

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by striking out the title and substituting the following:

**'An Act To Create the Competitive Skills Scholarship Fund
and To Improve Maine Employment Security Programs'**

Amend the bill in Part A by striking out all of section 1 and inserting the following:

'**Sec. A-1. 26 MRSA §1166** is enacted to read:

§ 1166. Competitive Skills Scholarship Fund

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Competitive Skills Scholarship Fund contributions" means the money payments required by this section to be made into the Competitive Skills Scholarship Fund by an employer as a percentage of the employer's taxable payroll based on the Competitive Skills Scholarship Fund predetermined yield in effect for that Competitive Skills Scholarship Fund rate year.

B. "Competitive Skills Scholarship Fund planned yield" means the percentage of wages, as defined in section 1043, subsection 19, equal to .02% of the contributions of each contributing employer subject to this chapter.

C. "Competitive Skills Scholarship Fund predetermined yield" means the amount determined by multiplying the ratio of total wages to taxable wages, as defined by section 1221, subsection 6, paragraph L, by the Competitive Skills Scholarship Fund planned yield. The Competitive Skills Scholarship Fund predetermined yield is rounded to the nearest .01%.

D. "Competitive Skills Scholarship Fund rate year" has the same meaning as "rate year" under section 1221, subsection 6, paragraph F.

2. Established. The Competitive Skills Scholarship Fund, referred to in this section as "the fund," is established as a special fund in the State Treasury. All receipts, including interest, fines and penalties collected from Competitive Skills Scholarship Fund contributions, must be paid into the fund. Income from investment of the fund must be deposited to the credit of the fund. All money in the fund must be deposited, administered and disbursed in the same manner and under the same conditions and requirements as are provided by law for other special funds.

The money in the fund must be administered by the commissioner exclusively for the purposes of chapter 25, subchapter 5 and for the costs of administering the fund.

3. Unencumbered balances. Any unencumbered balance in the fund remaining at the end of any fiscal year remains in the fund and may not be made available for expenditure without specific legislative approval.

4. No supplantation. Allocations from the fund must be used to supplement, not supplant, federal or state funds received by the Department of Labor, by a local board or by organizations that deliver workforce investment services through the career center provided by the department.

5. Employers liable for Competitive Skills Scholarship Fund contribution. Each employer, as defined in section 1043, subsection 9, other than an employer liable for a payment in lieu of a contribution, shall pay a Competitive Skills Scholarship Fund contribution.

Beginning January 1, 2008, Competitive Skills Scholarship Fund contributions are payable in the same manner as described under section 1221, subsection 1 and in accordance with section 1221, subsection 4-A.

6. Receipts. All receipts collected from Competitive Skills Scholarship Fund contributions, including interest, fines and penalties on contributions not paid when due, must be paid into the fund.

7. Experience rating records. Competitive Skills Scholarship Fund contributions may not be credited to an employer's experience rating record as described in section 1221, subsection 3.

8. Relationship to unemployment insurance contributions. Competitive Skills Scholarship Fund contributions may not be considered as part of the employer's unemployment insurance contribution rate pursuant to section 1221. Unemployment insurance contributions for all employers subject to the contribution provisions of this chapter must be reduced by a percentage equal to the total Competitive Skills Scholarship Fund contribution assessment as in section 1221, subsection 4-A. Exceptions pertaining to new employer rates and contribution rate category 20 are described in section 1221, subsection 4-A, paragraphs A and B.

9. Other provisions of this chapter. All provisions of this chapter and rules adopted under this chapter regarding payments, time limits, dates of payment, reports, interest and penalties on amounts not paid by employers when due, fines, liens and warrants that apply to the collection of contributions also apply to the collection of Competitive Skills Scholarship Fund contributions.'

Amend the bill in Part A in section 2 in subsection 4-A in paragraph A in the 2nd paragraph in the 2nd line (page 2, line 34 in L.D.) by striking out the following: "Competitiveness Training" and inserting the following: 'Competitive Skills Scholarship'

Amend the bill in Part A in section 2 in subsection 4-A in paragraph B in subparagraph (8) in the 2nd line (page 5, line 29 in L.D.) by striking out the following: "Competitiveness Training" and inserting the following: 'Competitive Skills Scholarship'

Amend the bill in Part A in section 2 in subsection 4-A in paragraph D in the 2nd line (page 6, line 22 in L.D.) by striking out the following: "Competitiveness Training" and inserting the following: 'Competitive Skills Scholarship'

Amend the bill in Part A in section 3 in subchapter 5 in the headnote in the 2nd line (page 6, line 27 in L.D.) by striking out the following: "**COMPETITIVENESS TRAINING**" and inserting the following: '**COMPETITIVE SKILLS SCHOLARSHIP**'

Amend the bill in Part A in section 3 in subchapter 5 in §2033 in first line (page 6, line 28 in L.D.) by striking out the following: "**Competitiveness Training**" and inserting the following: '**Competitive Skills Scholarship**'

Amend the bill in Part A in section 3 in subchapter 5 in §2033 in subsection 1 in paragraph B in the first line (page 6, line 32 in L.D.) by striking out the following: "Competitiveness Training" and inserting the following: 'Competitive Skills Scholarship' and in the 3rd line (page 6, line 34 in L.D.) by striking out the following: "Competitiveness Training" and inserting the following: 'Competitive Skills Scholarship'

Amend the bill in Part A in section 3 in subchapter 5 in §2033 in subsection 1 in paragraph E in the first line (page 7, line 1 in L.D.) by striking out the following: "Competitiveness Training" and inserting the following: 'Competitive Skills Scholarship'

Amend the bill in Part A in section 3 in subchapter 5 in §2033 in subsection 2 in the 2nd line (page 7, line 4 in L.D.) by striking out the following: "Competitiveness Training" and inserting the following: 'Competitive Skills Scholarship'

Amend the bill in Part A in section 3 in subchapter 5 in §2033 in subsection 6 in paragraph A in the 2nd line (page 8, line 9 in L.D.) by striking out the following: "those supplies and services" and inserting the following: 'education, training and support'

Amend the bill in Part A in section 3 in subchapter 5 in §2033 in subsection 8 by striking out all of paragraph A (page 8, lines 35 to 41 in L.D.) and inserting the following:

'A. When an individual's application for the program is approved, an individual career plan must be developed by the program with the eligible individual consistent with the provisions of this section and must reflect, to the maximum extent feasible, the preferences of the participant, within the confines of the goals associated with this subchapter. A plan may be modified when necessary to assist a participant to participate successfully in the program. The plan must include the education or training program approved, the degree or credential expected at program completion and the services and support to be provided under the plan.'

Amend the bill in Part A in section 3 in subchapter 5 in §2033 in subsection 8 in paragraph B by striking out all of subparagraph (1) (page 9, lines 2 to 5 in L.D.) and inserting the following:

(1) A description of the program, including a list of services and supports available through the program and nontraditional employment opportunities, so that the participant may identify a suitable employment goal and the services needed to participate in the program;

Amend the bill in Part A by inserting after section 3 the following:

'Sec. A-4. 36 MRSA §191, sub-§2, ¶V, as amended by PL 1999, c. 414, §11, is further amended to read:

V. The disclosure by employees of the Bureau of Revenue Services, to designated representatives of the Department of Labor, of all information required by the State Tax Assessor and the Commissioner of Labor for the administration of the taxes imposed by Part 8 and by Title 26, chapter 13 and the Competitive Skills Scholarship Fund contribution imposed by Title 26, section 1166;

Amend the bill in Part D by inserting after section 2 the following:

'Sec. D-3. Appropriations and allocations. The following appropriations and allocations are made.

LABOR, DEPARTMENT OF

Employment Security Services 0245

Initiative: Allocates funds to reflect the transfer of Reed Act funds to make technological upgrades and improvements to the unemployment insurance and employment services computer systems and to the labor market information services computer systems.

FEDERAL EXPENDITURES FUND	2007-08	2008-09
All Other	\$5,200,000	\$0
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FEDERAL EXPENDITURES FUND TOTAL	\$5,200,000	\$0

Employment Security Services 0245

Initiative: Allocates funds for the additional costs of continuing to provide unemployment benefits to persons who are not available for full-time work under certain circumstances.

EMPLOYMENT SECURITY TRUST FUND	2007-08	2008-09
All Other	\$0	\$3,000,000
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EMPLOYMENT SECURITY TRUST FUND TOTAL	\$0	\$3,000,000

Employment Security Services 0245

Initiative: Allocates funds due to the elimination of the pension offset provision against unemployment benefits for certain persons who receive social security or any other pension.

EMPLOYMENT SECURITY TRUST FUND	2007-08	2008-09
All Other	\$3,500,000	\$5,000,000
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EMPLOYMENT SECURITY TRUST FUND TOTAL	\$3,500,000	\$5,000,000
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Employment Services Activity 0852

Initiative: Allocates Personal Services and All Other funds associated with the establishment of the Competitive Skills Scholarship Program to provide access to education, training and support to customers of the Department of Labor's career centers to prepare them for high-wage jobs in industries with significant demand for skilled labor.

COMPETITIVE SKILLS SCHOLARSHIP FUND	2007-08	2008-09
Personal Services	\$127,382	\$387,658
All Other	\$1,222,618	\$2,562,342

COMPETITIVE SKILLS SCHOLARSHIP FUND TOTAL	\$1,350,000	\$2,950,000
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Employment Services Activity 0852

Initiative: Reduces Personal Services allocations associated with the establishment of the Competitive Skills Scholarship Program to provide access to education, training and support to customers of the Department of Labor's career centers to prepare them for high-wage jobs in industries with significant demand for skilled labor.

FEDERAL EXPENDITURES FUND	2007-08	2008-09
Personal Services	(\$127,382)	(\$387,658)

FEDERAL EXPENDITURES FUND TOTAL	(\$127,382)	(\$387,658)
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LABOR, DEPARTMENT OF DEPARTMENT TOTALS	2007-08	2008-09
FEDERAL EXPENDITURES FUND	\$5,072,618	(\$387,658)
EMPLOYMENT SECURITY TRUST FUND	\$3,500,000	\$8,000,000
COMPETITIVE SKILLS SCHOLARSHIP FUND	\$1,350,000	\$2,950,000

DEPARTMENT TOTAL - ALL FUNDS	\$9,922,618	\$10,562,342
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SUMMARY

This amendment changes the name of the training fund to the Competitive Skills Scholarship Fund and the name of the program to the Competitive Skills Scholarship Program. The title of the bill is replaced to reflect these name changes. The amendment provides that unencumbered balances in the Competitive Skills Scholarship Fund remain in the fund and do not lapse to the General Fund. The amendment also provides that Competitive Skills Scholarship Fund dollars must be used to supplement, and not supplant, other state or local funds that are used to deliver workforce investment services through Maine's CareerCenters. The amendment includes technical changes to make the bill internally consistent and clarifies that an individual career plan is developed in cooperation with the participant and that it must, to the maximum extent feasible, reflect the preferences of the participant, provided that the individual career plan remains within the confines of the goals of the program. The amendment also clarifies that participants must be given a description of the program as well as a list of services and supports available through the program. The amendment also permits the Department of Administrative and Financial Services, Bureau of Revenue Services to disclose to designated employees of the Department of Labor information necessary to administer the contributions to the Competitive Skills Scholarship Fund. It also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED
(See attached)