

PRINCE GEORGE'S COUNTY WORKFORCE DEVELOPMENT BOARD

EMPLOYER FOCUSED HIRING INCENTIVES

POLICY NUMBER:	1.4000.100.034
EFFECTIVE:	February 15, 2023
APPROVING AUTHORITY:	Board Chair Prince George's County Workforce Development Board
RESPONSIBLE STAFF:	Chief Officers, Directors, Managers, Contract Providers
RESPONSIBLE OFFICE:	Office of the President, Employ Prince George's, Inc.

BACKGROUND:

The Prince George's County Public Workforce System, modeled as a free membership network and branded as the Prince George's County American Job Center Community Network, is the workforce system for the Prince George's County Workforce Development Area. The Prince George's County Workforce Development Area is one of 13 Local Workforce Development Areas in Maryland. Each Local Workforce Development Area is led by a Chief Local Elected Official and governed by a Local Workforce Development Board. The Prince George's County Executive is the Chief Local Elected Official for Prince George's County, and the Local Workforce Development Board is the Prince George's County Workforce Development Board. Based on the Prince George's County Workforce Area WIOA Local Governance Agreement between the Prince George's County Executive, the Prince George's County Workforce Development Board, and Employ Prince George's, Inc. (EPG), EPG serves as the administrative staff and fiscal agent of the Prince George's County Workforce Development Board.

PURPOSE:

The Prince George's County Workforce Development Board allows the use of financial incentives paid directly to businesses who meet the qualifications outlined in this policy. The incentives serve to encourage the hiring of unemployed and underemployed Prince George's County residents.

POLICY:

The Prince George's County Workforce Development Board allows the use of a variety of strategies to deliver skilled and qualified workers to businesses, improve the productivity of businesses, and provide job seekers with opportunities for careers in high demand/high growth industries with a livable wage for the DC Metropolitan Region.

In order to support businesses with their hiring needs, and to support the hiring of Prince George's County residents, hiring incentives are one strategy that the Prince George's County Workforce Development Board has implemented to reach its goals. Funds used to support these incentives may come from a variety of sources and are based on the allowable uses of the specific grant or funding agreement.

Rapid Re-Employment Grants

Rapid Re-Employment Grants provide an advanced wage subsidy to businesses that hire unemployed or underemployed Prince George's County residents into full- or part-time permanent positions. Small businesses can qualify for up to 75% of a new employee's salary, and large businesses can qualify for grants covering up to 50% of a new hire's salary for the first 12 weeks of their employment.

The business must be approved for the grant prior to the new employee being hired and the grant will be awarded to the businesses on the new employee's first day of employment. Employ Prince George's, on behalf of the Prince George's County Workforce Development Board, shall maintain the application mechanism and administer the program. Grant approvals will be based on a number of factors established by Employ Prince George's President & CEO, as allowed by relevant funding sources.

Qualifying Business:

- May be a private or non-profit entity.
- Must be in good standing in the state where it is registered to do business.
- Must not be debarred, suspended, or otherwise ineligible to receive Federal or State funds.
- Must operate in accordance with all applicable laws and regulations.
- Must be able to sustain unsubsidized wages to the employee for a minimum of one year.

Qualifying Employee:

- Must be a resident of Prince George's County.
- Must be unemployed or underemployed.
 - An individual is unemployed when they are not actively engaged in paid work but are looking for a job and available for work.
 - Underemployed means that an individual is currently employed but is seeking greater opportunities for economic advancement, such as higher wages or better career advancement opportunities, including:
 - Individuals employed less than full-time who are seeking full-time employment;
 - Individuals who are employed in a position that is inadequate with respect to their skills and training;
 - Individuals who are employed but their family income is less than 150% of the most recent Lower Living Income Standard Level;

- Individuals who are employed, but whose current job’s earnings are not sufficient compared to their previous job’s earnings from their previous employment.
- The job seeker must be enrolled in an approved program administered by the Prince George’s County Workforce Development Board and/or Employ Prince George’s that is attached to a Rapid Re-Employment Grant through a contractual agreement between the contracted service provider and the Prince George’s County Workforce Development Board/Employ Prince George’s. Job placement and hire under a Rapid Re-Employment Grant does not prevent the individual from participating in and receiving any or all program benefits including supportive services and incentives.

Qualifying Position:

- Must be a permanent full- or part- time position. Seasonal or temporary positions do not qualify. Retention is expected beyond the 12-week subsidy period.
- Must be “covered employment” meaning that the employer is required to pay unemployment insurance tax on wages.
- Individuals engaged as Independent Contractors or in “1099” status do not qualify.
- Wages must not be less than minimum wage and must be consistent with the market range for the same or similar positions in the Washington DC Metropolitan Statistical Area.

Grant Award:

- For a small business, those with 1-199 employees, the advance subsidy is up to 75% of the anticipated wages for up to twelve weeks.
- For a large business, those with 200+ employees, the advance subsidy is up to 50% of the anticipated wages for up to twelve weeks.
- The anticipated wages are based on the average number of hours per week.
- The calculation is average number of hours per week x hourly wage x twelve weeks x eligible %
- The maximum subsidy for each new hire is \$15,000
 - Example 1: A small business hires a qualifying employee into a qualifying position at a rate of \$35.25/hour. The position is full-time 40/hours per week. The calculation is $\$35.25 \times 40 \text{ hours} \times 12 \text{ weeks} \times 75\% = \$12,690.00$. The business would qualify for a grant amount of \$12,690.00
 - Example 2: A small business hires a qualifying employee into a qualifying position at a rate of \$51.00/hour. The position is full-time 40/hours per week. The calculation is $\$51.00 \times 40 \text{ hours} \times 12 \text{ weeks} \times 75\% = \$18,360.00$. The business would qualify for the maximum grant amount of \$15,000.00.
 - Example 3: A large business hires a qualifying employee into a qualifying position at a rate of \$19.50/hour. The position is full-time 40/hours per week. The calculation is $\$19.50 \times 40 \text{ hours} \times 12 \text{ weeks} \times 50\% = \$4,680.00$. The business would qualify for a grant amount of \$4,680.00

- **Example 4:** A large business hires a qualifying employee into a qualifying position at a rate of \$22.00/hour. The position is part-time 25/hours per week. The calculation is $\$22.00 \times 25 \text{ hours} \times 12 \text{ weeks} \times 50\% = \$3,300$. The business would qualify for a grant amount of \$3,300.00.

Restrictions

- Each Rapid Re-employment Grant will be guided by a written agreement which will specify the position title, hourly wage, hire date, 12-week period, grant amount, and terms.
- The new hire will not displace any currently employed employee at the date of hire. This includes partial displacement, such as reduction in the hours of non-overtime work, wages, or employment benefits.
- An employer will not be eligible to participate if the business has exhibited a pattern of failing to retain employees for whom it has received a hiring incentive.
- The new hire may not be an immediate family member of the employer, hiring manager, or the immediate supervisor (defined as: spouse, child, step-child, parent, sibling, brother, brother-in-law, sister, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, grandparent or grandchild).
- Employer may not reduce the wage of the employee after the 12-week subsidized period.
- Funds provided under a grant agreement must be expended on the new employee's wages. If an employee's employment ends for any reason within the twelve (12) week subsidized period, EPG has the right to recover the portion of the funds unspent on that employee's wages.

Apprenticeship Expansion Fund

The Prince George's County Apprenticeship Expansion Fund provides a hiring incentive to Registered Apprenticeship and Industry Recognized Apprenticeship employers who fill their registered apprenticeship vacancies with unemployed Prince George's County residents.

Registered Apprenticeship and Industry Recognized Apprenticeship are employer-driven models that combine on-the-job learning with related classroom instruction that increases an employee's skill level and wages simultaneously. Apprenticeship is an "earn and learn" model – apprentices earn wages while they learn on the job. Every Registered Apprenticeship and Industry Recognized Apprenticeship program includes structured on-the-job training wherein apprentices get hands-on training from an experienced mentor at a job site.

Qualifying Business:

- Must be the employer of record for a Registered Apprenticeship and Industry Recognized Apprenticeship.
- Must be in good standing in the state where it is registered to do business.
- Must not be debarred, suspended or otherwise ineligible to receive Federal or State funds.
- Must operate in accordance with all applicable laws and regulations.

Qualifying Employee:

- Must be a resident of Prince George’s County.
- Must be unemployed or underemployed.
 - An individual is unemployed when they are not actively engaged in paid work but are looking for a job and available for work.
 - Underemployed means that an individual is currently employed but is seeking greater opportunities for economic advancement, such as higher wages or better career advancement opportunities, including:
 - Individuals employed less than full-time who are seeking full-time employment;
 - Individuals who are employed in a position that is inadequate with respect to their skills and training;
 - Individuals who are employed but their family income is less than 150% of the most recent Lower Living Income Standard Level;
 - Individuals who are employed, but whose current job’s earnings are not sufficient compared to their previous job’s earnings from their previous employment.
- Must be employed as part of a Registered Apprenticeship or Industry Recognized Apprenticeship program.
- The job-seeker may must be enrolled in an approved programs administered by the Prince George’s County Workforce Development Board and/or Employ Prince George’s that is attached to a Registered Apprenticeship or Industry Recognized Apprenticeship through a contractual agreement between the contracted service provider and the Prince George’s County Workforce Development Board/Employ Prince George’s. Job placement and hire under the Apprenticeship Expansion Fund does not prevent the individual from participating in and receiving any or all program benefits including supportive services and incentives.

Qualifying Position:

- Work location is not required to be within Prince George’s County.
- The Registered Apprenticeship must be approved and validated by the U.S. Department of Labor or a State Apprenticeship Agency.
- The Industry Recognized Apprenticeship must be approved by the Employ Prince George’s President & CEO

Grant Award:

The business must be approved for the grant prior to the employee enrolling in the Registered Apprenticeship or Industry Recognized Apprenticeship and the grant will be awarded to the businesses on the new employee’s first day of employment. Employ Prince George’s, on behalf of the Prince George’s County Workforce Development Board, shall maintain the application mechanism and administer the program. Grant approvals will be based on a number of factors established by Employ Prince George’s President & CEO, as allowed by relevant funding sources.

Apprenticeships that have been registered for five (5) years or more can qualify for grant awards not to exceed \$10,000 for each new apprentice. Apprenticeships that have been registered for fewer than five years can qualify for grant awards not to exceed \$15,000 for each new hire. Award

amounts granted to eligible entities are determined based the annual availability of funds and confirmed by the Prince George’s County Workforce Development Board by June 15th of every year for the following program/fiscal year.

Restrictions:

- Each Apprenticeship Expansion Fund grant will be guided by a written agreement which will specify the position title, hire date, grant amount, and other terms.
- The new apprentice will not displace any currently employed employee at the date of hire. This includes partial displacement, such as reduction in the hours of non-overtime work, wages, or employment benefits.
- An employer will not be eligible to participate if the business has exhibited a pattern of failing to retain apprentices for whom it has received an apprenticeship incentive.

EXCLUSIONS TO THE POLICY:

None.

RESOURCES:

Maryland Department of Labor: [Employers’ General UI Contributions Information and Definitions - Unemployment Insurance](#)

Federal Department of Labor [Apprenticeship Programs](#)

FORMS:

N/A

APPROVING SIGNATURE(S):

brad Frome

[brad Frome \(Feb 20, 2023 09:52 EST\)](#)

Feb 20, 2023

Board Chair
Prince George's County Workforce Development Board

Date