

SENATE, No. 4204

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED DECEMBER 4, 2023

Sponsored by:

Senator JOSEPH F. VITALE

District 19 (Middlesex)

SYNOPSIS

Establishes Cannabis Certified Worker Grant Program and Social Equity Certified Worker Hiring Grant Program; makes appropriation.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning grants to support workforce development
2 programs for workers in the cannabis industry, supplementing
3 Title 34 of the Revised Statutes, amending P.L.1992, c.43, and
4 making an appropriation.
5

6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*
8

9 1. (New section) a. There is established in the Department of
10 Labor and Workforce Development the Cannabis Certified Worker
11 Grant Program, which shall provide grants for the development and
12 administration of workforce development programs for workers in
13 the cannabis industry in the State. Grant length is one year but may
14 also extend beyond one year in duration. The program shall be
15 administered by the Office of Apprenticeship in the department.

16 b. Any organizational sponsor of a workforce development
17 program is eligible to receive the grant, including businesses;
18 business organizations and associations; labor organizations; joint
19 labor-management partnerships; local education agencies; public
20 vocational schools; two-year and four-year colleges; local
21 workforce development boards; workforce training providers;
22 economic development organizations; and community- based and
23 other non-profit organizations. An organizational sponsor shall have
24 some substantial connection or experience in the cannabis industry,
25 or that organizational sponsor shall be partnered with a cannabis
26 business.

27 c. To apply for the grant, an organization shall submit an
28 application to the Office of Apprenticeship. The department shall
29 rank eligible applicants for grants based upon:

30 (1) each applicant's potential to:

31 (a) reach a broad audience through its recruitment and outreach
32 efforts;

33 (b) significantly increase enrollment and completion of the
34 workforce development program; and

35 (c) fill existing needs for skilled workers in the market; and

36 (2) the applicant's partnership with a business for which
37 workforce development programs targeted at training and providing
38 skilled workers who have the ability to perform jobs in that industry
39 have demonstrated positive outcomes.

40 d. An eligible applicant is required to demonstrate that it has
41 secured an industry partner. Moreover, each eligible applicant shall
42 provide documentation of:

43 (1) the workforce development program's curriculum, location,
44 and skills to be taught;

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

- 1 (2) the recruitment efforts for the program and projected
- 2 enrollment with receipt of grant funds;
- 3 (3) a description of how the grant funds will be utilized;
- 4 (4) information on specific industry needs or gaps in the
- 5 workforce that will be addressed by the program;
- 6 (5) costs to operate the workforce development program; and
- 7 (6) any other information the department requires.
- 8 e. An eligible applicant who is selected by the department for
- 9 receipt of a grant for the purpose of funding a workforce
- 10 development program in accordance with P.L. , c. (C.)
- 11 (pending before the Legislature as this bill), shall, on an annual
- 12 basis for so long as the grant is provided, make an annual report to
- 13 the commissioner detailing the enrollment in the program, the
- 14 number of participants completing the program, the number of
- 15 participants obtaining employment as a result of the program, the
- 16 number of minorities, disabled veterans, and women participating in
- 17 the program, and any other information that the commissioner may
- 18 require.
- 19 f. Beginning on the January 1 next following the date of
- 20 enactment of P.L. , c. (C.) (pending before the Legislature
- 21 as this bill), and each year thereafter, the Commissioner of Labor
- 22 and Workforce Development shall submit to the Governor, and to
- 23 the Legislature, pursuant to section 2 of P.L.1991, c.164
- 24 (C.52:14-19.1), a report that evaluates the results of the program
- 25 and its effectiveness in preparing individuals to meet existing and
- 26 burgeoning workforce needs and addressing gaps in skills in the
- 27 workforce. The report shall include a recommendation regarding
- 28 the success and efficacy of the program, and if the program should
- 29 be expanded or otherwise enhanced. The report shall include:
- 30 (1) the number of grants awarded in the prior year, including the
- 31 amount, recipient, and duration of each grant;
- 32 (2) the number of individuals who enrolled in and completed a
- 33 Cannabis Certified Worker program offered by each grant recipient;
- 34 (3) the number of individuals who obtained employment in a
- 35 position that uses the skills for which they were trained by a grant
- 36 recipient, or in a position for which the completion of the cannabis
- 37 certified worker program was a condition of employment;
- 38 (4) an evaluation of the effectiveness of the program in training
- 39 and preparing minorities and women in the workforce; and
- 40 (5) all relevant information provided by grant recipients as to
- 41 measurable outcomes of participants.
- 42 g. Funds from grants provided in accordance with P.L. ,
- 43 c. (C.) (pending before the Legislature as this bill) shall not
- 44 be used:
- 45 (1) for any activities which replace, supplant, compete with, or
- 46 duplicate in any way existing approved programs;
- 47 (2) to induce, encourage, or assist: any displacement of currently
- 48 employed workers by trainees, including partial displacement by

1 means such as reduced hours of currently employed workers; any
2 replacement of laid off workers by trainees; or any relocation of
3 operations resulting in a loss of employment at a previous
4 workplace; or

5 (3) to impair existing contracts for services or collective
6 bargaining agreements, except that activities which would be
7 inconsistent with the terms of a collective bargaining agreement
8 may be undertaken with the written concurrence of the collective
9 bargaining unit and the employer or employers who are parties to
10 the agreement.

11

12 2. (New section) As used in P.L. , c. (C.)(pending
13 before the Legislature as this bill):

14 "Cannabis industry" means an industry involved with the
15 operation of cannabis retail, manufacturing, or cultivation.

16 "Commissioner" means Commissioner of Labor and Workforce
17 Development.

18 "Department" means Department of Labor and Workforce
19 Development.

20 "Disabled veteran" means an individual who has served on active
21 duty in the armed forces, was honorably discharged and has a
22 service-connected disability that was aggravated during active duty,
23 or is receiving compensation, disability retirement benefits, or
24 pension because of a public statue administered by the Department
25 of Veterans Affairs or a military department.

26 "Eligible applicant" means a business; labor organization;
27 college; workforce training provider; non-profit organization; or
28 any other entity that offers or plans to offer a workforce
29 development program that is accredited and approved by the United
30 States Department of Labor and that has partnered with an industry
31 to offer or fund the program.

32 "Minority" means a person who is Asian American, a person
33 having origins in any of the original peoples of the Far East,
34 Southeast Asia, Indian Subcontinent, Hawaii, or the Pacific Islands;
35 American Indian or Alaskan native, a person having origins in any
36 of the original peoples of North America; Black, a person having
37 origins in any of the black racial groups in Africa; or Hispanic, a
38 person of Spanish or Portuguese culture, with origins in Mexico,
39 South or Central America, or the Caribbean Islands.

40 "Woman" or "women" means an individual, regardless of race,
41 who self-identifies her gender as a woman, without regard to the
42 individual's designated sex at birth.

43

44 3. (New section) a. There is established in the Department of
45 Labor and Workforce Development the Social Equity Certified
46 Worker Hiring Grant Program, which shall provide grants to fund
47 the hiring of cannabis workers who have participated in the
48 Cannabis Certified Worker Grant Program by microbusinesses as

1 defined by section 3 of P.L.2021, c.16 (C.24:6I-33). A grant may
2 extend beyond one year in duration. The program shall be
3 administered by the Office of Apprenticeship in the department.

4 b. Each grant shall be awarded to a microbusiness selected
5 from the cannabis industry, The department shall rank eligible
6 applicants for grants based upon:

7 (1) each applicant's potential to:

8 (a) reach a broad audience through its recruitment and outreach
9 efforts;

10 (b) increase enrollment and completion of the program; and

11 (c) fill existing needs for skilled workers in the market; and

12 (2) the applicant's commitment to employing a diverse
13 workforce.

14 c. An eligible applicant is required to demonstrate that it
15 intends to hire a worker who is participating in the Cannabis
16 Certified Worker Grant Program.

17 d. An eligible applicant who is selected by the department for
18 receipt of a grant for the purpose of funding a workforce
19 development program in accordance with P.L. , c. (C.)
20 (pending before the Legislature as this bill), shall, on an annual
21 basis for so long as the grant is provided, make an annual report to
22 the commissioner detailing the number of certified cannabis
23 workers hired by the applicant, the number of minorities and
24 women participating in the program, and any other information as
25 the commissioner may require.

26

27 4. Section 9 of P.L.1992, c.43 (C.34:15D-9) is amended to read
28 as follows:

29 9. a. A restricted, nonlapsing, revolving Workforce Development
30 Partnership Fund, to be managed and invested by the State
31 Treasurer, is hereby established to: provide employment and
32 training services to qualified displaced, disadvantaged and
33 employed workers by means of training grants or customized
34 training services; provide for the other costs indicated in subsection
35 a. of section 4 of P.L.1992, c.43 (C.34:15D-4); provide for the New
36 Jersey Innovation and Research Fellowship Program as provided for
37 in section 3 of P.L.2015, c.235 (C.34:15D-26); provide for the
38 Talent Network Program as provided for in section 2 of P.L.2019,
39 c.125 (C.34:15D-29); and facilitate the provision of education and
40 training to youth by means of grants provided by the Youth
41 Transitions to Work Partnership pursuant to the provisions of
42 P.L.1993, c.268 (C.34:15E-1 et al.). All appropriations to the fund,
43 all interest accumulated on balances in the fund and all cash
44 received for the fund from any other source shall be used solely for
45 the purposes specifically delineated by this act.

46 b. During any fiscal year beginning after June 30, 2001, of the
47 total revenues dedicated to the program during any one fiscal year:

1 (1) 25% shall be deposited in an account of the Workforce
2 Development Partnership Fund reserved to provide employment and
3 training services for qualified displaced workers, and through fiscal
4 year 2023, not less than 10% of the revenues deposited in that
5 account shall be reserved to provide employment and training
6 services to qualified displaced workers in the pursuit of industry-
7 valued credentials under the pilot program established pursuant to
8 P.L.2019, c.252 (C.34:15D-30 et al.); and during any fiscal year
9 beginning after June 30, 2019, 0.5% shall be deposited in an
10 account of the Workforce Development Partnership Fund reserved
11 for an appropriated to the Department of Labor and Workforce
12 Development for the Apprenticeship Start-Up Grant Program
13 created pursuant to section 3 of P.L.2019, c.417 (C.34:15D-6.1);

14 (2) 6% shall be deposited in an account of the Workforce
15 Development Partnership Fund reserved to provide employment and
16 training services for qualified disadvantaged workers, and through
17 fiscal year 2023, not less than 10% of the revenues deposited in that
18 account shall be reserved to provide employment and training
19 services to qualified disadvantaged workers in the pursuit of
20 industry-valued credentials under the pilot program established
21 pursuant to P.L.2019, c.252 (C.34:15D-30 et al.);

22 (3) 37% prior to July 1, 2022, and 35% after June 30, 2022 shall
23 be deposited in an account of the Workforce Development
24 Partnership Fund reserved for and appropriated to the Office of
25 Customized Training;

26 (4) 5% prior to July 1, 2022, and 7% after June 30, 2022 shall be
27 deposited in an account of the Workforce Development Partnership
28 Fund reserved for the Youth Transitions to Work Partnership
29 created pursuant to P.L.1993, c.268 (C.34:15E-1 et seq.);

30 (5) 3% shall be deposited in an account of the Workforce
31 Development Partnership Fund reserved for occupational safety and
32 health training;

33 (6) 5% shall be deposited in an account of the Workforce
34 Development Partnership Fund reserved for and appropriated to the
35 Talent Network Program established pursuant to section 2 of
36 P.L.2019, c.125 (C.34:15D-29);

37 (7) 3% shall be deposited in an account of the Workforce
38 Development Partnership Fund reserved for the New Jersey
39 Innovation and Research Fellowship Program established pursuant
40 to section 3 of P.L.2015, c.235 (C.34:15D-26);

41 (8) 10% shall be deposited in an account of the Workforce
42 Development Partnership Fund reserved for administrative costs as
43 defined in section 3 of P.L.1992, c.43 (C.34:15D-3);

44 (9) 0.5% shall be deposited in an account of the Workforce
45 Development Partnership Fund reserved for the State Employment
46 and Training Commission to design criteria and conduct an annual
47 evaluation of the program; and

1 (10) 5% shall be deposited in an account of the Workforce
2 Development Partnership Fund to be used, at the discretion of the
3 commissioner, for any of the purposes indicated in subsection a. of
4 section 4 of P.L.1992, c.43 (C.34:15D-4).

5 c. Beginning January 1, 1995, through June 30, 2002, the
6 balance in the fund as of the previous December 31, as determined
7 in accordance with generally accepted accounting principles, shall
8 not exceed 1.5 times the amount of contributions deposited for the
9 calendar year then ended. If the balance exceeds this amount, the
10 excess shall be deposited into the unemployment compensation
11 fund within seven business days of the date that the determination is
12 made.

13 d. Beginning July 1, 2002, and for any subsequent fiscal year,
14 if the unexpended cash balance in any of the accounts indicated in
15 subsection b. of this section, except for the account reserved for the
16 Talent Network Program, less any amount awarded in grants but not
17 yet disbursed from the account, is determined to exceed 20% of the
18 amount of contributions collected for deposit in the account
19 pursuant to this subsection during the fiscal year then ended, the
20 excess shall be regarded as an unemployment compensation
21 contribution and deposited into the unemployment compensation
22 fund within seven business days of the date that the determination is
23 made. If the unexpended cash balance in the account reserved for
24 the Talent Network Program, less any amount awarded in grants but
25 not yet disbursed from the account, is determined to exceed 20% of
26 the amount of contributions collected for deposit in the account
27 pursuant to this subsection during the fiscal year then ended, the
28 excess shall be deposited into the Workforce Development
29 Partnership Fund account reserved for the Office of Customized
30 Training.

31 e. \$250,000 shall be allocated to the Apprentice Assistance and
32 Support Services Pilot Program established pursuant to section 1 of
33 P.L.2019, c.419 (C.34:15D-6.2) from the \$29,690,000 which was
34 appropriated pursuant to the annual appropriations act for State
35 fiscal year 2019 from the Workforce Development Partnership Fund
36 for the purpose of funding Work First New Jersey Work Activities
37 and Work First New Jersey-Training Related Expenses, and,
38 \$1,100,000 shall be allocated to the pilot program in each of fiscal
39 years 2020, 2021, 2022, 2023, and 2024 from the amounts
40 appropriated pursuant to the annual appropriations act in those
41 fiscal years from the Workforce Development Partnership Fund for
42 the purpose of funding Work First New Jersey Work Activities and
43 Work First New Jersey-Training Related Expenses. Of the funds
44 allocated to the pilot program pursuant to this subsection, 90% shall
45 be dedicated to the Child Care Stipend program and 10% to
46 transportation reimbursement.

47 f. Upon the effective date of P.L.2022, c.89 (C.34:15E-6 et al.)
48 and notwithstanding the provisions of any law or regulation to the

contrary, in addition to the amount deposited in an account of the Workforce Development Partnership Fund reserved for the Youth Transitions to Work Partnership pursuant to subsection b. of this section, \$1,000,000 shall be allocated to the Youth Transitions to Work Partnership from the \$22,500,000 which was appropriated pursuant to the annual appropriations act for State fiscal year 2022 from the Workforce Development Partnership Fund for the purpose of funding the NJ Apprenticeship Network, the Career Accelerator Internship Program, the Workforce Development Policy and Evaluation Lab, the NJ Career Network, and such other priority workforce initiatives recommended by the Commissioner of Labor and Workforce Development.

g. Upon the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), \$400,000 shall be allocated to the Cannabis Certified Worker Grant Program established pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill), and \$400,000 shall be allocated to the Social Equity Certified Worker Hiring Grant Program established pursuant to section 3 of P.L. , c. (C.) (pending before the Legislature as this bill), from the amounts appropriated pursuant to the annual appropriations act for State fiscal year 2024 from the Workforce Development Partnership Fund for the purpose of funding Work First New Jersey Work Activities and Work First New Jersey-Training Related Expenses.

(cf: P.L. 2022, c.89, s.2)

5. This act shall take effect immediately.

STATEMENT

This bill creates two grant programs to support workforce development programs for workers in the cannabis industry in the State. The bill establishes the Cannabis Certified Worker Grant Program, which will provide grants to eligible businesses; business organizations and associations; labor organizations; joint labor-management partnerships; local education agencies; public vocational schools; two-year and four-year colleges; local workforce development boards; workforce training providers; economic development organizations; and community-based and other non-profit organizations. The eligible entities will use grant funds to develop and administer workforce development programs that are targeted at training and providing skilled workers who have the ability to perform jobs in the cannabis industry.

The bill establishes a separate grant program to provide grants to fund the hiring of cannabis workers who have participated in the Cannabis Certified Worker Grant Program by microbusinesses.

S4204 VITALE

9

1 The bill allocates \$400,000 to the Cannabis Certified Worker
2 Grant Program, and \$400,000 to the Social Equity Certified Worker
3 Hiring Grant Program, respectively, from the amounts appropriated
4 pursuant to the annual appropriations act for State fiscal year 2024
5 from the Workforce Development Partnership Fund for the purpose
6 of funding Work First New Jersey Work Activities and Work First
7 New Jersey-Training Related Expenses.