

# **SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE**

**BILL NO.** Senate Bill 69

**PRINTER NO.** 858

**AMOUNT**

See Fiscal Impact

**FUND**

General Fund  
Reemployment Fund

**DATE INTRODUCED**

January 18, 2023

**PRIME SPONSOR**

Senator Langerholc

**DESCRIPTION**

Senate Bill 69 establishes the Recovery-to-Work pilot program.

This legislation directs the Department of Labor and Industry (department) to administer the Recovery-to-Work pilot program and provide funding when available in the form of grants to local workforce development boards. Workforce development boards that participate in the program will be required to focus on providing individuals in recovery with job training and work experience to succeed in job opportunities in the local workforce development areas.

The department is required to develop requirements and outcome-based metrics for local workforce development boards and shall select seven participants. Priority shall be given to local workforce development areas based on substance use and unemployment statistics.

This bill authorizes employment incentive payments to business owners in the amount of \$1,250 if they hire an individual who has participated in the program and the person remains employed for 26 consecutive weeks, for an average of 35 hours per week. In addition, the individual must earn wages that meet or exceed the negotiated performance measure for the local workforce development board for median earnings the second quarter after exiting the adult program under the Workforce Innovation and Opportunity Act (WIOA).

Senate Bill 69 provides that funds for the Recovery-to-Work pilot program may include monies from the Reemployment Fund, existing funds appropriated to the department if use for the program is consistent with law, the Opioid Settlement Restricted Account or any funds appropriated for the program. Any appropriation of funds for the program must be published in the Pennsylvania Bulletin. Of funds appropriated for the program, 15% shall be reserved to make employment incentive payments to business owners with fewer than 100 employees. If by April 30 of each year the amount is not committed, the amount may be used for employers with more than 100 employees.

# **SENATE APPROPRIATIONS COMMITTEE**

## **FISCAL NOTE**

The department and participating local workforce development boards shall provide an annual report and upon program completion, a final report to the Governor, Auditor General and respective legislative committees.

This act shall take effect immediately.

### **FISCAL IMPACT:**

Senate Bill 69 will provide business partners with an incentive payment in the amount of \$1,250 as part of the Recovery-to-Work program. For each 100 individuals that are hired for which business partners are eligible for the incentive payment, the Department of Labor and Industry will incur \$125,000 in cost.

Administrative and program costs are expected to be accommodated within existing funds and appropriations.