

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2029 Session of
2024

INTRODUCED BY MUSTELLO, OBERLANDER, JAMES, ARMANINI, CAUSER,
SMITH AND DALEY, FEBRUARY 20, 2024

REFERRED TO COMMITTEE ON COMMERCE, FEBRUARY 20, 2024

AN ACT

1 Amending Title 12 (Commerce and Trade) of the Pennsylvania
2 Consolidated Statutes, providing for industrial resource
3 centers; continuing the Industrial Resource Center Program;
4 providing for powers and duties of the Department of
5 Community and Economic Development; and making a repeal.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Chapter 13 heading of Title 12 of the
9 Pennsylvania Consolidated Statutes is amended to read:

10 CHAPTER 13

11 INDUSTRIAL RESOURCE CENTERS

12 [(Reserved)]

13 Section 2. Title 12 is amended by adding sections to read:

14 § 1301. Scope of chapter.

15 This chapter relates to industrial resource centers.

16 § 1302. Definitions.

17 The following words and phrases when used in this chapter
18 shall have the meanings given to them in this section unless the
19 context clearly indicates otherwise:

1 "Applicant." A nonprofit corporation which applies for
2 certification as an industrial resource center under section
3 1304 (relating to applications for certification as industrial
4 resource centers).

5 "Commonwealth manufacturing company." A company which
6 maintains a manufacturing facility in this Commonwealth.

7 "Department." The Department of Community and Economic
8 Development of the Commonwealth.

9 "Industrial resource center." A nonprofit corporation which
10 has been certified by the department as an industrial resource
11 center under section 1304.

12 "Manufacturing." The giving of new shapes, new qualities or
13 new combinations to matter by the application of skill and labor
14 to matter.

15 "Program." The Industrial Resource Center Program continued
16 under section 1303(a) (relating to powers and duties of
17 department).

18 "Secretary." The Secretary of Community and Economic
19 Development of the Commonwealth.

20 § 1303. Powers and duties of department.

21 (a) Continuation.--The Industrial Resource Center Program is
22 continued as a program in the department.

23 (b) Powers and duties.--The department shall have the
24 following powers and duties:

25 (1) To award grants to industrial resource centers under
26 section 1306 (relating to grants to industrial resource
27 centers).

28 (2) To take responsibility for overall funding
29 allocation, direct policy development and foster coordination
30 among the industrial resource centers.

1 (3) To monitor the development of State and regional
2 plans to advance the economy of this Commonwealth in relation
3 to manufacturing performance.

4 (4) To promote collaboration between regional entities
5 and Commonwealth agencies in the preparation and execution of
6 the plans.

7 (5) To encourage and assist efforts to identify and
8 pursue Federal and other funding opportunities, particularly
9 opportunities leading to or supporting Statewide strategic
10 manufacturing sector initiatives.

11 (6) To establish guidelines as necessary for the
12 implementation of this chapter, including minimum matching
13 funds requirements under section 1306.

14 (7) To receive, evaluate and approve applications from
15 applicants under section 1304 (relating to applications for
16 certification as industrial resource centers).

17 (8) To establish criteria for approval of nonprofit
18 corporations as industrial resource centers under section
19 1304(d) in a manner to ensure that Commonwealth manufacturing
20 companies will have access to services provided under this
21 chapter from industrial resource centers.

22 (9) To review the financial and disclosure information
23 submitted by the industrial resource centers and ensure that
24 independent financial statement audits and regional board
25 oversight are in place which should reasonably be able to
26 detect and respond to any matters of impropriety at the
27 industrial resource centers.

28 § 1304. Applications for certification as industrial resource
29 centers.

30 (a) Application.--A nonprofit corporation may submit an

1 application to the department to be certified as an industrial
2 resource center. The application shall be on a form and in the
3 manner as required by the department and shall identify a
4 geographic region of this Commonwealth where the applicant would
5 provide services to Commonwealth manufacturing companies.

6 (b) Review.--Upon receipt of an application under subsection
7 (a), the department shall review the application.

8 (c) Requirements.--The department may only approve an
9 application if all of the following requirements are met:

10 (1) The applicant is an independent nonprofit
11 corporation which is incorporated for the purpose of
12 enhancing and supporting the competitive ability of
13 Commonwealth manufacturing companies to identify, assess,
14 select, implement and optimize techniques and technologies.

15 (2) The applicant is directed by a regional board of
16 directors comprising representatives of each of the
17 following:

18 (i) Private industry from the geographic region of
19 this Commonwealth where the applicant would provide
20 services under this chapter.

21 (ii) Economic development organizations,
22 institutions of higher education and other educational
23 institutions from the geographic region of this
24 Commonwealth where the applicant would provide services
25 under this chapter.

26 (3) No less than 50% of the regional board of directors
27 includes representatives under paragraph (2)(i) from the
28 geographic region of this Commonwealth where the applicant
29 would provide services under this chapter.

30 (4) The geographic region of this Commonwealth where the

1 applicant would provide services under this chapter is not
2 served by an industrial resource center at the time of the
3 approval.

4 (d) Approval and certification.--If the department
5 determines that an applicant meets the requirements for
6 certification under subsection (c), the department shall certify
7 the applicant as an industrial resource center. The department
8 shall include in the certification a description of the
9 geographic region of this Commonwealth where the industrial
10 resource center shall provide services under this chapter. An
11 industrial resource center in existence on the effective date of
12 this subsection is deemed to be certified as an industrial
13 resource center under this chapter.

14 (e) Modification or revocation of certification.--The
15 department may modify or revoke an industrial resource center's
16 certification in accordance with the policies of the department
17 and the guidelines established under this chapter.

18 § 1305. Duties of industrial resource centers.

19 An industrial resource center shall:

20 (1) Serve manufacturing industries in this Commonwealth.

21 (2) Work with businesses, including engineering design,
22 software engineering, accounting, educational businesses and
23 institutions and distribution centers, to help manufacturing
24 firms modernize their manufacturing techniques and
25 technologies.

26 (3) Offer Commonwealth manufacturing companies
27 comprehensive assistance which may include:

28 (i) The capacity to help evaluate elements which are
29 critical to their competitive ability, including
30 implementation of commercially available process

1 technologies, continuous improvement in quality,
2 development of work force skills and understanding the
3 nature of global markets.

4 (ii) Assisting in identifying and applying
5 appropriate technologies.

6 (iii) The ability to modernize products and
7 techniques to improve manufacturing processes.

8 (iv) Information services to provide practical data
9 on business issues and the availability and capability of
10 commercially available processes and technologies and
11 assistance with implementation.

12 (v) The development of demonstration sites which
13 Commonwealth manufacturing companies can visit to learn
14 about and evaluate technologies.

15 (vi) Providing services designed to help
16 Commonwealth manufacturing companies better understand
17 and apply modern manufacturing techniques and concepts.

18 (vii) Working with the department and other State
19 agencies and local or regional organizations to implement
20 economic development plans.

21 (viii) Providing marketing strategies and assistance
22 in training and work force development.

23 (4) Representing a consortium of interest designed to
24 meet the needs of manufacturers in the manufacturer's
25 particular regions.

26 (5) Partnering with private sector firms in the
27 development of joint initiatives and ventures that address
28 the needs of and benefit manufacturers.

29 (6) Complementing and cooperating with each industrial
30 resource center and make every effort to share expertise and

1 clientele to develop a strong Statewide network.

2 § 1306. Grants to industrial resource centers.

3 (a) Grants.--The department may award grants to industrial
4 resource centers from amounts available to the department for
5 the purposes of the program.

6 (b) Matching funds.--An industrial resource center which
7 receives a grant under this section shall secure matching funds
8 necessary to meet the minimum match requirements established by
9 the department.

10 (c) Source of funding.--All of the following shall be deemed
11 to meet the matching funds requirement under subsection (b):

12 (1) Monetary or in-kind support from a private business,
13 corporation, individual, trade association or foundation.

14 (2) Funding from grant programs administered by the
15 Federal Government or a political subdivision.

16 § 1307. Reporting requirements.

17 (a) Annual report.--An industrial resource center shall
18 annually submit a report to the department. The report shall be
19 submitted in a form and manner required by the department.

20 (b) Report requirements.--A report under subsection (a)
21 shall include all of the following:

22 (1) The industrial resource center's current mailing
23 address, telephone number and publicly accessible Internet
24 website.

25 (2) A copy of the industrial resource center's current
26 articles of incorporation and bylaws if the articles of
27 incorporation and bylaws were amended during the previous
28 year.

29 (3) A list of the industrial resource center's current
30 officers and directors.

1 (4) Financial and audit information as the department
2 may request, including independent audit which covers all
3 funds received directly from the Commonwealth and funds
4 derived from Commonwealth support, such as paybacks,
5 reimbursements, investment returns, fees for services and any
6 other similar forms of income which result at least partially
7 from initial expenditure of Commonwealth funds. Upon request,
8 industrial resource centers shall furnish general financial
9 and program information about activities at the center
10 supported entirely by non-Commonwealth sources, such as
11 Federal or foundation grants arranged directly by the
12 industrial resource center.

13 (5) Disclosure information of the industrial resource
14 center's officers and directors as the department may require
15 to ensure the integrity of this chapter.

16 (6) Any other information required by the department.
17 § 1308. Annual program report.

18 (a) Publication.--No later than October 1, 2024, and each
19 October 1 thereafter, the department shall publish an annual
20 program report.

21 (b) Contents.--A program report under subsection (a) shall
22 include all of the following:

23 (1) A list of each industrial resource center which held
24 a certification during the prior fiscal year.

25 (2) The amount of grants awarded to each industrial
26 resource center during the prior fiscal year.

27 (3) Case studies of Commonwealth manufacturing companies
28 assisted by each industrial resource center during the prior
29 fiscal year, including:

30 (i) The type of services provided to each

1 Commonwealth manufacturing company which is the subject
2 of the case study during the prior fiscal year.

3 (ii) To the extent applicable, the dollar value of
4 assistance provided to each Commonwealth manufacturing
5 company which is the subject of the case study. The
6 dollar value under this paragraph may include amounts
7 provided by an industrial resource center from private
8 sector funding.

9 (iii) The number of full-time equivalent employees
10 employed by each Commonwealth manufacturing company which
11 is the subject of the case study.

12 (c) Submission.--The department shall publish the program
13 report under this section on the department's publicly
14 accessible Internet website and shall submit the program report
15 to the chair and minority chair of the Community, Economic and
16 Recreational Development Committee of the Senate and the chair
17 and minority chair of the Commerce Committee of the House of
18 Representatives.

19 Section 3. Repeals are as follows:

20 (1) The General Assembly declares that the repeal under
21 paragraph (2) is necessary to effectuate the addition of 12
22 Pa.C.S. §§ 1301, 1302, 1303, 1304, 1305, 1306, 1307 and 1308.

23 (2) The act of June 22, 2001 (P.L.400, No.31), known as
24 the Industrial Resources Center Partnership Act, is repealed.

25 Section 4. The addition of 12 Pa.C.S. §§ 1301, 1302, 1303,
26 1304, 1305, 1306, 1307 and 1308 is a continuation of the act of
27 June 22, 2001 (P.L.400, No.31), known as the Industrial
28 Resources Center Partnership Act. Except as otherwise provided
29 in 12 Pa.C.S. §§ 1301, 1302, 1303, 1304, 1305, 1306, 1307 and
30 1308, all activities initiated under the Industrial Resources

1 Center Partnership Act shall continue and remain in full force
2 and effect and may be completed under 12 Pa.C.S. §§ 1301, 1302,
3 1303, 1304, 1305, 1306, 1307 and 1308. Orders, regulations,
4 rules and decisions which were made under the Industrial
5 Resources Center Partnership Act and which are in effect on the
6 effective date of section 3(2) of this act shall remain in full
7 force and effect until revoked, vacated or modified under 12
8 Pa.C.S. §§ 1301, 1302, 1303, 1304, 1305, 1306, 1307 and 1308.
9 Contracts, obligations and collective bargaining agreements
10 entered into under the Industrial Resources Center Partnership
11 Act are not affected nor impaired by the repeal of the
12 Industrial Resources Center Partnership Act.

13 Section 5. This act shall take effect in 60 days.