

MAINE STATE LEGISLATURE

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ROWS

L.D. 1489

Date: 6/4/2013

(Filing No. S-194)

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2
3 **JOINT SELECT COMMITTEE ON MAINE'S WORKFORCE AND**
4 **ECONOMIC FUTURE**

5 Reproduced and distributed under the direction of the Secretary of the Senate.

6 **STATE OF MAINE**
7 **SENATE**
8 **126TH LEGISLATURE**
9 **FIRST REGULAR SESSION**

10 COMMITTEE AMENDMENT "A" to S.P. 554, L.D. 1489, Bill, "An Act To
11 Address Maine's Immediate Workforce Needs"

12 Amend the bill by striking out everything after the enacting clause and before the
13 summary and inserting the following:

14 'Sec. 1. 5 MRSA c. 383, sub-c. 2, art. 2-C is enacted to read:

15 **ARTICLE 2-C**

16 **MAINE WORKFORCE OPPORTUNITIES PROGRAM**

17 **§13063-R. Maine Workforce Opportunities Program**

18 **1. Definitions.** As used in this article, unless the context otherwise indicates, the
19 following terms have the following meanings.

20 A. "Departments" means the Department of Economic and Community Development
21 and the Department of Labor.

22 B. "Fund" means the Maine Workforce Opportunities Marketing Fund established in
23 subsection 5.

24 C. "Program" means the Maine Workforce Opportunities Program established in
25 subsection 2.

26 D. "Qualified employee" means an employee qualified to participate in the program
27 and listed in the qualified employee registry created pursuant to subsection 3.

28 E. "Qualified employee registry" means the electronic registry that contains a list of
29 qualified employees created pursuant to subsection 3.

30 F. "Qualified employer" means an employer who has registered with the program in
31 accordance with rules adopted under subsection 4.

COMMITTEE AMENDMENT

1 G. "Qualified employer registry" means the electronic registry that contains a list of
2 qualified employers created pursuant to subsection 4.

3 2. Program established. The Maine Workforce Opportunities Program is
4 established as a pilot project that seeks to match qualified employees with positions at
5 companies in the State representing industries with significant unmet demand for skilled
6 labor by promoting incentives, including a tax credit for an employee's education costs,
7 when applicable, through the Job Creation Through Educational Opportunity Program
8 established in Title 20-A, section 12542 and through other programs or initiatives
9 operated by the State that seek to attract new employees to businesses in this State. The
10 program is designed to achieve the following goals:

11 A. Promote economic opportunity and growth by providing an incentive to those
12 individuals with certain skills and experience in occupations when there exists a
13 demonstrable gap between the number of available jobs requiring those skills and
14 experience and a smaller number of individuals willing and able to accept and
15 succeed in those jobs;

16 B. Assist businesses by providing them with a registry of skilled and available
17 individuals;

18 C. Offer incentives to individuals to pursue educational, training and retraining
19 opportunities;

20 D. Keep individuals in the State through education tax credits and the opportunity to
21 secure jobs in industries with significant demand; and

22 E. Provide immediate support for economic development in the State during a period
23 during which comprehensive long-term workforce development solutions are
24 implemented.

25 3. Creation of qualified employee registry. Working with the Maine Community
26 College System, the University of Maine System, career centers, private postsecondary
27 educational institutions, relevant trade associations and other entities as appropriate, the
28 Department of Labor, in accordance with rules adopted by the departments, shall create
29 an electronic registry of qualified employees.

30 The Department of Economic and Community Development shall manage the qualified
31 employee registry and shall coordinate with the Department of Labor when supplying
32 information from the qualified employee registry to qualified employers.

33 4. Creation of qualified employer registry. Working with employers, the
34 Department of Labor, the Maine Community College System, the University of Maine
35 System, private postsecondary educational institutions, relevant trade associations and
36 other entities as appropriate, the Department of Economic and Community Development,
37 in accordance with rules adopted by the departments, shall create an electronic registry of
38 qualified employers.

39 The Department of Economic and Community Development shall manage the qualified
40 employer registry and shall coordinate with the Department of Labor when supplying
41 information from the qualified employer registry to qualified employees.

1 **5. Fund established.** The Maine Workforce Opportunities Marketing Fund is
 2 established to receive contributions from public and private entities.

3 A. Payments from the fund must be used solely for the purpose of financing the
 4 marketing and promotion of the program to prospective employees, employers and
 5 tourists visiting this State and to a national and international audience.

6 B. The Commissioner of Economic and Community Development shall administer
 7 the fund. The commissioner may adopt routine technical rules, as defined in chapter
 8 375, subchapter 2-A, to implement this subsection.

9 **6. Eligibility limited.** A qualified employee becomes ineligible for the program if:

10 A. The qualified employee leaves the employment of the qualified employer first
 11 employing the qualified employee;

12 B. The qualified employee is employed in a different position with a qualified
 13 employer; or

14 C. The qualified employee's qualified employer opts out of the program.

15 **7. Monitoring, evaluation and annual report.** For any year in which the program
 16 is funded, the departments shall use an independent nonpartisan reviewer to complete a
 17 comprehensive evaluation of the program, using both quantitative and qualitative data
 18 and including an analysis of the return on investment of the program. The evaluation
 19 must consider, at a minimum, the effectiveness of education tax credits as a catalyst for
 20 employment, the effect on employee productivity and performance and the impact on the
 21 demand for skilled workers in industries in the State. The evaluation must measure the
 22 results of the program over time, including a longitudinal analysis that captures
 23 productivity and other outcomes related to the program and a determination of the impact
 24 on the addition of net new jobs to the State. The departments shall jointly submit a report
 25 to the joint standing committee of the Legislature having jurisdiction over labor matters
 26 by February 1st of each year on the status of the program and on the evaluation data
 27 collected and analyzed.

28 **8. Rules.** The departments shall adopt rules to implement this article. Rules adopted
 29 pursuant to this subsection are routine technical rules as defined in chapter 375,
 30 subchapter 2-A.

31 **9. Insufficient funding.** Notwithstanding any other provision of this section, if the
 32 State does not receive sufficient funds to fund this program or if funds are deappropriated
 33 so as to result in insufficient funding, the State is not obligated to make payments under
 34 this program.

35 **10. Repeal.** This section is repealed March 31, 2021.

36 **Sec. 2. Marketing of Job Creation Through Educational Opportunity**
 37 **Program; report.** The Department of Economic and Community Development shall
 38 be the lead state agency in marketing to employers and employees the Job Creation
 39 Through Educational Opportunity Program established in the Maine Revised Statutes,
 40 Title 20-A, section 12542, as well as any other program or initiative funded in whole or in
 41 part by the State that provides incentives to attract new employees to businesses in
 42 Maine. The Commissioner of Economic and Community Development shall report on

1 the results of the marketing efforts required by this section by January 15, 2014 to the
2 Joint Select Committee on Maine's Workforce and Economic Future and the Joint
3 Standing Committee on Labor, Commerce, Research and Economic Development.
4 Separately, the Commissioner of Economic and Community Development shall study
5 what the effect would be of including reimbursement of a qualified employee's housing
6 costs as an incentive through the Maine Workforce Opportunities Program established in
7 Title 5, chapter 383, subchapter 2, article 2-C. The commissioner shall report to the joint
8 select committee the results of this analysis and assessment by January 15, 2014.

9 **Sec. 3. Appropriations and allocations.** The following appropriations and
10 allocations are made.

11 **ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF**
12 **Electronic Monitoring Fund - State Board of Corrections N160**
13 Initiative: Provides funds to create and maintain qualified employee and employer
14 registries and to market the Job Creation Through Educational Opportunity Program.

15	GENERAL FUND	2013-14	2014-15
16	All Other	\$175,000	\$50,000
17			
18	GENERAL FUND TOTAL	<u>\$175,000</u>	<u>\$50,000</u>
19			

20 **SUMMARY**

21 This amendment replaces the bill and does the following:

- 22 1. It changes the name of the program created under the bill from the Maine Skills
23 Gap Program to the Maine Workforce Opportunities Program;
- 24 2. It requires the Department of Economic and Community Development, in
25 coordination with the Department of Labor, to create and maintain qualified employee
26 and employer registries;
- 27 3. It charges the Department of Economic and Community Development with
28 leading the marketing efforts to employers and employees of the Job Creation Through
29 Educational Opportunity Program, as well as all other existing incentive programs that
30 are aimed at attracting new employees to Maine businesses;
- 31 4. It requires the Commissioner of Economic and Community Development to report
32 to the Joint Select Committee on Maine's Workforce and Economic Future and the Joint
33 Standing Committee on Labor, Commerce, Research and Economic Development on the
34 results of the marketing effort no later than January 15, 2014. It also requires the
35 commissioner to study what the effect would be of including reimbursement of a
36 qualified employee's housing costs as an incentive; and
- 37 5. It adds an appropriations and allocations section.

38 **FISCAL NOTE REQUIRED**
39 **(See attached)**



126th MAINE LEGISLATURE

LD 1489

LR 493(02)

An Act To Address Maine's Immediate Workforce Needs

Fiscal Note for Bill as Amended by Committee Amendment *X(S-194)*
Committee: Maine's Workforce and Economic Future
Fiscal Note Required: Yes

Fiscal Note

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
Net Cost (Savings)				
General Fund	\$175,000	\$50,000	\$50,000	\$50,000
Appropriations/Allocations				
General Fund	\$175,000	\$50,000	\$50,000	\$50,000

Fiscal Detail and Notes

This bill includes a General Fund appropriation of \$175,000 in fiscal year 2013-14 and ongoing appropriations of \$50,000 beginning in fiscal year 2014-15 to the Maine Workforce Opportunities Marketing Fund established within the Department of Economic and Community Development for the costs associated with establishing and maintaining the qualified employee and qualified employer registries and for marketing the Jobs Creation through Educational Opportunity Program through March 31, 2021.

Additional costs to the University of Maine System, the Maine Community College System and the Department of Labor can be absorbed within existing budgeted resources.