

SENATE BILL NO. 359

INTRODUCED BY M. CAFERRO

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE MONTANA ECONOMIC DEVELOPMENT AND
5 VETERANS' JOB TRAINING ACT; PROVIDING FOR ADMINISTRATION OF THE ACT; ESTABLISHING A
6 STATEWIDE ~~TRUCK DRIVER~~ TRAINING AND JOB PLACEMENT PROGRAM; GRANTING RULEMAKING
7 AUTHORITY TO THE DEPARTMENT OF LABOR AND INDUSTRY; AND PROVIDING AN EFFECTIVE DATE."
8

9 WHEREAS, Montana veterans have served and sacrificed to protect and defend our state and nation;
10 and

11 WHEREAS, it is only right that as veterans return home we should honor their dedicated service with
12 good employment opportunities as well as the opportunity to contribute to Montana's economic growth; and

13 WHEREAS, returning veterans offer employers the opportunity to hire well-trained, honest, loyal,
14 trustworthy, and dedicated employees; AND

15 WHEREAS, ~~trucking companies~~ MONTANA'S SMALL BUSINESS OWNERS know that men and women who
16 have given to their country have prepared themselves for any kind of challenge that they may face ~~while driving~~
17 ~~trucks~~; and

18 ~~WHEREAS, truck driving is a profession that most military veterans can adapt to easily with the long~~
19 ~~hours on the road, the loneliness that is often part of the job description, and the extended periods between~~
20 ~~seeing family and friends; and~~

21 ~~WHEREAS, trucking companies know that military veterans are dedicated to service, are able to~~
22 ~~consistently follow through with orders, and are likely to make truck driving a career and not just another job; and~~

23 ~~WHEREAS, increases in demand for licensed, commercial truck drivers is a common, recurring problem~~
24 ~~that the United States faces each time it recovers from a sliding economy; and~~

25 ~~WHEREAS, current truck driver shortages are a clear sign that the economy is on an upswing and the~~
26 ~~trucking industry is at the front line of that recovery; and~~

27 ~~WHEREAS, commercial truck drivers are a part of one of the single largest occupations in the country,~~
28 ~~responsible for more than 3.2 million jobs in 2008, according to the U.S. Bureau of Labor Statistics;~~

29 WHEREAS, the U.S. economy is beginning to rebound, ~~freight is at its highest level in years~~ AND THE
30 DEMAND FOR TECHNICAL AND SKILLED LABOR IS INCREASING and should continue to increase, ~~and with more freight~~

1 on the road there is a greater need for truck drivers to move that freight;
 2 ~~WHEREAS, new safety standards will increase the demand for more highly skilled truck drivers;~~
 3 ~~WHEREAS, one out of every six drivers is 55 years of age or older and as these professionals begin to~~
 4 ~~retire, new drivers will be needed to replace them.~~

5

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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8 NEW SECTION. Section 1. Short title. [Sections 1 through 6 ~~7~~] may be cited as the "Montana
 9 Economic Development and Veterans' Job Training Act".

10

11 NEW SECTION. Section 2. Purpose ~~—intent.~~ [Sections 1 through 6 ~~7~~] are enacted to reduce the
 12 unemployment rate for eligible Montana veterans by addressing workforce shortages in ~~Montana's trucking~~
 13 ~~industry~~ HIGH-DEMAND INDUSTRIES AND OCCUPATIONS, thus providing a bridge to help strengthen Montana's
 14 economy. To fulfill this purpose, it is ~~the intent of the legislature that~~ AUTHORIZES a statewide program ~~be~~
 15 ~~established~~ that will, to the extent funding is ~~appropriated by the legislature~~ AVAILABLE, fill critical shortages in
 16 Montana's ~~truck driving industry~~ HIGH-DEMAND INDUSTRIES AND OCCUPATIONS by helping veterans; AND their
 17 spouses, ~~and unemployed or underemployed dislocated workers~~ who are interested in ~~becoming truck drivers~~
 18 ENTERING HIGH-DEMAND INDUSTRIES AND OCCUPATIONS to receive the support, ~~case management services,~~ and
 19 training services they need to gain employment ~~as truck drivers~~ in Montana.

20

21 NEW SECTION. Section 3. Definitions. As used in [sections 1 through 6 ~~7~~], unless the context requires
 22 otherwise, the following definitions apply:

23 (1) "Department" means the department of labor and industry established in 2-15-1701.

24 (2) "Eligible costs" means:

25 (a) expenses incurred by a service provider to help eligible veterans; OR their spouses, ~~and unemployed~~
 26 ~~or underemployed dislocated workers~~ apply for program participation, enroll in and receive necessary training,
 27 and apply for employment in Montana's ~~truck driving industry~~ HIGH-DEMAND INDUSTRIES AND OCCUPATIONS;

28 (b) expenses incurred by eligible veterans; OR their spouses, ~~and unemployed or underemployed~~
 29 ~~dislocated workers~~ in the course of program participation, such as travel, lodging, child care, or other incidental
 30 activities necessary to apply and be trained for employment ~~as a truck driver~~ IN MONTANA'S HIGH-DEMAND

1 INDUSTRIES AND OCCUPATIONS.

2 (3) "Eligible veteran" means an individual who:

3 (a) is a veteran as defined in 39-29-101;

4 (b) is a Montana resident; AND

5 ~~(c) passes a physical examination approved by the department that demonstrates that the person will~~
 6 ~~be physically capable of passing a driver's license examination for a commercial driver's license, as defined in~~
 7 ~~61-1-101, for driving a truck, as defined in 61-1-101; and~~

8 ~~(d)~~(C) agrees to seek employment in ~~the Montana trucking industry~~ MONTANA'S HIGH-DEMAND INDUSTRIES
 9 AND OCCUPATIONS before accepting a permanent full-time position in ~~another public or private industry~~ in Montana
 10 THAT IS NOT ASSOCIATED WITH A HIGH-DEMAND INDUSTRY OR OCCUPATION or a job that is located outside of the state.

11 (4) "HIGH-DEMAND INDUSTRY OR OCCUPATION" MEANS AN INDUSTRY OR OCCUPATION THAT THE DEPARTMENT
 12 HAS SHOWN TO BE OR HAS RECOGNIZED AS BECOMING AN INCREASINGLY IMPORTANT COMPONENT OF MONTANA'S
 13 ECONOMY OR WORKFORCE.

14 ~~(4)~~(5) "Lead agency" means a private, nonprofit corporation with which the department contracts
 15 pursuant to [section 4] for statewide administration of the program.

16 ~~(5)~~(6) "Program" means the statewide ~~truck driver~~ training and job placement program established
 17 pursuant to [sections 1 through 6 7].

18 ~~(6)~~(7) "Service provider" means a Montana-based public or private nonprofit entity, including a tribal
 19 entity, that assists individuals who are seeking employment.

20
 21 NEW SECTION. Section 4. Statewide program -- department duties -- funding -- rulemaking. (1)

22 There is a statewide ~~truck driver~~ training and job placement program for eligible veterans; AND their spouses; ~~and~~
 23 ~~unemployed or underemployed dislocated workers.~~ THE PROGRAM IS A REVOLVING LOAN PROGRAM ADMINISTERED
 24 BY THE DEPARTMENT. THE DEPARTMENT SHALL DESIGN THE PROGRAM TO INCLUDE, AT A MINIMUM:

25 (A) PROCEDURES BY WHICH AN ELIGIBLE VETERAN OR THE SPOUSE OF AN ELIGIBLE VETERAN MAY APPLY FOR A
 26 LOAN TO PURSUE TECHNICAL TRAINING IN HIGH-DEMAND INDUSTRIES OR OCCUPATIONS;

27 (B) USE OF THE FUNDS IN THE ACCOUNT ESTABLISHED IN [SECTION 7] AS THE SOURCE OF FUNDING FOR THE
 28 LOANS;

29 (C) A LOAN REPAYMENT MODEL THAT REQUIRES:

30 (I) THE BORROWER TO REPAY AT LEAST ONE-HALF OF THE LOAN;

1 (II) THE BORROWER'S EMPLOYER TO REPAY NO MORE THAN ONE-HALF OF THE LOAN; AND

2 (III) LOAN REPAYMENT TO BEGIN NO MORE THAN 6 MONTHS AFTER THE BORROWER ENDS THE TRAINING FOR
 3 WHICH THE FUNDS WERE BORROWED AND TO BE COMPLETED NO MORE THAN 2 YEARS AFTER THE TRAINING IS COMPLETED
 4 OR THE BORROWER BECOMES EMPLOYED IN A HIGH-DEMAND INDUSTRY OR OCCUPATION FOR WHICH THE BORROWER WAS
 5 TRAINED UNDER THE PROGRAM, WHICHEVER IS LATER;

6 (D) AN INTEREST RATE STRUCTURE UNDER WHICH A VETERAN WOULD NOT BE CHARGED INTEREST ON THE LOAN
 7 AND A VETERAN'S SPOUSE WOULD BE CHARGED INTEREST AT 3% OR LESS ANNUALLY; AND

8 (E) ANY OTHER ELEMENT NOT IN CONFLICT WITH THE PURPOSE OF [SECTIONS 1 THROUGH 7] THAT THE
 9 DEPARTMENT DETERMINES IS NECESSARY TO MAKE THE PROGRAM FUNCTION SUCCESSFULLY.

10 (2) The department shall, through a competitive bidding process, contract with a lead agency to
 11 administer the program. The lead agency must be knowledgeable about ~~the truck driving industry in Montana~~
 12 SHORT-TERM TECHNICAL TRAINING and experienced in workforce development, including job training and
 13 placement.

14 (3) To the extent funding is ~~appropriated~~ AVAILABLE to the department for the purposes of [sections 1
 15 through 6 7], the department shall allocate the funds to the lead agency to fulfill the duties prescribed in [section
 16 5]. However, the department may use up to 5% of the appropriated funds to implement the provisions of [sections
 17 1 through 6 7], including contract oversight and program evaluation.

18 (4) The department shall adopt rules to implement the provisions of [sections 1 through 6 7]. The
 19 department rules must:

20 (a) set a maximum amount of money that may be spent for the eligible costs of each eligible trainee;

21 (b) set a maximum amount of money that may be spent for the eligible costs of a service provider on a
 22 per-person basis;

23 (c) set the criteria that the lead agency shall use to determine whether an individual is eligible FOR A
 24 SPECIFIC TYPE OF TRAINING; and

25 (d) set the criteria that the lead agency shall use to determine which training programs are approved to
 26 provide training funded pursuant to [sections 1 through 6 7].

27 (5) The contract REQUIRED under subsection (2) must include provisions for reporting program evaluation
 28 information by the lead agency to the department. The information to be reported must include the demographics
 29 of program participants, expenditures, and the program's effectiveness in fulfilling the purposes described in
 30 [section 2]. The department shall produce for public inspection an annual report that includes the program

1 evaluation information.

2

3 **NEW SECTION. Section 5. Duties of lead agency.** Under the terms and conditions of the contract
4 between the department and the lead agency pursuant to [section 4], the lead agency shall, AT A MINIMUM:

5 (1) provide statewide coordination among service providers, eligible veterans; AND their spouses, AND
6 employers seeking ~~truck drivers, and unemployed or underemployed dislocated workers seeking employment~~
7 TRAINED INDIVIDUALS TO PERFORM JOBS IN HIGH-DEMAND INDUSTRIES AND OCCUPATIONS;

8 (2) administer the funds allocated to it by the department;

9 (3) promote the program to service providers throughout Montana;

10 (4) determine the eligibility of each applicant for participation in the program;

11 (5) allocate program funds to service providers on a per-person basis to pay the service provider's
12 eligible costs;

13 (6) allocate program funds to pay the eligible costs of eligible trainees; and

14 (7) allocate program funds to be used for approved training.

15

16 **NEW SECTION. Section 6. Duties of service providers.** To receive program funds, a service provider
17 shall:

18 (1) assist eligible trainees to participate in the program; and

19 (2) provide case management and job placement services that:

20 (a) assist eligible trainees in applying for, enrolling in, and successfully completing ~~truck driver~~
21 SHORT-TERM TECHNICAL training; and

22 (b) assist eligible trainees in applying for employment in Montana ~~as a truck driver~~ IN HIGH-DEMAND
23 INDUSTRIES AND OCCUPATIONS.

24

25 **NEW SECTION. SECTION 7. ACCOUNT ESTABLISHED -- DEPOSITS.** (1) THERE IS AN ACCOUNT IN THE STATE
26 SPECIAL REVENUE FUND FROM WHICH FUNDS MAY BE EXPENDED FOR THE PURPOSES OF [SECTIONS 1 THROUGH 7].

27 (2) THE DEPARTMENT MAY ACCEPT GIFTS, GRANTS, DONATIONS, BEQUESTS, AND OTHER FORMS OF VOLUNTARY
28 CONTRIBUTIONS FOR THE PURPOSES OF [SECTIONS 1 THROUGH 7].

29 (3) ALL GIFTS, GRANTS, DONATIONS, BEQUESTS, AND OTHER FORMS OF VOLUNTARY CONTRIBUTIONS AND ANY
30 APPROPRIATIONS OR ACCOUNT TRANSFERS FOR THE PURPOSES OF [SECTIONS 1 THROUGH 7] MUST BE DEPOSITED IN THE

1 ACCOUNT ESTABLISHED IN SUBSECTION (1) AND USED ONLY FOR THE PURPOSES OF [SECTIONS 1 THROUGH 7].

2

3 NEW SECTION. Section 8. Notification to tribal governments. The secretary of state shall send a
4 copy of [this act] to each tribal government located on the seven Montana reservations and to the Little Shell
5 Chippewa tribe.

6

7 NEW SECTION. Section 9. Codification instruction. [Sections 1 through 6 7] are intended to be
8 codified as an integral part of Title 39, and the provisions of Title 39 apply to [sections 1 through 6 7].

9

10 NEW SECTION. SECTION 10. CONTINGENT VOIDNESS. IF HOUSE BILL NO. 2 DOES NOT CONTAIN A LINE-ITEM
11 APPROPRIATION SPECIFICALLY FOR THE PURPOSES OF [THIS ACT], THEN [THIS ACT] IS VOID.

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13 NEW SECTION. Section 11. Effective date. [This act] is effective July 1, 2011.

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