## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2003

S SENATE BILL 1344\*

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(Public)

Short Title: Trade Jobs for Success/Funds.

Senators Hartsell, Dalton; Berger, Bingham, and Clodfelter.

Referred to: Appropriations/Base Budget.

**Sponsors:** 

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May 27, 2004

A BILL TO BE ENTITLED

AN ACT ESTABLISHING THE TRADE JOBS FOR SUCCESS INITIATIVE TO STIMULATE JOB GROWTH AND HIRING IN NORTH CAROLINA AND APPROPRIATING FUNDS FOR THAT PURPOSE.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** There is appropriated from the General Fund to the Department of Commerce the sum of one million five hundred thousand dollars (\$1,500,000) for the 2004-2005 fiscal year for the Trade Jobs for Success initiative established by this act.

**SECTION 1.(b)** There is appropriated from the General Fund to the Community Colleges System Office the sum of seven hundred fifty thousand dollars (\$750,000) for the 2004-2005 fiscal year to help fund participation of local community colleges in the Trade Jobs for Success initiative.

**SECTION 1.(c)** Prior to the granting of a waiver by the U.S. Department of Labor, the funds appropriated in subsection (a) of this section shall be used to start-up the initiative. It is the intent of the General Assembly to appropriate additional State funds for the initiative in the 2005-2006 fiscal year as may be necessary to supplement federal funds and to further stimulate job growth and hiring in the State.

**SECTION 2.** The Department of Commerce, in cooperation with the Employment Security Commission and the North Carolina Community College System shall begin implementation of the Trade Jobs for Success initiative in the counties hardest hit by trade impacted job losses and the resulting decline of traditional North Carolina industries including the textile, clothing, and furniture industries and other manufacturing operations. Counties having an unemployment rate of eight percent (8%) or more shall receive priority consideration.

**SECTION 3.** The Employment Security Commission shall take all actions practicable to obtain from the U.S. Department of Labor as quickly as possible a waiver under the Trade Adjustment Act to allow the Trade Jobs for Success initiative to (i) serve persons regardless of their age, (ii) use unemployment funds to provide direct

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monetary incentives to participating employers and direct income to eligible workers in the retraining program, and (iii) use funds for in-State relocation assistance. Waivers shall be sought for other program components, as appropriate.

**SECTION 4.** The Department of Commerce shall seek, and may receive, private grants and federal funds for the Trade Jobs for Success initiative.

**SECTION 5.** Article 10 of Chapter 143B of the General Statutes is amended by adding a new Part to read:

"Part 3C. Trade Jobs For Success.

## "§ 143B-438.15. Legislative findings and purpose.

- (a) The General Assembly finds that State, national, and global economic conditions and the passage of international trade agreements have impacted the State workforce adversely and resulted in significant losses in the availability of jobs in manufacturing and the State's other traditional industries. Further, the General Assembly finds that business and plant closings, the weakened State economy, and lengthening periods of unemployment have taken a toll on communities across the State. It is prudent to address the loss of jobs by establishing a statewide initiative to create more jobs for our citizens.
- (b) It is the policy of this State to stimulate job growth and hiring by investing in the effective retraining of trade-affected displaced workers while partnering with private business to help those citizens learn new skills for new jobs through on-the-job training and educational assistance.
- (c) The purpose of this Part is to establish the Trade Jobs for Success initiative to stimulate job growth and hiring in the State and to assist displaced workers affected by trade-impact business closings. The aim of the Trade Jobs for Success initiative shall be to partner with private business to move displaced workers into new jobs while allowing for a dignified transition from unemployment back to employment.

## "§ 143B-438.16. Trade Jobs for Success initiative established; funds; program components and guidelines.

- (a) There is established within the Department of Commerce the Trade Jobs for Success (TJS) initiative. The Department of Commerce shall lead the TJS initiative in cooperation with the Employment Security Commission and the Community Colleges System Office.
- (b) There is created in the Department of Commerce a special, nonreverting fund called the Trade Jobs for Success Fund (Fund). The Fund shall be used to implement the TJS initiative. The Department of Commerce shall develop guidelines for administration of the TJS initiative and the Fund. An advisory council shall assist the Secretary of Commerce in the administration of the Fund. The members of the advisory council shall include:
  - (1) The Chairman of the Employment Security Commission or that officer's designee.
  - (2) The President of the Community Colleges System or that officer's designee.
  - (3) The state Auditor or that officer's designee.

A representative of a statewide association to further the interests of 1 (4) 2 business and industry in North Carolina designated by the Secretary of 3 Commerce. 4 At a minimum, the Trade Jobs for Success initiative shall include the (c) 5 following programmatic components: 6 (1) Displaced workers participating in the TJS initiative shall receive (i) 7 on-the-job training to learn new job skills and (ii) educational 8 assistance or remedial education specifically designed to help 9 displaced workers qualify for new jobs. 10 (2) Displaced workers participating in the TJS initiative shall not lose their eligibility for unemployment insurance benefits while they are in the 11 12 program and may receive wage supplements, as appropriate. In-State relocation assistance, in appropriate instances, where 13 (3) 14 participating individuals must relocate to work for participating 15 employers. Mentoring, both on and off the job, shall be provided to participants in 16 (4) 17 a dignified manner through telephone assistance and other appropriate 18 means. 19 **(5)** Financial assistance and other incentives may be provided to 20 participating employers who provide jobs to participating displaced 21 workers to help defray the costs of providing the on-the-job training opportunities. 22 23 Work provided by participating employers as part of the TJS initiative (6) 24 must be full-time employment. Wages paid shall not be less than the hourly entry-level wage normally paid by the employer. 25 Staff of the Employment Security Commission, in conjunction with 26 <u>(7)</u> staff of the Department of Commerce, shall match participating 27 displaced workers to the most suitable employer. 28 Local Employment Security Commission offices and community 29 <u>(8)</u> 30 colleges shall enter into partnership agreements with local chambers of commerce, and other appropriate organizations, that would encourage 31 32 employer participation in the TJS initiative. Tracking of participating individuals and businesses by the 33 <u>(9)</u> Department of Commerce and the Employment Security Commission 34 to assure program integrity and effectiveness and the compilation of 35 data to generate the reports necessary to evaluate the success of the 36 TJS initiative. 37 38 Coordination and integration of existing programs in the Department (10)39 of Commerce, the Employment Security Commission, and the North Carolina Community College System in a manner that maximizes the 40 flexibility of these agencies to effectively assist participating 41 42 individuals and businesses. 43 "§ 143B-438.17. Reporting.

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The Department of Commerce, in conjunction with the Employment Security Commission and the Community Colleges System Office, shall publish a quarterly report on the Trade Jobs for Success initiative. The report shall provide information on the commitment, disbursement, and use of funds and the status of any grant proposals or waivers requested on behalf of the Trade Jobs for Success initiative. The report shall also include legislative proposals and recommendations regarding statutory changes needed to maximize the effectiveness and flexibility of the TJS initiative. Copies of the report shall be provided to the Joint Legislative Commission on Governmental Operations, to the chairs of the Senate and House of Representatives Appropriations Committee, and to the Fiscal Research Division of the General Assembly."

**SECTION 6.** This act becomes effective July 1, 2004.