FOR
34 EMPLOYMENT PROMOTION PILOT PROGRAM CREATED UNDER THIS SUBTITLE.

1 (J) "WORKFORCE INVESTMENT AREA" MEANS A GEOGRAPHIC AREA
2 DESIGNATED BY THE GOVERNOR AS A SERVICE DELIVERY AREA UNDER SUBTITLE 5
3 OF THE LABOR AND EMPLOYMENT ARTICLE.

4 (K) (1) "WRAPAROUND SERVICES" MEANS SERVICES THAT ARE NECESSARY
5 TO ENABLE AN ELIGIBLE INDIVIDUAL TO PARTICIPATE IN AN APPROVED
6 SKILLS-BASED TRAINING PROGRAM.

7 (2) "WRAPAROUND SERVICES" INCLUDE TRANSPORTATION, HEALTH
8 CARE, CHILD CARE, MEALS, TEMPORARY HOUSING, AND OTHER REASONABLE
9 EXPENSES REQUIRED FOR PARTICIPATION IN THE APPROVED SKILLS-BASED
10 TRAINING PROGRAM.

11 18-403.

12 (A) THE BOARD, IN CONSULTATION WITH THE DEPARTMENT, SHALL
13 ESTABLISH AND ADMINISTER THE STEP PROGRAM.

14 (B) THE PURPOSE OF THE STEP PROGRAM IS TO PROVIDE GRANTS TO LOCAL
15 WORKFORCE INVESTMENT BOARDS TO FUND SKILLS-BASED TRAINING,
16 EMPLOYER-BASED TRAINING, AND WRAPAROUND SERVICES FOR ELIGIBLE
17 INDIVIDUALS.

18 (C) THE STEP PROGRAM SHALL PROVIDE GRANTS EACH YEAR ON A
19 COMPETITIVE BASIS TO AT LEAST THREE LOCAL WORKFORCE INVESTMENT BOARDS
20 CONSISTENT WITH § 11-704 OF THIS SUBTITLE.

21 (D) THE STEP PROGRAM SHALL BE FUNDED AS PROVIDED IN THE STATE
22 BUDGET WITH:

23 (1) MONEY INCLUDED BY THE GOVERNOR IN THE BUDGET OF THE
24 DEPARTMENT;

25 (2) MONEY FROM ANY PRIVATE SOURCE; AND

26 (3) ANY AVAILABLE MONEY FROM A FEDERAL, STATE, OR LOCAL
27 PROGRAM, INCLUDING MONEY RECEIVED BY THE STATE FROM THE FEDERAL
28 TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) BLOCK GRANT AND THE
29 FEDERAL JOB TRAINING PARTNERSHIP ACT.

30 18-404.

31 (A) TO APPLY FOR A GRANT UNDER THE STEP PROGRAM, A LOCAL
32 WORKFORCE INVESTMENT BOARD SHALL SUBMIT AN APPLICATION TO THE BOARD.

33 (B) THE APPLICATION SUBMITTED BY A LOCAL WORKFORCE INVESTMENT
34 BOARD SHALL:

35 (1) IDENTIFY:

1 (I) THE WORK-RELATED SKILLS AND OCCUPATIONS THAT ARE IN
2 SHORT SUPPLY IN THE GEOGRAPHIC REGION SERVED BY THE LOCAL WORKFORCE
3 INVESTMENT BOARD; AND

4 (II) THE SKILLS-BASED TRAINING AND WRAPAROUND SERVICES
5 THAT THE LOCAL WORKFORCE INVESTMENT BOARD INTENDS TO FUND THROUGH
6 THE STEP PROGRAM; AND

7 (2) PROVIDE OTHER INFORMATION REQUESTED BY THE BOARD.

8 (C) THE BOARD SHALL:

9 (1) EVALUATE APPLICATIONS SUBMITTED BY LOCAL WORKFORCE
10 INVESTMENT BOARDS AND RECOMMEND TO THE DEPARTMENT THE DISTRIBUTION
11 OF GRANTS TO LOCAL WORKFORCE INVESTMENT BOARDS UNDER THE STEP
12 PROGRAM;

13 (2) INCLUDE IN THE EVALUATION, CONSIDERATION OF THE
14 FOLLOWING FACTORS:

15 (I) THE EXISTENCE OF A LARGE PERCENTAGE OF INDIVIDUALS IN
16 THE GEOGRAPHIC AREA OF THE LOCAL WORKFORCE INVESTMENT BOARD THAT ARE
17 RECEIVING PUBLIC ASSISTANCE OR RECEIVED PUBLIC ASSISTANCE WITHIN THE
18 PRIOR 12 MONTHS;

19 (II) THE LEVEL OF EXISTING LOCAL WORKFORCE INVESTMENT
20 BOARD TRAINING PARTNERSHIPS WITH EMPLOYERS; AND

21 (III) THE ABILITY OF THE LOCAL WORKFORCE INVESTMENT BOARD
22 TO MEET THE REQUIREMENTS OF § 18-405 OF THIS SUBTITLE; AND

23 (3) ADOPT OBJECTIVE PERFORMANCE EVALUATION STANDARDS THAT
24 MEASURE THE EFFECTIVENESS OF THE STEP PROGRAM AND INCLUDE:

25 (I) AN EVALUATION OF THE DIFFERENCE IN THE TYPE OF JOB AND
26 INCREASES IN WAGES AND BENEFITS OF AN INDIVIDUAL WITHIN 6 MONTHS OF
27 COMPLETION OF SKILLS-BASED TRAINING; AND

28 (II) THE MONITORING OF THE JOB ADVANCEMENT, WAGES, AND
29 BENEFIT LEVELS OF AN ELIGIBLE INDIVIDUAL WHO HAS COMPLETED SKILLS-BASED
30 TRAINING FOR A PERIOD OF 2 YEARS AFTER THE TRAINING IS COMPLETED.

31 (D) THE BOARD MAY ADOPT REGULATIONS TO IMPLEMENT THE PROVISIONS
32 OF THIS SUBTITLE.

33 18-405.

34 AFTER RECEIVING RECOMMENDATIONS FROM THE BOARD, THE DEPARTMENT
35 SHALL DISTRIBUTE THE STEP PROGRAM GRANT FUNDS TO THE LOCAL WORKFORCE
36 INVESTMENT BOARDS IN A MANNER CONSISTENT WITH THE RECOMMENDATIONS.

1 18-406.

2 (A) A LOCAL WORKFORCE INVESTMENT BOARD THAT RECEIVES A GRANT
3 UNDER THE STEP PROGRAM SHALL:

4 (1) DEVELOP AN ASSESSMENT PROCESS TO IDENTIFY ELIGIBLE
5 INDIVIDUALS WITH EXISTING JOB SKILLS AT A LEVEL SUFFICIENT TO BENEFIT
6 FROM SKILLS-BASED TRAINING PROGRAMS;

7 (2) ENSURE THAT AN ELIGIBLE INDIVIDUAL APPLIES FOR ALL
8 AVAILABLE EDUCATION AND TRAINING SCHOLARSHIPS, GRANTS, OR PROGRAMS
9 PRIOR TO USE OF STEP PROGRAM FUNDS FOR THESE PURPOSES;

10 (3) COORDINATE WITH ALL APPLICABLE PUBLIC AND PRIVATE
11 PROGRAMS THAT PROVIDE WRAPAROUND SERVICES TO ELIGIBLE INDIVIDUALS AND
12 ASSIST ELIGIBLE INDIVIDUALS IN APPLYING FOR THESE PROGRAMS PRIOR TO USE
13 OF FUNDS FROM THE STEP PROGRAM FOR THESE PURPOSES;

14 (4) PROVIDE FOR THE CREATION OF INDIVIDUAL STEP ACCOUNTS HELD
15 BY THE LOCAL WORKFORCE INVESTMENT BOARD ON BEHALF OF AN ELIGIBLE
16 INDIVIDUAL THAT MAY BE USED TO PAY FOR SKILLS-BASED TRAINING AND
17 WRAPAROUND SERVICES;

18 (5) DEVELOP AND IMPLEMENT AN OUTREACH PROGRAM TO ENSURE
19 THAT ELIGIBLE INDIVIDUALS AND EMPLOYERS OF ELIGIBLE INDIVIDUALS ARE
20 AWARE OF THE OPPORTUNITIES PROVIDED UNDER THE STEP PROGRAM THAT MAY
21 INCLUDE:

22 (I) A TOLL-FREE TELEPHONE HOTLINE;

23 (II) DISTRIBUTION OF PRINTED MATERIALS;

24 (III) MAILINGS AND TELEPHONE CALLS TO FOOD STAMP
25 RECIPIENTS, PARENTS OF CHILDREN ENROLLED IN THE STATE CHILDREN'S HEALTH
26 PROGRAM, INDIVIDUALS THAT RECEIVE FEDERAL AND STATE EARNED INCOME TAX
27 CREDITS, AND FORMER RECIPIENTS OF PUBLIC ASSISTANCE; AND

28 (IV) OUTREACH AND EDUCATION OF PUBLIC ENTITIES AND
29 COMMUNITY-BASED ORGANIZATIONS;

30 (6) ASSIST ELIGIBLE INDIVIDUALS WHO HAVE COMPLETED
31 SKILLS-BASED TRAINING IN OBTAINING EMPLOYMENT WITH INCREASED WAGES
32 AND BENEFITS;

33 (7) DEVELOP AND IMPLEMENT EMPLOYER-BASED TRAINING PROGRAMS
34 CONSISTENT WITH SUBSECTION (B) OF THIS SECTION;

35 (8) COLLECT DATA AND REPORT TO THE BOARD BY OCTOBER 31 OF
36 EACH YEAR ON:

1 (I) THE NUMBER OF ELIGIBLE INDIVIDUALS WHO SUCCESSFULLY
2 COMPLETE SKILLS-BASED TRAINING;

3 (II) THE NUMBER OF ELIGIBLE INDIVIDUALS WHO OBTAIN
4 ADVANCED EMPLOYMENT ON COMPLETION OF SKILLS-BASED TRAINING AND ANY
5 CHANGE IN WAGES AND BENEFITS RECEIVED; AND

6 (III) THE NUMBER OF EMPLOYERS AND ELIGIBLE INDIVIDUALS
7 PARTICIPATING IN EMPLOYER-BASED TRAINING PROGRAMS; AND

8 (9) COMPLY WITH THE STEP PROGRAM PERFORMANCE EVALUATION
9 REQUIREMENTS ADOPTED BY THE BOARD UNDER § 18-404 OF THIS SUBTITLE.

10 (B) (1) A LOCAL WORKFORCE INVESTMENT BOARD THAT RECEIVES A STEP
11 PROGRAM GRANT SHALL WORK IN COORDINATION WITH LOCAL EMPLOYERS TO
12 DEVELOP APPROVED EMPLOYER-BASED TRAINING PROGRAMS CONSISTENT WITH
13 PROVISIONS OF THIS SUBSECTION.

14 (2) APPROVED EMPLOYER-BASED TRAINING PROGRAMS:

15 (I) SHALL BE FUNDED WITH A MINIMUM CONTRIBUTION BY THE
16 EMPLOYER OF AT LEAST 50% IN MATCHING FUNDS;

17 (II) MAY BE PERMITTED TO RANGE FROM SHORT-TERM TRAINING
18 IN SPECIFIC SKILLS TO POSTSECONDARY EDUCATION CLASSES OVER A LONGER
19 PERIOD OF TIME;

20 (III) MAY NOT BE APPLIED TO TRAINING THAT WILL RESULT IN THE
21 ELIGIBLE INDIVIDUAL REMAINING IN OR MOVING TO A JOB WITH AN EMPLOYER
22 THAT IS AT A MINIMUM WAGE SALARY LEVEL OR THAT DOES NOT INCLUDE HEALTH
23 CARE OR OTHER BENEFITS;

24 (IV) MAY BE PROVIDED IN CONJUNCTION WITH OTHER EMPLOYERS
25 TO ADDRESS COMMON WORKFORCE NEEDS; AND

26 (V) SHALL INCLUDE AGREED UPON PROCESSES TO FOLLOW UP
27 WITH EMPLOYERS AND EVALUATE THE SUCCESS OF THE TRAINING AND WHETHER
28 IT MEETS THE GOALS OF THE STEP PROGRAM.

29 18-407.

30 (A) BY JANUARY 1 OF EACH YEAR, THE BOARD SHALL SUBMIT A REPORT TO
31 THE GOVERNOR AND THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF
32 THE STATE GOVERNMENT ARTICLE, ON THE IMPLEMENTATION OF THIS SUBTITLE.

33 (B) IN ADDITION TO ANY OTHER INFORMATION DETERMINED BY THE BOARD,
34 THE REPORT SHALL:

35 (1) SPECIFY THE NUMBER OF ELIGIBLE INDIVIDUALS THAT:

1 (I) HAVE APPLIED FOR TRAINING AND SERVICES TO BE FUNDED
2 BY THE STEP PROGRAM IN THE PRIOR CALENDAR YEAR;

3 (II) ARE PURSUING SKILLS-BASED TRAINING AND THE EXTENT TO
4 WHICH THESE INDIVIDUALS ARE SUCCEEDING IN THE TRAINING;

5 (III) HAVE SUCCESSFULLY COMPLETED SKILLS-BASED TRAINING;

6 (IV) ARE RECEIVING WRAPAROUND SERVICES FUNDED BY THE
7 STEP PROGRAM AND THE TYPE OF SERVICES FUNDED;

8 (V) HAVE OBTAINED ADVANCED EMPLOYMENT ON COMPLETION
9 OF SKILLS-BASED TRAINING AND ANY CHANGE IN WAGES OR BENEFITS RECEIVED;
10 AND

11 (VI) ARE PARTICIPATING IN EMPLOYER-BASED TRAINING
12 PROGRAMS AND THE NUMBER AND TYPES OF EMPLOYERS PARTICIPATING IN THESE
13 PROGRAMS; AND

14 (2) PROVIDE THE RESULTS OF THE PERFORMANCE EVALUATION OF THE
15 STEP PROGRAM BASED ON THE STANDARDS ESTABLISHED BY THE BOARD UNDER §
16 18-404 OF THIS SUBTITLE.

17 18-408.

18 THIS SUBTITLE MAY BE CITED AS THE "STEP PROGRAM".

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 July 1, 2001. It shall remain effective for a period of 4 years and, at the end of June
21 30, 2005, with no further action required by the General Assembly, this Act shall be
22 abrogated and of no further force and effect.