

PROVIDING FOR THE CONSIDERATION OF H.R. 1617, CONSOLIDATED AND REFORMED EDUCATION, EMPLOYMENT, AND REHABILITATION SYSTEMS ACT (CAREER ACT)

SEPTEMBER 18, 1995.—Referred to the House Calendar and ordered to be printed

Mrs. WALDHOLTZ, from the Committee on Rules,
submitted the following

REPORT

[To accompany H. Res. 222]

The Committee on Rules, having had under consideration House Resolution 222, by a non-record vote, report the same to the House with the recommendation that the resolution be adopted.

BRIEF SUMMARY OF PROVISIONS OF RESOLUTION

The resolution provides for the consideration of H.R. 1617, the “CAREERS Act” under an open rule. The rule provides one hour of general debate divided equally between the chairman and ranking minority member of the Committee on Economic and Educational Opportunities.

The rule makes in order an amendment in the nature of a substitute as an original bill for purpose of amendment consisting of the text of H.R. 2332. The substitute shall be considered by title rather than by section, and the first six sections and each title shall be considered as read.

The rule waives section 302(f) (prohibiting consideration of legislation providing new entitlement authority in excess of a committee’s allocation) and section 401(b) (prohibiting consideration of legislation providing new entitlement authority which becomes effective during the fiscal year which ends in the calendar year in which the bill is reported) of the Congressional Budget Act and clause 5(a) of rule XXI (prohibiting appropriations in a legislative bill) against the committee amendment in the nature of a substitute.

The rule also provides for the consideration of the (manager’s) amendment printed in the Rules Committee report, which is considered as read, not subject to amendment or to a division of the question, and is debarable for 10 minutes equally divided between

the proponent and an opponent. If adopted, the amendment is considered as part of the base text for further amendment purposes.

Members who have pre-printed their amendments in the Record prior to their consideration will be given priority in recognition to offer their amendments if otherwise consistent with House rules. Finally, the rule provides for one motion to recommit, with or without instructions.

WAIVERS NECESSARY FOR H.R. 1617, THE CONSOLIDATED AND REFORMED EDUCATION, EMPLOYMENT, AND REHABILITATION SYSTEMS ACT (CAREERS ACT)

Sec. 302(f), Budget Act: Waiver necessary because the original bill and the committee substitute provides new entitlement authority in excess of the committee's allocation. Sec. 702 of H.R. 2332 increases mandatory spending which breaches the Opportunities Committee's total mandatory spending. A portion of the savings achieved through Sec. 523 of H.R. 2332 is required to cover the increased costs in sec. 702.

Sec. 401(b), Budget Act: Waiver necessary because Section 205 of the committee bill and the committee substitute provides new entitlement authority which becomes effective during the fiscal year which ends in the calendar year in which the bill is reported. Sec. 702 of H.R. 2332 increases mandatory spending which breaches the Opportunities Committee's total mandatory spending. A portion of the savings achieved through Sec. 523 of H.R. 2332 is required to cover the increased costs in sec. 702.

Clause 5(a), rule XXI: Waiver necessary because the committee substitute contains an appropriation in a legislative bill. Sec. 441e allows the Institute for Literacy to use cash donations directly, by passing the appropriations process.

Summary of provisions in Chairman's Floor Amendment

1. Changes to the Connie Lee privatization language:
 - Shortens the time the Secretary of Education has to sell the government's Connie Lee stock to 6 months;
 - Prohibits Sallie Mae from buying any new Connie Lee stock until Sallie Mae has privatized;
 - Prohibits Sallie Mae from participating in the operation of Connie Lee except Sallie Mae maintains representation on the Board of Connie Lee.
2. Extends Sallie Mae phase-out by 2 years to comply with the 7 year budget agreement.
3. Adds "State entities" to the list of the people that are part of the collaborative process to ensure that State Boards of Education can participate in the collaborative process.
4. Adds State legislature representatives to the list of people who can participate in the collaborative process.
5. Adds academic and vocational administrators, members of local school boards, principals, teachers, and postsecondary and other adult education administrators and instructors (including community colleges) to the list of education and job training individuals that can be nominated to serve on the local workforce development board.

6. Adds language to Title II, the Youth Bloc, to ensure that the Title II Federal funds are used to “supplement, not supplant” State and local funds.

7. Encourages private sector coordination and development of a nationwide system of labor exchange services to the public.

8. Clarifies that the liability language only applies to the local workforce development board and not to in-school education programs or adult education programs.

9. Strikes reference to the Secretary of Labor evaluating performance standards because there are no Federal performance standards.

10. Changes percentage set-aside for Indians and Migrants in Adult Training programs from one-quarter of one percent to four percent.

11. Strikes parent organizations from list of people who can participate in collaborative process and just allows parents.

12. Strikes “out-of-school” from the definition of limited English proficient so that all youth are covered by this definition.

13. Allows States to change the financial distribution within the State for vocational rehabilitation services if a State panel, appointed by the Governor, chooses to change such distribution. The members of this panel must represent a majority of individuals with disabilities from the private sector, the State Director of Vocational Rehabilitation and the State Director of Services for the Blind Service if applicable. The current distribution in the CAREERS Act is 80 percent to local workforce development boards and 20% held by the State. This panel could change that distribution.

14. Technical changes to the Table of Contents and other technical amendments.

15. Requires Connie Lee to repurchase the government’s holding in Connie Lee at a price no greater than the stock’s value as estimated by the Congressional Budget Office if the Secretary of the Treasury is not able to sell the stock on the open market.

AMENDMENT MADE IN ORDER BY THE RULE TO BE OFFERED BY REPRESENTATIVE GOODLING OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 2, in the matter relating to section 108, strike “Education” and insert “education”.

Page 2, in the matter relating to subtitle C, strike “Worker Rights” and insert “General Provisions”.

Page 2, in the matter relating to section 141, strike “Requirements.” and insert “Worker rights.”.

Page 2, after the matter relating to section 141, insert the following:

Sec. 142. Transferability.

Page 2, strike the matter relating to section 224.

Page 3, strike the matter relating to section 316.

Page 3, strike the matter relating to section 434.

Page 4, in the matter relating to section 702, strike “Amendment to Higher Education Act” and insert “Eligible institutions.”.

Page 18, line 15, strike “out-of-school”.

Page 30, beginning on line 20, strike “organization representing parents”.

Page 31, line 1, insert “and entity” after “agency”.

Page 31, after line 22, insert the following:

(H) the State entity responsible for setting education policies, consistent with State law, on the date preceding the date of the enactment of this Act.

(3) representatives of the State legislature.

Page 32, after line 24, add the following:

(3) DISAGREEMENT.—The Governor shall accept and include with the State plan submitted under section 104, any disagreeing views submitted by a participant of the collaborative process if such views represent disagreement in the area in which such participant was selected for representation.

Page 36, strike lines 8 through 13.

Page 36, line 14, strike “(d)” and insert “(c)”.

Page 38, after “including” insert “academic and vocational administrators, members of local schools boards, principals, teachers, postsecondary and other adult education administrators and instructors, including community colleges,”.

Page 62, line 3, strike “customer” and insert “the”.

Page 63, line 1, strike “will measure” and insert “must demonstrate”.

Page 63, beginning on line 18, strike “appropriate” and all that follows through “among” on line 19.

Page 71, line 2, insert “by the Secretary of Labor or the Secretary of Education, as the case may be,” after “disallowed”.

Page 71, line 4, strike “this Act” and insert “chapter 2 of title II, title III,”.

Page 71, line 5, strike “the” and insert “such chapter or title”.

Page 72, line 25, strike the semicolon and insert “, which, to the extent practicable, shall be done through the private sector;”.

Page 88, line 3, strike “elected”.

Page 89, line 19, strike “**Provision**” and insert “**Provisions**”.

Page 92, beginning on line 1, strike “skills” and all that follows through line 3 and insert “foundation and occupational skills needed to be successful in a competitive economy and to complete a high school diploma or general equivalency diploma;”.

Page 99, after line 20, insert the following (and redesignate any subsequent paragraphs accordingly):

(4) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT, NON-FEDERAL FUNDS.—Funds received under this title shall be used only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of youth participating in programs assisted under this title, and not to supplant such funds.

Page 139, line 15, insert “media” before “technology”.

Page 140, line 25, insert “and” after the semicolon.

Page 141, strike lines 1 and 2.

Page 141, line 3, strike “(iii)” and insert “(ii)”.

Page 148, line 8, strike “one quarter of one” and insert “4”.

Page 149, line 21, strike “one quarter of one” and insert “4”.

Page 222, strike line 10 and all that follows through page 225, line 13, and insert the following (and conform the table of contents on page 226, after line 14):

“SEC. 108. STATE OPTION REGARDING ALTERNATIVE DELIVERY SYSTEMS.

“(a) IN GENERAL.—In the case of the requirements referred to in subsection (b), a State may, in its discretion, elect to use alternative approaches for the implementation of any of the requirements if (subject to the other provisions of this section) the following conditions are met:

“(1) The Governor appoints a board to develop a proposed plan for the alternative approaches.

“(2) Individuals with disabilities who are not State officials or employees constitute a majority of the members of such board.

“(3) The membership of the board includes—

“(A) each State administrative agent designated pursuant to section 103(a); and

“(B) one or more individuals from private industry.

“(4) The State provides that the alternative approaches will be implemented in accordance with the plan developed by the board.

“(5) In the development of the plan, the public is afforded a reasonable opportunity to comment on the proposed alternative approaches.

“(6) The Governor submits to the Secretary a notice that the State is electing to use alternative approaches, and the notice is submitted to the Secretary not later than 60 days before the beginning of the first fiscal year to which the election applies.

“(b) ALTERNATIVES REGARDING STATE ADMINISTRATIVE STRUCTURE FOR DELIVERY OF SERVICES.—For purposes of subsection (a), a State may elect to implement alternative approaches to requirements in accordance with the following:

“(1) The allocation under section 102(a) (allocating amounts between State administrative agents and local workforce development boards) is in the discretion of the State, except that not more than 80 percent of a grant under section 101(a) for a fiscal year may be reserved for activities of local workforce development boards.

“(2) With respect to the requirements established in sections 103 and 104, the allocation between State administrative agents and local workforce development boards of responsibilities for carrying out the requirements is in the discretion of the State.

“(3) The selection of State officials who are to administer the requirements of section 103 is in the discretion of the State.

“(c) REVIEW AND REVISION OF ALTERNATIVE APPROACH.—An election under subsection (a) ceases to be effective after the third fiscal year of being in effect unless, during such third year, the plan under the election is reviewed. The plan may be reviewed and revised annually. This section applies to the review and revision of the plan to the same extent and in the same manner as this section applies to an original plan under subsection (a).

“(d) PERFORMANCE ACCOUNTABILITY SYSTEM.—An election under subsection (a) for a State does not, with respect to carrying out the program under this title in the State, affect the applicability to the State of section 110 of the Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act.”.

Page 236, line 10, strike “2003” and insert “2005”.

At each of the following locations, strike “2007” and insert “2009”: Page 237, line 16; page 242, line 21; page 243, line 19; and page 249, line 4.

Page 255, after line 21, insert the following new paragraph:

(3) LIMITATION ON OWNERSHIP OF STOCK.—Except as provided in subsection (d)(2) of this section, no stock of the Corporation may be sold or issued to an agency, instrumentality, or establishment of the United States Government, to a Government corporation or a Government controlled corporation (as such terms are defined in section 103 of title 5, United States Code), or to a Government sponsored enterprise (as such term is defined in section 622 of title 2, United States Code). The Student Loan Marketing Association shall not own any stock of the Corporation, except that it may retain the stock it owns on the date of enactment. The Student Loan Marketing Association shall not control the operation of the Corporation, except that the Student Loan Marketing Association may participate in the election of directors as a shareholder, and may continue to exercise its right to appoint directors under section 754 of the Higher Education Act of 1965 as long as that section is in effect. The Student Loan Marketing Association shall not provide financial support or guarantees to the Corporation. Notwithstanding the prohibitions in this subsection, the United States may pursue any remedy against a holder of the Corporation’s stock to which it would otherwise be entitled.

Page 258, beginning on line 8, strike “, upon request of the Secretary of Education”.

Page 258, lines 11 and 16, strike “voting common”.

Page 258, beginning on line 12, strike “one year” and insert “6 months”.

Page 258, beginning on line 18, strike “within” and all that follows through “shall purchase” on line 20 and insert “, the Corporation shall purchase, within the period specified in paragraph (1),”.

Page 258, line 23, insert after “financial firms” the following: “, however such price shall not exceed the value of the Secretary’s stock as determined by the Congressional Budget Office in House Report 104–153 dated June 22, 1995”.