

FOR IMMEDIATE RELEASE

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Governor Shapiro Signs Executive Order Creating New, First-in-the-Nation Workforce Training Program to Take Advantage of Historic Federal Infrastructure Funding

The Commonwealth Workforce Transformation Program is the first program of its kind in the nation and will expand Pennsylvania's workforce, create opportunity, accelerate infrastructure projects, and grow the economy

The Commonwealth will reserve at least 3% of all funding it receives from the IIJA and IRA to fund workforce development and on-the-job training, investing as much as \$400 million over the next five years in workforce training to create 10,000 new jobs



Pittsburgh, PA – Today, **Governor Josh Shapiro** signed an executive order creating the Commonwealth Workforce Transformation Program (CWTP), a first-in-the-nation job training program that provides workforce development grants to ensure companies, contractors, unions, and others who are working to build Pennsylvania's infrastructure have the skilled workforce they need.

The program allows organizations doing important infrastructure work funded by the Infrastructure Investment and Jobs Act(IIJA) or the Inflation Reduction Act (IRA) to receive up to \$40,000 for each new worker they train. Under the CWTP, the Commonwealth will reserve at least 3% of all funding it receives from the IIJA and IRA to fund workforce development and on-the-job training, meaning that as much as \$400 million could be used for workforce training in Pennsylvania over the next five years. This model initiative will be the largest infusion in funding for workforce training in Pennsylvania history and could support as many as 10,000 new jobs.

"From the beginning of my Administration, I've been aggressive on creating real opportunity, breaking down barriers, and increasing opportunities for Pennsylvanians in the workforce, sending a clear message to our skilled workers that we value what they bring to the table," **said Governor Josh Shapiro**. "Thanks to President Biden's leadership, we have a historic opportunity to build infrastructure that will connect our communities, spur economic development, and create opportunity for generations to come – but we need the workforce to do that work. The Commonwealth Workforce Transformation Program will help train the next generation of skilled workers in Pennsylvania and break down barriers that shut too many workers out of real opportunity. We're going to build Pennsylvania's infrastructure with the best, most

highly-trained workforce in the country – and this initiative will be a model for other states to follow."

Governor Shapiro knows the foundation of our economy is our workforce – and that in order to rebuild our infrastructure and take advantage of the opportunity this federal funding presents the Commonwealth, we need to expand our workforce. One of the biggest challenges holding Pennsylvania back right now is a shortage of workers to do this critical work. This program will create new opportunities for Pennsylvania workers, investing real resources in expanding the workforce and getting more Pennsylvanians into critical infrastructure jobs.

The CWTP will provide grants of up to \$40,000 for each new employee hired and trained in Pennsylvania for projects in critical industries, and up to a maximum of \$400,000 per contract or award under the IRA and IIJA. The grants reimburse employers for the cost of wages and similar compensation, payroll taxes, and/or training costs paid to or on behalf of new employees and can be used for pre-apprenticeship and apprenticeship program costs, costs associated with establishing a training program, and costs incurred for the use of a training facility.

Employers may also be reimbursed for supportive services that help individuals facing systemic barriers to employment to be able to participate in training and employment, including but not limited to housing, child and dependent care, work-related tools and clothing, educational testing, transportation, and more.

The Executive Order instructs the Pennsylvania Department of Labor and Industry (L&I) to manage the CWTP, which will support companies, contractors, unions, and others who want to do critical work on the Commonwealth's infrastructure but need to find experienced workers or train new workers to get the projects done quickly, safely, and effectively. **L&I Secretary Nancy A. Walker** will appoint an Executive Director of the CWTP to administer the program.

"As Governor Shapiro has said many times – we need to build a well-trained workforce that is responsive to the needs of business and prepared for the jobs of the future," said **L&I Secretary Nancy A. Walker.** "Pennsylvania is facing challenges of a historically tight labor market, fueled by historically low unemployment and record-high jobs. To overcome those challenges, we need to invest in the hard-working people of Pennsylvania. Our workforce is the key to Pennsylvania's economy and we must find new and creative ways to reach Pennsylvanians who want to work – and that is exactly what the Commonwealth Workforce Transformation Program will do."

The CWTP is also designed to empower and expand economic opportunities to Pennsylvanians who have too often been left out and left behind. The CWTP promotes workplace equity and economic development by encouraging new on-the-job training programs, supporting apprenticeships and other established programs, promoting the hiring of unemployed people, the formerly incarcerated, and new entrants into the workforce, and rewarding those who maintain the highest workplace standards. The Shapiro Administration worked closely with the Biden Administration, unions, and the private sector to create the CWTP, and will continue working with stakeholders to invest federal infrastructure dollars in the Commonwealth's workforce by providing on-the-job training to new employees. This will help accelerate critical investments in infrastructure development – from repairing our roads and bridges, to modernizing our energy, water, and sewer infrastructure – all across Pennsylvania.

Creating economic opportunity and ensuring that more Pennsylvanians have the freedom to chart their own course and the opportunity to succeed is a top priority for Governor Shapiro. On his first full day in office, Governor Shapiro <u>signed an executive</u> <u>order</u> announcing that 92 percent of state government jobs are open to Pennsylvanians without college degrees.

Pennsylvania workers and employers can find details on the CWTP, eligibility information, and other resources at <u>pa.gov/newjobs</u>.

Read Executive Order 2023-17, Commonwealth Workforce Transformation Program, <u>here</u>.

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