

The Bay State Skills Corporation Act

Massachusetts General Laws  
Chapter 40-I

Purpose

It is hereby found and declared that: --

There exists within the commonwealth a critical shortage of training and educational programs necessary to meet the growing needs of business and industry for skilled employees and the corresponding needs of our people for opportunities for new or more rewarding employment.

As a result of this shortage, business and industry are unable to obtain sufficient numbers of qualified employees for continued operation and expansion within the commonwealth, and our people, particularly those who are victims of economic dislocation, as provided for in subsection 6 of this Act, and those of minority and economically disadvantaged groups, are denied many significant and substantial employment opportunities.

The loss of economic and employment activity from the commonwealth contributes to a decline in the tax base, leads to the unemployment and underemployment of our people, causes an increase in welfare and unemployment costs, and constitutes a threat to the general welfare of the entire commonwealth.

This shortage is occasioned by the inability of educational institutions to secure the resources necessary for the development and substantial expansion of programs of skills training and education which are consistent with employment need;

Business and industry is the primary source of the employment information, technical assistance and financial support required for such program development and expansion;

Business and industry support of educational institutions, through increased and more comprehensive relationships of cooperation and assistance, is necessary to enable educational institutions to meet the needs of business and industry for skilled employees and the needs of our people for new or more rewarding employment opportunities;

Educational institutions are unable to attract sufficient support from business and industry within the limits of their existing resources and through the normal operation of the private enterprise system.

It is an important function of government to increase opportunities for gainful employment, to assist in promoting a productive and expanding economy, to encourage the flow of business and industry support to educational institutions, and otherwise to improve the prosperity and general welfare of the inhabitants of the commonwealth.

Therefore, it is found that it is in the public interest of the commonwealth to promote the prosperity and general welfare of its citizens, a public purpose for which public money may be expended, to encourage and facilitate the formation of comprehensive cooperative relationships between business and industry and educational

institutions which provide for the development and significant expansion of programs of skills training and education consistent with employment need, and to make interested individuals aware of the employment opportunities presented thereby.

Section 1(a) There is hereby created a body, politic and corporate, to be known as the Bay State Skills Corporation, hereinafter referred to as BSSC. BSSC is hereby constituted a quasi-public instrumentality of the commonwealth and the exercise by the corporation of the powers conferred in this chapter shall be deemed and held to be the performance of an essential public function.

The corporation is hereby placed in the executive office of manpower affairs but shall not be subject to the supervision or control of said office or of any board, bureau, department or other agency of the commonwealth except as specifically provided in this chapter.

(b) The corporation shall be governed and its corporate powers exercised by a board of directors, which shall consist of eighteen directors: -- the secretary of manpower affairs, the commissioner of the department of public welfare, the chancellor of the board of regents, the commissioner of the department of education and fourteen persons appointed by the governor, including persons having knowledge and experience in business and industry, skills training, education, labor organizations, and minority employment. Each member appointed by the governor shall serve for a term of five years, except that in making the initial appointment the governor shall appoint three members to serve for one year, three to serve for two years, three to serve for three years, three to serve for four years, and two to serve for five years.

Any person appointed to fill a vacancy in the office of a member of the board shall be appointed in a like manner and shall be eligible for reappointment. Any member may be removed from his appointment by the governor for cause. The governor shall designate a member of the board as its chairman.

Ten members of the board shall constitute a quorum and the affirmative vote of ten members shall be necessary for any action taken by the board. The members shall be entitled to reimbursement for his actual and necessary expenses incurred in the performance of his duties.

(c) The provisions of chapter two hundred sixty-eight A shall apply to all directors, officers, and employees of the corporation except that the corporation may purchase from, sell to, borrow from, loan to, contract with and grant to any organization in which any director of the corporation is in any way interested or involved; provided, however, that such interest or involvement is disclosed in advance to the members of the board and recorded in the minutes of the board; and provided, further, that no director having such an interest or involvement may participate in any decision relating to such organization.

(d) The board shall hire an executive director and establish his salary. The executive director shall be the chief administrative and operational officer of the corporation and shall direct and supervise its administrative affairs and general management. The executive director shall attend meetings of the board and may, subject to the general supervision of the board, employ other employees, consultants, agents, including counsel and advisors.



Neither the corporation nor any of its officers, agents, employees, consultants or advisors shall be subject to the provisions of section nine A, forty-five, forty-six, fifty-two of chapter thirty, or to chapter thirty-one.

Section 2. The directors shall annually elect one of their members as vice chairman and shall designate a secretary and treasurer who need not be members of the board. The secretary shall keep a record of the proceedings of the corporation and shall be custodian of all books, documents, and papers filed with the corporation, and its official seal. The secretary shall cause copies to be made of all minutes and other records and documents of the corporation and shall certify that such copies are true copies and all persons dealing with the corporation may rely upon such certification.

Section 3. All officers and employees of the corporation having access to its cash or negotiable securities shall give bond to corporation, at its expense, in such amount and with such surety as the board may prescribe. The persons required to give bond may be included in one or more blanket or scheduled bonds.

Section 4. For the purposes of this chapter the following words and terms shall have the following meanings except where the context clearly indicates otherwise: --

"Applicant," and educational institution which has made application for a grant-in-aid as authorized by this chapter.

"Board," the board of directors of the Bay State Skills Corporation.

"Business and Industry," a private corporation, institution, firm or person or group or association of the same, concerned with commerce, trades, manufacturing or the provisions of services within the commonwealth, or a public or non-profit hospital licensed by the Department of Public Health.

"Corporation," the Bay State Skills Corporation, or BSSC.

"Educational Institution," a public secondary or post secondary institution or an independent non-profit institution within the commonwealth authorized by law to provide a program of skills training or education beyond the secondary school level.

"Equipment," tangible personal property which will further the objectives of the supported program and for which a definite value and evidence in support thereof have been provided by the donor.

"Financial Support," any thing of value contributed by business and industry to an educational institution which is reasonably calculated to support directly the development and expansion of a particular program as defined herein and which represents an addition to any financial support previously or customarily provided to such educational institutions by the donor; including, but not limited to: funds, equipment as provided in this chapter, facilities, faculty, and scholarships for matriculating students and trainees.

"Grant-in-Aid," funding that is provided to an educational institution by the BSSC for the development or significant expansion of a program as provided in this chapter.

"Program" or "Program of skills training or education consistent with employment need," a coordinated course of instruction which is designed to prepare individuals upon completion for employment in a specific trade, occupation or profession. Such instruction may include: (a) classroom instruction; (b) classroom related field, shop, factory, office and laboratory work; and (c) entry level training, job upgrading, retraining and advance training.

"Severe economic dislocation", a permanent discontinuance of operations or reduction in force by an employer or by a number of employers located within a city or town of the commonwealth, whether caused by economic conditions, natural catastrophe or otherwise, which results in the permanent loss of employment of seventy-five or more employees who are residents of the commonwealth. In the case of a public employer, severe economic dislocation shall include the loss of employment of fifty or more employees due to economic conditions resulting from the operation of chapter five hundred and eighty of the acts of nineteen hundred and eighty.

"Targeted individuals", residents of the commonwealth who become unemployed as a result of a severe economic dislocation, and individuals receiving public assistance from the commonwealth, including recipients of aid to families with dependent children, and individuals between the ages of sixteen and twenty-one, inclusive, who are unemployed and economically disadvantaged residents of urban areas of the commonwealth.

"Technical Assistance," professional and any other assistance provided by business and industry to an educational institution, which is reasonably calculated to support directly the development and expansion of a particular program as defined herein and which represents an addition to any technical assistance previously or customarily provided to such educational institutions by the donor.

Section 5. The corporation shall have the following powers: --

- (a) to make, amend and repeal by-laws, rules and regulations, for the management of its affairs;
- (b) to adopt an official seal;
- (c) to sue and be sued, in its own name;
- (d) to make contracts and execute all instruments necessary or convenient for carrying on of its business;
- (e) to acquire, own, hold, dispose of and encumber personal property of any nature or any interest therein;
- (f) to enter into agreements or transactions with any federal, state or municipal agency or other institutions;
- (g) to appear in its own behalf before boards, commissions, department or other agencies of federal, state or municipal government;
- (h) to appoint officers, employees, consultants, agents and advisors and prescribe their duties and fix compensation within the limits provided by law;



(i) to procure insurance against any losses in connection with its property in such amounts, and from such insurers, as may be necessary or desirable;

(j) to accept any and all donations, grants, bequests, and devises, conditional or otherwise, of money, property, service, or other things of value which may be received from the United States or any agency thereof, and governmental agency, any institution, person, firm or corporation, public and private, to be held, used or applied for any or all the purposes specified in this act, in accordance with the terms and conditions of any such grant. Receipt of each such donation or grant shall be detailed in the annual report of the corporation. Such report shall include the identity of the donor or lender, the nature of the transaction and any conditions attaching thereto;

(k) to collect and disseminate to interested individuals, in cooperation with and through any agencies of federal, state and municipal government, information concerning areas of present and projected employment need, programs of skills training and education consistent therewith and any other relevant information;

(l) to provide grants-in-aid to educational institutions to encourage and facilitate the formation of comprehensive cooperative relationships with business and industry which secure for such institutions the information, technical assistance and financial support necessary for the development and significant expansion of programs of skills training and education consistent with employment need;

(m) to prepare, publish and distribute, with or without charge as the corporation may determine, such technical studies, reports, bulletins and other materials as deemed appropriate;

(n) to organize, conduct, sponsor or cooperate in and assist the conduct of special institutes, conferences, demonstrations, and studies which increase communication and cooperation among agencies of federal, state and municipal government, and all interested institutions, persons, firms, or corporations, public or private concerned with business and industry, economic development, public assistance, employment, skills training and education;

(o) to exercise any other powers of a corporation organized under chapter one hundred fifty-six B;

(p) to do any and all things necessary or convenient to carry out the purpose of this chapter.

Section 6. The BSSC may, subject to appropriation from the general court or from funds made available from any other public or private source and pursuant to rules and regulations adopted by it, provide grants-in-aid to educational institutions, not in excess of two hundred thousand dollars per grant-in-aid; provided, however, that such grants-in-aid shall be used exclusively for programs which are consistent with the provisions of this chapter, and provided further, that the corporation shall make a grant-in-aid to a particular educational institution only after:

- (A) receipt of an application from the educational institution which contains a proposal for a program of skills training and education, including a description of the program, the type of skills training or education to be provided, a statement of the total cost of the program and a breakdown of the costs associated with equipment, personnel, facilities and materials, a

statement of the employment need for the program and evidence in support thereof, a statement of the technical assistance and financial support for the program received or to be received from business and industry, and such other information as the board shall request; and

(B) approval of the grant-in-aid by the board, provided that the board shall find, based upon the application submitted by the educational institution and such additional investigation as the staff of the BSSC shall make, and incorporate in its minutes, that:

- (1) the program is within the scope of this chapter and may reasonably be expected to succeed and thereby increase employment within the commonwealth;
- (2) the grant-in-aid will only be used to cover the costs directly associated with the program;
- (3) the program involves an area of skills training and education concerning which there is a demonstrable need by business and industry within the commonwealth;
- (4) the applicant has made provisions for the utilization of existing federal and state resources for student financial assistance;
- (5) the grant-in-aid is essential to the success of the program as the resources of the applicant are inadequate to attract the technical assistance and financial support necessary for the program from business and industry;
- (6) the applicant has obtained from business and industry a firm commitment for that information, technical assistance and financial support which, together with the requested grant-in-aid, the resources of the applicant, and support from any other source, is sufficient to ensure the probable success of the program.

In addition, the commitment of financial support from business and industry shall be equal to or greater than the amount of the requested grant-in-aid, except that the BSSC may waive the requirement for such matching financial support upon finding that the program funded by the grant-in-aid will materially increase the employment opportunities for targeted individuals and that the businesses and industries participating in the program have agreed to contribute personnel, facilities, equipment, supplies, stipends or other items of financial value to the program in an amount approved by the BSSC;

- (7) binding commitments have been made to the BSSC by the applicant for adequate reporting of information and data regarding the program to the BSSC, particularly information concerning the recruitment and employment of trainees and students, and including a requirement for an annual or other periodic audit of the books of the applicant directly related to the program, and for such control on the part of the BSSC as the board shall



consider prudent over the management of the program, so as to protect the use of public funds, including, in the discretion of the board and without limitation, right of access to financial and other records of the applicant directly related to the programs;

- (8) adequate provision has been made by the applicant for the active recruitment for participation in the program of those who are the victims of economic dislocation and those of minority and economically disadvantaged groups, particularly recipients of public assistance;
- (9) binding commitments have been made to the BSSC by the applicant for compliance with the monitoring and evaluation rules and regulations of the BSSC.

Such findings by the BSSC shall be conclusive.

Section 7. Upon approval of a grant-in-aid application by the Board, the Bay State Skills corporation shall immediately provide notification of its decision to the Department of Public Welfare and the Division of Employment Security. Such notification shall include the following information regarding the supported program: the trade, occupation or profession with which the program is concerned; a description of the curriculum, the requirements for participation, and the procedures for making application; the duration of the program; a description of support services available to participants in the program; and any other information relevant to encouraging and facilitating the participation in the program of those in economic need.

Section 8. The BSSC shall annually submit a complete and detailed report of the corporation's activities within ninety days after the end of the fiscal year to the clerk of the house of representatives, to the clerk of the senate, and to the governor. The annual report shall include, but not be limited to, descriptions of all programs funded, an evaluation of the performance of each program, a summary of the public monies expended, and detailed descriptions of the individuals trained, educated and employed, including, in particular, the number of minority and economically disadvantaged individuals.

Section 9. The books and records of the BSSC shall be subject to an annual audit by the auditor of the commonwealth.