

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2516

To consolidate and reform Federal job training programs to create a world class workforce development system for the 21st century, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 6 (legislative day, SEPTEMBER 12), 1994

Mr. KENNEDY introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

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## A BILL

To consolidate and reform Federal job training programs to create a world class workforce development system for the 21st century, and for other purposes.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Job Training Consolidation and Reform Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings and purpose.
- Sec. 3. Authorization of appropriations.
- Sec. 4. Definitions.

## TITLE I—FEDERAL RESPONSIBILITIES

- Sec. 101. National Workforce Development Board.
- Sec. 102. National Report Card.
- Sec. 103. Mechanisms for building high quality integrated workforce development systems.
- Sec. 104. Centralized waivers.
- Sec. 105. Quality assurance system.

## TITLE II—STATE RESPONSIBILITIES

- Sec. 201. State Workforce Development Councils.
- Sec. 202. Membership.
- Sec. 203. Chairperson.
- Sec. 204. Duties and responsibilities.
- Sec. 205. Development of quality assurance systems and consumer reports.
- Sec. 206. Administration.
- Sec. 207. Establishment of unified service delivery areas.
- Sec. 208. Financial and management information systems.
- Sec. 209. Capacity building grants.
- Sec. 210. Performance standards for unified service delivery areas.

## TITLE III—LOCAL RESPONSIBILITIES

- Sec. 301. Workforce development boards.
- Sec. 302. Workforce development board policy blueprint.
- Sec. 303. Report card.
- Sec. 304. One-stop career centers.
- Sec. 305. Progress reports.
- Sec. 306. Capacity building.
- Sec. 307. Incentive grants for incumbent worker training.

## TITLE IV—CONSOLIDATION

- Sec. 401. Purpose; findings; sense of the Congress.
- Sec. 402. Integration of youth programs.
- Sec. 403. Consolidation of workforce development programs.
- Sec. 404. Integration of programs at the local level.
- Sec. 405. Sunset of major workforce development programs.

## TITLE V—INTEGRATED LABOR MARKET INFORMATION SYSTEM

- Sec. 501. Integrated labor market information.
- Sec. 502. Responsibilities of the National Board.
- Sec. 503. Responsibilities of the Secretary.
- Sec. 504. Responsibilities of Governors.

**1 SEC. 2. FINDINGS AND PURPOSE.**

2 (a) FINDINGS.—Congress finds that—

- 3 (1) increasing international competition, techno-
- 4 logical advances, and structural changes in the
- 5 United States economy present new challenges to

1 private firms and public policy makers in creating a  
2 skilled workforce with the ability to adapt to change  
3 and technological progress;

4 (2) the Federal Government should work with  
5 the private sector to create a high performance  
6 workforce development system to encourage collabo-  
7 ration among private sector firms and publicly fund-  
8 ed education and training efforts to assist jobseekers  
9 and workers adjust to structural economic changes;

10 (3) according to the General Accounting Office,  
11 there are currently 154 federally funded employment  
12 and training programs (hereafter referred to in sec-  
13 tion as the “programs”);

14 (4) the programs cost more than  
15 \$25,000,000,000 annually and are administered by  
16 14 different Federal departments and agencies;

17 (5) although it is necessary for the Federal  
18 Government to consolidate or eliminate unnecessary  
19 programs, the primary goal of Federal workforce de-  
20 velopment policy should be to help facilitate trans-  
21 actions taking place between jobseekers, workers,  
22 and business in local labor markets;

23 (6) in order to bring more coherence to Federal  
24 workforce development policy, there should be a sin-  
25 gle entity at the Federal, State, or local level vested

1 with the necessary authority to strategically plan  
2 ways to transform the separate training and employ-  
3 ment programs into an integrated and accountable  
4 workforce development system;

5 (7) these Federal, State, and local strategic  
6 planning bodies should be structured in such a way  
7 to give businesses and workers a meaningful role in  
8 shaping policy and overseeing the quality of  
9 workforce development programs;

10 (8) while the Federal Government must main-  
11 tain its commitment to provide economically and  
12 educationally disadvantaged individuals with skills  
13 and support services necessary to succeed in the  
14 labor market, Federal workforce development policy  
15 must also begin to provide incentives to assist firms  
16 to help upgrade the skills of their front-line workers;

17 (9) the United States needs a comprehensive in-  
18 tegrated labor market information system to ensure  
19 that workforce development programs are related to  
20 the demand for particular skills in local labor mar-  
21 kets, and to ensure that information about the em-  
22 ployment and earnings of the local workforce, and  
23 the performance of education and training institu-  
24 tions, will be available to citizens and decision  
25 makers;

1           (10) in recent years, many States and commu-  
2           nities have made progress in developing new ap-  
3           proaches to better integrate Federal employment  
4           and training programs;

5           (11) the Federal Government should take more  
6           systematic measures to encourage experimentation  
7           and flexibility, and to disseminate best practices in  
8           the design and implementation of a comprehensive  
9           workforce development system throughout the coun-  
10          try; and

11          (12) the Federal Government should address  
12          the findings of this subsection through the imple-  
13          mentation of immediate and long-term improvements  
14          that result in the establishment of a high quality  
15          workforce development system needed for the econ-  
16          omy of the 21st century.

17          (b) PURPOSE.—It is the purpose of this Act to take  
18          certain immediate actions, and to establish a process for  
19          bringing about longer term improvements, that are needed  
20          to begin the transformation of federally funded education  
21          and job training efforts from a collection of fragmented  
22          programs into a coherent, integrated, accountable  
23          workforce development system that—

1 (1) is based on the needs of jobseekers, work-  
2 ers, and employers, rather than bureaucratic re-  
3 quirements;

4 (2) is accessible to any jobseeker, worker, or  
5 employer;

6 (3) focuses on accountability, performance, and  
7 accurate information;

8 (4) provides flexibility and responsibility to the  
9 States, and in turn to local communities, for design  
10 and implementation of workforce development sys-  
11 tems;

12 (5) requires the active involvement of firms and  
13 workers in the governance, design, and implementa-  
14 tion of such system;

15 (6) is linked directly to employment and train-  
16 ing opportunities in the private sector; and

17 (7) adopts best practices of quality administra-  
18 tion and management that have been successful in  
19 the private sector.

20 **SEC. 3. AUTHORIZATION OF APPROPRIATIONS.**

21 (a) IN GENERAL.—Subject to subsection (b), there  
22 is authorized to be appropriated to carry out titles I, II,  
23 III, and IV—

24 (1) \$160,000,000 for fiscal year 1996; and

1           (2) such sums as may be necessary for each of  
2 fiscal years 1997 through 1999.

3           (b) LIMITATIONS.—

4           (1) FISCAL YEAR 1996.—In fiscal year 1996, of  
5 the funds made available pursuant to subsection  
6 (a)—

7                   (A) not more than 5 percent shall be used  
8 for the activities of the National Board;

9                   (B) not more than 10 percent shall be  
10 used for incentive grants, pursuant to section  
11 307;

12                   (C) not more than 15 percent shall be used  
13 for development grants, pursuant to section  
14 103(a); and

15                   (D) not less than 70 percent shall be used  
16 for implementation grants, pursuant to section  
17 103(b).

18           (2) FISCAL YEARS 1997 THROUGH 1999.—In  
19 each of fiscal years 1997 through 1999, of the funds  
20 made available pursuant to subsection (a)—

21                   (A) not more than 5 percent shall be used  
22 for the activities of the National Board;

23                   (B) not more than 10 percent shall be  
24 used for incentive grants, pursuant to section  
25 307; and

1 (C) not less than 85 percent shall be used  
2 for implementation grants, pursuant to section  
3 103(b).

4 (c) INTEGRATED LABOR MARKET INFORMATION SYS-  
5 TEM.—To carry out title V, there is authorized to be ap-  
6 propriated—

7 (1) \$90,000,000 for fiscal year 1996; and

8 (2) such sums as may be necessary for each  
9 succeeding fiscal year.

10 **SEC. 4. DEFINITIONS.**

11 For purposes of this Act—

12 (1) the term “development grant” means a  
13 grant provided to each State under section 103(a);

14 (2) the term “implementation grant” means a  
15 grant provided under section 103(b);

16 (3) the term “leading edge State” means a  
17 State that has been awarded an implementation  
18 grant under section 103(b);

19 (4) the term “workforce development program”  
20 means any of the more than 150 federally funded  
21 job training programs identified by the General Ac-  
22 counting Office in testimony on March 3, 1994, be-  
23 fore the Subcommittee on Employment, Housing  
24 and Aviation of the Committee on Government Op-  
25 erations of the House of Representatives, and any

1 State-funded program that provides job training as-  
2 sistance to individuals or assists employers to iden-  
3 tify or train workers;

4 (5) the terms “integrated workforce develop-  
5 ment system” and “integrated system” mean the  
6 system of employment, training, and employment-re-  
7 lated education programs, including the mandatory  
8 programs described in section 404(a) and any addi-  
9 tional Federal or State programs designated by the  
10 Governor of a State, comprising the consolidated  
11 system pursuant to section 404(b);

12 (6) the term “National Board” means the Na-  
13 tional Workforce Development Board established  
14 under section 101(b);

15 (7) the term “Federal Blueprint” means the  
16 National Workforce Development Strategic Plan is-  
17 sued by the National Board pursuant to section  
18 101(c)(1);

19 (8) the term “National Report Card” means  
20 the Nation’s Workforce Development Report Card  
21 prepared pursuant to section 102;

22 (9) the term “State Council” means a State  
23 Workforce Development Council established pursu-  
24 ant to section 201;

1           (10) the term “State Blueprint” means the  
2 State Workforce Development Policy Blueprint pre-  
3 pared pursuant to section 204(a);

4           (11) the term “State Report Card” means the  
5 State Workforce Development Report Card issued  
6 pursuant to section 204(b);

7           (12) the term “workforce development board”  
8 means a local board established pursuant to section  
9 301;

10          (13) the term “unified service delivery area”  
11 means the common geographic service area bound-  
12 aries established pursuant to section 207 and over-  
13 seen by a workforce development board;

14          (14) the term “one-stop career center” means  
15 an access point for intake, assessment, referral, and  
16 placement services, including services provided elec-  
17 tronically, that is part of the network established  
18 pursuant to section 304;

19          (15) the term “hard-to-serve” means an indi-  
20 vidual meeting the requirements of section 203(b) of  
21 the Job Training Partnership Act (29 U.S.C.  
22 1603(b)); and

23          (16) the term “Secretary” means the Secretary  
24 of Labor, unless the context suggests otherwise.

1                   **TITLE I—FEDERAL**  
2                   **RESPONSIBILITIES**

3   **SEC. 101. NATIONAL WORKFORCE DEVELOPMENT BOARD.**

4       (a) FINDINGS.—Congress finds that a national  
5 workforce development board is necessary to—

6           (1) oversee the establishment and continuous  
7 improvement of the national workforce development  
8 system;

9           (2) provide policy guidance to enhance strategic  
10 planning among the Federal agencies responsible for  
11 administering job training programs;

12           (3) bring private sector expertise to the govern-  
13 ance of the national workforce development system;  
14 and

15           (4) take active steps to remove the legislative  
16 and regulatory barriers to service integration.

17       (b) ESTABLISHMENT.—

18           (1) IN GENERAL.—There is established the Na-  
19 tional Workforce Development Board (referred to in  
20 this Act as the “National Board”).

21           (2) COMPOSITION.—The National Board shall  
22 be comprised of 9 members, of whom—

23               (A) one member shall be the Secretary of  
24 Labor;

1 (B) one member shall be the Secretary of  
2 Education;

3 (C) one member shall be the Secretary of  
4 Health and Human Services;

5 (D) three members shall be representatives  
6 of business (including representatives of small  
7 businesses and large employers);

8 (E) two members shall be representatives  
9 of organized labor; and

10 (F) one member shall be selected from rep-  
11 resentatives of—

12 (i) community-based organizations;

13 (ii) State and local governments; or

14 (iii) nongovernmental organizations  
15 that have a history of successfully protect-  
16 ing the rights of individuals with disabil-  
17 ities or older persons.

18 (3) ADDITIONAL REQUIREMENTS.—The mem-  
19 bers described in subparagraphs (D), (E), and (F)  
20 of paragraph (2) shall—

21 (A) in the aggregate, represent a broad  
22 cross-section of occupations and industries;

23 (B) to the extent feasible, be geographi-  
24 cally representative of the United States, and

1 reflect the racial, ethnic, and gender diversity of  
2 the United States; and

3 (C) one member shall be a member of the  
4 National Skill Standards Board established  
5 pursuant to the National Skill Standards Act of  
6 1994.

7 (4) EXPERTISE.—The National Board and the  
8 staff shall have sufficient expertise to effectively  
9 carry out the duties and functions of the National  
10 Board.

11 (5) BUSINESS AND LABOR ADVISORY COMMIT-  
12 TEES.—The National Board may establish a busi-  
13 ness advisory committee and a labor advisory com-  
14 mittee which shall be comprised of members who are  
15 appointed to the National Board pursuant to sub-  
16 paragraphs (D) and (E) of paragraph (2), respec-  
17 tively, and members who are not on the National  
18 Board, to assist the National Board to carry out its  
19 duties pursuant to subsection (c).

20 (6) APPOINTMENT.—The members described in  
21 subparagraphs (D), (E), and (F) of paragraph (2)  
22 shall be appointed by the President, by and with the  
23 advice and consent of the Senate.

24 (7) EX OFFICIO NONVOTING MEMBERS.—The  
25 Director of the Office of Management and Budget,

1 the Secretary of Commerce, the chairpersons and  
2 ranking minority members of the Committee on  
3 Labor and Human Resources of the Senate and the  
4 Committee on Education and Labor of the House of  
5 Representatives shall be ex officio, nonvoting mem-  
6 bers of the National Board.

7 (8) TERMS.—Each member of the National  
8 Board appointed under subparagraph (D), (E), and  
9 (F) of paragraph (2) shall be appointed for a term  
10 of 4 years, except that of the initial members of the  
11 National Board appointed under such subpara-  
12 graphs—

13 (A) two members shall be appointed for a  
14 term of 2 years;

15 (B) two members shall be appointed for a  
16 term of 3 years; and

17 (C) two members shall be appointed for a  
18 term of 4 years.

19 (9) VACANCIES.—Any vacancy on the National  
20 Board shall not affect the powers of the National  
21 Board, but shall be filled in the same manner as the  
22 original appointments.

23 (10) CHAIRPERSONS.—The President, by and  
24 with the advice and consent of the Senate, shall se-  
25 lect one co-chairperson of the National Board from

1 among the members of the National Board ap-  
2 pointed under paragraph (2)(D) and one co-chair-  
3 person from among the members appointed pursuant  
4 to paragraph (2)(E).

5 (11) COMPENSATION AND EXPENSES.—

6 (A) COMPENSATION.—Each member of the  
7 National Board who is not a full-time employee  
8 or officer of the Federal Government shall serve  
9 without compensation. Each member of the Na-  
10 tional Board who is an officer or employee of  
11 the Federal Government shall serve without  
12 compensation in addition to that received for  
13 the services of such member as an officer or  
14 employee of the Federal Government.

15 (B) EXPENSES.—The members of the Na-  
16 tional Board shall be allowed travel expenses,  
17 including per diem in lieu of subsistence, at  
18 rates authorized for employees of agencies  
19 under subchapter I of chapter 57 of title 5,  
20 United States Code, while away from their  
21 homes or regular places of business in the per-  
22 formance of services for the National Board.

23 (12) EXECUTIVE DIRECTOR AND STAFF.—

24 (A) EXECUTIVE DIRECTOR.—The co-chair-  
25 persons of the National Board shall appoint an

1 Executive Director who shall be compensated at  
2 a rate determined by the National Board, not  
3 to exceed the rate payable for level V of the Ex-  
4 ecutive Schedule under section 5316 of title 5,  
5 United States Code.

6 (B) STAFF.—The Executive Director  
7 may—

8 (i) appoint and compensate such addi-  
9 tional staff as may be necessary to enable  
10 the National Board to perform its duties;  
11 and

12 (ii) fix the compensation of the staff  
13 without regard to the provisions of chapter  
14 51 and subchapter III of chapter 53 of  
15 title 5, United States Code, relating to  
16 classifications of positions and General  
17 Schedule pay rates, except that the rate of  
18 pay for the staff may not exceed the rate  
19 payable for level V of the Executive Sched-  
20 ule under section 5316 of such title.

21 (13) VOLUNTARY AND UNCOMPENSATED SERV-  
22 ICES.—Notwithstanding section 1342 of title 31,  
23 United States Code, the National Board is author-  
24 ized, in carrying out this Act, to accept voluntary  
25 and uncompensated services.

1 (14) AGENCY SUPPORT.—

2 (A) USE OF FACILITIES.—The National  
3 Board may use the research, equipment, serv-  
4 ices, and facilities of any agency or instrumen-  
5 tality of the United States with the consent of  
6 such agency or instrumentality.

7 (B) STAFF OF FEDERAL AGENCIES.—Upon  
8 the request of the National Board, the head of  
9 any Federal agency may detail to the National  
10 Board, on a reimbursable basis, any of the per-  
11 sonnel of such Federal agency to assist the Na-  
12 tional Board in carrying out this Act. Such de-  
13 tail shall be without interruption or loss of civil  
14 service status or privilege.

15 (15) PROCUREMENT OF TEMPORARY AND  
16 INTERMITTENT SERVICES.—The co-chairpersons of  
17 the National Board may procure temporary and  
18 intermittent services of experts and consultants  
19 under section 3109(b) of title 5, United States Code.

20 (16) NATIONAL COMMISSION FOR EMPLOYMENT  
21 POLICY.—

22 (A) IN GENERAL.—Part F of title IV of  
23 the Job Training Partnership Act (29 U.S.C.  
24 1771 et seq.) is repealed.

1           (B) CONFORMING AMENDMENT.—Sub-  
2 section (i) of section 106 of such Act (29  
3 U.S.C. 1516(i)) is amended by striking “(i)  
4 FUNCTIONS OF NCEP.—The National Commis-  
5 sion for Employment Policy” and inserting “(i)  
6 FUNCTIONS OF NATIONAL WORKFORCE DE-  
7 VELOPMENT BOARD.—The National Workforce  
8 Development Board established under section  
9 101 of the Job Training Consolidation and Re-  
10 form Act”.

11       (c) DUTIES.—

12           (1) NATIONAL WORKFORCE DEVELOPMENT  
13 STRATEGIC PLAN.—

14           (A) IN GENERAL.—Not later than July 1,  
15 1995, and every 2 years thereafter, the Na-  
16 tional Board shall issue a National Workforce  
17 Development Strategic Plan (referred to in this  
18 Act as the “Federal Blueprint”).

19           (B) REQUIREMENTS.—The Federal Blue-  
20 print shall evaluate the progress being made to-  
21 ward streamlining, consolidating, and reforming  
22 the workforce development system of the United  
23 States, and toward the purposes described in  
24 section 2(b). The Federal Blueprint shall—

1 (i) compare the preparedness of the  
2 workforce of the United States with the  
3 workforce of other countries;

4 (ii) serve as a strategic plan to guide  
5 the integration of federally funded  
6 workforce development programs into a  
7 streamlined system;

8 (iii) assess the lessons learned from  
9 the experience of leading edge States, and  
10 States that waive certain program require-  
11 ments to experiment with alternative  
12 workforce development strategies;

13 (iv) analyze how businesses are—

14 (I) progressing in the restructur-  
15 ing of the workplace to provide contin-  
16 uous learning for their employees;

17 (II) improving the skills and  
18 abilities of the front-line workers of  
19 such businesses; and

20 (III) taking measures to inte-  
21 grate public workforce development  
22 programs into private sector training  
23 systems;

24 (v) make recommendations to Con-  
25 gress and the President on ways to im-

1           prove linkages between federally funded  
2           business modernization programs and fed-  
3           erally funded workforce development pro-  
4           grams;

5           (vi) include a research agenda for the  
6           National Board to carry out its activities;

7           (vii) evaluate the labor market infor-  
8           mation of the Nation and recommend  
9           areas in need of improvement; and

10          (viii) based on the evaluation of the  
11          progress being made toward the develop-  
12          ment of an integrated, accountable, effec-  
13          tive workforce development system, as de-  
14          scribed in the National Report Card, make  
15          recommendations to Congress and the  
16          President on ways to promote further  
17          streamlining, consolidation, and reform.

18          (2) CONGRESSIONAL TESTIMONY.—The co-  
19          chairpersons of the National Board shall, at least  
20          annually, provide testimony, during a joint hearing  
21          before the Committee on Labor and Human Re-  
22          sources of the Senate and the Committee on Edu-  
23          cation and Labor of the House of Representatives on  
24          the progress being made in developing a more inte-

1       grated and accountable public and private workforce  
2       development system in the United States.

3           (3) EMPLOYER AND WORKER TRAINING.—Not  
4       later than 180 days after the date of enactment of  
5       this Act, the National Board shall make rec-  
6       ommendations to Congress and the President on  
7       what measures can be taken, including changes in  
8       the tax codes, to encourage employers and workers  
9       to invest in training and skills upgrading, and to en-  
10      courage employers to hire and train hard-to-serve in-  
11      dividuals.

12          (4) REVIEW OF GRANT PROPOSALS.—The Na-  
13      tional Board shall review the implementation grant  
14      proposals pursuant to section 103(b) and the incen-  
15      tive grant proposals submitted pursuant to section  
16      307, and make recommendations to the Secretary  
17      regarding such proposals.

18          (5) COORDINATION WITH THE NATIONAL SKILL  
19      STANDARDS BOARD.—The National Board shall an-  
20      nually hold a joint meeting with the National Skill  
21      Standards Board established pursuant to section  
22      503 of the National Skill Standards Act to ensure  
23      that Federal efforts to reform and streamline the  
24      Nation’s workforce development system are inte-  
25      grated and coordinated.

1           (6) FINAL RECOMMENDATIONS.—Not later than  
2       June 1, 1999, the National Board shall submit rec-  
3       ommendations in the form of a joint resolution to  
4       the President and Congress, pursuant to section  
5       403(b).

6       **SEC. 102. NATIONAL REPORT CARD.**

7       (a) IN GENERAL.—Not later than July 1, 1996, and  
8       each July 1 thereafter, the National Board shall prepare  
9       a report to be known as the Nation’s Workforce Develop-  
10      ment Report Card (referred to in this Act as the “National  
11      Report Card”).

12      (b) REQUIREMENTS.—The National Report Card  
13      shall assess the performance of the workforce development  
14      system of the United States, based on the earnings and  
15      employment gains and other nonemployment-related out-  
16      comes of individuals assisted by the programs comprising  
17      such system. The National Report Card shall evaluate all  
18      workforce development programs that receive Federal  
19      funding, and shall—

- 20           (1) assess the performance of each program;  
21           (2) assess performance based on the type of as-  
22      sistance provided, including the categories of services  
23      identified in section 105(b)(1)(C);  
24           (3) assess year-to-year changes in performance;

1 (4) report on the extent to which hard-to-serve  
2 populations are receiving services and the related  
3 outcomes in relation to services received in the pre-  
4 ceding three years;

5 (5) determine the annual Federal investment in  
6 workforce development in each State; and

7 (6) assess the performance of the workforce de-  
8 velopment system in each State.

9 **SEC. 103. MECHANISMS FOR BUILDING HIGH QUALITY IN-**  
10 **TEGRATED WORKFORCE DEVELOPMENT SYS-**  
11 **TEMS.**

12 (a) STATE DEVELOPMENT GRANTS.—

13 (1) PURPOSE.—The purpose of this subsection  
14 is to assist States and communities in strategic  
15 planning for integrated workforce development sys-  
16 tems, including the development of a financial and  
17 management information system, a quality assur-  
18 ance system, and an integrated labor market infor-  
19 mation system.

20 (2) GRANTS TO STATES.—On the application of  
21 the Governor of a State, on behalf of the State, the  
22 Secretary may provide a development grant to the  
23 State in such amount as the Secretary, in consulta-  
24 tion with the National Board, determines to be nec-  
25 essary to enable such State to develop a strategic

1 plan pursuant to paragraph (1) for the development  
2 of a comprehensive statewide integrated workforce  
3 development system.

4 (3) APPLICATION.—To be eligible to receive a  
5 development grant under this subsection, the Gov-  
6 ernor of a State, on behalf of the State, shall submit  
7 to the National Board and the Secretary an applica-  
8 tion, at such time, in such form, and containing  
9 such information as the Secretary may require.

10 (b) IMPLEMENTATION GRANTS TO LEADING EDGE  
11 STATES.—

12 (1) PURPOSE.—The purpose of this subsection  
13 is to assist States in the implementation of statewide  
14 high quality integrated workforce development sys-  
15 tems that are accountable for achieving results.

16 (2) GRANTS TO STATES.—On the application of  
17 a Governor of a State, on behalf of the State, in ac-  
18 cordance with paragraph (6), the Secretary, in con-  
19 sultation with the National Board, may provide an  
20 implementation grant to the State in such amount  
21 as the Secretary determines to be necessary to en-  
22 able such State to implement an integrated  
23 workforce development system.

24 (3) PERIOD OF GRANT.—The provision of pay-  
25 ments under a grant under this subsection shall not

1 exceed 4 fiscal years, and shall be subject to the an-  
2 nual approval of the Secretary, in consultation with  
3 the National Board, and the availability of appro-  
4 priations for the fiscal year involved.

5 (4) ALLOCATION REQUIREMENTS.—

6 (A) FIRST YEAR.—In the first fiscal year  
7 in which a State receives amounts from an im-  
8 plementation grant under subsection (b), the  
9 State shall use not less than 75 percent of such  
10 amount to provide subgrants to local workforce  
11 development boards.

12 (B) SECOND YEAR.—In the second fiscal  
13 year in which a State receives amounts from an  
14 implementation grant under subsection (b), the  
15 State shall use not less than 80 percent of such  
16 amount to provide subgrants to local workforce  
17 development boards.

18 (C) THIRD AND SUCCEEDING YEARS.—In  
19 the third, and each succeeding, fiscal year in  
20 which a State receives amounts from an imple-  
21 mentation grant under subsection (b), the State  
22 shall use not less than 85 percent of such  
23 amount to provide subgrants to local workforce  
24 development boards.

1           (5) LIMITATION.—A State shall be eligible to  
2 receive not more than 1 implementation grant under  
3 this subsection.

4           (6) APPLICATION.—To be eligible to receive an  
5 implementation grant under this subsection, the  
6 Governor of a State, on behalf of the State, shall  
7 submit to the National Board and the Secretary an  
8 application that shall include a copy of the State  
9 Blueprint and such other information as the Sec-  
10 retary, with the advice of the National Board, may  
11 require.

12       (c) DISSEMINATION OF INFORMATION ON BEST  
13 PRACTICES.—

14           (1) IN GENERAL.—The Secretary, in consulta-  
15 tion with the National Board, shall—

16               (A) collect and disseminate information  
17 that will assist State and local communities un-  
18 dertaking activities to streamline and reform  
19 their job training systems, including informa-  
20 tion on—

21                   (i) the successful experiences of States  
22 and localities that have received develop-  
23 ment or implementation grants, or that  
24 have been granted waivers; and

1                   (ii) research concerning the restruc-  
2                   turing of workforce development systems;  
3                   and

4                   (B) facilitate the exchange of information  
5                   and ideas among States and local entities carry-  
6                   ing out job training reform initiatives.

7                   (2) USE OF INFORMATION CLEARINGHOUSES  
8                   AND OTHER ENTITIES.—To carry out this sub-  
9                   section, the Secretary and the National Board shall  
10                  utilize such mechanisms as—

11                  (A) the Capacity Building and Information  
12                  Dissemination Network established pursuant to  
13                  section 453(b) of the Job Training Partnership  
14                  Act (29 U.S.C. 1733(b));

15                  (B) the education resources information  
16                  center clearinghouses referred to in the General  
17                  Education Provisions Act (20 U.S.C. 1221e);

18                  (C) the National Network for Curriculum  
19                  Coordination in Vocational and Technical Edu-  
20                  cation established under section 402(c)(2) of  
21                  the Carl D. Perkins Vocational and Applied  
22                  Technology Education Act (20 U.S.C.  
23                  2402(c)(2));

1 (D) the National Institute for Literacy es-  
2 tablished under section 384 of the Adult Edu-  
3 cation Act (20 U.S.C. 1213c); and

4 (E) the State Literacy Resource Centers  
5 established under section 356 of such Act (20  
6 U.S.C. 1208aa).

7 (d) WORKFORCE DEVELOPMENT IMPACT RE-  
8 PORTS.—

9 (1) SUBMISSION.—For each bill or resolution  
10 concerning workforce development reported by any  
11 committee of the Senate or the House of Represent-  
12 atives, the National Board shall determine whether  
13 proposed Federal job training legislation complies  
14 with the data reporting, common definitions, and  
15 common funding cycles described in subsections (b)  
16 and (e) of section 105. A determination of compli-  
17 ance by the National Board under this subsection  
18 shall be included in the committee report accom-  
19 panying such legislation, if timely submitted to such  
20 committee before such report is filed.

21 (2) PROCEDURE.—It shall not be in order in  
22 the Senate or the House of Representatives to con-  
23 sider any bill or resolution concerning workforce de-  
24 velopment that would not comply with the national

1 workforce development system, as determined by the  
2 National Board under paragraph (1).

3 (3) WAIVER.—This subsection may be waived  
4 or suspended in the Senate or the House of Rep-  
5 resentatives only by the affirmative vote of three-  
6 fifths of the members of such House.

7 **SEC. 104. CENTRALIZED WAIVERS.**

8 (a) EXPEDITED PROCESS.—Not later than 180 days  
9 after the date of enactment of this Act, the President shall  
10 establish an expedited process to consider and act on waiv-  
11 er requests submitted by the States under this section.

12 (b) STATES NOT RECEIVING IMPLEMENTATION  
13 GRANTS.—

14 (1) IN GENERAL.—Any State may apply, in ac-  
15 cordance with this section, for a waiver relating to  
16 provisions of law or regulations for one or more of  
17 the programs listed in section 404(a), for a period  
18 of 2 years to facilitate the provision of assistance for  
19 workforce development.

20 (2) WAIVER AUTHORITY.—A waiver may be  
21 granted under this subsection only if—

22 (A) the requirement sought to be waived  
23 impedes the ability of the State, or a local en-  
24 tity in the States, to carry out the State or  
25 local workforce development plan;

1 (B) the State has waived, or agrees to  
2 waive, similar requirements of State law; and

3 (C) in the case of a statewide waiver, the  
4 State—

5 (i) provides all State and local agen-  
6 cies and appropriate organizations in the  
7 State with notice and an opportunity to  
8 comment on the State’s proposal to seek a  
9 waiver; and

10 (ii) submits the affected agency’s com-  
11 ments with the waiver application.

12 (3) APPLICATION.—Each application submitted  
13 under this subsection shall—

14 (A) identify the statutory or regulatory re-  
15 quirements that are requested to be waived and  
16 the goals that the State or local agency intends  
17 to achieve;

18 (B) describe the action that the State has  
19 undertaken to remove State statutory or regu-  
20 latory barriers identified in the application;

21 (C) describe the goals of the waiver and  
22 the expected programmatic outcomes if the re-  
23 quest is granted;

24 (D) describe the numbers and types of peo-  
25 ple to be affected by such waiver;

1 (E) describe a timetable for implementing  
2 the waiver;

3 (F) describe the process the State will use  
4 to monitor, on a biannual basis, the progress in  
5 implementing the waiver; and

6 (G) describe how the goals of the waived  
7 program or programs will continue to be met.

8 (c) STATES RECEIVING IMPLEMENTATION  
9 GRANTS.—Subject to subsection (d), each State receiving  
10 an implementation grant under section 103(b) shall have  
11 the provisions of law, or regulations under such provisions,  
12 described in its grant application or State Blueprint of  
13 such State waived for the duration of the implementation  
14 grant.

15 (d) LIMITATIONS.—

16 (1) IN GENERAL.—A waiver shall not be grant-  
17 ed of a provision of law (or a regulation under such  
18 provision) under a workforce development program if  
19 such waiver would alter—

20 (A) the purposes or goals of such program;

21 (B) the allocation of funds under such pro-  
22 gram;

23 (C) any provision of law under such pro-  
24 gram relating to public health or safety, civil  
25 rights, protections granted under title I and

1 sections 503 and 504 of the Rehabilitation Act  
2 of 1973 (29 U.S.C. 701 et seq.), occupational  
3 safety and health, environmental protection,  
4 displacement of current employees, or fraud  
5 and abuse; or

6 (D) eligibility requirements under such  
7 program, except that a waiver may be granted  
8 with respect to an eligibility requirement if such  
9 waiver would provide for increased flexibility in  
10 developing common definitions for individuals  
11 eligible for such program.

12 (2) CIRCULARS AND RELATED REGULATIONS.—  
13 The following circulars promulgated by the Office of  
14 Management and Budget shall be subject to the  
15 waiver authority of this subsection:

16 (A) A-87, relating to cost principles for  
17 State and local governments.

18 (B) A-102, relating to grants and coopera-  
19 tive agreements with State and local govern-  
20 ments.

21 (C) A-122, relating to nonprofit organiza-  
22 tions.

23 (D) A-110, relating to administrative re-  
24 quirements for grants and cooperative agree-

1           ments with nonprofit organizations and institu-  
2           tions of higher education.

3           (E) A-21, relating to cost principles for in-  
4           stitutions of higher education.

5           (3) EFFECTIVE DATE.—A waiver granted under  
6           this section shall take effect on the date such waiver  
7           is granted.

8           (4) REVIEW OF APPLICATION.—Each applica-  
9           tion submitted by a State pursuant to paragraph (3)  
10          shall be reviewed by the Secretary or agency head  
11          who has jurisdiction over the workforce development  
12          program or programs to which such waiver request  
13          relates.

14          (5) APPROVAL OR DISAPPROVAL OF APPLICA-  
15          TION.—

16           (A) TIMING.—Each application submitted  
17           by a State in accordance with subsection (b)(3)  
18           shall be reviewed promptly upon receipt, and  
19           shall be approved or disapproved not later than  
20           the end of the 60-day period beginning on the  
21           date such application is received.

22           (B) APPROVAL.—Waiver or waivers pro-  
23           posed in an application may be approved for the  
24           2-year period beginning on the date such appli-  
25           cation is approved, if the State demonstrates in

1 the application that such waiver or waivers  
2 would achieve coordination, expansion, and im-  
3 provement in the quality of services under its  
4 workforce development system.

5 (C) DISAPPROVAL AND RESUBMISSION.—If  
6 an application is incomplete or unsatisfactory,  
7 the appropriated Federal official shall, before  
8 the end of the period referred to in subpara-  
9 graph (A)—

10 (i) notify the State of the reasons for  
11 the failure to approve the application;

12 (ii) notify the State that the applica-  
13 tion may be resubmitted during the period  
14 referred to in clause (iii); and

15 (iii) permit the State to resubmit a  
16 corrected or amended application during  
17 the 60-day period beginning on notification  
18 under this subparagraph.

19 (D) REVIEW OF RESUBMITTED APPLICA-  
20 TION.—Any application resubmitted under sub-  
21 paragraph (C) shall be approved or disapproved  
22 before the expiration of the 60-day period be-  
23 ginning on the date of the resubmission.

24 (6) REVOCATION OF WAIVER.—If, after approv-  
25 ing an application under this subsection, it is found

1 that the waiver or waivers do not achieve coordina-  
2 tion, expansion, and improvement in the quality of  
3 services under the workforce development programs  
4 to which such waiver or waivers relate, the waiver or  
5 waivers may be revoked in whole or in part.

6 (7) NOTIFICATION OF INSPECTOR GENERAL.—  
7 The inspector general of any Federal agency that  
8 has jurisdiction over a workforce development pro-  
9 gram for which a waiver or waivers has been ap-  
10 proved shall be notified of the grant of such waiver.

11 **SEC. 105. QUALITY ASSURANCE SYSTEM.**

12 (a) PURPOSE.—The purpose of this section is to im-  
13 prove the quality of all Federal programs directed at im-  
14 proving the knowledge, skills, and abilities of members of  
15 the workforce by strengthening accountability and encour-  
16 aging the adoption of quality improvement processes at  
17 all levels of the workforce development system. In order  
18 to accomplish this purpose, this Act—

19 (1) directs the Secretaries of Labor, Education,  
20 and Health and Human Services to jointly, in con-  
21 sultation with the National Board—

22 (A) develop common terms and definitions  
23 as described in subsection (b);

24 (B) develop a placement accountability sys-  
25 tem as described in subsection (c); and

1 (C) adjust existing program performance  
2 standards as described in section 210; and

3 (2) directs the National Board to recommend a  
4 system of performance standards in its joint resolu-  
5 tion submitted to Congress pursuant to section  
6 403(b) that includes standard outcome measures re-  
7 lating to—

8 (A) employment;

9 (B) job retention;

10 (C) earnings; and

11 (D) nonemployment outcome measures  
12 (such as learning and competency gains).

13 (b) COMMON TERMS AND DEFINITIONS.—

14 (1) IN GENERAL.—Each workforce development  
15 program that receives Federal funds shall collect  
16 and report to the Governor and the State Council,  
17 if applicable, for each participant to whom assist-  
18 ance is provided, the following information:

19 (A) The quarterly employment status and  
20 earnings for 1 year after the participant no  
21 longer receives assistance under such program.

22 (B) Economic and demographic character-  
23 istics, including the participant's—

24 (i) social security number;

25 (ii) date of birth;

- 1 (iii) gender;
- 2 (iv) race or ethnicity;
- 3 (v) disability status;
- 4 (vi) education (highest formal grade  
5 level achieved at commencement of partici-  
6 pation in program);
- 7 (vii) academic degrees and credentials  
8 at time of entry into the program; and
- 9 (viii) employment status at time of  
10 entry into the program, including—
- 11 (I) scheduled hours of work per  
12 week (if employed);
- 13 (II) weeks of unemployment (if  
14 not employed);
- 15 (III) status as a homeless indi-  
16 vidual;
- 17 (IV) veteran status; and
- 18 (V) information regarding the re-  
19 ceipt by the individual of public finan-  
20 cial assistance (including Federal,  
21 State, and local assistance).
- 22 (C) Services received, the extent, when ap-  
23 propriate, and spending for such services, in-  
24 cluding—
- 25 (i) assessments;

- 1 (ii) testing;
  - 2 (iii) counseling;
  - 3 (iv) job development or job search as-
  - 4 sistance;
  - 5 (v) occupational skills training, includ-
  - 6 ing on-the-job training;
  - 7 (vi) work experience;
  - 8 (vii) job readiness training;
  - 9 (viii) basic skills education;
  - 10 (ix) postsecondary academic education
  - 11 (nonoccupational); and
  - 12 (x) supportive and supplementary
  - 13 services.
- 14 (D) Program outcomes, as specified by the
- 15 State, such as—
- 16 (i) advancement to higher level edu-
  - 17 cation or training;
  - 18 (ii) attainment of additional degrees
  - 19 or credentials (including skill standards as
  - 20 such standards become available);
  - 21 (iii) assessment of learning gain in
  - 22 basic skills programs;
  - 23 (iv) attainment and retention of sub-
  - 24 sidized or unsubsidized employment;
  - 25 (v) quarterly earnings; and

1 (vi) reduction in welfare dependency.

2 (E) Other data elements that may be  
3 added to the items required to be collected and  
4 reported for all program participants, as the  
5 National Board develops additional standard  
6 definitions, including—

7 (i) date of entry into the program and  
8 date of exit from the program;

9 (ii) program applicant, program par-  
10 ticipant, and program terminnee; and

11 (iii) attainment of recognized skills  
12 standards.

13 (2) REPLACEMENT OF EXISTING REQUIRE-  
14 MENTS.—Program monitoring under this section  
15 shall supplant existing monitoring and reporting re-  
16 quirements for program participants.

17 (3) ADOPTION OF COMMON TERMS AND DEFINI-  
18 TIONS.—

19 (A) REPORT.—Not later than 180 days  
20 after the date of enactment of this Act, each  
21 Federal department and agency with respon-  
22 sibility for a workforce development program  
23 shall report to the National Board on its  
24 progress in adopting the common terms and  
25 definitions for program participants, service ac-

1 activities, and outcomes by program operators  
2 and grant recipients.

3 (B) IMPLEMENTATION.—Not later than 1  
4 year after the date of enactment of this Act,  
5 each workforce development program receiving  
6 Federal funds shall use the common terms and  
7 definitions.

8 (C) USE.—Upon adoption by the appro-  
9 priate Federal agencies, the common definitions  
10 for terminology developed and reported pursu-  
11 ant to section 455 of the Job Training Partner-  
12 ship Act (29 U.S.C. 1735(b)) shall be utilized  
13 in interpreting and compiling the core data ele-  
14 ments. Notwithstanding any other provision of  
15 Federal law, such common definitions shall be  
16 utilized in lieu of existing program definitions  
17 for similar data elements.

18 (4) RECOMMENDATIONS.—Not later than 180  
19 days after the date all of the Members of the Na-  
20 tional Board are appointed, the National Board shall  
21 make recommendations to the Secretaries of Labor,  
22 Education, and Health and Human Services, and  
23 the heads of other agencies operating workforce de-  
24 velopment programs, on common definitions for  
25 other terms, including terms relating to—

- 1 (A) program status, including—  
2 (i) applicant;  
3 (ii) participant;  
4 (iii) terminnee; and  
5 (iv) training-related placement;
- 6 (B) program eligibility, including—  
7 (i) family income; and  
8 (ii) economically disadvantaged indi-  
9 viduals; and
- 10 (C) other terms considered appropriate by  
11 the National Board, such as common cost cat-  
12 egories.

13 (5) AMENDMENTS.—If any of the proposed  
14 common definitions require amendment to existing  
15 laws, the National Board shall submit to Congress  
16 recommendations for legislative action not later than  
17 9 months after the date all of the members of the  
18 National Board are appointed.

19 (c) PLACEMENT ACCOUNTABILITY.—

20 (1) IN GENERAL.—The purpose of this sub-  
21 section is to establish a placement accountability  
22 system using a cost-effective data source with infor-  
23 mation on job placement, earnings, and job reten-  
24 tion, to foster accountability by all federally funded  
25 workforce development programs.

1           (2) PERFORMANCE MONITORING.—Each  
2 workforce development program that receives Fed-  
3 eral funds shall—

4           (A) engage in continuous performance self-  
5 monitoring by measuring, at a minimum, the  
6 quarterly employment status and earnings of  
7 each recipient of assistance under such pro-  
8 gram; and

9           (B) monitor each recipient of assistance  
10 for a period of not less than 1 year, beginning  
11 on the date on which the recipient no longer re-  
12 ceives assistance under such program.

13           (3) INFORMATION MATCHING.—

14           (A) CORE DATA.—Each workforce develop-  
15 ment program that receives Federal funds shall  
16 provide the information described in subsection  
17 (b) regarding program participants to the State  
18 agency responsible for labor market information  
19 designated in title V.

20           (B) MATCHING.—The State agency re-  
21 sponsible for labor market information des-  
22 ignated in title V shall, in conjunction with the  
23 Bureau of Labor Statistics, match the informa-  
24 tion provided pursuant to subparagraph (A)

1 with quarterly employment and earnings  
2 records.

3 (4) REIMBURSEMENT.—Requesting programs  
4 shall reimburse the State agency responsible for  
5 wage record data for the cost of matching such in-  
6 formation. Notwithstanding any other provision of  
7 Federal law, requesting programs may use Federal  
8 funds for such reimbursement.

9 (5) CONFIDENTIALITY.—Requesting pro-  
10 grams—

11 (A) shall protect the confidentiality of  
12 wage record data through the use of recognized  
13 security procedures; and

14 (B) may not retain such data for more  
15 than 10 years.

16 (6) SUBMISSION TO STATE COUNCIL.—The  
17 State agency responsible for labor market informa-  
18 tion shall submit the results of the matching to the  
19 State Council, in accordance with procedures and  
20 schedules specified by the National Board and the  
21 Secretary.

22 (7) RESPONSIBILITY OF GOVERNORS.—The  
23 Governor of each State shall ensure the submission  
24 of the matched data to the State Council, the Na-

1 tional Board, the Secretary, and other Federal enti-  
2 ties, as required by the National Board.

3 (d) DISSEMINATION OF QUALITY ASSURANCE.—The  
4 information obtained under subsection (c) shall be made  
5 available to—

6 (1) the State Council of the State in which the  
7 program is located;

8 (2) the local workforce development boards in  
9 the State in which the program is located; and

10 (3) consumers of labor market information to  
11 judge individual program performance in an easily  
12 accessible format.

13 (e) CONSISTENT FUNDING CYCLES.—

14 (1) IN GENERAL.—All federally funded  
15 workforce development training activities shall, to  
16 the extent practicable, be funded on a consistent  
17 funding cycle basis.

18 (2) RECOMMENDATIONS FOR FUNDING  
19 CYCLE.—Not later than 180 days after the date on  
20 which all of the members of the National Board are  
21 appointed, the National Board shall make rec-  
22 ommendations to Congress on the appropriate fund-  
23 ing cycle to be used for all workforce development  
24 programs and activities.

## **TITLE II—STATE RESPONSIBILITIES**

### **3 SEC. 201. STATE WORKFORCE DEVELOPMENT COUNCILS.**

4 (a) ESTABLISHMENT.—Each State desiring to par-  
5 ticipate in the development of an integrated and account-  
6 able workforce development system under the procedures  
7 specified in section 103(b) shall establish a State  
8 Workforce Development Council (referred to in this Act  
9 as a “State Council”) or have located within such State  
10 an existing entity that is similar to a State Council and  
11 that includes members who are representatives of employ-  
12 ers and workers.

13 (b) PURPOSE.—Each State Council shall serve as the  
14 principal advisory board for the Governor of such State  
15 for all programs included in the State’s integrated  
16 workforce development system.

17 (c) FUNCTIONS.—Each State Council shall assume  
18 the functions and responsibilities of councils and commis-  
19 sions required under Federal law that are part of the inte-  
20 grated workforce development system of such State.

### **21 SEC. 202. MEMBERSHIP.**

22 (a) IN GENERAL.—

23 (1) REPRESENTATIVES OF BUSINESS AND IN-  
24 DUSTRY AND ORGANIZED LABOR.—Each State  
25 Council shall be comprised of individuals who are

1 appointed by the Governor for a term of not less  
2 than 2 years from among—

3 (A) representatives of business and indus-  
4 try, who shall constitute not less than 33 per-  
5 cent of the membership of the State Council,  
6 including individuals who are members of local  
7 workforce development boards; and

8 (B) representatives of organized labor who  
9 shall constitute not less than 25 percent of the  
10 membership of the State Council and shall be  
11 selected from among individuals nominated by  
12 recognized State labor federations.

13 (2) ADDITIONAL MEMBERS.—Each State Coun-  
14 cil may include one or more qualified members who  
15 are appointed by the Governor from among rep-  
16 resentatives of the following:

17 (A) Postsecondary institutions.

18 (B) Secondary or postsecondary vocational  
19 education institutions.

20 (C) Community-based organizations.

21 (D) Nongovernmental organizations that  
22 have a history of successfully protecting the  
23 rights of individuals with disabilities or older  
24 persons.

1 (E) Units of general local government or  
2 consortia of such units.

3 (F) State officials responsible for admin-  
4 istering programs listed in sections 402 and  
5 404(a), and included in the integrated system.

6 (G) The State legislature.

7 (H) Any local program that receives Fed-  
8 eral funding from any program included in the  
9 integrated workforce development system of the  
10 State.

11 (b) EX OFFICIO.—

12 (1) NONVOTING MEMBERS.—The Governor may  
13 appoint ex officio additional nonvoting members to  
14 the State Council.

15 (2) EXPERTISE.—The Governor of the State  
16 shall ensure that the State Council and the staff of  
17 the State Council have sufficient expertise to effec-  
18 tively carry out the duties and functions of the State  
19 Council described under the laws relating to the ap-  
20 plicable program.

21 (c) ADVISORY COMMITTEES.—Each State Council  
22 may establish a business and a labor advisory committee  
23 to assist the State Council in carrying out its duties pursu-  
24 ant to section 204. Membership on such advisory commit-  
25 tees shall include State Council members from the busi-

1 ness and labor communities and such additional members  
2 as the State Council requires.

3 **SEC. 203. CHAIRPERSON.**

4 The Governor of the State shall appoint a chairperson  
5 of the State Council who is a representative of the busi-  
6 ness community.

7 **SEC. 204. DUTIES AND RESPONSIBILITIES.**

8 (a) STATE WORKFORCE DEVELOPMENT POLICY  
9 BLUEPRINT.—The State Council shall assist the Governor  
10 to prepare and submit to the National Board a biennial  
11 report to be known as the State Workforce Development  
12 Policy Blueprint (referred to in this Act as the “State  
13 Blueprint”). The State Blueprint shall—

14 (1) serve as a strategic plan for integrating fed-  
15 erally funded workforce development programs in-  
16 cluded in an integrated system of the State, estab-  
17 lished pursuant to section 103(b), with State-funded  
18 job training, employment, employment-related edu-  
19 cation, and economic development activities;

20 (2) summarize and analyze information about  
21 training needs of critical industries in the State con-  
22 tained in the local workforce development policy  
23 blueprints developed by the workforce development  
24 board;

1           (3) establish State goals for the integrated  
2 workforce development system and a common core  
3 set of performance measures and standards for pro-  
4 grams included in the system, to be used in lieu of  
5 existing performance measures and standards for  
6 each of the included programs;

7           (4) analyze how the businesses of the State  
8 are—

9                   (A) progressing in the restructuring of the  
10 workplace to provide continuous learning;

11                   (B) improving the skills and abilities of  
12 front-line workers of such businesses; and

13                   (C) participating in State and local efforts  
14 to transform federally funded education and job  
15 training programs into a coherent and account-  
16 able workforce development system;

17           (5) utilize information available from the State  
18 Report Card and other sources to analyze the rel-  
19 ative effectiveness of individual workforce develop-  
20 ment programs within the State and of the State's  
21 workforce development system as a whole;

22           (6) evaluate the progress being made within the  
23 State in streamlining, consolidating, and reforming  
24 the workforce development system of the State in ac-  
25 cordance with the purposes contained in section 2(b)

1 and the framework for State implementation con-  
2 tained in the implementation grant proposal of the  
3 State;

4 (7) describe how service to special hard-to-serve  
5 populations is to be maintained;

6 (8) identify how any funds that a State may be  
7 receiving under section 103(b) are to be utilized in  
8 conjunction with existing resources to continuously  
9 improve the effectiveness of the workforce develop-  
10 ment system of the State;

11 (9) describe the method to be used to allocate  
12 funds received under section 103(b) in a fair and eq-  
13 uitable manner among unified service delivery areas;

14 (10) specify the additional elements, if any, to  
15 be included in operating agreements between local  
16 workforce development boards and one-stop career  
17 centers;

18 (11) specify additional criteria, if any, for selec-  
19 tion of one-stop career centers;

20 (12) specify the conditions under which the re-  
21 quirements of section 304(g) may be waived;

22 (13) specify the nonemployment-related out-  
23 come measures that will be used for the workforce  
24 development system;

1           (14) specify the nature and scope of the budget  
2 authority for local workforce development boards in  
3 the State; and

4           (15) supplant federally required planning re-  
5 ports for programs under the integrated workforce  
6 development system of the State.

7           (b) STATE WORKFORCE DEVELOPMENT REPORT  
8 CARD.—The State Council shall assist the Governor of the  
9 State to issue an annual report to be known as the State  
10 Workforce Development Report Card (referred to in this  
11 Act as the “State Report Card”). The State Report Card  
12 shall describe the performance of all workforce develop-  
13 ment programs operating in the State that receive Federal  
14 funding and any additional State-funded programs that  
15 the Governor may choose to include. The State Report  
16 Card shall—

17           (1) include an integrated budget that docu-  
18 ments the annual spending, number of clients  
19 served, and types of services provided for workforce  
20 development programs for the State as a whole and  
21 for each unified service delivery area within the  
22 State;

23           (2) assess the maintenance of effort to hard-to-  
24 serve populations in relation to the number served

1 and outcomes for those populations in the preceding  
2 3 years;

3 (3) utilize information available from the qual-  
4 ity assurance system established under section 105  
5 to assess—

6 (A) employment and earnings experiences  
7 of individuals who have received assistance from  
8 each workforce development program operated  
9 in the State; and

10 (B) relative employment and earnings ex-  
11 periences of participants receiving services from  
12 each one-stop career center in the State;

13 (4) include an analysis of other  
14 nonemployment-related results for each workforce  
15 development program operating within the State;  
16 and

17 (5) include a report of annual employment  
18 trends and earnings (by industry and occupation) in  
19 the State and each unified service delivery area, to  
20 assist State and local policy makers, training provid-  
21 ers, and users of the system to link the training pro-  
22 vided to the skill and labor force needs of local em-  
23 ployers.

1 (c) WORKFORCE DEVELOPMENT BOARD CERTIFI-  
2 CATION AND EFFECTIVENESS CRITERIA.—Each State  
3 Council shall—

4 (1) assist the Governor to certify each local  
5 workforce development board; and

6 (2) make recommendations to the Governor for  
7 criteria that will be used to judge the effectiveness  
8 of each of the workforce development boards of the  
9 State.

10 **SEC. 205. DEVELOPMENT OF QUALITY ASSURANCE SYS-**  
11 **TEMS AND CONSUMER REPORTS.**

12 (a) IN GENERAL.—The State Council shall develop  
13 a quality assurance system to complement and expand  
14 upon the quality assurance system established in section  
15 105 in order to provide customers of job training services  
16 with consumer reports on the supply, demand, price, and  
17 quality of job training services in each unified service de-  
18 livery area in the State.

19 (b) SELECTION OF TOOLS AND MEASURES.—Each  
20 State shall select the tools and measures that are appro-  
21 priate to the needs of such State, including, but not lim-  
22 ited to—

23 (1) collecting and organizing service provider  
24 performance data in accordance with information  
25 generated from the State Report Card under section

1 204(b), the financial and management information  
2 system designed pursuant to section 208, and the  
3 labor market information system of the State de-  
4 scribed in section 501; and

5 (2) conducting surveys as appropriate to ascer-  
6 tain customer satisfaction.

7 (c) COLLECTION AND DISSEMINATION.—The State  
8 Council shall, in conjunction with the local workforce de-  
9 velopment boards, establish mechanisms for collecting and  
10 disseminating the quality assurance information on a reg-  
11 ular basis to—

12 (1) individuals seeking employment;

13 (2) employers;

14 (3) policymakers at the Federal, State, and  
15 local levels; and

16 (4) training and education providers.

17 (d) ASSURANCES.—Each public and private edu-  
18 cation, training, and career development service provider  
19 receiving Federal funds under a program in an integrated  
20 system of the State pursuant to section 103(b) shall col-  
21 lect and provide the quality assurance information re-  
22 quired under this section.

1 **SEC. 206. ADMINISTRATION.**

2 (a) AUTHORITIES.—Each State Council shall be inde-  
3 pendent of other State workforce development agencies  
4 and have the authority to—

5 (1) employ staff; and

6 (2) receive and disburse funds.

7 (b) SPECIAL PROJECTS.—Each State Council may  
8 fund and operate special pilot or demonstration projects  
9 for purposes of research or continuous improvement of  
10 system performance.

11 (c) LIMITATION ON USE OF FUNDS.—Not more than  
12 5 percent of the funds received by the State from an im-  
13 plementation grant under section 103(b) shall be used for  
14 the administration of the State Council.

15 **SEC. 207. ESTABLISHMENT OF UNIFIED SERVICE DELIVERY**  
16 **AREAS.**

17 (a) RECOMMENDATIONS.—Each State Council shall  
18 make recommendations to the Governor of such State for  
19 the establishment of unified service delivery areas that  
20 may be used as intrastate geographic boundaries, to the  
21 extent practicable, for all workforce development programs  
22 in an integrated system of the State pursuant to section  
23 103(b).

24 (b) ESTABLISHMENT.—Each State receiving an im-  
25 plementation grant under section 103(b) shall, based upon  
26 the recommendations of the State Council, and in con-

1 sultation and cooperation with local communities, estab-  
2 lish unified service delivery areas throughout the State for  
3 the purpose of providing community wide workforce devel-  
4 opment assistance in one-stop career centers under section  
5 304.

6 (c) RESPONSIBILITIES.—In establishing unified serv-  
7 ice delivery areas, the Governor, in consultation with the  
8 State Council and local communities—

9 (1) shall take into consideration existing—

10 (A) labor market areas;

11 (B) units of general local government;

12 (C) service delivery areas established under  
13 section 101 of the Job Training Partnership  
14 Act (29 U.S.C. 1511); and

15 (D) the distance traveled by individuals to  
16 receive services;

17 (2) may merge existing service delivery areas;

18 and

19 (3) may not approve a total number of unified  
20 service delivery areas that is greater than the total  
21 number of service delivery areas in existence in the  
22 State on the date of enactment of this Act.

1 **SEC. 208. FINANCIAL AND MANAGEMENT INFORMATION**  
2 **SYSTEMS.**

3 (a) **IN GENERAL.**—Each State shall use a portion of  
4 the funds it receives under section 103(a) to design a uni-  
5 fied financial and management information system. Each  
6 State that receives an implementation grant under section  
7 103(b) shall require that all programs designated in the  
8 integrated system use the unified financial and manage-  
9 ment information system.

10 (b) **REQUIREMENTS.**—Each unified financial and  
11 management information system shall—

12 (1) be used by all agencies involved in  
13 workforce development activities, including one-stop  
14 career centers which shall have the capability to  
15 track the overall public investments within the State  
16 and unified service delivery areas, and to inform pol-  
17 icymakers as to the results being achieved through  
18 that investment;

19 (2) contain a common structure of financial re-  
20 porting requirements, fiscal systems, and monitoring  
21 for all workforce development expenditures included  
22 in the integrated system that shall utilize the com-  
23 mon data elements and definitions included in sub-  
24 sections (b) and (c) of section 105;

1           (3) support local efforts to establish unified  
2           service systems, including intake and eligibility de-  
3           termination for all financial aid sources; and

4           (4) notwithstanding any other provision of Fed-  
5           eral law, supplant federally required fiscal reporting  
6           and monitoring for each individual program included  
7           in the integrated system.

8   **SEC. 209. CAPACITY BUILDING GRANTS.**

9           From funds made available to a State for implemen-  
10          tation pursuant to section 103(b) or development pursuant  
11          to section 103(a), the State shall develop a strategy to  
12          enhance the capacity of the institutions, organizations,  
13          and staff involved in State and local workforce develop-  
14          ment activities by providing services such as—

15               (1) training for members of the local workforce  
16               development boards;

17               (2) training for front-line staff of any local edu-  
18               cation or training service provider or one-stop career  
19               center;

20               (3) technical assistance regarding managing  
21               systemic change;

22               (4) customer service training;

23               (5) organization of peer-to-peer networks for  
24               training, technical assistance, and information shar-  
25               ing;

1           (6) organizing a best practices database cover-  
2           ing the various workforce development system com-  
3           ponents; and

4           (7) training for State and local staff on the  
5           principles of quality management and decentralizing  
6           decisionmaking.

7   **SEC. 210. PERFORMANCE STANDARDS FOR UNIFIED SERV-**  
8                           **ICE DELIVERY AREAS.**

9           (a) IN GENERAL.—The Governor of each State that  
10          implements an integrated workforce development system  
11          under section 103(b) may, in consultation with the State  
12          Council, the local workforce development boards in the  
13          State, and employees of any of the job training programs  
14          included in the integrated system or the employee organi-  
15          zations of such employees, make adjustments to existing  
16          performance standards for programs in such system in the  
17          unified service delivery area of the State.

18          (b) CRITERIA.—Criteria developed pursuant to sub-  
19          section (a) may include such factors as—

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

22                         (A) earnings at 1, 2, and 4 quarters after  
23                         termination from the program; and

1 (B) comparability of wages 1 year after  
2 termination from the program with wages prior  
3 to participation in the program;

4 (2) acquisition of skills pursuant to a skill  
5 standards and skill certification system endorsed by  
6 the National Skill Standards Board established pur-  
7 suant to section 503 of the National Skill Standards  
8 Act of 1994;

9 (3) the satisfaction of participants and employ-  
10 ers with services provided and employment out-  
11 comes; and

12 (4) the quality of services provided and the  
13 maintenance of effort to hard-to-serve populations,  
14 such as low-income individuals and older workers.

15 (c) ADJUSTMENTS.—Each Governor of a State that  
16 implements an integrated workforce development system  
17 under section 103(b) shall, within parameters established  
18 by the National Board, and after consultation with the  
19 workforce development boards in the State, prescribe ad-  
20 justments to the performance criteria prescribed under  
21 subsections (a) and (b) for the unified service delivery  
22 areas based on—

23 (1) specific economic, geographic, and demo-  
24 graphic factors in the State and in regions within  
25 the State; and

1           (2) the characteristics of the population to be  
2           served, including the demonstrated difficulties in  
3           serving special populations.

4           (d) USE OF CRITERIA.—The performance criteria de-  
5           veloped pursuant to this section shall be utilized in lieu  
6           of similar criteria for programs receiving Federal funding  
7           included in the integrated system of the State, to the ex-  
8           tent determined by the State Council subject to the ap-  
9           proval of the National Board.

10                                   **TITLE III—LOCAL**  
11                                   **RESPONSIBILITIES**

12           **SEC. 301. WORKFORCE DEVELOPMENT BOARDS.**

13           (a) ESTABLISHMENT.—In each State receiving an  
14           implementation grant under section 103(b), and subject  
15           to subsection (b) of this section, the local elected officials  
16           of each unified service delivery area shall establish a  
17           workforce development board to administer the workforce  
18           development assistance provided by all the programs in  
19           the integrated workforce development system in such area.

20           (b) EXCEPTION.—States with a single unified deliv-  
21           ery area with contiguous borders shall not be subject to  
22           the requirement of subsection (a).

23           (c) MEMBERSHIP.—Each workforce development  
24           board shall be comprised of—

1           (1) representatives of business and industry,  
2           who shall constitute a majority of the board and who  
3           shall be business leaders in the unified service deliv-  
4           ery area;

5           (2)(A)(i) representatives of organized labor or-  
6           ganizations, who shall be selected from among indi-  
7           viduals nominated by recognized State labor federa-  
8           tions; and

9           (ii) representatives of community-based organi-  
10          zations, who shall be selected from among those in-  
11          dividuals nominated by officers of such organiza-  
12          tions; and

13          (B) who shall comprise not less than 30 percent  
14          of the membership of the board;

15          (3) representatives of educational institutions;

16          (4) community leaders, such as leaders of—

17                (A) economic development agencies;

18                (B) human service agencies and institu-  
19          tions;

20                (C) veterans organizations; and

21                (D) entities providing job training;

22          (5) representatives of nongovernmental organi-  
23          zations that have a history of successfully protecting  
24          the rights of individuals with disabilities or older  
25          persons; and

1           (6) a local elected official, who shall be a  
2 nonvoting member.

3           (d) NOMINATIONS.—

4           (1) BUSINESS AND INDUSTRY REPRESENTA-  
5 TIVES.—

6           (A) IN GENERAL.—The representatives of  
7 business and industry under paragraph (1) of  
8 subsection (c) shall be selected by local elected  
9 officials from among individuals nominated by  
10 general purpose business organizations after  
11 consultation with, and receiving recommenda-  
12 tions from, other business organizations in the  
13 unified service delivery area.

14           (B) DEFINITION.—For purposes of this  
15 paragraph, the term “general purpose business  
16 organization” means an organization that ad-  
17 mits to membership any for-profit business op-  
18 erating within the unified service delivery area.

19           (2) LABOR REPRESENTATIVES.—The represent-  
20 atives of organized labor under paragraph (2) of  
21 subsection (c) shall be selected from among individ-  
22 uals recommended by recognized State and local  
23 labor federations. If the State or local labor federa-  
24 tion fails to nominate a sufficient number of individ-  
25 uals, individual workers may be included on the

1 workforce development board as labor representa-  
2 tives.

3 (3) OTHER MEMBERS.—The members of the  
4 workforce development board described in para-  
5 graphs (1), (4), and (5) of subsection (c) shall be se-  
6 lected by chief local elected officials in accordance  
7 with subsection (e) from individuals recommended  
8 by interested organizations.

9 (4) EXPERTISE.—The State Council and Gov-  
10 ernor of each State shall ensure that the workforce  
11 development board and the staff of the State Council  
12 have sufficient expertise to effectively carry out the  
13 duties and functions of existing local boards de-  
14 scribed under the laws relating to the applicable pro-  
15 gram. Such expertise shall include, where appro-  
16 priate, knowledge of—

17 (A) the long-term needs of individuals pre-  
18 paring to enter the workforce;

19 (B) the needs of State, local, and regional  
20 labor markets; and

21 (C) the methods for evaluating the effec-  
22 tiveness of education and job training programs  
23 in serving various populations.

24 (e) APPOINTMENT PROCESS.—In the case of a uni-  
25 fied service delivery area—

1           (1) in which there is one unit of general local  
2 government, the chief elected official of such unit  
3 shall determine the number and appoint members to  
4 the board from the individuals nominated or rec-  
5 ommended under subsection (d); and

6           (2) in which there are 2 or more units of gen-  
7 eral local government, the chief elected officials of  
8 such units shall determine the number and appoint  
9 members to the workforce development board from  
10 the individuals nominated or recommended under  
11 subsection (d), in accordance with an agreement en-  
12 tered into by such units of general local government  
13 or, in the absence of such an agreement, by the Gov-  
14 ernor of the State in which the unified service deliv-  
15 ery area is located.

16       (f) TERMS.—Each workforce development board shall  
17 establish, in its bylaws, terms to be served by its members,  
18 who may serve until the successors of such members are  
19 appointed.

20       (g) VACANCIES.—Any vacancy on a workforce devel-  
21 opment board shall be filled in the same manner as the  
22 original appointment was made.

23       (h) REMOVAL FOR CAUSE.—Any member of a  
24 workforce development board may be removed for cause

1 in accordance with procedures established by the  
2 workforce development board.

3 (i) CHAIRPERSON.—Each workforce development  
4 board shall select a chairperson, by a majority vote of the  
5 members of the board, from among the members of the  
6 workforce development board who are from business or in-  
7 dustry. The term of the chairperson shall be determined  
8 by the board.

9 (j) SUBCOMMITTEES.—Each workforce development  
10 board may establish business and labor subcommittees to  
11 advise the board on workforce development issues. Such  
12 subcommittees shall have as members representatives of  
13 the business and labor communities, and such other mem-  
14 bers as the board determines necessary.

15 (k) DUTIES.—Each workforce development board  
16 shall—

17 (1) prepare a workforce development board pol-  
18 icy blueprint in accordance with section 302;

19 (2) issue an annual unified service delivery area  
20 report card in accordance with section 303;

21 (3) review and comment on the local plans for  
22 all programs included in the integrated workforce  
23 development system of the State and operating with-  
24 in the unified service delivery area, prior to the sub-  
25 mission of such plans to the appropriate State Coun-

1 cil, or the relevant Federal agency, if no State ap-  
2 proval is required;

3 (4) oversee the operations of the one-stop career  
4 center established in the unified service delivery area  
5 under section 304, including the responsibility to—

6 (A) designate one-stop career center opera-  
7 tors within the unified service delivery area con-  
8 sistent with selection criteria specified in section  
9 204(a);

10 (B) develop and approve the budgets and  
11 annual operating plans of the one-stop career  
12 centers;

13 (C) establish annual performance stand-  
14 ards, customer service quality criteria, and out-  
15 come measures for the one-stop career centers,  
16 consistent with measures developed pursuant to  
17 sections 210;

18 (D) assess the results of programs and  
19 services;

20 (E) ensure that services and skills provided  
21 through the centers are of high quality and are  
22 relevant to labor market demands; and

23 (F) determine priorities for client services  
24 from Federal funding sources in the system;

1           (5) develop a strategy to disseminate consumer  
2 reports produced under section 205 to workers, job-  
3 seekers, and employers, and other individuals in the  
4 unified service delivery area; and

5           (6) upon recommendation of a business or labor  
6 advisory committee, the local board may apply to the  
7 Secretary for a grant in the amount of 50 percent  
8 of the cost of establishing innovative models of work-  
9 place training and upgrading of incumbent workers  
10 pursuant to section 307.

11       (k) ADMINISTRATION.—

12           (1) IN GENERAL.—Each local workforce devel-  
13 opment board shall have the authority to receive and  
14 disburse funds made available for carrying out the  
15 provisions of this Act and shall employ its own staff,  
16 independent of local programs and service providers.

17           (2) FUNDING.—Each workforce development  
18 board shall receive a portion of its funding from the  
19 implementation grant of the State, with additional  
20 funds made available from participating programs.

21       (l) CONFLICT OF INTEREST.—No member of a  
22 workforce development board shall cast a vote on the pro-  
23 vision of services by that member (or any organization  
24 which that member directly represents) or vote on any

1 matter that would provide direct financial benefit to such  
2 member.

3 **SEC. 302. WORKFORCE DEVELOPMENT BOARD POLICY**  
4 **BLUEPRINT.**

5 (a) IN GENERAL.—Each workforce development  
6 board shall prepare and submit to the State Council a bi-  
7 ennial report, to be known as the workforce development  
8 board policy blueprint, except that in States with a single  
9 unified service delivery area, the additional elements re-  
10 quired in the regional blueprint shall be incorporated into  
11 the State Blueprint.

12 (b) REQUIREMENTS.—The workforce development  
13 board policy blueprint shall—

14 (1) include a list of the key industries and in-  
15 dustry clusters of small- to mid-size firms that are  
16 most critical to the current and future economic  
17 competitiveness of unified service delivery area;

18 (2) identify the workforce development needs of  
19 the critical industries and industry clusters;

20 (3) summarize the capacity of local education  
21 and training providers to respond to the workforce  
22 development needs;

23 (4) indicate how the local workforce develop-  
24 ment programs intend to strategically deploy re-  
25 sources available from implementation grants and

1 existing programs operating in the unified service  
2 delivery area to better meet the workforce develop-  
3 ment needs of critical industries and industry clus-  
4 ters in the unified service delivery area and enhance  
5 program performance;

6 (5) include a plan to develop one-stop career  
7 centers, as described in section 304, including an es-  
8 timate of the costs in personnel and other resources  
9 to develop a network adequate to provide universal  
10 access to such centers in the local labor market;

11 (6) describe how services will be maintained to  
12 all groups served by the participating programs in  
13 accordance with their legislative intent, including  
14 hard-to-serve populations;

15 (7) identify actions for building the capacity of  
16 the workforce development system in the unified  
17 service delivery area; and

18 (8) report on the level and recent changes in  
19 earned income of workers in the local labor market,  
20 in relation to State and national levels, by occupa-  
21 tion and industry.

22 (c) USE IN OTHER REPORTS.—The workforce devel-  
23 opment board policy blueprint may be utilized in lieu of  
24 local planning reports required by any other Federal law  
25 for any program included in the integrated workforce de-

1 velopment system, subject to the approval of the State  
2 Council.

3 **SEC. 303. REPORT CARD.**

4 (a) IN GENERAL.—Each workforce development  
5 board shall annually prepare and submit to the State  
6 Council a unified service delivery area report card in ac-  
7 cordance with this section. The report card shall describe  
8 the performance of all workforce development programs  
9 and service providers, including the one-stop career cen-  
10 ters, operating in the area that is included in the inte-  
11 grated workforce development system. In States with a  
12 single unified service delivery area, the State Council shall  
13 prepare the report card.

14 (b) REQUIREMENTS.—The report card shall—

15 (1) report on the relationship between services  
16 provided and the local labor market needs as de-  
17 scribed in the workforce development board policy  
18 blueprint;

19 (2) using the quality assurance system informa-  
20 tion established pursuant to section 205, include an  
21 analysis of employment-related, and other outcomes  
22 achieved by the programs and service providers oper-  
23 ating in the area;

24 (3) identify the performance of the one-stop ca-  
25 reer centers;

1           (4) detail the economic and demographic char-  
2           acteristics of individuals served compared to the  
3           characteristics of the general population of the uni-  
4           fied service delivery area, and the jobseekers, work-  
5           ers, and businesses of such area; and

6           (5) assess the maintenance of effort to hard-to-  
7           serve populations in relation to the level of services  
8           and outcomes during the preceding 3 years.

9   **SEC. 304. ONE-STOP CAREER CENTERS.**

10          (a) ESTABLISHMENT.—Each workforce development  
11          board receiving funds under an implementation grant  
12          awarded under section 103(b) shall develop and implement  
13          a network of one-stop career centers in the unified service  
14          delivery area of the workforce development board. The  
15          one-stop career centers shall provide jobseekers, workers,  
16          and businesses universal access to a comprehensive array  
17          of quality employment, education, and training services.

18          (b) PROCEDURES.—Each workforce development  
19          board shall, in conjunction with local elected official or of-  
20          ficials in the unified service delivery area, and consistent  
21          with criteria specified in section 204(a), select a method  
22          for establishing one-stop career centers.

23          (c) ELIGIBLE ENTITIES.—Each entity within the uni-  
24          fied service delivery area that performs the functions spec-  
25          ified in subsections (e) and (f) for any of the programs

1 in the integrated workforce development system shall be  
2 eligible to be selected as a one-stop career center.

3 (d) PERIOD OF SELECTION.—Each one-stop career  
4 center operator shall be designated for two-year periods.  
5 Every 2 years, one-stop career center designations shall  
6 be reevaluated by the workforce development board based  
7 on performance indicated in the unified service delivery  
8 area report card and other criteria established by the  
9 workforce development board and the State Council.

10 (e) BROKERAGE SERVICES TO INDIVIDUALS.—Each  
11 one-stop career center shall make available to the public,  
12 at no cost—

13 (1) outreach to make individuals aware of, and  
14 encourage the use of, services available from  
15 workforce development programs operating in the  
16 unified service delivery area;

17 (2) intake and orientation to the information  
18 and services available through the one-stop career  
19 center;

20 (3) preliminary assessments of the skill levels  
21 (including appropriate testing) and service needs of  
22 individuals, including—

23 (A) basic skills;

24 (B) occupational skills;

25 (C) prior work experience;

1 (D) employability;

2 (E) interests;

3 (F) aptitude; and

4 (G) supportive service needs;

5 (4) job search assistance, including resume and  
6 interview preparation and workshops;

7 (5) information relating to the supply, demand,  
8 price, and quality of job training services available  
9 in each unified service delivery area in the State  
10 pursuant to section 501(c);

11 (6) information relating to eligibility require-  
12 ments and sources of financial assistance for enter-  
13 ing the programs described in 501(c)(2)(C); and

14 (7) referral to appropriate job training, employ-  
15 ment, and employment-related education or support  
16 services in the unified service delivery area.

17 (f) BROKERAGE SERVICES TO EMPLOYERS.—Each  
18 one-stop career center shall provide to each requesting em-  
19 ployer—

20 (1) information relating to supply, demand,  
21 price, and quality of job training services available  
22 in each unified service delivery area in the State,  
23 consistent with the consumer reports described in  
24 section 205;

1           (2) customized screening and referral of individ-  
2 uals for employment;

3           (3) customized assessment of skills of the cur-  
4 rent workers of the employer;

5           (4) an analysis of the skill needs of the em-  
6 ployer; and

7           (5) other specialized employment and training  
8 services.

9           (g) CONFLICTS.—

10           (1) IN GENERAL.—Except as provided in para-  
11 graph (2), any entity that performs one-stop career  
12 center functions shall be prohibited from making an  
13 education and training referral to itself.

14           (2) WAIVER.—If the enforcement of paragraph  
15 (1) would result in diminished access to either one-  
16 stop career center services or to education and train-  
17 ing services, as defined under section 204(a), such  
18 prohibition may be waived by the State council upon  
19 request of a regional board.

20           (h) FEES.—

21           (1) IN GENERAL.—Except as provided in para-  
22 graph (2), each one-stop career center may charge  
23 fees for the services described in subsection (f), sub-  
24 ject to approval by the workforce development board.

1           (2) LIMITATION.—No fee may be charged for  
2 any service that an individual would be eligible to re-  
3 ceive at no cost under a participating program.

4           (3) INCOME.—Income received by a one-stop  
5 career center from the fees collected shall be used by  
6 the workforce development board to expand or en-  
7 hance one-stop career centers available within the  
8 unified service delivery area.

9           (i) CORE DATA ELEMENTS AND COMMON DEFINI-  
10 TIONS.—Each one-stop career center shall adopt the core  
11 data elements and common definitions as specified in sub-  
12 sections (b) and (c) of section 105, and updated by the  
13 National Board.

14           (j) OPERATING AGREEMENTS.—

15           (1) IN GENERAL.—Each one-stop career center  
16 operator shall enter into a written agreement with  
17 the workforce development board concerning the op-  
18 eration of the center.

19           (2) APPROVAL.—The agreement shall—

20           (A) be subject to the approval of—

21                   (i) the local chief elected official or of-  
22 ficials;

23                   (ii) the State Council; and

24                   (iii) the Governor of the State in  
25 which the center is located; and

1 (B) shall address—

2 (i) the services to be provided;

3 (ii) the financial and nonfinancial con-  
4 tributions to be made to the centers from  
5 funds made available pursuant to section  
6 103(b) and all participating workforce de-  
7 velopment programs;

8 (iii) methods of administration;

9 (iv) procedures to be used to ensure  
10 compliance with statutory requirements of  
11 the programs in the integrated workforce  
12 development system; and

13 (v) other elements, as required by the  
14 workforce development board or the State  
15 Council under section 204(a).

16 **SEC. 305. PROGRESS REPORTS.**

17 Each workforce development board shall annually re-  
18 port to the State Council on the progress such board is  
19 making with respect to the effectiveness criteria of the  
20 workforce development board established under section  
21 210, assessing the implementation of the integrated sys-  
22 tem, except that in States with a single unified service de-  
23 livery area the State Council shall be responsible for carry-  
24 ing out the activities under this section.

1 **SEC. 306. CAPACITY BUILDING.**

2 (a) IN GENERAL.—Each workforce development  
3 board shall identify actions to be taken for building the  
4 capacity of the workforce development system in such uni-  
5 fied service delivery, except that in States with a single  
6 unified delivery area, the State Council shall be respon-  
7 sible for carrying out the activities under this section.

8 (b) FUNDING.—The State Council shall make funds  
9 available to each workforce development board for capacity  
10 building activities from funds made available under section  
11 103(b) and any other funds within the integrated  
12 workforce development budget of the State. For the activi-  
13 ties described in subsection (c), the workforce development  
14 board may also submit requests to the State Council to  
15 redirect a portion of training and technical assistance re-  
16 sources available from any of the workforce development  
17 programs included in the integrated system within the uni-  
18 fied service development area of the workforce develop-  
19 ment board.

20 (c) TYPES OF ACTIVITIES.—Capacity building activi-  
21 ties may include—

22 (1) training of workforce development board  
23 members;

24 (2) staff training;

25 (3) technical assistance regarding managing  
26 systemic change;

1 (4) customer service training;

2 (5) organization of peer-to-peer networks for  
3 training, technical assistance, and information shar-  
4 ing;

5 (6) organizing a best practices database cover-  
6 ing the various system activities; and

7 (7) training for local staff on the principles of  
8 quality management and decentralized decisionmak-  
9 ing.

10 **SEC. 307. INCENTIVE GRANTS FOR INCUMBENT WORKER**  
11 **TRAINING.**

12 (a) **PURPOSE.**—The purpose of this section is to es-  
13 tablish a program to award competitive matching grants  
14 to assist local workforce development boards respond to  
15 the training needs of front-line workers in the commu-  
16 nities in which such boards are located.

17 (b) **APPLICATION.**—Each local workforce develop-  
18 ment board seeking a grant under this section shall submit  
19 an application to the State Council of the State in which  
20 such board is located, at such time, in such manner, and  
21 containing such information as the Secretary may pre-  
22 scribe. Not later than 30 days after receiving an applica-  
23 tion, the State Council shall review and forward the appli-  
24 cation, with comments, to the National Board and the  
25 Secretary.

1 (c) SELECTION OF GRANTEES.—

2 (1) IN GENERAL.—The Secretary, with the ad-  
3 vice of the National Board, shall award a grant  
4 under this section only if the Secretary determines,  
5 from the grant application, that the grant will be  
6 used to maintain or enhance the competitive position  
7 of local industries that are committed to making the  
8 investments necessary to develop the skills of their  
9 workers.

10 (2) CRITERIA.—In awarding grants under this  
11 section, the Secretary shall take into account—

12 (A) the policy priorities and training needs  
13 of local industries identified in the local  
14 workforce development policy blueprints;

15 (B) whether there is a demonstrated need  
16 for skill upgrading to maintain firm or industry  
17 competitiveness;

18 (C) whether the application contains pro-  
19 posals for training that will directly lead to in-  
20 creased earnings of front-line workers;

21 (D) initiatives by firms or firm partner-  
22 ships to develop high performance work organi-  
23 zations;

24 (E) whether the grant proposal meets the  
25 training needs of small and medium sized firms;

1 (F) whether the grant proposal is focused  
2 on workers with substantial firm or industry  
3 tenure; and

4 (G) whether the proposed industry activi-  
5 ties are integrated with private sector activities  
6 under the School-to-Work Opportunities Act of  
7 1994.

8 (d) USE OF FUNDS.—Grants awarded under this sec-  
9 tion shall be used for skill enhancement and training ac-  
10 tivities that may include—

- 11 (1) basic skills;
- 12 (2) occupational skills;
- 13 (3) statistical process control training;
- 14 (4) total quality management techniques;
- 15 (5) team building and problem solving skills;

16 and

17 (6) other training or activities that will result in  
18 the increased likelihood of job retention, higher  
19 wages, or increased firm competitiveness.

20 (e) FUNDING.—

21 (1) COST SHARE.—

22 (A) FEDERAL SHARE.—A grant awarded  
23 under this section shall be in an amount equal  
24 to 50 percent of the cost of carrying out the  
25 grant proposal.

1 (B) LOCAL SHARE.—As a condition to re-  
2 ceiving Federal funds under this section, local  
3 businesses, industry associations, and worker  
4 organizations shall provide funding in an  
5 amount equal to 50 percent of the cost of carry-  
6 ing out the grant proposal.

7 (2) LIMITATIONS.—

8 (A) USE OF FUNDS.—Amounts awarded  
9 under this section shall not be used to pay the  
10 wages of workers during the training of such  
11 workers.

12 (B) ADDITIONAL FUNDING.—Each recipi-  
13 ent of funds under this section shall certify that  
14 such funds shall supplement and not supplant  
15 other public or private funds otherwise spent on  
16 worker training.

## 17 **TITLE IV—CONSOLIDATION**

### 18 **SEC. 401. PURPOSE; FINDINGS; SENSE OF THE CONGRESS.**

19 (a) PURPOSE.—The purpose of this title is to stream-  
20 line the system of federally funded employment training  
21 services available to jobseekers, workers, and businesses.

22 (b) FINDINGS.—The Congress finds that—

23 (1) the process of streamlining the system of  
24 federally funded employment training services begins

1 with consolidating and eliminating separate employ-  
2 ment training programs; and

3 (2) as such programs are eliminated, the fund-  
4 ing for such programs should be invested back into  
5 such system to support the creation of a workforce  
6 development system, as described in section 2(b).

7 (c) SENSE OF THE CONGRESS.—It is the sense of the  
8 Congress that—

9 (1) any budget savings realized as a result of  
10 the elimination or consolidation of programs pursu-  
11 ant to section 403(a) or through the sunseting of  
12 programs pursuant to section 405 should be rein-  
13 vested in the Nation’s job training system as de-  
14 scribed in subsection (b); and

15 (2) as programs are eliminated and merged, it  
16 is imperative that such elimination and merging be  
17 done without in any way reducing the commitment  
18 or level of effort of the Federal Government to im-  
19 proving the education, employment, and earnings of  
20 all workers, particularly hard-to-serve individuals, in-  
21 cluding individuals with limited-English proficiency,  
22 and other workers with special needs.

23 **SEC. 402. INTEGRATION OF YOUTH PROGRAMS.**

24 Not later than 180 days after the date of enactment  
25 of this Act, the National Board shall study and report to

1 the President and Congress on how best to integrate the  
2 programs, under the following statutes or portions of stat-  
3 utes, for in-school and out-of-school youth with the School-  
4 to-Work Opportunities Act of 1994:

5 (1) Part C of title II of the Job Training Part-  
6 nership Act (29 U.S.C. 1641 et seq.).

7 (2) Part B of title II of the Job Training Part-  
8 nership Act (29 U.S.C. 1630 et seq.).

9 (3) Part H of title IV of the Job Training Part-  
10 nership Act (29 U.S.C. 1782 et seq.).

11 (4) The Carl D. Perkins Vocational and Applied  
12 Technology Education Act (20 U.S.C. 2301 et seq.).

13 (5) Youthbuild programs under title IV of the  
14 Cranston-Gonzalez National Affordable Housing Act  
15 (42 U.S.C. 12899 et seq.).

16 (6) Part B of title IV of the Job Training Part-  
17 nership Act (29 U.S.C. 1691 et seq.).

18 **SEC. 403. CONSOLIDATION OF WORKFORCE DEVELOPMENT**

19 **PROGRAMS.**

20 (a) ANNUAL RECOMMENDATIONS.—Not later than  
21 180 days after the date of enactment of this Act, and each  
22 June 1 thereafter, the National Board shall make rec-  
23 ommendations to the President and Congress for the  
24 elimination of Federal workforce development programs,

1 or programs whose functions should be subsumed under  
2 other Federal programs.

3 (b) REPORT.—Not later than June 1, 1999, the Na-  
4 tional Board, based on such board’s analysis of the experi-  
5 ence of leading edge States and the progress made toward  
6 establishing an integrated workforce development system,  
7 shall prepare and submit recommendations to the Com-  
8 mittee on Education and Labor of the House of Rep-  
9 resentatives and the Committee on Labor and Human Re-  
10 sources of the Senate a report containing the findings of  
11 such board, and recommendations for proposed reforms.  
12 The National Board shall also submit to the Congress a  
13 draft of a joint resolution containing provisions to develop  
14 a streamlined, integrated, federally supported workforce  
15 development system, from the programs listed in section  
16 404(a) and any other Federal workforce development pro-  
17 gram determined by the National Board as appropriate  
18 to be included that is consistent with this Act, pursuant  
19 to section 2(b). The joint resolution shall include rec-  
20 ommendations for standard outcome measures as de-  
21 scribed in section 105(a) and shall describe how the new  
22 system will maintain services to hard-to-serve populations.

1 **SEC. 404. INTEGRATION OF PROGRAMS AT THE LOCAL**  
2 **LEVEL.**

3 (a) REQUIREMENT.—Any State receiving an imple-  
4 mentation grant to develop an integrated workforce devel-  
5 opment system shall, at a minimum, include the programs  
6 and activities carried out on the date of enactment of this  
7 Act under the following provisions and Acts in such  
8 State’s reformed delivery system pursuant to section  
9 103(b):

10 (1) Part F of title IV of the Social Security Act  
11 (42 U.S.C. 681 et seq.).

12 (2) Part A of title II, and title III of the Job  
13 Training Partnership Act (29 U.S.C. 1601 et seq.,  
14 1651 et seq.).

15 (3) The Wagner-Peyser Act (29 U.S.C. 49 et  
16 seq.).

17 (4) Sections 235 and 236 of the Trade Act of  
18 1974 (19 U.S.C. 2295 and 2296) and paragraphs  
19 (1) and (2) of section 250(d) of such Act (19 U.S.C.  
20 2331(d)).

21 (5) The Refugee Education Assistance Act of  
22 1980 (8 U.S.C. 1522 note).

23 (6) Title VII of the Stewart B. McKinney  
24 Homeless Assistance Act (42 U.S.C. 11421 et seq.).

25 (7) Section 6(d)(4) of the Food Stamp Act of  
26 1977 (7 U.S.C. 2015(d)(4)).

1 (b) ADDITIONAL PROGRAMS.—Any State receiving an  
2 implementation grant to develop an integrated workforce  
3 development system may include the programs and activi-  
4 ties carried out on the date of enactment of this Act under  
5 the following provisions and Acts in such State’s reformed  
6 delivery system pursuant to section 103(b):

7 (1) Part B of title III of the Adult Education  
8 Act (20 U.S.C. 1203 et seq.).

9 (2) Title V of the Older Americans Act of 1965  
10 (42 U.S.C. 3056 et seq.).

11 (3) The Carl D. Perkins Vocational and Applied  
12 Technology Education Act (20 U.S.C. 2301 et seq.).

13 (4) Part C of title IV of the Job Training Part-  
14 nership Act (29 U.S.C. 1721).

15 (5) Any other Federal or State workforce devel-  
16 opment program identified by the Governor pursu-  
17 ant to section 103(b), subject to a two-thirds vote of  
18 the National Board.

19 **SEC. 405. SUNSET OF MAJOR WORKFORCE DEVELOPMENT**  
20 **PROGRAMS.**

21 (a) REPEAL.—

22 (1) IN GENERAL.—Subject to paragraph (2),  
23 the provisions and Acts listed in paragraphs (1)  
24 through (7) of section 404(a) are repealed.

1           (2) EFFECTIVE DATE.—Paragraph (1) shall  
2           take effect on September 30, 1999.

3           (b) TECHNICAL AND CONFORMING AMENDMENTS.—  
4           The National Board shall include in the draft joint resolu-  
5           tion submitted under section 403(b), technical and con-  
6           forming amendments regarding the provisions and Act re-  
7           pealed under subsection (a). Such proposed amendments  
8           should be consistent with the purposes of this Act.

9           **TITLE V—INTEGRATED LABOR**  
10          **MARKET INFORMATION SYSTEM**

11          **SEC. 501. INTEGRATED LABOR MARKET INFORMATION.**

12          (a) FINDINGS.—Congress finds that accurate, timely,  
13          and relevant data for the Nation, States, and localities is  
14          required to achieve Federal domestic policy goals, such  
15          as—

16               (1) economic growth and productivity  
17               through—

18                       (A) career planning and successful job  
19                       training and job searching by youth and adults;  
20                       and

21                       (B) efficient hiring, effective worker train-  
22                       ing, and appropriate location and organization  
23                       of work by employers;

24               (2) accountability, through planning and eval-  
25               uation, in workforce development and job placement

1 programs funded by the Federal Government or de-  
2 veloped by other public or private entities;

3 (3) equity and efficiency in the allocation of  
4 Federal funds; and

5 (4) greater understanding of local labor market  
6 dynamics through the support of research.

7 (b) PURPOSE.—The purpose of this title is to provide  
8 for the development, maintenance, and continuous im-  
9 provement of a nationwide integrated system for the col-  
10 lection, analysis, and dissemination of labor market infor-  
11 mation.

12 (c) SYSTEM.—

13 (1) DEVELOPMENT.—The Secretary, in co-  
14 operation with the National Board, the State Coun-  
15 cils, where appropriate, and the Governors, shall  
16 oversee and ensure the development, maintenance,  
17 and continuous improvement of a nationwide inte-  
18 grated system of labor market information that  
19 will—

20 (A) promote comprehensive workforce de-  
21 velopment planning, evaluation, and service in-  
22 tegration;

23 (B) meet and be responsive to the cus-  
24 tomer needs of jobseekers, employers, and pub-  
25 lic officials at all government levels who develop

1 economic and social policy, allocate funds, plan  
2 and implement workforce development systems,  
3 are involved in career planning or exploration,  
4 and deliver integrated services;

5 (C) serve as the foundation for automated  
6 information delivery systems that provide easy  
7 access to labor market, occupational and career  
8 information; and

9 (D) meet the Federal domestic policy goals  
10 specified in section 501(a).

11 (2) INFORMATION TO BE INCLUDED.—The inte-  
12 grated system described in paragraph (1) shall in-  
13 clude statistical data from survey and projection  
14 programs and data from administrative reporting  
15 systems which, taken together, shall enumerate, esti-  
16 mate, and project the supply of and demand for  
17 labor at national, State, and local levels in a timely  
18 manner, including, but not limited to, data on—

19 (A) labor market demand, such as—

20 (i) profiles of occupations that de-  
21 scribe job duties, education, and training  
22 requirements, skills, wages, benefits, work-  
23 ing conditions, and the industrial distribu-  
24 tion of occupations;

1           (ii) current and projected employment  
2           opportunities and trends, by industry and  
3           occupation, including growth projections by  
4           industry, and growth and replacement need  
5           projections by occupation;

6           (iii) job openings, job locations, hiring  
7           requirements, and application procedures;

8           (iv) profiles of industries and employ-  
9           ers in the local labor market describing the  
10          nature of the work performed, employment  
11          skill and experience requirements, specific  
12          occupations, wages, hours, and benefits,  
13          and hiring patterns;

14          (v) industries, occupations, and geo-  
15          graphic locations facing significant change  
16          or dislocation; and

17          (vi) information maintained in a longi-  
18          tudinal manner on the quarterly earnings,  
19          establishment, industry affiliation, and ge-  
20          ographic location of employment for all in-  
21          dividuals for whom such information is col-  
22          lected by the States;

23          (B) labor supply, such as—

- 1 (i) educational attainment, training,  
2 skills, skill levels, and occupations of the  
3 population;
- 4 (ii) demographic, socioeconomic char-  
5 acteristics, and current employment status  
6 of the population, including self-employed,  
7 part-time, and seasonal workers;
- 8 (iii) job seekers, including their edu-  
9 cation and training, skills, skill levels, em-  
10 ployment experience, and employment  
11 goals;
- 12 (iv) the number of workers displaced  
13 by permanent layoffs and plant closings by  
14 industry, occupation, and geographic loca-  
15 tion; and
- 16 (v) current and projected training  
17 completers who have acquired specific oc-  
18 cupational or work skills and competencies;  
19 and
- 20 (C) consumer information, which shall be  
21 current, comprehensive, localized, automated,  
22 and in a form useful for immediate employ-  
23 ment, entry into training and education pro-  
24 grams, and career exploration, including—

1 (i) job openings, locations, hiring re-  
2 quirements, application procedures, and  
3 profiles of employers in the local labor  
4 market describing the nature of the work  
5 performed, employment requirements,  
6 wages, benefits, and hiring patterns;

7 (ii) jobseekers, including their edu-  
8 cation and training, skills, skill levels, em-  
9 ployment experience, and employment  
10 goals;

11 (iii) the labor market experiences, in  
12 terms of wages and annual earnings, by in-  
13 dustry and occupation, of workers in local  
14 labor markets, by sex and racial or ethnic  
15 group, including information on hard-to-  
16 serve populations;

17 (iv) education courses, training pro-  
18 grams, and job placement programs, in-  
19 cluding information derived from statis-  
20 tically based performance evaluations and  
21 their user satisfaction ratings; and

22 (v) eligibility for funding and other  
23 assistance in job training, job search, in-  
24 come support, supportive services, and  
25 other employment services.

1           (3) TECHNICAL STANDARDS.—The integrated  
2 labor market information system shall use common  
3 standards that will include—

4           (A) standard classification and coding sys-  
5 tems for industries, occupations, skills, pro-  
6 grams, and courses;

7           (B) nationally standardized definitions of  
8 terms consistent with sections 105 and  
9 501(c)(2);

10          (C) a common system for designating geo-  
11 graphic areas consistent with the unified service  
12 delivery areas;

13          (D) data standards and quality control  
14 mechanisms; and

15          (E) common schedules for data collection  
16 and dissemination.

17           (4) AVAILABILITY OF INFORMATION.—Data  
18 generated by the labor market information system  
19 including information on quarterly employment and  
20 earnings, together with matched data on individuals  
21 who have participated in a federally supported job  
22 training activity, shall be made available to the Na-  
23 tional Board for use in the preparation of the Na-  
24 tional Report Card. Aggregate level information will

1 be made available to consumers in automated infor-  
2 mation delivery systems.

3 (5) DISSEMINATION, TECHNICAL ASSISTANCE,  
4 AND RESEARCH.—The Secretary, in cooperation with  
5 the National Board, the Governors, and State Coun-  
6 cils, where appropriate, shall oversee the develop-  
7 ment, maintenance, and continuous improvement  
8 of—

9 (A) dissemination mechanisms for data  
10 and analysis, including mechanisms that may  
11 be standardized among the States;

12 (B) programs of technical assistance and  
13 staff development for States and localities, in-  
14 cluding assistance in adopting and utilizing  
15 automated systems and improving the access,  
16 through electronic and other means, to labor  
17 market information; and

18 (C) programs of research and demonstra-  
19 tion, on ways to improve the products and proc-  
20 esses authorized by this section.

21 **SEC. 502. RESPONSIBILITIES OF THE NATIONAL BOARD.**

22 (a) IN GENERAL.—The National Board shall plan,  
23 review, and evaluate the Nation’s integrated labor market  
24 information system.

25 (b) DUTIES.—The National Board shall—

- 1 (1) be responsible for providing policy guidance;
- 2 (2) evaluate the integrated labor market infor-
- 3 mation system and ensure the cooperation of partici-
- 4 pating agencies; and
- 5 (3) recommend to the Secretary needed im-
- 6 provements in Federal, State, and local information
- 7 systems to support the development of an integrated
- 8 labor market information system.

9 **SEC. 503. RESPONSIBILITIES OF THE SECRETARY.**

10 (a) IN GENERAL.—The Secretary shall manage the  
11 investment in an integrated labor market information sys-  
12 tem by—

- 13 (1) reviewing all requirements for labor market
- 14 information across all programs within the system;
- 15 (2) developing a comprehensive annual budget,
- 16 including funds at the Federal level, funds allotted
- 17 to States by formula, and funds supplied to the
- 18 States by contracts with departmental entities;
- 19 (3) administering grants allotted to States by
- 20 formula;
- 21 (4) negotiating and executing contracts with the
- 22 States;
- 23 (5) coordinating the activities of Federal
- 24 workforce development agencies responsible for col-
- 25 lecting the statistics and program administrative

1 data that comprise the integrated system and dis-  
2 seminating labor market information at the Na-  
3 tional, State, regional, and local levels; and

4 (6) ensuring that standards are designed to  
5 meet the requirements of chapter 35 of title 44,  
6 United States Code, and are coordinated and con-  
7 sistent with other appropriate Federal standards es-  
8 tablished by the Bureau of Labor Statistics and  
9 other statistical agencies;

10 (b) REQUIREMENTS.—In carrying out the duties of  
11 the Secretary under this section, the Secretary shall—

12 (1) in consultation with the States and the pri-  
13 vate sector, define a common core set of labor mar-  
14 ket information data elements as specified in section  
15 501(c)(2) that will be consistently available across  
16 States in an integrated labor market information  
17 system; and

18 (2) ensure that data is sufficiently timely and  
19 locally detailed for use, including uses specified in  
20 subsections (b) and (c)(2) of section 501.

21 (c) ANNUAL PLAN.—

22 (1) IN GENERAL.—The Secretary shall annually  
23 prepare and submit to the National Board for re-  
24 view, a plan for improving the Nation’s integrated  
25 labor market information system. The Secretary

1 shall also submit the plan, together with the com-  
2 ments and recommendations of the National Board,  
3 to the President and Congress.

4 (2) CONTENTS.—The plan shall describe the  
5 budgetary needs of the labor market information  
6 system, and shall describe the activities of such Fed-  
7 eral agencies with respect to data collection, analy-  
8 sis, and dissemination for each fiscal year succeeding  
9 the fiscal year in which the plan is developed. The  
10 plan shall—

11 (A) establish goals for system development  
12 and improvement based on information needs  
13 for achieving economic growth and productivity,  
14 accountability, fund allocation equity, and an  
15 understanding of labor market characteristics  
16 and dynamics;

17 (B) specify the common core set of data  
18 that shall be included in the integrated labor  
19 market information system;

20 (C) describe the current spending on inte-  
21 grated labor market information activities from  
22 all sources, assess the adequacy of the funds  
23 and identify the specific budget needs of the  
24 Federal and State workforce development agen-  
25 cies with respect to implementing and improv-

1           ing an integrated labor market information sys-  
2           tem and the activities of such agencies with re-  
3           spect to data compilation, analysis, and dis-  
4           semination for each fiscal year in which the  
5           plan is developed;

6           (D) develop a budget for an integrated  
7           labor market information system that accounts  
8           for all funds in subparagraph (C) and any new  
9           funds made available pursuant to this Act, and  
10          describes the relative allotments to be made  
11          for—

12                   (i) the operation of the cooperative  
13                   statistical programs under section  
14                   501(c)(2);

15                   (ii) ensuring that technical standards  
16                   are met pursuant to section 501(c)(3); and

17                   (iii) consumer information, analysis  
18                   and dissemination, technical assistance,  
19                   and research under paragraphs (2)(C), (4),  
20                   and (6) of section 501(c);

21          (E) describe the existing system, informa-  
22          tion needs, and the development of new data  
23          programs, analytical techniques, definitions and  
24          standards, dissemination mechanisms, govern-

1           ance mechanisms, and funding processes to  
2           meet new needs;

3           (F) summarize the results of an annual re-  
4           view of the costs to the States of meeting con-  
5           tract requirements for data production, includ-  
6           ing a description of how the budget request for  
7           an integrated labor market information system  
8           will cover such costs;

9           (G) describe how the State Councils will be  
10          reimbursed for carrying out the duties for labor  
11          market information;

12          (H) recommend methods to simplify and  
13          integrate automated client intake and eligibility  
14          determination systems across workforce devel-  
15          opment programs to permit easy determination  
16          of eligibility for funding and other assistance in  
17          job training, job search, income support, sup-  
18          portive services, and other reemployment serv-  
19          ices; and

20          (I) provide for the involvement of States in  
21          developing the plan by holding formal consulta-  
22          tions conducted in cooperation with representa-  
23          tives of the Governor or State Council, where  
24          appropriate, pursuant to a process established  
25          by the National Board.

1           (d) ASSISTANCE FROM OTHER AGENCIES.—The Sec-  
2 retary may receive assistance from member and other  
3 Federal agencies (such as the Bureau of Labor Statistics  
4 and the Employment and Training Administration of the  
5 Department of Labor, the Administration on Children and  
6 Families of the Department of Health and Human Serv-  
7 ices, and the Office of Adult and Vocational Education  
8 and the National Commission for Education Statistics of  
9 the Department of Education) to assist in the collection,  
10 analysis, and dissemination of labor market information,  
11 and in the provision of training and technical assistance  
12 to users of information, including States, employers,  
13 youth, and adults.

14 **SEC. 504. RESPONSIBILITIES OF GOVERNORS.**

15           (a) DESIGNATION OF STATE AGENCY.—The Gov-  
16 ernor of each State and the State Council, where appro-  
17 priate, shall designate one State agency to be the agency  
18 responsible for—

19                   (1) the management and oversight of a state-  
20 wide comprehensive integrated labor market infor-  
21 mation system; and

22                   (2) developing a State unified labor market in-  
23 formation budget on an annual basis.

1 (b) REQUIREMENTS.—As a condition of receiving  
2 Federal financial assistance under this title, the Governor  
3 or State Council, where appropriate, shall—

4 (1) develop, maintain, and continuously improve  
5 a comprehensive integrated labor market informa-  
6 tion system, which shall—

7 (A) include the elements specified in sec-  
8 tion 501(c)(2);

9 (B) be responsive to the needs of the State  
10 and the localities of such State for planning  
11 and evaluative data, including employment and  
12 economic analyses and projections, and program  
13 outcome data on employment and earnings for  
14 the quality assurance system under section 205;  
15 and

16 (C) meet Federal standards under chapter  
17 35 of title 44, United States Code, and other  
18 appropriate Federal standards established by  
19 the Bureau;

20 (2) ensure the performance of contract and  
21 grant responsibilities for data compilation, analysis,  
22 and dissemination;

23 (3) conduct such other data collection, analysis,  
24 and dissemination activities as will ensure the avail-

1 ability of comprehensive State and local labor mar-  
 2 ket information;

3 (4) coordinate the data collection, analysis, and  
 4 dissemination activities of other State and local  
 5 agencies, with particular attention to State edu-  
 6 cation, economic development, human services, and  
 7 welfare agencies, to ensure complementary and com-  
 8 patibility among data; and

9 (5) cooperate with the National Board and the  
 10 Secretary by making available, as requested, data  
 11 for the evaluation of programs covered by the labor  
 12 market information and the quality assurance sys-  
 13 tems under section 205.

14 (c) NONINTERFERENCE WITH STATE FUNCTIONS.—  
 15 Nothing in this Act shall limit the ability of the State  
 16 agency designated under this section to conduct additional  
 17 data collection, analysis, and dissemination activities with  
 18 funds derived from sources other than this Act.

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S 2516 IS—2

S 2516 IS—3

S 2516 IS—4

S 2516 IS—5

S 2516 IS—6

S 2516 IS—7

S 2516 IS—8