

By Mr. Lynch, a petition (accompanied by bill, Senate, No. 72) of Stephen F. Lynch for legislation to create a high skill training program designed to combat "spot" labor skill shortages in the Commonwealth. Commerce and Labor.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-Nine.

AN ACT RELATIVE TO THE CREATION OF A HIGH SKILL TRAINING PROGRAM TO COMBAT SPOT LABOR SHORTAGE PROBLEMS IN THE MASSACHUSETTS ECONOMY.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Purpose.

2 The purpose of the legislation is to create a high skills training
3 program designed to combat "spot" labor skill shortages in the
4 Commonwealth. Over the course of the current economic
5 recovery the state economy has generated a substantial number of
6 new employment opportunities. Many of the newly created jobs
7 are in occupations that require technical skills that are in short
8 supply within the Commonwealth. Labor shortage problems in
9 information technology, biotechnology, computer software, metal-
10 working occupations and construction trades all constrain the
11 level of output and income growth within the Commonwealth. Job
12 vacancy rates in some industry sectors in the state are currently in
13 the 8 to 10 percent range. Moreover, the low quit rates and new
14 hire rates in these industries combined with high job vacancy rates
15 provide powerful evidence of substantial shortages of qualified
16 labor supply in a number of specific occupational areas. This leg-
17 islation authorizes the creation of a new program within the
18 Corporation for Business, Work and Learning that would provide
19 resources to support joint industry-education training programs
20 aimed at upgrading and retraining the unemployed and mal-
21 employed population within the state.

1 SECTION 2. Establishing a 50/50 Critical Skill Shortage
2 Program.

3 This section will establish a new program within the
4 Corporation for Business, Work and Learning (CBWL) that will
5 provide educational and training services designed to respond to
6 specific occupational labor shortages within key industry seg-
7 ments of the Massachusetts economy. CBWL will identify areas
8 of labor shortage within the state and work to develop training
9 programs of less than one-year duration to help solve labor
10 shortage problems. This program will provide grants up to
11 \$100,000 per year that must be matched by an equal contribution
12 from private sector partners. These grants will be used to provide
13 training in occupations in which CBWL determines a labor
14 shortage or a similar structural imbalance within a state or sub-
15 state labor market segment. The training provided under this
16 statute must be conducted by an educational institution within the
17 Commonwealth. In no event shall funds under this provision be
18 used to support on-the-job or incumbent worker training.

1 SECTION 3. Building Business Education Partnerships.

2 CBWL may use the authorized funds to create business-educat-
3 ion training partnerships that can sustain training programs after
4 state funding ceases. CBWL may use up to 15 percent of the funds
5 authorized in creating such partnerships and for the general
6 administration of the program. All remaining funds must be used
7 in the direct provision of training services. The funds made avail-
8 able are intended to serve as seed money in fostering the creation
9 of training programs that respond to labor shortage problems. In
10 no event will a program be funded for more than two program
11 cycles. CBWL should place special emphasis in awarding grants
12 to partnerships that have a strong plan for continued program sup-
13 port after funding under these provisions ends.

1 SECTION 3. Program Evaluation.

2 CBWL shall prepare annually a report detailing the perfor-
3 mance of the program in meeting industry labor shortage and
4 enhancing the employment and earnings experiences of unem-
5 ployed and mal-employed persons who participate in the program.
6 The report will provide a detailed description of the operation of

7 the program, information on the characteristics of program partici-
8 pants and a set of measures of the employment earnings and edu-
9 cational outcomes produced by the program.

1 SECTION 4. Funding.

2 This program will be funded up to a level of \$3,000,000 per
3 year. \$1,000,000 from budget line 7003-0700 now earmarked for
4 an employed worker initiative shall be re-allocated to support the
5 skill shortage program. An additional \$500,000 from budget line
6 7003-0900 now earmarked for the tactical training initiative shall
7 be re-allocated to support the skill shortage program. The legisla-
8 ture may appropriate an additional \$1,500,000 to fund the skill
9 shortage program.

