SENATE, No. 1957

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Assemblyman CHRISTOPHER P. DEPHILLIPS

District 40 (Bergen, Essex, Morris and Passaic)

Assemblyman ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman SHANIQUE SPEIGHT

District 29 (Essex)

Co-Sponsored by:

Senators A.M.Bucco, T.Kean, O'Scanlon, Singleton, Testa, Addiego, Ruiz, Pou, Assemblymen S.Kean, Calabrese, Moen, Johnson, Holley, Wirths, Space, Assemblywoman Murphy and Assemblyman Freiman

SYNOPSIS

Supports activities of New Jersey Manufacturing Extension Program, Inc.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/29/2020)

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1 **AN ACT** concerning the New Jersey Manufacturing Extension Program, Inc. and amending P.L.1992, c.43.

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BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

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- 1. Section 9 of P.L.1992, c.43 (C.34:15D-9) is amended to read as follows:
- 8 9 9. a. A restricted, nonlapsing, revolving Workforce 10 Development Partnership Fund, to be managed and invested by the 11 State Treasurer, is hereby established to: provide employment and 12 training services to qualified displaced, disadvantaged and 13 employed workers by means of training grants or customized 14 training services; provide for the other costs indicated in subsection 15 a. of section 4 of P.L.1992, c.43 (C.34:15D-4); support the activities 16 of the New Jersey Manufacturing Extension Program, Inc. or an 17 appropriate successor; provide for the New Jersey Innovation and 18 Research Fellowship Program as provided for in section 3 of 19 P.L.2015, c.235 (C.34:15D-26); provide for the Talent Network 20 Program as provided for in section 2 of P.L.2019, c.125 (C.34:15D-21 29); and facilitate the provision of education and training to youth 22 by means of grants provided by the Youth Transitions to Work 23 Partnership pursuant to the provisions of P.L.1993, c.268 24 (C.34:15E-1 et al.). All appropriations to the fund, all interest 25 accumulated on balances in the fund and all cash received for the 26 fund from any other source shall be used solely for the purposes
 - b. During any fiscal year beginning after June 30, 2001, of the total revenues dedicated to the program during any one fiscal year: 25% shall be deposited in an account of the Workforce Development Partnership Fund reserved to provide employment and training services for qualified displaced workers, and through fiscal year 2023, not less than 10% of the revenues deposited in that account shall be reserved to provide employment and training services to qualified displaced workers in the pursuit of industryvalued credentials under the pilot program established pursuant to P.L.2019, c.252 (C.34:15D-30 et al.); and during any fiscal year beginning after June 30, 2019, 0.5% shall be deposited in an account of the Workforce Development Partnership Fund reserved for an appropriated to the Department of Labor and Workforce Development for the Apprenticeship Start-Up Grant Program created pursuant to section 3 of P.L.2019, c.417 (C.34:15D-6.1); 6% shall be deposited in an account of the Workforce Development Partnership Fund reserved to provide employment and training services for qualified disadvantaged workers, and through fiscal

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

specifically delineated by this act.

1 year 2023, not less than 10% of the revenues deposited in that 2 account shall be reserved to provide employment and training 3 services to qualified disadvantaged workers in the pursuit of 4 industry-valued credentials under the pilot program established 5 pursuant to P.L.2019, c.252 (C.34:15D-30 et al.); 37% minus \$1.5 6 million shall be deposited in an account of the Workforce 7 Development Partnership Fund reserved for and appropriated to the 8 Office of Customized Training; 5% shall be deposited in an account 9 of the Workforce Development Partnership Fund reserved for the 10 Youth Transitions to Work Partnership created pursuant to 11 P.L.1993, c.268 (C.34:15E-1 et seq.); 3% shall be deposited in an 12 account of the Workforce Development Partnership Fund reserved for occupational safety and health training; 5% shall be deposited in 13 14 an account of the Workforce Development Partnership Fund 15 reserved for and appropriated to the Talent Network Program 16 established pursuant to section 2 of P.L.2019, c.125 (C.34:15D-29); 17 3% shall be deposited in an account of the Workforce Development 18 Partnership Fund reserved for the New Jersey Innovation and 19 Research Fellowship Program established pursuant to section 3 of 20 P.L.2015, c.235 (C.34:15D-26); 10% shall be deposited in an 21 account of the Workforce Development Partnership Fund reserved 22 for administrative costs as defined in section 3 of P.L.1992, c.43 23 (C.34:15D-3); \$1.5 million shall be deposited in an account of the 24 Workforce Development Partnership Fund reserved to support the 25 activities of the New Jersey Manufacturing Extension Program, Inc. 26 or an appropriate successor; 0.5% shall be deposited in an account 27 of the Workforce Development Partnership Fund reserved for the 28 State Employment and Training Commission to design criteria and 29 conduct an annual evaluation of the program; and 5% shall be 30 deposited in an account of the Workforce Development Partnership 31 Fund to be used, at the discretion of the commissioner, for any of the purposes indicated in subsection a. of section 4 of P.L.1992, 32 33 c.43 (C.34:15D-4).

c. Beginning January 1, 1995, through June 30, 2002, the balance in the fund as of the previous December 31, as determined in accordance with generally accepted accounting principles, shall not exceed 1.5 times the amount of contributions deposited for the calendar year then ended. If the balance exceeds this amount, the excess shall be deposited into the unemployment compensation fund within seven business days of the date that the determination is made.

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d. Beginning July 1, 2002, and for any subsequent fiscal year, if the unexpended cash balance in any of the accounts indicated in subsection b. of this section, except for the account reserved for the Talent Network Program, less any amount awarded in grants but not yet disbursed from the account, is determined to exceed 20% of the amount of contributions collected for deposit in the account pursuant to this subsection during the fiscal year then ended, the

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1 excess shall be regarded as an unemployment compensation 2 contribution and deposited into the unemployment compensation 3 fund within seven business days of the date that the determination is 4 made. If the unexpended cash balance in the account reserved for 5 the Talent Network Program, less any amount awarded in grants but not yet disbursed from the account, is determined to exceed 20% of 6 7 the amount of contributions collected for deposit in the account 8 pursuant to this subsection during the fiscal year then ended, the 9 excess shall be deposited into the Workforce Development 10 Partnership Fund account reserved for the Office of Customized 11 Training.

\$250,000 shall be allocated to the Apprentice Assistance and e. Support Services Pilot Program established pursuant to section 1 of P.L.2019, c.419 (C.34:15D-6.2) from the \$29,690,000 which was appropriated pursuant to the annual appropriations act for State fiscal year 2019 from the Workforce Development Partnership Fund for the purpose of funding Work First New Jersey Work Activities and Work First New Jersey-Training Related Expenses, and, \$1,100,000 shall be allocated to the pilot program in each of fiscal years 2020, 2021, 2022, 2023, and 2024 from the amounts appropriated pursuant to the annual appropriations act in those fiscal years from the Workforce Development Partnership Fund for the purpose of funding Work First New Jersey Work Activities and Work First New Jersey-Training Related Expenses. Of the funds allocated to the pilot program pursuant to this subsection, 90% shall be dedicated to the Child Care Stipend program and 10% to transportation reimbursement.

(cf: P.L.2019, c.419, s.2)

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2. This act shall take effect immediately.

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STATEMENT

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This bill would establish a permanent new source of funding of up to \$1.5 million for the New Jersey Manufacturing Extension Program, Inc., (NJMEP) or an appropriate successor from the Workforce Development Partnership Fund.

The NJMEP is a private, non-profit organization that seeks to improve the profitability and competitiveness of manufacturers in this State. NJMEP helps organizations to enhance their productivity and efficiencies, reduce costs, and improve employee performance.

Under current law, of the total revenues dedicated to the Workforce Development Partnership Funds, 37% is reserved for and appropriated to the Office of Customized Training. The bill reduces this allocation by \$1.5 million.