



# Senate

General Assembly

**File No. 631**

February Session, 2018

Substitute Senate Bill No. 535

*Senate, April 23, 2018*

The Committee on Finance, Revenue and Bonding reported through SEN. FONFARA of the 1st Dist. and SEN. FRANTZ, L. of the 36th Dist., Chairpersons of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT ESTABLISHING THE APPRENTICESHIP CONNECTICUT INITIATIVE AND CONCERNING ECONOMIC DEVELOPMENT AND MANUFACTURING BONDS FOR SUBMARINE FACILITY CAPITAL IMPROVEMENTS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2018*) (a) There is established the  
2 Apprenticeship Connecticut initiative to develop work force pipeline  
3 programs to train qualified entry-level workers for job placement with  
4 manufacturers and employers in other industry sectors in the state that  
5 are experiencing sustained work force shortages. The initiative shall  
6 include, where practicable, outreach to underserved populations,  
7 including youths, to achieve success in the program and support the  
8 state's economic development progress.

9 (b) (1) Not later than January 1, 2019, the Labor Commissioner shall  
10 issue a request for qualifications to solicit proposals from regional  
11 industry partnerships for a work force pipeline program to serve the

12 work force needs of manufacturers and other employers in the region.  
13 To be eligible to submit a proposal, a regional industry partnership  
14 shall include as members of such partnership (A) entities and  
15 organizations with expertise in regional economic and work force  
16 development, including, but not limited to, entities offering  
17 apprenticeship or other work force training programs, (B) the regional  
18 work force development board, established pursuant to section 31-3k  
19 of the general statutes, for the applicable work force region, and (C) at  
20 least one educational institution such as a vocational-technical school  
21 or an institution of higher education or at least one employer located in  
22 the work force region. A regional industry partnership may include  
23 other entities, organizations or institutions that support the goals of the  
24 partnership and initiative.

25 (2) Prior to the date established by the commissioner for the  
26 submission of responses to such request for qualifications, each  
27 regional work force development board shall submit a report to the  
28 General Assembly, in accordance with the provisions of section 11-4a  
29 of the general statutes, that sets forth the most pressing work force  
30 needs within such board's region and identifies the industry sector or  
31 sectors in which such needs are the greatest.

32 (c) Each proposal shall be submitted by the partnership through the  
33 regional work force development board and shall demonstrate the  
34 targeted goal of preparing qualified entry-level workers for careers  
35 that provide a living wage. Each proposal shall include plans for the  
36 following core program components:

37 (1) Identification of the region's most pressing work force needs and  
38 the industry sector or sectors in which such needs are the greatest, as  
39 reported to the General Assembly pursuant to subdivision (2) of  
40 subsection (b) of this section;

41 (2) Recruitment in the program of, and outreach efforts to, potential  
42 job seekers;

43 (3) (A) Screening and assessment of individuals interested in

44 manufacturing work or employment in other sectors proposed to be  
45 targeted by the partnership, by which individuals will be assessed for  
46 work readiness, aptitude for the relevant work skills and on other  
47 metrics as specified by the partnership or as recommended by the  
48 Labor Department;

49 (B) Redirecting or connecting individuals determined through the  
50 screening and assessment process not to be suited for participation in  
51 the program to or with alternative career resources or services  
52 available to residents of the state that may be better suited to such  
53 individuals;

54 (C) Placement of individuals screened and assessed who are  
55 selected to participate in a training program, with an employer  
56 identified by the partnership, upon such individual's successful  
57 completion of the training program. Such identified employer shall  
58 commit to hire one or more individuals who successfully complete the  
59 training program and may further offer related on-the-job training or  
60 other in-house training opportunities to such individual or  
61 individuals. The partnership shall seek to leverage any such training or  
62 opportunities, apprenticeship programs, the Labor Department's  
63 subsidized training and employment program and other wage-subsidy  
64 programs with employers who commit to hiring individuals, and may  
65 seek program funding for retention services;

66 (4) (A) Separate training programs for participants (i) in the eleventh  
67 or twelfth grade, and (ii) eighteen years of age or older who are not  
68 currently enrolled in eleventh or twelfth grade. Such training  
69 programs shall be provided by partnership members or with the  
70 assistance of other parties as identified in the proposal;

71 (B) Training programs shall be not less than five consecutive weeks  
72 and not more than twenty-six consecutive weeks in duration. At least  
73 one training program offered for each age group shall be provided  
74 through a certified preapprenticeship program offered by the Labor  
75 Department. Any other training program may include a  
76 preapprenticeship component or award industry-recognized

77 certificates, as proposed by the partnership;

78 (C) Training programs shall be developed and revised periodically  
79 through ongoing consultation with employers targeted for job  
80 placement of program participants;

81 (5) The duration of a work force pipeline program shall be not less  
82 than four years from the date of its establishment;

83 (6) For each core program component, identification of specific  
84 existing resources available to such partnership through the regional  
85 work force development board, the United States Department of  
86 Labor's American Job Center system, the state Labor Department,  
87 employers, apprenticeship or other work force training programs,  
88 educational institutions in the state or other public or private funds. If  
89 the partnership proposes using program funds for the purposes of core  
90 program components, it shall demonstrate for each such component  
91 that there will be leveraged funding support from existing resources  
92 and that the use of program funds for such purposes will not affect the  
93 availability of such existing resources; and

94 (7) The following limits shall apply to the use of any program funds  
95 awarded to a partnership: (A) Not more than seventy per cent of such  
96 funds shall be used for the training programs set forth in subdivision  
97 (4) of this subsection; (B) not more than twenty per cent of such funds  
98 shall be used for supporting services for the program, including  
99 recruitment and outreach efforts, screening and assessment,  
100 transportation, stipends, workplace tools or equipment and  
101 preemployment supports; and (C) not more than ten per cent of such  
102 funds shall be used for any other purpose, including administrative  
103 costs.

104 (d) (1) The commissioner shall review all qualifying responses to the  
105 request for qualifications and select as many proposals as the  
106 commissioner deems to be well-planned and the partnership to be  
107 capable of implementing its proposal. The commissioner shall select  
108 proposals so as to achieve a goal of not fewer than ten thousand

109 individuals placed into new jobs over the first four years of a program,  
110 with one-third of such individuals from the group under  
111 subparagraph (A)(i) of subdivision (4) of subsection (c) of this section  
112 and two-thirds of such individuals from the group under  
113 subparagraph (A)(ii) of subdivision (4) of subsection (c) of this section.

114 (2) (A) The commissioner shall award funds to the partnerships  
115 selected under subdivision (1) of this subsection in proportion to the  
116 magnitude of the work force needs within the work force region  
117 proposed to be served, relative to the comparable work force needs  
118 within other work force regions of the state, provided no partnership  
119 shall receive more than twenty million dollars in total funding. The  
120 commissioner may further weight such distribution according to any  
121 total cost per program participant proposed by a partnership that the  
122 commissioner deems reasonable, and may give preference to a  
123 partnership with a lower total cost per program participant.

124 (B) The commissioner shall reserve from any funds awarded under  
125 subparagraph (A) of this subdivision sufficient funds to support the  
126 use of the certified preapprenticeship program offered by the Labor  
127 Department and shall transfer such reserved funds to the appropriate  
128 departmental account to be used for such purpose.

129 (e) Any regional industry partnership may seek (1) to leverage  
130 tuition or financial assistance programs for purposes of the program  
131 and for the benefit of individuals participating in the program, and (2)  
132 philanthropic and employer investments to meet the goal set forth in  
133 subdivision (1) of subsection (d) of this section and to support  
134 retention of individuals participating in the program.

135 Sec. 2. (*Effective July 1, 2018*) (a) For the purposes described in  
136 subsection (b) of this section, the State Bond Commission shall have  
137 the power from time to time to authorize the issuance of bonds of the  
138 state in one or more series and in principal amounts not exceeding in  
139 the aggregate fifty million dollars.

140 (b) The proceeds of the sale of such bonds, to the extent of the

141 amount stated in subsection (a) of this section, shall be used by the  
142 Labor Department for the purposes of funding work force pipeline  
143 programs selected pursuant to section 1 of this act.

144 (c) All provisions of section 3-20 of the general statutes, or the  
145 exercise of any right or power granted thereby, that are not  
146 inconsistent with the provisions of this section are hereby adopted and  
147 shall apply to all bonds authorized by the State Bond Commission  
148 pursuant to this section. Temporary notes in anticipation of the money  
149 to be derived from the sale of any such bonds so authorized may be  
150 issued in accordance with section 3-20 of the general statutes and from  
151 time to time renewed. Such bonds shall mature at such time or times  
152 not exceeding twenty years from their respective dates as may be  
153 provided in or pursuant to the resolution or resolutions of the State  
154 Bond Commission authorizing such bonds. None of such bonds shall  
155 be authorized except upon a finding by the State Bond Commission  
156 that there has been filed with it a request for such authorization that is  
157 signed by or on behalf of the Secretary of the Office of Policy and  
158 Management and states such terms and conditions as said commission,  
159 in its discretion, may require. Such bonds issued pursuant to this  
160 section shall be general obligations of the state and the full faith and  
161 credit of the state of Connecticut are pledged for the payment of the  
162 principal of and interest on such bonds as the same become due, and  
163 accordingly and as part of the contract of the state with the holders of  
164 such bonds, appropriation of all amounts necessary for punctual  
165 payment of such principal and interest is hereby made, and the State  
166 Treasurer shall pay such principal and interest as the same become  
167 due.

168 Sec. 3. Section 32-235 of the 2018 supplement to the general statutes  
169 is repealed and the following is substituted in lieu thereof (*Effective July*  
170 *1, 2018*):

171 (a) For the purposes described in subsection (b) of this section, the  
172 State Bond Commission shall have the power, from time to time to  
173 authorize the issuance of bonds of the state in one or more series and

174 in principal amounts not exceeding in the aggregate one billion seven  
175 hundred fifty-five million three hundred thousand dollars, provided  
176 (1) one hundred forty million dollars of said authorization shall be  
177 effective July 1, 2011, and twenty million dollars of said authorization  
178 shall be made available for small business development; (2) two  
179 hundred eighty million dollars of said authorization shall be effective  
180 July 1, 2012, and forty million dollars of said authorization shall be  
181 made available for the Small Business Express program established  
182 pursuant to section 32-7g and not more than twenty million dollars of  
183 said authorization may be made available for businesses that commit  
184 to relocating one hundred or more jobs that are outside of the United  
185 States to the state; and (3) one hundred seventy-five million dollars of  
186 said authorization shall be effective July 1, 2018. Any amount of said  
187 authorizations that are made available for small business development  
188 or businesses that commit to relocating one hundred or more jobs that  
189 are outside of the United States to the state, but are not exhausted for  
190 such purpose by the first day of the fiscal year subsequent to the fiscal  
191 year in which such amount was made available, shall be used for the  
192 purposes described in subsection (b) of this section. For purposes of  
193 this subsection, a "small business" is one employing not more than one  
194 hundred employees.

195 (b) The proceeds of the sale of said bonds, to the extent of the  
196 amount stated in subsection (a) of this section, shall be used by the  
197 Department of Economic and Community Development;

198 (1) [for] For the purposes of sections 32-220 to 32-234, inclusive,  
199 including economic cluster-related programs and activities, and for the  
200 Connecticut job training finance demonstration program pursuant to  
201 sections 32-23uu and 32-23vv, provided;

202 (A) [three] Three million dollars shall be used by said department  
203 solely for the purposes of section 32-23uu and not more than five  
204 million two hundred fifty thousand dollars of the amount stated in  
205 said subsection (a) may be used by said department for the purposes of  
206 section 31-3u; [,]

207 (B) [not] Not less than one million dollars shall be used for an  
208 educational technology grant to the deployment center program and  
209 the nonprofit business consortium deployment center approved  
210 pursuant to section 32-41l; [,]

211 (C) [not] Not less than two million dollars shall be used by said  
212 department for the establishment of a pilot program to make grants to  
213 businesses in designated areas of the state for construction, renovation  
214 or improvement of small manufacturing facilities, provided such  
215 grants are matched by the business, a municipality or another  
216 financing entity. The Commissioner of Economic and Community  
217 Development shall designate areas of the state where manufacturing is  
218 a substantial part of the local economy and shall make grants under  
219 such pilot program which are likely to produce a significant economic  
220 development benefit for the designated area; [,]

221 (D) [five] Five million dollars may be used by said department for  
222 the manufacturing competitiveness grants program; [,]

223 (E) [one] One million dollars shall be used by said department for  
224 the purpose of a grant to the Connecticut Center for Advanced  
225 Technology, for the purposes of subdivision (5) of subsection (a) of  
226 section 32-7f; [,]

227 (F) [fifty] Fifty million dollars shall be used by said department for  
228 the purpose of grants to the United States Department of the Navy, the  
229 United States Department of Defense or eligible applicants for projects  
230 related to the enhancement of infrastructure for long-term, on-going  
231 naval operations at the United States Naval Submarine Base-New  
232 London, located in Groton, which will increase the military value of  
233 said base. Such projects shall not be subject to the provisions of  
234 sections 4a-60 and 4a-60a; [,]

235 (G) [two] Two million dollars shall be used by said department for  
236 the purpose of a grant to the Connecticut Center for Advanced  
237 Technology, Inc., for manufacturing initiatives, including aerospace  
238 and defense; [, and]



239 (H) [~~four~~] Four million dollars shall be used by said department for  
240 the purpose of a grant to companies adversely impacted by the  
241 construction at the Quinnipiac Bridge, where such grant may be used  
242 to offset the increase in costs of commercial overland transportation of  
243 goods or materials brought to the port of New Haven by ship or vessel;  
244 [.] and

245 (I) One hundred million dollars shall be used by said department  
246 for the purpose of grants to a company that (i) is engaged in the  
247 design, construction and lifecycle support of submarines for the United  
248 States Navy, (ii) has a production facility and an engineering office in  
249 the state prior to July 1, 2018, (iii) plans to expand production of  
250 submarines in response to increased demand from the United States  
251 Navy, and (iv) has a parent company that is engaged in the aerospace  
252 and defense industry. Such grants may be used for (I) acquisition of  
253 lands, buildings, machinery, equipment or any combination thereof,  
254 (II) site and infrastructure improvements, and (III) planning costs;

255 (2) [~~for~~] For the purposes of the small business assistance program  
256 established pursuant to section 32-9yy, provided fifteen million dollars  
257 shall be deposited in the small business assistance account established  
258 pursuant to said section 32-9yy; [.]

259 (3) [~~to~~] To deposit twenty million dollars in the small business  
260 express assistance account established pursuant to section 32-7h; [.]

261 (4) [~~to~~] To deposit four million nine hundred thousand dollars per  
262 year in each of the fiscal years ending June 30, 2017, to June 30, 2019,  
263 inclusive, and June 30, 2021, and nine million nine hundred thousand  
264 dollars in the fiscal year ending June 30, 2020, in the CTNext Fund  
265 established pursuant to section 32-39i, which shall be used by CTNext  
266 to provide grants-in-aid to designated innovation places, as defined in  
267 section 32-39j, planning grants-in-aid pursuant to section 32-39l, and  
268 grants-in-aid for projects that network innovation places pursuant to  
269 subsection (b) of section 32-39m, provided not more than three million  
270 dollars be used for grants-in-aid for such projects; [.]

271 (5) [to] To deposit two million dollars per year in each of the fiscal  
272 years ending June 30, 2019, to June 30, 2021, inclusive, in the CTNext  
273 Fund established pursuant to section 32-39i, which shall be used by  
274 CTNext for the purpose of providing higher education  
275 entrepreneurship grants-in-aid pursuant to section 32-39g; [ ]

276 (6) [for] For the purpose of funding the costs of the Technology  
277 Talent Advisory Committee established pursuant to section 32-7p,  
278 provided two million dollars per year in each of the fiscal years ending  
279 June 30, 2017, to June 30, 2021, inclusive, shall be used for such  
280 purpose; [ ]

281 (7) [to] To provide (A) a grant-in-aid to the Connecticut Supplier  
282 Connection in an amount equal to two hundred fifty thousand dollars  
283 in each of the fiscal years ending June 30, 2017, to June 30, 2021,  
284 inclusive, and (B) a grant-in-aid to the Connecticut Procurement  
285 Technical Assistance Program in an amount equal to three hundred  
286 thousand dollars in each of the fiscal years ending June 30, 2017, to  
287 June 30, 2021, inclusive; [ ] and

288 (8) [to] To deposit four hundred fifty thousand dollars per year, in  
289 each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive,  
290 in the CTNext Fund established pursuant to section 32-39i, which shall  
291 be used by CTNext to provide four hundred fifty thousand dollars in  
292 each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive,  
293 for the purposes of growth grants-in-aid pursuant to section 32-39g.

294 (c) All provisions of section 3-20, or the exercise of any right or  
295 power granted thereby which are not inconsistent with the provisions  
296 of this section are hereby adopted and shall apply to all bonds  
297 authorized by the State Bond Commission pursuant to this section, and  
298 temporary notes in anticipation of the money to be derived from the  
299 sale of any such bonds so authorized may be issued in accordance with  
300 said section 3-20 and from time to time renewed. Such bonds shall  
301 mature at such time or times not exceeding twenty years from their  
302 respective dates as may be provided in or pursuant to the resolution or  
303 resolutions of the State Bond Commission authorizing such bonds.

304 None of said bonds shall be authorized except upon a finding by the  
 305 State Bond Commission that there has been filed with it a request for  
 306 such authorization, which is signed by or on behalf of the Secretary of  
 307 the Office of Policy and Management and states such terms and  
 308 conditions as said commission, in its discretion, may require. Said  
 309 bonds issued pursuant to this section shall be general obligations of the  
 310 state and the full faith and credit of the state of Connecticut are  
 311 pledged for the payment of the principal of and interest on said bonds  
 312 as the same become due, and accordingly and as part of the contract of  
 313 the state with the holders of said bonds, appropriation of all amounts  
 314 necessary for punctual payment of such principal and interest is  
 315 hereby made, and the Treasurer shall pay such principal and interest  
 316 as the same become due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2018	New section
Sec. 2	July 1, 2018	New section
Sec. 3	July 1, 2018	32-235

**Statement of Legislative Commissioners:**

In Section 1(b)(2) and throughout Section 1(c), provisions were rewritten for consistency with other provisions in the Section, and the title was changed.

**FIN**      *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$	Out Years \$
Treasurer, Debt Serv.	GF - Potential Cost	See Below	See Below	72.3 million total

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill authorizes \$50 million in General Obligation bonding for work force pipeline programs to be administered by the Department of Labor. To the extent that the authorized bonds are allocated by the State Bond Commission, the state would need to repay the principal amount of the bond plus associated fees and interest. If bonds were approved for use and issued in FY 19, the state could begin repayment of up to \$2.5 million in FY 20. A later issuance date would not result in repayment cost in the biennium.

The bill also obligates \$100 million of funds previously authorized for the Manufacturing Assistance Act to a qualified submarine manufacturer. This may change the expenditure rate of the authorized GO bonds, with a commensurate change in future debt service payments.

**The Out Years**

Under current market conditions, the state would repay a \$50 million bond over 20 years at an approximate total cost of \$72.3 million (for principal and interest, including the initial \$2.5 million payment described above), or approximately \$3.6 million per year on average.

**OLR Bill Analysis****sSB 535*****AN ACT ESTABLISHING THE APPRENTICESHIP CONNECTICUT INITIATIVE AND CONCERNING ECONOMIC DEVELOPMENT AND MANUFACTURING BONDS FOR SUBMARINE FACILITY CAPITAL IMPROVEMENTS.*****SUMMARY**

This bill authorizes up to \$50 million in general obligation (GO) bonds and requires the Department of Labor (DOL) to use the proceeds to fund a new Apprenticeship Connecticut initiative that develops workforce pipeline programs to train qualified entry-level workers for jobs with manufacturers and employers in sectors experiencing workforce shortages. The bill requires the program to include, where practicable, outreach to underserved populations, including youth, to successfully complete the program and support the state's economic development.

The bill requires the DOL commissioner, by January 1, 2019, to issue a request for qualifications (RFQ) to solicit proposals for the program from regional industry partnerships. It establishes the RFQ's required components and, among other things, requires the commissioner to select proposals to achieve a goal of at least 10,000 individuals placed in new jobs over the program's first four years. The bill caps at \$20 million the amount of funds any one partnership may receive in total funding.

The bill requires each regional workforce development board to submit to the General Assembly, before the RFQ's submission deadline, a report indicating its region's most pressing workforce needs and the industry sector or sectors with the greatest needs.

The bill also earmarks \$100 million in existing Manufacturing

Assistance Act (MAA) bonds and requires the Department of Economic and Community Development (DECD) to use the proceeds to provide grants to an eligible submarine production company. It requires the company to use the grants to (1) purchase land, buildings, machinery, or equipment; (2) make site and infrastructure improvements; and (3) pay planning costs.

EFFECTIVE DATE: July 1, 2018

## **APPRENTICESHIP CONNECTICUT**

### ***Regional Industry Partnerships***

By January 1, 2019, the bill requires the DOL commissioner to issue an RFQ soliciting proposals from regional industry partnerships for workforce pipeline programs serving the workforce needs of manufacturers and other employers in the region.

Eligible partnerships may include entities, organizations, or institutions that support the partnership's and initiative's goals and must include:

1. entities and organizations with expertise in regional economic and workforce development, including those offering apprenticeship or other workforce training programs;
2. the regional workforce development board for the applicable region; and
3. at least one educational institution (e.g., a vocational-technical school or higher education institution) or employer in the region.

### ***Core Components***

The bill requires each proposal to include the core components described below.

***Targeted Goal, Training Needs, and Sectors.*** Each proposal must demonstrate the targeted goal of preparing qualified entry-level workers for careers providing a living wage. It must also identify the

region's most pressing workforce needs and the industry sector or sectors with the greatest needs, which were reported by the workforce development board to the General Assembly.

**Recruitment, Screening, and Assessment of Participants.** The proposals must include recruitment and outreach efforts and a screening and assessment process for participants. The screening must assess individuals' work readiness, aptitude for the relevant work skills, and other metrics the partnership specifies or DOL recommends. Those determined not to be suited for the program must be redirected to or connected with alternative career resources or services available to state residents that may be better suited to them.

**Training Programs.** The proposals must include separate training programs, one for participants who are in 11<sup>th</sup> or 12<sup>th</sup> grade and another for those who are at least 18-years-old and not currently enrolled in 11<sup>th</sup> or 12<sup>th</sup> grade. The training programs must last between 5 and 26 consecutive weeks and be provided by partnership members or with help from other identified parties. They must be periodically developed and revised through ongoing consultation with employers targeted for job placements.

At least one program offered for each age group must be provided through a certified pre-apprenticeship program offered by DOL. Other programs may (1) include a pre-apprenticeship component or (2) award industry-recognized certificates, as proposed by the partnership.

**Job Placement.** Each proposal must include a mechanism for placing selected participants who successfully complete the training program with an employer identified by the partnership. The selected employer must commit to hiring one or more participants and may offer additional on-the-job training or other in-house training opportunities. The partnership must seek to leverage any such employer training or opportunities, apprenticeship programs, DOL's subsidized training and employment program, and other wage-subsidy programs with such employers, and may seek program

funding for retention services.

**Duration.** The workforce pipeline programs must last at least four years.

**Resources.** For each program core component, the partnership must identify the existing resources available to it from the following sources: the regional workforce development board, the U.S. DOL's American Job Center system, the state DOL, employers, apprenticeship or other workforce training programs, state educational institutions, and other public or private sources. If the partnership proposes using program funds for any core component, it must demonstrate for each component that (1) there will be leveraged funding support from existing resources and (2) using program funds for such purposes will not affect the availability of the existing resources.

The bill limits the partnerships' use of program funds as follows:

1. up to 70% for training programs;
2. up to 20% for program support services, including recruitment and outreach, screening and assessment, transportation, stipends, workplace tools or equipment, and preemployment supports; and
3. up to 10% for other purposes, including administrative costs.

The bill also authorizes the partnerships to (1) leverage tuition or financial assistance programs for workforce pipeline programs and to benefit program participants and (2) pursue charitable and employer investments to meet the program's hiring goal and support the retention of program participants.

### **Selected Proposals**

The bill requires the commissioner to review all qualifying RFQ responses and select as many proposals as he deems to be well-planned and submitted by partnerships capable of implementing them. He must select proposals so as to achieve a goal of at least



10,000 individuals placed into new jobs over the program's first four years, one-third of which must be in the 11<sup>th</sup> or 12<sup>th</sup> grade and two-thirds of which must be at least 18-years-old and not currently enrolled in 11<sup>th</sup> or 12<sup>th</sup> grade.

### **Awarded Funds**

The commissioner must award funds to the selected partnerships in proportion to the magnitude of their region's workforce needs, relative to the other regions' comparable needs. He may also (1) weigh the distribution according to the partnership's proposed total cost per program participant (that the commissioner deems reasonable) and (2) give preference to a partnership with a lower per participant cost.

The bill caps at \$20 million the amount of funds any one partnership may receive in total funding. It also requires the commissioner to (1) reserve, from any awarded funds, an amount sufficient to support the use of DOL's certified pre-apprenticeship program and (2) transfer the reserved funds to the appropriate DOL account to be used for such purpose.

### **ELIGIBLE SUBMARINE PRODUCTION COMPANY**

The bill earmarks \$100 million in existing MAA bonds and requires DECD to use the funds to provide grants to a company that:

1. designs, builds, and supports submarines for the U.S. Navy;
2. has a production and engineering facility in Connecticut before July 1, 2018;
3. plans to expand submarine production in response to increased demand from the U.S. Navy; and
4. has a parent company in the aerospace and defense industry.

### **COMMITTEE ACTION**

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 44 Nay 7 (04/05/2018)