

HOUSE BILL 1251

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2001 Regular Session  
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By: **Chairman, Economic Matters Committee (Departmental - Labor,  
Licensing and Regulation)**

Introduced and read first time: February 9, 2001

Assigned to: Economic Matters

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Committee Report: Favorable

House action: Adopted

Read second time: March 17, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Labor and Employment - Job Training Services**

3 FOR the purpose of changing the title of the Maryland Job Training Partnership Act  
4 to Maryland Workforce Investment Act; repealing certain provisions concerning  
5 the Governor's plan concerning job training and placement programs for  
6 employment; making technical changes to reflect changes made to federal law;  
7 repealing certain provisions concerning classroom training; altering certain  
8 definitions; defining certain terms; providing for the accurate codification of the  
9 provisions of this Act; making certain technical and stylistic changes; providing  
10 for a delayed effective date; and generally relating to job training services in  
11 Maryland.

12 BY repealing and reenacting, with amendments,  
13 Article - Labor and Employment  
14 Section 11-501 through 11-505, 11-507, and 11-508 to be under the amended  
15 subtitle "Subtitle 5. Maryland Workforce Investment Act"  
16 Annotated Code of Maryland  
17 (1999 Replacement Volume and 2000 Supplement)

18 BY adding to  
19 Article - Labor and Employment  
20 Section 11-506  
21 Annotated Code of Maryland  
22 (1999 Replacement Volume and 2000 Supplement)

23 BY repealing

1 Article - Labor and Employment  
2 Section 11-506 and 11-509  
3 Annotated Code of Maryland  
4 (1999 Replacement Volume and 2000 Supplement)

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

7 **Article - Labor and Employment**

8 Subtitle 5. Maryland [Job Training Partnership] WORKFORCE INVESTMENT Act.  
9 11-501.

10 This subtitle may be referred to as the "Maryland [Job Training Partnership]  
11 WORKFORCE INVESTMENT Act."

12 11-502.

13 (a) It is State policy to coordinate all the resources available from federal,  
14 State and local governments, business, labor, and community based organizations to  
15 foster and promote a balanced, equitable, and cost-effective employment and training  
16 system. To effectuate this policy there shall be consultation between the Governor and  
17 the General Assembly in implementing the federal [Job Training Partnership]  
18 WORKFORCE INVESTMENT Act and this subtitle.

19 (b) It is the State's goal to assist its citizens in obtaining gainful employment  
20 and in reducing dependence on public assistance and unemployment insurance  
21 programs by:

22 (1) preparing unskilled youth and adults who are economically  
23 disadvantaged for entry into the work force;

24 (2) retraining those who have lost jobs [and] OR who must upgrade or  
25 replace their work skills OR BOTH; and

26 (3) providing training and related services to increase the employability  
27 of those who encounter barriers to employment.

28 (c) It is also the State's goal to develop a well trained productive work force  
29 which meets the needs of a changing economy by:

30 (1) developing and ensuring maximum utilization of timely statewide  
31 labor market information;

32 (2) linking employment and training services with economic  
33 development efforts;

1 (3) providing enhanced employment and training capabilities specially  
2 designed to meet the needs of business and industry, including industries that utilize  
3 advanced technology applications; and

4 (4) encouraging and initiating innovative employment and training  
5 strategies.

6 11-503.

7 (a) In this subtitle the definitions set forth in [§ 4] § 101 of the federal Act  
8 shall apply; definitions set forth below shall have the meanings indicated.

9 (b) "Dislocated worker" means an individual [worker or an individual who is  
10 part of a substantial group of eligible individuals] who:

11 [(1) has been terminated or laid off or has received a notice of termination  
12 or lay-off from employment, is eligible for, receiving unemployment, or has exhausted  
13 the individual's entitlement to unemployment compensation, and is unlikely to return  
14 to the individual's previous industry or occupation;

15 (2) has been terminated, or has received a notice of termination of  
16 employment, as a result of any permanent closure of a plant or facility; or

17 (3) is long-term unemployed and has limited opportunities for  
18 employment or reemployment in the same or a similar occupation in the area in  
19 which the individual resides, including any older individual who may have  
20 substantial barriers to employment by reason of age.]

21 (1) IS UNLIKELY TO RETURN TO A PREVIOUS INDUSTRY OR OCCUPATION  
22 AND:

23 (I) HAS BEEN TERMINATED OR LAID OFF OR HAS RECEIVED A  
24 NOTICE OF TERMINATION OR LAYOFF FROM EMPLOYMENT;

25 (II) IS ELIGIBLE FOR OR HAS EXHAUSTED ENTITLEMENT TO  
26 UNEMPLOYMENT COMPENSATION; OR

27 (III) HAS BEEN EMPLOYED FOR A DURATION SUFFICIENT TO  
28 DEMONSTRATE, TO THE APPROPRIATE ENTITY AT A ONE-STOP CENTER REFERRED  
29 TO IN § 134(C) OF THE FEDERAL ACT, ATTACHMENT TO THE WORKFORCE, BUT IS NOT  
30 ELIGIBLE FOR UNEMPLOYMENT COMPENSATION DUE TO INSUFFICIENT EARNINGS  
31 OR HAVING PERFORMED SERVICES FOR AN EMPLOYER THAT WERE NOT COVERED  
32 UNDER STATE UNEMPLOYMENT COMPENSATION LAW;

33 (2) HAS BEEN TERMINATED OR LAID OFF, OR HAS RECEIVED A NOTICE  
34 OF TERMINATION OR LAYOFF, FROM EMPLOYMENT AS A RESULT OF ANY  
35 PERMANENT CLOSURE OF, OR ANY SUBSTANTIAL LAYOFF AT, A PLANT, FACILITY, OR  
36 ENTERPRISE;

1 (3) IS EMPLOYED AT A FACILITY AT WHICH THE EMPLOYER HAS MADE A  
2 GENERAL ANNOUNCEMENT THAT THE FACILITY WILL CLOSE WITHIN 180 DAYS;

3 (4) FOR PURPOSES OF ELIGIBILITY TO RECEIVE SERVICES OTHER THAN  
4 TRAINING SERVICES DESCRIBED IN § 134(D)(4) OF THE FEDERAL ACT, INTENSIVE  
5 SERVICES DESCRIBED IN § 134(D)(4) OF THE FEDERAL ACT, OR SUPPORTIVE  
6 SERVICES, IS EMPLOYED AT A FACILITY AT WHICH THE EMPLOYER HAS MADE A  
7 GENERAL ANNOUNCEMENT THAT THE FACILITY WILL CLOSE;

8 (5) WAS SELF-EMPLOYED (INCLUDING EMPLOYMENT AS A FARMER, A  
9 RANCHER, OR A FISHERMAN) BUT IS UNEMPLOYED AS A RESULT OF GENERAL  
10 ECONOMIC CONDITIONS IN THE COMMUNITY IN WHICH THE INDIVIDUAL RESIDES  
11 OR BECAUSE OF NATURAL DISASTERS; OR

12 (6) IS A DISPLACED HOMEMAKER.

13 (c) ["Economically disadvantaged] "LOW-INCOME individual" means an  
14 individual who:

15 (1) receives, or is a member of a family which receives, cash welfare  
16 payments under a federal, State, or local [welfare] INCOME-BASED PUBLIC  
17 ASSISTANCE program;

18 (2) [has] RECEIVED AN INCOME, or is a member of a family [which  
19 has,] THAT received a total family income for the 6-month period prior to application  
20 for the program involved (exclusive of unemployment compensation, child support  
21 payments, [and welfare] payments DESCRIBED IN PARAGRAPH (1) OF THIS  
22 SUBSECTION, AND OLD AGE AND SURVIVORS INSURANCE BENEFITS RECEIVED  
23 UNDER SECTION 202 OF THE SOCIAL SECURITY ACT (42 U.S.C 402)) [which] THAT, in  
24 relation to family size, [was not in excess of] DOES NOT EXCEED the higher of:

25 (I) the poverty level [determined in accordance with criteria  
26 established by the United States Office of Management and Budget, or] FOR AN  
27 EQUIVALENT PERIOD; OR

28 (II) 70 percent of the lower living standard income level FOR AN  
29 EQUIVALENT PERIOD;

30 (3) [is receiving] IS A MEMBER OF A HOUSEHOLD THAT RECEIVES FOOD  
31 STAMPS OR HAS BEEN DETERMINED WITHIN THE 6-MONTH PERIOD PRIOR TO  
32 APPLICATION FOR THE PROGRAM INVOLVED TO BE ELIGIBLE TO RECEIVE food  
33 stamps pursuant to the Food Stamp Act of 1977 (7 U.S.C. 2011 ET SEQ.);

34 (4) is a foster child on behalf of whom State or local government  
35 payments are made; [or]

36 (5) in cases permitted by regulations [of] PROMULGATED BY the  
37 Secretary, is an [adult handicapped] individual WITH A DISABILITY whose own  
38 income meets the requirements of A PROGRAM DESCRIBED IN paragraph (1) or (2) of

1 this subsection, but who is a member of a family whose income does not meet such  
2 requirements; OR

3 (6) QUALIFIES AS A HOMELESS INDIVIDUAL, AS DEFINED IN  
4 SUBSECTIONS (A) AND (C) OF § 103 OF THE STEWART B. MCKINNEY HOMELESS  
5 ASSISTANCE ACT (42 U.S.C. 11302).

6 (d) "Federal Act" means the federal [Job Training Partnership] WORKFORCE  
7 INVESTMENT Act.

8 (e) "Governor's plan" means the [Governor's coordination and special services  
9 plan] STATE PLAN as provided in [ § 121] § 112 of the federal Act.

10 (f) ["Handicapped individual"] "INDIVIDUAL WITH A DISABILITY" means any  
11 individual who has a physical or mental disability which for the individual constitutes  
12 or results in a substantial handicap to employment.

13 (g) ["Job training"] "LOCAL PLAN" means the [training] COMPREHENSIVE  
14 5-YEAR LOCAL plan required for each [service delivery] LOCAL WORKFORCE  
15 INVESTMENT area as provided in [ §§ 103 and 104] § 118 of the federal Act and any  
16 final plan or modification as provided in [ § 105 of] the federal Act.

17 (H) "PARTICIPANT" MEANS AN INDIVIDUAL WHO HAS BEEN DETERMINED  
18 ELIGIBLE TO PARTICIPATE IN AND WHO IS RECEIVING SERVICES (EXCEPT  
19 FOLLOW-UP SERVICES AUTHORIZED UNDER THIS TITLE) UNDER A PROGRAM  
20 AUTHORIZED UNDER THIS TITLE.

21 [(h)] (I) "Performance standards" means the basic measures of performance  
22 for training programs to be prescribed by the Secretary and such variations of the  
23 standards as the Governor may prescribe [as provided in § 106 of the federal Act].

24 [(i)] (J) "Secretary" means the United States Secretary of Labor.

25 [(j)] (K) ["Service delivery"] "WORKFORCE INVESTMENT area" means a  
26 geographic area designated by the Governor in accordance with [ § 101] § 116 of the  
27 federal Act.

28 [(k)] (L) ["State council"] "STATE WORKFORCE INVESTMENT BOARD" means  
29 the [State Human Resource Investment Council] GOVERNOR'S WORKFORCE  
30 INVESTMENT BOARD, as provided in [ § 701] § 111 of the federal [Act, which shall be  
31 called the Work Force Investment Board] ACT.

32 [(l)] (M) [(1)] "Supportive services" means services [which are necessary to  
33 enable an individual eligible for training under the federal Act, but who cannot afford  
34 to pay for such services, to participate in a training program funded under the federal  
35 Act.

36 (2) "Supportive services" may include transportation, health care, special  
37 services and materials for the handicapped, child care, meals, temporary shelter,  
38 financial counseling, and other reasonable expenses required for participation in the

1 training program and may be provided in-kind or through cash assistance] SUCH AS  
2 TRANSPORTATION, CHILD CARE, DEPENDENT CARE, HOUSING, AND NEEDS-RELATED  
3 PAYMENTS THAT ARE NECESSARY TO ENABLE AN INDIVIDUAL TO PARTICIPATE IN  
4 ACTIVITIES AUTHORIZED UNDER THE FEDERAL ACT, CONSISTENT WITH THE  
5 FEDERAL ACT.

6 11-504.

7 (a) A [job training partnership] WORKFORCE INVESTMENT TRAINING  
8 program is established to implement the federal Act.

9 (b) This program shall provide employment, training, supportive and related  
10 services for unemployed individuals who are [economically disadvantaged] LOW  
11 INCOME, for dislocated workers, and for those who are not [economically  
12 disadvantaged] LOW INCOME, but who qualify under [§ 203(a)(2) of] the federal Act  
13 as having barriers to employment, including, but not limited to, displaced  
14 homemakers, school dropouts, teenage parents, [handicapped] INDIVIDUALS WITH  
15 DISABILITIES, older workers, [and veterans] VETERANS, AND OTHER PARTICIPANTS  
16 AS DEFINED BY THE FEDERAL ACT.

17 (c) The County Commissioners of Carroll County may appropriate funds  
18 necessary to enter into contracts with private or public enterprises for the training or  
19 retraining of workers of those enterprises.

20 11-505.

21 (a) The [State council] GOVERNOR'S WORKFORCE INVESTMENT BOARD is  
22 established and shall have the membership as provided in [ § 702] § 111 of the federal  
23 Act.

24 (b) The [State council] GOVERNOR'S WORKFORCE INVESTMENT BOARD may  
25 not have more than 40 members appointed by the Governor for staggered terms set by  
26 the Governor by executive order.

27 (c) The [State council] GOVERNOR'S WORKFORCE INVESTMENT BOARD shall  
28 be funded [as provided in § 703] CONSISTENT WITH §§ 111 AND 128 of the federal Act  
29 and shall have personnel and appropriations as are provided in the State budget.

30 (d) The [State council] GOVERNOR'S WORKFORCE INVESTMENT BOARD shall  
31 perform the duties [of a single State human resource investment council as provided  
32 in Article VII of the federal Act with respect to:

33 (1) the programs described in:

34 (i) the federal Act;

35 (ii) the Carl D. Perkins Vocational and Applied Technology  
36 Education Act;

37 (iii) the National and Community Service Act of 1990;

- 1 (iv) the Adult Education Act;
- 2 (v) the Wagner-Peyser Act; and
- 3 (vi) Part F of Title IV of the Social Security Act;
- 4 (2) the employment program established under § 6(d)(4) of the Food  
5 Stamp Act of 1977; and

6 (3) each human resource program designated by the Governor by  
7 executive order] AND FUNCTIONS IDENTIFIED IN § 111 OF THE FEDERAL ACT AND  
8 OTHER FUNCTIONS DESIGNATED BY THE GOVERNOR AS NECESSARY TO IMPROVE  
9 THE QUALITY OF THE STATE'S WORKFORCE.

10 (e) The [State council] GOVERNOR'S WORKFORCE INVESTMENT BOARD may  
11 adopt any rule or regulations necessary to carry out its powers and duties.

12 (f) As soon after January 1 of each year as reasonably possible, the [State  
13 Board] GOVERNOR'S WORKFORCE INVESTMENT BOARD shall submit an annual  
14 report to the Governor and, subject to § 2-1246 of the State Government Article, to  
15 the General Assembly.

16 [11-506.

17 The Governor's plan shall include but not be limited to:

18 (1) an annual statement of goals and objectives for job training and  
19 placement programs within the State in order to provide planning guidance in the  
20 preparation of service delivery area job training plans and to satisfy the requirements  
21 of § 7(a) of the federal Act of June 6, 1933 (Wagner-Peyser Act);

22 (2) a plan describing the use of all resources provided to the State and its  
23 service delivery areas and evaluating the experience over the preceding plan period;

24 (3) criteria for coordinating activities under the federal Act, including  
25 Title III, with programs and services provided by State and local education and  
26 training agencies, the Department of Labor, Licensing, and Regulation, public  
27 assistance agencies, rehabilitation agencies, postsecondary institutions, the State  
28 Occupational Information Coordinating Committee, economic development agencies,  
29 the private sector, and such other agencies as the Governor determines to have a  
30 direct interest in employment and training and human resource utilization within the  
31 State (such criteria may not affect local discretion concerning the selection of eligible  
32 participants or service providers in accordance with the provisions of §§ 107 and 203  
33 of the federal Act);

34 (4) a description of the projected use of resources, including oversight  
35 and support activities, priorities and criteria for State incentive grants, and  
36 performance goals for State supported programs;

1 (5) identification of adjustments made in the performance standards and  
2 the factors that are used in making the adjustments;

3 (6) provisions for the design, development, and operation of a statewide  
4 uniform labor market information system to facilitate the timely availability of  
5 employment and training information throughout the State;

6 (7) provisions for the design and use of a statewide management  
7 information system that produces, at a minimum on a quarterly basis, financial  
8 reports, participant characteristics, and program performance statistics; and

9 (8) provisions to maximize the utilization of existing State, local, and  
10 private institutions and organizations which have demonstrated effectiveness in the  
11 provision of employment and training programs (which include but are not limited to  
12 public schools, including career and technology education centers, community  
13 colleges, State approved proprietary schools, State colleges and universities, the  
14 University System of Maryland, and business and industry).]

15 11-506.

16 IN ACCORDANCE WITH § 112 OF THE FEDERAL ACT, THE GOVERNOR SHALL  
17 SUBMIT TO THE SECRETARY A STATE PLAN THAT INCLUDES THE WORKFORCE  
18 INITIATIVES OF STATE AGENCIES AND OUTLINES A 5-YEAR STRATEGY FOR THE  
19 STATEWIDE WORKFORCE INVESTMENT SYSTEM OF THE STATE. THE GOVERNOR'S  
20 PLAN SHALL INCLUDE, BUT NOT BE LIMITED TO, THOSE ITEMS SET FORTH IN § 112 OF  
21 THE FEDERAL ACT.

22 11-507.

23 (a) After receiving recommendations from the [State council] GOVERNOR'S  
24 WORKFORCE INVESTMENT BOARD REGARDING YOUTH AND ADULT DISCRETIONARY  
25 ALLOCATIONS, AS PROVIDED FOR IN §§ 128(A) AND (B)(1) AND (3) AND 133(A) AND (B)(1)  
26 AND (3) OF THE FEDERAL ACT, the Governor shall allocate federal funds [reserved to  
27 the State under Title II of the federal Act] in accordance with §§ 128 AND 133 OF THE  
28 FEDERAL ACT, THE STATE PLAN, AND State budget procedures.

29 (b) After receiving recommendations from the [State council] GOVERNOR'S  
30 WORKFORCE INVESTMENT BOARD regarding the utilization of federal funds [under  
31 Title III] FOR RESERVATIONS FOR STATE ACTIVITIES UNDER § 133 (A) AND FOR  
32 DISLOCATED WORKERS UNDER § 133(B)(2)(B) of the federal Act, the Governor, except  
33 for funds reserved for State purposes, shall distribute the remainder to the [service  
34 delivery] WORKFORCE INVESTMENT areas in accordance with [the State plan  
35 required under § 308] § 133 of the federal [Act] ACT, THE STATE PLAN, AND STATE  
36 BUDGET PROCEDURES. [For fiscal year 1984, the Governor shall, after receiving  
37 recommendations from the State council, distribute that remainder to service  
38 delivery areas in the form of grants in order to facilitate the rapid start-up or  
39 continuation of programs for dislocated workers. The State council shall make its  
40 recommendations for fiscal year 1984 no later than September 1, 1983].



1 (c) The Governor may provide State funds in the budget to qualify for funds  
2 under the federal Act, and FOR OTHER PURPOSES TO PROMOTE THE WORKFORCE  
3 DEVELOPMENT SYSTEM to implement § 11-508 of this subtitle.

4 (d) Funds provided under the federal Act shall only be used for activities  
5 which are in addition to those which would otherwise be available in the area in the  
6 absence of such funds.

7 (e) Nothing in this section is intended to limit the ability of the State to USE  
8 PRIVATE RESOURCES AND TO contract with private or public entities to provide  
9 employment and training services or supportive services.

10 11-508.

11 To the extent that State funds become available and subject to the procedures in  
12 § 11-505(d) OF THIS SUBTITLE, after receiving recommendations from the [State  
13 council] GOVERNOR'S WORKFORCE INVESTMENT BOARD regarding the utilization of  
14 State funds to supplement federal funds for employment and training services,  
15 supportive services, and for related services such as training allowances and stipends,  
16 the Governor may allocate an amount for such purposes in accordance with State  
17 budget procedures.

18 [11-509.

19 (a) In this section, "classroom training" means training conducted in a  
20 classroom or in an institutional setting with funds provided under the federal Act  
21 including institutional training with private sector employers but not including  
22 on-the-job training as defined in the federal Act.

23 (b) To the extent that State funds are made available under § 11-508 of this  
24 subtitle, the Secretary of Labor, Licensing, and Regulation may provide payments as  
25 training allowances to provide for support services such as transportation and child  
26 care to individuals who require such services in order to participate in classroom  
27 training programs.

28 (c) (1) A payment to an individual under this section shall be based on the  
29 actual costs of the service needs, or an approximation of these costs under a flat rate  
30 system. The payment system shall be established by the Secretary for all State  
31 programs and by the Private Industry Council and administrating agency for a local  
32 program in a service delivery area.

33 (2) Any flat rate payment system shall provide 2 tiers of allowance  
34 payments. One tier shall address recipients in need of services other than child care.  
35 A higher rate shall be provided for those in need of child care. The flat rates may be  
36 computed on a per diem or a weekly basis.

37 (3) A training allowance to an individual under this section may not  
38 exceed \$100 a week.

1 (4) Allowance payments may be provided to participants that are  
2 enrolled in either the federal Act Title II-A program, or the federal Act Title III  
3 program based solely on their need for support services.

4 (d) In order to be eligible for a training allowance under this section, an  
5 individual must:

6 (1) meet the eligibility requirements set forth in the federal Act for  
7 participation in a Title II-A or a Title III program;

8 (2) be enrolled in and actively attending a classroom training program;  
9 and

10 (3) not be receiving unemployment compensation, but may be receiving  
11 cash or other financial assistance under the Family Investment Program or the  
12 transitional emergency, medical, and housing assistance program, or similar federal  
13 or State cash payments.

14 (e) (1) Funds shall be allocated to each service delivery area by multiplying  
15 the total amount of authorized funds by a ratio derived by dividing the funds  
16 allocated to each service delivery area under Title II-A and III of the federal Act by  
17 the sum of the funds allocated to all service delivery areas under Title II-A of the  
18 federal Act plus the total amount of funds allocated to the Department of Labor,  
19 Licensing, and Regulation and all service delivery areas under Title III of the federal  
20 Act.

21 (2) Funds shall be allocated to the Department of Labor, Licensing, and  
22 Regulation by multiplying the total amount of authorized funds by a ratio derived by  
23 dividing the funds allocated to the Department under Title III of the federal Act by  
24 the sum of the funds allocated to all service delivery areas under Title II-A of the  
25 federal Act plus the total amount of funds allocated to the Department and all service  
26 delivery areas under Title III of the federal Act.

27 (3) Funds used for monitoring, auditing, and disbursement of training  
28 allowances shall not exceed 5 percent of the funds authorized under this section.

29 (f) The Secretary of Labor, Licensing, and Regulation shall submit to the  
30 State council for review and comment the Department's plan for the financial  
31 assistance program established by this section to supplement available federal funds  
32 under the Job Training Partnership Act.

33 (g) The Secretary of Labor, Licensing, and Regulation may adopt rules and  
34 regulations to administer this section.

35 (h) The Secretary of Labor, Licensing, and Regulation shall report to the  
36 Governor and, subject to § 2-1246 of the State Government Article, to the General  
37 Assembly on the number of individuals served and the levels and total amount of  
38 payments under this section.]

39 SECTION 2. AND BE IT FURTHER ENACTED, That:

1 (a) The publishers of the Annotated Code of Maryland, subject to the approval  
2 of the Department of Legislative Services, shall propose the correction of any agency  
3 names and titles throughout the Code that are rendered incorrect by this Act; and

4 (b) Subject to the approval of the Director of Legislative Services, the  
5 publishers of the Annotated Code of Maryland shall correct any cross-references that  
6 are rendered incorrect by this Act.

7 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 July 1, 2002.