October 26, 1982

"HIGHLIGHTS OF THE JOB TRAINING PARTNERSHIP ACT OF 1982"

	STATUTORY REQUIREMENTS OF LAW	IMPLEMENTATION SCHEDULE & COMMENTS
1. Service Delivery Area	*The Governor must designate any unit of local government with population of 200,000+ *The Governor must designate any consortium of contiguous units of local government with a total population of 200,000 which serves a substantial part of labor market area. *Governor may approve requests from areas of less than 200,000 in population which serves a substantial part of a labor market area.	*Technically, the service delivery areas should be designated by the end of February, however, given the change in Governors, this is a very tight time frame for Massachusetts. *Whether EMHRDA gets designated depends either on the Governors and/or the regulation interpretation of "Substantial part of labor market".
2. Role/Responsibility of Private Industry Councils and Local Governments	*To provide policy guidance and exercise oversight responsibility in partnership with local government. *The Council in accordance with agreements with local government shall: 1. determine procedures for the development of the job training plan; 2. select the grant recipient and the entity to administer the job training plan (may be many options and separate entities). *In order to carry out its function, the PIC may hire staff, incorporate, etc. in accordance with the job training plan.	COMMENTS: the new law forges a local partnership between private industry and local government. The EMHRDA PIC and the EMHRDA Finance Board will jointly make fundamental decisions on how federal funds will be administered and programs managed at the local level. The bill equalizes relationships in terms of planning, administration, and program operations. A written agreement between the PIC and Finance Board will need to be developed specifying: 1. The responsible lead party for planning the program, taking into account that both parties must concur. 2. The recipient of funds, taking into account liability. 3. The administration of funds. 4. Staffing arrangement.

	STATUTORY REQUIREMENTS OF LAW	IMPLEMENTATION SCHEDULE & COMMENTS
3. Establishment/ Composition of Private Industry Councils (PICs)	*51% private sector *Chairperson must be private sector. *Chief elected officials appoint members from recommendations of general business organizations.	*After service area designation, PIC's should be immediately established. During February thru March Regulations will probably require nomination, appointment and gubernatorial certification of new PIC's for new Service Delivery Areas (SDA).
4. Role of Governor/ State	*Recipient of funds. *Responsible for establishing a State Job Training Council, which will serve as overall policy advisory board to Governor. *Responsible for PIC certification. *Responsible for review and approval of plan. *Responsible for coordination of all State employment and training activities.	*The role of the State has been greatly enhanced in the new legislation. Ultimately the State is responsible for monitoring, evaluating, and providing technical assistance to service delivery areas. The State has the same role as that of the Regional Office under CETA.
5. Eligibility for programs	*Economically disadvantaged. *10% of individuals may not be economically disadvantaged, but must have other barriers to employment.	*Provides greater flexibility in terms of servicing residents .
6. Cost Limitations	*15% Administration limit *Not more than 30% of the funds may be spent on administrative costs and the following costs: 1. supportive services 2. need based payments to participants 3. some portion of entire costs of work experience costs as defined in law. *30% may be waived if PIC initiates request and meets certain conditions.	*Presently we can spend 20% on administration costs. Therefore administrative costs must be streamlined. *The 30% restriction will create problems in fiscal and program reporting. *Although allowance payments are allowable, they will be severely reduced. It remains to be seen whether the reduction changes the demographic or program mix.

	STATUTORY REQUIREMENTS OF LAW	IMPLEMENTATION SCHEDULE & COMMENTS
7. Program Activities	*All activities allowable under CETA Titles VII, IIB are still allowable including upgrading and retraining and Employment Generating Services. *The new law authorizes certain "Exemplary Youth Programs" for individuals 16-21. One of the models provides for tryout employment at private for profit work-sites. (limited to 250 hrs.)	*New activities will be allowable as of October 1, 1983.
8. Transition Provisions	*Prime Sponsor/PICs may operate consolidated programs during the transition year FY '83. *Prime Sponsor/PICs may establish for new participants, in accordance with eligibility criteria for Title II of the Act, uniform eligibility criteria. *Prime Sponsors/PICs may conduct planning for any program authorized. *Requirements pertaining to FY '83 (10/1/83-6/30/84) planning waived; plan must be submitted to Governor by 8/13/83. *January 1, 1983: Final regulations governing State Job Training Councils and Service Delivery Areas must be published. *January 15, 1983: Final regulations governing the establishment of PICs must be published. *March 15, 1983: Final regulations for all other sections must be published.	*Although the transition period is short, the schedule is manageable. Planning in some areas should begin immediately. EMHRDA will be operating one consolidated program during FY '83; however I am recomm-ending that we do not implement the new eligibility criteria until regulations are published.

	STATUTORY REQUIREMENTS OF LAW	IMPLEMENTATION SCHEDULE & COMMENTS
9. Performance Standards	*Secretary shall prescribe performance standards. *The investment is to be measured in terms of the increased employment and earnings of participants and reduction in welfare dependency.	*Performance standards will probably not be implemented until 10/1/83. I would doubt whether performance standards for reduction in welfare costs will be in place by 10/1/83.

CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 498-9011

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

JOB TRAINING PARTNERSHIP ACT's IMPLEMENTATION SCHEDULE

Summarized below is the Job Training Partnership Act's implementation schedule. If you have any questions please feel free to call me.

SCHEDULE: The provisions of the Job Training Partnership Act are fairly explicit regarding the timing of JTPA's implementation (cf., Section 181 in particular). The calendar dictated by the legislation, while extremely tight, can be met. Further, the key tasks can be achieved with substantial amounts of interaction, as long as all those involved are prepared to deal with relatively short deadlines.

In broad sketch, the JTPA implementation schedule is:

Month	Action
October 1982	President Reagan signs JTPA into law; implementation begins.
December 1982	DOL publishes for review and comment Job Training Program Regulations.
January 1983	Governors appoint State Job Training Coordinating Councils.
	Governors designate Service Delivery Areas.
	DOL publishes final Job Training Program Regulations governing State Job Training Coordinating Councils, Service Delivery Areas, and Private Industry Councils.
February 1983	Private Industry Councils constituted.
	DOL publishes for review and comment regulations governing reaminder of JTPA.

5.

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EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

November 8, 1982

To the Honorable, the City Council: Re: Awaiting Report Item No. 23

At the October 25, 1982 City Council meeting, it was requested that I prepare a summary for the Council on the effect that the new "Job Training Partnership Act of 1982" will have on Cambridge employment and training programs. After detailed discussions with staff I have summarized below the major provisions of the new law and have attached for your review highlights of the new legislation and an implementation schedule. It should be noted that although the new bill was signed into law in October 1982, the bill treats the Fiscal Year 1983 (10/1/82-9/30/83) as a transition year, with Prime Sponsors operating, in general, under the provisions of the CETA law.

Although the Job Training Partnership Act of 1982 continues a longstanding federal commitment to help train people with serious employment barriers to be productive participants in the labor force, it differs from CETA in how it proposes to go about the task, both from an administrative and program viewpoint.

The new law eliminates the direct federal/local relationship that existed under CETA. Prime Sponsors or Service Delivery Areas (language in new law) will now receive monies directly from the Governor and many functions previously performed by the Department of Labor will be the responsibility of State government. The State receives all employment and training monies, designates service delivery areas, approves local plans and certifies Private Industry Councils in the local area.

The designation of a service delivery area is the responsibility of the Governor instead of the Secretary of Labor. Under CETA, a city with a population of 100,000+ was automatically eligible for Prime Sponsor designation. Cambridge was designated as the lead city for the EMHRDA Consortium. The new law requires that either a local government has a population of 200,000 or a consortium of local governments combined have a population of 200,000 and comprise a substantial portion of the labor market in order to be automatically designated. Although the population of the EMHRDA area is 290,000, the Governor must agree that the area constitutes a "substantial part" of a labor market. Based on the geographic size of EMHRDA, the economic activity in Cambridge, the demographic characteristics of the residents, and the past performance of EMHRDA operations, I strongly believe that the Governor will designate EMHRDA as a service delivery area; however, there is a possibility that other political jurisdictions will be added to the area.

Month	Action
March 1983	JTPA regulations published in final.
	State and local councils begin assessing program needs and service deliverer capacity.
April 1983	Publication of FY 1984 performance standards.
	Proposed modifications to regulations published for review and comment.
May 1983	Modifications to JTPA regulations published in final.
July 1983	Governors submit preliminary Coordination and Special Services Plans to Secretary.
August 1983	Secretary approves Governors' Coordination and Special Services Plans.
	Dislocated worker plans submitted by States for review and approval.
	Wagner-Peyser plans submitted by States to Secretary.
	Service Delivery Areas submit preliminary Job Training Plans to Governors.
September 1983	Service Delivery Area Plans reviewed and approved by the Governors.
	Wagner-Peyser and Dislocated Workers plans approved by Secretary.
October 1983	JTPA fully effective.

Agenda Item Number Five S686

Re: response to Awaiting Report Item No. 23 regarding effects of the new "Job Training Partnership Act of 1982" on Cambridge employment & training programs.

In City Council,

November 8, 1982

11/8/82

Placed on File -

One of the most far-reaching changes in the new law is the role and responsibility of Private Industry via Private Industry Councils. The law forges an equal partnership between the public and private sectors. Local government officials and private industry councils must concur on how funds are to be spent, who is the administrative entity and who plans the program. Under CETA, Private Industry Councils only had legal jurisdiction with regard to one subpart of the CETA law. Since EMHRDA has worked very closely with the Private Industry Council the change will not be difficult to implement nor will it be disruptive to the program; it can only improve programs offered to residents. The concept of increased Private Sector involvement coincides, as well, with the objectives of the Cambridge Employment Plan.

Finally, the new law requires some major program changes and allows for new program design initiatives. The new law is only a training bill; under CETA, training as well as Public Service Employment was allowable. Under CETA it was required that persons in the program be paid a stipend or allowance during their participation. The new law discourages the payment of allowances and places severe cost restrictions on the amount of funds that can be spent for this purpose. This may affect the demographic characteristics of clients we serve and the present program design. Furthermore, eligibility criteria under the new Act is less restrictive than CETA; 10% of individuals served do not have to be economically disadvantaged.

The Job Training Partnership Act overall offers Cambridge an opportunity to improve their training programs through a more solid linkage with the Private Sector. I look forward to implementing the new law in our city.

If you have any questions or need further information, please call Marlene Seltzer or me.

Very truly yours,

Robert W. Healy

Robert W. Healy
Chief Executive Officer

RWH/ctw
cc: Marlene Seltzer
Attachments

Agenda Item Number Five S-686

Re: response to Awaiting Report Item No. 23 regarding effects of the new "Job Training Partnership Act of 1982" on Cambridge employment & training programs.

In City Council,

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