

**Calendar No. 406**

103D CONGRESS  
2D SESSION

**S. 1964**

**A BILL**

To establish a comprehensive system of reemployment services and retraining 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.

APRIL 11, 1994

Read the second time and placed on the calendar

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**IN THE SENATE OF THE UNITED STATES**

MARCH 24 (legislative day, FEBRUARY 22), 1994

Mr. METZENBAUM (for himself, Mr. KENNEDY, Mr. SIMON, Mr. PELL, Mr. DODD, Mr. WOFFORD, Mr. MITCHELL, Mr. FORD, Mr. DASCHLE, Mrs. BOXER, Ms. MOSELEY-BRAUN, and Ms. MIKULSKI) introduced the following bill; which was read the first time

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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 and  
5 Retraining Act of 1994”.

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

7 The table of contents is as follows:

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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 two million  
10 full-time workers permanently displaced annually  
11 due to plant closures, production cutbacks, and  
12 layoffs;

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;

24          (9) a lack of comprehensive labor market infor-  
25          mation—

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

5 (B) adds time and costs to employers' re-  
6 cruitment efforts; and

7 (C) hinders the ability of rapidly growing  
8 firms to recruit and screen new employees; and

9 (10) administrative and regulatory obstacles  
10 hamper the efforts of States and localities to estab-  
11 lish comprehensive reemployment systems for all  
12 their citizens seeking first jobs, new jobs, and better  
13 jobs.

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

15 (1) promote equity and efficiency by consolidat-  
16 ing the array of specific programs for dislocated  
17 workers into a single comprehensive program for all  
18 workers who have been permanently laid off, regard-  
19 less of the cause of dislocation;

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

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

1           (4) provide universal access to basic reemploy-  
2           ment services, including assessment of skill levels  
3           and service needs, labor market information, and job  
4           search assistance;

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

10          (6) replicate and expand the innovative efforts  
11          of States and localities to provide comprehensive,  
12          high-quality reemployment and training systems;  
13          and

14          (7) create a National Labor Market Informa-  
15          tion System that gives employers, training providers,  
16          students, job seekers, and employees high-quality  
17          and timely data on the local economy, labor market,  
18          and other occupational information.

19 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

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

22                  (1) \$1,465,000,000 for fiscal year 1995; and

23                  (2) such sums as may be necessary for each  
24          succeeding fiscal year.



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

3 (1) \$250,000,000 for each of fiscal year 1995  
4 through 1999; and

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

7 **SEC. 5. DEFINITIONS.**

8 For the purposes of this Act, the following definitions  
9 apply:

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

12 (2) The term “community-based organizations”  
13 means private nonprofit organizations which are rep-  
14 resentative of communities or significant segments  
15 of communities and which provide education, train-  
16 ing and related services.

17 (3) The term “economic development agencies”  
18 includes State and local planning and zoning com-  
19 missions or boards, community development agen-  
20 cies, and other State and local agencies and institu-  
21 tions responsible for regulating, promoting, or assist-  
22 ing in State and local economic development.

23 (4) The term “Governor” means the chief exec-  
24 utive of any State.

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

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

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

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

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

24           (10) The term “representatives of employees”  
25 means representatives from labor organizations (in-

1 including local, State, or national bodies, as appro-  
2 priate) where such organization represents a sub-  
3 stantial number of employees.

4 (11) The term “Secretary” means the Secretary  
5 of Labor.

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

9 (13) The term “service provider” means a pub-  
10 lic agency, private nonprofit organization, or private-  
11 for-profit entity that delivers basic reemployment,  
12 intensive reemployment, educational, training, or  
13 supportive services.

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

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

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

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

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

4           (19) The term “unit of general local govern-  
5           ment” means any general purpose political subdivi-  
6           sion of a State which has the power to levy taxes  
7           and spend funds, as well as general corporate and  
8           police powers.

9           **TITLE I—COMPREHENSIVE PROGRAM FOR**  
10           **WORKER REEMPLOYMENT**

11           **SEC. 101. ALLOTMENT OF FUNDS.**

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

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

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

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

23           (A) One-third of such amount shall be allotted  
24           among the States on the basis of the relative num-  
25           ber of unemployed individuals who reside in each

1 State as compared to the total number of unem-  
2 ployed individuals in all the States.

3 (B) One-third of such amount shall be allotted  
4 among the States on the basis of the relative excess  
5 number of unemployed individuals who reside in  
6 each State as compared to the total excess number  
7 of unemployed individuals in all the States. For pur-  
8 poses of this paragraph, the term "excess number"  
9 means the number which represents unemployed in-  
10 dividuals in excess of 4.5 percent of the civilian labor  
11 force in the State.

12 (C) One-third of such amount shall be allotted  
13 among the States on the basis of the relative num-  
14 ber of individuals who have been unemployed for  
15 more than twenty-six weeks and who reside in each  
16 State as compared to the total number of such indi-  
17 viduals in all the States.

18 (2) As soon as satisfactory data are available under  
19 section 133(b)(2), the Secretary shall allot the amount  
20 available in each fiscal year under subsection (a)(1) as  
21 follows:

22 (A) 25 percent of such amount shall be allotted  
23 on the basis of each of the factors described in sub-  
24 paragraphs (A), (B), and (C) of paragraph (1), re-

1       spectively, for a total of 75 percent of the amount  
2       allotted.

3           (B) 25 percent of such amount shall be allotted  
4       on the basis of the relative number of dislocated  
5       workers who reside in each State as compared to the  
6       total number of dislocated workers in all States.

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

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

13       (C)(i) Except as provided in clause (ii), for purposes  
14       of this paragraph the allotment percentage of a State for  
15       a fiscal year shall be the percentage of funds allotted to  
16       the State under this subsection.

17       (ii) For the purposes of this paragraph, the allotment  
18       percentage for fiscal year 1994 shall be the percentage of  
19       funds allotted to the State under section 302 of the Job  
20       Training Partnership Act.

21       (c) RESERVATIONS FOR STATE ACTIVITIES.—

22           (1) The Governor may reserve up to 30 percent  
23       of the amount allotted to the State under subsection  
24       (b) to carry out State activities in accordance with  
25       this title.

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

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

6           (B) not more than 20 percent shall be  
7 available for the costs of administration of pro-  
8 grams authorized under this title and the costs  
9 of technical assistance; and

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

13       (d) WITHIN STATE DISTRIBUTION.—

14           (1) The Governor shall allocate the remainder  
15 of the amount allotted to the State under subsection  
16 (b) to substate areas to carry out activities author-  
17 ized under this title based on an allocation formula  
18 prescribed by the Governor. Such formula may be  
19 amended by the Governor not more than once for  
20 each program year. Such formula shall include the  
21 factors described in subsection (b) and such addi-  
22 tional objective and measurable factors as the Gov-  
23 ernor determines are appropriate.

24           (2) Of the amount allocated to each substate  
25 area pursuant to paragraph (1) for each program

1 year, not more than 15 percent shall be available for  
2 the costs of administration.

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

11 (f) RESERVATIONS FOR NATIONAL ACTIVITIES.—Of  
12 the remainder reserved by the Secretary under subsection  
13 (a)(2):

14 (1) For each of fiscal years 1995 through  
15 1999—

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

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

21 (i) evaluation of program perform-  
22 ance, research, and pilot and demonstra-  
23 tion projects described in section 133; and



1 (ii) capacity building, staff develop-  
2 ment and training, and technical assist-  
3 ance described under section 134.

4 (2) For fiscal year 2000 and each succeeding  
5 fiscal year—

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

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

11 (i) evaluation of program perform-  
12 ance, research, and pilot and demonstra-  
13 tion projects described in section 133; and

14 (ii) capacity building, staff develop-  
15 ment and training, and technical assist-  
16 ance described under section 134.

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

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

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

23 (2) use the funds recaptured under paragraph  
24 (1) to carry out the national discretionary grant pro-  
25 gram under section 131.

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

3 (1) the amount by which the unexpended bal-  
4 ance of the State allotment (under section 101(b))  
5 at the end of the program year prior to the program  
6 year for which the determination under this section  
7 is made exceeds 20 percent of such allotment for  
8 that prior program year, plus

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

12 (c) EXCLUSION.—For purposes of this section, funds  
13 awarded to the State from the discretionary funds of the  
14 Secretary pursuant to sections 131 and 132 shall not be  
15 included in calculating the amounts available for recap-  
16 ture.

17 (d) METHOD OF RECAPTURE.—The Secretary may,  
18 as a method of recapturing funds for the purpose of sub-  
19 section (a)(1), reduce the allotment to the State under sec-  
20 tion 101(b) for the program year subsequent to the pro-  
21 gram year for which the determination is made by an  
22 amount equal to the amount available for recapture.

23 **SEC. 103. ELIGIBILITY FOR SERVICES.**

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

1           (1) has been permanently laid off from full-  
2 time, part-time, or seasonal (including farmworkers  
3 and fishermen) employment within the preceding  
4 twelve-month period; and

5           (A) such individual is unlikely to obtain  
6 employment in the same or similar occupation  
7 due to obsolete skills or a lack of employment  
8 opportunities; or

9           (B) such layoff resulted from any perma-  
10 nent closure or any substantial layoff at a  
11 plant, facility or enterprise;

12           (2) has received a notice that such individual  
13 will be permanently laid off; and

14           (A) such individual is unlikely to obtain  
15 employment in the same or similar occupation  
16 due to obsolete skills or a lack of employment  
17 opportunities; or

18           (B) such layoff will result from any perma-  
19 nent closure or substantial layoff at a plant, fa-  
20 cility, or enterprise;

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

1 (A) remain employed with such employer  
2 at another location; or

3 (B) retire permanently from the labor  
4 force on or before such closure;

5 (4) is long-term unemployed and has limited op-  
6 portunities for employment in the same or similar  
7 occupation in which such individual was previously  
8 employed;

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

14 (6) is certified as eligible under the transitional  
15 certification of trade impacted workers program au-  
16 thorized under title II of the Reemployment Act of  
17 1994; or

18 (7) was identified and referred to the program  
19 under this title, in accordance with regulations is-  
20 sued by the Secretary, by a State worker profiling  
21 system established under section 303(j) of the Social  
22 Security Act.

23 (b) DISPLACED HOMEMAKERS.—An individual who is  
24 a displaced homemaker shall be eligible to receive services  
25 described in section 119(b) and such other services au-

1 thORIZED under this title as the Governor determines are  
2 appropriate to provide to such individuals if—

3 (1) the displacement occurred within the pre-  
4 ceding twelve-month period,

5 (2) such individual is unemployed, and

6 (3) such individual meets the requirements re-  
7 lating to services provided under this title, other  
8 than the requirements of subsection (a).

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

10 (1) The term “permanently laid off” means a  
11 layoff under which a recall is not expected within  
12 twenty-six weeks.

13 (2) The term “long-term unemployed” means a  
14 period of unemployment defined by the Governor,  
15 except that such period shall not be less than twen-  
16 ty-seven weeks.

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

## 20 **PART A—STATE AND SUBSTATE DELIVERY**

### 21 **SYSTEM**

#### 22 **SEC. 111. STATE ADMINISTRATION AND OVERSIGHT.**

23 The State shall be responsible for developing and op-  
24 erating administrative and management systems which en-  
25 sure proper control and accountability for the use of

1 funds, in accordance with the requirements of part E of  
2 this title, and the accomplishment of the objectives of this  
3 title.

4 **SEC. 112. DESIGNATION AND FUNCTIONS OF STATE DIS-**  
5 **LOCATED WORKER UNIT.**

6 (a) IN GENERAL.—The Governor shall designate or  
7 establish a dislocated worker unit at the State level (here-  
8 after referred to as the “State dislocated worker unit”)  
9 to carry out the functions described in this section.

10 (b) FUNCTIONS OF UNIT.—

11 (1) RAPID RESPONSE.—The State dislocated  
12 worker unit shall carry out the following rapid re-  
13 sponse activities:

14 (A) Receive notices provided pursuant to  
15 the Worker Adjustment and Retraining Notifi-  
16 cation Act and collect information identifying  
17 the site of other permanent closures and layoffs  
18 affecting fifty or more workers.

19 (B) Establish contact with representatives  
20 of the employer, affected workers and affected  
21 unions, and affected substate grantees within  
22 forty-eight hours of being informed of or other-  
23 wise identifying such closure or layoff.

24 (C) Provide assistance on site within five  
25 working days of being informed of or otherwise

1 identifying such closure or layoff (unless rep-  
2 resentatives of the affected workers agree to  
3 defer the commencement of assistance), includ-  
4 ing—

5 (i) the provision of information relat-  
6 ing to, and assistance in obtaining access  
7 to, available programs and services;

8 (ii) the provision of appropriate reem-  
9 ployment services on an emergency basis;  
10 and

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

13 (D) Promote the formation of worker-man-  
14 agement transition assistance committees,  
15 which meet the requirements of subsection (d),  
16 by—

17 (i) providing immediate assistance in  
18 the establishment of such committees, in-  
19 cluding—

20 (I) providing immediate financial  
21 assistance to cover start-up costs of  
22 the committee;

23 (II) providing a list of individuals  
24 from which the chairperson of the  
25 committee may be selected; and

- 1 (III) requesting the list of com-  
2 mittee members from the employer  
3 and union, or providing assistance in  
4 the selection of worker representatives  
5 in the event no union is present; and  
6 (ii) providing technical assistance in  
7 the development by such committees of a  
8 strategy for assessing the employment and  
9 training needs of each affected worker and  
10 for obtaining the services and assistance  
11 necessary to meet those needs, which may  
12 include—
- 13 (I) providing technical advice as  
14 well as information on sources of as-  
15 sistance, and
- 16 (II) serving as liaison with other  
17 public and private services and pro-  
18 grams.
- 19 (E) Prepare an action plan for the provi-  
20 sion of reemployment and training services to  
21 eligible individuals, including group counseling,  
22 preliminary assessments, and labor market in-  
23 formation, which may include assistance in  
24 planning for the establishment of an on-site  
25 transition center described in section 115(c).



1           (2) INFORMATION COLLECTION AND DISSEMI-  
2           NATION.—The State dislocated worker unit shall  
3           carry out the following information collection and  
4           dissemination activities:

5                   (A) Provide to employers and employees  
6                   throughout the State information relating to  
7                   the Worker Adjustment and Retraining Notifi-  
8                   cation Act, including the requirements of such  
9                   Act, and information relating to the eligibility  
10                  requirements and services and benefits available  
11                  under this title.

12                  (B) Collect information relating to—

13                          (i) economic dislocation, including po-  
14                          tential closings and layoffs and the impact  
15                          of closures and layoffs to which such unit  
16                          has responded, and

17                          (ii) available programs and resources  
18                          within the State to serve affected workers.

19                  (C) Disseminate the information collected  
20                  pursuant to subparagraph (B) to the Governor  
21                  to assist in providing an adequate information  
22                  base for effective program management, review,  
23                  and evaluation.

1 (D) Disseminate information throughout  
2 the State on the services and activities carried  
3 out by the State dislocated worker unit.

4 (3) PROGRAM SUPPORT.—The State dislocated  
5 unit shall carry out the following program support  
6 activities:

7 (A) Provide technical assistance and advice  
8 to substate grantees.

9 (B) Work with employers and representa-  
10 tives of employees in promoting labor-manage-  
11 ment cooperation to achieve the objectives of  
12 this title.

13 (C) Assist each local community affected  
14 by a mass layoff or plant closing in developing  
15 and implementing an adjustment plan, includ-  
16 ing assistance in obtaining access to State eco-  
17 nomic development assistance.

18 (4) COORDINATION.—The State dislocated  
19 worker unit shall exchange information and coordi-  
20 nate programs with—

21 (A) the appropriate economic development  
22 agency and job retention projects authorized  
23 under section 116, for the purpose of identify-  
24 ing potential layoffs and for the purpose of de-  
25 veloping strategies to avert plant closings or

1 mass layoffs and to accelerate the reemploy-  
2 ment of dislocated workers;

3 (B) State education, training and social  
4 services programs;

5 (C) State labor federations;

6 (D) State-level general purpose business  
7 organizations; and

8 (E) all other programs available to assist  
9 dislocated workers, including the Employment  
10 Service, the unemployment insurance system,  
11 one-stop career centers established under title  
12 II of this Act, and student financial aid pro-  
13 grams.

14 (c) COORDINATION WITH CAREER CENTERS.—In  
15 carrying out this section, the State dislocated worker unit  
16 shall coordinate its actions with the affected substate  
17 grantees and career centers.

18 (d) WORKER-MANAGEMENT TRANSITION ASSISTANCE  
19 COMMITTEES.—The worker-management transition as-  
20 sistance committees promoted by the State dislocated  
21 worker unit pursuant to subsection (b)(1)(D) shall ordi-  
22 narily include (but not be limited to) the following:

23 (1) Shared and equal participation by workers  
24 (and their representatives) and management, and

1 which may include participation from community  
2 representatives as appropriate.

3 (2) Shared financial participation between the  
4 employer and the State, using funds provided under  
5 this title in paying for the operating expenses of the  
6 committee.

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

9 (A) be jointly selected by the worker and  
10 management representatives of the committee,

11 (B) not be employed or under contract  
12 with or members of the immediate family of  
13 labor or management at the site, and

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

16 (4) Operations pursuant to a formal agreement,  
17 terminated at will by the workers or management,  
18 and terminated for cause by the Governor.

19 (e) COVERAGE OF LAYOFFS.—The Governor may au-  
20 thorize the provision of the rapid response activities de-  
21 scribed in subsection (b)(1) to layoffs of less than fifty  
22 workers if such layoffs are determined by the Governor  
23 to have a significant adverse economic impact on a local  
24 community.

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

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

16 (h) FEDERAL OVERSIGHT OF RAPID RESPONSE.—  
17 The Secretary shall oversee the administration by each  
18 State of the rapid response assistance services provided  
19 in such State and evaluate the effectiveness, efficiency,  
20 and timeliness of the delivery of such services. The Sec-  
21 retary may establish performance standards relating to  
22 the provision of such services by the State. If the Sec-  
23 retary determines that such services are not being per-  
24 formed adequately, the Secretary shall implement appro-  
25 priate corrective action.

1 **SEC. 113. DEVELOPMENT AND MAINTENANCE OF STATE**  
2 **AND LOCAL LABOR MARKET INFORMATION**  
3 **SYSTEMS.**

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

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

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

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

23 (c) STANDARDS FOR INFORMATION COLLECTION AND  
24 DISSEMINATION.—The Governor shall ensure that data  
25 collection and dissemination systems are developed in ac-  
26 cordance with the technical standards specified in section

1 303(b) of this Act relating to the national labor market  
2 information system.

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

7 (1) automated technology will be used in data  
8 collection and dissemination;

9 (2) the State dislocated worker unit, the sub-  
10 state grantees, and the career centers under this  
11 title have timely access to and exchange information  
12 relating to quality labor market information;

13 (3) administrative records are designed to re-  
14 duce paperwork; and

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

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

22 (1) meets the requirements of this section;

23 (2) provides such training and technical assist-  
24 ance necessary to facilitate the collection of data and

1 the dissemination of information through the pro-  
2 grams assisted under this title;

3 (3) provides funding for the State share of the  
4 cooperative agreements authorized in section 302;  
5 and

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

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

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

23 (1) identify and utilize cost-effective methods  
24 for obtaining such data as are necessary to carry out  
25 this section which, notwithstanding any other provi-



1 sion of law, may include access to earnings records,  
2 State employment security records, State aid to fam-  
3 ilies with dependent children records, secondary and  
4 post-secondary education records, and similar  
5 records or measures, with appropriate safeguards to  
6 protect the confidentiality of the information ob-  
7 tained; and

8 (2) publish and make available labor market  
9 and occupational supply and demand information  
10 and career information to State agencies, public  
11 agencies, libraries, employers, and individuals who  
12 are in the process of making career choices.

13 **SEC. 114. COORDINATION WITH WORKER PROFILING AND**  
14 **RETRAINING INCOME SUPPORT PROGRAMS.**

15 (a) **WORKER PROFILING.**—The Governor shall co-  
16 ordinate programs under this title with the worker  
17 profiling system authorized under title III of the Social  
18 Security Act. Such coordination shall include methods for  
19 ensuring the prompt referral, in accordance with regula-  
20 tions issued by the Secretary, of the claimants identified  
21 under such profiling system to career centers authorized  
22 under this title, and the sharing of relevant information.

23 (b) **RETRAINING INCOME SUPPORT.**—The Governor  
24 shall coordinate programs under this title with the retrain-

1 ing income support program authorized under part A of  
2 title II of the Reemployment Act of 1994.

3 **SEC. 115. STATE SUPPLEMENTARY GRANTS FOR AREAS OF**  
4 **SPECIAL NEED.**

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

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

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

14 (2) employers and employer associations;

15 (3) transition assistance committees and other  
16 employer-employee entities;

17 (4) representatives of employees;

18 (5) industry consortia; and

19 (6) State agencies.

20 (c) ESTABLISHMENT OF ADDITIONAL SERVICE CEN-  
21 TERS.—

22 (1) IN GENERAL.—The Governor may use the  
23 grant funds available under this section to establish  
24 a center, including an on-site transition center de-  
25 scribed in paragraph (2), at the site of a plant clo-

1       sure, base closure or mass layoff to provide the serv-  
2       ices described in section 119. Such center shall be  
3       established after formal consultation with the sub-  
4       state grantee for the affected area and shall be oper-  
5       ated in coordination with the career centers in the  
6       affected area.

7           (2) ON-SITE TRANSITION CENTERS.—Funds  
8       available under this section may be used to establish  
9       a transition center that—

10           (A) is located at the site of a plant closure,  
11       base closure, or mass layoff for the purpose of  
12       providing reemployment services to eligible indi-  
13       viduals affected by such layoff or closure,

14           (B) includes substantial funding from  
15       sources other than public funds,

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

22           (D) provides the reemployment services de-  
23       scribed in sections 119 (b) and (c) directly or  
24       through contracts with other entities, such as  
25       outplacement agencies, and

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

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

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

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

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

19 (b) STATE AND EMPLOYER CONTRIBUTION RE-  
20 QUIRED.—In order for a project to be eligible for assist-  
21 ance under subsection (a), the amount of the grant to be  
22 awarded shall be matched by an equal amount provided  
23 by a combination of—

24 (1) funds provided by the State, from funds  
25 other than federal funds; and

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

3           (c) CONSULTATIONS.—Prior to awarding grants  
4 under this section, the Governor shall consult with unions  
5 representing affected workers regarding the proposed  
6 projects.

7 **SEC. 117. ESTABLISHMENT OF SUBSTATE ADMINISTRA-**  
8 **TIVE STRUCTURE.**

9           (a) DESIGNATION OF SUBSTATE AREAS.—

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

13           (2) Each service delivery area within a State  
14 shall be included within a substate area and no serv-  
15 ice delivery area shall be divided among two or more  
16 substate areas.

17           (3) In making designations of substate areas,  
18 the Governor shall consider—

19                   (A) the availability of services throughout  
20 the State;

21                   (B) the capability to coordinate the deliv-  
22 ery of services with other job training, human  
23 services and economic development programs;  
24 and

1 (C) the geographic boundaries of labor  
2 market areas within the State.

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

5 (A) shall designate as a substate area any  
6 single service delivery area that—

7 (i) has a population of two hundred  
8 thousand or more, and

9 (ii) requests such designation;

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

12 (i) that in the aggregate have a popu-  
13 lation of two hundred thousand or more,  
14 and

15 (ii) that request such designation; and

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

21 (5) The Governor may deny a request for des-  
22 ignation under paragraph (4)(B) if the Governor de-  
23 termines that such designation would not be consist-  
24 ent with the effective delivery of services to eligible  
25 dislocated workers in various labor market areas (in-

1 cluding urban and rural areas) within the State, or  
2 would not otherwise be appropriate to carry out the  
3 purposes of this title.

4 (6) The Governor shall not designate as a sub-  
5 state area any area with a population of less than  
6 to hundred thousand unless such area meets the re-  
7 quirements of paragraph (4)(C).

8 (7) From the funds reserved under section  
9 101(c)(1), the Governor may award grants to en-  
10 courage the formation of substate areas that are  
11 based on labor market areas.

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

17 (9) The designations made under this sub-  
18 section may not be revised more than once every  
19 four years.

20 (b) DESIGNATION OF SUBSTATE GRANTEEES.—

21 (1) AGREEMENT.—A substate grantee shall be  
22 designated, on a quadrennial basis, for each substate  
23 area. Such substate grantee shall be designated in  
24 accordance with an agreement among the Governor,  
25 the local elected official or officials of such area, and

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

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

13 (A) private industry councils in the sub-  
14 state area;

15 (B) service delivery area grant recipients  
16 or administrative entities under the Job Train-  
17 ing Partnership Act;

18 (C) private nonprofit organizations;

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

21 (E) local offices of State agencies;

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

24 (G) consortia of the entities described in  
25 subparagraphs (A) through (F).



1 (c) FUNCTIONS OF SUBSTATE GRANTEEES.—

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

5 (A) receive and administer funds allocated  
6 to the substate area, including the administra-  
7 tion of payments to service providers in accord-  
8 ance with section 119(d)(2);

9 (B) administer the process for the selection  
10 of career center operators established pursuant  
11 to section 118;

12 (C) conduct oversight and monitoring of  
13 the program carried out within the substate  
14 area and coordinate the operation of the career  
15 centers established within the substate area;  
16 and

17 (D) prepare and make publicly available a  
18 biennial written plan describing the objectives  
19 to be accomplished and the activities to be un-  
20 dertaken in the substate area under this title.

21 (2) SPECIAL RULE.—

22 (A) SELECTION PROCESS FOR CAREER  
23 CENTER OPERATORS.—If a substate grantee de-  
24 sires to be selected to operate a career center,  
25 the process for the selection of career center op-

1 erators in the substate area shall be adminis-  
2 tered by the private industry council or councils  
3 established in such substate area. If such sub-  
4 state grantee is such private industry council,  
5 the process for the selection of career center op-  
6 erators in the substate area shall be adminis-  
7 tered by the Governor.

8 (B) OVERSIGHT.—If a substate grantee is  
9 selected to operate a career center, the over-  
10 sight of the career centers in the substate area  
11 shall be carried out by the Governor.

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

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

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

20 (c) SELECTION OF CENTERS.—

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

24 (2) ELIGIBLE ENTITIES.—Any entity or consor-  
25 tium of entities located in the substate area may

1 apply, in accordance with the procedures described  
2 in paragraph (3), to be selected as a career center  
3 operator. Such entities may include—

4 (A) Employment Service offices,

5 (B) service delivery area grant recipients  
6 or administrative entities under the Job Train-  
7 ing Partnership Act,

8 (C) substate grantees under this title,

9 (D) community colleges and area voca-  
10 tional schools,

11 (E) community-based and other private,  
12 nonprofit organizations, and

13 (F) other interested private for-profit and  
14 public organizations and entities.

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

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

22 (B) the application procedure for any en-  
23 tity or consortium of entities desiring to be se-  
24 lected to operate such centers, including when  
25 and where such application is to be submitted

1 and what information such application is to  
2 contain;

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

5 (D) other information the substate grantee  
6 considers relevant to the selection of operators  
7 and administration of such centers.

8 (4) SELECTION CRITERIA.—

9 (A) OBJECTIVE FACTORS.—The substate  
10 grantee, consistent with guidelines issued by the  
11 Secretary, shall use objective criteria and per-  
12 formance measures in assessing applications  
13 submitted for selection as a career center opera-  
14 tor.

15 (B) CONTENTS.—An applicant may not be  
16 selected as a career center operator under this  
17 title unless such applicant demonstrates to the  
18 satisfaction of the substate grantee the ability  
19 to operate a career center that would—

20 (i) provide the services described in  
21 section 119;

22 (ii) utilize automated information sys-  
23 tems to facilitate the exchange of informa-  
24 tion among career centers;

1 (iii) meet the performance standards  
2 prescribed pursuant to section 152;

3 (iv) meet the fiscal control require-  
4 ments provided in part E;

5 (v) administer the process of referring  
6 participants to education and training  
7 services in an objective and equitable man-  
8 ner; and

9 (vi) meet such other requirements as  
10 the substate grantee determines is appro-  
11 priate.

12 (C) LEVEL OF WAGES AND BENEFITS.—  
13 The level of wages and benefits paid to non-  
14 managerial employees by an applicant may not  
15 be considered as a factor in the selection of a  
16 career center operator. Other cost factors may  
17 be taken into account in such selection.

18 (5) PERIOD OF SELECTION.—The substate  
19 grantee shall select career center operators pursuant  
20 to the requirements of this subsection once every  
21 four years.

22 (6) ENFORCEMENT OF HONEST BROKER FUNC-  
23 TIONS.—The substate grantee shall review, at least  
24 once each program year, the education and training  
25 referral practices of any career center that is oper-



1           (2) intensive reemployment services in accord-  
2           ance with subsection (c);

3           (3) education and training services in accord-  
4           ance with subsection (d);

5           (4) retraining income support in accordance  
6           with subsection (e);

7           (5) supportive services in accordance with sub-  
8           section (f); and

9           (6) supplemental wage allowances for older  
10          workers in accordance with subsection (g).

11          (b) BASIC REEMPLOYMENT SERVICES.—Each career  
12          center established pursuant to this title shall make avail-  
13          able to eligible individuals the following services:

14               (1) Outreach and provision of information to  
15               make individuals aware of, and encourage the use of,  
16               reemployment and training services, including efforts  
17               to expand awareness of training and placement op-  
18               portunities for hard-to-serve individuals such as  
19               those with limited English proficiency and those with  
20               disabilities.

21               (2) Intake and determination of eligibility for  
22               assistance under this title.

23               (3) Orientation to the information and services  
24               available through such center.

1           (4) Assistance in filing an initial claim for un-  
2           employment compensation.

3           (5) A preliminary assessment of the skill levels  
4           (including appropriate testing) and service needs of  
5           such individuals, which may include such factors as  
6           basic skills, occupational skills, prior work experi-  
7           ence, employability, interests, aptitudes, and sup-  
8           portive service needs.

9           (6) Information relating to local, regional and  
10          national labor markets, including—

11                 (A) job vacancy listings in such markets,  
12                 and

13                 (B) information relating to local occupa-  
14                 tions in demand and the earnings and skill re-  
15                 quirements for such occupations.

16          (7) Job search assistance, including resume and  
17          interview preparation, and workshops.

18          (8) Job referral and job placement assistance.

19          (9) Information relating to education and job  
20          training programs, including the eligibility require-  
21          ments of and services provided by such programs,  
22          the availability and quality of such programs, and  
23          student financial assistance available for such pro-  
24          grams.



1           (10) Assistance in evaluating whether such indi-  
2           viduals are likely to be eligible for any employment  
3           and training programs administered by the Sec-  
4           retary other than this title.

5           (11) Information collected pursuant to the per-  
6           formance standards and quality assurance require-  
7           ments of part C of this title.

8           (12) Information relating to programs and pro-  
9           viders of dependent care and other supportive serv-  
10          ices available in the local area.

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

16          (14) Soliciting and accepting job orders submit-  
17          ted by employers in the substate area, and referring  
18          individuals in accordance with such orders.

19          (c) INTENSIVE REEMPLOYMENT SERVICES.—

20               (1) IN GENERAL.—Each career center estab-  
21               lished pursuant to this title shall make available, to  
22               eligible individuals who have received basic reemploy-  
23               ment services under subsection (b) and have been  
24               unable to obtain employment through such services,  
25               the following services:

1 (A) Comprehensive and specialized assess-  
2 ments of the skill levels and service needs of in-  
3 dividuals, which may include—

4 (i) diagnostic testing and other assess-  
5 ment tools; and

6 (ii) in-depth interviewing and evalua-  
7 tion to identify employment barriers and  
8 appropriate employment goals.

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

16 (C) Individualized counseling and career  
17 planning, including peer counseling and coun-  
18 seling and planning relating to nontraditional  
19 employment opportunities.

20 (D) Case management for individuals re-  
21 ceiving education, training and supportive serv-  
22 ices.

23 (E) Job development.

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

25 (G) Relocation allowances.

1 (H) Assistance in the selection of edu-  
2 cation and training providers.

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

7 (J) Follow-up counseling for individuals  
8 placed in training or employment.

9 (2) ADDITIONAL CONDITIONS.—

10 (A) REEMPLOYMENT PLAN.—

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

23 (ii) EMPLOYMENT GOAL.—The em-  
24 ployment goal identified under an individ-  
25 ual reemployment plan described under

1 paragraph (1)(B) shall relate to employ-  
2 ment in an occupation for which there is a  
3 demand in the local area, or in another  
4 area to which the individual is willing to  
5 relocate.

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

12 (B) OUT-OF-AREA JOB SEARCH ALLOW-  
13 ANCE.—

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

21 (ii) CRITERIA FOR GRANTING JOB  
22 SEARCH ALLOWANCES.—A job search al-  
23 lowance may be granted only—

1 (I) to assist an eligible individual  
2 in securing a job within the United  
3 States; and

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

9 (C) RELOCATION ALLOWANCE.—

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

16 (I) cannot reasonably be expected  
17 to secure suitable employment in the  
18 commuting area in which the em-  
19 ployee resides;

20 (II) has obtained suitable em-  
21 ployment affording a reasonable ex-  
22 pectation of long-term duration in the  
23 area in which the employee wishes to  
24 relocate, or has obtained a bona fide  
25 offer of such employment, and

1 (III) is totally separated from  
2 employment at the time relocation  
3 commences.

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

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

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

20 (d) EDUCATION AND TRAINING.—

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

23 (A) basic skills training, including remedial  
24 education, literacy training, and English-as-a-  
25 second language instruction;

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

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

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

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

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

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

10          (B) are on-the-job training provided by an  
11 employer.

12          (5) CAP ON TRAINING.—

13          (A) LIMITATION.—The program under this  
14 title shall not pay an amount in excess of  
15 \$4,750 for the provision of education and train-  
16 ing to any individual under this subsection over  
17 any twelve-month period.

18          (B) RELATIONSHIP TO STUDENT FINAN-  
19 CIAL ASSISTANCE.—

20           (i) For purposes of determining a stu-  
21 dent's need for grant, loan, or work assist-  
22 ance under title IV of the Higher Edu-  
23 cation Act of 1965, the funds provided to  
24 a participant for education and training  
25 under this subsection shall be considered to



1 be estimated financial assistance not re-  
2 ceived under such title IV for the purpose  
3 of section 471(3) of such Act.

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

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

20 (6) LIMIT ON LENGTH OF TRAINING.—No par-  
21 ticipant may receive assistance from funds under  
22 this title for education or training for more than 104  
23 weeks in a five-year period.

24 (7) ON-THE-JOB TRAINING.—The provisions of  
25 paragraphs (5) and (6) shall not apply to on-the-job

1 training provided under this title. Such on-the-job  
2 training shall be provided consistent with the limita-  
3 tions described in section 161(d).

4 (e) RETRAINING INCOME SUPPORT.—

5 (1) IN GENERAL.—For program years 1995  
6 through 1999, eligible individuals receiving edu-  
7 cation and training services pursuant to subsection  
8 (d) who meet the requirements of paragraph (2)  
9 shall, to the extent appropriated funds are available,  
10 be provided retraining income support in accordance  
11 with this subsection.

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

16 (A) has been permanently laid off;

17 (B) either—

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

24 (ii) was continuously employed in the  
25 same occupation and industry by an em-

1           ployer for a period of one year or more and  
2           was, within the preceding twelve-month pe-  
3           riod—

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

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

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

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

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

21           (ii) has exhausted all rights to any unem-  
22           ployment compensation to which such individual  
23           was entitled (or would have been entitled if  
24           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 sixteenth week after  
7 the permanent layoff described in subpara-  
8 graph (A), or, if later, the end of the four-  
9 teenth week after such individual was in-  
10 formed that the layoff will exceed six  
11 months; or

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

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

20 (III) twenty-six weeks in the case  
21 of weeks described in subclauses (III)  
22 and (V) of clause (i).

23 (B) SAME EMPLOYER.—

24 (i) For the purposes 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 from whom the in-  
21 dividual was laid-off (hereinafter referred  
22 to as successor employer) if—

23 (I) the successor employer ac-  
24 quired substantially all the property  
25 used in a trade or business, or used in

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

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

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

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



1       dividual's first exhaustion of unemployment com-  
2       pensation related to the permanent layoff reduced  
3       (but not below zero) by—

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

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

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

23           (6) ADMINISTRATION.—The substate grantee  
24      shall enter into an agreement with the State agency  
25      charged with the administration of the State unem-

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

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

17              (8) INFORMATION DISSEMINATION.—The career  
18      centers shall provide individuals determined eligible  
19      under this title with information relating to the  
20      availability of retraining income support and the re-  
21      quirements relating to eligibility for such support.  
22      Such information shall include the provision, as soon  
23      as is practicable, of information to such individuals  
24      describing the time periods by which enrollment in  
25      education and training must occur in order to be eli-

1       gible for retraining income support pursuant to  
2       paragraph (2)(D) of this subsection and section 202  
3       of the Reemployment Act of 1994. In addition, the  
4       substate grantee shall make arrangements with the  
5       State agency charged with the administration of the  
6       State unemployment compensation law to make such  
7       information generally available to claimants along  
8       with other information describing the services avail-  
9       able under this title.

10       (f) SUPPORTIVE SERVICES.—

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

20               (2) OPTIONAL SERVICES.—Each career center  
21       may make available to an eligible individual such  
22       supportive services as such center determines is ap-  
23       propriate to enable such individual to participate in  
24       basic reemployment services.

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

8           (g) SUPPLEMENTAL WAGE ALLOWANCE FOR OLDER  
9 WORKERS.—

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

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

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

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

22                   (D) such individual and a career center  
23 counselor agree that participation in the supple-  
24 mental wage allowance is the most effective ad-  
25 justment option available to such individual.

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

6                   (A) is equal to three quarters of the dif-  
7           ference between—

8                           (i) the weekly wage received for such  
9                           week and

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

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

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

22           (4) ADMINISTRATION.—The substate grantee  
23           shall enter into an agreement with the State agency  
24           charged with the administration of the State unem-  
25           ployment compensation law under which such agency

1 will administer, on a cost-reimbursable basis, the  
2 supplemental wage allowances authorized under this  
3 subsection.

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

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

8 (1) such individual is eligible for services under  
9 section 103; and

10 (2) such individual is accepting employment  
11 and such employment is—

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

14 (B) in an occupation significantly different  
15 from such individual's previous occupation.

16 (b) CONTENTS.—A certificate of continuing eligibility  
17 issued pursuant to subsection (a) shall specify a period  
18 of time not to exceed one hundred and four weeks that  
19 such individual shall remain eligible, notwithstanding the  
20 requirements of section 103, for services under this title  
21 and for retraining income support payments under section  
22 119(e) of this Act.

23 (c) ELIGIBILITY FOR RETRAINING INCOME SUP-  
24 PORT.—With respect to the continuing eligibility of an in-

1 individual receiving a certificate under this section for re-  
2 training income support—

3           (1) the requirements relating to eligibility for  
4 income support under section 119(e)(2)(C) of this  
5 Act and to the weekly amount of such support under  
6 section 119(e)(4) of this Act shall apply to such in-  
7 dividual's status at the time such individual receives  
8 a certificate under this section and shall not apply  
9 to such individual's status at the time of separation  
10 from subsequent employment described in subsection  
11 (a)(2); and

12           (2) the requirements relating to enrollment in  
13 training in order to qualify for such income support  
14 shall remain applicable except that the 16-week and  
15 14-week periods described in section 119(e)(2) of  
16 this Act shall commence with such individual's sepa-  
17 ration from the subsequent employment described in  
18 subsection (a)(2).

19           (d) LIMITATION.—An individual may not receive a  
20 wage supplement authorized under section 119(g) after re-  
21 ceiving a certificate of continuing eligibility under this sec-  
22 tion.

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

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

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

7 (b) PROJECTS AND SERVICES.—

8 (1) IN GENERAL.—The programs assisted  
9 under this section shall be used to provide services  
10 of the type described in section 119 in projects that  
11 relate to—

12 (A) industry-wide dislocations;

13 (B) multistate dislocations;

14 (C) dislocations resulting from reductions  
15 in defense expenditures;

16 (D) dislocations resulting from inter-  
17 national trade;

18 (E) dislocations resulting from environ-  
19 mental laws and regulations, including the  
20 Clean Air Act and the Endangered Species Act;

21 (F) dislocations affecting Native American  
22 tribal entities; and

23 (G) other dislocations that result from spe-  
24 cial circumstances or that State and local re-  
25 sources are insufficient to address.



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

6           (3) ON-SITE TRANSITION CENTERS.—The Sec-  
7           retary may award grants under this section to  
8           projects that establish on-site transition centers  
9           meeting the requirements described in section  
10          115(c)(2).

11          (c) ADMINISTRATION.—

12           (1) APPLICATION.—To receive a grant under  
13           this section, an eligible entity shall submit an appli-  
14           cation to the Secretary at such time, in such man-  
15           ner, and accompanied by such information as the  
16           Secretary determines is appropriate.

17           (2) ELIGIBLE ENTITIES.—Grants under this  
18           section may be awarded to—

19                   (A) the State;

20                   (B) the substate grantee;

21                   (C) employers and employer associations;

22                   (D) worker-management transition assist-  
23                   ance committees and other employer-employee  
24                   entities;

25                   (E) representatives of employees;

1 (F) community development corporations  
2 and community-based organizations; and

3 (G) industry consortia.

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

5 (a) GENERAL AUTHORITY.—

6 (1) QUALIFICATION FOR FUNDS.—Funds ap-  
7 propriated to carry out this section shall be made  
8 available in a timely manner by the secretary to the  
9 Governor of any State within which is located an  
10 area that has suffered an emergency or a major dis-  
11 aster as defined in paragraphs (1) and (2), respec-  
12 tively, of section 102 of the Robert T. Stafford Dis-  
13 aster Relief and Emergency Assistance Act (referred  
14 to in this section as the “disaster area”).

15 (2) SUBSTATE ALLOCATION.—Not less than 80  
16 percent of the funds made available to any Governor  
17 under paragraph (1) shall be allocated by the Gov-  
18 ernor to units of general local government located,  
19 in whole or in part, within such disaster areas. The  
20 remainder of such funds may be reserved by the  
21 Governor for use, in concert with State agencies, in  
22 cleanup, rescue, repair, renovation, and rebuilding  
23 activities associated with such major disaster.

24 (3) COORDINATION.—Funds made available  
25 under this section to governors and units of general

1 local government shall be expended in consultation  
2 with—

3 (A) agencies administering programs for  
4 disaster relief provided under the Robert T.  
5 Stafford Disaster Relief and Emergency Assist-  
6 ance Act; and

7 (B) the administrative entity and the pri-  
8 vate industry council in each service delivery  
9 area within which disaster employment pro-  
10 grams will be conducted under this part.

11 (b) USE OF FUNDS.—

12 (1) PROJECTS RESTRICTED TO DISASTER  
13 AREAS.—Funds made available under this section to  
14 any unit of general local government in a disaster  
15 area—

16 (A) shall be used exclusively to provide em-  
17 ployment on projects to provide food, clothing,  
18 shelter, and other humanitarian assistance for  
19 disaster victims and on projects regarding dem-  
20 olition, cleanup, repair, renovation, and recon-  
21 struction of damaged and destroyed structures,  
22 facilities, and lands located within the disaster  
23 area; and

1 (B) may be expended through public and  
2 private agencies and organizations engaged in  
3 such projects.

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

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

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

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

21 (2) in the case of a community conducting a  
22 project in a migrant or seasonal farmworker commu-  
23 nity, the grantee designated under section 402(c) of  
24 the Job Training Partnership Act, or a consortium  
25 of such grantees and the State.

1 **SEC. 133. EVALUATION, RESEARCH, AND DEMONSTRATIONS.**  
2 **TIONS.**

3 (a) EVALUATION.—

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

8 (2) TECHNIQUES.—

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

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

22 (C) EFFECTIVENESS.—The Secretary shall  
23 evaluate the effectiveness of programs author-  
24 ized under this title with respect to—

25 (i) the statutory goals;

- 1 (ii) the performance standards estab-  
2 lished by the Secretary; and
- 3 (iii) the extent to which such pro-  
4 grams enhance the employment and earn-  
5 ings of participants, reduce income support  
6 costs, improve the employment com-  
7 petencies of participants in comparison to  
8 comparable persons who did not partici-  
9 pate in such programs, and, to the extent  
10 feasible, increase the level of total employ-  
11 ment over the level that would have existed  
12 in the absence of such programs.

13 (b) RESEARCH.—

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

19 (2) MASS LAYOFF REPORT.—The Secretary  
20 shall develop and maintain statistical data relating  
21 to permanent layoffs and plant closings. The Sec-  
22 retary shall publish a report based upon such data,  
23 as soon as practicable, after the end of each cal-  
24 endar year. Among the data to be included are—

25 (A) the number of such closings;

- 1 (B) the number of workers displaced;  
2 (C) the location of the affected facilities;  
3 and  
4 (D) the types of industries involved.

5 (c) DEMONSTRATIONS.—

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

11 (A) provide services to upgrade the skills  
12 of employed workers who are at risk of being  
13 permanently laid off; and

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

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

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

1 **SEC. 134. CAPACITY BUILDING AND TECHNICAL ASSIST-**  
2 **ANCE.**

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

14 (b) COORDINATION.—The Secretary shall integrate  
15 the activities carried out pursuant to subsection (a) with  
16 the activities of the Capacity Building and Information  
17 and Dissemination Network established under section 453  
18 of the Job Training Partnership Act.

19 **SEC. 135. FEDERAL BYPASS AUTHORITY.**

20 In the event that any State chooses not to participate  
21 in the program authorized under this title, the Secretary  
22 shall use the amount that would be allotted to such State  
23 under section 101(b) to provide for the delivery in that  
24 State of the programs, activities, and services authorized  
25 under this title until such time as such State chooses to  
26 participate in the program.



1           **PART C—PERFORMANCE STANDARDS AND**  
2                           **QUALITY ASSURANCE SYSTEMS**

3   **SEC. 151. CUSTOMER SERVICE COMPACT.**

4           The Secretary shall establish a process within each  
5 State, which shall include an annual meeting, to promote  
6 the development of a customer service compact among the  
7 parties administering the programs under this title. Such  
8 compact shall include an informal agreement between the  
9 Secretary, Governor, each substate grantee, and each ca-  
10 reer center relating to—

11                   (1) the shared goals and values that will govern  
12                   the administration of the program;

13                   (2) the respective roles and responsibilities of  
14                   each party in enhancing the provision of services to  
15                   participants, including ensuring that such services  
16                   are tailored to the particular needs of participants in  
17                   each local area;

18                   (3) methods for ensuring that the satisfaction  
19                   of participants with the services received is a pri-  
20                   mary consideration in the administration of the pro-  
21                   gram; and

22                   (4) such other matters as the parties determine  
23                   are appropriate.

24   **SEC. 152. PERFORMANCE STANDARDS.**

25           (a) **IN GENERAL.**—The Secretary, after consultation  
26 with the Secretary of Education, Governors, substate

1 grantees, and career centers, shall prescribe performance  
2 standards relating separately to the substate grantees and  
3 the career centers established under this title. Such stand-  
4 ards shall be based on factors the Secretary determines  
5 are appropriate, which may include—

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

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

10 (B) comparability of wages at a specified  
11 period after termination from the program with  
12 wages prior to participation in the program;

13 (2) acquisition of skills pursuant to a skill  
14 standards and skill certification system endorsed by  
15 the National Skill Standards Board established  
16 under the Goals 2000: Educate America Act;

17 (3) satisfaction of participants and employers  
18 with services provided and employment outcomes;  
19 and

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

23 (b) ADJUSTMENTS.—Each Governor shall, within pa-  
24 rameters established by the Secretary and after consulta-  
25 tion with substate grantees and career centers, prescribe

1 adjustments to the performance standards prescribed  
2 under section (a) for the substate grantees and career cen-  
3 ters established in the State based on—

4 (1) specific economic, geographic, and demo-  
5 graphic factors in the State and in substate areas  
6 within the State; and

7 (2) the characteristics of the population to be  
8 served, including the demonstrated difficulties in  
9 serving special populations.

10 (c) FAILURE TO MEET STANDARDS.—

11 (1) UNIFORM CRITERIA.—The Secretary shall  
12 establish uniform criteria for determining whether a  
13 substate grantee or career center fails to meet per-  
14 formance standards under this section. Such criteria  
15 may not be modified more than once every two  
16 years.

17 (2) TECHNICAL ASSISTANCE.—The Governor  
18 shall provide technical assistance to substate grant-  
19 ees and career centers failing to meet performance  
20 standards under the uniform criteria established  
21 under paragraph (1).

22 (3) REPORT ON PERFORMANCE.—Each Gov-  
23 ernor shall include in an annual report to the Sec-  
24 retary the final performance standards and perform-  
25 ance for each substate grantee and career center

1 within the State, along with the technical assistance  
2 planned and provided as required under paragraph  
3 (2).

4 (4) REDESIGNATION.—If a substate grantee or  
5 career center continues to fail to meet such perform-  
6 ance standards for two consecutive program years,  
7 the Governor shall notify the Secretary and the sub-  
8 state grantee or career center of the continued fail-  
9 ure, and shall—

10 (A) in the case of a substate grantee, ter-  
11 minate the grant agreement and designate an-  
12 other entity as the substate grantee consistent  
13 with the procedures described in section  
14 117(b)(2); and

15 (B) in the case of a career center, direct  
16 the substate grantee to terminate the agree-  
17 ment to operate such center and to select an-  
18 other entity as a career center in accordance  
19 with the requirements of section 118.

20 (5) APPEAL.—A substate grantee or career cen-  
21 ter that is the subject of a redesignation under para-  
22 graph (4) may, within thirty days after receiving no-  
23 tice thereof, appeal to the Secretary of Labor to re-  
24 scind such action. The Secretary of Labor shall issue

1 a decision on the appeal within thirty days of its re-  
2 ceipt.

3 (d) INCENTIVE GRANTS.—From the funds reserved  
4 pursuant to section 101(c)(1), the Governor of each State  
5 shall award incentive grants to the substate grantees and  
6 career centers in the State exceeding performance stand-  
7 ards established under this section. Such grants shall be  
8 used by the substate grantees and career centers to en-  
9 hance or expand the services provided under this title.

10 **SEC. 153. CUSTOMER FEEDBACK.**

11 (a) METHODS.—Each substate grantee shall estab-  
12 lish methods for obtaining, on a regular basis, information  
13 from eligible individuals and employers who have received  
14 services through a career center regarding the effective-  
15 ness and quality of such services and of service providers.  
16 Such methods may include the use of surveys, interviews,  
17 and focus groups.

18 (b) ANALYSIS AND DISSEMINATION.—Each substate  
19 grantee shall analyze the information obtained pursuant  
20 to subsection (a) on a regular basis and provide a sum-  
21 mary of such information accompanied by such analysis  
22 to the career center for use in improving the administra-  
23 tion of the programs under this title and assisting partici-  
24 pants in choosing from among eligible service providers.

1 **SEC. 154. ELIGIBILITY REQUIREMENTS FOR PROVIDERS OF**  
2 **EDUCATION AND TRAINING SERVICES.**

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

6 (1) is either—

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

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

11 (2) provides the performance-based information  
12 required pursuant to subsection (c).

13 (b) ALTERNATIVE ELIGIBILITY PROCEDURE.—(1)  
14 The Governor shall establish an alternative eligibility pro-  
15 cedure for providers of education and training services in  
16 such State desiring to receive funds under this title but  
17 that are not eligible to participate in title IV of the Higher  
18 Education Act of 1965. Such procedure shall establish  
19 minimum acceptable levels of performance for such provid-  
20 ers based on factors and guidelines developed by the Sec-  
21 retary, after consultation with the Secretary of Education.  
22 Such factors shall be comparable in rigor and scope to  
23 those provisions of part H of such title of such Act that  
24 are used to determine an institution of higher education's  
25 eligibility to participate in programs under such title as  
26 are appropriate to the type of provider seeking eligibility

1 under this subsection and the nature of the education and  
2 training services to be provided.

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

8 (c) PERFORMANCE-BASED INFORMATION.—

9 (1) CONTENTS.—The Secretary, in consultation  
10 with the Secretary of Education, shall identify per-  
11 formance-based information that is to be submitted  
12 by providers of services desiring to be eligible under  
13 this section. Such information may include informa-  
14 tion relating to—

15 (A) the percentage of students completing  
16 the programs conducted by the provider,

17 (B) the rates of licensure of graduates of  
18 the programs conducted by the provider,

19 (C) the percentage of graduates of the pro-  
20 grams meeting skill standards and certification  
21 requirements endorsed by the National Skill  
22 Standards Board established under the Goals  
23 2000: Educate America Act,

1 (D) the rates of placement and retention in  
2 employment, and earnings of the graduates of  
3 the programs conducted by the provider,

4 (E) the percentage of students who ob-  
5 tained employment in an occupation related to  
6 the program conducted by the provider, and

7 (F) the warranties or guarantees provided  
8 by such provider relating to the skill levels or  
9 employment to be attained by students.

10 (2) ADDITIONS.—The Governor may, pursuant  
11 to the approval of the Secretary, prescribe additional  
12 performance-based information that shall be submit-  
13 ted by providers pursuant to this subsection.

14 (d) ADMINISTRATION.—

15 (1) STATE AGENCY.—The Governor shall des-  
16 ignate a State agency to collect, verify, and dissemi-  
17 nate the performance-based information submitted  
18 pursuant to paragraph (1).

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



1           (3) LIST OF ELIGIBLE PROVIDERS.—The State  
2 agency shall compile a list of eligible providers, ac-  
3 companied by the performance-based information  
4 submitted, and disseminate such list and informa-  
5 tion to the substate entities and career centers with-  
6 in the State.

7           (4) ACCURACY OF INFORMATION.—

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

16           (B) APPEAL.—The Governor shall estab-  
17 lish a procedure for a service provider to appeal  
18 a determination by a State agency that results  
19 in a disqualification under subparagraph (A).  
20 Such procedure shall provide an opportunity for  
21 a hearing and prescribe appropriate time limits  
22 to ensure prompt resolution of the appeal.

23           (5) ASSISTANCE IN DEVELOPING INFORMA-  
24 TION.—The State agency established pursuant to  
25 paragraph (1) may provide technical assistance to

1 education and training providers in developing the  
2 information required under subsection (b). Such as-  
3 sistance may include facilitating the utilization of  
4 State administrative records, such as unemployment  
5 compensation wage records, and other appropriate  
6 coordination activities.

7 (6) CONSULTATION.—The Secretary shall con-  
8 sult with the Secretary of Education regarding the  
9 eligibility of institutions of higher education or other  
10 providers of education and training to participate in  
11 programs under this Act or under title IV of the  
12 Higher Education Act of 1965.

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

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

17 (2) COLLECTION AND DISSEMINATION OF IN-  
18 FORMATION.—The substate grantee shall collect  
19 such performance-based information from on-the-job  
20 training providers as the Secretary may require, and  
21 shall disseminate such information to the career  
22 centers.

1           **PART D—GENERAL REQUIREMENTS**

2   **SEC. 161. GENERAL REQUIREMENTS.**

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

5           (a) **PROHIBITION ON INDUCING RELOCATION OF ES-**  
6   **TABLISHMENTS.—**

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

12          (2) No funds provided under this title shall be  
13   used for customized or skill training, on-the-job  
14   training, or company specific assessments of job ap-  
15   plicants or employees, for any establishment or part  
16   thereof, that has relocated, until one hundred and  
17   twenty days after the date on which such establish-  
18   ment commences operations at the new location, if  
19   the relocation of such establishment or part thereof,  
20   results in a loss of employment for any employee of  
21   such establishment at the original location.

22          (3) If a violation of paragraph (1) or (2) is al-  
23   leged, the Secretary shall conduct an investigation to  
24   determine whether a violation has occurred.

25          (4) If the Secretary determines that a violation  
26   of paragraph (1) or (2) has occurred, the Secretary

1 shall require the State, substate area, or substate  
2 grantee that has violated paragraph (1) or (2) to—

3 (A) repay to the United States an amount  
4 equal to the amount expended in violation of  
5 paragraph (1) or (2), in accordance with sub-  
6 sections (d) or (e) of section 174; and

7 (B) pay an additional amount equal to the  
8 amount required to be repaid under subpara-  
9 graph (A), unless the State or substate grantee  
10 demonstrates to the Secretary that it neither  
11 knew nor reasonably could have known (after  
12 an inquiry undertaken with due diligence) pro-  
13 vided funds in violation of paragraph (1) or (2).

14 (5) Amounts received under paragraph (4)(B)  
15 shall be deposited in a special account in the Treas-  
16 ury for use by the Secretary for carrying out this  
17 title.

18 (b) SPECIAL PROGRAMS.—Efforts shall be made to  
19 develop programs under this title which contribute to oc-  
20 cupational development, upward mobility, development of  
21 new careers, and overcoming sex-stereotyping in occupa-  
22 tions traditional for the other sex.

23 (c) JOINT SUBSTATE AGREEMENTS.—Any substate  
24 grantee may enter into an agreement or contract with an-  
25 other substate grantee to pay or share the cost of educat-

1 ing, training, or placing individuals participating in pro-  
2 grams assisted under this Act, including the provision of  
3 supportive services.

4 (d) ON-THE-JOB TRAINING.—(1) Payments to em-  
5 ployers for on-the-job training under this title shall not,  
6 during the period of such training, average more than 50  
7 percent of the wages paid by the employer to such partici-  
8 pants, and payments in such amount shall be deemed to  
9 be in compensation for the extraordinary costs associated  
10 with training participants under this title and in com-  
11 pensation for the costs associated with the lower produc-  
12 tivity of such participants.

13 (2) On-the-job training authorized under this title for  
14 a participant shall be limited in duration to a period not  
15 in excess of that generally required for acquisition of skills  
16 needed for the position within a particular occupation, but  
17 in no event shall exceed six months, unless the total num-  
18 ber of hours of such training is less than five hundred  
19 hours. In determining the period generally required for ac-  
20 quisition of the skills, consideration shall be given to rec-  
21 ognized reference material (such as the Dictionary of Oc-  
22 cupational Titles), the content of the training of the par-  
23 ticipant, the prior work experience of the participant, and  
24 the reemployment plan of the participant.

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

1 (i) specify the types and duration of on-the-job  
2 training and the other services to be provided in suf-  
3 ficient detail to allow for a fair analysis of the rea-  
4 sonableness of proposed costs; and

5 (ii) comply with the applicable requirements of  
6 section 174.

7 (B) Each on-the-job training contract that is not di-  
8 rectly contracted by a substate grantee with an employer  
9 (but instead is contracted through an intermediary  
10 brokering contractor) shall, in addition to meeting the re-  
11 quirements of subparagraph (A), specify the outreach, re-  
12 cruitment, participant training, counseling, placement,  
13 monitoring, followup, and other services to be provided di-  
14 rectly by the brokering contractor within its own organiza-  
15 tion, the services to be provided by the employers conduct-  
16 ing the on-the-job training, and the services to be pro-  
17 vided, with or without cost, by other agencies and sub-  
18 contractors.

19 (C) If a brokering contractor enters into a contract  
20 with a subcontractor to provide training or other services,  
21 the brokering contractor shall ensure, through on-site  
22 monitoring, compliance with the subcontract terms prior  
23 to making payment to the subcontractor.

24 (4) In accordance with regulations issued by the Sec-  
25 retary, on-the-job training contracts under this title shall

1 not be entered into with employers who have received pay-  
2 ments under previous contracts and have exhibited a pat-  
3 tern of failing to provide on-the-job training participants  
4 with continued long-term employment as regular employ-  
5 ees with wages and employment benefits (including health  
6 benefits) and working conditions at the same level and to  
7 the same extent as other employees working a similar  
8 length of time and doing the same type of work.

9 (e) PROHIBITION ON FEES.—No person or organiza-  
10 tion may charge an individual a fee for the placement or  
11 referral of such individual in or to a training program  
12 under this title.

13 (f) PROHIBITION ON SUBSIDIZED EMPLOYMENT.—  
14 No funds may be provided under this Act for any sub-  
15 sidized employment with any private for-profit employer.

16 (g) RETENTION OF PROGRAM INCOME.—

17 (1) Income under any program under this title  
18 administered by a public or private nonprofit entity  
19 may be retained by such entity only if used to con-  
20 tinue to carry out the program.

21 (2) Income subject to the requirements of para-  
22 graph (1) shall include—

23 (A) receipts from goods or services (includ-  
24 ing conferences) provided as a result of activi-  
25 ties funded under the title;

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

4 (C) interest income earned on funds re-  
5 ceived under this title.

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

11 (h) NOTIFICATION AND CONSULTATION REQUIRE-  
12 MENTS.—The Secretary shall notify the Governor and the  
13 appropriate chief elected officials of, and consult with the  
14 Governor and such officials concerning, any activity to be  
15 funded by the Secretary under this title within the State  
16 or substate area; and the Governor shall notify the appro-  
17 priate chief elected officials of, and consult with such con-  
18 cerning, any activity to be funded by the Governor under  
19 this title within the substate area.

20 (i) COOPERATIVE AGREEMENTS BETWEEN  
21 STATES.—In the event that compliance with provisions of  
22 this title would be enhanced by cooperative agreements be-  
23 tween States, the consent of Congress is hereby given to  
24 such States to enter into such compacts and agreements



1 to facilitate such compliance, subject to the approval of  
2 the Secretary.

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

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

14 (l) PROPERTY.—The Federal requirements governing  
15 the title, use, and disposition of real property, equipment,  
16 and supplies purchased with funds provided under this Act  
17 shall be the Federal requirements generally applicable to  
18 Federal grants to States and local governments.

19 **SEC. 162. BENEFITS.**

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

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

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

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

17           (4) References in paragraphs (2) and (3) to  
18 section 6(a)(1) of the Fair Labor Standards Act of  
19 1938 (29 U.S.C. 206(a)(1))—

20                   (A) shall be deemed to be references to  
21 section 6(c) of that Act for individuals in the  
22 Commonwealth of Puerto Rico;

23                   (B) shall be deemed to be references to  
24 6(a)(3) of that Act for individuals in American  
25 Samoa; and

1 (C) shall not be applicable for individuals  
2 in other territorial jurisdictions in which section  
3 6 of the Fair Labor Standards Act of 1938  
4 does not apply.

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

13 **SEC. 163. LABOR STANDARDS.**

14 (a) IN GENERAL.—

15 (1) Conditions of employment and training shall  
16 be appropriate and reasonable in light of such fac-  
17 tors as the type of work, geographical region, and  
18 proficiency of the participant.

19 (2) Health and safety standards established  
20 under State and Federal law, otherwise applicable to  
21 working conditions of employees, shall be equally ap-  
22 plicable to working conditions of participants. With  
23 respect to any participant in a program conducted  
24 under this title who is engaged in activities which  
25 are not covered by health and safety standards

1 under the Occupational Safety and Health Act of  
2 1970, the Secretary shall prescribe, by regulation,  
3 such standards as may be necessary to protect the  
4 health and safety of such participants.

5 (3) To the extent that a State workers' com-  
6 pensation law is applicable, workers' compensation  
7 benefits in accordance with such law shall be avail-  
8 able with respect to injuries suffered by participants.  
9 To the extent that such law is not applicable, each  
10 recipient of funds under this Act shall secure insur-  
11 ance coverage for injuries suffered by such partici-  
12 pants, in accordance with regulations prescribed by  
13 the Secretary.

14 (4) All individuals employed in subsidized jobs  
15 shall be provided benefits and working conditions at  
16 the same level and to the same extent as other em-  
17 ployees working a similar length of time and doing  
18 the same type of work.

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

22 (b) DISPLACEMENT.—

23 (1) No currently employed worker shall be dis-  
24 placed by any participant (including partial displace-

1 ment such as a reduction in the hours of non-  
2 overtime work, wages, or employment benefits).

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

4 (A) existing contracts for services; or

5 (B) existing collective bargaining agree-  
6 ments, unless the employer and the labor orga-  
7 nization concur in writing with respect to any  
8 elements of the proposed activities which affect  
9 such agreement, or either such party fails to re-  
10 spond to written notification requesting its con-  
11 currence within thirty days of receipt thereof.

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

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

24 (c) ORGANIZED LABOR.—

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

5           (2) Any program conducted with funds made  
6           available under this title which will provide services  
7           to members of a labor organization will be estab-  
8           lished only after full consultation with such organi-  
9           zation.

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

16          (d) PREVAILING WAGES.—All laborers and mechan-  
17          ics employed by contractors or subcontractors in any con-  
18          struction, alteration, or repair, including painting and  
19          decorating, of project, buildings, and works which are fed-  
20          erally assisted under this title shall be paid wages at rates  
21          not less than those prevailing on similar construction in  
22          the locality as determined by the Secretary in accordance  
23          with the Act of March 3, 1921 (40 U.S.C. 276a–276a–  
24          5), commonly known as the Davis-Bacon Act. The Sec-  
25          retary shall have, with respect to such labor standards,

1 the authority and functions set forth in Reorganization  
2 Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267)  
3 and section 2 of the Act of June 1, 1934, as amended  
4 (48 Stat. 948, as amended; 40 U.S.C. 276(c)). The provi-  
5 sions of this subsection shall not apply to a bona fide par-  
6 ticipant in a training program under this title. The provi-  
7 sions of section 177(a)(4) shall apply to such trainees.

8 **SEC. 164. GRIEVANCE PROCEDURE.**

9 (a) IN GENERAL.—Each substate grantee, career  
10 center, contractor, and grantee under this Act shall estab-  
11 lish and maintain a grievance procedure for grievances or  
12 complaints about its programs and activities from partici-  
13 pants, subgrantees, subcontractors, and other interested  
14 persons. Hearings on any grievance shall be conducted  
15 within thirty days of filing of a grievance and decisions  
16 shall be made not later than sixty days after the filing  
17 of a grievance. Except for complaints alleging fraud or  
18 criminal activity, complaints shall be made within one year  
19 of the alleged occurrence.

20 (b) GRIEVANCE PROCEDURE FOR EMPLOYERS OF  
21 PARTICIPANTS.—Each recipient of financial assistance  
22 under this title which is an employer of participants under  
23 this title shall continue to operate or establish and main-  
24 tain a grievance procedure relating to the terms and condi-  
25 tions of employment.

1 (c) EXHAUSTION OF GRIEVANCE PROCEDURE.—

2 Upon exhaustion of the recipient's grievance procedure  
3 without decision, or where the Secretary has reason to be-  
4 lieve that the recipient is failing to comply with the re-  
5 quirements of this title, the Secretary shall investigate the  
6 allegation or belief and determine within one hundred and  
7 twenty days after receiving the complaint whether such al-  
8 legation or complaint is true.

9 (d) INVESTIGATION BY SECRETARY.—

10 (1) If a person alleges a violation of section 163  
11 and such person exhausts the recipient's grievance  
12 procedure or the sixty-day time period described in  
13 subsection (a) has elapsed without a decision, either  
14 party to such procedure may submit the grievance to  
15 the Secretary. The Secretary shall investigate the al-  
16 legations contained in the grievance and make a de-  
17 termination as to whether a violation of section 163  
18 has occurred.

19 (2) If the results of the investigation conducted  
20 pursuant to paragraph (1) indicate that a modifica-  
21 tion or reversal of the decision issued pursuant to  
22 the recipient's grievance procedure is warranted, or  
23 the sixty-day time period described in subsection (a)  
24 has elapsed without a decision, the Secretary may  
25 modify or reverse the decision, or issue a decision if



1 no decision has been issued, as the case may be,  
2 after an opportunity for a hearing in accordance  
3 with the procedures under section 176.

4 (3) If the Secretary determines that the deci-  
5 sion issued pursuant to the recipient's grievance pro-  
6 cedure is appropriate, the determination shall be-  
7 come the final decision of the Secretary.

8 (e) BINDING GRIEVANCE PROCEDURE.—

9 (1) A person alleging a violation of section 163  
10 may, as an alternative to the procedures described in  
11 this section, submit the grievance involving such vio-  
12 lation to a binding grievance procedure if a collective  
13 bargaining agreement covering the parties to the  
14 grievance so provides.

15 (2) The remedies available under paragraph (1)  
16 shall be limited to the remedies available under sub-  
17 section (f)(1)(C) and subsection (f)(2).

18 (f) REMEDIES AVAILABLE TO GRIEVANTS.—

19 (1) Except as provided in paragraph (2), rem-  
20 edies available to grievants under this section for  
21 violations of section 163 shall be limited to—

22 (A) suspension or termination of payments  
23 under this Act;

24 (B) prohibition of placement of a partici-  
25 pant, for an appropriate period of time, in a

1 program under this Act with an employer that  
2 has violated section 163, as determined under  
3 subsection (d) or (e); and

4 (C) appropriate equitable relief (other than  
5 back pay).

6 (2) In addition to the remedies available under  
7 paragraph (1), remedies available under this section  
8 for violations of subsection (a)(4), paragraphs (1)  
9 and (3) of subsection (b), and subsection (d) of sec-  
10 tion 163 may include—

11 (A) reinstatement of the grievant to the  
12 position held by such grievant prior to displace-  
13 ment;

14 (B) payment of lost wages and benefits;  
15 and

16 (C) reestablishment of other relevant  
17 terms, conditions, and privileges of employment.

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

## 22 **PART E—FISCAL ADMINISTRATIVE PROVISIONS**

### 23 **SEC. 171. PROGRAM YEAR.**

24 (a) OBLIGATION OF FUNDS.—Beginning with fiscal  
25 year 1995 and thereafter, appropriations for any fiscal

1 year for programs and activities under this title shall be  
2 available for obligation only on the basis of a program  
3 year. The program year shall begin on July 1 in the fiscal  
4 year for which the appropriation is made.

5 (b) EXPENDITURE OF OBLIGATED FUNDS.—Funds  
6 obligated for any program year may be expended by each  
7 recipient during that program year and the two succeeding  
8 program years.

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

10 (a) PUBLICATION OF FORMULA ALLOCATIONS AND  
11 ALLOTMENTS.—Whenever the Secretary allots and allo-  
12 cates funds required to be allotted or allocated by formula  
13 under this title, the Secretary shall publish in a timely  
14 fashion in the Federal Register the proposed amount to  
15 be distributed to each recipient.

16 (b) PUBLICATION OF DISCRETIONARY ALLOCATION  
17 FORMULA.—Whenever the Secretary utilizes a formula to  
18 allot or allocate funds made available for distribution at  
19 the Secretary's discretion under this Act, the Secretary  
20 shall, not later than thirty days prior to such allotment  
21 or allocation, publish such formula in the Federal Register  
22 for comments along with the rationale for the formula and  
23 the proposed amounts to be distributed to each State and  
24 area. After consideration of any comments received, the

1 Secretary shall publish final allotments and allocations in  
2 the Federal Register.

3 **SEC. 173. MONITORING.**

4 (a) IN GENERAL.—The Secretary is authorized to  
5 monitor all recipients of financial assistance under this  
6 title to determine whether they are complying with the  
7 provisions of this title and the regulations issued under  
8 this title.

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

18 (c) WITNESSES AND DOCUMENTS.—For the purpose  
19 of any investigation or hearing under this Act, the provi-  
20 sions of section 9 of the Federal Trade Commission Act  
21 (15 U.S.C. 49) (relating to the attendance of witnesses  
22 and the production of books, papers, and documents) are  
23 made applicable to the Secretary.

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

25 (a) IN GENERAL.—

1           (1) Each State shall establish such fiscal con-  
2           trol and fund accounting procedures as may be nec-  
3           essary to assure the proper disbursement of, and ac-  
4           counting for, Federal funds paid to the recipient  
5           under this title. Such procedures shall ensure that  
6           all financial transactions are conducted and records  
7           maintained in accordance with generally accepted ac-  
8           counting principles applicable in each State.

9           (2) The Secretary shall prescribe regulations es-  
10          tablishing uniform cost principles substantially  
11          equivalent to such principles generally applicable to  
12          recipients of Federal grants funds. At a minimum,  
13          such standards shall provide that, to be allowable,  
14          costs must—

15                 (A) be necessary and reasonable for proper  
16                 and efficient administration of the program  
17                 under this title;

18                 (B) be allocable to the program under this  
19                 title; and

20                 (C) not be a general expense required to  
21                 carry out the overall responsibilities of State or  
22                 local governments except as specifically pro-  
23                 vided by this title.

24          (3) The Governor, in accordance with minimum  
25          requirements established by the Secretary in regula-

1 tions, shall prescribe and implement procurement  
2 standards to ensure fiscal accountability and prevent  
3 fraud and abuse in programs administered under  
4 this title. The Secretary, in establishing such mini-  
5 mum requirements, shall consult with the Inspector  
6 General of the Department of Labor and take into  
7 consideration relevant aspects of the circulars issued  
8 by the Director of the Office of Management and  
9 Budget. Such minimum requirements shall include  
10 provisions to ensure that for States, substate areas,  
11 and career centers—

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

14 (B) the use of sole source procurements  
15 shall be minimized to the extent practicable, but  
16 in every case shall be justified;

17 (C) procurements shall include an appro-  
18 priate analysis of the reasonableness of costs  
19 and prices;

20 (D) procurements shall not provide excess  
21 program income (for nonprofit and government  
22 entities) or excess profit (for private for-profit  
23 entities), and that appropriate factors shall be  
24 utilized in determining whether such income or  
25 profit is excessive, such as—

1 (i) the complexity of the work to be  
2 performed;

3 (ii) the risk borne by the contractor;  
4 and

5 (iii) market conditions in the sur-  
6 rounding geographical area;

7 (E) procurements shall clearly specify  
8 deliverables and the basis for payment;

9 (F) written procedures shall be established  
10 for procurement transactions;

11 (G) no grantee, contractor, subgrantee, or  
12 subcontractor shall engage in any conflict of in-  
13 terest, actual or apparent, in the selection,  
14 award, or administration of a contract or grant  
15 under this title;

16 (H) all grantees and subgrantees shall con-  
17 duct oversight to ensure compliance with pro-  
18 curement standards; and

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

22 (4) The Governor shall annually conduct on-site  
23 monitoring of each substate grantee within the State  
24 to ensure compliance with the procurement stand-  
25 ards established pursuant to paragraph (3).

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

5           (A) require corrective action to secure  
6 prompt compliance; and

7           (B) impose the sanctions provided under  
8 subsection (b) in the event of failure to take the  
9 required corrective action.

10          (6) The Governor shall biennially certify to the  
11 Secretary that—

12           (A) the State has implemented the pro-  
13 curement standards established under para-  
14 graph (3);

15           (B) the State has monitored substate  
16 grantees to ensure compliance with the procure-  
17 ment standards as required under paragraph  
18 (4); and

19           (C) the State has taken appropriate action  
20 to secure compliance pursuant to paragraph  
21 (5).

22          (7) If the Secretary determines that the Gov-  
23 ernor has not fulfilled the requirements of this sub-  
24 section, the Secretary shall—



1 (A) require corrective action to secure  
2 prompt compliance; and

3 (B) impose the sanctions provided under  
4 subsection (f) in the event of failure of the Gov-  
5 ernor to take the required corrective action.

6 (b) SUBSTANTIAL VIOLATIONS.—

7 (1) If, as a result of financial and compliance  
8 audits or otherwise, the Governor determines that  
9 there is a substantial violation of a specific provision  
10 of this title or the regulations under this title, and  
11 corrective action has not been taken, the Governor  
12 shall impose a reorganization plan, which may in-  
13 clude—

14 (A) redesignating the substate grantee;

15 (B) prohibiting the use of designated serv-  
16 ice providers;

17 (C) merging the substate area into one or  
18 more other existing substate areas; or

19 (D) other such changes as the Secretary or  
20 Governor determines necessary to secure com-  
21 pliance.

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

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

1 (ii) the Secretary has issued a decision.

2 (B) The actions taken by the Governor pursu-  
3 ant to paragraph (1)(B) may be appealed to the  
4 Secretary, who shall make a final decision not later  
5 than sixty days of the receipt of the appeal.

6 (3) If the Governor fails to promptly take the  
7 actions required under paragraph (1), the Secretary  
8 shall take such actions.

9 (c) REPAYMENT OF FUNDS.—Every recipient shall  
10 repay to the United States amounts found not to have  
11 been expended in accordance with this title. The Secretary  
12 may offset such amounts against any other amount to  
13 which the recipient is or may be entitled under this Act  
14 unless the Secretary determines that such recipient should  
15 be held liable pursuant to subsection (d). No such action  
16 shall be taken except after notice and opportunity for a  
17 hearing have been given to the recipient.

18 (d) LIABILITY FOR REPAYMENT OF FUNDS.—

19 (1) Each recipient shall be liable to repay such  
20 amounts, from funds other than funds received  
21 under this title, upon a determination that the  
22 misexpenditures of funds was due to willful dis-  
23 regard of the requirements of this title, gross neg-  
24 ligence, or failure to observe accepted standards of

1 administration. No such finding shall be made ex-  
2 cept after notice and opportunity for a fair hearing.

3 (2) In determining whether to impose any sanc-  
4 tion authorized by this section against a recipient for  
5 violations by a subgrantee of such recipient under  
6 this title or the regulations under this title, the Sec-  
7 retary shall first determine whether such recipient  
8 has adequately demonstrated that it has—

9 (A) established and adhered to an appro-  
10 priate system for the award and monitoring of  
11 contracts with subgrantees which contains ac-  
12 ceptable standards for ensuring accountability;

13 (B) entered into a written contract with  
14 such subgrantee which established clear goals  
15 and obligations in unambiguous terms;

16 (C) acted with due diligence to monitor the  
17 implementation of the subgrantee contract, in-  
18 cluding the carrying out of the appropriate  
19 monitoring activities (including audits) at rea-  
20 sonable intervals; and

21 (D) taken prompt and appropriate correc-  
22 tive action upon becoming aware of any evi-  
23 dence of a violation of this Act or the regula-  
24 tions under this Act by such subgrantee.

1           (3) If the Secretary determines that the recipi-  
2           ent has demonstrated substantial compliance with  
3           the requirements of paragraph (2), the Secretary  
4           may waive the imposition of sanctions authorized by  
5           this section upon such recipient. The Secretary is  
6           authorized to impose any sanction consistent with  
7           the provisions of this title and any applicable Fed-  
8           eral or State law directly against any subgrantee for  
9           violation of this Act or the regulations under this  
10          Act.

11          (e) EMERGENCY TERMINATION OF FINANCIAL AS-  
12          SISTANCE.—In emergency situations, if the Secretary de-  
13          termines it is necessary to protect the integrity of the  
14          funds or ensure the proper operation of the program, the  
15          Secretary may immediately terminate or suspend financial  
16          assistance, in whole or in part, if the recipient is given  
17          prompt notice and the opportunity for a subsequent hear-  
18          ing within thirty days after such termination or suspen-  
19          sion. The Secretary shall not delegate any of the functions  
20          specified in this subsection, other than to an officer whose  
21          appointment was required to be made by and with the ad-  
22          vice and consent of the Senate.

23          (f) CORRECTIVE MEASURES.—If the Secretary deter-  
24          mines that any recipient under this title has discharged  
25          or in any other manner discriminated against a partici-

1 pant or against any individual in connection with the ad-  
2 ministration of the program involved, or against any indi-  
3 vidual because such individual has filed any complaint or  
4 instituted or caused to be instituted any proceeding under  
5 or related to this title, or has testified or is about to testify  
6 in any such proceeding or investigation under or related  
7 to this title, or otherwise unlawfully denied to any individ-  
8 ual a benefit under the provisions of this title, or the Sec-  
9 retary's regulations, the Secretary shall, within thirty  
10 days, take such action or order such corrective measures,  
11 as necessary, with respect to the recipient or the aggrieved  
12 individual, or both.

13 (g) REMEDIES NOT EXCLUSIVE.—The remedies  
14 under this section shall not be construed to be exclusive  
15 remedies.

16 **SEC. 175. REPORTS, RECORDKEEPING, AND INVESTIGA-**  
17 **TIONS.**

18 (a) RECORDS.—

19 (1) Recipients shall keep records that are suffi-  
20 cient to permit the preparation of reports required  
21 by this title and to permit the tracing of funds to  
22 a level of expenditure adequate to insure that the  
23 funds have not been spent unlawfully.

24 (2) Every recipient shall maintain such records  
25 and submit such reports, in such form and contain-

1 ing such information, as the Secretary requires re-  
2 garding the performance of its programs. Such  
3 records and reports shall be submitted to the Sec-  
4 retary but shall not be required to be submitted  
5 more than once each quarter unless specifically re-  
6 quested by the Congress or a committee thereof.

7 (3) In order to allow for the preparation of na-  
8 tional estimates necessary to meet the requirements  
9 of subsection (c), recipients shall maintain standard-  
10 ized records for all individual participants and pro-  
11 vide to the Secretary a sufficient number of such  
12 records to provide for an adequate analysis.

13 (4)(A) Except as provided in subparagraph (B),  
14 records maintained by recipients pursuant to this  
15 subsection shall be made available to the public upon  
16 request.

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

18 (i) information, the disclosure of which  
19 would constitute a clearly unwarranted invasion  
20 of personal privacy; and

21 (ii) trade secrets, or commercial or finan-  
22 cial information, obtained from a person and  
23 privileged or confidential.

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

4 (b) INVESTIGATIONS.—

5 (1)(A) In order to evaluate compliance with the  
6 provisions of this title, the Secretary shall conduct,  
7 in several States, in each fiscal year investigations of  
8 the use of funds received by recipients under this  
9 title.

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

14 (2) In conducting any investigation under this  
15 title, the Secretary or the Comptroller General of the  
16 United States may not request the compilation of  
17 any new information not readily available to such re-  
18 cipient.

19 (3)(A) In carrying out any audit under this title  
20 (other than any initial audit survey or any audit in-  
21 vestigating possible criminal or fraudulent conduct),  
22 either directly or through grant or contract, the Sec-  
23 retary, the Inspector General, or the Comptroller  
24 General shall furnish to the State, substate grantee,  
25 recipient, or other entity to be audited, advance noti-

1       fication of the overall objectives and purposes of the  
2       audit, and any extensive recordkeeping or data re-  
3       quirements to be met, not fewer than fourteen days  
4       (or as soon as practicable), prior to the commence-  
5       ment of the audit.

6           (B) If the scope, objectives, or purposes of the  
7       audit change substantially during the course of the  
8       audit, the entity being audited shall be notified of  
9       the change as soon as practicable.

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

13          (D) Nothing contained in this title shall be con-  
14       strued so as to be inconsistent with the Inspector  
15       General Act of 1978 (5 U.S.C. App.) or government  
16       auditing standards issued by the Comptroller Gen-  
17       eral.

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

22           (1) make readily accessible reports concerning  
23       its operations and expenditures as shall be pre-  
24       scribed by the Secretary;



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

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

13           (d) RETENTION OF RECORDS.—The Governor shall  
14           ensure that requirements are established for retention of  
15           all records pertinent to all grants awarded, and contracts  
16           and agreements entered into, under this title, including  
17           financial, statistical, property and participant records and  
18           supporting documentation. For funds allotted to a State  
19           for any program year, records shall be retained for two  
20           years following the date on which the annual expenditure  
21           report containing the final expenditures charged to such  
22           program year's allotment is submitted to the Secretary.  
23           Records for nonexpendable property shall be retained for  
24           a period of three years after final disposition of the prop-  
25           erty.

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

4 (1) any program income or profits earned, in-  
5 cluding such income or profits earned by  
6 subrecipients; and

7 (2) any costs incurred (such as stand-in costs)  
8 that are otherwise allowable except for funding limi-  
9 tations.

10 **SEC. 176. ADMINISTRATIVE ADJUDICATION.**

11 (a) IN GENERAL.—Whenever any applicant for finan-  
12 cial assistance under this title is dissatisfied because the  
13 Secretary has made a determination not to award financial  
14 assistance in whole or in part to such applicant, the appli-  
15 cant may request a hearing before an administrative law  
16 judge of the Department of Labor. A similar hearing may  
17 also be requested by any recipient upon whom a corrective  
18 action or a sanction has been imposed by the Secretary.  
19 Except to the extent provided for in section 161(b), sub-  
20 sections (d) and (e) of section 164, or section 177, all  
21 other disputes arising under this title shall be adjudicated  
22 under grievance procedures established by the recipient or  
23 under applicable law other than this title.

24 (b) FINAL DECISIONS.—The decisions of the admin-  
25 istrative law judge shall constitute final action by the Sec-

1   retary unless, within twenty days after receipt of the deci-  
2   sion of the administrative law judge, a party dissatisfied  
3   with the decision or any part thereof has filed exception  
4   with the Secretary specifically identifying the procedure,  
5   fact, law, or policy to which exception is taken. Any excep-  
6   tion not specifically urged shall be deemed to have been  
7   waived. Thereafter the decision of the administrative law  
8   judge shall become the final decision of the Secretary un-  
9   less the Secretary, within thirty days of such filing, has  
10  notified the parties that the case has been accepted for  
11  review.

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

17       (d) APPLICABLE PROVISIONS.—The provisions of  
18  section 178 shall apply to any final action of the Secretary  
19  under this section.

20  **SEC. 177. NONDISCRIMINATION.**

21       (a) IN GENERAL.—

22           (1) For the purpose of applying the prohibitions  
23           against discrimination on the basis of age under the  
24           Age Discrimination Act of 1975, on the basis of dis-  
25           ability under section 504 of the Rehabilitation Act,

1 on the basis of sex under title IX of the Education  
2 Amendments of 1972, or on the basis of race, color,  
3 or national origin under title VI of the Civil Rights  
4 Act of 1964, programs and activities funded or oth-  
5 erwise financially assisted in whole or in part under  
6 this title are considered to be programs and activi-  
7 ties receiving Federal financial assistance.

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

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

19 (4) With respect to terms and conditions affect-  
20 ing, or rights provided to, individuals who are par-  
21 ticipants in activities supported by funds provided  
22 under this title, such individuals shall not be dis-  
23 criminated against solely because of their status as  
24 such participants.

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

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

17               (1) refer the matter to the Attorney General  
18               with a recommendation that an appropriate civil ac-  
19               tion be instituted;

20               (2) exercise the powers and functions provided  
21               by title VI of the Civil Rights Act of 1964, the Age  
22               Discrimination Act of 1975, or section 504 of the  
23               Rehabilitation Act, as may be applicable; or

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

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

11 **SEC. 178. JUDICIAL REVIEW.**

12       (a) IN GENERAL.—

13           (1) With respect to any final order by the Sec-  
14 retary under section 176 whereby the Secretary de-  
15 termines to award, to not award, or to only condi-  
16 tionally award, financial assistance, with respect to  
17 any final order of the Secretary under section 176,  
18 with respect to a corrective action or sanction im-  
19 posed under section 174, any party to a proceeding  
20 which resulted in such final order may obtain review  
21 of such final order in the United States Court of Ap-  
22 peals having jurisdiction over the applicant or recipi-  
23 ent of funds, by filing a review petition within thirty  
24 days of such final order.

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

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

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

22 **SEC. 179. ADMINISTRATIVE PROVISIONS.**

23       (a) RULES AND REGULATIONS.—The Secretary may,  
24 in accordance with chapter 5 of title 5, United States  
25 Code, prescribe such rules and regulations (including per-

1 formance standards) as the Secretary deems necessary.  
2 Such rules and regulations may include adjustments au-  
3 thorized by section 204 of the Intergovernmental Coopera-  
4 tion Act of 1968. All such rules and regulations shall be  
5 published in the Federal Register at least thirty days prior  
6 to their effective date. Copies of all such rules and regula-  
7 tions shall be transmitted to the appropriate committees  
8 of the Congress at the same time and shall contain, with  
9 respect to each material provision of such rules and regu-  
10 lations, citations to the particular substantive section of  
11 law which is the basis therefor.

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

20 (c) AUTHORITY TO EXPEND FUNDS.—The Secretary  
21 may make such grants, contracts, or agreements, establish  
22 such procedures and make such payments, in installments  
23 and in advance or by way of reimbursement, or otherwise  
24 allocate or expend funds under this title as necessary to  
25 carry out this title, including (without regard to the provi-



1 sions of section 4774(d) of title 10, United States Code)  
2 expenditures for construction, repairs, and capital im-  
3 provements, and including necessary adjustments in pay-  
4 ments on account of overpayments or underpayments.

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

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

17 **SEC. 180. OBLIGATIONAL AUTHORITY.**

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

23 **SEC. 181. CRIMINAL PROVISIONS.**

24 Section 665 of title 18, United States Code, is  
25 amended by striking “or the Job Training Partnership

1 Act” each place it appears and inserting “, the Job Train-  
2 ing Partnership Act, or title I of the Reemployment and  
3 Training Act of 1994”.

4 **SEC. 182. REFERENCES.**

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

11 **PART F—MISCELLANEOUS PROVISIONS**

12 **SEC. 191. EFFECTIVE DATE.**

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

14 **SEC. 192. REPEALERS.**

15 (a) IN GENERAL.—The following programs shall ter-  
16minate on July 1, 1995:

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

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

23 (3) The program authorized under section  
24 325A of such Act, commonly referred to as the De-  
25 fense Diversification Program.

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

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

7       **SEC. 193. TRANSITION.**

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

12      **TITLE II—ONE-STOP CAREER CENTER**  
13                           **SYSTEM**

14      **SEC. 201. STATEMENT OF PURPOSE.**

15      It is the purpose of this title to—

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

21           (2) provide seed money to encourage the devel-  
22      opment of a flexible, nationwide system of one-stop  
23      career centers;

24           (3) promote universal access, by individuals and  
25      employers, to a comprehensive menu of quality em-

1 employment, education and training information and  
2 services;

3 (4) encourage a customer-centered approach to  
4 the provision of services, including features to en-  
5 hance customer choice and ensure that the satisfac-  
6 tion of individuals with services received is a primary  
7 consideration in the administration of the program;

8 (5) establish a governance structure composed  
9 of State, local and Federal partners to ensure com-  
10 mon goals, effective planning, service coordination  
11 and oversight of Statewide one-stop career center  
12 networks; and

13 (6) provide the States and local areas with in-  
14 creased flexibility in the administration of employ-  
15 ment and training programs in exchange for greater  
16 accountability for outcomes.

17 **PART A—COMPONENTS OF VOLUNTARY ONE-**  
18 **STOP CAREER CENTER SYSTEM**

19 **SEC. 211. GENERAL REQUIREMENTS.**

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

23 (1) the establishment and operation of a  
24 workforce investment board in accordance with sec-  
25 tion 212;

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

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

6           (4) the participation of Federal programs in ac-  
7           cordance with section 215;

8           (5) agreements concerning the operation of the  
9           one-stop career centers in accordance with section  
10          216;

11          (6) quality assurance systems in accordance  
12          with section 217; and

13          (7) the establishment and operation of a State  
14          Human Resource Investment Council in accordance  
15          with section 218.

16 **SEC. 212. WORKFORCE INVESTMENT BOARDS.**

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

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

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

23                       (A) the geographic boundaries of the labor  
24                       market areas within the State, except that no

1 service delivery area or substate area may be  
2 divided among two or more areas;

3 (B) the substate areas or consortium of  
4 such areas; or

5 (C) the service delivery areas or consor-  
6 tium of such areas.

7 (3) The Governor may not redesignate one-stop  
8 service areas more frequently than once every four  
9 years.

10 (b) ESTABLISHMENT OF BOARDS.—

11 (1) IN GENERAL.—For each one-stop service  
12 area designated under subsection (a), the local elect-  
13 ed officials from such area shall establish a  
14 workforce investment board that meets the require-  
15 ments of this subsection.

16 (2) COMPOSITION.—Each workforce investment  
17 board shall consist of—

18 (A) representatives of private sector em-  
19 ployers, who shall constitute a majority of the  
20 board and who shall be owners of business con-  
21 cerns, chief executives or chief operating offi-  
22 cers of businesses, or the chief manager of a  
23 plant or subdivision of a firm;

24 (B) representatives of organized labor and  
25 community-based organizations, who shall con-

1           stitute not less than 25 percent of the member-  
2           ship of the board and who shall be officers of  
3           such organizations;

4           (C) representatives of educational institu-  
5           tions;

6           (D) appropriate community leaders, such  
7           as leaders of economic development agencies,  
8           human service agencies and institutions, veter-  
9           ans organizations, and entities providing job  
10          training; and

11          (E) a local elected official, who shall be a  
12          nonvoting member.

13          (3) NOMINATIONS.—

14           (A) EMPLOYER REPRESENTATIVES.—(i)  
15          The representatives of employers under para-  
16          graph (2)(A) shall be selected from among indi-  
17          viduals nominated by general purpose business  
18          organizations after consulting with, and receiv-  
19          ing recommendations from, other business orga-  
20          nizations in the one-stop service area.

21           (ii) For the purposes of this subparagraph,  
22          the term “general purpose business organiza-  
23          tions” means organizations which admit to  
24          membership any for-profit business operating  
25          within the one-stop service area.

1           (B) LABOR REPRESENTATIVES.—The rep-  
2           representatives of organized labor under paragraph  
3           (2)(B) shall be selected from individuals rec-  
4           ommended by recognized State and local labor  
5           federations. If the State or local labor federa-  
6           tion fails to nominate a sufficient number of in-  
7           dividuals to be appointed for such category, in-  
8           dividual workers may be included on the board  
9           as labor representatives.

10          (C) ELECTED OFFICIAL.—In any case in  
11          which there are two or more units of general  
12          local government in the one-stop service area,  
13          the local elected officials of such units shall de-  
14          termine which official shall be appointed to the  
15          board.

16          (D) OTHER MEMBERS.—The members of  
17          the board appointed to represent community-  
18          based organizations under paragraph (2)(B),  
19          educational institutions under paragraph  
20          (2)(C), and the community leaders appointed  
21          under paragraph (2)(D) shall be selected from  
22          individuals recommended by interested organi-  
23          zations.

24          (4) APPOINTMENT PROCESS.—(A)(i) In any  
25          case in which there is only one unit of general local



1 government within the one-stop service area, the  
2 chief elected official of that unit shall appoint mem-  
3 bers to the board from the individuals nominated or  
4 recommended under paragraph (3).

5 (ii) In any case in which there are two or more  
6 such units of general local government in the one  
7 stop service area, the chief elected officials of such  
8 units shall appoint members to the board from the  
9 individuals so nominated or recommended in accord-  
10 ance with an agreement entered into by such units  
11 of general local government. In the absence of such  
12 an agreement, the appointments shall be made by  
13 the Governor from the individuals so nominated or  
14 recommended.

15 (B) The number of members of the board shall  
16 be initially determined—

17 (i) by the chief elected official in the case  
18 described in subparagraph (A)(i),

19 (ii) by the chief elected officials in accord-  
20 ance with the agreement in the case described  
21 in subparagraph (A)(ii), or

22 (iii) by the Governor in the absence of such  
23 agreement.

24 Thereafter, the number of members of the board  
25 shall be determined by the board.

1           (C) Members shall be appointed for fixed and  
2 staggered terms and may serve until their successors  
3 are appointed. Any vacancy in the membership of  
4 the board shall be filled in the same manner as the  
5 original appointment. Any member of the board may  
6 be removed for cause in accordance with procedures  
7 established by the board.

8           (5) CHAIRPERSON.—Each workforce investment  
9 board shall elect a chairperson, by a majority vote  
10 of the members of the board, from among members  
11 of the Board who are not the local elected official or  
12 heads of public agencies. The term of the chair-  
13 person shall be determined by the board.

14           (6) STAFF.—The Chairperson of each  
15 workforce investment board shall appoint staff, who  
16 are not concurrently on the staff of any participating  
17 program, to assist such board in carrying out the  
18 functions prescribed in this section. Such staff may  
19 include an executive director.

20           (7) CONFLICT OF INTEREST.—No member of a  
21 workforce investment board shall cast a vote on the  
22 provision of services by that member (or any organi-  
23 zation which that member directly represents) or  
24 vote on any matter which would provide direct finan-  
25 cial benefit to that member.

1           (8) PRIVATE INDUSTRY COUNCILS.—A private  
2 industry council may become a workforce investment  
3 board if the local elected official or officials deter-  
4 mine such council is appropriate and such council—

5           (A) meets the requirements of this sub-  
6 section, or

7           (B) is reconstituted to meet the require-  
8 ments of this subsection.

9           (9) STATE HUMAN RESOURCE INVESTMENT  
10 COUNCIL.—In any case in which the one-stop service  
11 area is a State, the State human resource invest-  
12 ment council or a portion of such council may be re-  
13 constituted to meet the requirements of this sub-  
14 section.

15           (10) CERTIFICATION.—The Governor shall cer-  
16 tify a workforce investment board if the Governor  
17 determines that its composition and appointments  
18 are consistent with the provisions of this subsection.  
19 Such certification shall be made or denied within  
20 thirty days after the date on which the list of mem-  
21 bers and necessary supporting documentation are  
22 submitted to the Governor. When the Governor cer-  
23 tifies the board, it shall be convened within thirty  
24 days by the official or officials who made the ap-  
25 pointments under paragraph (4).

1 (c) FUNCTIONS OF BOARD.—

2 (1) STRATEGIC PLANNING.—Each workforce in-  
3 vestment board shall develop a strategic plan and  
4 provide policy guidance with respect to the workforce  
5 development programs that are administered in the  
6 one-stop service area. Such strategic plan shall be  
7 consistent with the statewide strategic plan devel-  
8 oped by the State Human Resource Investment  
9 Council pursuant to section 218 and shall include—

10 (A) measurable objectives for improving  
11 the quality and effectiveness of workforce prep-  
12 aration, development and training in the one-  
13 stop service area; and

14 (B) methods for coordinating the  
15 workforce development programs conducted in  
16 the one-stop service area to enhance the deliv-  
17 ery of services, including methods to maximize  
18 the coverage of such workforce and appropriate  
19 population subgroups, and ensure equitable ac-  
20 cess to services by such subgroups.

21 (2) IDENTIFICATION OF OCCUPATIONS IN DE-  
22 MAND AND TRAINING NEEDS.—In carrying out this  
23 subsection, the workforce investment board shall uti-  
24 lize available labor market information and other ap-  
25 propriate methods in order to identify the jobs cur-

1       rently available, the occupations currently in de-  
2       mand, and the occupations likely to be in demand in  
3       the future in the one-stop service area; the skill re-  
4       quirements relating to such jobs and occupations;  
5       and education and training services in the one-stop  
6       service area that are available to assist individuals in  
7       acquiring such skills. Such information shall be used  
8       in developing the goals of, and activities to be pro-  
9       vided by, the workforce development programs in the  
10      labor market area and disseminated to the public  
11      through the one-stop career centers established in  
12      such area.

13           (3) BUDGETS.—The workforce investment  
14      board shall review and approve the budgets of the  
15      participating programs described in subparagraphs  
16      (A)–(E) of section 215(a), and the budgets for the  
17      one-stop career centers pursuant to section 216(c),  
18      and review and provide recommendations regarding  
19      the budgets of other participating programs de-  
20      scribed in section 215(b) to encourage coordination  
21      and enhance the delivery of services.

22           (4) ASSUMPTION OF FUNCTIONS.—

23           (A) IN GENERAL.—The workforce invest-  
24      ment board shall assume the functions of the  
25      private industry council described in section

1           103 of the Job Training Partnership Act and of  
2           the Job Service Employer Committees.

3           (B) LIMITATION.—The workforce invest-  
4           ment board shall not be the administrative en-  
5           tity for programs under title II of the Job  
6           Training Partnership Act and shall not operate  
7           any other programs.

8           (5) OVERSIGHT.—The workforce investment  
9           board shall conduct oversight of the implementation  
10          of the strategic plan and the overall performance of  
11          the participating programs described in section 215.

12          (6) CHARTERING OF CENTERS.—Each  
13          workforce investment board shall administer the pro-  
14          cedures for the chartering of one-stop career centers  
15          described in section 214(c).

16 **SEC. 213. ESTABLISHMENT OF ONE-STOP CAREER CEN-**  
17 **TERS.**

18          (a) IN GENERAL.—The Governor and local elected of-  
19          ficial or officials shall jointly select either the option de-  
20          scribed in subsection (b) or the option described in sub-  
21          section (c) as the method for establishing one-stop career  
22          centers for each one-stop service area.

23          (b) CONSORTIUM OPTION.—

1           (1) CONSORTIUM MEMBERS.—One-stop career  
2 centers in the one-stop service area shall be adminis-  
3 tered by a consortium that consists of—

4                   (A) the Employment Service;

5                   (B) the substate grantee or grantees for  
6 title I of this Act;

7                   (C) the administrative entity or entities for  
8 title II of the Job Training Partnership Act;

9                   (D) the State agency charged with the ad-  
10 ministration of the State unemployment com-  
11 pensation law, unless such agency chooses not  
12 to participate; and

13                  (E) one or more additional entities that  
14 shall be—

15                           (i) any unit of government,

16                           (ii) any public or private provider of  
17 reemployment, education and training or  
18 social services, or

19                           (iii) a consortium of the entities de-  
20 scribed in clauses (i) and (ii).

21           (2) ESTABLISHMENT CRITERIA.—In order to be  
22 designated to operate the one-stop career center sys-  
23 tem, the consortium established in accordance with  
24 paragraph (1) shall demonstrate to the satisfaction

1 of the workforce investment board the ability of such  
2 consortium to—

3 (A) meet the criteria described in clauses  
4 (i)-(vi) of subsection (c)(6)(B),

5 (B) provide for customer choice in obtain-  
6 ing the basic services described in section  
7 214(a) by—

8 (i) operating two or more centers, and

9 (ii) administering budget resources to  
10 reflect, at least in part, the extent to which  
11 each center is used by the public, and

12 (C) provide equitable access to centers by  
13 segments of the population within the one-stop  
14 service area.

15 (3) INTEGRATION OF PROGRAM ADMINISTRA-  
16 TION.—Consortia established in accordance with  
17 paragraph (1) shall, in addition to meeting the es-  
18 tablishment criteria described in paragraph (2),  
19 identify to the workforce investment board proce-  
20 dures that would be used to promote the integration  
21 of the administration of the programs conducted by  
22 the members of such consortium, such as procedures  
23 to provide for the cross-training of staff, promote  
24 the collocation of facilities, and encourage the use of  
25 common forms and practices.



1           (4) RENEWAL OF CHARTER.—The Governor  
2           and local elected official or officials, in consultation  
3           with the workforce investment board, shall review  
4           the performance of the consortium and once every  
5           four years determine whether to renew the charter  
6           of the consortium.

7           (c) MULTIPLE INDEPENDENT OPERATOR OPTION.—

8           (1) MULTIPLE INDEPENDENT OPERATORS.—  
9           The workforce investment board shall select, in ac-  
10          cordance with the requirements of this subsection,  
11          two or more entities to operate one-stop career cen-  
12          ters in the one-stop service area.

13          (2) ELIGIBLE ENTITIES.—Any entity or consor-  
14          tium of entities located in the one-stop service area  
15          may apply, in accordance with the procedures de-  
16          scribed in paragraph (4), to be selected as a one-  
17          stop career center operator. Such entities may in-  
18          clude—

19                   (A) Employment Service offices,

20                   (B) career center operators under title I of  
21                   this Act,

22                   (C) service delivery area grant recipients or  
23                   administrative entities under the Job Training  
24                   Partnership Act,

1 (D) community colleges and area voca-  
2 tional schools,

3 (E) community-based and other private  
4 for-profit and nonprofit organizations, and

5 (F) other interested private and public or-  
6 ganizations and entities.

7 (3) SPECIAL RULE.—If the Employment Serv-  
8 ice, or a consortium including the Employment Serv-  
9 ice, applies to be selected as one-stop career center  
10 operator and such Employment Service or consor-  
11 tium meets the selection criteria developed pursuant  
12 to paragraph (6), the workforce investment board  
13 shall select such Employment Service or consortium  
14 to be one of the operators.

15 (4) PUBLICATION OF PROCEDURES.—The  
16 workforce investment board, after consultation with  
17 the Governor and local elected officials, shall pub-  
18 lish, in a manner that is generally available, infor-  
19 mation to notify organizations and individuals in the  
20 one-stop service area of—

21 (A) the estimated number of one-stop ca-  
22 reer centers needed and proposed number of op-  
23 erators to be selected in the one-stop service  
24 area, as determined in accordance with para-  
25 graph (5);

1 (B) the application procedure for any en-  
2 tity or consortium of entities to be selected as  
3 such center operator, including when and where  
4 such application is to be submitted and what in-  
5 formation such application is to contain;

6 (C) the criteria for selection that will be  
7 used, as determined in accordance with para-  
8 graph (6); and

9 (D) other information the workforce in-  
10 vestment board considers relevant to the selec-  
11 tion and administration of such center opera-  
12 tors.

13 (5) NUMBER OF ONE-STOP CENTER OPERA-  
14 TORS.—The workforce investment board shall deter-  
15 mine the number of one-stop career center operators  
16 to be selected in the one-stop service area. In deter-  
17 mining the appropriate number of such operators,  
18 which shall not be less than two, the workforce in-  
19 vestment board shall take into account—

20 (A) the size of the labor market;

21 (B) the number of customers who will po-  
22 tentially use the one-stop career centers, includ-  
23 ing unemployed and discouraged workers, em-  
24 ployed workers, economically disadvantaged in-

1 individuals, students, out-of-school youth, older  
2 workers, veterans, and employers;

3 (C) the number and capabilities of poten-  
4 tial operators; and

5 (D) equitable access to centers by seg-  
6 ments of the population within the one-stop  
7 service area.

8 (6) SELECTION CRITERIA.—

9 (A) OBJECTIVE FACTORS.—The workforce  
10 investment board, consistent with guidelines is-  
11 sued by the Secretary, shall use objective cri-  
12 teria and performance measures in assessing  
13 applications submitted for selection as a one-  
14 stop career center operator.

15 (B) CONTENTS.—An applicant may not be  
16 selected as a one-stop career center operator  
17 under this title unless such applicant dem-  
18 onstrates to the satisfaction of the workforce in-  
19 vestment board the ability to establish a one-  
20 stop career center or centers that would—

21 (i) provide the services described in  
22 section 214;

23 (ii) utilize automated information sys-  
24 tems to facilitate the exchange of informa-  
25 tion among career centers;

1 (iii) meet the performance standards  
2 prescribed pursuant to section 217;

3 (iv) ensure effective fiscal and pro-  
4 gram management;

5 (v) administer the process of referring  
6 participants to education and training  
7 services in an objective and equitable man-  
8 ner; and

9 (vi) provide services on a nondiscrim-  
10 inatory basis to the population in the one-  
11 stop service area.

12 (7) SINGLE OPERATOR EXCEPTION.—Notwith-  
13 standing the number of operators to be selected pur-  
14 suant to paragraph (5), if only one applicant meets  
15 the selection criteria developed pursuant to para-  
16 graph (6), the workforce investment board may se-  
17 lect the single applicant to operate the one-stop ca-  
18 reer center system.

19 (8) PERIOD OF SELECTION.—The workforce in-  
20 vestment board shall select one-stop career center  
21 operators pursuant to the requirements of this sub-  
22 section once every four years.

23 (d) CHARTERS.—The workforce investment board  
24 shall issue a charter to each one-stop career center des-  
25 ignated pursuant to this section. Such charter shall—

1           (1) identify the number and location of the one-  
2 stop career centers in the one-stop service area;

3           (2) identify the entity or entities operating the  
4 one-stop career centers;

5           (3) provide for the display of the one-stop ca-  
6 reer center national logo developed pursuant to sec-  
7 tion 243(c); and

8           (4) include such other conditions as the  
9 workforce investment board determines is appro-  
10 priate.

11       (e) ENFORCEMENT OF HONEST BROKER FUNC-  
12 TIONS.—The workforce investment board shall review, not  
13 less than once each program year, the education and train-  
14 ing referral practices of any one-stop career center that  
15 is operated by an entity that concurrently provides edu-  
16 cation and training services to participants under this  
17 title. If the workforce investment board determines that  
18 such center has engaged in a pattern of inappropriate re-  
19 ferrals to the education and training services provided by  
20 the operator of such center, the Board may terminate the  
21 charter to operate such center or may require such opera-  
22 tor to cease providing education and training services to  
23 participants under this title as a condition for continuing  
24 to operate such center.

1 **SEC. 214. SERVICES TO BE PROVIDED THROUGH ONE-STOP**  
2 **CAREER CENTERS.**

3 (a) BASIC SERVICES.—Each one-stop career center  
4 established pursuant to this title shall make available to  
5 the public free of charge the following basic services:

6 (1) Outreach to make individuals aware of, and  
7 encourage the use of, employment and training serv-  
8 ices, including efforts to expand awareness of train-  
9 ing and placement opportunities for limited-English  
10 proficient individuals, disadvantaged youth and  
11 adults, and individuals with disabilities.

12 (2) Intake and orientation to the information  
13 and services available through such center.

14 (3) Assistance in filing an initial claim for un-  
15 employment compensation.

16 (4) Preliminary assessment of the skill levels  
17 (including appropriate testing) and service needs of  
18 such individuals, which may include such factors as  
19 basic skills, occupational skills, prior work experi-  
20 ence, employability, interests, aptitudes, and sup-  
21 portive service needs.

22 (5) Information relating to local, regional and  
23 national labor markets, including—

24 (A) job vacancy listings in such markets,  
25 and

1 (B) information relating to local occupa-  
2 tions in demand and the earnings and skill re-  
3 quirements for such occupations.

4 (6) Job search assistance, including resume and  
5 interview preparation, and workshops.

6 (7) Job referral and job placement assistance.

7 (8) Information relating to job training and  
8 education programs (including student financial as-  
9 sistance), including the eligibility requirements of  
10 and services provided by such programs, the avail-  
11 ability and quality of such programs, and referrals  
12 to such programs where appropriate.

13 (9) Information collected pursuant to the per-  
14 formance standards and customer feedback require-  
15 ments of section 217.

16 (10) Assistance in evaluating whether such indi-  
17 viduals are likely to be eligible for any program par-  
18 ticipating in the career center.

19 (11) Information relating to programs and pro-  
20 viders of dependent care and other supportive serv-  
21 ices available in the local area.

22 (12) Soliciting and accepting job orders submit-  
23 ted by employers in the one-stop service area, and  
24 screening and referring applicants in accordance  
25 with such orders.



1 (b) INTENSIVE SERVICES.—Each one-stop career  
2 center established pursuant to this title shall make available  
3 to participants in the program described under title I of  
4 this Act who are unable to obtain employment through the  
5 basic services described in subsection (a), and may make  
6 available to other individuals, in accordance with the writ-  
7 ten agreement developed pursuant to section 216, the fol-  
8 lowing intensive services:

9 (1) Comprehensive and specialized assessments  
10 of the skill levels and service needs of individuals,  
11 which may include—

12 (A) diagnostic testing and other assess-  
13 ment tools; and

14 (B) in-depth interviewing and evaluation to  
15 identify employment barriers and appropriate  
16 employment goals.

17 (2) The development of an individual reemploy-  
18 ment plan, which shall identify the employment goal  
19 (including in appropriate circumstances, nontradi-  
20 tional employment), appropriate achievement objec-  
21 tives, and the appropriate combination of services  
22 for a participant to achieve the employment goal.

23 (3) Group counseling, including peer counseling,  
24 which may be available to individuals jointly with  
25 their immediate families, and which may include

1 counseling relating to stress management and finan-  
2 cial management and which shall be a basic service  
3 for participants in the program established under  
4 title I of this Act.

5 (4) Individualized counseling and career plan-  
6 ning, including peer counseling and counseling and  
7 planning relating to nontraditional employment op-  
8 portunities.

9 (5) Case management for individuals receiving  
10 education, training and supportive services, includ-  
11 ing periodically reviewing the individual's progress  
12 toward achieving his or her employment goal.

13 (6) Job development.

14 (7) Out-of-area job search allowances.

15 (8) Relocation allowances.

16 (9) Assistance in the selection of education and  
17 training providers.

18 (10) Assistance in obtaining income support for  
19 which the individual is eligible, to enable such indi-  
20 vidual to participate in training.

21 (11) Supportive services.

22 (12) Follow-up counseling for individuals placed  
23 in training or employment.

1 (c) SPECIALIZED EMPLOYER SERVICES.—Each one-  
2 stop career center established pursuant to this title may  
3 provide to employers the following services:

4 (1) Customized screening and referral of indi-  
5 viduals for employment.

6 (2) Customized assessment of skill levels of the  
7 employer's current employees.

8 (3) Analysis of the employer's workforce skill  
9 needs.

10 (4) Other specialized employment and training  
11 services.

12 (d) ADDITIONAL SERVICES.—Each one-stop career  
13 center established pursuant to this title may make avail-  
14 able such additional services as are specified in the written  
15 agreement under section 216.

16 (e) FEES.—

17 (1) IN GENERAL.—(A) Except as provided in  
18 subparagraph (B), each one-stop career center may  
19 charge fees for the services described in subsections  
20 (b), (c), and (d) if such fees are approved by the  
21 workforce investment board.

22 (B) No fees may be charged to an individual for  
23 any service which such individual is eligible to re-  
24 ceive free of charge under any participating program  
25 described in section 215 unless there are no funds

1 available under such program to provide such serv-  
2 ices.

3 (2) PROGRAM INCOME.—All program income re-  
4 ceived by a one-stop career center that is operated  
5 by a public or private non-profit entity from the fees  
6 collected pursuant to paragraph (1) shall be used to  
7 expand or enhance the services provided by such  
8 center.

9 **SEC. 215. PARTICIPATING PROGRAMS.**

10 (a) MANDATORY PROGRAMS.—

11 (1) IN GENERAL.—Subject to the provisions of  
12 paragraph (2), the following programs shall make  
13 available to participants through the one-stop career  
14 centers the services described in section 214(a) that  
15 are applicable to such program and shall participate  
16 in the operation of such centers as a party to the  
17 agreement described in section 216:

18 (A) Programs authorized under title I of  
19 this Act.

20 (B) Programs authorized under the Wag-  
21 ner-Peyser Act.

22 (C) Programs authorized under chapter 41  
23 of title 38, United States Code.

24 (D) Programs authorized under title II of  
25 the Job Training Partnership Act.

1 (E) Programs authorized under title V of  
2 the Older Americans Act.

3 (2) ADDITIONAL CONDITIONS.—

4 (A) The programs authorized under title I  
5 of this Act shall provide the services described  
6 in subsections (a) and (b) of section 214  
7 through the one-stop career centers, which shall  
8 replace the career centers established pursuant  
9 to section 118 of this Act.

10 (B) The program authorized under the  
11 Wagner-Peyser Act shall provide the applicable  
12 services described in subsections (a) and (b) of  
13 section 214 only through the one-stop career  
14 centers.

15 (C) The program authorized under chapter  
16 41 of title 38, United States Code, shall make  
17 available through the one-stop career centers  
18 the applicable services described in subsections  
19 (a) and (b) of section 214, and may, in addi-  
20 tion, provide such services through other loca-  
21 tions.

22 (D) The programs described under sub-  
23 paragraphs (C), (D) and (E), of paragraph (1)  
24 may, in addition to providing applicable services  
25 under section 214(a) through the one-stop ca-

1           reer centers, provide such services through  
2           other locations and service providers.

3           (E) The programs described in paragraph  
4           (1) may provide additional services through the  
5           one-stop career centers in accordance with the  
6           written agreement described in section 216.

7           (b) VOLUNTARY.—In addition to the programs de-  
8           scribed in subsection (a), other human resource programs  
9           may provide services through the one-stop career centers  
10          and participate in the operation of such centers as a party  
11          to the agreement described in section 216 if the workforce  
12          investment board, local elected official or officials, the  
13          Governor, and other participating programs approve such  
14          participation. Such programs may include programs au-  
15          thorized under—

16               (1) section 6(d)(4) of the Food Stamp Act of  
17               1977 (the Food Stamp Employment and Training  
18               Program);

19               (2) part B of title IV of the Job Training Part-  
20               nership Act (Job Corps);

21               (3) programs authorized under title IV-C of the  
22               Job Training Partnership Act;

23               (4) the Carl D. Perkins Vocational and Applied  
24               Technology Education Act;

25               (5) the Adult Education Act;

- 1           (6) the Vocational Rehabilitation Act; and  
2           (7) the School-to-Work Opportunities Act.

3 **SEC. 216. OPERATING AGREEMENTS.**

4           (a) IN GENERAL.—The one-stop career center opera-  
5 tors selected pursuant to section 213 shall enter into a  
6 written agreement with the workforce investment board  
7 and participating programs described in section 215 con-  
8 cerning the operation of the one-stop career centers. Such  
9 agreement shall be subject to the approval of the local  
10 elected official and the Governor, who shall oversee the  
11 development of such agreement, ensure that the agree-  
12 ment meets the requirements of this section, and monitor  
13 the implementation of such agreement.

14           (b) CONTENTS.—The written agreement required  
15 under subsection (a) shall contain the following:

16           (1) The services to be provided by the centers,  
17 consistent with section 214, and the extent to which  
18 participating programs will provide services to pro-  
19 gram participants through such centers, consistent  
20 with section 215.

21           (2) Methods for referral of individuals by the  
22 one-stop career centers to the appropriate services  
23 and programs.

24           (3) The financial and nonfinancial contributions  
25 to be made to the centers by each participating pro-

1       gram, which shall be based on factors including the  
2       number of participants served by the centers from  
3       each participating program and the quality of serv-  
4       ices provided.

5               (4) The financial liability of the respective par-  
6       ties relating to the funds contributed by the partici-  
7       pating programs.

8               (5) The financial contributions to be made for  
9       the administration of the workforce investment  
10      board by each participating program.

11              (6) Methods of administration, including provi-  
12      sions for monitoring and oversight of the centers  
13      and of this agreement.

14              (7) A description of how services are to be pro-  
15      vided by the centers, such as the methods and ap-  
16      propriate test instruments to be used to assess the  
17      skill levels of individuals.

18              (8) The procedures to ensure the utilization of  
19      a common local job bank.

20              (9) The procedures to be used to ensure compli-  
21      ance with the statutory and regulatory requirements  
22      of the participating programs.

23              (10) The duration of the agreement and the  
24      procedures for amending the agreement during its  
25      term.



1           (11) Such other provisions, consistent with the  
2 requirements of this title, that the parties deem ap-  
3 propriate.

4           (c) ONE-STOP CAREER CENTER AND BOARD BUDG-  
5 ETS.—The parties to the written agreement described  
6 under subsection (a) shall supplement the written agree-  
7 ment by developing an annual budget for the one-stop ca-  
8 reer centers and the workforce investment board. The  
9 budget for the board shall be subject to the approval of  
10 the local elected official. The budget for the career centers  
11 shall be subject to approval of the local elected official and  
12 the Governor.

13 **SEC. 217. QUALITY ASSURANCE SYSTEMS.**

14           (a) PERFORMANCE STANDARDS.—

15           (1) IN GENERAL.—The Secretary, after con-  
16 sultation with the Governors, workforce investment  
17 boards, and one-stop career center operators, shall  
18 prescribe performance standards relating separately  
19 to the one-stop career centers and the workforce in-  
20 vestment boards established under this title. Such  
21 standards shall be based on factors the Secretary de-  
22 termines are appropriate, which may include—

23           (A) in the case of one-stop career cen-  
24 ters—

1 (i) placement, retention and earnings  
2 of participants in unsubsidized employ-  
3 ment, including—

4 (I) wages and benefits at a speci-  
5 fied period after termination from the  
6 program,

7 (II) full-time and part-time em-  
8 ployment, and

9 (III) comparability of wages at a  
10 specified period after termination  
11 from the program with wages prior to  
12 participation in the program;

13 (ii) the provision of services to hard-  
14 to-serve populations, such as individuals  
15 who are basic skills deficient, school drop-  
16 outs, individuals with disabilities, older  
17 workers with obsolete skills, economically  
18 disadvantaged individuals, and others who  
19 face serious barriers to employment;

20 (iii) acquisition of skills pursuant to a  
21 skill standards and skill certification sys-  
22 tem endorsed by the National Skill Stand-  
23 ards Board established under the Goals  
24 2000: Educate America Act;

1 (iv) satisfaction of participants with  
2 services provided and the employment out-  
3 comes;

4 (v) satisfaction of employers with job  
5 performance of individuals placed; and

6 (vi) measures of the cost efficiency of  
7 the one-stop career centers; and

8 (B) in the case of the workforce invest-  
9 ment boards—

10 (i) job openings received from employ-  
11 ers, including the proportion of employers  
12 in the one-stop service area that list jobs  
13 with the one-stop career centers;

14 (ii) job openings filled through the  
15 one-stop career centers; and

16 (iii) the overall performance of the ca-  
17 reer centers in the one-stop service area.

18 (2) ADJUSTMENTS.—Each Governor shall,  
19 within parameters established by the Secretary, pre-  
20 scribe adjustments to the performance standards  
21 prescribed under paragraph (1) for the one-stop ca-  
22 reer centers and workforce investment boards estab-  
23 lished in the State based on—

1 (A) specific economic, geographic and de-  
2 mographic factors in the State and in one-stop  
3 service areas within the State; and

4 (B) the characteristics of the population to  
5 be served, including the demonstrated difficul-  
6 ties in serving special populations.

7 (3) FAILURE TO MEET STANDARDS.—

8 (A) UNIFORM CRITERIA.—The Secretary  
9 shall establish uniform criteria for determining  
10 whether a one-stop career center or workforce  
11 investment board fails to meet performance  
12 standards under this section.

13 (B) TECHNICAL ASSISTANCE.—The Gov-  
14 ernor shall provide technical assistance to one-  
15 stop career centers and workforce investment  
16 boards failing to meet performance standards  
17 under the uniform criteria established under  
18 paragraph (1).

19 (C) REPORT ON PERFORMANCE.—Each  
20 Governor shall include in the report to the Sec-  
21 retary the final performance standards and per-  
22 formance for each one-stop career center and  
23 workforce investment board within the State,  
24 along with the technical assistance planned and  
25 provided as required under subparagraph (B).

1 (D) REVOCATION OF CHARTER.—If a one-  
2 stop career center continues to fail to meet such  
3 performance standards for two consecutive pro-  
4 gram years, the Governor shall notify the Sec-  
5 retary and the one-stop career center of the  
6 continued failure, and the workforce investment  
7 board shall—

8 (i) in the case of a one-stop career  
9 center selected pursuant to the multiple  
10 independent operator option, terminate the  
11 operating agreement and select another en-  
12 tity as the one-stop career center consist-  
13 ent with the procedures described in sec-  
14 tion 213(b); and

15 (ii) in the case of a one-stop career  
16 center operated under the consortium op-  
17 tion, terminate the operating agreement to  
18 operate such center and to select another  
19 entity as a one-stop career center, consist-  
20 ent with the procedures described in sec-  
21 tion 213(b).

22 (E) CORRECTIVE ACTION FOR BOARDS.—If  
23 a workforce investment board continues to fail  
24 to meet such performance standards for two  
25 consecutive program years, the Governor shall

1 notify the Secretary and the workforce invest-  
2 ment board of the continued failure, and  
3 shall—

4 (i) replace the members of such board,

5 (ii) direct the board to replace staff,

6 (iii) direct the board to replace the  
7 chairperson, or

8 (iv) take such other action as the Gov-  
9 ernor determines is appropriate.

10 (F) APPEAL.—(i) A one-stop career center  
11 operator that is the subject of a revocation  
12 under subparagraph (D) or a workforce invest-  
13 ment board that is subject to sanctions under  
14 subparagraph (E) may, within thirty days after  
15 receiving notice thereof and pursuant to criteria  
16 established by the Secretary, appeal to the  
17 Governor to rescind such action. The Governor  
18 shall issue a decision on the appeal within thir-  
19 ty days of its receipt.

20 (ii) A one-stop career center operator or  
21 workforce investment board that receives an ad-  
22 verse decision under an appeal filed pursuant to  
23 clause (i) may, within thirty days, appeal to the  
24 Secretary. The Secretary shall issue a decision  
25 on the appeal within thirty days of its receipt.

1 (b) CUSTOMER FEEDBACK.—

2 (1) METHODS.—Each workforce investment  
3 board shall establish methods for obtaining, on a  
4 regular basis, information from individuals and em-  
5 ployers who have received services through a one-  
6 stop career center regarding the effectiveness and  
7 quality of such services. Such methods may include  
8 the use of surveys, interviews, focus groups, and  
9 other techniques.

10 (2) ANALYSIS AND DISSEMINATION.—Each  
11 workforce investment board shall analyze the infor-  
12 mation obtained pursuant to paragraph (1) on a reg-  
13 ular basis and provide a summary of such informa-  
14 tion accompanied by such analysis to the one-stop  
15 career center for use in improving the quality of  
16 services provided under this title.

17 **SEC. 218. STATE HUMAN RESOURCE INVESTMENT COUNCIL.**

18 (a) IN GENERAL.—Each State shall establish a State  
19 human resource investment council that meets the require-  
20 ments of title VII of the Job Training Partnership Act.  
21 In addition to carrying out the functions required under  
22 paragraph (1)–(3) of section 701 of such Act, the Council  
23 shall—

1           (1) identify the human investment needs in the  
2 State and recommend to the Governor goals for  
3 meeting such needs;

4           (2) recommend to the Governor goals for the  
5 development and coordination of the human resource  
6 system in the State;

7           (3) prepare and recommend to the Governor a  
8 strategic plan to accomplish the goals developed pur-  
9 suant to paragraphs (2) and (3); and

10           (4) monitor the implementation of and evaluate  
11 the effectiveness of the strategic plan prepared pur-  
12 suant to paragraph (3).

13           (b) ONE-STOP FUNCTION.—In addition to the func-  
14 tions described in subsection (a), the council shall advise  
15 the Governor with respect to all aspects of the develop-  
16 ment and implementation of the one-stop career center  
17 system authorized under this title, including—

18           (1) assessing the needs of the State with regard  
19 to—

20                   (A) current and projected demand for  
21 workers by occupation;

22                   (B) skill levels of the workforce and the  
23 needs of business for a skilled workforce;

24                   (C) economic development needs of the  
25 State; and



1 (D) the type and availability of workforce  
2 preparation and development programs in the  
3 State;

4 (2) providing advice to the Governor on the des-  
5 ignation of one-stop service areas within the State;

6 (3) developing measures of effectiveness for the  
7 workforce investment boards;

8 (4) facilitating the provision through appro-  
9 priate State agencies of grants and technical assist-  
10 ance to workforce investment boards;

11 (5) developing a mechanism for waiving State  
12 rules and provisions of law with respect to workforce  
13 investment programs; and

14 (6) developing a strategy to collect and utilize  
15 information on the effectiveness of workforce invest-  
16 ment programs, and that of individual service pro-  
17 viders, and to share such information with cus-  
18 tomers of such programs.

19 **PART B—GRANTS AND WAIVERS TO PROMOTE**  
20 **THE DEVELOPMENT AND IMPLEMENTATION**  
21 **OF ONE-STOP CAREER CENTER SYSTEM**

22 **SEC. 231. STATE PLANNING AND DEVELOPMENT GRANTS.**

23 (a) PROGRAM AUTHORIZED.—The Secretary is au-  
24 thorized to establish a program of competitive grants to

1 States to assist in the planning and development of a com-  
2 prehensive Statewide network of one-stop career centers.

3 (b) APPLICATION.—(1) IN GENERAL.—Any State de-  
4 siring a grant under this section shall submit an applica-  
5 tion to the Secretary at such time, in such manner, and  
6 containing such information as the Secretary may reason-  
7 ably require.

8 (2) CONTENTS OF APPLICATION.—The application  
9 for a grant submitted pursuant to paragraph (1) shall at  
10 a minimum include—

11 (A) a timetable and estimate of the amount of  
12 funds needed to complete the planning and develop-  
13 ment necessary to implement a Statewide system of  
14 one-stop career centers, which includes the compo-  
15 nents described in part A; and

16 (B) a description of the manner in which the  
17 Governor, local elected officials, community and  
18 business leaders, representatives of employees, rep-  
19 resentatives of voluntary organizations, representa-  
20 tives of the programs described in section 215, serv-  
21 ice providers and other interested organizations and  
22 individuals will work together in the planning and  
23 development of a one-stop career center system.

24 (c) USE OF FUNDS.—Funds awarded under this sec-  
25 tion may be used to carry out the following activities:

1           (1) Identifying and establishing an appropriate  
2 State structure to administer the one-stop career  
3 center network within the State.

4           (2) Identifying and establishing broad-based  
5 partnerships among employers, labor, education,  
6 State and local government, and community-based  
7 organizations to participate in the design, develop-  
8 ment, and administration of a one-stop career center  
9 system.

10          (3) Developing a plan to establish a State  
11 Human Resource Investment Council and local  
12 workforce investment boards.

13          (4) Developing the process for chartering one-  
14 stop career centers.

15          (5) Supporting local one-stop career center  
16 planning and development activities to provide guid-  
17 ance in the development of a one-stop career center  
18 system.

19          (6) Initiating pilot programs for testing key  
20 components of State program design, such as de-  
21 signing and testing common intake forms for partici-  
22 pating programs.

23          (7) Analyzing State and local labor markets  
24 and the operation of the current labor exchange and

1 labor market intermediaries, to inform the design of  
2 the new system.

3 (8) Analyzing current statutory and regulatory  
4 impediments to the establishment of a one-stop ca-  
5 reer center system, and preparing requests to waive  
6 statutory or regulatory requirements.

7 (9) Preparing the plan required for submission  
8 of an application for an Implementation Grant  
9 under section 232.

10 (10) Other appropriate activities.

11 **SEC. 232. STATE IMPLEMENTATION GRANTS.**

12 (a) PROGRAM AUTHORIZED.—The Secretary is au-  
13 thorized to establish a program of competitive grants to  
14 States to assist in the implementation of a comprehensive  
15 Statewide system of one-stop career centers.

16 (b) APPLICATION.—

17 (1) IN GENERAL.—Any State desiring a grant  
18 under this section shall, with the agreement of the  
19 local elected officials from the one-stop service areas  
20 identified in paragraph (3)(C) that will immediately  
21 begin implementation of the one-stop career center  
22 system, submit an application to the Secretary at  
23 such time, in such manner, and containing such in-  
24 formation as the Secretary may reasonably require.

1           (2) CONTENTS OF APPLICATION.—The applica-  
2           tion for a grant submitted pursuant to paragraph  
3           (1) shall, at a minimum, include—

4                   (A) a plan for a comprehensive, Statewide  
5                   one-stop career center system that includes the  
6                   components described in part A;

7                   (B) a request in accordance with section  
8                   233, if any, for one or more waivers of statu-  
9                   tory or regulatory requirements relating to the  
10                  programs described in section 233(c); and

11                  (C) such other information as the Sec-  
12                  retary may require.

13           (3) CONTENTS OF STATE PLAN.—A State plan  
14           shall—

15                   (A) designate a fiscal agent to receive and  
16                   be accountable for implementation grant funds  
17                   awarded under this section and describe how  
18                   the State intends to manage the funds awarded  
19                   under this section at the State and local levels;

20                   (B) identify the one-stop service areas that  
21                   have been designated within the State pursuant  
22                   to section 212(a);

23                   (C) identify the one-stop service areas in  
24                   the State that will immediately begin implemen-  
25                   tation of the one-stop career center system, and

1 the schedule for implementation for the remain-  
2 ing areas of the State;

3 (D) identify the workforce development  
4 programs that will participate in the one-stop  
5 career centers, consistent with section 215;

6 (E) describe the method by which one-stop  
7 career centers will be selected, consistent with  
8 section 213;

9 (F) describe the performance standards  
10 that the State intends to meet;

11 (G) describe the procedure by which the  
12 Governor, local elected officials, officials admin-  
13 istering participating programs, and other ap-  
14 propriate officials, will collaborate in the imple-  
15 mentation of the Statewide one-stop career cen-  
16 ter system;

17 (H) describe the manner in which the  
18 State has obtained and will continue to obtain  
19 the active and continued involvement, in the  
20 Statewide one-stop career center system, of em-  
21 ployers (including small business) and other in-  
22 terested parties such as secondary schools and  
23 post-secondary educational institutions (or re-  
24 lated agencies), business associations, employ-  
25 ees, labor organizations or associations of such

1 organizations, community-based organizations,  
2 economic development organizations, rehabilita-  
3 tion agencies and organizations, registered ap-  
4 prenticeship agencies, vocational education  
5 agencies, State or regional cooperative edu-  
6 cation associations, human service agencies, and  
7 education, employment and training service pro-  
8 viders;

9 (I) describe the manner in which the State  
10 will ensure equitable opportunities for job-  
11 seekers, students, and employers in the State to  
12 receive services from one-stop career centers;

13 (J) if the State has already undertaken a  
14 one-stop service initiative, describe how such  
15 initiative will be integrated into the Statewide  
16 one-stop career center system under this title;

17 (K) describe the administrative and man-  
18 agement systems that will be used in the State;  
19 and

20 (L) describe the resources that the State  
21 intends to employ in maintaining the one-stop  
22 career center system when funds under this  
23 title are no longer available.

24 (c) FACTORS TO BE AWARDED SPECIAL CONSIDER-  
25 ATION.—An applicant shall be awarded special consider-

1 ation in the evaluation of a grant application under this  
2 section with respect to the following factors:

3 (1) The extent to which the one-stop service  
4 areas in the State are based on labor market areas.

5 (2) The number of Federal programs that will  
6 participate in the one-stop career centers.

7 (3) The extent to which the Job Opportunities  
8 and Basic Skills program (commonly referred to as  
9 JOBS) authorized under title IV–F of the Social Se-  
10 curity Act and programs authorized under the Carl  
11 Perkins Vocational and Applied Technology Edu-  
12 cation Act will participate in the one-stop career  
13 centers.

14 (4) The extent to which a State has already im-  
15 plemented the components of the one-stop career  
16 center system described in part A.

17 (5) The proportion of population of the State  
18 that is covered by the one-stop service areas that  
19 have agreed to immediately implement the one-stop  
20 career center system.

21 (6) The extent to which a State demonstrates  
22 a commitment to ensuring that the one-stop career  
23 center operations in the State will enhance access to  
24 the services described in section 214(a) through sup-  
25 plementary methods such as kiosks based in shop-



1       ping centers, libraries, community colleges and other  
2       community organizations, and through personal tele-  
3       phones or computer lines.

4       (d) REVIEW OF APPLICATIONS.—The Secretary shall  
5       determine whether to approve the State’s plan, and, if  
6       such determination is affirmative, further determine  
7       whether to take one or a combination of the following ac-  
8       tions:

9               (1) Award an implementation grant.

10              (2) Approve the State’s request, if any, for a  
11       waiver in accordance with the procedures in section  
12       233 of this Act.

13              (3) Inform the State of the opportunity to  
14       apply for further development funds, except that fur-  
15       ther development funds may not be awarded to a  
16       State that receives an implementation grant.

17       (e) LIMITATION.—No funds provided pursuant to a  
18       grant under this section may be expended to construct new  
19       buildings.

20       (f) DURATION OF GRANTS.—Grants awarded under  
21       this section shall be for a one year period and shall be  
22       renewable for each of the two succeeding fiscal years if  
23       the Secretary determines that the State is making satis-  
24       factory progress in the implementation of the Statewide  
25       one-stop career center plan.

1 **SEC. 233. WAIVER OF FEDERAL STATUTORY AND REGU-**  
2 **LATORY REQUIREMENTS.**

3 (a) STATE REQUEST FOR WAIVER.—A State may, at  
4 any point during the development or implementation of  
5 a one-stop career center system, request a waiver of one  
6 or more statutory or regulatory provisions from the Sec-  
7 retary in order to carry out the purposes of this title.

8 (b) WAIVER CRITERIA.—(1) Except as provided in  
9 subsection (d), the Secretary may waive any requirement  
10 of any statute listed in subsection (c)(1) or regulations  
11 issued under such statute, or, with the concurrence of the  
12 Director of the Office of Management and Budget, any  
13 circular listed in subsection (c)(2) or regulations issued  
14 under such circular, for any State that requests such a  
15 waiver—

16 (A) if such State submits a plan for a com-  
17 prehensive, Statewide one-stop career center system  
18 that—

19 (i) either—

20 (I) includes the components described  
21 in part A; or

22 (II) while not including all of the com-  
23 ponents described in part A, demonstrates  
24 that such one-stop system will substan-  
25 tially achieve the objectives of this title;  
26 and

1           (ii) includes such other information as the  
2           Secretary may reasonably require, such as the  
3           information required under a State plan pursu-  
4           ant to section 232(b)(3);

5           (B) if, and only to the extent that, the Sec-  
6           retary determines that such requirement impedes the  
7           ability of the State to carry out the purposes of this  
8           title;

9           (C) if the State waives, or agrees to waive, simi-  
10          lar requirements of State law; and

11          (D) if the State—

12           (i) has provided a notice and an oppor-  
13           tunity for the State council or State Human  
14           Resource Investment Council and other inter-  
15           ested entities and individuals to comment on  
16           the State's proposal to seek a waiver; and

17           (ii) has submitted the comments required  
18           pursuant to clause (i) to the Secretary.

19          (2) The Secretary shall act promptly on any request  
20          submitted pursuant to paragraph (1).

21          (3) Each waiver approved pursuant to this subsection  
22          shall be for a period not to exceed four years, except that  
23          the Secretary may extend such period if the Secretary de-  
24          termines that the waiver has been effective in enabling the  
25          State to carry out the purposes of this title.

1 (c) INCLUDED PROGRAMS.—

2 (1) STATUTES.—The statutes subject to the  
3 waiver authority of this section are as follows:

4 (A) Title I of this Act.

5 (B) The Job Training Partnership Act.

6 (C) The Wagner-Peyser Act.

7 (D) Title V of the Older Americans Act.

8 (E) Chapter 41 of title 38, United States  
9 Code.

10 (2) CIRCULARS AND RELATED REGULATIONS.—

11 The following circulars promulgated by the Office of  
12 Management and Budget subject to the waiver au-  
13 thority of this section are as follows:

14 (A) A-87, relating to cost principles for  
15 State and local governments.

16 (B) A-102, relating to grants and coopera-  
17 tive agreements with State and local govern-  
18 ments.

19 (C) A-122, relating to non-profit organiza-  
20 tions.

21 (D) 29 CFR 97, uniform administrative  
22 regulations for grants and cooperative agree-  
23 ments to State and local governments.

1 (d) WAIVERS NOT AUTHORIZED.—The Secretary of  
2 Labor may not waive any statutory or regulatory require-  
3 ment of the programs listed in subsection (b) relating to—

4 (1) the basic purposes or goals of the affected  
5 programs;

6 (2) maintenance of effort;

7 (3) the formula allocation of funds under the  
8 affected programs;

9 (4) the eligibility of an individual for participa-  
10 tion in the affected programs;

11 (5) public health or safety, labor standards,  
12 civil rights, occupational safety and health, or envi-  
13 ronmental protection; and

14 (6) prohibitions or restrictions relating to the  
15 construction of buildings or facilities.

16 (e) TERMINATION OF WAIVERS.—The Secretary shall  
17 periodically review the performance of any State for which  
18 the Secretary has granted a waiver and shall terminate  
19 the waiver under this section if the Secretary determines  
20 that the performance of the State affected by the waiver  
21 has been inadequate to justify a continuation of the waiv-  
22 er, or the State fails to waive similar requirements of State  
23 law as required or agreed to in accord with subsection  
24 (b)(1)(C).

1 (f) PLAN FOR GENERAL WAIVER OF CIRCULAR PRO-  
2 VISIONS.—

3 (1) DEVELOPMENT OF PLAN.—If the Secretary  
4 determines there is sufficient information available,  
5 based on applications received pursuant to this sec-  
6 tion or other information, to identify provisions of  
7 the circulars or related regulations listed in sub-  
8 section (c)(2) that would consistently impede the im-  
9 plementation of a one-stop career center system, the  
10 Secretary shall submit a plan to the Director of the  
11 Office of Management and Budget to authorize the  
12 Secretary to grant a general waiver of such provi-  
13 sions for areas implementing one-stop career center  
14 systems.

15 (2) APPROVAL OF PLAN.—The Director of the  
16 Office of Management and Budget may approve the  
17 plan submitted pursuant to paragraph (1) and au-  
18 thorize the Secretary to grant general waivers of the  
19 provisions of the circulars and related regulations in  
20 accordance with such plan if the Director determines  
21 such plan would not jeopardize the integrity of Fed-  
22 eral funds and would be consistent with the objec-  
23 tives of this title.

24 **SEC. 234. POOLING OF ADMINISTRATIVE RESOURCES.**

25 (a) SUBMISSION OF PLAN.—

1           (1) IN GENERAL.—At any point in the imple-  
2           mentation of a one-stop career center system, a  
3           State may, on behalf of one or more one-stop service  
4           areas in the State, submit a plan to the Secretary  
5           for the pooling of administrative funds available to  
6           such area under two or more of the programs de-  
7           scribed in section 215(a).

8           (2) COMPONENTS OF POOLING.—Under a plan  
9           submitted pursuant to paragraph (1), each partici-  
10          pating program described in section 215(a) may pro-  
11          pose to transfer administrative funds to the one-stop  
12          career center system and to allocate the amount  
13          transferred to the costs of administration under such  
14          program at the time of such transfer. Pursuant to  
15          such plan, further allocation of the expenditure of  
16          such funds to the participating program shall not be  
17          required subsequent to the transfer of the funds to  
18          the one-stop career center system. Administrative  
19          funds that are transferred under such plan shall  
20          only be expended for the costs of administering al-  
21          lowable activities under the one-stop career center  
22          system.

23          (b) APPROVAL OF PLAN.—Notwithstanding section  
24          1301 of title 31, United States Code, or any other provi-  
25          sion of law, the Secretary may approve a plan for the pool-

1 ing of administrative funds submitted pursuant to sub-  
2 section (a) if the Secretary determines such plan would  
3 not jeopardize the administration of the participating pro-  
4 grams transferring such funds and would facilitate the im-  
5 plementation of the one-stop career center system. After  
6 approval of such plan, the Secretary shall regularly review  
7 the performance of the one-stop service areas operating  
8 under such plans and shall rescind such approval if the  
9 Secretary determines that the performance of the one-stop  
10 service area has been inadequate to justify continuation  
11 of the plan or there has been a significant adverse effect  
12 on the participating programs.

13 **PART C—ADDITIONAL ACTIVITIES IN SUPPORT**  
14 **OF ONE-STOP CAREER CENTER SYSTEMS**

15 **SEC. 251. CUSTOMER SERVICE COMPACT.**

16 The Secretary shall establish a process with each  
17 State implementing a one-stop career center system under  
18 this title, which shall include an annual meeting, to pro-  
19 mote the development of a customer service compact  
20 among the parties administering such system. Such com-  
21 pact shall include an informal agreement between the Sec-  
22 retary, Governor, each workforce investment board, and  
23 each one-stop career center relating to—

- 24 (1) the shared goals and values that will govern  
25 the administration of the system;



1           (2) the respective roles and responsibilities of  
2 each party in enhancing the provision of services to  
3 participants, including ensuring that such services  
4 are tailored to the particular needs of participants in  
5 each local area;

6           (3) methods for ensuring that the satisfaction  
7 of participants with the services received is a pri-  
8 mary consideration in the administration of the sys-  
9 tem; and

10           (4) such other matters as the parties determine  
11 are appropriate.

12 **SEC. 252. ADDITIONAL STATE RESPONSIBILITIES.**

13           (a) **IN GENERAL.**—Each State implementing a one-  
14 stop career center system under this title shall be respon-  
15 sible for developing and operating administrative and  
16 management systems that promote the effective operation  
17 of the one-stop career center system.

18           (b) **MONITORING.**—Each State implementing a one-  
19 stop career center system under this title shall monitor  
20 the compliance of workforce investment boards within the  
21 State with the requirements of this title.

22           (c) **TECHNICAL ASSISTANCE.**—Each State imple-  
23 menting a one-stop career center system under this title  
24 shall provide such technical assistance as deemed nec-

1 essary to assist the workforce investment boards to carry  
2 out their responsibilities under this title.

3 **SEC. 253. ADDITIONAL FEDERAL RESPONSIBILITIES.**

4 (a) OVERSIGHT.—The Secretary is authorized to  
5 monitor all recipients of financial assistance under this  
6 title to determine whether they are complying with the  
7 provisions of this title.

8 (b) CAPACITY BUILDING AND TECHNICAL ASSIST-  
9 ANCE.—The Secretary shall provide staff training and  
10 technical assistance to States, workforce investment  
11 boards, one-stop career centers, communities, business  
12 and labor organizations, service providers, industry con-  
13 sortia, and other entities, to enhance their capacity to de-  
14 velop and implement effective one-stop career center sys-  
15 tems. Such activities shall be integrated with the activities  
16 of the Capacity Building and Information Dissemination  
17 Network established under section 453 of the Job Train-  
18 ing Partnership Act.

19 (c) NATIONAL LOGO.—The Secretary shall develop a  
20 national logo and name for the purposes of identifying all  
21 one-stop career centers as part of a nationwide workforce  
22 security system. The purpose of this national identification  
23 shall be to enable individuals to more readily identify and  
24 access one-stop career centers in any State in any location.

25 (d) EVALUATION.—

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

5 (2) TECHNIQUES.—

6 (A) METHODS.—Evaluations conducted  
7 under paragraph (1) shall utilize recognized  
8 statistical methods and techniques of the behav-  
9 orial and social sciences, including methodolo-  
10 gies that control for self-selection, where fea-  
11 sible.

12 (B) ANALYSIS.—Such evaluations may in-  
13 clude cost benefit analyses of programs, and  
14 analyses of the impact of the programs on par-  
15 ticipants and the community, the extent to  
16 which programs meet the needs of various de-  
17 mographic groups, and the effectiveness of the  
18 delivery systems used by the various programs.

19 **PART D—EFFECTIVE DATE**

20 **SEC. 271. EFFECTIVE DATE.**

21 (a) IN GENERAL.—Except as provided in subsection  
22 (b), the provisions of this title shall take effect on July  
23 1, 1995.

1 (b) PERFORMANCE STANDARDS.—The performance  
2 standards established pursuant to section 217(a) shall  
3 take effect on July 1, 1996.

4 **TITLE III—NATIONAL LABOR MARKET**  
5 **INFORMATION SYSTEM**

6 **SEC. 301. PURPOSE.**

7 The purpose of this title is to provide for the develop-  
8 ment of a national labor market information system that  
9 will provide locally-based, accurate, up-to-date, easily ac-  
10 cessible, user-friendly labor market information, includ-  
11 ing—

12 (1) comprehensive information on job openings,  
13 labor supply, occupational trends, current and pro-  
14 jected wage rates by occupation, skill requirements,  
15 and the location of and performance of programs de-  
16 signed to provide requisite skills; and

17 (2) labor market data necessary to assist public  
18 officials, economic development planners, education  
19 planners, and public and private training entities in  
20 the effective allocation of resources.

21 **SEC. 302. NATIONAL STRATEGY.**

22 (a) IN GENERAL.—The Secretary shall develop, in co-  
23 ordination with other Federal, State and local entities, a  
24 strategy to establish a nationwide system of local labor  
25 market information that accomplishes the purposes de-

1 scribed in section 301 and carries out the activities de-  
2 scribed in sections 303 and 304. In addition, such strategy  
3 shall be designed to fulfill the labor market information  
4 requirements of the Job Training Partnership Act, title  
5 I of this Act, the Wagner-Peyser Act, the School-to-Work  
6 Opportunities Act, the Carl Perkins Vocational and Ap-  
7 plied Technology Act, and other appropriate Federal pro-  
8 grams.

9 (b) IMPLEMENTATION.—In implementing the strat-  
10 egy described in subsection (a), the Secretary is authorized  
11 to enter into contracts and intergovernmental cooperative  
12 agreements, award grants, and foster the creation of  
13 public-private partnerships, using funds authorized under  
14 this title and funds otherwise available for such purposes.  
15 In addition, the Secretary may conduct research and dem-  
16 onstration projects to assist in such implementation.

17 **SEC. 303. COMPONENTS OF SYSTEM.**

18 (a) IN GENERAL.—The Secretary, in cooperation  
19 with Federal, State and local entities, and public-private  
20 partnerships, shall develop a national labor market infor-  
21 mation system that makes available the following informa-  
22 tion:

23 (1) Information from both public and private  
24 sources on the local economy, including current em-

1       employment opportunities and trends by industry and  
2       occupation.

3               (2) Automated listings of job openings and job  
4       candidates in the local, state, and national labor  
5       market.

6               (3) Growth projections by industry and growth  
7       and replacement need projections by occupation and  
8       occupational cluster for national, State and local  
9       labor markets.

10              (4) Current supply of labor available with spe-  
11       cific occupational skills and experience including cur-  
12       rent workers, job seekers and training completers.

13              (5) Automated screening systems to permit easy  
14       determination of candidate eligibility for funding and  
15       other assistance in job training, job search, income  
16       support, supportive services and other reemployment  
17       services.

18              (6) Consumer reports on local education and  
19       training providers including student satisfaction with  
20       programs, employer satisfaction with graduates,  
21       placement rates, wages at placement, and other ele-  
22       ments of program quality.

23              (7) Results of customer satisfaction measures  
24       for the career centers and one-stop career centers  
25       and other providers of reemployment services.

1           (8) National, State and substate profiles of in-  
2           dustries, including skill requirements, general wage  
3           and benefit information, and typical distributions of  
4           occupations within the industry.

5           (9) Profiles of industries in a local labor market  
6           including nature of the work performed, skill and ex-  
7           perience requirements, specific occupations, wage,  
8           hour and benefit information, pattern of hiring.

9           (10) Automated occupational and career infor-  
10          mation and exploration systems, which incorporate  
11          local labor market information, employer or industry  
12          profiles, listings of education, training and other re-  
13          employment service providers including program  
14          quality and customer satisfaction data, and available  
15          automated listings of current openings.

16          (b) TECHNICAL STANDARDS.—The Secretary shall  
17          promulgate standards necessary to promote efficient ex-  
18          change of information between the local, State and na-  
19          tional levels, including such standards as may be required  
20          to ensure that data are comparable. Such standards shall  
21          be designed to ensure that there is universal access to  
22          local, State and national data. In issuing such technical  
23          standards, the Secretary shall meet the requirements of  
24          chapter 35 of title 44, United States Code, and insure co-

1 ordination with other appropriate Federal standards es-  
2 tablished by the Bureau of Labor Statistics.

3 (c) CONSUMER REPORTS.—The Secretary, in con-  
4 sultation with the Secretary of Education and other appro-  
5 priate Federal agencies, and State and local governments,  
6 shall set standards for the required reports and create a  
7 mechanism for collection and dissemination of the  
8 consumer reports described in subsection (a)(6).

9 (d) EVALUATION.—The Secretary shall provide for  
10 the evaluation of the procedures, products and services  
11 under this title, including their cost effectiveness and the  
12 level of customer satisfaction. Such evaluations may in-  
13 clude analyses of the precision of estimates produced or  
14 collected under this title; examination of the uses of the  
15 data by job seekers, employers, educators, career coun-  
16 selors, public and private training providers, economic de-  
17 velopment planners, and public agencies and institutions;  
18 the appropriateness of such uses; and the relative costs  
19 and benefits of the data.

20 **SEC. 304. COORDINATION.**

21 To ensure the appropriate coordination and integra-  
22 tion of labor market information services nationwide, the  
23 Secretary shall—

24 (1) coordinate the activities of Federal agencies  
25 responsible for the collection and dissemination of



1 labor market information at the national, State and  
2 local level; and

3 (2) ensure the appropriate dissemination of re-  
4 sults from research studies and demonstration  
5 projects, feedback from surveys of customer satisfac-  
6 tion, education and training provider performance  
7 data, and other relevant information that promotes  
8 improvement in the quality of labor market informa-  
9 tion.

10 **SEC. 305. EFFECTIVE DATE.**

11 The provisions of this title shall take effect on July  
12 1, 1995.

13 **TITLE IV—REINVENTION LABS FOR JOB**  
14 **TRAINING FOR THE ECONOMICALLY**  
15 **DISADVANTAGED**

16 **SEC. 401. ESTABLISHMENT OF LABS.**

17 Title II of the Job Training Partnership Act is  
18 amended by adding at the end thereof the following new  
19 part:

20 **“PART D—REINVENTION LABS**

21 **“SEC. 281. PURPOSE.**

22 “The purpose of this part is to—

23 “(1) encourage innovative program designs to  
24 enhance the provision of services to and improve

1 labor market outcomes for economically disadvan-  
2 tagged youth and adults;

3 “(2) develop, through the initiative and partici-  
4 pation of service delivery areas and States, knowl-  
5 edge relating to effective approaches to providing  
6 employment and training to the economically dis-  
7 advantaged that may be used to benefit the pro-  
8 grams conducted under this title; and

9 “(3) provide service delivery areas with in-  
10 creased flexibility in the operation of job training  
11 programs in exchange for higher levels of account-  
12 ability for results.

13 **“SEC. 282. APPLICATION FOR WAIVER OF FEDERAL RE-**  
14 **QUIREMENTS.**

15 “(a) IN GENERAL.—Any service delivery area or con-  
16 sortia of service delivery areas desiring to obtain a waiver  
17 of Federal statutory or regulatory requirements relating  
18 to the programs conducted under parts A, B, or C of this  
19 title shall submit, jointly with the Governor, an application  
20 for such waiver at such time, in such manner, and contain-  
21 ing such information as the Secretary may reasonably re-  
22 quire.

23 “(b) CONTENTS OF APPLICATION.—The application  
24 for a waiver submitted pursuant to subsection (b) shall  
25 include—

1           “(1) a plan for conducting a program or pro-  
2           grams authorized under this title incorporating inno-  
3           vative administrative, service delivery, and other pro-  
4           gram design components;

5           “(2) the measurable goals and outcomes to be  
6           achieved by the program;

7           “(3) a description of the statutory or regulatory  
8           requirements under titles I and II of this Act that  
9           would be waived and how such requirements would  
10          impede the implementation of the plan described in  
11          paragraph (1);

12          “(4) assurances that the service delivery area  
13          and the State will participate in a rigorous evalua-  
14          tion to determine whether the goals and outcomes  
15          described in paragraph (2) have been achieved; and

16          “(5) such other components and information as  
17          the Secretary determines are appropriate.

18 **“SEC. 283. WAIVERS AUTHORIZED.**

19          “(a) IN GENERAL.—Except as provided in subsection  
20          (b), the Secretary may, pursuant to an application submit-  
21          ted in accordance with section 282, waive statutory or reg-  
22          ulatory requirements relating to title I and parts A, B,  
23          and C of this title if—

24                 “(1) the Secretary determines that such re-  
25                 quirements would impede the ability of the service

1 delivery area to carry out the plan described in sec-  
2 tion 282(b)(1) and achieving the outcomes described  
3 in the plan;

4 “(2) the service delivery area and the State—

5 “(A) have provided a notice and oppor-  
6 tunity for interested entities and individuals in  
7 the State to comment on the application; and

8 “(B) have submitted to the Secretary the  
9 comments received pursuant to subparagraph  
10 (A); and

11 “(3) the Secretary approves the plan described  
12 in the application.

13 “(b) WAIVERS NOT AUTHORIZED.—The Secretary  
14 may not waive any statutory or regulatory requirement re-  
15 lating to title I or parts A, B, or C of this title regarding—

16 “(1) the basic purposes or goals of the affected  
17 programs;

18 “(2) the formula allocation of funds;

19 “(3) the eligibility for services as described in  
20 sections 203, 254(b) and 263 (except for subsection  
21 (f));

22 “(4) public health or safety, labor standards,  
23 civil rights, occupational safety or health, or environ-  
24 mental protection; or

1           “(5) prohibitions or restrictions relating to con-  
2           struction of buildings or facilities.

3           “(c) ADDITIONAL LIMITATIONS.—

4           “(1) NUMBER OF AREAS PARTICIPATING.—The  
5           Secretary may approve not more than seventy-five  
6           applications nationwide to conduct the program de-  
7           scribed under this part.

8           “(2) DURATION OF WAIVERS.—Each waiver  
9           provided pursuant to this part shall be for a period  
10          of not more than two years, except that the Sec-  
11          retary may extend such period if the Secretary de-  
12          termines that the waiver has been effective in ena-  
13          bling the service delivery area to carry out the pur-  
14          poses of this Act.

15          “(3) TERMINATION OF WAIVERS.—The Sec-  
16          retary shall periodically review the performance of  
17          any service delivery area for which the Secretary has  
18          granted a waiver and shall terminate the waiver  
19          under this section if the Secretary determines that  
20          the performance of the service delivery area affected  
21          by the waiver has been inadequate to justify a con-  
22          tinuation of the waiver.

23          “(4) SUNSET.—No waivers may be approved or  
24          remain in effect under this part after the date that

1 is four years after the date of enactment of the Re-  
2 employment and Training Act of 1994.

3 **“SEC. 284. TECHNICAL ASSISTANCE, EVALUATION AND RE-**  
4 **PORT.**

5 “(a) TECHNICAL ASSISTANCE.—The Secretary may  
6 provide appropriate technical assistance to service delivery  
7 areas, States, and service providers in the development  
8 and implementation of programs under this part.

9 “(b) EVALUATION.—

10 “(1) IN GENERAL.—The Secretary shall provide  
11 for the continuing evaluation of programs conducted  
12 under this part, including the cost-effectiveness of  
13 programs in achieving the purpose of this part.

14 “(2) TECHNIQUES.—

15 “(A) METHODS.—Evaluations conducted  
16 under paragraph (1) shall utilize recognized  
17 statistical methods and techniques of the behav-  
18 ioral and social sciences, including methodolo-  
19 gies that control for self-selection, where  
20 indicated.

21 “(B) ANALYSIS.—Such evaluations may in-  
22 clude cost benefit analyses of programs, and  
23 analyses of the impact of the programs on par-  
24 ticipants and the community, the extent to  
25 which programs meet the needs of various de-

1 demographic groups, and the effectiveness of the  
2 delivery systems used by the various programs.

3 “(c) REPORT.—Not later than five years after the  
4 date of enactment of the Reemployment and Training Act  
5 of 1994, the Secretary shall submit a report to the Con-  
6 gress relating to the evaluation conducted pursuant to  
7 subsection (a) and containing such recommendations as  
8 the Secretary determines are appropriate.”.

9 **SEC. 402. MODIFICATION OF TUITION DEFINITION.**

10 Subparagraph (B) of section 141(d)(3) of the Job  
11 Training Partnership Act is amended to read as follows:

12 “(B) Tuition charges for training or education  
13 provided by an educational institution, including an  
14 institution of higher education (as defined in section  
15 1201(a) of the Higher Education Act of 1965), a  
16 proprietary institution of higher education (as de-  
17 fined in section 481(b) of such Act), and a post-  
18 secondary vocational institution (as defined in sec-  
19 tion 481(c) of such Act) that are not more than the  
20 charges for such training or education made avail-  
21 able to the general public, do not require a break-  
22 down of cost components.”.

23 **SEC. 403. EFFECTIVE DATE AND SUNSET.**

24 (a) REINVENTION LAB.—The provisions of section  
25 401, and the amendments made by such section, shall take

1 effect on the date of enactment of this Act and shall termi-  
2 nate on the date that is five years after the date of enact-  
3 ment of this Act.

4 (b) TUITION DEFINITION.—The provisions of section  
5 402 and the amendments made by such section, shall take  
6 effect on the date of enactment of this Act.

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