

Keystone Works for Businesses

Provide an opportunity for unemployed workers to receive training with a business while continuing to receive UC benefits and at the same time incentivize businesses to hire unemployed individuals.

Get Pennsylvanians back to work

Strengthen the workforce through job-specific training

Reduce the strain on the
Unemployment Insurance Trust Fund

Basic Program Structure



- Training for up to 24 hours per week for up to 8 weeks* in high priority occupations
- Training programs submitted by eligible businesses and approved by L&I
- UC benefits continue to be paid during training period – the business does not pay wages
- Monetary incentive to businesses hiring trainees of \$375 every four weeks employed up to \$1,500 total (16 weeks)

* Limits are set by legislative statute.

High Priority Occupations



- Used to align occupational demand to educational programs
- List developed annually (state & local)
- Process designed to react to shifts in labor market and to accommodate new and emerging industries
- Occupations in demand by employers, with higher skill needs, likely to provide family-sustaining wages
- Criteria include: importance of occupation to industry cluster, annual job openings, job quality, labor supply

Link: [HPO List](#)

Business Benefits



- Business pays nothing to participate
- Business is matched with pre-screened, qualified participants
- The business develops a training plan that fits their specific needs
- Participants receive training at the business's facility and can be immediately productive, if hired
- Business may receive up to \$1,500 in cash incentives for hiring participants who complete training

A business will be qualified to participate if:

- the business has a job opening in a high priority occupation to which a claimant can be matched,
- the business will provide bona fide training consistent with the Fair Labor Standards Act,
- the business will consider the claimant for employment upon completion of the training,
- the position to be filled meets the definition of “employment” in the UC Law (i.e. not contract work or self-employment),
- the business agrees not to provide any compensation to the participant during the training period, and
- the business agrees to provide information and documentation to L&I for purposes of program evaluation.

FLSA Factors - Trainee



1. The training, even though it includes actual operation of the facilities of the employer, is similar to what would be given in a vocational school or academic educational instruction;
2. The training is for the benefit of the trainees;
3. The trainees do not displace regular employees, but work under their close observation;
4. The employer that provides the training derives no immediate advantage from the activities of the trainees, and on occasion the employer's operations may actually be impeded;
5. The trainees are not necessarily entitled to a job at the conclusion of the training period; and
6. The employer and the trainees understand that the trainees are not entitled to wages for the time spent in training.

A business is ineligible to participate if:

- a work stoppage attributable to a labor dispute is in effect
- the business is already participating in a **Shared Work** program
- training and hiring the claimant upon completion of training would violate a collective bargaining agreement
- providing training or hiring the claimant would displace or adversely impact existing employees
- the training is in an occupation recently affected by layoffs
- the business has any Contractor Responsibility issues, such as tax liabilities or other obligations to the United States of the Commonwealth of Pennsylvania
- the business is under suspension or debarment by the Commonwealth of Pennsylvania

- **Proof of WC coverage is required at the time of training program approval**
 - The business does not add the participant to the policy until approved and participant begins training
 - When submitting proof along with application, the business only needs to provide a copy of their current policy
- **Recommended means to secure coverage:**
 - Business adds participant to existing WC Policy
 - Submits policy and any increase in premium to L&I
 - L&I reimburses increased premium amount from funds appropriated for the program

How to Enroll



- Register with the [Commonwealth Workforce Development System](#)
- Complete and submit a [Keystone Works Training Application and Plan](#) (information about available position, position requirements, training schedule and training plan)
- Complete and submit a [Keystone Works Workers' Compensation Acknowledgement](#) form and a copy of current WC policy (certify proof of WC coverage and understanding of program WC requirements)

Both of the forms referenced above can be submitted either directly to the Keystone Works Resource Account (RA-LI-BWDP-KeysWrks@pa.gov) or through the PA CareerLink®.

What Happens Next



- The Training Application and Plan is reviewed by L&I
 - L&I will make every effort to review the plan within 1 week
- Once the plan is approved, claimants will be sought to meet the criteria specified and will be referred to the business for consideration in the manner indicated in the Training Application
- A Business Contract will be signed between the business and L&I
- Once a match is made, the claimant will complete a Claimant Agreement form and a training start date will be established

During Training



- Businesses with active participants must submit a [Keystone Works Claimant Progress Report](#) to their local PA CareerLink® every 2 weeks
- A business or claimant can terminate training at any time
- A business can hire the participant at any time, even before the conclusion of the formal training period
- At the time of hire:
 - the trainee becomes an employee of the business and is likely no longer eligible for unemployment compensation
 - the business is eligible for hiring incentives if the position is full-time (at least 35 hours/week)

Business Incentives



- Businesses that hire Keystone Works participants full-time (at least 35 hours/week) are eligible for incentive payments.
 - \$375 every four consecutive weeks
 - \$1,500 maximum/trainee hired
- Businesses must submit invoices to receive incentive payments
 - Invoices may be submitted every four weeks or at the end of the full eligible incentive period
- Businesses are also eligible to submit for reimbursement of any increase in workers' compensation (WC) premiums in connection with obtaining WC coverage for trainees

Keystone Works Program: [General Invoice](#)
Keystone Works Program: [Invoice Instructions](#)

More Information



Keystone Works Website

www.dli.state.pa.us/keystoneworks

[Keystone Works Program Guidelines](#)

E-mail: RA-LI-BWDP-KeysWrks@pa.gov