

1	L.D. 1137				
2	Date: $2/16/16$ (Filing No. S-360)				
3	LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT				
4	Reproduced and distributed under the direction of the Secretary of the Senate.				
5	STATE OF MAINE				
6	SENATE				
7	127TH LEGISLATURE				
8	SECOND REGULAR SESSION				
9 10	COMMITTEE AMENDMENT " $\mathbf{A}$ " to S.P. 406, L.D. 1137, Bill, "An Act To Promote Reemployment of Unemployed Workers"				
11	Amend the bill by striking out the title and substituting the following:				
12	'An Act To Promote Workforce Development'				
13	Amend the bill by striking out everything after the title and inserting the following:				
14 15	'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and				
16 17 18	Whereas, due to Maine's aging population, the State faces a workforce shortage as an increasing number of workers are retiring and fewer people are available to replace them; and				
19 20	Whereas, more workers need to be trained to meet the needs of Maine businesses with a skilled labor force; and				
21 22 23	Whereas, the Competitive Skills Scholarship Program is one of the Department of Labor's job training programs specifically created to train workers for jobs in high-demand, high-wage careers with a dedicated source of funding; and				
24 25 26 27	Whereas, the Department of Labor is limited in the amount of funding it can use to train eligible workers because of an annual cap on administration costs and the immediate removal of that cap would allow the department to provide more training to individuals within the current calendar year; and				
28 29 30 31	Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,				
32	Be it enacted by the People of the State of Maine as follows:				

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# **COMMITTEE AMENDMENT**

COMMITTEE AMENDMENT " A" to S.P. 406, L.D. 1137

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Sec. 1. 26 MRSA §2033, sub-§2, as amended by PL 2013, c. 502, Pt. O, §1, is further amended to read:

worker?

2. Program established. The department shall establish and administer an employment training program known as the Competitive Skills Scholarship Program. The purpose of the program is to provide individuals with access to education, training and support leading to skilled, well-compensated jobs with anticipated high employment demand, to improve the economic well-being of the participants in the program and to provide employers with a skilled labor force in accordance with the provisions of this section.

10 The commissioner may expend funds through the department's career centers from the fund for the costs of education, training and support in accordance with subsection 6, for 11 career counseling and for the administration of the program. Career counseling must 12 13 include developing a plan and assisting a participant in accessing the support necessary for the participant to participate in the plan. The commissioner shall establish a limit on 14 15 or a formula that limits the proportion of program funds that are expended on career 16 counseling and for administration; except that, beginning with fiscal year-2014-15, the 17 commissioner may not expend, on an annualized basis, more than \$550,000 of the annual revenue to the fund for administrative costs and for career counseling. 18

19 Sec. 2. 26 MRSA §2033, sub-§10, as enacted by PL 2007, c. 352, Pt. A, §3, is
 20 amended to read:

21 10. Monitoring, evaluation and annual report. The department shall implement a comprehensive evaluation strategy that evaluates the fund, using both quantitative and 22 23 qualitative data and including an analysis of the return on investment in the fund. The evaluation must consider, at a minimum, the following factors: the value of total 24 compensation, including, but not limited to, health insurance and other benefits to those 25 participating in training; the impact of the program on the Unemployment Compensation 26 27 Fund; the impact on productivity and performance for employers; and the impact on meeting the demand for skilled workers in industries in this State. The evaluation must 28 measure the impact of the program over time, including a longitudinal analysis that 29 30 captures productivity and other outcomes related to the program. The department must submit a report to the joint standing committee of the Legislature having jurisdiction over 31 labor matters by February 1st of each year on the status of the program and on the 32 evaluation data collected and analyzed. The report also must include the formula or limit 33 34 established by the commissioner pursuant to subsection 2 to limit the proportion of program funds expended on career counseling and administration and the amount of 35 funds expended for these purposes. 36

37 Sec. 3. Appropriations and allocations. The following appropriations and
 38 allocations are made.

## 39 LABOR, DEPARTMENT OF

- 40 Employment Services Activity 0852
- 41 Initiative: Allocates funds for 2 limited-period CareerCenter Consultant positions to
- support efforts to provide job training for qualified individuals under the Competitive
  Skills Scholarship Program.

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## COMMITTEE AMENDMENT " A " to S.P. 406, L.D. 1137

1	COMPETITIVE SKILLS SCHOLARSHIP FUND	2015-16	2016-17
2	Personal Services	\$60,495	\$120,990
3	All Other	\$13,833	\$28,072
4			
5	COMPETITIVE SKILLS SCHOLARSHIP FUND	\$74,328	\$149,062
6	TOTAL		

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.'

### **SUMMARY**

10 This amendment replaces the concept draft and changes the title. Current law 11 requires the Commissioner of Labor to establish a limit on, or a formula to limit, funds 12 expended on administrative and career counseling costs of the Competitive Skills Scholarship Program and caps such expenditures at \$550,000 annually. The amendment 13 14 eliminates the cap and requires the Department of Labor to include the limit or formula 15 and the amount spent for such costs in its annual report to the Legislature on the program. 16 The amendment adds an appropriations and allocations section.

- 17 FISCAL NOTE REQUIRED
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(See attached)

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# **COMMITTEE AMENDMENT**



# **127th MAINE LEGISLATURE**

LD 1137

LR 1374(02)

An Act To Promote Reemployment of Unemployed Workers

Fiscal Note for Bill as Amended by Committee Amendment 'A'(S-360) Committee: Labor, Commerce, Research and Economic Development Fiscal Note Required: Yes

Fiscal Note					
	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19	
Appropriations/Allocations Competitive Skills Scholarship Fund	\$74,328	\$149,062	\$0	\$0	

### **Fiscal Detail and Notes**

This legislation removes the cap on the amount of funds in the Competitive Skills Scholarship Fund within the Department of Labor that can be spent for administrative and career counseling services annually. According to the Department of Labor, eliminating the cap will allow for an increase in career counseling and job training services that the Department can provide to individuals qualified under the Competitive Skills Scholarship Program. The Department has requested, and this bill includes, Competitive Skills Scholarship Fund allocations of \$74,328 in fiscal year 2015-16 and \$149,062 in fiscal year 2016-17 for 2 limited-period CareerCenter Consultant positions and related All Other costs to support the additional career counseling and job training efforts. Sufficient funds exist within the Competitive Skills Scholarship Fund to support the costs of the 2 positions over the current biennium without requiring an increase in the contribution rate applied to employers' taxable payroll.