

103^D CONGRESS
2^D SESSION

H. R. 4050

To establish a comprehensive system of reemployment services, training and income support for permanently laid off workers, to facilitate the establishment of one-stop career centers to serve as a common point of access to employment, education and training information and services, to develop an effective national labor market information system, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 1994

Mr. FORD of Michigan (for himself, Mr. WILLIAMS, Mr. GEPHARDT, Mr. ROSTENKOWSKI, Mr. CLAY, Mr. MARTINEZ, Ms. DELAURO, Mr. MATSUI, Mr. FORD of Tennessee, Mr. GEJDENSON, Mr. MCDERMOTT, Mr. MILLER of California, Mr. JOHNSTON of Florida, Mrs. KENNELLY, Mr. HOYER, Mr. KOPETSKI, Mr. LEWIS of Georgia, Mr. LEVIN, Mrs. LOWEY, Mr. PENNY, Mr. BACCHUS of Florida, Mr. SABO, Mr. SAWYER, Mrs. SCHROEDER, Mr. SCOTT, Mr. WHEAT, Ms. WOOLSEY, Mr. GENE GREEN of Texas, Mr. CARR of Michigan, Mr. KLINK, Mr. MURPHY, Mr. SERRANO, and Mr. RICHARDSON) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To establish a comprehensive system of reemployment services, training and income support for permanently laid off workers, to facilitate the establishment of one-stop career centers to serve as a common point of access to employment, education and training information and services, to develop an effective national labor market information system, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Reemployment Act of
5 1994”.

6 **SEC. 2. TABLE OF CONTENTS.**

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1 SEC. 3. FINDINGS AND PURPOSE.

2 (a) FINDINGS.—Congress finds that—

3 (1) in recent years, both the nature of job un-
4 certainty and job loss has changed due to such
5 forces as evolving technologies, corporate restructur-
6 ing, and intensifying global competition;

7 (2) a substantial number of Americans lose jobs
8 because of structural changes in the economy rather
9 than cyclical downturns, with more than 2 million
10 full-time workers permanently displaced annually
11 due to plant closures, production cutbacks, and lay-
12 offs;

13 (3) job uncertainty and dislocation carry sub-
14 stantial emotional and financial costs to the Nation,
15 with tax revenues and economic output declining
16 when workers are idle and demands on Government
17 support rise;

1 (4) all Americans—whether seeking first jobs,
2 new jobs, or better jobs—confront an economy in
3 continuous transition and must have access to new
4 skills and better job and career information in order
5 to harness this change for increased economic secu-
6 rity and a rising standard of living;

7 (5) our current worker adjustment policies were
8 designed for an earlier economy and often do not
9 equip Americans to prosper in the current and
10 emerging atmosphere of constant change;

11 (6) the primary governmental response to job
12 loss—the unemployment insurance system—is effec-
13 tive in providing income support to persons on tem-
14 porary lay-offs, but was not designed to build reem-
15 ployment security, and is ill-equipped by itself to en-
16 sure that those people who are permanently laid off
17 will receive needed reemployment services;

18 (7) the current Government response to disloca-
19 tion is a patchwork of categorical programs, with
20 varying eligibility requirements and different sets of
21 services and benefits;

22 (8) job search assistance and retraining are not
23 available to all who need them and income support
24 is typically not available to facilitate long-term train-
25 ing;

1 (9) a lack of comprehensive labor market infor-
2 mation—

3 (A) means that job seekers, training pro-
4 viders, and employers must make hiring and
5 training decisions based on fragmented and in-
6 complete data;

7 (B) adds time and costs to employers' re-
8 cruitment efforts; and

9 (C) hinders the ability of rapidly-growing
10 firms to recruit and screen new employees; and

11 (10) administrative and regulatory obstacles hamper
12 the efforts of States and localities to establish comprehen-
13 sive reemployment systems for all their citizens seeking
14 first jobs, new jobs, and better jobs.

15 (b) PURPOSE.—It is the purpose of this Act to—

16 (1) better integrate the existing unemployment
17 system into a comprehensive, universal, high-quality
18 system for reemployment, so that it can serve effec-
19 tively the structurally unemployed as well as those
20 on temporary layoffs;

21 (2) promote equity and efficiency by consolidat-
22 ing the array of specific programs for dislocated
23 workers into a single comprehensive program for all
24 workers who have been permanently laid off, regard-
25 less of the cause of dislocation;

1 (3) facilitate effective, quality training for per-
2 manently laid-off workers who want and need it;

3 (4) provide customer-centered, high-quality em-
4 ployment and training services that give dislocated
5 workers the tools to make informed career and train-
6 ing choices;

7 (5) provide universal access to basic reemploy-
8 ment services, including assessment of skill levels
9 and service needs, labor market information, and job
10 search assistance;

11 (6) begin to transform the fragmented employ-
12 ment and training system through a network of
13 streamlined, one-stop career centers providing uni-
14 versal access to all Americans who want and need
15 new jobs, better jobs, and first jobs;

16 (7) replicate and expand the innovative efforts
17 of States and localities to provide comprehensive,
18 high-quality reemployment and training systems;
19 and

20 (8) create a National Labor Market Informa-
21 tion System that gives employers, training providers,
22 students, job seekers, and employees high-quality
23 and timely data on the local economy, labor market,
24 and other occupational information.

1 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) TITLE I.—There are authorized to be appro-
3 priated to carry out title I—

4 (1) \$1,465,000,000 for fiscal year 1995; and

5 (2) such sums as may be necessary for each
6 succeeding fiscal year.

7 (b) TITLES II AND III.—There are authorized to be
8 appropriated to carry out titles II and III—

9 (1) \$250,000,000 for each of fiscal years 1995
10 through 1999; and

11 (2) such sums as may be necessary for each of
12 fiscal years 2000 through 2003.

13 **SEC. 5. DEFINITIONS.**

14 For the purposes of this Act, the following definitions
15 apply:

16 (1) The term “career center” means such cen-
17 ter established pursuant to section 118.

18 (2) The term “community-based organizations”
19 means private nonprofit organizations which are rep-
20 resentative of communities or significant segments
21 of communities and which provide education, train-
22 ing and related services.

23 (3) The term “economic development agencies”
24 includes State and local planning and zoning com-
25 missions or boards, community development agen-
26 cies, and other State and local agencies and institu-

1 tions responsible for regulating, promoting, or assist-
2 ing in State and local economic development.

3 (4) The term “Governor” means the chief execu-
4 tive of any State.

5 (5) The term “labor market area” means an
6 economically integrated geographic area within
7 which individuals can reside and find employment
8 within a reasonable commuting distance or can
9 change employment without changing their place of
10 residence. Such areas shall be identified by the Sec-
11 retary in accordance with criteria used by the Bu-
12 reau of Labor Statistics of the Department of Labor
13 or the Bureau of the Census of the Department of
14 Commerce in defining such areas.

15 (6) The term “local elected official” means the
16 chief elected executive officer of a unit of general
17 local government in a substate area.

18 (7) The term “nontraditional employment” as
19 applied to women refers to occupations or fields of
20 work where women comprise less than 25 percent of
21 the individuals employed in such occupation or field
22 of work.

23 (8) The term “one-stop career center” means
24 such center established pursuant to section 313.

1 (9) The term “private industry council” means
2 the private industry council established under sec-
3 tion 102 of the Job Training Partnership Act.

4 (10) The term “representatives of employees”
5 means representatives from labor organizations (in-
6 cluding local, State, or national bodies, as appro-
7 priate) where such organization represents a sub-
8 stantial number of employees.

9 (11) The term “Secretary” means the Secretary
10 of Labor.

11 (12) The term “service delivery area” means
12 such an area as established in section 101 of the
13 Job Training Partnership Act.

14 (13) The term “service provider” means a pub-
15 lic agency, private nonprofit organization, or private-
16 for-profit entity that delivers basic reemployment,
17 intensive reemployment, educational, training, or
18 supportive services.

19 (14) The term “State” means any of the sev-
20 eral States, the District of Columbia, and the Com-
21 monwealth of Puerto Rico.

22 (15) The term “State council” means the State
23 job training coordinating council established under
24 section 122 of the Job Training Partnership Act.

1 (16) The term “State Human Resource Invest-
2 ment Council” means the council established under
3 section 701 of the Job Training Partnership Act.

4 (17) The term “substate area” means that geo-
5 graphic area in a State established pursuant to sec-
6 tion 117.

7 (18) The term “substate grantee” means that
8 agency, organization, or consortium thereof selected
9 to administer programs pursuant to section 117(b).

10 (19) The term “unit of general local govern-
11 ment” means any general purpose political subdivi-
12 sion of a State which has the power to levy taxes
13 and spend funds, as well as general corporate and
14 police powers.

15 **TITLE I—COMPREHENSIVE PROGRAM FOR**
16 **WORKER REEMPLOYMENT**

17 **SEC. 101. ALLOTMENT OF FUNDS.**

18 (a) IN GENERAL.—Of the funds appropriated pursu-
19 ant to section 4(a) for any fiscal year, the Secretary
20 shall—

21 (1) allot 75 percent among the States in ac-
22 cordance with subsection (b); and

23 (2) reserve 25 percent to carry out part B, sub-
24 ject to the reservation required by subsection (e).

1 (b) ALLOTMENT AMONG STATES.—(1) Subject to the
2 provisions of paragraphs (2) and (3), the Secretary shall
3 allot the amount available in each fiscal year under sub-
4 section (a)(1) on the basis of the following factors:

5 (A) One-third of such amount shall be allotted
6 among the States on the basis of the relative num-
7 ber of unemployed individuals who reside in each
8 State as compared to the total number of unem-
9 ployed individuals in all the States.

10 (B) One-third of such amount shall be allotted
11 among the States on the basis of the relative excess
12 number of unemployed individuals who reside in
13 each State as compared to the total excess number
14 of unemployed individuals in all the States. For pur-
15 poses of this paragraph, the term “excess number”
16 means the number which represents unemployed in-
17 dividuals in excess of 4.5 percent of the civilian labor
18 force in the State.

19 (C) One-third of such amount shall be allotted
20 among the States on the basis of the relative num-
21 ber of individuals who have been unemployed for
22 more than 26 weeks and who reside in each State
23 as compared to the total number of such individuals
24 in all the States.

1 (2) As soon as satisfactory data are available under
2 section 133(b)(2), the Secretary shall allot the amount
3 available in each fiscal year under subsection (a)(1) as fol-
4 lows:

5 (A) 25 percent of such amount shall be allotted
6 on the basis of each of the factors described in sub-
7 paragraphs (A), (B), and (C) of paragraph (1), re-
8 spectively, for a total of 75 percent of the amount
9 allotted.

10 (B) 25 percent of such amount shall be allotted
11 on the basis of the relative number of dislocated
12 workers who reside in each State as compared to the
13 total number of dislocated workers in all States.

14 (3)(A) No State shall be allotted less than 90 percent
15 of its allotment percentage for the fiscal year preceding
16 the fiscal year for which the determination is made.

17 (B) No State shall be allotted more than 130 percent
18 of its allotment percentage for the fiscal year preceding
19 the fiscal year for which the determination is made.

20 (C)(i) Except as provided in clause (ii), for purposes
21 of this paragraph the allotment percentage of a State for
22 a fiscal year shall be the percentage of funds allotted to
23 the State under this subsection.

24 (ii) For the purposes of this paragraph, the allotment
25 percentage for fiscal year 1994 shall be the percentage of

1 funds allotted to the State under section 302 of the Job
2 Training Partnership Act.

3 (c) RESERVATIONS FOR STATE ACTIVITIES.—

4 (1) The Governor may reserve up to 30 percent
5 of the amount allotted to the State under subsection
6 (b) to carry out State activities in accordance with
7 this title.

8 (2) Of the amount reserved by the Governor
9 pursuant to paragraph (1)—

10 (A) not more than 15 percent shall be
11 available for the costs of administration of pro-
12 grams authorized under this title;

13 (B) not more than 20 percent shall be
14 available for the costs of administration of pro-
15 grams authorized under this title and the costs
16 of technical assistance; and

17 (C) not more than 5 percent shall be avail-
18 able to carry out the job retention projects au-
19 thorized under section 116.

20 (d) WITHIN STATE DISTRIBUTION.—

21 (1) The Governor shall allocate the remainder
22 of the amount allotted to the State under subsection
23 (b) to substate areas to carry out activities author-
24 ized under this title based on an allocation formula
25 prescribed by the Governor. Such formula may be

1 amended by the Governor not more than once for
2 each program year. Such formula shall include the
3 factors described in subsection (b) and such addi-
4 tional objective and measurable factors as the Gov-
5 ernor determines are appropriate.

6 (2) Of the amount allocated to each substate
7 area pursuant to paragraph (1) for each program
8 year, not more than 15 percent shall be available for
9 the costs of administration.

10 (e) RESERVATION FOR THE TERRITORIES.—Of the
11 amount reserved by the Secretary under subsection (a)(2)
12 for any fiscal year, not more than 0.3 percent shall be
13 allocated among Guam, the Virgin Islands, American
14 Samoa, the Commonwealth of the Northern Mariana Is-
15 lands, the Federated States of Micronesia, the Republic
16 of the Marshall Islands, and Palau to carry out activities
17 authorized under this title.

18 (f) RESERVATIONS FOR NATIONAL ACTIVITIES.—Of
19 the remainder reserved by the Secretary under subsection
20 (a)(2):

21 (1) For each of fiscal years 1995 through
22 1999—

23 (A) not less than 80 percent shall be avail-
24 able for national discretionary grants under sec-
25 tions 131 and 132; and

1 (B) not more than 20 percent shall be
2 available for—

3 (i) evaluation of program perform-
4 ance, research, and pilot and demonstra-
5 tion projects described in section 133; and

6 (ii) capacity building, staff develop-
7 ment and training, and technical assist-
8 ance described under section 134.

9 (2) For fiscal year 2000 and each succeeding
10 fiscal year—

11 (A) not less than 85 percent shall be avail-
12 able for national discretionary grants under sec-
13 tions 131 and 132; and

14 (B) not more than 15 percent shall be
15 available for—

16 (i) evaluation of program perform-
17 ance, research, and pilot and demonstra-
18 tion projects described in section 133; and

19 (ii) capacity building, staff develop-
20 ment and training, and technical assist-
21 ance described under section 134.

22 **SEC. 102. RECAPTURE AND USE OF UNEXPENDED FUNDS.**

23 (a) IN GENERAL.—For program years beginning
24 July 1, 1996, and thereafter, the Secretary shall, in ac-
25 cordance with this section—

1 (1) recapture funds appropriated for such pro-
2 gram years that are available for recapture, and

3 (2) use the funds recaptured under paragraph
4 (1) to carry out the national discretionary grant pro-
5 gram under section 131.

6 (b) AMOUNTS AVAILABLE FOR RECAPTURE.—The
7 amount available for recapture is equal to—

8 (1) the amount by which the unexpended bal-
9 ance of the State allotment (under section 101(b))
10 at the end of the program year prior to the program
11 year for which the determination under this section
12 is made exceeds 20 percent of such allotment for
13 that prior program year, plus

14 (2) the unexpended balance of the State allot-
15 ment from any program year prior to the program
16 year in which there is such excess.

17 (c) EXCLUSION.—For purposes of this section, funds
18 awarded to the State from the discretionary funds of the
19 Secretary pursuant to sections 131 and 132 shall not be
20 included in calculating the amounts available for recap-
21 ture.

22 (d) METHOD OF RECAPTURE.—The Secretary may,
23 as a method of recapturing funds for the purposes of sub-
24 section (a)(1), reduce the allotment to the State under sec-
25 tion 101(b) for the program year subsequent to the pro-

1 gram year for which the determination is made by an
2 amount equal to the amount available for recapture.

3 **SEC. 103. ELIGIBILITY FOR SERVICES.**

4 (a) IN GENERAL.—An individual shall be eligible to
5 receive services under this title if such individual—

6 (1) has been permanently laid off from full-
7 time, part-time, or seasonal (including farmworkers
8 and fishermen) employment within the preceding 12-
9 month period, and—

10 (A) such individual is unlikely to obtain
11 employment in the same or similar occupation
12 due to obsolete skills or a lack of employment
13 opportunities; or

14 (B) such layoff resulted from any perma-
15 nent closure or any substantial layoff at a
16 plant, facility or enterprise;

17 (2) has received a notice that such individual
18 will be permanently laid off, and—

19 (A) such individual is unlikely to obtain
20 employment in the same or similar occupation
21 due to obsolete skills or a lack of employment
22 opportunities; or

23 (B) such layoff will result from any perma-
24 nent closure or substantial layoff at a plant, fa-
25 cility, or enterprise;

1 (3) is employed at a facility where the employer
2 has publicly announced that such facility will be
3 closed within one year and such individual is un-
4 likely to—

5 (A) remain employed with such employer
6 at another location; or

7 (B) retire permanently from the labor
8 force on or before such closure;

9 (4) is long-term unemployed and has limited op-
10 portunities for employment in the same or similar
11 occupation in which such individual was previously
12 employed;

13 (5) was self-employed (including farmers, fish-
14 ermen and ranchers) and is unemployed as a result
15 of general economic conditions in the community in
16 which such individual resides or because of natural
17 disasters;

18 (6) is certified as eligible under the transitional
19 certification of trade impacted workers program au-
20 thorized under title II of the Retraining Income
21 Support Act of 1994; or

22 (7) was identified and referred to the program
23 under this title, in accordance with regulations is-
24 sued by the Secretary, by a State worker profiling

1 system established under section 303(j) of the Social
2 Security Act.

3 (b) DISPLACED HOMEMAKERS.—An individual who is
4 a displaced homemaker shall be eligible to receive services
5 described in section 119(b) and such other services au-
6 thorized under this title as the Governor determines are
7 appropriate to provide to such individuals if—

8 (1) the displacement occurred within the pre-
9 ceding 12-month period,

10 (2) such individual is unemployed, and

11 (3) such individual meets the requirements re-
12 lating to services provided under the title, other than
13 the requirements of subsection (a).

14 (c) DEFINITIONS.—For purposes of this section:

15 (1) The term “permanently laid off” means a
16 layoff under which a recall is not expected within 26
17 weeks.

18 (2) The term “long-term unemployed” means a
19 period of unemployment defined by the Governor,
20 except that such period shall not be less than 27
21 weeks.

22 (3) The term “displaced homemakers” has the
23 same meaning given such term in section 4(29) of
24 the Job Training Partnership Act.

1 unions, and affected substate grantees within
2 48 hours of being informed of or otherwise
3 identifying such closure or layoff.

4 (C) Provide assistance on site within five
5 working days of being informed of or otherwise
6 identifying such closure or layoff (unless rep-
7 resentatives of the affected workers agree to
8 defer the commencement of assistance), includ-
9 ing—

10 (i) the provision of information relat-
11 ing to, and assistance in obtaining access
12 to, available programs and services;

13 (ii) the provision of appropriate reem-
14 ployment services on an emergency basis;
15 and

16 (iii) the provision of basic reemploy-
17 ment services in a group setting.

18 (D) Promote the formation of worker-man-
19 agement transition assistance committees,
20 which meet the requirements of subsection (d),
21 by—

22 (i) providing immediate assistance in
23 the establishment of such committees, in-
24 cluding—

1 (I) providing immediate financial
2 assistance to cover startup costs of
3 the committee;

4 (II) providing a list of individuals
5 from which the chairperson of the
6 committee may be selected; and

7 (III) requesting the list of com-
8 mittee members from the employer
9 and union, or providing assistance in
10 the selection of worker representatives
11 in the event no union is present; and

12 (ii) providing technical assistance in
13 the development by such committees of a
14 strategy for assessing the employment and
15 training needs of each affected worker and
16 for obtaining the services and assistance
17 necessary to meet those needs, which may
18 include—

19 (I) providing technical advice as
20 well as information on sources of as-
21 sistance, and

22 (II) serving as liaison with other
23 public and private services and pro-
24 grams.

1 (E) Prepare an action plan for the provi-
2 sion of reemployment and training services to
3 eligible individuals, including group counseling,
4 preliminary assessments, and labor market in-
5 formation, which may include assistance in
6 planning for the establishment of an on-site
7 transition center described in section 115(c).

8 (2) INFORMATION COLLECTION AND DISSEMI-
9 NATION.—The State dislocated worker unit shall
10 carry out the following information collection and
11 dissemination activities:

12 (A) Provide to employers and employees
13 throughout the State information relating to
14 the Worker Adjustment and Retraining Notifi-
15 cation Act, including the requirements of such
16 Act, and information relating to the eligibility
17 requirements and services and benefits available
18 under this title.

19 (B) Collect information relating to—

20 (i) economic dislocation, including po-
21 tential closings and layoffs and the impact
22 of closures and layoffs to which such unit
23 has responded, and

24 (ii) available programs and resources
25 within the State to serve affected workers.

1 (C) Disseminate the information collected
2 pursuant to subparagraph (B) to the Governor
3 to assist in providing an adequate information
4 base for effective program management, review,
5 and evaluation.

6 (D) Disseminate information throughout
7 the State on the services and activities carried
8 out by the State dislocated worker unit.

9 (3) PROGRAM SUPPORT.—The State dislocated
10 unit shall carry out the following program support
11 activities:

12 (A) Provide technical assistance and advice
13 to substate grantees.

14 (B) Work with employers and representa-
15 tives of employees in promoting labor-manage-
16 ment cooperation to achieve the objectives of
17 this title.

18 (C) Assist each local community affected
19 by a mass layoff or plant closing in developing
20 and implementing an adjustment plan, includ-
21 ing assistance in obtaining access to State eco-
22 nomic development assistance.

23 (4) COORDINATION.—The State dislocated
24 worker unit shall exchange information and coordi-
25 nate programs with—

1 (A) the appropriate economic development
2 agency and job retention projects authorized
3 under section 116, for the purpose of identify-
4 ing potential layoffs and for the purpose of de-
5 veloping strategies to avert plant closings or
6 mass layoffs and to accelerate the reemploy-
7 ment of dislocated workers;

8 (B) State education, training and social
9 services programs;

10 (C) State labor federations;

11 (D) State-level general purpose business
12 organizations; and

13 (E) all other programs available to assist
14 dislocated workers, including the Employment
15 Service, the unemployment insurance system,
16 one-stop career centers established under title
17 II of this Act, and student financial aid pro-
18 grams.

19 (c) COORDINATION WITH CAREER CENTERS.—In
20 carrying out this section, the State dislocated worker unit
21 shall coordinate its actions with the affected substate
22 grantees and career centers.

23 (d) WORKER-MANAGEMENT TRANSITION ASSIST-
24 ANCE COMMITTEES.—The worker-management transition
25 assistance committees promoted by the State dislocated

1 worker unit pursuant to subsection (b)(1)(D) shall ordi-
2 narily include (but not be limited to) the following:

3 (1) Shared and equal participation by workers
4 (and their representatives) and management, and
5 which may include participation from community
6 representatives as appropriate.

7 (2) Shared financial participation between the
8 employer and the State, using funds provided under
9 this title in paying for the operating expenses of the
10 committee.

11 (3) A chairperson, to oversee and guide the ac-
12 tivities of the committee, who shall—

13 (A) be jointly selected by the worker and
14 management representatives of the committee,

15 (B) not be employed or under contract
16 with or members of the immediate family of
17 labor or management at the site, and

18 (C) provide advice and leadership to the
19 committee and prepare a report on its activities.

20 (4) Operations pursuant to a formal agreement,
21 terminated at will by the workers or management,
22 and terminated for cause by the Governor.

23 (e) COVERAGE OF LAYOFFS.—The Governor may au-
24 thorize the provision of the rapid response activities de-
25 scribed in subsection (b)(1) to layoffs of less than 50

1 workers if such layoffs are determined by the Governor
2 to have a significant adverse economic impact on a local
3 community.

4 (f) PLANT BUYOUT STUDY.—In a situation involving
5 an impending permanent closure or substantial layoff, a
6 State may provide funds, where other public or private re-
7 sources are not expeditiously available, for a preliminary
8 assessment of the advisability of having a company or
9 group, including the workers, purchase the plant and con-
10 tinue it in operation. Such assessment shall not include
11 a feasibility study relating to such purchase.

12 (g) PROHIBITION ON TRANSFER OF RESPONSIBIL-
13 ITY.—The State shall not transfer the responsibility for
14 the rapid response assistance functions of the State unit
15 under this section to another entity, but the State may
16 carry out such functions through agreement, grant, con-
17 tract, or other arrangement with another entity, such as
18 a substate grantee or a career center.

19 (h) FEDERAL OVERSIGHT OF RAPID RESPONSE.—
20 The Secretary shall oversee the administration by each
21 State of the rapid response assistance services provided
22 in such State and evaluate the effectiveness, efficiency,
23 and timeliness of the delivery of such services. The Sec-
24 retary may establish performance standards relating to
25 the provision of such services by the State. If the Sec-

1 retary determines that such services are not being per-
2 formed adequately, the Secretary shall implement appro-
3 priate corrective action.

4 **SEC. 113. DEVELOPMENT AND MAINTENANCE OF STATE**
5 **AND LOCAL LABOR MARKET INFORMATION**
6 **SYSTEMS.**

7 (a) IN GENERAL.—In furtherance of the national
8 strategy described in section 302 of this Act to establish
9 a nationwide system of effective labor market information,
10 the Governor shall identify, or develop, and maintain a
11 comprehensive labor market information system in the
12 State that—

13 (1) promotes the collection, use, exchange, and
14 dissemination of quality labor market information
15 that will enhance the employment opportunities
16 available to permanently laid off workers and other
17 individuals seeking employment, and

18 (2) provides support for needed improvements
19 or adjustments in current labor market information
20 systems and integrates such systems to meet local
21 and State labor market needs.

22 (b) CONTENT.—The labor market information de-
23 scribed in subsection (a)(1) shall include the information
24 specified in section 303(a) of this Act relating to the na-
25 tional labor market information system.

1 (c) STANDARDS FOR INFORMATION COLLECTION AND
2 DISSEMINATION.—The Governor shall ensure that data
3 collection and dissemination systems are developed in ac-
4 cordance with the technical standards specified in section
5 303(b) of this Act relating to the national labor market
6 information system.

7 (d) COORDINATION OF DATA COLLECTION AND SUR-
8 VEY CONSOLIDATION.—Consistent with the technical
9 standards specified in section 303(b), the Governor shall
10 ensure, to the extent feasible that—

11 (1) automated technology will be used in data
12 collection and dissemination;

13 (2) the State dislocated worker unit, the sub-
14 state grantees, and the career centers under this
15 title have timely access to and exchange information
16 relating to quality labor market information;

17 (3) administrative records are designed to re-
18 duce paperwork; and

19 (4) available administrative data and multiple
20 surveys are shared or consolidated to reduce duplica-
21 tion of recordkeeping of State and local agencies.

22 (e) DESIGN OF STATE SYSTEM.—The Governor shall
23 designate an agent within the State to be responsible for
24 oversight and management of a statewide comprehensive
25 labor market and occupational information system that—

1 (1) meets the requirements of this section;

2 (2) provides such training and technical assist-
3 ance necessary to facilitate the collection of data and
4 the dissemination of information through the pro-
5 grams assisted under this title;

6 (3) provides funding for the State share of the
7 cooperative agreements authorized in section 302;
8 and

9 (4) funds research, evaluation, and demonstra-
10 tion projects designed to make improvements in the
11 statewide labor market information system.

12 (f) COORDINATION OF RESOURCES.—The Governor
13 shall coordinate the activities carried out under this title
14 with the labor market information activities carried out
15 in the State pursuant to other Federal laws and with the
16 national labor market information program described in
17 title III of this Act. In maintaining the system described
18 under this section, the Governor may use funds that are
19 otherwise available to the Governor for such purposes
20 under other Federal laws, such as the Job Training Part-
21 nership Act and the Wagner-Peyser Act.

22 (g) METHODS OF COLLECTION AND DISSEMINA-
23 TION.—In order to facilitate the collection and dissemina-
24 tion of the data described in subsection (b), the Governor
25 shall—

1 (1) identify and utilize cost-effective methods
2 for obtaining such data as are necessary to carry out
3 this section which, notwithstanding any other provi-
4 sion of law, may include access to earnings records,
5 State employment security records, records collected
6 under the Federal Insurance Contributions Act
7 (chapter 21 of the Internal Revenue Code of 1986),
8 State aid to families with dependent children
9 records, secondary and post-secondary education
10 records, and similar records or measures, with ap-
11 propriate safeguards to protect the confidentiality of
12 the information obtained; and

13 (2) publish and make available labor market
14 and occupational supply and demand information
15 and career information to State agencies, public
16 agencies, libraries, employers, and individuals who
17 are in the process of making career choices.

18 **SEC. 114. COORDINATION WITH WORKER PROFILING AND**
19 **RETRAINING INCOME SUPPORT PROGRAMS.**

20 (a) **WORKER PROFILING.**—The Governor shall co-
21 ordinate programs under this title with the worker
22 profiling system authorized under title III of the Social
23 Security Act. Such coordination shall include methods for
24 ensuring the prompt referral, in accordance with regula-
25 tions issued by the Secretary of the claimants identified

1 under such profiling system to career centers authorized
2 under this title, and the sharing of relevant information.

3 (b) RETRAINING INCOME SUPPORT.—The Governor
4 shall coordinate programs under this title with the retrain-
5 ing income support program authorized under part A of
6 title I of the Retraining Income Support Act of 1994.

7 **SEC. 115. STATE SUPPLEMENTARY GRANTS FOR AREAS OF**
8 **SPECIAL NEED.**

9 (a) IN GENERAL.—The Governor may award grants
10 to provide the services authorized under section 119 to eli-
11 gible individuals in areas of the State experiencing sub-
12 stantial increases in the number of eligible individuals due
13 to plant closures, base closures and mass layoffs.

14 (b) ELIGIBLE ENTITIES.—The grants authorized
15 under subsection (a) may be awarded to—

16 (1) the substate grantees in the areas affected
17 by such closures and mass layoffs;

18 (2) employers and employer associations;

19 (3) transition assistance committees and other
20 employer-employee entities;

21 (4) representatives of employees;

22 (5) industry consortia; and

23 (6) State agencies.

24 (c) ESTABLISHMENT OF ADDITIONAL SERVICE CEN-
25 TERS.—

1 (1) IN GENERAL.—The Governor may use the
2 grant funds available under this section to establish
3 a center, including an on-site transition center de-
4 scribed in paragraph (2), at the site of a plant clo-
5 sure, base closure or mass layoff to provide the serv-
6 ices described in section 119. Such center shall be
7 established after formal consultation with the sub-
8 state grantee for the affected area and shall be oper-
9 ated in coordination with the career centers in the
10 affected area.

11 (2) ONSITE TRANSITION CENTERS.—Funds
12 available under this section may be used to establish
13 a transition center that—

14 (A) is located at the site of a plant closure,
15 base closure, or mass layoff for the purpose of
16 providing reemployment services to eligible indi-
17 viduals affected by such layoff or closure,

18 (B) includes substantial funding from
19 sources other than public funds,

20 (C) is operated with the concurrence and
21 participation of affected workers and their rep-
22 resentatives and the affected employer, includ-
23 ing the worker-management transition assist-
24 ance committee established in accordance with
25 section 112(d) if such committee is established,

1 (D) provides the reemployment services de-
2 scribed in sections 119(b) and (c) directly or
3 through contracts with other entities, such as
4 outplacement agencies, and

5 (E) is administered in coordination with
6 the career centers in the substate area, includ-
7 ing arrangements to ensure that the affected
8 workers have the opportunity to receive services
9 at the career centers in addition to or in lieu of
10 receiving such services at the transition center.

11 **SEC. 116. STATE GRANTS FOR JOB RETENTION PROJECTS.**

12 (a) IN GENERAL.—The Governor may, consistent
13 with the limitation contained in section 101(c)(2)(B),
14 award grants to assist projects that—

15 (1) provide services to upgrade the skills of em-
16 ployed workers who are at risk of being permanently
17 laid off; and

18 (2) assist in retraining employed workers in
19 new technologies and work processes that will facili-
20 tate the conversion or restructuring of businesses
21 into high performance work organizations and avert
22 plant closings or substantial layoffs.

23 (b) STATE AND EMPLOYER CONTRIBUTION RE-
24 QUIRED.—In order for a project to be eligible for assist-
25 ance under subsection (a), the amount of the grant to be

1 awarded shall be matched by an equal amount provided
2 by a combination of—

3 (1) funds provided by the State, from funds
4 other than federal funds; and

5 (2) funds provided by the affected employers or
6 businesses.

7 (c) CONSULTATIONS.—Prior to awarding grants
8 under this section, the Governor shall consult with unions
9 representing affected workers regarding the proposed
10 projects.

11 **SEC. 117. ESTABLISHMENT OF SUBSTATE ADMINISTRATIVE**
12 **STRUCTURE.**

13 (a) DESIGNATION OF SUBSTATE AREAS.—

14 (1) The Governor of each State shall, after con-
15 sultation with the State council and local elected of-
16 ficials, designate substate areas for the State.

17 (2) Each service delivery area within a State
18 shall be included within a substate area and no serv-
19 ice delivery area shall be divided among two or more
20 substate areas.

21 (3) In making designations of substate areas,
22 the Governor shall consider—

23 (A) the availability of services throughout
24 the State;

1 (B) the capability to coordinate the deliv-
2 ery of services with other job training, human
3 services and economic development programs;
4 and

5 (C) the geographic boundaries of labor
6 market areas within the State.

7 (4) Subject to paragraphs (2) and (3), the Gov-
8 ernor—

9 (A) shall designate as a substate area any
10 single service delivery area that—

11 (i) has a population of 200,000 or
12 more, and

13 (ii) requests such designation;

14 (B) shall designate as a substate area any
15 two or more contiguous service delivery areas—

16 (i) that in the aggregate have a popu-
17 lation of 200,000 or more, and

18 (ii) that request such designation; and

19 (C) shall designate as a substate area any
20 concentrated employment program grantee for
21 a rural area described in section
22 101(a)(4)(A)(iii) of the Job Training Partner-
23 ship Act.

24 (5) The Governor may deny a request for des-
25 ignation under paragraph (4)(B) if the Governor de-

1 termines that such designation would not be consist-
2 ent with the effective delivery of services to eligible
3 dislocated workers in various labor market areas (in-
4 cluding urban and rural areas) within the State, or
5 would not otherwise be appropriate to carry out the
6 purposes of this title.

7 (6) The Governor shall not designate as a sub-
8 state area any area with a population of less than
9 200,000 unless such area meets the requirements of
10 paragraph (4)(C).

11 (7) From the funds reserved under section
12 101(c)(1), the Governor may award grants to en-
13 courage the formation of substate areas that are
14 based on labor market areas.

15 (8) The Governor may designate as substate
16 areas under this title areas designated as substate
17 areas under title III of the Job Training Partnership
18 Act prior to the enactment of this Act if such areas
19 meet the requirements of this subsection.

20 (9) The designations made under this sub-
21 section may not be revised more than once every
22 four years.

23 (b) DESIGNATION OF SUBSTATE GRANTEEES.—

24 (1) AGREEMENT.—A substate grantee shall be
25 designated, on a quadrennial basis, for each substate

1 area. Such substate grantee shall be designated in
2 accordance with an agreement among the Governor,
3 the local elected official or officials of such area, and
4 the private industry council or councils of such area.
5 Whenever a substate area is represented by more
6 than one such official or council, the respective offi-
7 cials and councils shall each designate representa-
8 tives, in accordance with procedures established by
9 the Governor (after consultation with the State
10 council), to negotiate such agreement. In the event
11 agreement cannot be reached on the selection of a
12 substate grantee, the Governor shall select the sub-
13 state grantee.

14 (2) ELIGIBILITY.—Entities eligible for designa-
15 tion as substate grantees include—

16 (A) private industry councils in the sub-
17 state area;

18 (B) service delivery area grant recipients
19 or administrative entities under the Job Train-
20 ing Partnership Act;

21 (C) private nonprofit organizations;

22 (D) units of general local government in
23 the substate area, or agencies thereof;

24 (E) local offices of State agencies;

1 (F) other public agencies, such as commu-
2 nity colleges and area vocational schools; and

3 (G) consortia of the entities described in
4 subparagraphs (A) through (F).

5 (c) FUNCTIONS OF SUBSTATE GRANTEEES.—

6 (1) IN GENERAL.—Except as provided in para-
7 graph (2), the substate grantees designated pursu-
8 ant to this subsection shall—

9 (A) receive and administer funds allocated
10 to the substate area, including the administra-
11 tion of payments to service providers in accord-
12 ance with section 119(d)(2);

13 (B) administer the process for the selection
14 of career center operators established pursuant
15 to section 118;

16 (C) conduct oversight and monitoring of
17 the program carried out within the substate
18 area and coordinate the operation of the career
19 centers established within the substate area;
20 and

21 (D) prepare and make publically available
22 a biennial written plan describing the objectives
23 to be accomplished and the activities to be un-
24 dertaken in the substate area under this title.

25 (2) SPECIAL RULE.—

1 (A) SELECTION PROCESS FOR CAREER
2 CENTER OPERATORS.—If a substate grantee de-
3 sires to be selected to operate a career center,
4 the process for the selection of career center op-
5 erators in the substate area shall be adminis-
6 tered by the private industry council or councils
7 established in such substate area. If such sub-
8 state grantee is such private industry council,
9 the process for the selection of career center op-
10 erators in the substate area shall be adminis-
11 tered by the Governor.

12 (B) OVERSIGHT.—If a substate grantee is
13 selected to operate a career center, the over-
14 sight of the career centers in the substate area
15 shall be carried out by the Governor.

16 **SEC. 118. ESTABLISHMENT OF CAREER CENTERS.**

17 (a) IN GENERAL.—The substate grantee designated
18 pursuant to section 117 shall, in accordance with the re-
19 quirements of this section, establish one or more career
20 centers in each substate area.

21 (b) FUNCTIONS OF CENTERS.—Each career center
22 shall be the point of access for eligible individuals to the
23 services provided pursuant to section 119.

24 (c) SELECTION OF CENTERS.—

1 (1) SELECTION PROCESS.—The substate grant-
2 ee shall select the career center operators in accord-
3 ance with the requirements of this subsection.

4 (2) ELIGIBLE ENTITIES.—Any entity or consor-
5 tium of entities located in the substate area may
6 apply, in accordance with the procedures described
7 in paragraph (3), to be selected as a career center
8 operator. Such entities may include—

9 (A) employment service offices,

10 (B) service delivery area grant recipients
11 or administrative entities under the Job Train-
12 ing Partnership Act,

13 (C) substate grantees under this title,

14 (D) community colleges and area voca-
15 tional schools,

16 (E) community-based and other private,
17 nonprofit organizations, and

18 (F) other interested private for-profit and
19 public organizations and entities.

20 (3) PUBLICATION OF PROCEDURES.—The sub-
21 state grantee, after consultation with the Governor
22 and local elected officials, shall publish, in a manner
23 that is generally available, information to notify or-
24 ganizations and individuals in the substate area of—

1 (A) the estimated number of career centers
2 to be established in the substate area;

3 (B) the application procedure for any en-
4 tity or consortium of entities desiring to be se-
5 lected to operate such centers, including when
6 and where such application is to be submitted
7 and what information such application is to
8 contain;

9 (C) the criteria for selection that will be
10 used, consistent with paragraph (4); and

11 (D) other information the substate grantee
12 considers relevant to the selection of operators
13 and administration of such centers.

14 (4) SELECTION CRITERIA.—

15 (A) OBJECTIVE FACTORS.—The substate
16 grantee, consistent with guidelines issued by the
17 Secretary, shall use objective criteria and per-
18 formance measures in assessing applications
19 submitted for selection as a career center opera-
20 tor.

21 (B) CONTENTS.—An applicant may not be
22 selected as a career center operator under this
23 title unless such applicant demonstrates to the
24 satisfaction of the substate grantee the ability
25 to operate a career center that would—

1 (i) provide the services described in
2 section 119;

3 (ii) utilize automated information sys-
4 tems to facilitate the exchange of informa-
5 tion among career centers;

6 (iii) meet the performance standards
7 prescribed pursuant to section 152;

8 (iv) meet the fiscal control require-
9 ments provided in part E;

10 (v) administer the process of referring
11 participants to education and training
12 services in an objective and equitable man-
13 ner; and

14 (vi) meet such other requirements as
15 the substate grantee determines is appro-
16 priate.

17 (C) LEVEL OF WAGES AND BENEFITS.—

18 The level of wages and benefits paid to non-
19 managerial employees by an applicant may not
20 be considered as a factor in the selection of a
21 career center operator. Other cost factors may
22 be taken into account in such selection.

23 (5) PERIOD OF SELECTION.—The substate
24 grantee shall select career center operators pursuant

1 to the requirements of this subsection once every
2 four years.

3 (6) ENFORCEMENT OF HONEST BROKER FUNC-
4 TIONS.—The substate grantee shall review, at least
5 once each program year, the education and training
6 referral practices of any career center that is oper-
7 ated by an entity that concurrently provides edu-
8 cation and training services to participants under
9 this title. If the substate grantee determines that
10 such center has engaged in a pattern of inappropri-
11 ate referrals to the education and training services
12 provided by the operator of such center, the substate
13 grantee may terminate the agreement to operate
14 such center or may require such operator to cease
15 providing education and training services to partici-
16 pants under this title as a condition for continuing
17 to operate such center.

18 (d) ON-SITE TRANSITION CENTERS.—In addition to
19 the career centers established under this section, a sub-
20 state grantee may use funds allocated to the substate area
21 to establish temporary, on-site transition centers that
22 meet the requirements described in section 115(c)(2).
23 Such centers may be established pursuant to grants, con-
24 tracts, or other arrangements with the entities described
25 in subsection (c)(2) of this section.

1 **SEC. 119. SERVICES TO BE PROVIDED TO ELIGIBLE INDIVIDUALS.**
2

3 (a) IN GENERAL.—Funds allocated to substate areas
4 pursuant to section 101(d) may be used to provide—

5 (1) basic reemployment services in accordance
6 with subsection (b);

7 (2) intensive reemployment services in accordance
8 with subsection (c);

9 (3) education and training services in accordance
10 with subsection (d);

11 (4) retraining income support in accordance
12 with subsection (e);

13 (5) supportive services in accordance with subsection
14 (f); and

15 (6) supplemental wage allowances for older
16 workers in accordance with subsection (g).

17 (b) BASIC REEMPLOYMENT SERVICES.—Each career
18 center established pursuant to this title shall make available
19 to eligible individuals the following services:

20 (1) outreach and provision of information to
21 make individuals aware of, and encourage the use of,
22 reemployment and training services, including efforts
23 to expand awareness of training and placement opportunities
24 for hard-to-serve individuals such as
25 those with limited English proficiency and those with
26 disabilities;

1 (2) intake and determination of eligibility for
2 assistance under this title;

3 (3) orientation to the information and services
4 available through such center;

5 (4) assistance in filing an initial claim for un-
6 employment compensation;

7 (5) a preliminary assessment of the skill levels
8 (including appropriate testing) and service needs of
9 such individuals, which may include such factors as
10 basic skills, occupational skills, prior work experi-
11 ence, employability, interests, aptitudes, and sup-
12 portive service needs;

13 (6) information relating to local, regional and
14 national labor markets, including—

15 (A) job vacancy listings in such markets,
16 and

17 (B) information relating to local occupa-
18 tions in demand and the earnings and skill re-
19 quirements for such occupations;

20 (7) job search assistance, including resume and
21 interview preparation, and workshops;

22 (8) job referral and job placement assistance;

23 (9) information relating to education and job
24 training programs, including the eligibility require-
25 ments of and services provided by such programs,

1 the availability and quality of such programs, and
2 student financial assistance available for such pro-
3 grams;

4 (10) assistance in evaluating whether such indi-
5 viduals are likely to be eligible for any employment
6 and training programs administered by the Sec-
7 retary other than this title;

8 (11) information collected pursuant to the per-
9 formance standards and quality assurance require-
10 ments of part C of this title;

11 (12) information relating to programs and pro-
12 viders of dependent care and other supportive serv-
13 ices available in the local area;

14 (13) group counseling, which may include peer
15 counseling, and which shall be available to such indi-
16 viduals jointly with their immediate families, includ-
17 ing group counseling relating to stress management
18 and financial management; and

19 (14) soliciting and accepting job orders submit-
20 ted by employers in the substate area, and referring
21 individuals in accordance with such orders.

22 (c) INTENSIVE REEMPLOYMENT SERVICES.—

23 (1) IN GENERAL.—Each career center estab-
24 lished pursuant to this title shall make available, to
25 eligible individuals who have received basic reemploy-

1 ment services under subsection (b) and have been
2 unable to obtain employment through such services,
3 the following services:

4 (A) Comprehensive and specialized assess-
5 ments of the skill levels and service needs of in-
6 dividuals, which may include—

7 (i) diagnostic testing and other assess-
8 ment tools; and

9 (ii) in-depth interviewing and evalua-
10 tion to identify employment barriers and
11 appropriate employment goals.

12 (B) The development of an individual re-
13 employment plan, which shall identify the em-
14 ployment goal (including, in appropriate cir-
15 cumstances, nontraditional employment), appro-
16 priate achievement objectives, and the appro-
17 priate combination of services for a participant
18 to achieve the employment goal.

19 (C) Individualized counseling and career
20 planning, including peer counseling and coun-
21 seling and planning relating to nontraditional
22 employment opportunities.

23 (D) Case management for individuals re-
24 ceiving education, training and supportive serv-
25 ices.

1 (E) Job development.

2 (F) Out-of-area job search allowances.

3 (G) Relocation allowances.

4 (H) Assistance in the selection of edu-
5 cation and training providers.

6 (I) Assistance in obtaining income support
7 for which the individual is eligible, including
8 student financial assistance, to enable such in-
9 dividual to participate in training.

10 (J) Follow-up counseling for individuals
11 placed in training or employment.

12 (2) ADDITIONAL CONDITIONS.—

13 (A) REEMPLOYMENT PLAN.—

14 (i) JOINT DEVELOPMENT.—The indi-
15 vidual reemployment plan described in
16 paragraph (1)(B) shall be developed jointly
17 by the eligible individual and a career
18 counselor. Both parties shall sign the plan
19 and periodically review the progress of the
20 individual in achieving the objectives set
21 forth in the plan. In the event of a dis-
22 agreement over the content of the plan, the
23 eligible individual shall be provided an op-
24 portunity to appeal the career counselor's
25 recommendation pursuant to section 164.

1 (ii) EMPLOYMENT GOAL.—The em-
2 ployment goal identified under an individ-
3 ual reemployment plan described under
4 paragraph (1)(B) shall relate to employ-
5 ment in an occupation for which there is a
6 demand in the local area, or in another
7 area to which the individual is willing to
8 relocate.

9 (iii) PROHIBITION ON PRIVATE AC-
10 TIONS.—Nothing in this section shall be
11 construed to establish a right for an indi-
12 vidual to bring a private action to obtain
13 the services described in the reemployment
14 plan.

15 (B) OUT-OF-AREA JOB SEARCH ALLOW-
16 ANCE.—

17 (i) IN GENERAL.—Out-of-area job
18 search allowances provided under para-
19 graph (1)(F) shall provide reimbursement
20 to the individual of not more than 90 per-
21 cent of the cost of necessary job search ex-
22 penses, up to a maximum payment speci-
23 fied by the Secretary in regulations.

1 (ii) CRITERIA FOR GRANTING JOB
2 SEARCH ALLOWANCES.—A job search al-
3 lowance may be granted only—

4 (I) to assist an eligible individual
5 in securing a job within the United
6 States; and

7 (II) where the career center de-
8 termines that such employee cannot
9 reasonably be expected to secure suit-
10 able employment in the commuting
11 area in which the worker resides.

12 (C) RELOCATION ALLOWANCE.—

13 (i) IN GENERAL.—Relocation allow-
14 ances provided under paragraph (1)(G)
15 may only be granted to assist an eligible
16 individual in relocating within the United
17 States and only if the career center deter-
18 mines that such employee—

19 (I) cannot reasonably be expected
20 to secure suitable employment in the
21 commuting area in which the em-
22 ployee resides;

23 (II) has obtained suitable em-
24 ployment affording a reasonable ex-
25 pectation of long-term duration in the

1 area in which the employee wishes to
2 relocate, or has obtained a bona fide
3 offer of such employment, and

4 (III) is totally separated from
5 employment at the time relocation
6 commences.

7 (ii) AMOUNT OF RELOCATION ALLOW-
8 ANCE.—The amount of any relocation al-
9 lowance for any eligible individual may not
10 exceed an amount which is equal to the
11 sum of—

12 (I) 90 percent of the reasonable
13 and necessary expenses, specified in
14 regulations prescribed by the Sec-
15 retary, incurred in transporting an in-
16 dividual and the individual's family, if
17 any, and household effects, and

18 (II) a lump sum equivalent to 3
19 times the employee's average weekly
20 wage in the previous job, up to a max-
21 imum payment specified by the Sec-
22 retary in regulations.

23 (d) EDUCATION AND TRAINING.—

24 (1) AVAILABLE SERVICES.—Each career center
25 shall make available a list of eligible providers of—

1 (A) basic skills training, including remedial
2 education, literacy training, and English-as-a-
3 second language instruction;

4 (B) occupational skills training, provided
5 either in a classroom or on-the-job; and

6 (C) other skills-based education and train-
7 ing that such center considers appropriate,
8 which may include entrepreneurial training and
9 training in skills required for high performance
10 work organizations, such as problem solving
11 and skills related to the use of new tech-
12 nologies.

13 (2) REFERRALS.—An eligible individual who
14 has an individual reemployment plan developed pur-
15 suant to subsection (c)(1)(B) that specifies edu-
16 cation and training services as are necessary to the
17 reemployment of such individual shall, in consulta-
18 tion with a career counselor, select a service provider
19 for such services from the list described in para-
20 graph (1). The career centers shall refer such indi-
21 viduals to such service providers and arrange with
22 the substate grantee for payment to the provider for
23 the services provided consistent with the limitation
24 contained in paragraph (5).

1 (3) ELIGIBLE PROVIDERS.—For the purposes of
2 this title, an eligible provider of education and train-
3 ing services is a provider that meets the require-
4 ments of section 154.

5 (4) CONTRACT EXPECTATIONS.—Education and
6 training services authorized under this title may be
7 provided pursuant to a contract for services between
8 the substate grantee and an eligible service provider
9 in lieu of the referral procedures described in para-
10 graph (2) if such services—

11 (A) are customized by a provider to meet
12 the particular needs of a specific group of eligi-
13 ble individuals in the substate area; or

14 (B) are on-the-job training provided by an
15 employer.

16 (5) CAP ON TRAINING.—

17 (A) LIMITATION.—The program under this
18 title shall not pay an amount in excess of
19 \$4750 for the provision of education and train-
20 ing to any individual under this subsection over
21 any 12-month period.

22 (B) RELATIONSHIP TO STUDENT FINAN-
23 CIAL ASSISTANCE.—

24 (i) For purposes of determining a stu-
25 dent's need for grant, loan, or work assist-

1 ance under title IV of the Higher Edu-
2 cation Act of 1965, the funds provided to
3 a participant for education and training
4 under this subsection shall be considered to
5 be estimated financial assistance not re-
6 ceived under such title IV for the purpose
7 of section 471(3) of such Act.

8 (ii) Notwithstanding section 401(b) of
9 such Act, the funds provided to a partici-
10 pant for education and training under this
11 subsection shall be applied to reduce the
12 student's cost of attendance (as defined in
13 section 472 of such Act) prior to determin-
14 ing the amount of a student's Federal Pell
15 Grant award under subpart 1 of part A of
16 title IV of such Act, except that such re-
17 duction shall not result in a negative num-
18 ber.

19 (iii) Nothing in this Act shall be con-
20 strued to modify the eligibility require-
21 ments applicable to students, programs of
22 study, or institutions of higher education
23 under title IV of such Act.

24 (6) LIMIT ON LENGTH OF TRAINING.—No par-
25 ticipant may receive assistance from funds under

1 this title for education or training for more than 104
2 weeks in a five-year period.

3 (7) APPROVED TRAINING.—

4 (A) RELATIONSHIP TO INCOME SUPPORT
5 PROGRAM UNDER TITLE II.—For the purposes
6 of the program authorized under part A of title
7 I of the Retraining Income Support Act of
8 1994, the career centers shall be considered an
9 agency certified by the Secretary to develop a
10 reemployment plan.

11 (B) RELATIONSHIP TO UNEMPLOYMENT
12 COMPENSATION.—An eligible individual partici-
13 pating in education and training services under
14 this title shall be deemed to be in training with
15 the approval of the State agency for the pur-
16 poses of section 3304(a)(8) of the Internal Rev-
17 enue Code of 1986.

18 (8) ON-THE-JOB TRAINING.—The provisions of
19 paragraphs (5), (6), and (7) shall not apply to on-
20 the-job training provided under this title. Such on-
21 the-job training shall be provided consistent with the
22 limitations described in section 161(d).

23 (e) RETRAINING INCOME SUPPORT.—

24 (1) IN GENERAL.—Eligible individuals receiving
25 education and training services pursuant to sub-

1 section (d) who meet the requirements for receiving
2 retraining income support under part A of title I of
3 the Retraining Income Support Act of 1994 shall be
4 referred to such program for such support. For pro-
5 gram years 1995 through 1999, individuals who do
6 not meet the requirements of such program but who
7 do meet the requirements of paragraph (2) shall, to
8 the extent appropriated funds are available, be pro-
9 vided retraining income support in accordance with
10 this subsection.

11 (2) ELIGIBILITY.—An eligible individual shall,
12 to the extent appropriated funds are available, be
13 provided retraining income support in accordance
14 with this subsection if such individual—

15 (A) has been permanently laid off;

16 (B) either—

17 (i) had been continuously employed at
18 the time of such permanent layoff for a pe-
19 riod of one year or more, but less than
20 three years, by the employer from whom
21 such individual has been permanently laid
22 off; or

23 (ii) was continuously employed in the
24 same occupation and industry by an em-
25 ployer for a period of one year or more and

1 was, within the preceding 12-month pe-
2 riod—

3 (I) separated from such em-
4 ployer, and

5 (II) employed in the same occu-
6 pation and industry by the subsequent
7 employer from whom such individual
8 has been permanently laid off;

9 (C)(i) was entitled, as a result of the layoff
10 described in subparagraph (A), to (or would
11 have been entitled to if such individual had ap-
12 plied therefor) unemployment compensation
13 under any Federal or state law for a week with-
14 in the benefit period—

15 (I) in which the layoff took place, or

16 (II) which began (or would have
17 begun) by reason of the filing of a claim
18 for unemployment compensation by such
19 individual after such layoff;

20 (ii) has exhausted all rights to any unem-
21 ployment compensation to which such individual
22 was entitled (or would have been entitled if
23 such individual had applied therefor); and

1 (iii) does not have an unexpired waiting
2 period applicable to such individual for such un-
3 employment compensation;

4 (D) has been enrolled in education or
5 training pursuant to subsection (d) by—

6 (i) the end of the 16th week after the
7 permanent layoff described in subpara-
8 graph (A), or, if later, the end of the 14th
9 week after such individual was informed
10 that the layoff will exceed 6 months; or

11 (ii) a period that is not in excess of
12 30 days after the periods described in
13 clause (i), in cases where the substate
14 grantee determines, in accordance with
15 guidelines issued by the Secretary, that
16 there are extenuating circumstances that
17 justify such extension, such as a cancella-
18 tion of a course, a first available enroll-
19 ment date that is after the periods de-
20 scribed in subparagraph (A), or the com-
21 mencement of negotiations for reopening a
22 plant or facility from which an individual
23 has been laid off; and

1 (E) is participating, and making satisfac-
2 tory progress, in education or training provided
3 pursuant to subsection (d).

4 (3) SPECIAL RULES.—

5 (A) CONTINUOUS EMPLOYMENT.—

6 (i) For purposes of clause (ii) of para-
7 graph (2)(B) and subject to the limitations
8 of clause (ii) of this subparagraph, contin-
9 uous employment shall be deemed to in-
10 clude any week in which an individual—

11 (I) was on employer-authorized
12 leave for purposes of vacation, sick-
13 ness, injury or inactive duty or active
14 duty military service for training,

15 (II) was on employer-authorized
16 leave because of circumstances de-
17 scribed in subsection 102(a) of the
18 Family and Medical Leave Act of
19 1993,

20 (III) did not work because of a
21 disability that is compensable under a
22 worker's compensation law or plan of
23 a State or the United States,

24 (IV) had his, or her, employment
25 interrupted in order to serve as a full-

1 time representative of a labor organi-
2 zation in such firm or subdivision,

3 (V) was on call-up for purposes
4 of active duty in a reserve status in
5 the Armed Forces of the United
6 States, provided such active duty is
7 “Federal service” as defined in 5
8 U.S.C. 8521(a)(1), or

9 (VI) was on temporary layoff.

10 (ii) For the purposes of clause (i), no
11 more than the following number of weeks
12 within a one year period may be treated as
13 weeks of employment—

14 (I) 7 weeks in the case of weeks
15 described in subclauses (I) or (IV) of
16 clause (i), or both;

17 (II) 12 weeks in the case of
18 weeks described in subclause (II) of
19 clause (i); and

20 (III) 26 weeks in the case of
21 weeks described in subclause (III) and
22 (V) of clause (i).

23 (B) SAME EMPLOYER.—

24 (i) For the purpose of clause (ii) of
25 paragraph (2)(B), employment deemed to

1 be employment for a single employer shall
2 include—

3 (I) all employment that was cov-
4 ered by a multiemployer plan defined
5 by section 4001(a)(3) of the Employee
6 Retirement Income Security Act of
7 1974;

8 (II) all employment that was ob-
9 tained through a single hiring hall,

10 (III) all employment for the em-
11 ployer from whom the individual was
12 laid-off or the predecessor of such em-
13 ployer, and

14 (IV) all employment for employ-
15 ers in a joint employment relation-
16 ship, as described in section 791.2(b)
17 of title 29 of the Code of Federal Reg-
18 ulations, with the individual.

19 (ii) For purposes of subclause (III) of
20 clause (i), an employer shall be considered
21 a predecessor of the employer from whom
22 the individual was laid-off (hereinafter re-
23 ferred to as successor employer) if—

24 (I) the successor employer ac-
25 quired substantially all the property

1 used in a trade or business, or used in
2 a separate unit of a trade or business,
3 from such employer; and

4 (II) the individual who was laid
5 off was employed by such employer in
6 such trade or business, or in a sepa-
7 rate unit of such trade or business,
8 immediately before the acquisition and
9 was employed by the successor em-
10 ployer immediately after the acqui-
11 sition.

12 (c) INDIVIDUAL TREATED AS PARTICIPAT-
13 ING IN EDUCATION OR TRAINING PROGRAM.—
14 For purposes of subparagraph (E) of paragraph
15 (2), an individual shall be treated as participat-
16 ing, and making satisfactory progress, in an
17 education or training program during any week
18 which is part of a break from training that does
19 not exceed 28 days if the break is provided
20 under such program.

21 (4) WEEKLY AMOUNT OF PAYMENTS.—The re-
22 training income support payment payable to an indi-
23 vidual under this subsection shall be an amount
24 equal to the most recent benefit amount of the un-
25 employment compensation payable to such individual

1 for a week of total unemployment preceding such in-
2 dividual's first exhaustion of unemployment com-
3 pensation related to the permanent layoff reduced
4 (but not below zero) by—

5 (A) any training income support provided
6 for such week to such individual under another
7 Federal program;

8 (B) income that is earned from employ-
9 ment that exceeds one-half the amount equal to
10 the most recent weekly benefit amount of the
11 unemployment compensation payable to such
12 individual for a week of total unemployment.

13 (5) TOTAL AMOUNT OF PAYMENTS.—The maxi-
14 mum amount of retraining income support payable
15 to an individual under this subsection shall be the
16 amount which is the product of 26 multiplied by the
17 retraining income support payable to the individual
18 for a week of total unemployment (as determined
19 under paragraph (4)), but such product shall be re-
20 duced by the total sum of extended and additional
21 compensation to which the individual was entitled in
22 the worker's first benefit period as described in
23 paragraph (2)(C).

24 (6) ADMINISTRATION.—The substate grantee
25 shall enter into an agreement with the State agency

1 charged with the administration of the State unem-
2 ployment compensation law under which such agency
3 will administer, on a cost-reimbursable basis, the re-
4 training income support payments authorized under
5 this subsection.

6 (7) CAREER CENTER ROLE.—Each career cen-
7 ter shall assist an individual receiving education or
8 training pursuant to subsection (d) in applying for
9 retraining income support under either part A of
10 title I of the Retraining Income Support Act of 1994
11 or this subsection depending on the program for
12 which such individual is eligible. If such individual is
13 not eligible for either program and such individual
14 believes income support is necessary to enable par-
15 ticipation in training, the career center shall assist
16 such individual in applying for other appropriate
17 sources of such income support, including student fi-
18 nancial aid.

19 (8) INFORMATION DISSEMINATION.—The career
20 centers shall provide individuals determined eligible
21 under this title with information relating to the
22 availability of retraining income support and the re-
23 quirements relating to eligibility for such support.
24 Such information shall include the provision, as soon
25 as is practicable, of information to such individuals

1 describing the time periods by which enrollment in
2 education and training must occur in order to be eli-
3 gible for retraining income support pursuant to
4 paragraph (2)(D) of this subsection and section 102
5 of the Retraining Income Support Act of 1994. In
6 addition, the substate grantee shall make arrange-
7 ments with the State agency charged with the ad-
8 ministration of the State unemployment compensa-
9 tion law to make such information generally avail-
10 able to claimants along with other information de-
11 scribing the services available under this title.

12 (f) SUPPORTIVE SERVICES.—

13 (1) IN GENERAL.—Each career center shall
14 make available to an eligible individual, either
15 through direct payment, payment to a service pro-
16 vider, or arrangements through appropriate agen-
17 cies, such supportive services as are identified in
18 such individuals' reemployment plan as necessary to
19 enable such individual to participate in intensive re-
20 employment services or education and training serv-
21 ices.

22 (2) OPTIONAL SERVICES.—Each career center
23 may make available to an eligible individual such
24 supportive services as such center determines is ap-

1 appropriate to enable such individual to participate in
2 basic reemployment services.

3 (3) SERVICES AVAILABLE.—The supportive
4 services provided pursuant to this subsection may in-
5 clude, but are not limited to, transportation, depend-
6 ent care, meals, health care, temporary shelter,
7 needs-related payments, drug and alcohol abuse
8 counseling and referral, family counseling, and other
9 similar services.

10 (g) SUPPLEMENTAL WAGE ALLOWANCE FOR OLDER
11 WORKERS.—

12 (1) IN GENERAL.—An eligible individual may
13 receive a supplemental wage allowance in the
14 amount specified in paragraph (2) if—

15 (A) such individual is age 55 or older,

16 (B) such individual accepts full-time em-
17 ployment at a weekly wage that is less than
18 such individual's preceding wage,

19 (C) such individual received basic reem-
20 ployment services provided under subsection (a)
21 and was unable to obtain employment with a
22 higher wage than the employment obtained pur-
23 suant to subparagraph (B), and

24 (D) such individual and a career center
25 counselor agree that participation in the supple-

1 mental wage allowance is the most effective ad-
2 justment option available to such individual.

3 (2) AMOUNT OF ALLOWANCE.—The supple-
4 mental wage allowance payable to an eligible individ-
5 ual under this section with respect to any week in
6 which services are performed in such a reemploy-
7 ment job shall be an amount that—

8 (A) is equal to three quarters of the dif-
9 ference between—

10 (i) the weekly wage received for such
11 week and

12 (ii) an amount equal to 80 percent of
13 the individual's average weekly wage in the
14 preceding employment; but

15 (B) does not exceed 50 percent of the
16 weekly benefit amount of regular compensation
17 under the State unemployment compensation
18 law payable to such individual for a week of
19 total unemployment.

20 (3) DURATION OF ALLOWANCES.—An eligible
21 individual may receive the supplemental wage allow-
22 ance authorized under this section for a period of up
23 to 52 weeks.

24 (4) ADMINISTRATION.—The substate grantee
25 shall enter into an agreement with the State agency

1 charged with the administration of the State unem-
2 ployment compensation law under which such agency
3 will administer, on a cost-reimbursable basis, the
4 supplemental wage allowances authorized under this
5 subsection.

6 **SEC. 120. CERTIFICATES OF CONTINUING ELIGIBILITY.**

7 (a) IN GENERAL.—A career center may issue a cer-
8 tificate of continuing eligibility for services under this title
9 if such career center determines that—

10 (1) such individual is eligible for services under
11 section 103; and

12 (2) such individual is accepting employment
13 and such employment is—

14 (A) at a wage significantly less than such
15 individual's previous wage; or

16 (B) in an occupation significantly different
17 from such individual's previous occupation.

18 (b) CONTENTS.—A certificate of continuing eligibility
19 issued pursuant to subsection (a) shall specify a period
20 of time not to exceed 104 weeks that such individual shall
21 remain eligible, notwithstanding the requirements of sec-
22 tion 103, for services under this title and for retraining
23 income support payments under section 119(e) and part
24 A of title I of the Retraining Income Support Act of 1994.

1 (c) ELIGIBILITY FOR RETRAINING INCOME SUP-
2 PORT.—With respect to the continuing eligibility of an in-
3 dividual receiving a certificate under this section for re-
4 training income support—

5 (1) the requirements relating to eligibility for
6 unemployment compensation under section
7 119(e)(2)(C) and section 102(a)(3) of the Retrain-
8 ing Income Support Act of 1994 and to the weekly
9 amount of such support under section 119(e)(4) and
10 part A of title I of the Retraining Income Support
11 Act of 1994 shall apply to such individual's status
12 at the time such individual receives a certificate
13 under this section and shall not apply to such indi-
14 vidual's status at the time of separation from subse-
15 quent employment described in subsection (a)(2);
16 and

17 (2) the requirements relating to enrollment in
18 training in order to qualify for such income support
19 shall remain applicable except that the 16-week and
20 14-week periods described in section 119(e)(2) and
21 section 102(a)(4) of the Retraining Income Support
22 Act shall commence with such individual's separa-
23 tion from the subsequent employment described in
24 subsection (a)(2).

1 (d) LIMITATION.—An individual may not receive a
2 wage supplement authorized under section 119(g) after re-
3 ceiving a certificate of continuing eligibility under this sec-
4 tion.

5 **PART B—FEDERAL SERVICE DELIVERY SYSTEM**

6 **SEC. 131. NATIONAL DISCRETIONARY GRANT PROGRAM.**

7 (a) ESTABLISHMENT.—The Secretary shall establish
8 a program of national grants to address large scale eco-
9 nomic dislocations that result from plant closures, base
10 closures, or mass layoffs.

11 (b) PROJECTS AND SERVICES.—

12 (1) IN GENERAL.—The programs assisted
13 under this section shall be used to provide services
14 of the type described in section 119 in projects that
15 relate to—

16 (A) industry-wide dislocations;

17 (B) multistate dislocations;

18 (C) dislocations resulting from reductions
19 in defense expenditures;

20 (D) dislocations resulting from inter-
21 national trade;

22 (E) dislocations resulting from environ-
23 mental laws and regulations, including the
24 Clean Air Act and the Endangered Species Act;

1 (F) dislocations affecting Native American
2 tribal entities; and

3 (G) other dislocations that result from spe-
4 cial circumstances or that State and local re-
5 sources are insufficient to address.

6 (2) COMMUNITY PROJECTS.—The Secretary
7 may award grants under this section for projects
8 that provide comprehensive planning services to as-
9 sist communities in addressing and reducing the im-
10 pact of an economic dislocation.

11 (3) ON-SITE TRANSITION CENTERS.—The Sec-
12 retary may award grants under this section to
13 projects that establish on-site transition centers
14 meeting the requirements described in section
15 115(c)(2).

16 (c) ADMINISTRATION.—

17 (1) APPLICATION.—To receive a grant under
18 this section, an eligible entity shall submit an appli-
19 cation to the Secretary at such time, in such man-
20 ner, and accompanied by such information as the
21 secretary determines is appropriate.

22 (2) ELIGIBLE ENTITIES.—Grants under this
23 section may be awarded to—

24 (A) the State;

25 (B) the substate grantee;

- 1 (C) employers and employer associations;
- 2 (D) worker-management transition assist-
- 3 ance committees and other employer-employee
- 4 entities;
- 5 (E) representatives of employees;
- 6 (F) community development corporations
- 7 and community-based organizations; and
- 8 (G) industry consortia.

9 **SEC. 132. DISASTER RELIEF EMPLOYMENT ASSISTANCE.**

10 (a) GENERAL AUTHORITY.—

11 (1) QUALIFICATION FOR FUNDS.—Funds ap-

12 propriated to carry out this section shall be made

13 available in a timely manner by the Secretary to the

14 Governor of any State within which is located an

15 area that has suffered an emergency or a major dis-

16 aster as defined in paragraphs (1) and (2), respec-

17 tively, of section 102 of the Robert T. Stafford Dis-

18 aster Relief and Emergency Assistance Act (referred

19 to in this section as the “disaster area”).

20 (2) SUBSTATE ALLOCATION.—Not less than 80

21 percent of the funds made available to any Governor

22 under paragraph (1) shall be allocated by the Gov-

23 ernor to units of general local government located,

24 in whole or in part, within such disaster areas. The

25 remainder of such funds may be reserved by the

1 Governor for use, in concert with State agencies, in
2 cleanup, rescue, repair, renovation, and rebuilding
3 activities associated with such major disaster.

4 (3) COORDINATION.—Funds made available
5 under this section to Governors and units of general
6 local government shall be expended in consultation
7 with—

8 (A) agencies administering programs for
9 disaster relief provided under the Robert T.
10 Stafford Disaster Relief and Emergency Assist-
11 ance Act; and

12 (B) the administrative entity and the pri-
13 vate industry council in each service delivery
14 area within which disaster employment pro-
15 grams will be conducted under this part.

16 (b) USE OF FUNDS.—

17 (1) PROJECTS RESTRICTED TO DISASTER
18 AREAS.—Funds made available under this section to
19 any unit of general local government in a disaster
20 area—

21 (A) shall be used exclusively to provide em-
22 ployment on projects to provide food, clothing,
23 shelter, and other humanitarian assistance for
24 disaster victims and on projects regarding dem-
25 olition, cleanup, repair, renovation, and recon-

1 struction of damaged and destroyed structures,
2 facilities, and lands located within the disaster
3 area; and

4 (B) may be expended through public and
5 private agencies and organizations engaged in
6 such projects.

7 (2) ELIGIBILITY REQUIREMENTS.—Notwith-
8 standing section 103, an individual shall be eligible
9 to be offered disaster employment under this section
10 if such individual is temporarily or permanently laid
11 off as a consequence of the disaster.

12 (3) LIMITATIONS ON DISASTER RELIEF EM-
13 PLOYMENT.—No individual shall be employed under
14 this part for more than 6 months for work related
15 to recovery from a single natural disaster.

16 (c) DEFINITIONS.—As used in this section, the term
17 “unit of general local government” includes—

18 (1) in the case of a community conducting a
19 project in an Indian reservation or Alaska Native
20 village, the grantee designated under subsection (c)
21 or (d) or of section 401 of the Job Training Part-
22 nership Act, or a consortium of such grantees and
23 the State; and

24 (2) in the case of a community conducting a
25 project in a migrant or seasonal farmworker commu-

1 nity, the grantee designated under section 402(c) of
2 the Job Training Partnership Act, or a consortium
3 of such grantees and the State.

4 **SEC. 133. EVALUATION, RESEARCH, AND DEMONSTRATIONS.**
5

6 (A) EVALUATION.—

7 (1) IN GENERAL.—The Secretary shall provide
8 for the continuing evaluation of programs conducted
9 under this title, including the cost-effectiveness of
10 programs in achieving the purposes of this title.

11 (2) TECHNIQUES.—

12 (A) METHODS.—Evaluations conducted
13 under paragraph (1) shall utilize recognized
14 statistical methods and techniques of the behav-
15 ioral and social sciences, including methodolo-
16 gies that control for self-selection, where fea-
17 sible.

18 (B) ANALYSIS.—Such evaluations may in-
19 clude cost benefit analyses of programs, and
20 analyses of the impact of the programs on par-
21 ticipants and the community, the extent to
22 which programs meet the needs of various de-
23 mographic groups, and the effectiveness of the
24 delivery systems used by the various programs.

1 (C) EFFECTIVENESS.—The Secretary shall
2 evaluate the effectiveness of programs author-
3 ized under this title with respect to—

4 (i) the statutory goals;

5 (ii) the performance standards estab-
6 lished by the Secretary; and

7 (iii) the extent to which such pro-
8 grams enhance the employment and earn-
9 ings of participants, reduce income support
10 costs, improve the employment com-
11 petencies of participants in comparison to
12 comparable persons who did not partici-
13 pate in such programs, and, to the extent
14 feasible, increase the level of total employ-
15 ment over the level that would have existed
16 in the absence of such programs.

17 (b) RESEARCH.—

18 (1) IN GENERAL.—The Secretary shall establish
19 a program of research relating to addressing eco-
20 nomic dislocation, facilitating the transition of per-
21 manently laid off workers to reemployment, and up-
22 grading the skills of employed workers.

23 (2) MASS LAYOFF REPORT.—The Secretary
24 shall develop and maintain statistical data relating
25 to permanent layoffs and plant closings. The Sec-

1 retary shall publish a report based upon such data,
2 as soon as practicable, after the end of each cal-
3 endar year. Among the data to be included are—

4 (A) the number of such closings;

5 (B) the number of workers displaced;

6 (C) the location of the affected facilities;

7 and

8 (D) the types of industries involved.

9 (c) DEMONSTRATIONS.—

10 (1) IN GENERAL.—The Secretary shall conduct
11 a program of demonstration projects to develop and
12 improve the methods for addressing economic dis-
13 location and promoting worker adjustment. Such
14 program may include projects that—

15 (A) provide services to upgrade the skills
16 of employed workers who are at risk of being
17 permanently laid off; and

18 (B) assist in retraining employed workers
19 in new technologies and work processes that
20 will facilitate the conversion or restructuring of
21 businesses into high performance work organi-
22 zations and avert plant closings or substantial
23 layoffs.

1 (2) LIMITATION.—Each demonstration project
2 conducted under this subsection shall not exceed
3 three years in duration.

4 (3) EVALUATION COMPONENT.—The Secretary
5 shall conduct or provide for an evaluation of each of
6 the projects carried out pursuant to this subsection.

7 **SEC. 134. CAPACITY BUILDING AND TECHNICAL ASSIST-**
8 **ANCE.**

9 (a) IN GENERAL.—The Secretary shall provide,
10 through grants, contracts, or other arrangements, staff
11 training and technical assistance to States, substate
12 grantees, career centers, communities, business and labor
13 organizations, service providers, industry consortia, and
14 other entities, to enhance their capacity to develop and
15 deliver effective adjustment assistance services to workers
16 and to avert plant closings or substantial layoffs. Such as-
17 sistance may include the development of management in-
18 formation systems, customized training programs, and the
19 dissemination of computer-accessed learning systems.

20 (b) COORDINATION.—The Secretary shall integrate
21 the activities carried out pursuant to subsection (a) with
22 the activities of the Capacity Building and Information
23 and Dissemination Network established under section 453
24 of the Job Training Partnership Act.

1 **SEC. 135. FEDERAL BYPASS AUTHORITY.**

2 In the event that any State chooses not to participate
3 in the program authorized under this title, the Secretary
4 shall use the amount that would be allotted to such State
5 under section 101(b) to provide for the delivery in that
6 State of the programs, activities, and services authorized
7 under this title until such time as such State chooses to
8 participate in the program.

9 **PART C—PERFORMANCE STANDARDS AND**
10 **QUALITY ASSURANCE SYSTEMS**

11 **SEC. 151. CUSTOMER SERVICE COMPACT.**

12 The Secretary shall establish a process within each
13 State, which shall include an annual meeting, to promote
14 the development of a customer service compact among the
15 parties administering the programs under this title. Such
16 compact shall include an informal agreement between the
17 Secretary, Governor, each substate grantee, and each ca-
18 reer center relating to—

19 (1) the shared goals and values that will govern
20 the administration of the program;

21 (2) the respective roles and responsibilities of
22 each party in enhancing the provision of services to
23 participants, including ensuring that such services
24 are tailored to the particular needs of participants in
25 each local area;

1 (3) methods for ensuring that the satisfaction
2 of participants with the services received is a pri-
3 mary consideration in the administration of the pro-
4 gram; and

5 (4) such other matters as the parties determine
6 are appropriate.

7 **SEC. 152. PERFORMANCE STANDARDS.**

8 (a) IN GENERAL.—The Secretary, after consultation
9 with the Secretary of Education, Governors, substate
10 grantees, and career centers, shall prescribe performance
11 standards relating separately to the substate grantees and
12 the career centers established under this title. Such stand-
13 ards shall be based on factors the Secretary determines
14 are appropriate, which may include—

15 (1) placement, retention and earnings of par-
16 ticipants in unsubsidized employment, including—

17 (A) earnings at six months or more after
18 termination from the program, and

19 (B) comparability of wages at a specified
20 period after termination from the program with
21 wages prior to participation in the program;

22 (2) acquisition of skills pursuant to a skill
23 standards and skill certification system endorsed by
24 the National Skill Standards Board established
25 under the Goals 2000: Educate America Act;

1 (3) satisfaction of participants and employers
2 with services provided and employment outcomes;
3 and

4 (4) the quality of services provided to hard-to-
5 serve populations, such as low income individuals
6 and older workers.

7 (b) ADJUSTMENTS.—Each Governor shall, within pa-
8 rameters established by the Secretary and after consulta-
9 tion with substate grantees and career centers, prescribe
10 adjustments to the performance standards prescribed
11 under section (a) for the substate grantees and career cen-
12 ters established in the State based on—

13 (1) specific economic, geographic and demo-
14 graphic factors in the State and in substate areas
15 within the State; and

16 (2) the characteristics of the population to be
17 served, including the demonstrated difficulties in
18 serving special populations.

19 (c) FAILURE TO MEET STANDARDS.—

20 (1) UNIFORM CRITERIA.—The Secretary shall
21 establish uniform criteria for determining whether a
22 substate grantee or career center fails to meet per-
23 formance standards under this section. Such criteria
24 may not be modified more than once every two
25 years.

1 (2) TECHNICAL ASSISTANCE.—The governor
2 shall provide technical assistance to substate grant-
3 ees and career centers failing to meet performance
4 standards under the uniform criteria established
5 under paragraph (1).

6 (3) REPORT ON PERFORMANCE.—Each Gov-
7 ernor shall include in an annual report to the Sec-
8 retary the final performance standards and perform-
9 ance for each substate grantee and career center
10 within the State, along with the technical assistance
11 planned and provided as required under paragraph
12 (2).

13 (4) REDESIGNATION.—If a substate grantee or
14 career center continues to fail to meet such perform-
15 ance standards for two consecutive program years,
16 the Governor shall notify the Secretary and the sub-
17 state grantee or career center of the continued fail-
18 ure, and shall—

19 (A) in the case of a substate grantee, ter-
20minate the grant agreement and designate an-
21other entity as the substate grantee consistent
22with the procedures described in section
23117(b)(2); and

24 (B) in the case of a career center, direct
25the substate grantee to terminate the agree-

1 ment to operate such center and to select an-
2 other entity as a career center in accordance
3 with the requirements of section 118.

4 (5) APPEAL.—A substate grantee or career cen-
5 ter that is the subject of a redesignation under para-
6 graph (4) may, within thirty days after receiving no-
7 tice thereof, appeal to the Secretary of Labor to re-
8 scind such action. The Secretary of Labor shall issue
9 a decision on the appeal within thirty days of its re-
10 ceipt.

11 (d) INCENTIVE GRANTS.—From the funds reserved
12 pursuant to section 101(c)(1), the Governor of each State
13 shall award incentive grants to the substate grantees and
14 career centers in the State exceeding performance stand-
15 ards established under this section. Such grants shall be
16 used by the substate grantees and career centers to en-
17 hance or expand the services provided under this title.

18 **SEC. 153. CUSTOMER FEEDBACK.**

19 (a) METHODS.—Each substate grantee shall estab-
20 lish methods for obtaining, on a regular basis, information
21 from eligible individuals and employers who have received
22 services through a career center regarding the effective-
23 ness and quality of such services and of service providers.
24 Such methods may include the use of surveys, interviews,
25 and focus groups.

1 (b) ANALYSIS AND DISSEMINATION.—Each substate
2 grantee shall analyze the information obtained pursuant
3 to subsection (a) on a regular basis and provide a sum-
4 mary of such information accompanied by such analysis
5 to the career center for use in improving the administra-
6 tion of the programs under this title and assisting partici-
7 pants in choosing from among eligible service providers.

8 **SEC. 154. ELIGIBILITY REQUIREMENTS FOR PROVIDERS OF**
9 **EDUCATION AND TRAINING SERVICES.**

10 (a) ELIGIBILITY REQUIREMENTS.—A provider of
11 education and training services shall be eligible to receive
12 funds under this title if such provider—

13 (1) is either—

14 (A) eligible to participate in title IV of the
15 Higher Education Act of 1965, or

16 (B) determined to be eligible under the
17 procedures described in subsection (b); and

18 (2) provides the performance-based information
19 required pursuant to subsection (c).

20 (b) ALTERNATIVE ELIGIBILITY PROCEDURE.—(1)
21 The Governor shall establish an alternative eligibility pro-
22 cedure for providers of education and training services in
23 such State desiring to receive funds under this title but
24 that are not eligible to participate in title IV of the Higher
25 Education Act of 1965. Such procedure shall establish

1 minimum acceptable levels of performance for such provid-
2 ers based on factors and guidelines developed by the Sec-
3 retary, after consultation with the Secretary of Education.
4 Such factors shall be comparable in rigor and scope to
5 those provisions of part H of such title of such Act that
6 are used to determine an institution of higher education's
7 eligibility to participate in programs under such title as
8 are appropriate to the type of provider seeking eligibility
9 under this subsection and the nature of the education and
10 training services to be provided.

11 (2) Notwithstanding paragraph (1), if the participa-
12 tion of an institution of higher education in any of the
13 programs under such title of such Act is terminated, such
14 institution shall not be eligible to receive funds under this
15 Act for a period of two years.

16 (c) PERFORMANCE-BASED INFORMATION.—

17 (1) CONTENTS.—The Secretary, in consultation
18 with the Secretary of Education, shall identify per-
19 formance-based information that is to be submitted
20 by providers of services desiring to be eligible under
21 this section. Such information may include informa-
22 tion relating to—

23 (A) the percentage of students completing
24 the programs conducted by the provider,

1 (B) the rates of licensure of graduates of
2 the programs conducted by the provider,

3 (C) the percentage of graduates of the pro-
4 grams meeting skill standards and certification
5 requirements endorsed by the National Skill
6 Standards Board established under the Goals
7 2000: Educate America Act,

8 (D) the rates of placement and retention in
9 employment, and earnings of the graduates of
10 the programs conducted by the provider,

11 (E) the percentage of students who ob-
12 tained employment in an occupation related to
13 the program conducted by the provider, and

14 (F) the warranties or guarantees provided
15 by such provider relating to the skill levels or
16 employment to be attained by students.

17 (2) ADDITIONS.—The Governor may, pursuant
18 to the approval of the Secretary, prescribe additional
19 performance-based information that shall be submit-
20 ted by providers pursuant to this subsection.

21 (d) ADMINISTRATION.—

22 (1) STATE AGENCY.—The Governor shall des-
23 ignate a State agency to collect, verify, and dissemi-
24 nate the performance-based information submitted
25 pursuant to paragraph (1).

1 (2) APPLICATION.—A provider of education and
2 training services that desires to be eligible to receive
3 funds under this title shall submit the information
4 required under subsection (b) to the State agency
5 designated under paragraph (1) at such time and in
6 such form as such State agency may require.

7 (3) LIST OF ELIGIBLE PROVIDERS.—The State
8 agency shall compile a list of eligible providers, ac-
9 companied by the performance-based information
10 submitted, and disseminate such list and informa-
11 tion to the substate entities and career centers with-
12 in the State.

13 (4) ACCURACY OF INFORMATION.—

14 (A) IN GENERAL.—If the State agency de-
15 termines that information concerning a provider
16 is inaccurate, such provider shall be disqualified
17 from receiving funds under this title for a pe-
18 riod of two years, unless such provider can
19 demonstrate to the satisfaction of the Governor
20 or his or her designee, that the information was
21 provided in good faith.

22 (B) APPEAL.—The Governor shall estab-
23 lish a procedure for a service provider to appeal
24 a determination by a State agency that results
25 in a disqualification under subparagraph (A).

1 Such procedure shall provide an opportunity for
2 a hearing and prescribe appropriate time limits
3 to ensure prompt resolution of the appeal.

4 (5) ASSISTANCE IN DEVELOPING INFORMA-
5 TION.—The State agency established pursuant to
6 paragraph (1) may provide technical assistance to
7 education and training providers in developing the
8 information required under subsection (b). Such as-
9 sistance may include facilitating the utilization of
10 State administrative records, such as unemployment
11 compensation wage records, and other appropriate
12 coordination activities.

13 (6) CONSULTATION.—The Secretary shall con-
14 sult with the Secretary of Education regarding the
15 eligibility of institutions of higher education or other
16 providers of education and training to participate in
17 programs under this Act or under title IV of the
18 Higher Education Act of 1965.

19 (e) ON-THE-JOB TRAINING EXCEPTION.—

20 (1) IN GENERAL.—Providers of on-the-job
21 training shall not be subject to the requirements of
22 subsections (a), (b), and (c).

23 (2) COLLECTION AND DISSEMINATION OF IN-
24 FORMATION.—The substate grantee shall collect
25 such performance-based information from on-the-job

1 training providers as the Secretary may require, and
2 shall disseminate such information to the career cen-
3 ters.

4 **PART D—GENERAL REQUIREMENTS**

5 **SEC. 161. GENERAL REQUIREMENTS.**

6 Except as otherwise provided, the following condi-
7 tions are applicable to all programs under this title:

8 (a) PROHIBITION ON INDUCING RELOCATION OF
9 ESTABLISHMENTS.—

10 (1) No funds provided under this title shall
11 be used or proposed for use to encourage or in-
12 duce the relocation, of an establishment or part
13 thereof, that results in a loss of employment for
14 any employee of such establishment at the
15 original location.

16 (2) No funds provided under this title shall
17 be used for customized or skill training, on-the-
18 job training, or company specific assessments of
19 job applicants or employees, for any establish-
20 ment or part thereof, that has relocated, until
21 120 days after the date on which such estab-
22 lishment commences operations at the new loca-
23 tion, if the relocation of such establishment or
24 part thereof, results in a loss of employment for

1 any employee of such establishment at the
2 original location.

3 (3) If a violation of paragraph (1) or (2)
4 is alleged, the Secretary shall conduct an inves-
5 tigation to determine whether a violation has
6 occurred.

7 (4) If the Secretary determines that a vio-
8 lation of paragraph (1) or (2) has occurred, the
9 Secretary shall require the State, substate area,
10 or substate grantee that has violated paragraph
11 (1) or (2) to—

12 (A) repay to the United States an
13 amount equal to the amount expended in
14 violation of paragraph (1) or (2), in ac-
15 cordance with subsections (d) or (e) of sec-
16 tion 174; and

17 (B) pay an additional amount equal to
18 the amount required to be repaid under
19 subparagraph (A), unless the State or sub-
20 state grantee demonstrates to the Sec-
21 retary that it neither knew nor reasonably
22 could have known (after an inquiry under-
23 taken with due diligence) provided funds in
24 violation of paragraph (1) or (2).

1 (5) Amounts received under paragraph
2 (4)(B) shall be deposited in a special account in
3 the Treasury for use by the Secretary for carry-
4 ing out this title.

5 (b) SPECIAL PROGRAMS.—Efforts shall be made
6 to develop programs under this title which contrib-
7 ute to occupational development, upward mobility,
8 development of new careers, and overcoming sex-
9 stereotyping in occupations traditional for the other
10 sex.

11 (c) JOINT SUBSTATE AGREEMENTS.—Any sub-
12 state grantee may enter into an agreement or con-
13 tract with another substate grantee to pay or share
14 the cost of educating, training, or placing individuals
15 participating in programs assisted under this Act,
16 including the provision of supportive services.

17 (d) ON-THE-JOB TRAINING.—(1) Payments to
18 employers for on-the-job training under this title
19 shall not, during the period of such training, average
20 more than 50 percent of the wages paid by the em-
21 ployer to such participants, and payments in such
22 amount shall be deemed to be in compensation for
23 the extraordinary costs associated with training par-
24 ticipants under this title and in compensation for the

1 costs associated with the lower productivity of such
2 participants.

3 (2) On-the-job training authorized under this
4 title for a participant shall be limited in duration to
5 a period not in excess of that generally required for
6 acquisition of skills needed for the position within a
7 particular occupation, but in no event shall exceed 6
8 months, unless the total number of hours of such
9 training is less than 500 hours. In determining the
10 period generally required for acquisition of the skills,
11 consideration shall be given to recognized reference
12 material (such as the Dictionary of Occupational Ti-
13 tles), the content of the training of the participant,
14 the prior work experience of the participant, and the
15 reemployment plan of the participant.

16 (3)(A) Each on-the-job training contract
17 shall—

18 (i) specify the types and duration of on-
19 the-job training and the other services to be
20 provided in sufficient detail to allow for a fair
21 analysis of the reasonableness of proposed
22 costs; and

23 (ii) comply with the applicable require-
24 ments of section 174.

1 (B) Each on-the-job training contract that is
2 not directly contracted by a substate grantee with an
3 employer (but instead is contracted through an
4 intermediary brokering contractor) shall, in addition
5 to meeting the requirements of subparagraph (A),
6 specify the outreach, recruitment, participant train-
7 ing, counseling, placement, monitoring, followup,
8 and other services to be provided directly by the
9 brokering contractor within its own organization, the
10 services to be provided by the employers conducting
11 the on-the-job training, and the services to be pro-
12 vided, with or without cost, by other agencies and
13 subcontractors.

14 (C) If a brokering contractor enters into a con-
15 tract with a subcontractor to provide training or
16 other services, the brokering contractor shall ensure,
17 through on-site monitoring, compliance with the sub-
18 contract terms prior to making payment to the sub-
19 contractor.

20 (4) In accordance with regulations issued by the
21 Secretary, on-the-job training contracts under this
22 title shall not be entered into with employers who
23 have received payments under previous contracts
24 and have exhibited a pattern of failing to provide on-
25 the-job training participants with continued long-

1 term employment as regular employees with wages
2 and employment benefits (including health benefits)
3 and working conditions at the same level and to the
4 same extent as other employees working a similar
5 length of time and doing the same type of work.

6 (e) PROHIBITION ON FEES.—No person or or-
7 ganization may charge an individual a fee for the
8 placement or referral of such individual in or to a
9 training program under this title.

10 (f) PROHIBITION ON SUBSIDIZED EMPLOY-
11 MENT.—No funds may be provided under this Act
12 for any subsidized employment with any private for-
13 profit employer.

14 (g) RETENTION OF PROGRAM INCOME.—

15 (1) income under any program under this
16 title administered by a public or private non-
17 profit entity may be retained by such entity
18 only if used to continue to carry out the pro-
19 gram.

20 (2) Income subject to the requirements of
21 paragraph (1) shall include—

22 (A) receipts from goods or services
23 (including conferences) provided as a result
24 of activities funded under the title;

1 (B) funds provided to a service pro-
2 vider under the title that are in excess of
3 the costs associated with the services pro-
4 vided; and

5 (C) interest income earned on funds
6 received under this title.

7 (3) For the purposes of this subsection,
8 each entity receiving financial assistance under
9 this title shall maintain records sufficient to de-
10 termine the amount of income received and the
11 purposes for which such income is expended.

12 (h) NOTIFICATION AND CONSULTATION RE-
13 QUIREMENTS.—The Secretary shall notify the Gov-
14 ernor and the appropriate chief elected officials of,
15 and consult with the Governor and such officials
16 concerning, any activity to be funded by the Sec-
17 retary under this title within the State or substate
18 area; and the Governor shall notify the appropriate
19 chief elected officials of, and consult with such con-
20 cerning, any activity to be funded by the Governor
21 under this title within the substate area.

22 (i) COOPERATIVE AGREEMENTS BETWEEN
23 STATES.—In the event that compliance with provi-
24 sions of this title would be enhanced by cooperative
25 agreements between States, the consent of Congress

1 is hereby given to such States to enter into such
2 compacts and agreements to facilitate such compli-
3 ance, subject to the approval of the Secretary.

4 (j) PUBLIC SERVICE EMPLOYMENT PROHIBI-
5 TION.—Except as provided in section 132, no funds
6 available under this title may be used for public
7 service employment.

8 (k) PROHIBITION ON EMPLOYMENT GENERAT-
9 ING AND RELATED ACTIVITIES.—Except for funds
10 available to the Secretary to carry out section 132,
11 no funds available under this Act shall be used for
12 employment generating activities, economic develop-
13 ment activities, investment in revolving loan funds,
14 capitalization of businesses, investment in contract
15 bidding resource centers, and similar activities, or
16 for foreign travel.

17 (l) PROPERTY.—The Federal requirements gov-
18 erning the title, use, and disposition of real property,
19 equipment, and supplies purchased with funds pro-
20 vided under this Act shall be the Federal require-
21 ments generally applicable to Federal grants to
22 States and local governments.

1 **SEC. 162. BENEFITS.**

2 (a) IN GENERAL.—Except as otherwise provided in
3 this title, the following provisions shall apply to all activi-
4 ties financed under this title:

5 (1) A participant under this title shall receive
6 no payments for training activities in which the par-
7 ticipant fails to participate without good cause.

8 (2) Individuals in on-the-job training shall be
9 compensated by the employer at the same rates, in-
10 cluding periodic increases, as similarly situated em-
11 ployees or trainees and in accordance with applicable
12 law, but in no event less than the higher of the rate
13 specified in section 6(a)(1) of the Fair Labor Stand-
14 ards Act of 1938 or the applicable State or local
15 minimum wage law.

16 (3) Individuals employed in activities authorized
17 under this title shall be paid wages which shall not
18 be less than the highest of (A) the minimum wage
19 under section 6(a)(1) of the Fair Labor Standards
20 Act of 1938, (B) the minimum wage under the ap-
21 plicable State or local minimum wage law, or (C) the
22 prevailing rates of pay for individuals employed in
23 similar occupations by the same employer.

24 (4) References in paragraphs (2) and (3) to section
25 6(a)(1) of the Fair Labor Standards Act of 1938 (29
26 U.S.C. 206(a)(1)—

1 (A) shall be deemed to be references to
2 section 6(c) of that Act for individuals in the
3 Commonwealth of Puerto Rico;

4 (B) shall be deemed to be references to
5 6(a)(3) of that Act for individuals in American
6 Samoa; and

7 (C) shall not be applicable for individuals
8 in other territorial jurisdictions in which section
9 6 of the Fair Labor Standards Act of 1938
10 does not apply.

11 (b) INCOME DISREGARD.—Allowances, earnings and
12 payments to individuals participating in programs under
13 this title, except for payments under section 119(e), shall
14 not be considered as income for the purposes of determin-
15 ing eligibility for and the amount of income transfer and
16 in-kind aid furnished under any Federal or federally as-
17 sisted program based on need, other than as provided
18 under the Social Security Act.

19 **SEC. 163. LABOR STANDARDS.**

20 (a) IN GENERAL.—

21 (1) Conditions of employment and training shall
22 be appropriate and reasonable in light of such fac-
23 tors as the type of work, geographical region, and
24 proficiency of the participant.

1 (2) Health and safety standards established
2 under State and Federal law, otherwise applicable to
3 working conditions of employees, shall be equally ap-
4 plicable to working conditions of participants. With
5 respect to any participant in a program conducted
6 under this title who is engaged in activities which
7 are not covered by health and safety standards
8 under the Occupational Safety and Health Act of
9 1970, the Secretary shall prescribe, by regulation,
10 such standards as may be necessary to protect the
11 health and safety of such participants.

12 (3) To the extent that a State workers' com-
13 pensation law is applicable, workers' compensation
14 benefits in accordance with such law shall be avail-
15 able with respect to injuries suffered by participants.
16 To the extent that such law is not applicable, each
17 recipient of funds under this Act shall secure insur-
18 ance coverage for injuries suffered by such partici-
19 pants, in accordance with regulations prescribed by
20 the Secretary.

21 (4) All individuals employed in subsidized jobs
22 shall be provided benefits and working conditions at
23 the same level and to the same extent as other em-
24 ployees working a similar length of time and doing
25 the same type of work.

1 (5) No funds available under this title may be
2 used for contributions on behalf of any participant
3 to retirement systems or plans.

4 (b) DISPLACEMENT.—

5 (1) No currently employed worker shall be dis-
6 placed by any participant (including partial displace-
7 ment such as a reduction in the hours of non-
8 overtime work, wages, or employment benefits).

9 (2) No program under this title shall impair—

10 (A) existing contracts for services; or

11 (B) existing collective bargaining agree-
12 ments, unless the employer and the labor orga-
13 nization concur in writing with respect to any
14 elements of the proposed activities which affect
15 such agreement, or either such party fails to re-
16 spond to written notification requesting its con-
17 currence within 30 days of receipt thereof.

18 (3) No participant shall be employed or job
19 opening filled (A) when any other individual is on
20 layoff from the same or any substantially equivalent
21 job, or (B) when the employer has terminated the
22 employment of any regular employee or otherwise re-
23 duced its workforce with the intention of filling the
24 vacancy so created by hiring a participant whose
25 wages are subsidized under this title.

1 (4) No jobs shall be created in a promotional
2 line that will infringe in any way upon the pro-
3 motional opportunities of currently employed individ-
4 uals.

5 (c) ORGANIZED LABOR.—

6 (1) Each recipient of funds under this title shall
7 provide to the Secretary assurances that none of
8 such funds will be used to assist, promote, or deter
9 union organizing.

10 (2) Any program conducted with funds made
11 available under this title which will provide services
12 to members of a labor organization will be estab-
13 lished only after full consultation with such organi-
14 zation.

15 (3) Where a labor organization represents a
16 substantial number of employees who are engaged in
17 similar work or training in the same area as that
18 proposed to be funded under this title, an oppor-
19 tunity shall be provided for such organization to
20 submit comments with respect to such proposal.

21 (d) PREVAILING WAGES.—All laborers and mechan-
22 ics employed by contractors or subcontractors in any con-
23 struction, alteration, or repair, including painting and
24 decorating, of project, buildings, and works which are fed-
25 erally assisted under this title shall be paid wages at rates

1 not less than those prevailing or similar construction in
2 the locality as determined by the Secretary in accordance
3 with the Act of March 3, 1921 (40 U.S.C. 276a–276a–
4 5), commonly known as the Davis-Bacon Act. The Sec-
5 retary shall have, with respect to such labor standards,
6 the authority and functions set forth in Reorganization
7 Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267)
8 and section 2 of the Act of June 1, 1934, as amended
9 (48 Stat. 948, as amended; 40 U.S.C. 276(c)). The provi-
10 sions of this subsection shall not apply to a bona fide par-
11 ticipant in a training program under this title. The provi-
12 sions of section 177(a)(4) shall apply to such trainees.

13 **SEC. 164. GRIEVANCE PROCEDURE**

14 (a) IN GENERAL.—Each substate grantee, career
15 center, contractor, and grantee under this Act shall estab-
16 lish and maintain a grievance procedure for grievances or
17 complaints about its programs and activities from partici-
18 pants, subgrantees, subcontractors, and other interested
19 persons. Hearings on any grievance shall be conducted
20 within 30 days of filing of a grievance and decisions shall
21 be made not later than 60 days after the filing of a griev-
22 ance. Except for complaints alleging fraud or criminal ac-
23 tivity, complaints shall be made within one year of the al-
24 leged occurrence.

1 (b) GRIEVANCE PROCEDURE FOR EMPLOYEES OF
2 PARTICIPANTS.—Each recipient of financial assistance
3 under this title which is an employer of participants under
4 this title shall continue to operate or establish and main-
5 tain a grievance procedure relating to the terms and condi-
6 tions of employment.

7 (c) EXHAUSTION OF GRIEVANCE PROCEDURE.—
8 Upon exhaustion of the recipient's grievance procedure
9 without decision, or where the Secretary has reason to be-
10 lieve that the recipient is failing to comply with the re-
11 quirements of this title, the Secretary shall investigate the
12 allegation or belief and determine within 120 days after
13 receiving the complaint whether such allegation or com-
14 plaint is true.

15 (d) INVESTIGATION BY SECRETARY.—

16 (1) If a person alleges a violation of section 163
17 and such person exhausts the recipient's grievance
18 procedure or the 60-day time period described in
19 subsection (a) has elapsed without a decision, either
20 party to such procedure may submit the grievance to
21 the Secretary. The Secretary shall investigate the al-
22 legations contained in the grievance and make a de-
23 termination as to whether a violation of section 163
24 has occurred.

1 (2) If the results of the investigation conducted
2 pursuant to paragraph (1) indicate that a modifica-
3 tion or reversal of the decision issued pursuant to
4 the recipient's grievance procedure is warranted, or
5 the 60-day time period described in subsection (a)
6 has elapsed without a decision, the Secretary may
7 modify or reverse the decision, or issue a decision if
8 no decision has been issued, as the case may be,
9 after an opportunity for a hearing in accordance
10 with the procedures under section 176.

11 (3) If the Secretary determines that the deci-
12 sion issued pursuant to the recipient's grievance pro-
13 cedure is appropriate, the determination shall be-
14 come the final decision of the Secretary.

15 (e) BINDING GRIEVANCE PROCEDURE.—

16 (1) A person alleging a violation of section 163
17 may, as an alternative to the procedures described in
18 this section, submit the grievance involving such vio-
19 lation to a binding grievance procedure if a collective
20 bargaining agreement covering the parties to the
21 grievance so provides.

22 (2) The remedies available under paragraph (1)
23 shall be limited to the remedies available under sub-
24 section (f)(1)(C) and subsection (f)(2).

25 (f) REMEDIES AVAILABLE TO GRIEVANTS.—

1 (1) Except as provided in paragraph (2), remedies available to grievants under this section for
2 violations of section 163 shall be limited to—
3

4 (A) suspension or termination of payments
5 under this Act;

6 (B) prohibition of placement of a participant, for an appropriate period of time, in a
7 program under this Act with an employer that
8 has violated section 163, as determined under
9 subsection (d) or (e); and
10

11 (C) appropriate equitable relief (other than
12 back pay).

13 (2) In addition to the remedies available under
14 paragraph (1), remedies available under this section
15 for violations of subsection (a)(4), paragraphs (1)
16 and (3) of subsection (b), and subsection (d) of section 163 may include—
17

18 (A) reinstatement of the grievant to the
19 position held by such grievant prior to displacement;
20

21 (B) payment of lost wages and benefits;
22 and

23 (C) reestablishment of other relevant
24 terms, conditions, and privileges of employment.

1 (g) REMEDIES UNDER OTHER LAWS.—Nothing in
2 subsection (f) shall be construed to prohibit a grievant
3 from pursuing a remedy authorized under another Fed-
4 eral, State, or local law for a violation of section 163.

5 **PART E—FISCAL ADMINISTRATIVE PROVISIONS**

6 **SEC. 171. PROGRAM YEAR.**

7 (a) OBLIGATION OF FUNDS.—Beginning with fiscal
8 year 1995 and thereafter, appropriations for any fiscal
9 year for programs and activities under this title shall be
10 available for obligation only on the basis of a program
11 year. The program year shall begin on July 1 in the fiscal
12 year for which the appropriation is made.

13 (b) EXPENDITURE OF OBLIGATED FUNDS.—Funds
14 obligated for any program year may be expended by each
15 recipient during that program year and the two succeeding
16 program years.

17 **SEC. 172. PROMPT ALLOCATION OF FUNDS.**

18 (a) PUBLICATION OF FORMULA ALLOCATIONS AND
19 ALLOTMENTS.—Whenever the Secretary allots and allo-
20 cates funds required to be allotted or allocated by formula
21 under this title, the Secretary shall publish in a timely
22 fashion in the Federal Register the proposed amount to
23 be distributed to each recipient.

24 (b) PUBLICATION OF DISCRETIONARY ALLOCATION
25 FORMULA.—Whenever the Secretary utilizes a formula to

1 allot or allocate funds made available for distribution at
2 the Secretary's discretion under this Act, the Secretary
3 shall, not later than 30 days prior to such allotment or
4 allocation, publish such formula in the Federal Register
5 for comments along with the rationale for the formula and
6 the proposed amounts to be distributed to each State and
7 area. After consideration of any comments received, the
8 Secretary shall publish final allotments and allocations in
9 the Federal Register.

10 **SEC. 173. MONITORING.**

11 (a) IN GENERAL.—The Secretary is authorized to
12 monitor all recipients of financial assistance under this
13 title to determine whether they are complying with the
14 provisions of this title and the regulations issued under
15 this title.

16 (b) INVESTIGATIONS.—The Secretary may inves-
17 tigate any matter the Secretary deems necessary to deter-
18 mine compliance with this title and regulations issued
19 under this title. The investigations authorized by this sub-
20 section may include examining records (including making
21 certified copies thereof), questioning employees, and enter-
22 ing any premises or onto any site in which any part of
23 a program of a recipient is conducted or in which any of
24 the records of the recipient are kept.

1 (c) WITNESSES AND DOCUMENTS.—For the purpose
2 of any investigation or hearing under this Act, the provi-
3 sions of section 9 of the Federal Trade Commission Act
4 (15 U.S.C. 49) (relating to the attendance of witnesses
5 and the production of books, papers, and documents) are
6 made applicable to the Secretary.

7 **SEC. 174. FISCAL CONTROLS; SANCTIONS.**

8 (a) IN GENERAL.—

9 (1) Each State shall establish such fiscal con-
10 trol and fund accounting procedures as may be nec-
11 essary to assure the proper disbursement of, and ac-
12 counting for, Federal funds paid to the recipient
13 under this title. Such procedures shall ensure that
14 all financial transactions are conducted and records
15 maintained in accordance with generally accepted ac-
16 counting principles applicable in each State.

17 (2) The Secretary shall prescribe regulations es-
18 tablishing uniform cost principles substantially
19 equivalent to such principles generally applicable to
20 recipients of Federal grants funds. At a minimum,
21 such standard shall provide that, to be allowable,
22 costs must—

23 (A) be necessary and reasonable for proper
24 and efficient administration of the program
25 under this title;

1 (B) be allocable to the program under this
2 title; and

3 (C) not be a general expense required to
4 carry out the overall responsibilities of State or
5 local governments except as specifically pro-
6 vided by this title.

7 (3) The governor, in accordance with minimum
8 requirements established by the Secretary in regula-
9 tions, shall prescribe and implement procurement
10 standards to ensure fiscal accountability and prevent
11 fraud and abuse in programs administered under
12 this title. The Secretary, in establishing such mini-
13 mum requirements, shall consult with the Inspector
14 General of the Department of Labor and take into
15 consideration relevant aspects of the circulars issued
16 by the Director of the Office of Management and
17 Budget. Such minimum requirements shall include
18 provisions to ensure that for States, substate areas,
19 and career centers—

20 (A) procurements shall be conducted in a
21 manner providing full and open competition;

22 (B) the use of sole source procurements
23 shall be minimized to the extent practicable, but
24 in every case shall be justified;

1 (C) procurements shall include an appro-
2 priate analysis of the reasonableness of costs
3 and prices;

4 (D) procurements shall not provide excess
5 program income (for nonprofit and government
6 entities) or excess profit (for private for-profit
7 entities), and that appropriate factors shall be
8 utilized in determining whether such income or
9 profit is excessive, such as—

10 (i) the complexity of the work to be
11 performed;

12 (ii) the risk borne by the contractor;

13 and

14 (iii) market conditions in the sur-
15 rounding geographical area;

16 (E) procurements shall clearly specify de-
17 liverable and the basis for payment;

18 (F) written procedures shall be established
19 for procurement transactions;

20 (G) no grantee, contractor, subgrantee, or
21 subcontractor shall engage in any conflict of in-
22 terest, actual or apparent, in the selection,
23 award, or administration of a contract or grant
24 under this title;

1 (H) all grantees and subgrantees shall con-
2 duct oversight to ensure compliance with pro-
3 curement standards; and

4 (I) procurement transactions between units
5 of State or local governments, shall be con-
6 ducted on a cost reimbursable basis.

7 (4) The Governor shall annually conduct on-site
8 monitoring of each substate grantee within the State
9 to ensure compliance with the procurement stand-
10 ards established pursuant to paragraph (3).

11 (5) If the Governor determines that a substate
12 grantee area is not in compliance with the procure-
13 ment standards established pursuant to paragraph
14 (3), the Governor shall—

15 (A) require corrective action to secure
16 prompt compliance; and

17 (B) impose the sanctions provided under
18 subsection (b) in the event of failure to take the
19 required corrective action.

20 (6) The Governor shall biennially certify to the
21 Secretary that—

22 (A) the State has implemented the pro-
23 curement standards established under para-
24 graph (3);

1 (B) the State has monitored substate
2 grantees to ensure compliance with the procure-
3 ment standards as required under paragraph
4 (4); and

5 (C) the State has taken appropriate action
6 to secure compliance pursuant to paragraph
7 (5).

8 (7) If the Secretary determines that the Gov-
9 ernor has not fulfilled the requirements of this sub-
10 section, the Secretary shall—

11 (A) require corrective action to secure
12 prompt compliance; and

13 (B) impose the sanctions provided under
14 subsection (f) in the event of failure of the Gov-
15 ernor to take the required corrective action.

16 (b) SUBSTANTIAL VIOLATIONS.—

17 (1) If, as a result of financial and compliance
18 audits or otherwise, the Governor determines that
19 there is a substantial violation of a specific provision
20 of this title or the regulations under this title, and
21 corrective action has not been taken, the Governor
22 shall impose a reorganization plan, which may in-
23 clude—

24 (A) redesignating the substate grantee;

1 (B) prohibiting the use of designated serv-
2 ice providers;

3 (C) merging the substate area into 1 or
4 more other existing substate areas; or

5 (D) other such changes as the Secretary or
6 Governor determines necessary to secure com-
7 pliance.

8 (2)(A) The actions taken by the Governor pur-
9 suant to paragraph (1)(A) may be appealed to the
10 Secretary and shall not become effective until—

11 (i) the time for appeal has expired; or

12 (ii) the Secretary has issued a decision.

13 (B) The actions taken by the Governor pursu-
14 ant to paragraph (1)(B) may be appealed to the
15 Secretary, who shall make a final decision not later
16 than 60 days of the receipt of the appeal.

17 (3) If the Governor fails to promptly take the
18 actions required under paragraph (1), the Secretary
19 shall take such actions.

20 (c) REPAYMENT OF FUNDS.—Every recipient shall
21 repay to the United States amounts found not to have
22 been expended in accordance with this title. The Secretary
23 may offset such amounts against any other amount to
24 which the recipient is or may be entitled under this Act
25 unless the Secretary determines that such recipient should

1 be held liable pursuant to subsection (d). No such action
2 shall be taken except after notice and opportunity for a
3 hearing have been given to the recipient.

4 (d) LIABILITY FOR REPAYMENT OF FUNDS.—

5 (1) Each recipient shall be liable to repay such
6 amounts, from funds other than funds received
7 under this title, upon a determination that the
8 misexpenditures of funds was due to willful dis-
9 regard of the requirements of this title, gross neg-
10 ligence, or failure to observe accepted standards of
11 administration. No such finding shall be made ex-
12 cept after notice and opportunity for a fair hearing.

13 (2) In determining whether to impose any sanc-
14 tion authorized by this section against a recipient for
15 violations by a subgrantee of such recipient under
16 this title or the regulations under this title, the Sec-
17 retary shall first determine whether such recipient
18 has adequately demonstrated that it has—

19 (A) established and adhered to an appro-
20 priate system for the award and monitoring of
21 contracts with subgrantees which contains ac-
22 ceptable standards for ensuring accountability;

23 (B) entered into a written contract with
24 such subgrantee which established clear goals
25 and obligations in unambiguous terms;

1 (C) acted with due diligence to monitor the
2 implementation of the subgrantee contract, in-
3 cluding the carrying out of the appropriate
4 monitoring activities (including audits) at rea-
5 sonable intervals; and

6 (D) taken prompt and appropriate correc-
7 tive action upon becoming aware of any evi-
8 dence of a violation of this Act or the regula-
9 tions under this Act by such subgrantee.

10 (3) If the Secretary determines that the recipi-
11 ent has demonstrated substantial compliance with
12 the requirements of paragraph (2), the Secretary
13 may waive the imposition of sanctions authorized by
14 this section upon such recipient. The Secretary is
15 authorized to impose any sanction consistent with
16 the provisions of this title and any applicable Fed-
17 eral or State law directly against any subgrantee for
18 violation of this Act or the regulations under this
19 Act.

20 (e) EMERGENCY TERMINATION OF FINANCIAL AS-
21 SISTANCE.—In emergency situations, if the Secretary de-
22 termines it is necessary to protect the integrity of the
23 funds or ensure the proper operation of the program, the
24 Secretary may immediately terminate or suspend financial
25 assistance, in whole or in part, if the recipient is given

1 prompt notice and the opportunity for a subsequent hear-
2 ing within 30 days after such termination or suspension.
3 The Secretary shall not delegate any of the functions spec-
4 ified in this subsection, other than to an officer whose ap-
5 pointment was required to be made by and with the advice
6 and consent of the Senate.

7 (f) CORRECTIVE MEASURES.—If the Secretary deter-
8 mines that any recipient under this title has discharged
9 or in any other manner discriminated against a partici-
10 pant or against any individual in connection with the ad-
11 ministration of the program involved, or against any indi-
12 vidual because such individual has filed any complaint or
13 instituted or caused to be instituted any proceeding under
14 or related to this title, or has testified or is about to testify
15 in any such proceeding or investigation under or related
16 to this title, or otherwise unlawfully denied to any individ-
17 ual a benefit under the provisions of this title, or the Sec-
18 retary's regulations, the Secretary shall, within thirty
19 days, take such action or order such corrective measures,
20 as necessary, with respect to the recipient or the aggrieved
21 individual, or both.

22 (g) REMEDIES NOT EXCLUSIVE.—The remedies
23 under this section shall not be construed to be exclusive
24 remedies.

1 **SEC. 175. REPORTS, RECORDKEEPING, AND INVESTIGA-**
2 **TIONS.**

3 (a) RECORDS.—

4 (1) Recipients shall keep records that are suffi-
5 cient to permit the preparation of reports required
6 by this title and to permit the tracing of funds to
7 a level of expenditure adequate to insure that the
8 funds have not been spent unlawfully.

9 (2) Every recipient shall maintain such records
10 and submit such reports, in such form and contain-
11 ing such information, as the Secretary requires re-
12 garding the performance of its programs. Such
13 records and reports shall be submitted to the Sec-
14 retary but shall not be required to be submitted
15 more than once each quarter unless specifically re-
16 quested by the Congress or a committee thereof.

17 (3) In order to allow for the preparation of na-
18 tional estimates necessary to meet the requirements
19 of subsection (c), recipients shall maintain standard-
20 ized records for all individual participants and pro-
21 vide to the Secretary a sufficient number of such
22 records to provide for an adequate analysis.

23 (4)(A) Except as provided in subparagraph (B),
24 records maintained by recipients pursuant to this
25 subsection shall be made available to the public upon
26 request.

1 (B) Subparagraph (A) shall not apply to—

2 (i) information, the disclosure of which
3 would constitute a clearly unwarranted invasion
4 of personal privacy; and

5 (ii) trade secrets, or commercial or finan-
6 cial information, obtained from a person and
7 privileged or confidential.

8 (C) Recipients may charge fees sufficient to re-
9 cover costs applicable to the processing of requests
10 for records under subparagraph (A).

11 (b) INVESTIGATIONS.—

12 (1)(A) In order to evaluate compliance with the
13 provisions of this title, the Secretary shall conduct,
14 in several States, in each fiscal year investigations of
15 the use of funds received by recipients under this
16 title.

17 (B) In order to insure compliance with the pro-
18 visions of this title, the Comptroller General of the
19 United States may conduct investigations of the use
20 of funds received under this title by any recipient.

21 (2) In conducting any investigation under this
22 title, the Secretary or the Comptroller General of the
23 United States may not request the compilation of
24 any new information not readily available to such re-
25 cipient.

1 (3)(A) In carrying out any audit under this title
2 (other than any initial audit survey or any audit in-
3 vestigating possible criminal or fraudulent conduct),
4 either directly or through grant or contract, the Sec-
5 retary, the Inspector General, or the Comptroller
6 General shall furnish to the State, substate grantee,
7 recipient, or other entity to be audited, advance noti-
8 fication of the overall objectives and purposes of the
9 audit, and any extensive recordkeeping or data re-
10 quirements to be met, not fewer than 14 days (or as
11 soon as practicable), prior to the commencement of
12 the audit.

13 (B) If the scope, objectives, or purposes of the
14 audit change substantially during the course of the
15 audit, the entity being audited shall be notified of
16 the change as soon as practicable.

17 (C) The reports on the results of such audits
18 shall cite the law, regulation, policy, or other criteria
19 applicable to any finding.

20 (D) Nothing contained in this title shall be con-
21 strued so as to be inconsistent with the Inspector
22 General Act of 1978 (5 U.S.C. App.) or government
23 auditing standards issued by the Comptroller Gen-
24 eral.

1 (c) RESPONSIBILITIES OF FUND RECIPIENTS.—Each
2 State, each substate grantee, each career center, and each
3 recipient (other than a subrecipient, grantee or contractor
4 of a recipient) receiving funds under this title shall—

5 (1) make readily accessible reports concerning
6 its operations and expenditures as shall be pre-
7 scribed by the Secretary;

8 (2) prescribe and maintain comparable manage-
9 ment information systems, in accordance with guide-
10 lines that shall be prescribed by the Secretary, de-
11 signed to facilitate the uniform compilation, cross
12 tabulation, and analysis of programmatic, partici-
13 pant, and financial data, on statewide and substate
14 area bases, necessary for reporting, monitoring, and
15 evaluating purposes, including data necessary to
16 comply with section 177; and

17 (3) monitor the performance of service provid-
18 ers in complying with the terms of grants, contracts,
19 or other agreements made pursuant to this Act.

20 (d) RETENTION OF RECORDS.—The Governor shall
21 ensure that requirements are established for retention of
22 all records pertinent to all grants awarded, and contracts
23 and agreements entered into, under this title, including
24 financial, statistical, property and participant records and
25 supporting documentation. For funds allotted to a State

1 for any program year, records shall be retained for 2 years
2 following the date on which the annual expenditure report
3 containing the final expenditures charged to such program
4 year's allotment is submitted to the Secretary. Records for
5 nonexpendable property shall be retained for a period of
6 3 years after final disposition of the property.

7 (e) FINANCIAL RECORDS.—Each State, substate
8 grantee, and career center shall maintain records with re-
9 spect to programs under this title that identify—

10 (1) any program income or profits earned, in-
11 cluding such income or profits earned by
12 subrecipients; and

13 (2) any costs incurred (such as stand-in costs)
14 that are otherwise allowable except for funding limi-
15 tations.

16 **SEC. 176. ADMINISTRATIVE ADJUDICATION.**

17 (a) IN GENERAL.—Whenever any applicant for finan-
18 cial assistance under this title is dissatisfied because the
19 Secretary has made a determination not to award financial
20 assistance in whole or in part to such applicant, the appli-
21 cant may request a hearing before an administrative law
22 judge of the Department of Labor. A similar hearing may
23 also be requested by any recipient upon whom a corrective
24 action or a sanction has been imposed by the Secretary.
25 Except to the extent provided for in section 161(b), sub-

1 sections (d) and (e) of section 164, or section 177, all
2 other disputes arising under this title shall be adjudicated
3 under grievance procedures established by the recipient or
4 under applicable law other than this title.

5 (b) FINAL DECISIONS.—The decision of the adminis-
6 trative law judge shall constitute final action by the Sec-
7 retary unless, within 20 days after receipt of the decision
8 of the administrative law judge, a party dissatisfied with
9 the decision or any part thereof has filed exceptions with
10 the Secretary specifically identifying the procedure, fact,
11 law, or policy to which exception is taken. Any exception
12 not specifically urged shall be deemed to have been waived.
13 Thereafter the decision of the administrative law judge
14 shall become the final decision of the Secretary unless the
15 Secretary, within 30 days of such filing, has notified the
16 parties that the case has been accepted for review.

17 (c) DEADLINE FOR REVIEW.—Any case accepted for
18 review by the Secretary shall be decided within one hun-
19 dred and eighty days of such acceptance. If not so decided,
20 the decision of the administrative law judge shall become
21 the final decision of the Secretary.

22 (d) APPLICABLE PROVISIONS.—The provisions of
23 section 178 shall apply to any final action of the Secretary
24 under this section.

1 **SEC. 177. NONDISCRIMINATION.**

2 (a) IN GENERAL.—

3 (1) For the purpose of applying the prohibitions
4 against discrimination on the basis of age under the
5 Age Discrimination Act of 1975, on the basis of dis-
6 ability under section 504 of the Rehabilitation Act,
7 on the basis of sex under title IX of the Education
8 Amendments of 1972, or on the basis of race, color,
9 or national origin under title VI of the Civil Rights
10 Act of 1964, programs and activities funded or oth-
11 erwise financially assisted in whole or in part under
12 this title are considered to be programs and activi-
13 ties receiving Federal financial assistance.

14 (2) No individual shall be excluded from partici-
15 pation in, denied the benefits of, subjected to dis-
16 crimination under, or denied employment in the ad-
17 ministration of or in connection with any such pro-
18 gram because of race, color, religion, sex, national
19 origin, age, political affiliation or belief, or status as
20 a qualified individual with disabilities.

21 (3) Participants shall not be employed on the
22 construction, operation, or maintenance of so much
23 of any facility as is used or to be used for sectarian
24 instruction or as a place for religious worship.

25 (4) With respect to terms and conditions affect-
26 ing, or rights provided to, individuals who are par-

1 participants in activities supported by funds provided
2 under this title, such individuals shall not be dis-
3 criminated against solely because of their status as
4 such participants.

5 (5) Participation in programs and activities fi-
6 nancially assisted in whole or in part under this title
7 shall be open to citizens and nationals of the United
8 States, lawfully admitted permanent resident aliens,
9 lawfully admitted refugees and parolees, and other
10 individuals authorized by the Attorney General to
11 work in the United States.

12 (b) FAILURE TO COMPLY.—Whenever the Secretary
13 finds that a State or other recipient has failed to comply
14 with a provision of law referred to in subsection (a)(1),
15 with paragraph (2), (3), (4), or (5) of subsection (a), or
16 with an applicable regulation prescribed to carry out such
17 paragraphs, the Secretary shall notify such State or recipi-
18 ent and shall request it to comply. If within a reasonable
19 period of time, not to exceed sixty days, the State or recipi-
20 ent fails or refuses to comply, the Secretary may—

21 (1) refer the matter to the Attorney General
22 with a recommendation that an appropriate civil ac-
23 tion be instituted;

24 (2) exercise the powers and functions provided
25 by title VI of the Civil Rights Act of 1964, the Age

1 Discrimination Act of 1975, or section 504 of the
2 Rehabilitation Act, as may be applicable; or

3 (3) take such other action as may be provided
4 by law.

5 (c) REFERRAL TO ATTORNEY GENERAL.—When a
6 matter is referred to the Attorney General pursuant to
7 subsection (b)(1), or whenever the Attorney General has
8 reason to believe that a State or other recipient is engaged
9 in a pattern or practice in violation of a provision of law
10 referred to in subsection (a)(1) or in violation of para-
11 graph (2), (3), (4), or (5) of subsection (a), the Attorney
12 General may bring a civil action in any appropriate district
13 court of the United States for such relief as may be appro-
14 priate, including injunctive relief.

15 **SEC. 178. JUDICIAL REVIEW.**

16 (a) IN GENERAL.—

17 (1) With respect to any final order by the Sec-
18 retary under section 176 whereby the Secretary de-
19 termines to award, to not award, or to only condi-
20 tionally award, financial assistance, with respect to
21 any final order of the Secretary under section 176,
22 with respect to a corrective action or sanction im-
23 posed under section 174, any party to a proceeding
24 which resulted in such final order may obtain review
25 of such final order in the United States Court of Ap-

1 peals having jurisdiction over the applicant or recipi-
2 ent of funds, by filing a review petition within 30
3 days of such final order.

4 (2) The clerk of the court shall transmit a copy
5 of the review petition to the Secretary, who shall file
6 the record upon which the final order was entered as
7 provided in section 2112 of title 28, United States
8 Code. Review petitions, unless ordered by the court,
9 shall not stay the Secretary's order. Petitions under
10 this title shall be heard expeditiously, if possible
11 within ten days of the filing of a reply brief.

12 (3) No objection to the order of the Secretary
13 shall be considered by the court unless the objection
14 shall have been specifically and timely urged before
15 the Secretary. Review shall be limited to questions
16 of law and the Secretary's findings of fact shall be
17 conclusive if supported by substantial evidence.

18 (b) JURISDICTION OF THE COURT.—The court shall
19 have jurisdiction to make and enter a decree affirming,
20 modifying, or setting aside the order of the Secretary in
21 whole or in part. The court's judgment shall be final, sub-
22 ject to certiorari review by the Supreme Court of the
23 United States as provided in section 1254(1) of title 28,
24 United States Code.

1 **SEC. 179. ADMINISTRATIVE PROVISIONS.**

2 (a) RULES AND REGULATIONS.—The Secretary may,
3 in accordance with chapter 5 of title 5, United States
4 Code, prescribe such rules and regulations (including per-
5 formance standards) as the Secretary deems necessary.
6 Such rules and regulations may include adjustments au-
7 thorized by section 204 of the Intergovernmental Coopera-
8 tion Act of 1968. All such rules and regulations shall be
9 published in the Federal Register at least thirty days prior
10 to their effective date. Copies of all such rules and regula-
11 tions shall be transmitted to the appropriate committees
12 of the Congress at the same time and shall contain, with
13 respect to each material provision of such rules and regu-
14 lations, citations to the particular substantive section of
15 law which is the basis therefor.

16 (b) GIFTS.—The Secretary is authorized, in carrying
17 out this title, to accept, purchase, or lease in the name
18 of the department, and employ or dispose of in furtherance
19 of the purposes of this title, any money or property, real,
20 personal, or mixed, tangible or intangible, received by gift,
21 devise, bequest, or otherwise, and to accept voluntary and
22 uncompensated services notwithstanding the provisions of
23 section 1342 of title 31, United States Code.

24 (c) AUTHORITY TO EXPEND FUNDS.—The Secretary
25 may make such grants, contracts, or agreements, establish
26 such procedures and make such payments, in installments

1 and in advance or by way of reimbursement, or otherwise
2 allocate or expend funds under this title as necessary to
3 carry out this title, including (without regard to the provi-
4 sions of section 4774(d) of title 10, United States Code)
5 expenditures for construction, repairs, and capital im-
6 provements, and including necessary adjustments in pay-
7 ments on account of overpayments of underpayments.

8 (d) USE OF SERVICES AND FACILITIES.—The Sec-
9 retary is authorized, in carrying out this title, under the
10 same conditions applicable under section 179(c) or to the
11 extent permitted by law other than this title, to accept
12 and use the services and facilities of departments, agen-
13 cies, and establishments of the United States. The Sec-
14 retary is also authorized to accept and use the services
15 and facilities of the agencies of any State or political sub-
16 division of a State, with its consent.

17 (e) POLITICAL ACTIVITIES.—The Secretary shall not
18 provide financial assistance for any program under this
19 title which involves political activities.

20 **SEC. 180. OBLIGATIONAL AUTHORITY.**

21 Notwithstanding any other provision of this title, no
22 authority to enter into contracts or financial assistance
23 agreements under this title shall be effective except to
24 such extent or in such amount as are provided in advance
25 in appropriation Acts.

1 **SEC. 181. CRIMINAL PROVISIONS.**

2 Section 665 of title 18, United States Code, is
3 amended by striking “or the Job Training Partnership
4 Act” each place it appears and inserting “”, the Job Train-
5 ing Partnership Act, or title I of the Reemployment Act
6 of 1994.”

7 **SEC. 182. REFERENCES.**

8 Effective on the date of enactment of this title, all
9 references in any other statute other than this Act, and
10 other than in section 665 of title 18, United States Code,
11 to the Job Training Partnership Act shall be deemed to
12 also refer to title I of the Reemployment Act of 1994.

13 **PART F—MISCELLANEOUS PROVISIONS**

14 **SEC. 191. EFFECTIVE DATE.**

15 This title shall take effect on July 1, 1995.

16 **SEC. 192. REPEALERS.**

17 (a) IN GENERAL.—The following programs shall ter-
18minate on July 1, 1995:

19 (1) The program authorized pursuant to sec-
20tions 301–324 of the Job Training Partnership Act,
21commonly referred to as EDWAA.

22 (2) The program authorized under section 325
23of such Act, commonly referred to as the Defense
24Conversion Adjustment Program.

1 (3) The program authorized under section
2 325A of such Act, commonly referred to as the De-
3 fense Diversification Program.

4 (4) The program authorized under section 326
5 of such Act, commonly referred to as the Clean Air
6 Employment Transition Assistance Program.

7 (b) ADDITIONAL PROGRAM.—Part J of title IV and
8 section 462(e) of the Job Training Partnership Act shall
9 terminate on July 1, 1995.

10 **SEC. 193. TRANSITION.**

11 The Secretary may establish such rules and proce-
12 dures as may be necessary to provide for the orderly tran-
13 sition from the programs described in section 192(a) to
14 the program authorized under this title.

15 **TITLE II—ONE-STOP CAREER CENTER**
16 **SYSTEM**

17 **SEC. 201. STATEMENT OF PURPOSE.**

18 It is the purpose of this title to—

19 (1) establish a national program of grants and
20 waivers of Federal statutory and regulatory require-
21 ments to provide the States with the opportunity, on
22 a voluntary basis, to develop and implement net-
23 works of one-stop career centers;

1 (2) provide seed money to encourage the devel-
2 opment of a flexible, nationwide system of One-Stop
3 Career Centers;

4 (3) promote universal access, by individuals and
5 employers, to a comprehensive menu of quality em-
6 ployment, education and training information and
7 services;

8 (4) encourage a customer-centered approach to
9 the provision of services, including features to en-
10 hance customer choice and ensure that the satisfac-
11 tion of individuals with services received is a primary
12 consideration in the administration of the program;

13 (5) establish a governance structure composed
14 of State, local and Federal partners to ensure com-
15 mon goals, effective planning, service coordination
16 and oversight of Statewide One-Stop Career Center
17 networks; and

18 (6) provide the States and local areas with in-
19 creased flexibility in the administration of employ-
20 ment and training programs in exchange for greater
21 accountability for outcomes.

1 **PART A—COMPONENTS OF VOLUNTARY ONE-**
2 **STOP CAREER CENTER SYSTEM**

3 **SEC. 211. GENERAL REQUIREMENTS.**

4 For purposes of receiving a grant or waiver under
5 this title (except as provided in section 233(b)(1)(A)), a
6 one-stop career center system shall include—

7 (1) the establishment and operation of a
8 workforce investment board in accordance with sec-
9 tion 212;

10 (2) the establishment of one-stop career centers
11 in accordance with the procedures described in sec-
12 tion 213;

13 (3) the provision of services through the one-
14 stop career centers in accordance with section 214;

15 (4) the participation of federal programs in ac-
16 cordance with section 215;

17 (5) agreements concerning the operation of the
18 one-stop career centers in accordance with section
19 216;

20 (6) quality assurance systems in accordance
21 with section 217; and

22 (7) the establishment and operation of a State
23 Human Resource Investment Council in accordance
24 with section 218.

25 **SEC. 212. WORKFORCE INVESTMENT BOARDS.**

26 (a) DESIGNATION OF ONE-STOP SERVICE AREAS.—

1 (1) The Governor shall, after consultation with
2 the State Human Resource Investment Council, des-
3 ignate one-stop service areas within the State.

4 (2) The one-stop service areas designated pur-
5 suant to paragraph (1) shall be—

6 (A) the geographic boundaries of the labor
7 market areas within the State, except that no
8 service delivery area or substate area may be
9 divided among two or more areas;

10 (B) the substate areas or consortium of
11 such areas; or

12 (C) the service delivery areas or consor-
13 tium of such areas.

14 (3) The Governor may not redesignate one-stop
15 service areas more frequently than once every four
16 years.

17 (b) ESTABLISHMENT OF BOARDS.—

18 (1) IN GENERAL.—For each one-stop service
19 area designated under subsection (a), the local elect-
20 ed officials from such area shall establish a
21 workforce investment board that meets the require-
22 ments of this subsection.

23 (2) COMPOSITION.—Each workforce investment
24 board shall consist of—

1 (A) representatives of private sector em-
2 ployers, who shall constitute a majority of the
3 board and who shall be owners of business con-
4 cerns, chief executives or chief operating offi-
5 cers of businesses, or the chief manager of a
6 plant or subdivision of a firm;

7 (B) representatives of organized labor and
8 community-based organizations, who shall con-
9 stitute not less than 25 percent of the member-
10 ship of the board and who shall be officers of
11 such organizations;

12 (C) representatives of educational institu-
13 tions;

14 (D) appropriate community leaders, such
15 as leaders of economic development agencies,
16 human service agencies and institutions, veter-
17 ans organizations, and entities providing job
18 training; and

19 (E) a local elected official, who shall be a
20 non-voting member.

21 (3) NOMINATIONS.—

22 (A) EMPLOYER REPRESENTATIVES.—(i)
23 The representatives of employers under para-
24 graph (2)(A) shall be selected from among indi-
25 viduals nominated by general purpose business

1 organizations after consulting with, and receiv-
2 ing recommendations from, other business orga-
3 nizations in the one-stop service area.

4 (ii) For the purposes of this subparagraph,
5 the term “general purpose business organiza-
6 tions” means organizations which admit to
7 membership any for-profit business operating
8 within the one-stop service area.

9 (B) LABOR REPRESENTATIVES.—The rep-
10 resentatives of organized labor under paragraph
11 (2)(B) shall be selected from individuals rec-
12 ommended by recognized State and local labor
13 federations. If the State or local labor federa-
14 tion fails to nominate a sufficient number of in-
15 dividuals to be appointed for such category, in-
16 dividual workers may be included on the board
17 as labor representatives.

18 (C) ELECTED OFFICIAL.—In any case in
19 which there are two or more units of general
20 local government in the one-stop service area,
21 the local elected officials of such units shall de-
22 termine which official shall be appointed to the
23 board.

24 (D) OTHER MEMBERS.—The members of
25 the board appointed to represent community-

1 based organizations under paragraph (2)(B),
2 educational institutions under paragraph
3 (2)(C), and the community leaders appointed
4 under paragraph (2)(D) shall be selected from
5 individuals recommended by interested organi-
6 zations.

7 (4) APPOINTMENT PROCESS.—(A)(i) In any
8 case in which there is only one unit of general local
9 government within the one-stop service area, the
10 chief elected official of that unit shall appoint mem-
11 bers to the Board from the individuals nominated or
12 recommended under paragraph (3).

13 (ii) In any case in which there are two or more
14 such units of general local government in the one-
15 stop service area, the chief elected officials of such
16 units shall appoint members to the Board from the
17 individuals so nominated or recommended in accord-
18 ance with an agreement entered into by such units
19 of general local government. In the absence of such
20 an agreement, the appointments shall be made by
21 the Governor from the individuals so nominated or
22 recommended.

23 (B) The number of members of the Board shall
24 be initially determined—

1 (i) by the chief elected official in the case
2 described in subparagraph (A)(i),

3 (ii) by the chief elected officials in accord-
4 ance with the agreement in the case described
5 in subparagraph (A)(ii), or

6 (iii) by the Governor in the absence of such
7 agreement.

8 Thereafter, the number of members of the Board
9 shall be determined by the Board.

10 (C) Members shall be appointed for fixed and
11 staggered terms and may serve until their successors
12 are appointed. Any vacancy in the membership of
13 the Board shall be filled in the same manner as the
14 original appointment. Any member of the board may
15 be removed for cause in accordance with procedures
16 established by the Board.

17 (5) CHAIRPERSON.—Each workforce investment
18 board shall elect a chairperson, by a majority vote
19 of the members of the Board, from among members
20 of the Board who are not the local elected official or
21 heads of public agencies. The term of the chair-
22 person shall be determined by the board.

23 (6) STAFF.—The Chairperson of each
24 workforce investment board shall appoint staff, who
25 are not concurrently on the staff of any participating

1 program, to assist such Board in carrying out the
2 functions prescribed in this section. Such staff may
3 include an executive director.

4 (7) CONFLICT OF INTEREST.—No member of a
5 workforce investment board shall cast a vote on the
6 provision of services by that member (or any organi-
7 zation which that member directly represents) or
8 vote on any matter which would provide direct finan-
9 cial benefit to that member.

10 (8) PRIVATE INDUSTRY COUNCILS.—A private
11 industry council may become a workforce investment
12 board if the local elected official or officials deter-
13 mine such council is appropriate and such council—

14 (A) meets the requirements of this sub-
15 section, or

16 (B) is reconstituted to meet the require-
17 ments of this subsection.

18 (9) STATE HUMAN RESOURCE INVESTMENT
19 COUNCIL.—In any case in which the one-stop service
20 area is a State, the State human resource invest-
21 ment council or a portion of such council may be re-
22 constituted to meet the requirements of this sub-
23 section.

24 (10) CERTIFICATION.—The Governor shall cer-
25 tify a workforce investment board if the Governor

1 determines that its composition and appointments
2 are consistent with the provisions of this subsection.
3 Such certification shall be made or denied within 30
4 days after the date on which the list of members and
5 necessary supporting documentation are submitted
6 to the Governor. When the Governor certifies the
7 board, it shall be convened within 30 days by the of-
8 ficial or officials who made the appointments under
9 paragraph (4).

10 (c) FUNCTIONS OF BOARD.—

11 (1) STRATEGIC PLANNING.—Each workforce in-
12 vestment board shall develop a strategic plan and
13 provide policy guidance with respect to the workforce
14 development programs that are administered in the
15 one-stop service area. Such strategic plan shall be
16 consistent with the statewide strategic plan devel-
17 oped by the State Human Resource Investment
18 Council pursuant to section 218 and shall include—

19 (A) measurable objectives for improving
20 the quality and effectiveness of workforce prep-
21 aration, development and training in the one-
22 stop service area; and

23 (B) methods for coordinating the
24 workforce development programs conducted in
25 the one-stop service area to enhance the deliv-

1 ery of services, including methods to maximize
2 the coverage of such workforce and appropriate
3 population subgroups, and ensure equitable ac-
4 cess to services by such subgroups.

5 (2) IDENTIFICATION OF OCCUPATIONS IN DE-
6 MAND AND TRAINING NEEDS.—In carrying out this
7 subsection, the workforce investment board shall uti-
8 lize available labor market information and other ap-
9 propriate methods in order to identify the jobs cur-
10 rently available, the occupations currently in de-
11 mand, and the occupations likely to be in demand in
12 the future in the one-stop service area; the skill re-
13 quirements relating to such jobs and occupations;
14 and education and training services in the one-stop
15 service area that are available to assist individuals in
16 acquiring such skills. Such information shall be used
17 in developing the goals of, and activities to be pro-
18 vided by, the workforce development programs in the
19 labor market area and disseminated to the public
20 through the one-stop career centers established in
21 such area.

22 (3) BUDGETS.—The workforce investment
23 board shall review and approve the budgets of the
24 participating programs described in subparagraphs
25 (A)–(E) of section 215(a), and the budgets for the

1 one-stop career centers pursuant to section 216(c),
2 and review and provide recommendations regarding
3 the budgets of other participating programs de-
4 scribed in section 215(b) to encourage coordination
5 and enhance the delivery of services.

6 (4) ASSUMPTION OF FUNCTIONS.—

7 (A) IN GENERAL.—The workforce invest-
8 ment board shall assume the functions of the
9 private industry council described in section
10 103 of the Job Training Partnership Act and of
11 the Job Service Employer Committees.

12 (B) LIMITATION.—The workforce invest-
13 ment board shall not be the administrative en-
14 tity for programs under title II of the Job
15 Training Partnership Act and shall not operate
16 any other programs.

17 (5) OVERSIGHT.—The workforce investment
18 board shall conduct oversight of the implementation
19 of the strategic plan and the overall performance of
20 the participating programs described in section 215.

21 (6) CHARTERING OF CENTERS.—Each
22 workforce investment board shall administer the pro-
23 cedures for the chartering of one-stop career centers
24 described in section 214(c).

1 **SEC. 213. ESTABLISHMENT OF ONE-STOP CAREER CEN-**
2 **TERS.**

3 (a) IN GENERAL.—The Governor and local elected of-
4 ficial or officials shall jointly select either the option de-
5 scribed in subsection (b) or the option described in sub-
6 section (c) as the method for establishing one-stop career
7 centers for each one-stop service area.

8 (b) CONSORTIUM OPTION.—

9 (1) CONSORTIUM MEMBERS.—One-stop career
10 centers in the one-stop service area shall be adminis-
11 tered by a consortium that consists of—

12 (A) the Employment Service;

13 (B) the substate grantee or grantees for
14 title I of this Act;

15 (C) the administrative entity or entities for
16 title II of the Job Training Partnership Act;

17 (D) the State agency charged with the ad-
18 ministration of the State unemployment com-
19 pensation law, unless such agency chooses not
20 to participate; and

21 (E) one or more additional entities that
22 shall be—

23 (i) any unit of government,

24 (ii) any public or private provider of
25 reemployment, education and training or
26 social services, or

1 (iii) a consortium of the entities de-
2 scribed in clauses (i) and (ii).

3 (2) ESTABLISHMENT CRITERIA.—In order to be
4 designated to operate the one-stop career center sys-
5 tem, the consortium established in accordance with
6 paragraph (1) shall demonstrate to the satisfaction
7 of the workforce investment board the ability of such
8 consortium to—

9 (A) meet the criteria described in clauses
10 (i)-(vi) of subsection (c)(6)(B),

11 (B) provide for customer choice in obtain-
12 ing the basic services described in section
13 214(a) by—

14 (i) operating two or more centers, and

15 (ii) administering budget resources to
16 reflect, at least in part, the extent to which
17 each center is used by the public, and

18 (C) provide equitable access to centers by
19 segments of the population within the one-stop
20 service area.

21 (3) INTEGRATION OF PROGRAM ADMINISTRA-
22 TION.—Consortia established in accordance with
23 paragraph (1) shall, in addition to meeting the es-
24 tablishment criteria described in paragraph (2),
25 identify to the workforce investment board proce-

1 dures that would be used to promote the integration
2 of the administration of the programs conducted by
3 the members of such consortium, such as procedures
4 to provide for the cross-training of staff, promote
5 the collocation of facilities, and encourage the use of
6 common forms and practices.

7 (4) RENEWAL OF CHARTER.—The Governor
8 and local elected official or officials, in consultation
9 with the workforce investment board, shall review
10 the performance of the consortium and once every
11 four years determine whether to renew the charter
12 of the consortium.

13 (c) MULTIPLE INDEPENDENT OPERATOR OPTION.—

14 (1) MULTIPLE INDEPENDENT OPERATORS.—
15 The workforce investment board shall select, in ac-
16 cordance with the requirements of this subsection,
17 two or more entities to operate one-stop career cen-
18 ters in the one-stop service area.

19 (2) ELIGIBLE ENTITIES.—Any entity or consor-
20 tium of entities located in the one-stop service area
21 may apply, in accordance with the procedures de-
22 scribed in paragraph (4), to be selected as a one-
23 stop career center operator. Such entities may in-
24 clude—

25 (A) Employment Service offices,

1 (B) career center operators under title I of
2 this Act,

3 (C) service delivery area grant recipients or
4 administrative entities under the Job Training
5 Partnership Act,

6 (D) community colleges and area voca-
7 tional schools,

8 (E) community-based and other private
9 for-profit and nonprofit organizations, and

10 (F) other interested private and public or-
11 ganizations and entities.

12 (3) SPECIAL RULE.—If the Employment Serv-
13 ice, or a consortium including the Employment Serv-
14 ice, applies to be selected as one-stop career center
15 operator and such Employment Service or consor-
16 tium meets the selection criteria developed pursuant
17 to paragraph (6), the workforce investment board
18 shall select such Employment Service or consortium
19 to be one of the operators.

20 (4) PUBLICATION OF PROCEDURES.—The
21 workforce investment board, after consultation with
22 the Governor and local elected officials, shall pub-
23 lish, in a manner that is generally available, infor-
24 mation to notify organizations and individuals in the
25 one-stop service area of—

1 (A) the estimated number of one-stop ca-
2 reer centers needed and proposed number of op-
3 erators to be selected in the one-stop service
4 area, as determined in accordance with para-
5 graph (5);

6 (B) the application procedures for any en-
7 tity or consortium of entities to be selected as
8 such center operator, including when and where
9 such application is to be submitted and what in-
10 formation such application is to contain;

11 (C) the criteria for selection that will be
12 used, as determined in accordance with para-
13 graph (6); and

14 (D) other information the workforce in-
15 vestment board considers relevant to the selec-
16 tion and administration of such center opera-
17 tors.

18 (5) NUMBER OF ONE-STOP CENTER OPERA-
19 TORS.—The workforce investment board shall deter-
20 mine the number of one-stop career center operators
21 to be selected in the one-stop service area. In deter-
22 mining the appropriate number of such operators,
23 which shall not be less than two, the workforce in-
24 vestment board shall take into account—

25 (A) the size of the labor market;

1 (B) the number of customers who will po-
2 tentially use the one-stop career centers, includ-
3 ing unemployed and discouraged workers, em-
4 ployed workers, economically disadvantaged in-
5 dividuals, students, out-of-school youth, older
6 workers, veterans, and employers;

7 (C) the number and capabilities of poten-
8 tial operators; and

9 (D) equitable access to centers by seg-
10 ments of the population within the one-stop
11 service area.

12 (6) SELECTION CRITERIA.—

13 (A) OBJECTIVE FACTORS.—The workforce
14 investment board, consistent with guidelines is-
15 sued by the Secretary, shall use objective cri-
16 teria and performance measures in assessing
17 applications submitted for selection as a one-
18 stop career center operator.

19 (B) CONTENTS.—An applicant may not be
20 selected as a one-stop career center operator
21 under this title unless such applicant dem-
22 onstrates to the satisfaction of the workforce in-
23 vestment board the ability to establish a one-
24 stop career center or centers that would—

1 (i) provide the services described in
2 section 214;

3 (ii) utilize automated information sys-
4 tems to facilitate the exchange of informa-
5 tion among career centers;

6 (iii) meet the performance standards
7 prescribed pursuant to section 217;

8 (iv) ensure effective fiscal and pro-
9 gram management;

10 (v) administer the process of referring
11 participants to education and training
12 services in an objective and equitable man-
13 ner; and

14 (vi) provide services on a nondiscrim-
15 inatory basis to the population in the one-
16 stop service area.

17 (7) SINGLE OPERATOR EXCEPTION.—Notwith-
18 standing the number of operators to be selected pur-
19 suant to paragraph (5), if only one applicant meets
20 the selection criteria developed pursuant to para-
21 graph (6), the workforce investment board may se-
22 lect the single applicant to operate the one-stop ca-
23 reer center system.

24 (8) PERIOD OF SELECTION.—The workforce in-
25 vestment board shall select one-stop career center

1 operators pursuant to the requirements of this sub-
2 section once every four years.

3 (d) CHARTERS.—The workforce investment board
4 shall issue a charter to each one-stop career center des-
5 ignated pursuant to this section. Such charter shall—

6 (1) identify the number and location of the one-
7 stop career centers in the one-stop service area.

8 (2) identify the entity or entities operating the
9 one-stop career centers;

10 (3) provide for the display of the one-stop ca-
11 reer center national logo developed pursuant to sec-
12 tion 243(c); and

13 (4) include such other conditions as the
14 workforce investment board determines is appro-
15 priate.

16 (e) ENFORCEMENT OF HONEST BROKER FUNC-
17 TIONS.—The workforce investment board shall review, not
18 less than once each program year, the education and train-
19 ing referral practices of any one-stop career center that
20 is operated by an entity that concurrently provides edu-
21 cation and training services to participants under this
22 title. If the workforce investment board determines that
23 such center has engaged in a pattern of inappropriate re-
24 ferrals to the education and training services provided by
25 the operator of such center, the Board may terminate the

1 charter to operate such center or may require such opera-
2 tor to cease providing education and training services to
3 participants under this title as a condition for continuing
4 to operate such center.

5 **SEC. 214. SERVICES TO BE PROVIDED THROUGH ONE-STOP**
6 **CAREER CENTERS.**

7 (a) BASIC SERVICES.—Each one-stop career center
8 established pursuant to this title shall make available to
9 the public free of charge the following basic services:

10 (1) Outreach to make individuals aware of, and
11 encourage the use of, employment and training serv-
12 ices, including efforts to expand awareness of train-
13 ing and placement opportunities for limited-English
14 proficient individuals, disadvantaged youth and
15 adults, and individuals with disabilities.

16 (2) Intake and orientation to the information
17 and services available through such center.

18 (3) Assistance in filing an initial claim for un-
19 employment compensation.

20 (4) Preliminary assessment of the skill levels
21 (including appropriate testing) and service needs of
22 such individuals, which may include such factors as
23 basic skills, occupational skills, prior work experi-
24 ence, employability, interests, aptitudes, and sup-
25 portive service needs.

1 (5) Information relating to local, regional and
2 national labor markets, including—

3 (A) job vacancy listings in such markets,
4 and

5 (B) information relating to local occupa-
6 tions in demand and the earnings and skill re-
7 quirements for such occupations.

8 (6) Job search assistance, including resume and
9 interview preparation, and workshops.

10 (7) Job referral and job placement assistance.

11 (8) Information relating to job training and
12 education programs (including student financial as-
13 sistance), including the eligibility requirements of
14 and services provided by such programs, the avail-
15 ability and quality of such programs, and referrals
16 to such programs where appropriate.

17 (9) Information collected pursuant to the per-
18 formance standards and customer feedback require-
19 ments of section 217.

20 (10) Assistance in evaluating whether such indi-
21 viduals are likely to be eligible for any program par-
22 ticipating in the career center.

23 (11) Information relating to programs and pro-
24 viders of dependent care and other supportive serv-
25 ices available in the local area.

1 (12) Soliciting and accepting job orders submit-
2 ted by employers in the one-stop service area, and
3 screening and referring applicants in accordance
4 with such orders.

5 (b) INTENSIVE SERVICES.—Each one-stop career
6 center established pursuant to this title shall make avail-
7 able to participants in the program described under title
8 I of this Act who are unable to obtain employment through
9 the basic services described in subsection (a), and may
10 make available to other individuals, in accordance with the
11 written agreement developed pursuant to section 216, the
12 following intensive services:

13 (1) Comprehensive and specialized assessments
14 of the skill levels and service needs of individuals,
15 which may include—

16 (A) diagnostic testing and other assess-
17 ment tools; and

18 (B) in-depth interviewing and evaluation to
19 identify employment barriers and appropriate
20 employment goals.

21 (2) The development of an individual reemploy-
22 ment plan, which shall identify the employment goal
23 (including in appropriate circumstances, nontradi-
24 tional employment), appropriate achievement objec-

1 tives, and the appropriate combination of services
2 for a participant to achieve the employment goal.

3 (3) Group counseling, including peer counseling,
4 which may be available to individuals jointly with
5 their immediate families, and which may include
6 counseling relating to stress management and finan-
7 cial management and which shall be a basic service
8 for participants in the program established under
9 title I of this Act.

10 (4) Individualized counseling and career plan-
11 ning, including peer counseling and counseling and
12 planning relating to nontraditional employment op-
13 portunities.

14 (5) Case management for individuals receiving
15 education, training and supportive services, includ-
16 ing periodically reviewing the individual's progress
17 toward achieving his or her employment goal.

18 (6) Job development.

19 (7) Out-of-area job search allowances.

20 (8) Relocation allowances.

21 (9) Assistance in the selection of education and
22 training providers.

23 (10) Assistance in obtaining income support for
24 which the individual is eligible, to enable such indi-
25 vidual to participate in training.

1 (11) Supportive services.

2 (12) Follow-up counseling for individuals placed
3 in training or employment.

4 (c) SPECIALIZED EMPLOYER SERVICES.—Each one-
5 stop career center established pursuant to this title may
6 provide to employers the following services—

7 (1) customized screening and referral of individ-
8 uals for employment;

9 (2) customized assessment of skill levels of the
10 employer's current employees;

11 (3) analysis of the employer's workforce skill
12 needs; and

13 (4) other specialized employment and training
14 services.

15 (d) ADDITIONAL SERVICES.—Each one-stop career
16 center established pursuant to this title may make avail-
17 able such additional services as are specified in the written
18 agreement under section 216.

19 (e) FEES.—

20 (1) IN GENERAL.—(A) Except as provided in
21 subparagraph (B), each one-stop career center may
22 charge fees for the services described in subsections
23 (b), (c) and (d) if such fees are approved by the
24 workforce investment board.

1 (B) No fees may be charged to an individual for
2 any service which such individual is eligible to re-
3 ceive free of charge under any participating program
4 described in section 215 unless there are no funds
5 available under such program to provide such serv-
6 ices.

7 (2) PROGRAM INCOME.—All program income re-
8 ceived by a one-stop career center that is operated
9 by a public or private non-profit entity from the fees
10 collected pursuant to paragraph (1) shall be used to
11 expand or enhance the services provided by such
12 center.

13 **SEC. 215. PARTICIPATING PROGRAMS.**

14 (a) MANDATORY PROGRAMS.—

15 (1) IN GENERAL.—Subject to the provisions of
16 paragraph (2), the following programs shall make
17 available to participants through the one-stop career
18 centers the services described in section 214(a) that
19 are applicable to such program and shall participate
20 in the operation of such centers as a party to the
21 agreement described in section 216—

22 (A) programs authorized under title I of
23 this Act;

24 (B) programs authorized under the Wag-
25 ner-Peyser Act;

1 (C) programs authorized under chapter 41
2 of title 38, United States Code;

3 (D) programs authorized under title II of
4 the Job Training Partnership Act;

5 (E) programs authorized under title V of
6 the Older Americans Act; and

7 (F) programs authorized under Federal
8 and State unemployment compensation laws.

9 (2) ADDITIONAL CONDITIONS.—

10 (A) The programs authorized under title I
11 of this Act shall provide the services described
12 in subsections (a) and (b) of section 214
13 through the one-stop career centers, which shall
14 replace the career centers established pursuant
15 to section 118 of this Act.

16 (B) The program authorized under the
17 Wagner-Peyser Act shall provide the applicable
18 services described in subsections (a) and (b) of
19 section 214 only through the one-stop career
20 centers.

21 (C) The program authorized under chapter
22 41 of title 38, United States Code, shall make
23 available through the one-stop career centers
24 the applicable services described in subsections
25 (a) and (b) of section 214, and may, in addi-

1 tion, provide such services through other loca-
2 tions.

3 (D) The programs described under sub-
4 paragraphs (C), (D), (E), and (F) of paragraph
5 (1) may, in addition to providing applicable
6 services under section 214(a) through the one-
7 stop career centers, provide such services
8 through other locations and service providers.

9 (E) The programs described in paragraph
10 (1) may provide additional services through the
11 one-stop career centers in accordance with the
12 written agreement described in section 216.

13 (b) VOLUNTARY.—In addition to the programs de-
14 scribed in subsection (a), other human resource programs
15 may provide services through the one-stop career centers
16 and participate in the operation of such centers as a party
17 to the agreement described in section 216 if the workforce
18 investment board, local elected official or officials, the
19 Governor, and other participating programs approve such
20 participation. Such programs may include programs au-
21 thorized under—

22 (1) part F of title IV of the Social Security Act
23 (the Job Opportunities and Basic Skills (JOBS)
24 program);

1 (2) section 6(d)(4) of the Food Stamp Act of
2 1977 (the Food Stamp Employment and Training
3 Program);

4 (3) part B of title IV of the Job Training Part-
5 nership Act (Job Corps);

6 (4) programs authorized under title IV-C of the
7 Job Training Partnership Act;

8 (5) the Carl D. Perkins Vocational and Applied
9 Technology Education Act;

10 (6) the Adult Education Act;

11 (7) the Vocational Rehabilitation Act; and

12 (8) the School-to-Work Opportunities Act.

13 **SEC. 216. OPERATING AGREEMENTS.**

14 (a) IN GENERAL.—The one-stop career center opera-
15 tors selected pursuant to section 213 shall enter into a
16 written agreement with the workforce investment board
17 and participating programs described in section 215 con-
18 cerning the operation of the one-stop career centers. Such
19 agreement shall be subject to the approval of the local
20 elected official and the Governor, who shall oversee the
21 development of such agreement, ensure that the agree-
22 ment meets the requirements of this section, and monitor
23 the implementation of such agreement.

24 (b) CONTENTS.—The written agreement required
25 under subsection (a) shall contain the following:

1 (1) The services to be provided by the centers,
2 consistent with section 214, and the extent to which
3 participating programs will provide services to pro-
4 gram participants through such centers, consistent
5 with section 215.

6 (2) Methods for referral of individuals by the
7 one-stop career centers to the appropriate services
8 and programs.

9 (3) The financial and nonfinancial contributions
10 to be made to the centers by each participating pro-
11 gram, which shall be based on factors including the
12 number of participants served by the centers from
13 each participating program and the quality of serv-
14 ices provided.

15 (4) The financial liability of the respective par-
16 ties relating to the funds contributed by the partici-
17 pating programs.

18 (5) The financial contributions to be made for
19 the administration of the workforce investment
20 board by each participating program.

21 (6) Methods of administration, including provi-
22 sions for monitoring and oversight of the centers
23 and of this agreement.

24 (7) A description of how services are to be pro-
25 vided by the centers, such as the methods and ap-

1 appropriate test instruments to be used to assess the
2 skill levels of individuals.

3 (8) The procedures to ensure the utilization of
4 a common local job bank.

5 (9) The procedures to be used to ensure compli-
6 ance with the statutory and regulatory requirements
7 of the participating programs.

8 (10) The duration of the agreement and the
9 procedures for amending the agreement during its
10 term.

11 (11) Such other provisions, consistent with the
12 requirements of this title, that the parties deem ap-
13 propriate.

14 (c) ONE-STOP CAREER CENTER AND BOARD BUDG-
15 ETS.—The parties to the written agreement described
16 under subsection (a) shall supplement the written agree-
17 ment by developing an annual budget for the one-stop ca-
18 reer centers and the workforce investment board. The
19 budget for the board shall be subject to the approval of
20 the local elected official. The budget for the career centers
21 shall be subject to approval of the local elected official and
22 the Governor.

23 **SEC. 217. QUALITY ASSURANCE SYSTEMS.**

24 (a) PERFORMANCE STANDARDS.—

1 (1) IN GENERAL.—The Secretary, after con-
2 sultation with the Governors, workforce investment
3 boards, and one-stop career center operators, shall
4 prescribe performance standards relating separately
5 to the one-stop career centers and the workforce in-
6 vestment boards established under this title. Such
7 standards shall be based on factors the Secretary de-
8 termines are appropriate, which may include:

9 (A) in the case of one-stop career cen-
10 ters—

11 (i) placement, retention and earnings
12 of participants in unsubsidized employ-
13 ment, including—

14 (I) wages and benefits at a speci-
15 fied period after termination from the
16 program,

17 (II) full-time and part-time em-
18 ployment, and

19 (III) comparability of wages at a
20 specified period after termination
21 from the program with wages prior to
22 participation in the program;

23 (ii) the provision of services to hard-
24 to-serve populations such as individuals
25 who are basic skills deficient, school drop-

1 outs, individuals with disabilities, older
2 workers with obsolete skills, economically
3 disadvantaged individuals, and others who
4 face serious barriers to employment;

5 (iii) acquisition of skills pursuant to a
6 skill standards and skill certification sys-
7 tem endorsed by the National Skill Stand-
8 ards Board established under the Goals
9 2000: Educate America Act;

10 (iv) satisfaction of participants with
11 services provided and the employment out-
12 comes;

13 (v) satisfaction of employers with job
14 performance of individuals placed; and

15 (vi) measures of the cost efficiency of
16 the one-stop career centers;

17 (B) in the case of the workforce invest-
18 ment boards—

19 (i) job openings received from employ-
20 ers, including the proportion of employers
21 in the one-stop service area that list jobs
22 with the one-stop career centers;

23 (ii) job opening filled through the one-
24 stop career centers; and

1 (iii) the overall performance of the ca-
2 reer centers in the one-stop service area.

3 (2) ADJUSTMENTS.—Each Governor shall,
4 within parameters established by the Secretary, pre-
5 scribe adjustments to the performance standards
6 prescribed under paragraph (1) for the one-stop ca-
7 reer centers and workforce investment boards estab-
8 lished in the State based on—

9 (A) specific economic, geographic and de-
10 mographic factors in the State and in one-stop
11 service areas within the State; and

12 (B) the characteristics of the population to
13 be served, including the demonstrated difficul-
14 ties in serving special populations.

15 (3) FAILURE TO MEET STANDARDS.—

16 (A) UNIFORM CRITERIA.—The Secretary
17 shall establish uniform criteria for determining
18 whether a one-stop career center or workforce
19 investment board fails to meet performance
20 standards under this section.

21 (B) TECHNICAL ASSISTANCE.—The Gov-
22 ernor shall provide technical assistance to one-
23 stop career centers and workforce investment
24 boards failing to meet performance standards

1 under the uniform criteria established under
2 paragraph (1).

3 (C) REPORT ON PERFORMANCE.—Each
4 Governor shall include in the report to the Sec-
5 retary the final performance standards and per-
6 formance for each one-stop career center and
7 workforce investment board within the State,
8 along with the technical assistance planned and
9 provided as required under subparagraph (B).

10 (D) REVOCATION OF CHARTER.—If a one-
11 stop career center continues to fail to meet such
12 performance standards for two consecutive pro-
13 gram years, the Governor shall notify the Sec-
14 retary and the one-stop career center of the
15 continued failure, and the workforce investment
16 board shall—

17 (i) in the case of one-stop career cen-
18 ter selected pursuant to the multiple inde-
19 pendent operator option, terminate the op-
20 erating agreement and select another en-
21 tity as the one-stop career center consist-
22 ent with the procedures described in sec-
23 tion 213(b); and

24 (ii) in the case of a one-stop career
25 center operated under the consortium op-

1 tion, terminate the operating agreement to
2 operate such center and to select another
3 entity as one-spot career center, consistent
4 with the procedures described in section
5 213(b).

6 (E) CORRECTIVE ACTION FOR BOARDS.—If
7 a workforce investment board continues to fail
8 to meet such performance standards for two
9 consecutive program years, the Governor shall
10 notify the Secretary and the workforce invest-
11 ment board of the continued failure, and
12 shall—

13 (i) replace the members of such board,

14 (ii) direct the board to replace staff,

15 (iii) direct the board to replace the
16 chairperson, or

17 (iv) take such other action as the Gov-
18 ernor determines in appropriate.

19 (F) APPEAL.—(i) A one-stop career center
20 operator that is the subject of a revocation
21 under subparagraph (D) or a workforce invest-
22 ment board that is subject to sanctions under
23 subparagraph (E) may, within thirty days after
24 receiving notice thereof and pursuant to criteria
25 established by the Secretary, appeal to the Gov-

1 error to rescind such action. The Governor
2 shall issue a decision on the appeal within thir-
3 ty days of its receipt.

4 (ii) A one-stop career center operator or
5 workforce investment board that receives an ad-
6 verse decision under an appeal filed pursuant to
7 clause (i) may, within thirty days, appeal to the
8 Secretary. The Secretary shall issue a decision
9 on the appeal within thirty days of its receipt.

10 (b) CUSTOMER FEEDBACK.—

11 (1) METHODS.—Each workforce investment
12 board shall establish methods for obtaining, on a
13 regular basis, information from individuals and em-
14 ployers who have received services through a one-
15 stop career center regarding the effectiveness and
16 quality of such services. Such methods may include
17 the use of surveys, interviews, focus groups, and
18 other techniques.

19 (2) ANALYSIS AND DISSEMINATION.—Each
20 workforce investment board shall analyze the infor-
21 mation obtained pursuant to paragraph (1) on a reg-
22 ular basis and provide a summary of such informa-
23 tion accompanied by such analysis to the one-step
24 career center for use in improving the quality of
25 services provided under this title.

1 **SEC. 218. STATE HUMAN RESOURCE INVESTMENT COUNCIL.**

2 (a) IN GENERAL.—Each State shall establish a state
3 human resource investment council that meets the require-
4 ments of title VII of the Job Training Partnership Act.
5 In addition to carrying out the functions required under
6 paragraphs (1)–(3) of section 701 of such Act, the Council
7 shall—

8 (1) identify the human investment needs in the
9 State and recommend to the Governor goals for
10 meeting such needs;

11 (2) recommend to the Governor goals for the
12 development and coordination of the human resource
13 system in the State;

14 (3) prepare and recommend to the Governor a
15 strategic plan to accomplish the goals developed pur-
16 suant to paragraphs (2) and (3); and

17 (4) monitor the implementation of and evaluate
18 the effectiveness of the strategic plan prepared pur-
19 suant to paragraph (3).

20 (b) ONE-STOP FUNCTION.—In addition to the func-
21 tions described in subsection (a), the council shall advise
22 the Governor with respect to all aspects of the develop-
23 ment and implementation of the one-stop career center
24 system authorized under this title, including—

25 (1) assessing the needs of the State with regard
26 to—

1 (A) current and projected demand for
2 workers by occupation;

3 (B) skill levels of the workforce and the
4 needs of business for a skilled workforce;

5 (C) economic development needs of the
6 State; and

7 (D) the type and availability of workforce
8 preparation and development programs in the
9 State;

10 (2) providing advice to the Governor on the des-
11 ignation of one-stop service areas within the State;

12 (3) developing measures of effectiveness for the
13 workforce investment boards;

14 (4) facilitating the provision through appro-
15 priate State agencies of grants and technical assist-
16 ance to workforce investment boards;

17 (5) developing a mechanism for waiving State
18 rules and provisions of law with respect to workforce
19 investment programs; and

20 (6) developing a strategy to collect and utilize
21 information on the effectiveness of workforce invest-
22 ment programs, and that of individual service pro-
23 viders, and to share such information with cus-
24 tomers of such programs.

1 **PART B—GRANTS AND WAIVERS TO PROMOTE**
2 **THE DEVELOPMENT AND IMPLEMENTATION**
3 **OF ONE-STOP CAREER CENTER SYSTEM**

4 **SEC. 231. STATE PLANNING AND DEVELOPMENT GRANTS.**

5 (a) PROGRAM AUTHORIZED.—The Secretary is au-
6 thorized to establish a program of competitive grants to
7 States to assist in the planning and development of a com-
8 prehensive Statewide network of one-stop career centers.

9 (b) APPLICATION.—

10 (1) IN GENERAL.—Any State desiring a grant
11 under this section shall submit an application to the
12 Secretary at such time, in such manner, and con-
13 taining such information as the Secretary may rea-
14 sonably require.

15 (2) CONTENTS OF APPLICATION.—The applica-
16 tion for a grant submitted pursuant to paragraph
17 (1) shall at a minimum include—

18 (A) a timetable and estimate of the
19 amount of funds needed to complete the plan-
20 ning and development necessary to implement a
21 Statewide system of one-stop career centers,
22 which includes the components described in
23 part A; and

24 (B) a description of the manner in which
25 the Governor, local elected officials, community
26 and business leaders, representatives of employ-

1 ees representatives of voluntary organizations,
2 representatives of the programs described in
3 section 215, service providers and other inter-
4 ested organizations and individuals will work to-
5 gether in the planning and development of a
6 one-stop career center system.

7 (c) USE OF FUNDS.—Funds awarded under this sec-
8 tion may be used to carry out the following activities—

9 (1) identifying and establishing an appropriate
10 State structure to administer the one-stop career
11 center network within the State;

12 (2) identifying and establishing board-based
13 partnerships among employers, labor, education,
14 State and local government, and community-based
15 organizations to participate in the design, develop-
16 ment, and administration of a one-stop career center
17 system;

18 (3) developing a plan to establish a State
19 Human Resource Investment Council and local
20 workforce investment boards;

21 (4) developing the process for chartering one-
22 stop career centers;

23 (5) supporting local one-stop career center plan-
24 ning and development activities to provide guidance

1 in the development of a one-stop career center sys-
2 tem;

3 (6) initiating pilot programs for testing key
4 components of State program design, such as de-
5 signing and testing common intake forms for partici-
6 pating programs;

7 (7) analyzing State and local labor markets and
8 the operation of the current labor exchange and
9 labor market intermediaries, to inform the design of
10 the new system;

11 (8) analyzing current statutory and regulatory
12 impediments to the establishment of a one-stop ca-
13 reer center system, and preparing requests to waive
14 statutory or regulatory requirements;

15 (9) preparing the plan required for submission
16 of an application for an Implementation Grant
17 under section 232; and

18 (10) other appropriate activities.

19 **SEC. 232. STATE IMPLEMENTATION GRANTS.**

20 (a) PROGRAM AUTHORIZED.—The Secretary is au-
21 thorized to establish a program of competitive grants to
22 States to assist in the implementation of a comprehensive
23 statewide system of one-stop career centers.

24 (b) APPLICATION.—

1 (1) IN GENERAL.—Any State desiring a grant
2 under this section shall, with the agreement of the
3 local elected officials from the one-stop service areas
4 identified in paragraph (3)(C) that will immediately
5 begin implementation of the one-stop career center
6 system, submit an application to the Secretary at
7 such time, in such manner, and containing such in-
8 formation as the Secretary may reasonably require.

9 (2) CONTENTS OF APPLICATION.—The applica-
10 tion for a grant submitted pursuant to paragraph
11 (1) shall, at a minimum, include—

12 (A) a plan for a comprehensive, Statewide
13 one-stop career center system that includes the
14 components described in part A;

15 (B) a request in accordance with section
16 233, if any, for one or more waivers of statu-
17 tory or regulatory requirements relating to the
18 programs described in section 233(c);

19 (C) such other information as the Sec-
20 retary may require.

21 (3) CONTENTS OF STATE PLAN.—A State plan
22 shall—

23 (A) designate a fiscal agent to receive and
24 be accountable for implementation grant funds
25 awarded under this section and describe how

1 the State intends to manage the funds awarded
2 under this section at the State and local levels;

3 (B) identify the one-stop service areas that
4 have been designated within the State pursuant
5 to section 212(a);

6 (C) identify the one-stop service areas in
7 the State that will immediately begin implemen-
8 tation of the one-stop career center system, and
9 the schedule for implementation for the remain-
10 ing areas of the State;

11 (D) identify the workforce development
12 programs that will participate in the one-stop
13 career centers, consistent with section 215;

14 (E) describe the method by which one-stop
15 career centers will be selected, consistent with
16 section 213;

17 (F) describe the performance standards
18 that the State intends to meet;

19 (G) describe the procedure by which the
20 Governor, local elected officials, officials admin-
21 istering participating programs, and other ap-
22 propriate officials, will collaborate in the imple-
23 mentation of the statewide one-stop career cen-
24 ter system;

1 (H) describe the manner in which the
2 State has obtained and will continue to obtain
3 the active and continued involvement, in the
4 statewide one-stop career center system, of em-
5 ployers (including small businesses) and other
6 interested parties such as secondary schools and
7 post-secondary educational institutions (or re-
8 lated agencies), business associations, employ-
9 ees, labor organizations or associations of such
10 organizations, community-based organizations,
11 economic development organizations, rehabilita-
12 tion agencies and organizations, registered ap-
13 prenticeship agencies, vocational education
14 agencies, State or regional cooperative edu-
15 cation associations, human service agencies, and
16 education, employment and training service pro-
17 viders;

18 (I) describe the manner in which the State
19 will ensure equitable opportunities for job-
20 seekers, students, and employers in the State to
21 receive services from one-stop career centers;

22 (J) if the State has already undertaken a
23 one-stop service initiative, describe how such
24 initiative will be integrated into the Statewide
25 one-stop career center system under this title;

1 (K) describe the administrative and man-
2 agement systems that will be used in the State;
3 and

4 (L) describe the resources that the State
5 intends to employ in maintaining the one-stop
6 career center system when funds under this
7 title are no longer available.

8 (c) FACTORS TO BE AWARDED SPECIAL CONSIDER-
9 ATION.—An applicant shall be awarded special consider-
10 ation in the evaluation of a grant application under this
11 section with respect to the following factors—

12 (1) the extent to which the one-stop service
13 areas in the State are based on labor market areas;

14 (2) the number of Federal programs that will
15 participate in the one-stop career centers;

16 (3) the extent to which the Job Opportunities
17 and Basic Skills program (commonly referred to as
18 JOBS) authorized under title IV–F of the Social Se-
19 curity Act and programs authorized under the Carl
20 Perkins Vocational and Applied Technology Edu-
21 cation Act will participate in the one-stop career
22 centers;

23 (4) the extent to which a State has already im-
24 plemented the components of the one-stop career
25 center system described in part A;

1 (5) the proportion of population of the State
2 that is covered by the one-stop service areas that
3 have agreed to immediately implement the one-stop
4 career center system, and

5 (6) the extent to which a State demonstrates a
6 commitment to ensuring that the one-stop career
7 center operations in the State will enhance access to
8 the services described in section 214(a) through sup-
9 plementary methods such as kiosks based in shop-
10 ping centers, libraries, community colleges and other
11 community organizations, and through personal tele-
12 phones or computer lines.

13 (d) REVIEW OF APPLICATIONS.—The Secretary shall
14 determine whether to approve the State’s plan, and, if
15 such determination is affirmative, further determine
16 whether to take one or a combination of the following ac-
17 tions—

18 (1) award an implementation grant;

19 (2) approve the State’s request, if any, for a
20 waiver in accordance with the procedures in section
21 233 of this Act; and

22 (3) inform the State of the opportunity to apply
23 for further development funds, except that further
24 development funds may not be awarded to a State
25 that receives an implementation grant.

1 (e) LIMITATION.—No funds provided pursuant to a
2 grant under this section may be expended to construct new
3 buildings.

4 (f) DURATION OF GRANTS.—Grants awarded under
5 this section shall be for a one year period and shall be
6 renewable for each of the two succeeding fiscal years if
7 the Secretary determines that the State is making satis-
8 factory progress in the implementation of the Statewide
9 one-stop career center plan.

10 **SEC. 233. WAIVER OF FEDERAL STATUTORY AND REGU-**
11 **LATORY REQUIREMENTS.**

12 (a) STATE REQUEST FOR WAIVER.—A State may, at
13 any point during the development or implementation of
14 a one-stop career center system, request a waiver of one
15 or more statutory or regulatory provisions from the Sec-
16 retary in order to carry out the purposes of this title.

17 (b) WAIVER CRITERIA.—

18 (1) Except as provided in subsection (d), the
19 Secretary may waive any requirement of any statute
20 listed in subsection (c)(1) or regulations issued
21 under such statute, or, with the concurrence of the
22 Director of the Office of Management and Budget,
23 any circular listed in subsection (c)(2) or regulations
24 issued under such circular, for any State that re-
25 quests such a waiver—

1 (A) if such State submits a plan for a com-
2 prehensive, Statewide one-stop career center
3 system that—

4 (i) either—

5 (I) includes the components de-
6 scribed in part A; or

7 (II) while not including all of the
8 components described in part A, dem-
9 onstrates that such one-stop system
10 will substantially achieve the objec-
11 tives of this title; and

12 (ii) includes such other information as
13 the Secretary may reasonably require, such
14 as the information required under a State
15 plan pursuant to section 232(b)(3);

16 (B) if, and only to the extent that, the Sec-
17 retary determines that such requirement im-
18 pedes the ability of the State to carry out the
19 purposes of this title;

20 (C) if the State waives, or agrees to waive,
21 similar requirements of State law; and

22 (D) if the State—

23 (i) has provided a notice and an op-
24 portunity for the State council or State
25 Human Resource Investment Council and

1 other interested entities and individuals to
2 comment on the State's proposal to seek a
3 waiver; and

4 (ii) has submitted the comments re-
5 quired pursuant to clause (i) to the Sec-
6 retary.

7 (2) The Secretary shall act promptly on any re-
8 quest submitted pursuant to paragraph (1).

9 (3) Each waiver approved pursuant to this sub-
10 section shall be for a period not to exceed four years,
11 except that the Secretary may extend such period if
12 the Secretary determines that the waiver has been
13 effective in enabling the State to carry out the pur-
14 poses of this title.

15 (c) INCLUDED PROGRAMS.—

16 (1) STATUTES.—The statutes subject to the
17 waiver authority of this section are as follows—

18 (A) title I of this Act;

19 (B) the Job Training Partnership Act;

20 (C) the Wagner-Peyser Act;

21 (D) title V of the Older Americans Act;

22 (E) title III of the Social Security Act; and

23 (F) chapter 41 of title 38, United States
24 Code.

1 (2) CIRCULARS AND RELATED REGULATIONS.—

2 The following circulars promulgated by the Office of
3 Management and Budget subject to the waiver au-
4 thority of this section are as follows—

5 (A) A-87, relating to cost principles for
6 State and local governments;

7 (B) A-102, relating to grants and coopera-
8 tive agreements with State and local govern-
9 ments;

10 (C) A-122, relating to non-profit organiza-
11 tions; and

12 (D) 29 CFR 97, uniform administrative
13 regulations for grants and cooperative agree-
14 ments to State and local governments.

15 (d) WAIVERS NOT AUTHORIZED.—The Secretary of
16 Labor may not waive any statutory or regulatory require-
17 ment of the programs listed in subsection (b) relating to—

18 (1) the basic purposes or goals of the affected
19 programs;

20 (2) maintenance of effort;

21 (3) the formula allocation of funds under the
22 affected programs;

23 (4) the eligibility of an individual for participa-
24 tion in the affected programs;

1 (5) public health or safety, labor standards,
2 civil rights, occupational safety and health, or envi-
3 ronmental protection; and

4 (6) prohibitions or restrictions relating to the
5 construction of buildings or facilities.

6 (e) TERMINATION OF WAIVERS.—The Secretary shall
7 periodically review the performance of any State for which
8 the Secretary has granted a waiver and shall terminate
9 the waiver under this section if the Secretary determines
10 that the performance of the State affected by the waiver
11 has been inadequate to justify a continuation of the
12 waiver, or the State fails to waive similar requirements
13 of State law as required or agreed to in accord with sub-
14 section (b)(1)(C).

15 (f) PLAN FOR GENERAL WAIVER OF CIRCULAR PRO-
16 VISIONS.—

17 (1) DEVELOPMENT OF PLAN.—If the Secretary
18 determines there is sufficient information available,
19 based on applications received pursuant to this sec-
20 tion or other information, to identify provisions of
21 the circulars or related regulations listed in sub-
22 section (c)(2) that would consistently impede the im-
23 plementation of a one-stop career center system, the
24 Secretary shall submit a plan to the Director of the
25 Office of Management and Budget to authorize the

1 Secretary to grant a general waiver of such provi-
2 sions for areas implementing one-stop career center
3 systems.

4 (2) APPROVAL OF PLAN.—The Director of the
5 Office of Management and Budget may approve the
6 plan submitted pursuant to paragraph (1) and au-
7 thorize the Secretary to grant general waivers of the
8 provisions of the circulars and related regulations in
9 accordance with such plan if the Director determines
10 such plan would not jeopardize the integrity of Fed-
11 eral funds and would be consistent with the objec-
12 tives of this title.

13 **SEC. 234. POOLING OF ADMINISTRATIVE RESOURCES.**

14 (a) SUBMISSION OF PLAN.—

15 (1) IN GENERAL.—At any point in the imple-
16 mentation of a one-stop career center system, a
17 State may, on behalf of one or more one-stop service
18 areas in the State, submit a plan to the Secretary
19 for the pooling of administrative funds available to
20 such area under two or more of the programs de-
21 scribed in section 215(a).

22 (2) COMPONENTS OF POOLING.—Under a plan
23 submitted pursuant to paragraph (1), each partici-
24 pating program described in section 215(a) may pro-
25 pose to transfer administrative funds to the one-stop

1 career center system and to allocate the amount
2 transferred to the costs of administration under such
3 program at the time of such transfer. Pursuant to
4 such plan, further allocation of the expenditure of
5 such funds to the participating program shall not be
6 required subsequent to the transfer of the funds to
7 the one-stop career center system. Administrative
8 funds that are transferred under such plan shall
9 only be expended for the costs of administering al-
10 lowable activities under the one-stop career center
11 system.

12 (b) APPROVAL OF PLAN.—Notwithstanding section
13 1301 of title 31, United States Code, or any other provi-
14 sion of law, the Secretary may approve a plan for the pool-
15 ing of administrative funds submitted pursuant to sub-
16 section (a) if the Secretary determines such plan would
17 not jeopardize the administration of the participating pro-
18 grams transferring such funds and would facilitate the im-
19 plementation of the one-stop career center system. After
20 approval of such plan, the Secretary shall regularly review
21 the performance of the one-stop service areas operating
22 under such plans and shall rescind such approval if the
23 Secretary determines that the performance of the one-stop
24 service area has been inadequate to justify continuation

1 of the plan or there has been a significant adverse effect
2 on the participating programs.

3 (c) SESA REAL PROPERTY.—

4 (1) IN GENERAL.—Upon the approval of the
5 Governor, real property in which, as of July 1, 1995,
6 equity has resulted from funds provided under title
7 III of the Social Security Act, section 903(c) of the
8 Social Security Act (commonly referred to as the
9 Reed Act), or the Wagner-Peyser Act, may be used
10 for the purposes of a one-stop career center.

11 (2) LIMITATION.—Unless otherwise provided in
12 a plan approved pursuant to subsection (b), subse-
13 quent to the commencement of the use of the prop-
14 erty described in paragraph (1) for the purposes of
15 a one-stop career center, funds provided under the
16 provisions of law described in paragraph (1) may
17 only be used to acquire further equity in such prop-
18 erty, or to pay operating and maintenance expenses
19 relating to such property, in proportion to the extent
20 of the use of such property attributable to the activi-
21 ties authorized under such provisions of law.

1 **PART C—ADDITIONAL ACTIVITIES IN SUPPORT**
2 **OF ONE-STOP CAREER CENTER SYSTEMS**
3 **SEC. 251. CUSTOMER SERVICE COMPACT.**

4 The Secretary shall establish a process with each
5 State implementing a one-stop career center system under
6 this title, which shall include an annual meeting, to pro-
7 mote the development of a customer service compact
8 among the parties administering such system. Such com-
9 pact shall include an informal agreement between the Sec-
10 retary, Governor, each workforce investment board, and
11 each one-stop career center relating to—

12 (1) the shared goals and values that will govern
13 the administration of the system;

14 (2) the respective roles and responsibilities of
15 each party in enhancing the provision of services to
16 participants, including ensuring that such services
17 are tailored to the particular needs of participants in
18 each local area;

19 (3) methods for ensuring that the satisfaction
20 of participants with the services received is a pri-
21 mary consideration in the administration of the sys-
22 tem; and

23 (4) such other matters as the parties determine
24 are appropriate.

1 **SEC. 252. ADDITIONAL STATE RESPONSIBILITIES.**

2 (a) IN GENERAL.—Each State implementing a one-
3 stop career center system under this title shall be respon-
4 sible for developing and operating administrative and
5 management systems that promote the effective operation
6 of the one-stop career center system.

7 (b) MONITORING.—Each State implementing a one-
8 stop career center system under this title shall monitor
9 the compliance of workforce investment boards within the
10 State with the requirements of this title.

11 (c) TECHNICAL ASSISTANCE.—Each State imple-
12 menting a one-stop career center system under this title
13 shall provide such technical assistance as deemed nec-
14 essary to assist the workforce investment boards to carry
15 out their responsibilities under this title.

16 **SEC. 253. ADDITIONAL FEDERAL RESPONSIBILITIES.**

17 (a) OVERSIGHT.—The Secretary is authorized to
18 monitor all recipients of financial assistance under this
19 title to determine whether they are complying with the
20 provisions of this title.

21 (b) CAPACITY BUILDING AND TECHNICAL ASSIST-
22 ANCE.—The Secretary shall provide staff training and
23 technical assistance to States, workforce investment
24 boards, one-stop career centers, communities, business
25 and labor organizations, service providers, industry con-
26 sortia, and other entities, to enhance their capacity to de-

1 develop and implement effective one-stop career center sys-
2 tems. Such activities shall be integrated with the activities
3 of the Capacity Building and Information Dissemination
4 Network established under section 453 of the Job Train-
5 ing Partnership Act.

6 (c) NATIONAL LOGO.—The Secretary shall develop a
7 national logo and name for the purpose of identifying all
8 one-stop career centers as part of a nationwide workforce
9 security system. The purpose of this national identification
10 shall be to enable individuals to more readily identify and
11 access one-stop career centers in any State in any location.

12 (d) EVALUATION.—

13 (1) IN GENERAL.—The Secretary shall provide
14 for the continuing evaluation of programs conducted
15 under this title, including the cost-effectiveness of
16 programs in achieving the purposes of this title.

17 (2) TECHNIQUES.—

18 (A) METHODS.—Evaluations conducted
19 under paragraph (1) shall utilize recognized
20 statistical methods and techniques of the behav-
21 ioral and social sciences, including methodolo-
22 gies that control for self-selection, where fea-
23 sible.

24 (B) ANALYSIS.—Such evaluations may in-
25 clude cost benefit analyses of programs, and

1 analyses of the impact of the programs on par-
2 ticipants and the community, the extent to
3 which programs meet the needs of various de-
4 mographic groups, and the effectiveness of the
5 delivery systems used by the various programs.

6 **PART D—EFFECTIVE DATE**

7 **SEC. 271. EFFECTIVE DATE.**

8 (a) IN GENERAL.—Except as provided in subsection
9 (b), the provisions of this title shall take effect on July
10 1, 1995.

11 (b) PERFORMANCE STANDARDS.—The performance
12 standards established pursuant to section 217(a) shall
13 take effect on July 1, 1996.

14 **TITLE III—NATIONAL LABOR MARKET**
15 **INFORMATION SYSTEM**

16 **SEC. 301. PURPOSE.**

17 The purpose of this title is to provide for the develop-
18 ment of a national labor market information system that
19 will provide locally-based, accurate, up-to-date, easily ac-
20 cessible, user-friendly labor market information, includ-
21 ing—

22 (1) comprehensive information on job openings,
23 labor supply, occupational trends, current and pro-
24 jected wage rates by occupation, skill requirements,

1 and the location of and performance of programs de-
2 signed to provide requisite skills; and

3 (2) labor market data necessary to assist public
4 officials, economic development planners, education
5 planners, and public and private training entities in
6 the effective allocation of resources.

7 **SEC. 302. NATIONAL STRATEGY.**

8 (a) IN GENERAL.—The Secretary shall develop, in co-
9 ordination with other federal, state and local entities, a
10 strategy to establish a nationwide system of local labor
11 market information that accomplishes the purposes de-
12 scribe in section 301 and carries out the activities de-
13 scribed in sections 303 and 304. In addition, such strategy
14 shall be designed to fulfill the labor market information
15 requirements of the Job Training Partnership Act, title
16 I of this Act, the Carl Perkins Vocational and Applied
17 Technology Act, and other appropriate Federal programs.

18 (b) IMPLEMENTATION.—In implementing the strat-
19 egy described in subsection (a), the Secretary is authorized
20 to enter into contracts and intergovernmental cooperative
21 agreements, award grants, and foster the creation of pub-
22 lic-private partnerships, using funds authorized under this
23 title and funds otherwise available for such purposes. In
24 addition, the Secretary may conduct research and dem-
25 onstration projects to assist in such implementation.

1 **SEC. 303. COMPONENTS OF SYSTEM.**

2 (a) IN GENERAL.—The Secretary, in cooperation
3 with Federal, State, and local entities, and public-private
4 partnerships, shall develop a national labor market infor-
5 mation system that makes available the following informa-
6 tion:

7 (1) Information from both public and private
8 sources on the local economy, including current em-
9 ployment opportunities and trends by industry and
10 occupation.

11 (2) Automated listings of job openings and job
12 candidates in the local, State, and national labor
13 market.

14 (3) Growth projections by industry and growth
15 and replacement need projections by occupation and
16 occupational cluster for national, State, and local
17 labor markets.

18 (4) Current supply of labor available with spe-
19 cific occupational skills and experience including cur-
20 rent workers, job seekers, and training completers.

21 (5) Automated screening systems to permit easy
22 determination of candidate eligibility for funding and
23 other assistance in job training, job search, income
24 support, supportive services, and other reemploy-
25 ment services.

1 (6) Consumer reports on local education and
2 training providers including student satisfaction with
3 programs, employer satisfaction with graduates,
4 placement rates, wages at placement, and other ele-
5 ments of program quality.

6 (7) Results of customer satisfaction measures
7 for the career centers and one-stop career centers
8 and other providers of reemployment services.

9 (8) National, State, and substate profiles of in-
10 dustries, including skill requirements, general wage
11 and benefit information, and typical distributions of
12 occupations within the industry.

13 (9) Profiles of industries in a local labor market
14 including nature of the work performed, skill and ex-
15 perience requirements, specific occupations, wage,
16 hour, and benefit information, pattern of hiring.

17 (10) Automated occupational and career infor-
18 mation and exploration systems, which incorporate
19 local labor market information, employer or industry
20 profiles, listings of education, training, and other re-
21 employment service providers including program
22 quality and customer satisfaction data, and available
23 automated listings of current openings.

24 (b) TECHNICAL STANDARDS.—The Secretary shall
25 promulgate standards necessary to promote efficient ex-

1 change of information between the local, State, and na-
2 tional levels, including such standards as may be required
3 to ensure that data are comparable. Such standards shall
4 be designed to ensure that there is universal access to
5 local, State, and national data. In issuing such technical
6 standards, the Secretary shall meet the requirements of
7 chapter 35 of title 44, United States Code, and ensure
8 coordination with other appropriate Federal standards es-
9 tablished by the Bureau of Labor Statistics.

10 (c) CONSUMER REPORTS.—The Secretary, in con-
11 sultation with the Secretary of Education and other appro-
12 priate Federal agencies, and State and local governments,
13 shall set standards for the required reports and create a
14 mechanism for collection and dissemination of the
15 consumer reports described in subsection (a)(6).

16 (d) EVALUATION.—The Secretary shall provide for
17 the evaluation of the procedures, products, and services
18 under this title, including their cost-effectiveness and the
19 level of customer satisfaction. Such evaluations may in-
20 clude analyses of the precision of estimates produced or
21 collected under this title; examination of the uses of the
22 data by job seekers, employers, educators, career coun-
23 selors, public and private training providers, economic de-
24 velopment planners, and public agencies and institutions;

1 the appropriateness of such uses; and the relative costs
2 and benefits of the data.

3 **SEC. 304. COORDINATION.**

4 To ensure the appropriate coordination and integra-
5 tion of labor market information services nationwide, the
6 Secretary shall—

7 (1) coordinate the activities of Federal agencies
8 responsible for the collection and dissemination of
9 labor market information at the national, State, and
10 local level; and

11 (2) ensure the appropriate dissemination of re-
12 sults from research studies and demonstration
13 projects, feedback from surveys of customer satisfac-
14 tion, education and training provider performance
15 data, and other relevant information that promotes
16 improvement in the quality of labor market informa-
17 tion.

18 **SEC. 305. EFFECTIVE DATE.**

19 The provisions of this title shall take effect on July
20 1, 1995.

1 **TITLE IV—REINVENTION LABS FOR JOB**
2 **TRAINING FOR THE ECONOMICALLY**
3 **DISADVANTAGED**

4 **SEC. 401. ESTABLISHMENT OF LABS.**

5 Title II of the Job Training Partnership Act is
6 amended by adding at the end thereof the following new
7 part:

8 **“PART D—REINVENTION LABS**

9 **“SEC. 281. PURPOSE.**

10 “The purpose of this part is to—

11 “(1) encourage innovative program designs to
12 enhance the provision of services to and improve
13 labor market outcomes for economically disadvan-
14 taged youth and adults;

15 “(2) develop, through the initiative and partici-
16 pation of service delivery areas and States, knowl-
17 edge relating to effective approaches to providing
18 employment and training to the economically dis-
19 advantaged that may be used to benefit the pro-
20 grams conducted under this title; and

21 “(3) provide service delivery areas with in-
22 creased flexibility in the operation of job training
23 programs in exchange for higher levels of account-
24 ability for results.

1 **“SEC. 282. APPLICATION FOR WAIVER OF FEDERAL RE-**
2 **QUIREMENTS.**

3 “(a) IN GENERAL.—Any service delivery area or con-
4 sortia of service delivery areas desiring to obtain a waiver
5 of Federal statutory or regulatory requirements relating
6 to the programs conducted under parts A, B, or C of this
7 title shall submit, jointly with the Governor, an application
8 for such waiver at such time, in such manner, and contain-
9 ing such information as the Secretary may reasonably re-
10 quire.

11 “(b) CONTENTS OF APPLICATION.—The application
12 for a waiver submitted pursuant to subsection (b) shall
13 include:

14 “(1) a plan for conducting a program or pro-
15 grams authorized under this title incorporating inno-
16 vative administrative, service delivery, and other pro-
17 gram design components;

18 “(2) the measurable goals and outcomes to be
19 achieved by the program;

20 “(3) a description of the statutory or regulatory
21 requirements under title I of this Act and title I of
22 the Retraining Income Support Act of 1994 that
23 would be waived and how such requirements would
24 impede the implementation of the plan described in
25 paragraph (1);

1 “(4) assurances that the service delivery area
2 and the State will participate in a rigorous evalua-
3 tion to determine whether the goals and outcomes
4 described in paragraph (2) have been achieved; and

5 “(5) such other components and information as
6 the Secretary determines are appropriate.

7 **“SEC. 283. WAIVERS AUTHORIZED.**

8 “(a) IN GENERAL.—Except as provided in subsection
9 (b), the Secretary may, pursuant to an application submit-
10 ted in accordance with section 282, waive statutory or reg-
11 ulatory requirements relating to title I and parts A, B,
12 and C of this title if—

13 “(1) the Secretary determines that such re-
14 quirements would impede the ability of the service
15 delivery area to carry out the plan described in sec-
16 tion 282(b)(1) and achieving the outcomes described
17 in the plan,

18 “(2) the service delivery area and the State—

19 “(A) have provided a notice and oppor-
20 tunity for interested entities and individuals in
21 the State to comment on the application; and

22 “(B) have submitted to the Secretary the
23 comments received pursuant to subparagraph
24 (A); and

1 “(3) the Secretary approves the plan described
2 in the application.

3 “(b) WAIVERS NOT AUTHORIZED.—The Secretary
4 may not waive any statutory or regulatory requirement re-
5 lating to title I or parts A, B, or C of this title regarding—

6 “(1) the basic purposes or goals of the affected
7 programs;

8 “(2) the formula allocation of funds;

9 “(3) the eligibility for services as described in
10 sections 203, 254(b), and 263 (except for subsection
11 (f));

12 “(4) public health or safety, labor standards,
13 civil rights, occupational safety or health, or environ-
14 mental protection; or

15 “(5) prohibitions or restrictions relating to con-
16 struction of buildings or facilities.

17 “(c) ADDITIONAL LIMITATIONS.—

18 “(1) NUMBER OF AREAS PARTICIPATING.—The
19 Secretary may approve not more than 75 applica-
20 tions nationwide to conduct the program described
21 under this part.

22 “(2) DURATION OF WAIVERS.—Each waiver
23 provided pursuant to this part shall be for a period
24 of not more than 2 years, except that the Secretary
25 may extend such period if the Secretary determines

1 that the waiver has been effective in enabling the
2 service delivery area to carry out the purposes of
3 this Act.

4 “(3) TERMINATION OF WAIVERS.—The Sec-
5 retary shall periodically review the performance of
6 any service delivery area for which the Secretary has
7 granted a waiver and shall terminate the waiver
8 under this section if the Secretary determines that
9 the performance of the service delivery area affected
10 by the waiver has been inadequate to justify a con-
11 tinuation of the waiver.

12 “(4) SUNSET.—No waivers may be approved or
13 remain in effect under this part after the date that
14 is 4 years after the date of enactment of the Reem-
15 ployment Act of 1994.

16 **“SEC. 284. TECHNICAL ASSISTANCE, EVALUATION AND RE-**
17 **PORT.**

18 “(a) TECHNICAL ASSISTANCE.—The Secretary may
19 provide appropriate technical assistance to service delivery
20 areas, States, and service providers in the development
21 and implementation of programs under this part.

22 “(b) EVALUATION.—

23 “(1) IN GENERAL.—The Secretary shall provide
24 for the continuing evaluation of programs conducted

1 under this part, including the cost-effectiveness of
2 programs in achieving the purpose of this part.

3 “(2) TECHNIQUES.—

4 “(A) METHODS.—Evaluations conducted
5 under paragraph (1) shall utilize recognized
6 statistical methods and techniques of the behav-
7 ioral and social sciences, including methodolo-
8 gies that control for self-selection, where indi-
9 cated.

10 “(B) ANALYSIS.—Such evaluations may in-
11 clude cost benefit analyses of programs, and
12 analyses of the impact of the programs on par-
13 ticipants and the community, the extent to
14 which programs meet the needs of various de-
15 mographic groups, and the effectiveness of the
16 delivery systems used by the various programs.

17 “(c) REPORT.—Not later than 5 years after the date
18 of enactment of the Reemployment Act of 1994, the Sec-
19 retary shall submit a report to the Congress relating to
20 the evaluation conducted pursuant to subsection (a) and
21 containing such recommendations as the Secretary deter-
22 mines are appropriate.”.

23 **SEC. 402. MODIFICATION OF TUITION DEFINITION.**

24 Subparagraph (B) of section 141(d)(3) of the Job
25 Training Partnership Act is amended to read as follows:

1 “(B) Tuition charges for training or edu-
2 cation provided by an educational institution,
3 including an institution of higher education (as
4 defined in section 1201(a) of the Higher Edu-
5 cation Act of 1965), a proprietary institution of
6 higher education (as defined in section 481(b)
7 of such Act), and a postsecondary vocational in-
8 stitution (as defined in section 481(c) of such
9 Act) that are not more than the charges of such
10 training or education made available to the gen-
11 eral public, do not require a breakdown of cost
12 components.”.

13 **SEC. 403. EFFECTIVE DATE AND SUNSET.**

14 (a) REINVENTION LAB.—The provisions of section
15 401, and the amendments made by such section, shall take
16 effect on the date of enactment of this Act and shall termi-
17 nate on the date that is 5 years after the date of enact-
18 ment of this Act.

19 (b) TUITION DEFINITION.—The provisions of section
20 402 and the amendments made by such section, shall take
21 effect on the date of enactment of this Act.

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