## HOUSE SUBSTITUTE FOR SENATE BILL NO. 946

A bill to create and operate a Going pro talent program; to provide monetary awards to certain employers to train certain employees; to prescribe the duties and powers of certain state agencies and certain state and local officials; to create certain funds; and to provide for the distribution of money.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. This act shall be known and may be cited as the "Going
- pro talent fund act".
- 3 Sec. 3. As used in this act:
- 4 (a) "Approved training plan" means a training plan submitted
- 5 under section 7 that is approved by the department.
- 6 (b) "Awardee" means a qualified employer that is awarded funds
- 7 under this act.

- 1 (c) "Department" means the department of talent and economic
- 2 development.
- 3 (d) "Fund" means the Going pro talent fund created in section
- **4** 5.
- 5 (e) "Michigan works agency" means that term as defined in
- 6 section 3 of the Michigan works one-stop service center system act,
- 7 2006 PA 491, MCL 408.113.
- **8** (f) "Program" means the Going pro talent program created in
- 9 section 7.
- 10 (g) "Qualified employee" means an employee of a qualified
- 11 employer who is a United States citizen or otherwise authorized to
- 12 work in the United States; is employed by the qualified employer
- 13 when the approved training begins; works primarily in this state
- 14 and for whom the qualified employer pays all applicable taxes; and
- is, as determined by the department, a permanent, full-time
- 16 employee.
- 17 (h) "Qualified employer" means an employer that has a physical
- 18 presence in this state, as determined by the department, and that
- 19 meets any other criteria established by the department.
- (i) "Qualified training provider" means a training provider
- 21 that is qualified to provide training under this act, as determined
- 22 by the department. A qualified training provider may be, but is not
- 23 limited to, any of the following:
- 24 (i) A community college described in section 7 of article VIII
- of the state constitution of 1963.
- 26 (ii) An institution of higher education designated or
- 27 described in section 4 of article VIII of the state constitution of

- **1** 1963.
- 2 (iii) A proprietary school licensed under the proprietary
- 3 schools act, 1943 PA 148, MCL 395.101 to 395.103.
- 4 (iv) A registered United States Department of Labor joint
- 5 apprenticeship training center.
- 6 (v) A qualified employer.
- 7 (vi) A vendor that provides training for the operation of
- 8 equipment or systems for which the vendor is the provider.
- 9 Sec. 5. (1) The Going pro talent fund is created within the
- 10 state treasury.
- 11 (2) The state treasurer may receive money or other assets from
- 12 any source for deposit into the fund. The state treasurer shall
- 13 direct the investment of the fund. The state treasurer shall credit
- 14 to the fund interest and earnings from fund investments.
- 15 (3) Money in the fund at the close of the fiscal year shall
- 16 remain in the fund and shall not lapse to the general fund.
- 17 (4) The department is the administrator of the fund for
- 18 auditing purposes.
- 19 (5) The department shall expend money from the fund, upon
- 20 appropriation, only for 1 or more of the following purposes:
- 21 (a) The payment of awards to awardees.
- (b) The administration of the program.
- Sec. 7. (1) The department shall create and operate the Going
- 24 pro talent program. The department shall work with the Michigan
- 25 works agencies to implement the program. Michigan works agencies
- 26 shall conduct outreach to inform employers of the program.
- 27 (2) The purpose of the program is to provide competitive

- 1 awards to qualified employers for workforce training, including,
- 2 but not limited to, talent enhancement, increasing worker
- 3 productivity, development of workforce skills, leadership and
- 4 management training, and worker retention.
- 5 (3) A Michigan works agency may submit to the department an
- 6 application for a program award on behalf of a qualified employer.
- 7 A Michigan works agency may submit an application under this
- 8 subsection on behalf of 2 or more qualified employers for a shared
- 9 training program. The department shall work with the Michigan works
- 10 agencies to develop an application for this subsection. The
- 11 application developed for this subsection must include a
- 12 requirement that a qualified employer submit a training plan.
- 13 (4) By August 1, 2018, the department shall develop criteria
- 14 to evaluate applications and training plans and shall post the
- 15 criteria on its website. The department's criteria must require
- 16 that training plans meet, at a minimum, all of the following
- 17 requirements:
- 18 (a) Be not more than 6 months in duration, unless approved by
- 19 the department.
- 20 (b) Conclude within 1 year after the date the department
- 21 approves the award, unless approved by the department.
- (c) Be conducted by a qualified training provider.
- 23 (d) Not be for basic training.
- 24 (5) The department shall work with the Michigan works agencies
- 25 to develop a uniform training agreement to be used by awardees. The
- 26 agreement must include the responsibilities of the awardee and any
- 27 other requirements the department considers necessary.

- 1 (6) Any of the following changes made by an awardee to an
- 2 approved training plan do not require the approval of the Michigan
- 3 works agency or the department:
- 4 (a) Changes to the dates of the qualified training, if,
- 5 subject to subsection (4)(b), the new dates will not result in the
- 6 training concluding after 1 year after the date the department
- 7 approves the award.
- 8 (b) A change in the provider of the training, if the content
- 9 of the training does not change.
- 10 (c) Changes to which qualified employees will receive the
- 11 training.
- Sec. 9. (1) Expenses for which program award may be used
- 13 include, but are not limited to, all of the following:
- 14 (a) The actual cost of classroom training, including
- 15 instructor costs and instructional materials.
- 16 (b) The actual cost of on-the-job training, including wage
- 17 reimbursement, as determined by the department.
- 18 (c) Other costs as determined by the department.
- 19 (2) An awardee shall not expend any amount of a program award
- 20 on any of the following:
- 21 (a) Equipment, including tools and computers.
- (b) Licensing fees.
- 23 (c) Curriculum development.
- 24 (d) Qualified employee travel costs.
- (e) Online training subscriptions.
- 26 (f) Training that begins before the date of the award, unless
- 27 approved by the department.

- 1 (q) Offsetting tuition reimbursement.
- 2 (3) If less than the full amount of an award is utilized by a
- 3 qualified employer, the Michigan works agency shall remit the
- 4 remaining amount of the award to the department. The department
- 5 shall deposit money received under this subsection into the fund.
- 6 Sec. 11. By March 15 each year, beginning in 2019, the
- 7 department shall provide a written report regarding the program to
- 8 the chairpersons of the standing committees and the appropriations
- 9 subcommittees of the house of representatives and senate having
- 10 jurisdiction over legislation pertaining to workforce development.
- 11 The report must include all of the following information from the
- immediately preceding fiscal year:
- 13 (a) The total amount of funding awarded, organized by industry
- 14 and region.
- 15 (b) The total number of applications received and the total
- 16 number of applications approved, organized by industry and region.
- 17 (c) The following information for each awardee:
- 18 (i) The name of the awardee.
- 19 (ii) The amount of the award received by the awardee.
- 20 (iii) The type of training approved for the awardee.
- 21 (iv) The number of qualified employees who completed the
- 22 approved training.
- 23 (d) Any other relevant information, as determined by the
- 24 department, including, but not limited to, the following:
- 25 (i) Total number of individuals hired and trained.
- 26 (ii) Total number of apprenticeships or jobs created.
- Sec. 13. The department may promulgate rules to implement this

- 1 act pursuant to the administrative procedures act of 1969, 1969 PA
- 306, MCL 24.201 to 24.328. 2