Calendar No. 214

105TH CONGRESS S. 1186 IST SESSION S. 105-109]

A BILL

To provide for education and training, and for other purposes.

October 15, 1997

Reported with an amendment

Calendar No. 214

105th CONGRESS 1st Session



[Report No. 105–109]

To provide for education and training, and for other purposes.

IN THE SENATE OF THE UNITED STATES

September 17, 1997

Mr. DEWINE (for himself, Mr. JEFFORDS, Mr. KENNEDY, and Mr. WELLSTONE) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

October 15, 1997

Reported under authority of the order of the Senate of October 9, 1997 by Mr. JEFFORDS, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To provide for education and training, 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 eited as the

5 "Workforce Investment Partnership Act of 1997".

1 (b) TABLE OF CONTENTS.—The table of contents is

2 as follows:

Sec. 1. Short title; table of contents. Sec. 2. Definitions.

TITLE I—VOCATIONAL, TECHNOLOGICAL, AND TECH-PREP EDUCATION

- See. 101. Short title.
- See. 102. Findings and purpose.
- Sec. 103. Voluntary selection and participation.

Subtitle A—Vocational Education

CHAPTER 1—FEDERAL PROVISIONS

- See. 111. Reservations and State allotment.
- Sec. 112. Performance measures and expected levels of performance.
- See. 113. Assistance for the outlying areas.
- See. 114. Indian and Hawaiian Native programs.
- See. 115. Tribally controlled postsecondary vocational institutions.
- Sec. 116. Incentive grants.

CHAPTER 2-STATE PROVISIONS

- See. 121. State administration.
- See. 122. State use of funds.
- See. 123. State leadership activities.
- See. 124. State plan.

CHAPTER 3—LOCAL PROVISIONS

- See. 131. Distribution for secondary school vocational education.
- See. 132. Distribution for postsecondary vocational education.
- See. 133. Local activities.
- See. 134. Local application.

Subtitle B—Tech-Prep Education

- See. 151. Short title.
- Sec. 152. Purposes.
- See. 153. Definitions.
- Sec. 154. Program authorized.
- Sec. 155. Tech-prep education programs.
- See. 156. Applications.
- Sec. 157. Authorization of appropriations.

Subtitle C—General Provisions

- See. 161. Administrative provisions.
- See. 162. Evaluation, improvement, and accountability.
- See. 163. National activities.
- See. 164. National assessment of vocational education programs.
- See. 165. National research center.
- See. 166. Data systems.

Subtitle D—Authorization of Appropriations

Sec. 171. Authorization of appropriations.

Subtitle E-Repeal

Sec. 181. Repeal.

TITLE II—ADULT EDUCATION AND LITERACY

See. 201. Short title.

See. 202. Findings and purpose.

Subtitle A-Adult Education and Literacy Programs

CHAPTER 1—FEDERAL PROVISIONS

- Sec. 211. Reservation; grants to States; allotments.
- Sec. 212. Performance measures and expected levels of performance.
- See. 213. National leadership activities.

Chapter 2—State Provisions

- See. 221. State administration.
- See. 222. State distribution of funds; State share.
- See. 223. State leadership activities.
- See. 224. State plan.
- Sec. 225. Programs for corrections education and other institutionalized individuals.

CHAPTER 3—LOCAL PROVISIONS

- See. 231. Grants and contracts for eligible providers.
- See. 232. Local application.
- See. 233. Local administrative cost limits.

CHAPTER 4—GENERAL PROVISIONS

- Sec. 241. Administrative provisions.
- Sec. 242. Priorities and preferences.
- Sec. 243. Incentive grants.
- See. 244. Evaluation, improvement, and accountability.
- See. 245. National Institute for Literacy.
- Sec. 246. Authorization of appropriations.

Subtitle B-Repeal

Sec. 251. Repeal.

TITLE III—WORKFORCE INVESTMENT AND RELATED ACTIVITIES

Subtitle A-Workforce Investment Activities

CHAPTER 1—ALLOTMENTS TO STATES FOR ADULT EMPLOYMENT AND TRAINING ACTIVITIES, DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES, AND YOUTH ACTIVITIES

See. 301. General authorization.

- See. 302. State allotments.
- See. 303. Statewide partnership.

Sec. 304. State plan.

CHAPTER 2-ALLOCATIONS TO LOCAL WORKFORCE INVESTMENT AREAS

- See. 306. Within State allocations.
- Sec. 307. Local workforce investment areas.
- See. 308. Local workforce investment partnerships and youth partnerships.
- See. 309. Local plan.

CHAPTER 3-WORKFORCE INVESTMENT ACTIVITIES AND PROVIDERS

- Sec. 311. Identification and oversight of one-stop partners and one-stop customer service center operators.
- Sec. 312. Determination and identification of eligible providers of training services by program.
- See. 313. Identification of eligible providers of youth activities.
- Sec. 314. Statewide workforce investment activities.
- See. 315. Local employment and training activities.
- See. 316. Local youth activities.

CHAPTER 4—GENERAL PROVISIONS

- See. 321. Accountability.
- Sec. 322. Authorization of appropriations.

Subtitle B-Job Corps

- Sec. 331. Purposes.
- See. 332. Definitions.
- See. 333. Establishment.
- Sec. 334. Individuals eligible for the Job Corps.
- Sec. 335. Recruitment, screening, selection, and assignment of enrollees.
- See. 336. Enrollment.
- Sec. 337. Job Corps centers.
- Sec. 338. Program activities.
- See. 339. Counseling and job placement.
- See. 340. Support.
- Sec. 341. Operating plan.
- Sec. 342. Standards of conduct.
- Sec. 343. Community participation.
- Sec. 344. Industry councils.
- See. 345. Advisory committees.
- See. 346. Experimental, research, and demonstration projects.
- See. 347. Application of provisions of Federal law.
- Sec. 348. Special provisions.
- See. 349. Management information.
- See. 350. General provisions.
- Sec. 351. Authorization of appropriations.

Subtitle C—National Programs

- Sec. 361. Native American programs.
- See. 362. Migrant and seasonal farmworker programs.
- Sec. 363. Veterans' workforce investment programs.
- Sec. 364. Youth opportunity grants.
- See. 365. Incentive grants.
- See. 366. Technical assistance.

- Sec. 367. Demonstration, pilot, multiservice, research, and multistate projects.
- See. 368. Evaluations.
- Sec. 369. National emergency grants.
- Sec. 370. Authorization of appropriations.

Subtitle D—Administration

- See. 371. Requirements and restrictions.
- Sec. 372. Prompt allocation of funds.
- Sec. 373. Monitoring.
- See. 374. Fiscal controls; sanctions.
- Sec. 375. Reports; recordkeeping; investigations.
- Sec. 376. Administrative adjudication.
- See. 377. Judicial review.
- Sec. 378. Nondiscrimination.
- See. 379. Administrative provisions.
- See. 380. State legislative authority.

Subtitle E-Repeals and Conforming Amendments

- See. 391. Repeals.
- Sec. 392. Conforming amendments.
- Sec. 393. Effective dates.

TITLE IV—WORKFORCE INVESTMENT-RELATED ACTIVITIES

Subtitle A-Wagner-Peyser Act

- Sec. 401. Definitions.
- Sec. 402. Functions.
- Sec. 403. Designation of State agencies.
- Sec. 404. Appropriations.
- See. 405. Disposition of allotted funds.
- See. 406. State plans.
- Sec. 407. Repeal of Federal Advisory Council.
- Sec. 408. Regulations.
- See. 409. Labor market information.
- Sec. 410. Technical amendments.

Subtitle B—Linkages With Other Programs

- Sec. 421. Trade Act of 1974.
- Sec. 422. National Apprenticeship Act.
- Sec. 423. Veterans' employment programs.
- See. 424. Older Americans Act of 1965.

TITLE V—GENERAL PROVISIONS

- Sec. 501. State unified plans.
- Sec. 502. Transition provisions.
- Sec. 503. Effective date.

1 SEC. 2. DEFINITIONS.

2 In this Act:

1	(1) ADULT.—In paragraph (14) and title III,
2	the term "adult" means an individual who is age 22
3	or older.
4	(2) ADULT EDUCATION.—The term "adult edu-
5	eation" means services or instruction below the post-
6	secondary level for individuals—
7	(A) who have attained 16 years of age or
8	who are beyond the age of compulsory school
9	attendance under State law;
10	(B) who are not enrolled in secondary
11	school; and
12	(C) who—
13	(i) lack sufficient mastery of basic
14	educational skills to enable the individuals
15	to function effectively in society;
16	(ii) do not possess a secondary school
17	diploma or its recognized equivalent; or
18	(iii) are unable to speak, read, or
19	write the English language.
20	(3) Area vocational education school.
21	The term "area vocational education school"
22	means—
23	(A) a specialized public secondary school
24	used exclusively or principally for the provision
25	of vocational education for individuals who seek

to study and prepare for entering the labor market;

(B) the department of a public secondary school exclusively or principally used for providing vocational education in not fewer than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;

9 (C) a technical institute or vocational 10 school used exclusively or principally for the 11 provision of vocational education to individuals 12 who have completed or left public secondary 13 school and who seek to study and prepare for 14 entering the labor market, if the institute or 15 school admits as regular students both individ-16 uals who have completed public secondary 17 school and individuals who have left public see-18 ondary school; or

19(D) the department or division of a junior20college, community college, or university operat-21ing under the policies of the eligible agency and22that provides vocational education in not fewer23than 5 different occupational fields leading to24immediate employment but not necessarily lead-25ing to a baccalaureate degree, if the department

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1	or division admits as regular students both indi-
2	viduals who have completed public secondary
3	school and individuals who have left public sec-
4	ondary school.
5	(4) CHIEF ELECTED OFFICIAL.—The term
6	"chief elected official" means the chief elected execu-
7	tive officer of a unit of general local government in
8	a local area.
9	(5) DISADVANTAGED ADULT.—In title III, and
10	except as provided in section 302, the term "dis-
11	advantaged adult" means an adult who is a low-in-
12	come individual.
13	(6) Dislocated worker.—The term "dis-
14	located worker" means an individual who-
15	(A)(i) has been terminated or laid off, or
16	who has received a notice of termination or lay-
17	off, from employment;
18	(ii)(I) is eligible for or has exhausted enti-
19	tlement to unemployment compensation; or
20	(II) has been employed for a duration suf-
21	ficient to demonstrate, to the appropriate entity
22	at a one-stop customer service center, attach-
23	ment to the workforce, but is not eligible for
24	unemployment compensation due to insufficient
25	earnings or having performed services for an

1	employer that were not covered under a State
2	unemployment compensation law; and
3	(iii) is unlikely to return to a previous in-
4	dustry or occupation;
5	(B)(i) has been terminated or laid off, or
6	has received a notice of termination or layoff,
7	from employment as a result of any permanent
8	closure of, or any substantial layoff at, a plant,
9	facility, or enterprise;
10	(ii) is employed at a facility at which the
11	employer has made a general announcement
12	that such facility will close within 180 days; or
13	(iii) for purposes of eligibility to receive
14	services under title III other than training serv-
15	ices described in section $315(c)(3)$, intensive
16	services, or supportive services, is employed at
17	a facility at which the employer has made a
18	general announcement that such facility will
19	close;
20	(C) was self-employed (including employ-
21	ment as a farmer, a rancher, or a fisherman)
22	but is unemployed as a result of general eco-
23	nomic conditions in the community in which the
24	individual resides or because of natural disas-
25	ters; or

1	(D) is a displaced homemaker.
2	(7) DISPLACED HOMEMAKER.—The term "dis-
3	placed homemaker" means an individual who has
4	been providing unpaid services to family members in
5	the home and who—
6	(A) has been dependent on the income of
7	another family member but is no longer sup-
8	ported by that income; and
9	(B) is unemployed or underemployed and
10	is experiencing difficulty in obtaining or up-
11	grading employment.
12	(8) Economic development agencies.—The
13	term "economic development agencies" includes local
14	planning and zoning commissions or boards, commu-
15	nity development agencies, and other local agencies
16	and institutions responsible for regulating, promot-
17	ing, or assisting in local economic development.
18	(9) Educational service agency.—The
19	term "educational service agency" means a regional
20	public multiservice agency authorized by State stat-
21	ute to develop and manage a service or program,
22	and provide the service or program to a local edu-
23	cational agency.
24	(10) Elementary school; local edu-

25 CATIONAL AGENCY.—The terms "elementary school"

1	and "local educational agency" have the meanings
2	given the terms in section 14101 of the Elementary
3	and Secondary Education Act of 1965 (20 U.S.C.
4	8801).
5	(11) ELIGIBLE AGENCY.—The term "eligible
6	agency" means
7	(A) in the case of vocational education ac-
8	tivities or requirements described in title I—
9	(i) the individual, entity, or agency in
10	a State or an outlying area responsible for
11	administering or setting policy for voca-
12	tional education in the State or outlying
13	area, respectively, pursuant to the law of
14	the State or outlying area, respectively; or
15	(ii) if no individual, entity, or agency
16	is responsible for administering or setting
17	such policy pursuant to the law of the
18	State or outlying area, the individual, en-
19	tity, or agency in a State or outlying area,
20	respectively, responsible for administering
21	or setting policy for vocational education in
22	the State or outlying area, respectively, on
23	the date of enactment of the Workforce In-
24	vestment Partnership Act of 1997; and

1	(B) in the case of adult education and lit-
2	eracy activities or requirements described in
3	title II—
4	(i) the individual, entity, or agency in
5	a State or an outlying area responsible for
6	administering or setting policy for adult
7	education and literacy in the State or out-
8	lying area, respectively, pursuant to the
9	law of the State or outlying area, respec-
10	tively; or
11	(ii) if no individual, entity, or agency
12	is responsible for administering or setting
13	such policy pursuant to the law of the
14	State or outlying area, the individual, en-
15	tity, or agency in a State or outlying area,
16	respectively, responsible for administering
17	or setting policy for adult education and
18	literacy in the State or outlying area, re-
19	spectively, on the date of enactment of the
20	Workforce Investment Partnership Act of
21	$\frac{1997}{2}$
22	(12) ELIGIBLE INSTITUTION.—In title I, the
23	term "eligible institution" means—
24	(A) an institution of higher education;

1	(B) a local educational agency providing
2	education at the postsecondary level;
3	(C) an area vocational education school
4	providing education at the postsecondary level;
5	(D) a postsecondary educational institution
6	controlled by the Bureau of Indian Affairs or
7	operated by or on behalf of any Indian tribe
8	that is eligible to contract with the Secretary of
9	the Interior for the administration of programs
10	under the Indian Self-Determination Act or the
11	Act of April 16, 1934 (48 Stat. 596; 25 U.S.C.
12	452 et seq.; and
13	(E) a consortium of 2 or more of the enti-
14	ties described in subparagraphs (A) through
15	(D).
16	(13) ELIGIBLE PROVIDER.—The term "eligible
17	provider''
18	(A) in title II, means—
19	(i) a local educational agency;
20	(ii) a community-based organization;
21	(iii) an institution of higher education;
22	(iv) a public or private nonprofit
23	agency;
24	(v) a consortium of such agencies, or-
25	ganizations, or institutions; or

1 (vi) a library; and 2 (B) in title III, used with respect to— 3 (i) training services (other than on-4 the-job training), means a provider who is 5 identified in accordance with section 312; 6 (ii) youth activities, means a provider 7 who is awarded a grant in accordance with 8 section 313; or 9 (iii) other workforce investment activi-10 ties, means a public or private entity se-11 lected to be responsible for such activities, 12 in accordance with subtitle A of title III, 13 such as a one-stop customer service center 14 operator designated or certified under see-15 tion 311. 16 (14) Employment and training activity.— 17 The term "employment and training activity" means

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an activity described in section 314(b)(1) or subsection (c)(1) or (d) of section 315, carried out for
an adult or dislocated worker.

21 (15) ENGLISH LITERACY PROGRAM.—The term
22 "English literacy program" means a program of in23 struction designed to help individuals of limited
24 English proficiency achieve competence in the Eng25 lish language.

1	(16) GOVERNOR.—The term "Governor" means
2	the chief executive officer of a State.
3	(17) INDIVIDUAL WITH A DISABILITY.—
4	(A) IN GENERAL.—The term "individual
5	with a disability" means an individual with any
6	disability (as defined in section 3 of the Ameri-
7	cans with Disabilities Act of 1990 (42 U.S.C.
8	12102)).
9	(B) Individuals with disabilities.—
10	The term "individuals with disabilities" means
11	more than 1 individual with a disability.
12	(18) Individual of limited english pro-
13	FICIENCY.—The term "individual of limited English
14	proficiency" means an adult or out-of-school youth
15	who has limited ability in speaking, reading, writing,
16	or understanding the English language, and—
17	(A) whose native language is a language
18	other than English; or
19	(B) who lives in a family or community en-
20	vironment where a language other than English
21	is the dominant language.
22	(19) INSTITUTION OF HIGHER EDUCATION.
23	Except for purposes of subtitle B of title I, the term
24	"institution of higher education" has the meaning

	10
1	given the term in section 1201(a) of the Higher
2	Education Act of 1965 (20 U.S.C. 1141(a)).
3	(20) Literacy.—
4	(A) IN GENERAL.—The term "literacy"
5	means an individual's ability to read, write, and
6	speak in English, compute, and solve problems,
7	at levels of proficiency necessary to function on
8	the job and in society.
9	(B) Workplace literacy program.—
10	The term "workplace literacy program" means
11	a program of literacy activities that is offered
12	in the workplace for the purpose of improving
13	the productivity of the workforce through the
14	improvement of literacy skills.
15	(21) LOCAL AREA.—In paragraph (4) and title
16	III, the term "local area" means a local workforce
17	investment area designated under section 307.
18	(22) LOCAL PARTNERSHIP.—In title III, the
19	term "local partnership" means a local workforce in-
20	vestment partnership established under section
21	308(a).
22	(23) Local performance measure.—The
23	term "local performance measure" means a perform-
24	ance measure established under section 321(b).

1	(24) Low-income individual.—In paragraph
2	(49) and title III, the term "low-income individual"
3	means an individual who—
4	(A) receives, or is a member of a family
5	that receives, eash payments under a Federal,
6	State, or local income-based public assistance
7	program;
8	(B) received an income, or is a member of
9	a family that received a total family income, for
10	the 6-month period prior to application for the
11	program involved (exclusive of unemployment
12	compensation, child support payments, pay-
13	ments described in subparagraph (A), and old-
14	age and survivors insurance benefits received
15	under section 202 of the Social Security Act
16	(42 U.S.C. 402)) that, in relation to family
17	size, does not exceed the higher of—
18	(i) the poverty line, for an equivalent
19	period; or
20	(ii) 70 percent of the lower living
21	standard income level, for an equivalent
22	period;
23	(C) is a member of a household that re-
24	ceives (or has been determined within the 6-
25	month period prior to application for the pro-

1	gram involved to be eligible to receive) food
2	stamps pursuant to the Food Stamp Act of
3	1977 (7 U.S.C. 2011 et seq.);
4	(D) qualifies as a homeless individual, as
5	defined in subsections (a) and (c) of section
6	103 of the Stewart B. McKinney Homeless As-
7	sistance Act (42 U.S.C. 11302);
8	(E) is a foster child on behalf of whom
9	State or local government payments are made;
10	Ol
11	(F) in cases permitted by regulations of
12	the Secretary of Labor, is an individual with a
13	disability whose own income meets the require-
14	ments of a program described in subparagraph
15	(A) or of subparagraph (B), but who is a mem-
16	ber of a family whose income does not meet
17	such requirements.
18	(25) Lower Living standard income
19	LEVEL.—The term "lower living standard income
20	level" means that income level (adjusted for re-
21	gional, metropolitan, urban, and rural differences
22	and family size) determined annually by the Sec-
23	retary of Labor based on the most recent lower liv-
24	ing family budget issued by the Secretary of Labor.

1	(26) Nontraditional employment.—In ti-
2	tles I and III, the term "nontraditional employ-
3	ment" refers to occupations or fields of work for
4	which individuals from one gender comprise less
5	than 25 percent of the individuals employed in each
6	such occupation or field of work.
7	(27) On-the-job training.—The term "on-
8	the-job training" means training in the public or pri-
9	vate sector that is provided to a paid participant
10	while engaged in productive work in a job that—
11	(Λ) provides knowledge or skills essential
12	to the full and adequate performance of the job;
13	(B) provides reimbursement to employers
14	of up to 50 percent of the wage rate of the par-
15	ticipant, for the extraordinary costs of provid-
16	ing the training and additional supervision re-
17	lated to the training; and
18	(C) is limited in duration as appropriate to
19	the occupation for which the participant is
20	being trained.
21	(28) Out-of-school youth.—The term "out-
22	of-school youth " means
23	(A) a youth who is a school dropout; or
24	(B) a youth who has received a secondary
25	school diploma or its equivalent but is basic lit-

1	eracy skills deficient, unemployed, or under-
2	employed.
3	(29) OUTLYING AREA.—The term "outlying
4	area" means the United States Virgin Islands,
5	Guam, American Samoa, the Commonwealth of the
6	Northern Mariana Islands, the Republic of the Mar-
7	shall Islands, the Federated States of Micronesia,
8	and the Republic of Palau.
9	(30) PARTICIPANT.—The term "participant",
10	used with respect to an activity carried out under
11	title III, means an individual participating in the ac-
12	tivity.
13	(31) Postsecondary educational institu-
14	TION.—The term "postsecondary educational institu-
15	tion" means
16	(A) an institution of higher education that
17	provides not less than a 2-year program of in-
18	struction that is acceptable for credit toward a
19	bachelor's degree;
20	(B) a tribally controlled community college;
21	OP
22	(C) a nonprofit educational institution of-
23	fering certificate or apprenticeship programs at
24	the postsecondary level.

1	(32) Poverty Line.—The term "poverty line"
2	means the poverty line (as defined by the Office of
3	Management and Budget, and revised annually in
4	accordance with section $673(2)$ of the Community
5	Services Block Grant Act (42 U.S.C. 9902(2))) ap-
6	plicable to a family of the size involved.
7	(33) PUBLIC ASSISTANCE.—In title III, the
8	term "public assistance" means Federal, State, or
9	local government cash payments for which eligibility
10	is determined by a needs or income test.
11	(34) RAPID RESPONSE ACTIVITY.—In title III,
12	the term "rapid response activity" means an activity
13	provided by a State, or by an entity designated by
14	a State, with funds provided by the State under see-
15	tion $306(a)(2)$, in the case of a permanent closure
16	or mass layoff at a plant, facility, or enterprise, or
17	a natural or other disaster, that results in mass job
18	dislocation, in order to assist dislocated workers in
19	obtaining reemployment as soon as possible, with
20	services including—
21	(A) the establishment of onsite contact
22	with employers and employee representatives—
23	(i) immediately after the State is noti-
24	fied of a current or projected permanent
25	elosure or mass layoff; or

1	(ii) in the case of a disaster, imme-
2	diately after the State is made aware of
3	mass job dislocation as a result of such
4	disaster;
5	(B) the provision of information and access
6	to available employment and training activities;
7	(C) assistance in establishing a labor-man-
8	agement committee, voluntarily agreed to by
9	labor and management, with the ability to de-
10	vise and implement a strategy for assessing the
11	employment and training needs of dislocated
12	workers and obtaining services to meet such
13	needs;
14	(D) the provision of emergency assistance
15	adapted to the particular closure, layoff, or dis-
16	aster; and
17	(E) the provision of assistance to the local
18	community in developing a coordinated response
19	and in obtaining access to State economic devel-
20	opment assistance.
21	(35) School dropout.—The term "school
22	dropout" means an individual who is no longer at-
23	tending any school and who has not received a sec-
24	ondary school diploma or its recognized equivalent.

1	(36) SECONDARY SCHOOL.—The term "second-
2	ary school" has the meaning given the term in sec-
3	tion 14101 of the Elementary and Secondary Edu-
4	cation Act of 1965 (20 U.S.C. 8801), except that
5	the term does not include education below grade 9.
6	(37) Secretary.
7	(A) TITLES I AND II.—In titles I and II,
8	the term "Secretary" means the Secretary of
9	Education.
10	(B) TITLE III.—In title III, the term "See-
11	retary" means the Secretary of Labor.
12	(38) STATE.—The term "State" means each of
13	the several States of the United States, the District
14	of Columbia, and the Commonwealth of Puerto Rico.
15	(39) STATE EDUCATIONAL AGENCY.—The term
16	"State educational agency" means the State board
17	of education or other agency or officer primarily re-
18	sponsible for the State supervision of public elemen-
19	tary or secondary schools, or, if there is no such
20	agency or officer, an agency or officer designated by
21	the Governor or by State law.
22	(40) STATE PERFORMANCE MEASURE.—In title
23	III, the term "State performance measure" means a
24	performance measure established under section
25	$\frac{321(a)}{a}$

(41) STATEWIDE PARTNERSHIP.—The term
 "statewide partnership" means a partnership estab lished under section 303.

4 (42) SUPPORTIVE SERVICES.—In title III, the
5 term "supportive services" means services such as
6 transportation, child care, dependent care, housing,
7 and needs-based payments, that are necessary to en8 able an individual to participate in employment and
9 training activities or youth activities.

10 (43) TRIBALLY CONTROLLED COMMUNITY COL11 LEGE.—The term "tribally controlled community
12 college" means an institution that receives assistance
13 under the Tribally Controlled Community College
14 Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or
15 the Navajo Community College Act (25 U.S.C. 640a
16 et seq.).

17 (44) UNIT OF GENERAL LOCAL GOVERN18 MENT.—In title III, the term "unit of general local
19 government" means any general purpose political
20 subdivision of a State that has the power to levy
21 taxes and spend funds, as well as general corporate
22 and police powers.

23 (45) VETERAN; RELATED DEFINITIONS.-

24 (A) VETERAN.—The term "veteran"
25 means an individual who served in the active

1	military, naval, or air service, and who was dis-
2	charged or released from such service under
3	conditions other than dishonorable.
4	(B) DISABLED VETERAN.—The term "dis-
5	abled veteran" means—
6	(i) a veteran who is entitled to com-
7	pensation under laws administered by the
8	Secretary of Veterans Affairs; or
9	(ii) an individual who was discharged
10	or released from active duty because of
11	service-connected disability.
12	(C) Recently separated veteran.
13	The term "recently separated veteran" means
14	any veteran who applies for participation under
15	title III within 48 months of the discharge or
16	release from active military, naval, or air serv-
17	ice.
18	(D) VIETNAM ERA VETERAN.—The term
19	"Vietnam era veteran" means a veteran any
20	part of whose active military, naval, or air serv-
21	ice occurred between August 5, 1964, and May
22	7, 1975.
23	(46) Vocational Education.—The term "vo-
24	cational education" means organized education
25	that—

1	(A) offers a sequence of courses that pro-
2	vides individuals with the academic knowledge
3	and skills the individuals need to prepare for
4	further education and for careers in current or
5	emerging employment sectors; and
6	(B) includes competency-based applied
7	learning that contributes to the academic
8	knowledge, higher-order reasoning and problem-
9	solving skills, work attitudes, general employ-
10	ability skills, and occupation-specific skills, of
11	an individual.
12	(47) Vocational Rehabilitation Pro-
13	GRAM.—The term "vocational rehabilitation pro-
14	gram" means a program assisted under title I of the
15	Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).
16	(48) Workforce investment Activity.—The
17	term "workforce investment activity" means an em-
18	ployment and training activity, a youth activity, and
19	an activity described in section 314.
20	(49) Youth.—In paragraph (50) and title III
21	(other than subtitles B and C of such title), the
22	term "youth" means an individual who-
23	(A) is not less than age 14 and not more
24	than age 21;
25	(B) is a low-income individual; and

1	(C) an individual who is 1 or more of the
2	following:
3	(i) Deficient in basic literacy skills.
4	(ii) A school dropout.
5	(iii) Homeless, a runaway, or a foster
6	child.
7	(iv) Pregnant or a parent.
8	(v) An offender.
9	(vi) An individual who requires addi-
10	tional assistance to complete an edu-
11	cational program, or to secure and hold
12	employment.
13	(50) Youth Activity.—The term "youth activ-
14	ity" means an activity described in section 316, car-
15	ried out for youth.
16	(51) Youth Partnership.—The term "youth
17	partnership" means a partnership established under
18	section $308(i)$.
19	TITLE I-VOCATIONAL, TECHNO-
20	LOGICAL, AND TECH-PREP
21	EDUCATION
22	SEC. 101. SHORT TITLE.
23	This title may be eited as the "Carl D. Perkins Voca-
24	tional and Applied Technology Education Act of 1997".

1	SEC. 102. FINDINGS AND PURPOSE.
2	(a) FINDINGS.—Congress finds that—
3	(1) in order to be successful workers, citizens,
4	and learners in the 21st century, individuals will
5	need—
6	(A) a combination of strong basic and ad-
7	vanced academic skills;
8	(B) computer and other technical skills;
9	(C) theoretical knowledge;
10	(D) communications, problem-solving,
11	teamwork, and employability skills; and
12	(E) the ability to acquire additional knowl-
13	edge and skills throughout a lifetime;
14	(2) students participating in vocational edu-
15	cation can achieve challenging academic and tech-
16	nical skills, and may learn better and retain more,
17	when the students learn in context, learn by doing,
18	and have an opportunity to learn and understand
19	how academic, vocational, and technological skills
20	are used outside the elassroom;
21	$(3)(\Lambda)$ many high school graduates in the Unit-
22	ed States do not complete a rigorous course of study
23	that prepares the graduates for completing a 2-year
24	or 4-year college degree or for entering high-skill,
25	high-wage careers;

1	(B) adult students are an increasingly diverse
2	group and often enter postsecondary education un-
3	prepared for academic and technical work; and
4	(C) certain individuals often face great chal-
5	lenges in acquiring the knowledge and skills needed
6	for successful employment;
7	(4) community colleges, technical colleges, and
8	area vocational education schools are offering adults
9	a gateway to higher education, and access to quality
10	certificates and degrees that increase their skills and
11	earnings, by—
12	(A) ensuring that the academic, vocational,
13	and technological skills gained by students ade-
14	quately prepare the students for the workforce;
15	and
16	(B) enhancing connections with employers
17	and 4-year institutions of higher education;
18	(5) local, State, and national programs sup-
19	ported under the Carl D. Perkins Vocational and
20	Applied Technology Education Act (20 U.S.C. 2301
21	et seq.) (as such Act was in effect on the day before
22	the date of enactment of this Act) have assisted
23	many students in obtaining technical, academic, and
24	employability skills, and tech-prep education;

(6) the Federal Government can assist States
 and localities by carrying out nationally significant
 research, program development, demonstration, dis semination, evaluation, data collection, professional
 development, and technical assistance activities that
 support State and local efforts regarding vocational
 education; and

8 (7) through a performance partnership with 9 States and localities based on elear programmatic 10 goals, increased State and local flexibility, improved 11 accountability, and performance measures, the Fed-12 eral Government will provide to States and localities 13 financial assistance for the improvement and expan-14 sion of vocational education for students participat-15 ing in vocational education.

16 (b) PURPOSE.—The purpose of this title is to make 17 the United States more competitive in the world economy 18 by developing more fully the academic, vocational, and em-19 ployability skills of secondary students and postsecondary 20 students who elect to enroll in vocational education pro-21 grams, by—

22 (1) building on the efforts of States and local23 ities to develop challenging academic standards;

24 (2) promoting the development of services and
 25 activities that integrate academic, vocational, and

1	technological instruction, and that link secondary
2	and postsecondary education for participating voca-
3	tional education students;
4	(3) increasing State and local flexibility in pro-
5	viding services and activities designed to develop, im-
6	plement, and improve vocational education, including
7	tech-prep education; and
8	(4) disseminating national research, and provid-
9	ing professional development and technical assist-
10	ance, that will improve vocational education pro-
11	grams, services, and activities.
12	SEC. 103. VOLUNTARY SELECTION AND PARTICIPATION.
13	No funds made available under this title shall be
14	used—
15	(1) to require any secondary school student to
16	choose or pursue a specific career path or major;
17	and
18	(2) to mandate that any individual participate
19	in a vocational education program under this title.
20	Subtitle A—Vocational Education
21	CHAPTER 1—FEDERAL PROVISIONS
22	SEC. 111. RESERVATIONS AND STATE ALLOTMENT.
23	(a) Reservations and State Allotment.—

1	(1) Reservations.—From the sum appro-
2	priated under section 171 for each fiscal year, the
3	Secretary shall reserve—
4	(A) 0.2 percent to carry out section 113;
5	(B) 1.75 percent to carry out sections 114
6	and 115, of which—
7	(i) 1.25 percent of the sum shall be
8	available to carry out section 114(b);
9	(ii) 0.25 percent of the sum shall be
10	available to carry out section $114(e)$; and
11	(iii) 0.25 percent of the sum shall be
12	available to earry out section 115; and
13	(C) 1.3 percent of the sum shall be used
14	to carry out sections 116, 163, 164, 165, and
15	166, of which not less than 0.65 percent of the
16	sum shall be available to carry out section 116.
17	(2) STATE ALLOTMENT FORMULA.—Subject to
18	paragraphs (3) and (4), from the remainder of the
19	sums appropriated under section 171 and not re-
20	served under paragraph (1) for a fiscal year, the
21	Secretary shall allot to a State for the fiscal year—
22	(A) an amount that bears the same ratio
23	to 50 percent of the sums being allotted as the
24	product of the population aged 15 to 19 inclu-
25	sive, in the State in the fiscal year preceding

the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States;

5 (B) an amount that bears the same ratio 6 to 20 percent of the sums being allotted as the 7 product of the population aged 20 to 24, inclu-8 sive, in the State in the fiscal year preceding 9 the fiscal year for which the determination is 10 made and the State's allotment ratio bears to 11 the sum of the corresponding products for all 12 the States;

13 (C) an amount that bears the same ratio 14 to 15 percent of the sums being allotted as the 15 product of the population aged 25 to 65, inclu-16 sive, in the State in the fiscal year preceding 17 the fiscal year for which the determination is 18 made and the State's allotment ratio bears to 19 the sum of the corresponding products for all 20 the States; and

21 (D) an amount that bears the same ratio
22 to 15 percent of the sums being allotted as the
23 amounts allotted to the State under subpara24 graphs (A), (B), and (C) for such years bears
25 to the sum of the amounts allotted to all the

1

2

3

States under subparagraphs (A), (B), and (C)
 for such year.

3 (3) MINIMUM ALLOTMENT.

4 (A) IN GENERAL.—Notwithstanding any 5 other provision of law and subject to subpara-6 graphs (B) and (C), and paragraph (4), no 7 State shall receive for a fiscal year under this 8 subsection less than 1/2 of 1 percent of the 9 amount appropriated under section 171 and not 10 reserved under paragraph (1) for such fiscal 11 year. Amounts necessary for increasing such 12 payments to States to comply with the preced-13 ing sentence shall be obtained by ratably reduc-14 ing the amounts to be paid to other States.

15 (B) REQUIREMENT.—Due to the applica-16 tion of subparagraph (A), for any fiscal year, 17 no State shall receive more than 150 percent of 18 the amount the State received under this sub-19 section for the preceding fiscal year (or in the 20 case of fiscal year 1999 only, under section 101 21 of the Carl D. Perkins Vocational and Applied 22 Technology Education Act, as such section was 23 in effect on the day before the date of enact-24 ment of this Act).

25 (C) Special Rule.—

- 1(i) IN GENERAL.—Subject to para-2graph (4), no State, by reason of subpara-3graph (A), shall be allotted for a fiscal4year more than the lesser of—
- (I) 150 percent of the amount 5 6 that the State received in the preced-7 ing fiscal year (or in the case of fiscal 8 year 1999 only, under section 101 of 9 the Carl D. Perkins Vocational and 10 Applied Technology Education Act, as 11 such section was in effect on the day 12 before the date of enactment of this 13 Act); and
- 14(II) the amount calculated under15clause (ii).

16(ii) AMOUNT.—The amount calculated17under this clause shall be determined by18multiplying—

- 19(I) the number of individuals in20the State counted under paragraph21(2) in the preceding fiscal year; by
- (II) 150 percent of the national
 average per pupil payment made with
 funds available under this section for
 that year (or in the case of fiscal year

1	1999, only, under section 101 of the
2	Carl D. Perkins Vocational and Ap-
3	plied Technology Education Act, as
4	such section was in effect on the day
5	before the date of enactment of this
6	Act).
7	(4) Hold harmless.—
8	(A) IN GENERAL.—No State shall receive
9	an allotment under this section for a fiscal year
10	that is less than the allotment the State re-
11	ceived under part A of title I of the Carl D.
12	Perkins Vocational and Applied Technology
13	Education Act (20 U.S.C. 2311 et seq.) (as
14	such part was in effect on the day before the
15	date of enactment of this Act) for fiscal year
16	$\frac{1997.}{1}$
17	(B) RATABLE REDUCTION.—If for any fis-
18	eal year the amount appropriated for allotments
19	under this section is insufficient to satisfy the
20	provisions of subparagraph (A) , the payments
21	to all States under such subparagraph shall be
22	ratably reduced.
23	(b) Reallotment. If the Secretary determines
24	that any amount of any State's allotment under subsection
25	(a) for any fiscal year will not be required for such fiscal

year for carrying out the activities for which such amount 1 has been allotted, the Secretary shall make such amount 2 available for reallotment. Any such reallotment among 3 4 other States shall occur on such dates during the same 5 year as the Secretary shall fix, and shall be made on the basis of criteria established by regulation. No funds may 6 be reallotted for any use other than the use for which the 7 8 funds were appropriated. Any amount reallotted to a State 9 under this subsection for any fiscal year shall remain 10 available for obligation during the succeeding fiscal year and shall be deemed to be part of the State's allotment 11 for the year in which the amount is obligated. 12 13 (c) ALLOTMENT RATIO. (1) IN GENERAL.—The allotment ratio for any 14 15 State shall be 1.00 less the product of— 16 (A) 0.50; and 17 (B) the quotient obtained by dividing the 18 per capita income for the State by the per cap-19 ita income for all the States (exclusive of the 20 Commonwealth of Puerto Rico), except that— 21 (i) the allotment ratio in no case shall 22 be more than 0.60 or less than 0.40; and 23 (ii) the allotment ratio for the Com-24 monwealth of Puerto Rico shall be 0.60.

1 PROMULGATION.—The allotment (2)ratios 2 shall be promulgated by the Secretary for each fiscal 3 year between October 1 and December 31 of the fis-4 eal year preceding the fiscal year for which the de-5 termination is made. Allotment ratios shall be com-6 puted on the basis of the average of the appropriate 7 per capita incomes for the 3 most recent consecutive 8 fiscal years for which satisfactory data are available. 9 (3) DEFINITION OF PER CAPITA INCOME.—For 10 the purpose of this section, the term "per capita in-11 come" means, with respect to a fiscal year, the total 12 personal income in the ealendar year ending in such 13 year, divided by the population of the area concerned 14 in such year. 15 (4) POPULATION DETERMINATION.—For the 16 purposes of this section, population shall be deter-17 mined by the Secretary on the basis of the latest es-18 timates available to the Department of Education. 19 SEC. 112. PERFORMANCE MEASURES AND EXPECTED LEV-20 ELS OF PERFORMANCE. 21 ESTABLISHMENT OF PERFORMANCE MEAS- $\left(a\right)$ 22 URES.—After consultation with eligible agencies, local 23 educational agencies, eligible institutions, and other inter-24 ested parties (including representatives of business and 25 representatives of labor organizations), the Secretary shall

1	establish and publish performance measures described in
2	this subsection to assess the progress of each eligible agen-
3	cy in achieving the following:
4	(1) Student mastery of academic skills.
5	(2) Student mastery of job readiness skills.
6	(3) Student mastery of vocational skill pro-
7	ficiencies for students in vocational education pro-
8	grams, that are necessary for the receipt of a sec-
9	ondary school diploma or its recognized equivalent,
10	or a secondary school skill certificate.
11	(4) Receipt of a postsecondary degree or certifi-
12	cate.
13	(5) Placement in, retention in, and completion
14	of, secondary school education (as determined under
15	State law) and postsecondary education, and place-
16	ment and retention in employment and in military
17	service, including for the populations described in
18	section $124(e)(16)$.
19	(6) Participation in and completion of nontradi-
20	tional vocational education programs.
21	(7) Other performance measures as determined
22	by the Secretary.
23	(b) Expected Levels of Performance.—In de-
24	veloping a State plan, each eligible agency shall negotiate

1 with the Secretary the expected levels of performance for

2 the performance measures described in subsection (a).

3 SEC. 113. ASSISTANCE FOR THE OUTLYING AREAS.

4 (a) IN GENERAL.—From the funds reserved under
5 section 111(a)(1)(A), the Secretary—

6 (1) shall award a grant in the amount of 7 \$500,000 to Guam for vocational education and 8 training for the purpose of providing direct edu-9 cational services related to vocational education, in-10 cluding—

11 (A) teacher and counselor training and re12 training;

13 (B) curriculum development; and

14 (C) improving vocational education pro15 grams in secondary schools and institutions of
16 higher education, or improving cooperative edu17 eation programs involving both secondary
18 schools and institutions of higher education;

19 (2) shall award a grant in the amount of
20 \$600,000 to the United States Virgin Islands for vo21 cational education for the purpose described in para22 graph (1); and

23 (3) shall award a grant in the amount of
24 \$190,000 to each of American Samoa and the Com25 monwealth of the Northern Mariana Islands for vo-

cational education for the purpose described in para graph (1).

3 (b) SPECIAL RULE.

4 (1) IN GENERAL.—From funds reserved under 5 section 111(a)(1)(A) and not awarded under sub-6 section (a), the Secretary shall make available the 7 amount awarded to the Republic of the Marshall Is-8 lands, the Federated States of Micronesia, and the 9 Republic of Palau under section 101A of the Carl D. 10 Perkins Vocational and Applied Technology Edu-11 eation Act (as such section was in effect on the day 12 before the date of enactment of this Act) to award 13 grants under the succeeding sentence. From the amount made available under the preceding sen-14 15 tence, the Secretary shall award grants, to Guam, 16 American Samoa, the Commonwealth of the North-17 ern Mariana Islands, the Republic of the Marshall 18 Islands, the Federated States of Micronesia, or the 19 Republic of Palau for the purpose described in sub-20 section (a)(1).

21 (2) AWARD BASIS.—The Secretary shall award
22 grants pursuant to paragraph (1) on a competitive
23 basis and pursuant to recommendations from the
24 Pacific Region Educational Laboratory in Honolulu,
25 Hawaii.

1	(3) TERMINATION OF ELIGIBILITY.—Notwith-
2	standing any other provision of law, the Republic of
3	the Marshall Islands, the Federated States of Micro-
4	nesia, and the Republic of Palau shall not receive
5	any funds under this title for any fiscal year that be-
6	gins after September 30, 2004.
7	(4) Administrative costs.—The Secretary
8	may provide not more than 5 percent of the funds
9	made available for grants under this subsection to
10	pay the administrative costs of the Pacific Region
11	Educational Laboratory regarding activities assisted
12	under this subsection.
13	SEC. 114. INDIAN AND HAWAIIAN NATIVE PROGRAMS.
15	
13	(a) Definitions; Authority of Secretary.
14	(a) Definitions; Authority of Secretary.—
14 15	(a) Definitions; Authority of Secretary.— (1) Definitions.—For the purpose of this sec-
14 15 16	(a) DEFINITIONS; AUTHORITY OF SECRETARY. (1) DEFINITIONS.—For the purpose of this sec- tion—
14 15 16 17	 (a) DEFINITIONS; AUTHORITY OF SECRETARY. (1) DEFINITIONS.—For the purpose of this section— (A) the term "Act of April 16, 1934"
14 15 16 17 18	 (a) DEFINITIONS; AUTHORITY OF SECRETARY (1) DEFINITIONS.—For the purpose of this section— (A) the term "Act of April 16, 1934" means the Act entitled "An Act authorizing the
 14 15 16 17 18 19 	 (a) DEFINITIONS; AUTHORITY OF SECRETARY (1) DEFINITIONSFor the purpose of this section (A) the term "Act of April 16, 1934" means the Act entitled "An Act authorizing the Secretary of the Interior to arrange with States
 14 15 16 17 18 19 20 	 (a) DEFINITIONS; AUTHORITY OF SECRETARY (1) DEFINITIONSFor the purpose of this section (A) the term "Act of April 16, 1934" means the Act entitled "An Act authorizing the Secretary of the Interior to arrange with States or territories for the education, medical atten-
 14 15 16 17 18 19 20 21 	 (a) DEFINITIONS; AUTHORITY OF SECRETARY.— (1) DEFINITIONS.—For the purpose of this section— (A) the term "Act of April 16, 1934" means the Act entitled "An Act authorizing the Secretary of the Interior to arrange with States or territories for the education, medical attention, relief of distress, and social welfare of In-
 14 15 16 17 18 19 20 21 22 	 (a) DEFINITIONS; AUTHORITY OF SECRETARY.— (1) DEFINITIONS.—For the purpose of this section— (A) the term "Act of April 16, 1934" means the Act entitled "An Act authorizing the Secretary of the Interior to arrange with States or territories for the education, medical attention, relief of distress, and social welfare of Indians, and for other purposes", enacted April

1 the Education Amendments of 1978 (25 U.S.C. 2 2026); and (C) the term "Hawaiian native" means 3 4 any individual any of whose ancestors were na-5 tives, prior to 1778, of the area which now com-6 prises the State of Hawaii. 7 (2) AUTHORITY.—From the funds reserved pur-8 suant to section 111(a)(1)(B), the Secretary shall 9 award grants and enter into contracts for Indian 10 and Hawaiian native programs in accordance with 11 this section, except that such programs shall not in-12 elude secondary school programs in Bureau funded 13 schools. 14 (b) INDIAN PROGRAMS.— 15 (1) AUTHORITY. 16 (A) IN GENERAL.—Except as provided in 17 subparagraph (B), from the funds reserved pur-18 suant to section 111(a)(1)(B)(i), the Secretary 19 is directed— 20 (i) upon the request of any Indian 21 tribe, or a tribal organization serving an 22 Indian tribe, which is eligible to contract 23 with the Secretary of the Interior for the administration of programs under the In-24

dian Self-Determination Act (25 U.S.C.

1	450 et seq.) or under the Act of April 16,
2	1934; or
3	(ii) upon an application received from
4	a Bureau funded school offering post-
5	secondary or adult education programs
6	filed at such time and under such condi-
7	tions as the Secretary may prescribe,
8	to make grants to or enter into contracts with
9	any Indian tribe or tribal organization, or to
10	make a grant to such Bureau funded school, as
11	appropriate, to plan, conduct, and administer
12	programs or portions of programs authorized
13	by, and consistent with the purpose of, this
14	title.
15	(B) REQUIREMENTS.—The grants or con-
16	tracts described in subparagraph (A), shall be
17	subject to the following:
18	(i) TRIBAL ORGANIZATIONS.—Such
19	grants or contracts with any tribal organi-
20	zation shall be subject to the terms and
21	conditions of section 102 of the Indian
22	Self-Determination Act (25 U.S.C. 450f)
23	and shall be conducted in accordance with
24	the provisions of sections 4, 5, and 6 of the
25	Act of April 16, 1934, which are relevant

1	to the programs administered under this
2	subsection.
3	(ii) Bureau funded schools.—
4	Such grants to Bureau funded schools
5	shall not be subject to the requirements of
6	the Indian Self-Determination Act (25
7	U.S.C. 450f et seq.) or the Act of April 16,
8	$\frac{1934.}{1}$
9	(C) APPLICATION.—Any Indian tribe, trib-
10	al organization, or Bureau funded school eligi-
11	ble to receive assistance under this paragraph
12	may apply individually or as part of a consor-
13	tium with another such Indian tribe, tribal or-
14	ganization, or Bureau funded school.
15	(D) Performance measures and eval-
16	UATION.—Any Indian tribe, tribal organization,
17	or Bureau funded school that receives assist-
18	ance under this section shall—
19	(i) establish performance measures
20	and expected level of performance to be
21	achieved by students served under this sec-
22	tion; and
23	(ii) evaluate the quality and effective-
24	ness of activities and services provided
25	under this subsection.

1 (E) MINIMUM.—In the case of a Bureau 2 funded school, the minimum amount of a grant 3 awarded or contract entered into under this see-4 tion shall be \$35,000. (F) RESTRICTIONS.—The Secretary may 5 6 not place upon grants awarded or contracts en-7 tered into under this paragraph any restrictions 8 relating to programs other than restrictions 9 that apply to grants made to or contracts en-10 tered into with States pursuant to allotments 11 under section 111(a). The Secretary, in award-12 ing grants and entering into contracts under 13 this paragraph, shall ensure that the grants and 14 contracts will improve vocational education pro-15 grams, and shall give special consideration to— 16 (i) grants or contracts which involve, 17 coordinate with, or encourage tribal eco-18 nomic development plans; and 19 (ii) applications from tribally con-20 trolled community colleges that— 21 (I) are accredited or are can-22 didates for accreditation by a nation-23 ally recognized accreditation organization as an institution of postsecondary 24

25 vocational education; or

47

1	(II) operate vocational education
2	programs that are accredited or are
3	candidates for accreditation by a na-
4	tionally recognized accreditation orga-
5	nization, and issue certificates for
6	completion of vocational education
7	programs.
8	(G) STIPENDS.—
9	(i) IN GENERAL.—Funds received
10	pursuant to grants or contracts described
11	in subparagraph (A) may be used to pro-
12	vide stipends to students who are enrolled

- 13in vocational education programs and who14have acute economic needs which cannot be15met through work-study programs.
- 16(ii) AMOUNT.—Stipends described in17elause (i) shall not exceed reasonable18amounts as prescribed by the Secretary.

19 (2) MATCHING.—If sufficient funding is avail20 able, the Bureau of Indian Affairs shall expend an
21 amount equal to the amount made available under
22 this subsection, relating to programs for Indians, to
23 pay a part of the costs of programs funded under
24 this subsection. During each fiscal year the Bureau
25 of Indian Affairs shall expend no less than the

1 amount expended during the prior fiscal year on vo-2 cational education programs, services, and activities 3 administered either directly by, or under contract 4 with, the Bureau of Indian Affairs, except that in no 5 year shall funding for such programs, services, and 6 activities be provided from accounts and programs 7 that support other Indian education programs. The 8 Secretary and the Assistant Secretary of the Interior 9 for Indian Affairs shall prepare jointly a plan for the 10 expenditure of funds made available and for the 11 evaluation of programs assisted under this sub-12 section. Upon the completion of a joint plan for the 13 expenditure of the funds and the evaluation of the 14 programs, the Secretary shall assume responsibility for the administration of the program, with the as-15 16 sistance and consultation of the Bureau of Indian 17 Affairs.

18 (3) SPECIAL RULE. Programs funded under
19 this subsection shall be in addition to such other
20 programs, services, and activities as are made avail21 able to eligible Indians under other provisions of this
22 Act.

23 (c) HAWAHAN NATIVE PROGRAMS.—From the funds
24 reserved pursuant to section 111(a)(1)(B)(ii), the Sec25 retary is directed, to award grants or enter into contracts

with organizations primarily serving and representing Ha waiian natives which are recognized by the Governor of
 the State of Hawaii to plan, conduct, and administer pro grams, or portions thereof, which are authorized by and
 consistent with the purpose of this title, for the benefit
 of Hawaiian natives.

7 SEC. 115. TRIBALLY CONTROLLED POSTSECONDARY VOCA 8 TIONAL INSTITUTIONS.

9 (a) IN GENERAL.—It is the purpose of this section 10 to provide grants for the operation and improvement of tribally controlled postsecondary vocational institutions to 11 ensure continued and expanded educational opportunities 12 13 for Indian students, and to allow for the improvement and expansion of the physical resources of such institutions. 14 15 (b) GRANTS AUTHORIZED.—From the funds reserved pursuant to section 111(a)(1)(B)(iii), the Secretary shall 16 17 make grants to tribally controlled postsecondary vocational institutions to provide basic support for the voca-18 tional education and training of Indian students. 19

20 (c) ELIGIBLE GRANT RECIPIENTS.—To be eligible
21 for assistance under this section a tribally controlled post22 secondary vocational institution shall—

23 (1) be governed by a board of directors or
24 trustees, a majority of whom are Indians;

1	(2) demonstrate adherence to stated goals, a
2	philosophy, or a plan of operation which fosters indi-
3	vidual Indian economic and self-sufficiency oppor-
4	tunity, including programs that are appropriate to
5	stated tribal goals of developing individual entrepre-
6	neurships and self-sustaining economic infrastruc-
7	tures on reservations;
8	(3) have been in operation for at least 3 years;
9	(4) hold accreditation with or be a candidate for
10	accreditation by a nationally recognized accrediting
11	authority for postsecondary vocational education;
12	and
13	(5) enroll the full-time equivalency of not less
14	than 100 students, of whom a majority are Indians.
15	(d) Grant Requirements.—
16	(1) APPLICATIONS.—Any tribally controlled
17	postsecondary vocational institution that desires to
18	receive a grant under this section shall submit an
19	application to the Secretary. Such application shall
20	include a description of recordkeeping procedures for
21	the expenditure of funds received under this section
22	that will allow the Secretary to audit and monitor
23	programs.

(2) NUMBER.—The Secretary shall award not
 less than 2 grants under this section for each fiscal
 year.

4 (3) CONSULTATION.—In awarding grants under 5 this section, the Secretary shall, to the extent prac-6 ticable, consult with the boards of trustees of, and 7 the tribal governments chartering, the institutions 8 desiring the grants.

9 (4) LIMITATION.—Amounts made available 10 through grants under this section shall not be used 11 in connection with religious worship or sectarian in-12 struction.

13 (e) USES OF GRANTS.

14 (1) IN GENERAL.—The Secretary shall, subject
15 to the availability of appropriations, provide for each
16 program year to each tribally controlled vocational
17 institution having an application approved by the
18 Secretary, an amount necessary to pay expenses as19 sociated with—

20 (A) the maintenance and operation of the
21 program, including development costs, costs of
22 basic and special instruction (including special
23 programs for individuals with disabilities and
24 academic instruction), materials, student costs,
25 administrative expenses, boarding costs, trans-

1	portation, student services, daycare and family
2	support programs for students and their fami-
3	lies (including contributions to the costs of edu-
4	cation for dependents), and student stipends;
5	(B) capital expenditures, including oper-
6	ations and maintenance, and minor improve-
7	ments and repair, and physical plant mainte-
8	nance costs, for the conduct of programs fund-
9	ed under this section; and
10	(C) costs associated with repair, upkeep,
11	replacement, and upgrading of the instructional
12	equipment.
13	(2) Accounting.—Each institution receiving a
14	grant under this section shall provide annually to
15	the Secretary an accurate and detailed accounting of
16	the institution's operating and maintenance expenses
17	and such other information concerning costs as the
18	Secretary may reasonably require.
19	(f) Effect on Other Programs.—
20	(1) In GENERAL.—Except as specifically pro-
21	vided in this Act, eligibility for assistance under this
22	section shall not preclude any tribally controlled
23	postsecondary vocational institution from receiving
24	Federal financial assistance under any program au-
25	thorized under the Higher Education Act of 1965

(20 U.S.C. 1001 et seq.) or any other applicable
 program for the benefit of institutions of higher edu cation or vocational education.

4 (2) PROHIBITION ON ALTERATION OF GRANT AMOUNT.—The amount of any grant for which trib-5 ally controlled postsecondary vocational institutions 6 7 are eligible under this section shall not be altered be-8 eause of funds allocated to any such institution from 9 funds appropriated under the Act of November 2, 10 1921 (commonly known as the "Snyder Act") (42) 11 Stat. 208, chapter 115; 25 U.S.C. 13).

12 (3) PROHIBITION ON CONTRACT DENIAL. No 13 tribally controlled postsecondary vocational institu-14 tion for which an Indian tribe has designated a por-15 tion of the funds appropriated for the tribe from 16 funds appropriated under such Act of November 2, 17 1921, may be denied a contract for such portion 18 under the Indian Self-Determination and Education 19 Assistance Act (25 U.S.C. 450b et seq.) (except as 20 provided in that Act), or denied appropriate contract 21 support to administer such portion of the appro-22 priated funds.

23 (g) NEEDS ESTIMATE AND REPORT ON FACILITIES
24 AND FACILITIES IMPROVEMENT.—

1 (1) NEEDS ESTIMATE.—The Secretary shall, 2 based on the most accurate data available from the 3 institutions and Indian tribes whose Indian students 4 are served under this section, and in consideration 5 of employment needs, economic development needs, 6 population training needs, and facilities needs, pre-7 pare an actual budget needs estimate for each insti-8 tution eligible under this section for each subsequent 9 program year, and submit such budget needs esti-10 mate to Congress in such a timely manner as will 11 enable the appropriate committees of Congress to 12 consider such needs data for purposes of the unin-13 terrupted flow of adequate appropriations to such in-14 stitutions. Such data shall take into account the 15 goals and requirements of the Personal Responsibil-16 ity and Work Opportunity Reconciliation Act of 17 1996 (Public Law 104–193; 110 Stat. 2105). 18 (2)STUDY AND HOUSING

18 (2) STUDY OF TRAINING AND HOUSING
 19 NEEDS.—

20(A) IN GENERAL.—The Secretary shall21conduct a detailed study of the training, hous-22ing, and immediate facilities needs of each insti-23tution eligible under this section. The study24shall include an examination of—

25 (i) training equipment needs;

1	(ii) housing needs of families whose
2	heads of households are students and
3	whose dependents have no alternate source
4	of support while such heads of households
5	are students; and
6	(iii) immediate facilities needs.
7	(B) REPORT.—The Secretary shall report
8	to Congress not later than July 1, 1999, on the
9	results of the study required by subparagraph
10	(Λ) .
11	(C) CONTENTS.—The report required by
12	subparagraph (B) shall include the number,
13	type, and cost of meeting the needs described in
14	subparagraph (A) , and rank each institution by
15	relative need.
16	(D) PRIORITY.—In conducting the study
17	required by subparagraph (A), the Secretary
18	shall give priority to institutions that are receiv-
19	ing assistance under this section.
20	(3) Long-term study of facilities.—
21	(A) IN GENERAL.—The Secretary shall
22	provide for the conduct of a long-term study of
23	the facilities of each institution eligible for as-
24	sistance under this section.

1 (B) CONTENTS.—The study required by 2 subparagraph (A) shall include a 5-year projec-3 tion of training facilities, equipment, and hous-4 ing needs and shall consider such factors as 5 projected service population, employment, and 6 economic development forecasting, based on the 7 most current and accurate data available from 8 the institutions and Indian tribes affected. 9 (B) SUBMISSION.—The Secretary shall 10 submit to Congress a detailed report on the re-

11 sults of such study not later than the end of the
12 18-month period beginning on the date of en13 actment of this Act.

(h) DEFINITIONS.—For the purposes of this section:
(1) INDIAN; INDIAN TRIBE.—The terms "Indian" and "Indian tribe" have the meaning given
such terms in section 2 of the Tribally Controlled
Community College Assistance Act of 1978 (25)
U.S.C. 1801).

20 (2) TRIBALLY CONTROLLED POSTSECONDARY
 21 VOCATIONAL INSTITUTION.—The term "tribally con 22 trolled postsecondary vocational institution" means
 23 an institution of higher education that—

1	(A) is formally controlled, or has been for-
2	mally sanctioned or chartered by the governing
3	body of an Indian tribe or tribes; and
4	(B) offers technical degrees or certificate
5	granting programs.
6	SEC. 116. INCENTIVE GRANTS.
7	(a) IN GENERAL.—The Secretary may make grants
8	to States that exceed—
9	(1) the State performance measures established
10	by the Secretary of Education under this Act; and
11	(2) the State performance measures established
12	under title III.
13	(b) PRIORITY.—In awarding incentive grants under
14	this section, the Secretary shall give priority to those
15	States submitting a State unified plan as described in see-
16	tion 501 that is approved by the appropriate Secretaries
17	as described in such section.
18	(e) USE OF FUNDS.—A State that receives an incen-
19	tive grant under this section shall use the funds made
20	available through the grant to carry out innovative pro-
21	grams as determined by the State.
22	CHAPTER 2—STATE PROVISIONS
23	SEC. 121. STATE ADMINISTRATION.
24	

Each eligible agency shall be responsible for the State
administration of activities under this subtitle, including—

(1) the development, submission, and implemen tation of the State plan;

3 (2) the efficient and effective performance of 4 the eligible agency's duties under this subtitle; and 5 (3) consultation with other appropriate agen-6 eies, groups, and individuals that are involved in the 7 development and implementation of activities as-8 sisted under this subtitle, such as employers, par-9 ents, students, teachers, labor organizations, State 10 and local elected officials, and local program admin-11 istrators.

12 SEC. 122. STATE USE OF FUNDS.

13 (a) RESERVATIONS.—From funds allotted to each
14 State under section 111(a) for each fiscal year, the eligible
15 agency shall reserve—

16 (1) not more than 14 percent of the funds to
17 carry out section 123;

18 (2) not more than 10 percent of the funds, or
19 \$300,000, whichever is greater, of which—

20 (A) \$60,000 shall be available to provide
21 technical assistance and advice to local edu22 cational agencies, postsecondary educational in23 stitutions, and other interested parties in the
24 State for gender equity activities; and

25 (B) the remainder may be used to—

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1	(i) develop the State plan;
2	(ii) review local applications;
3	(iii) monitor and evaluate program ef-
4	fectiveness;
5	(iv) provide technical assistance; and
6	(v) assure compliance with all applica-
7	ble Federal laws, including required serv-
8	ices and activities for individuals who are
9	members of populations described in sec-
10	tion $124(c)(16)$; and
11	(3) 1 percent of the funds, or the amount the
12	State expended under the Carl D. Perkins Voca-
13	tional and Applied Technology Education Act (20
14	U.S.C. 2301 et seq.) for vocational education pro-
15	grams for criminal offenders for the fiscal year
16	1997, whichever is greater, to carry out programs
17	for criminal offenders.
18	(b) REMAINDER.—From funds allotted to each State
19	under section 111(a) for each fiscal year and not reserved
20	under subsection (a), the eligible agency shall determine

22 sections 131 and 132.

21

23 (c) MATCHING REQUIREMENT.—Each eligible agency
24 receiving funds under this subtitle shall match, from non-

the portion of the funds that will be available to carry out

Federal sources and on a dollar-for-dollar basis, the funds
 received under subsection (a)(2).

3 SEC. 123. STATE LEADERSHIP ACTIVITIES.

4 (a) MANDATORY.—Each eligible agency shall use the 5 funds reserved under section 122(a)(1) to conduct pro-6 grams, services, and activities that further the develop-7 ment, implementation, and improvement of vocational 8 education within the State and that are integrated, to the 9 maximum extent possible, with challenging State academic 10 standards, including—

(1) providing comprehensive professional devel opment (including initial teacher preparation) for vo cational, academic, guidance, and administrative
 personnel, that—

15 (A) will help the teachers and personnel to
16 meet the expected levels of performance estab17 lished under section 112;

18 (B) reflects the eligible agency's assess19 ment of the eligible agency's needs for profes20 sional development; and

21 (C) is integrated with the professional de22 velopment activities that the State carries out
23 under title H of the Elementary and Secondary
24 Education Act of 1965 (20 U.S.C. 6001 et
25 seq.);

1	(2) developing and disseminating curricula that
2	are aligned, as appropriate, with challenging State
3	academic standards, and vocational and techno-
4	logical skills;
5	(3) monitoring and evaluating the quality of,
6	and improvement in, activities conducted with assist-
7	ance under this subtitle;
8	(4) promoting gender equity in secondary and
9	postsecondary vocational education;
10	(5) supporting tech-prep education activities;
11	(6) improving and expanding the use of tech-
12	nology in instruction;
13	(7) supporting partnerships among local edu-
14	cational agencies, institutions of higher education,
15	adult education providers, and, as appropriate, other
16	entities, such as employers, labor organizations, par-
17	ents, and local partnerships, to enable students to
18	achieve to challenging State academic standards,
19	and vocational and technological skills; and
20	(8) serving individuals in State institutions,
21	such as State correctional institutions and institu-
22	tions that serve individuals with disabilities.
23	(b) PERMISSIVE.—Each eligible agency may use the
24	funds reserved under section 122(a)(1) for—

1	(1) improving guidance and counseling pro-
2	grams that assist students in making informed edu-
3	cation and vocational decisions;
4	(2) supporting vocational student organizations,
5	especially with respect to efforts to increase the par-
6	ticipation of students who are members of popu-
7	lations described in section 124(c)(16);
8	(3) providing vocational education programs for
9	adults and school dropouts to complete their second-
10	ary school education; and
11	(4) providing assistance to students who have
12	participated in services and activities under this sub-
13	title in finding an appropriate job and continuing
14	their education.
15	SEC. 124. STATE PLAN.
16	(a) STATE PLAN.—
17	(1) IN GENERAL.—Each eligible entity desiring
18	assistance under this subtitle for any fiscal year
19	shall prepare and submit to the Secretary a State
20	plan for a 3-year period, together with such annual
21	revisions as the eligible agency determines to be nee-
22	essary.
23	(2) COORDINATION.—The period required by
24	paragraph (1) shall be coordinated with the period
25	covered by the State plan described in section 304.

1 (3) HEARING PROCESS.—The eligible agency 2 shall conduct public hearings in the State, after ap-3 propriate and sufficient notice, for the purpose of af-4 fording all segments of the public and interested or-5 ganizations and groups (including employers, labor 6 organizations, and parents), an opportunity to 7 present their views and make recommendations re-8 garding the State plan. A summary of such ree-9 ommendations and the eligible agency's response to 10 such recommendations shall be included with the 11 State plan.

12 (b) DEVELOPMENT OF PLAN.—The eligible agency 13 shall develop the State plan with representatives of sec-14 ondary and postsecondary vocational education, and busi-15 ness, in the State and shall also consult the Governor of 16 the State.

17 (e) CONTENTS OF THE PLAN.—The State plan shall
18 include information that—

19 (1) describes the vocational education activities
20 to be assisted that are designed to meet and reach
21 the State performance measures;

22 (2) describes the integration of academic edu23 cation with vocational education, and with techno24 logical education related to vocational education;

1	(3) describes how the eligible agency will
2	disaggregate data relating to students participating
3	in vocational education in order to adequately meas-
4	ure the progress of the students;
5	(4) describes how the eligible agency will ade-
6	quately address the needs of students in alternative
7	education programs;
8	(5) describes how the eligible agency will pro-
9	vide local educational agencies, area vocational edu-
10	cation schools, and eligible institutions in the State
11	with technical assistance;
12	(6) describes how the eligible agency will en-
13	courage the participation of the parents of secondary
14	school students who are involved in vocational edu-
15	cation activities;
16	(7) identifies how the eligible agency will obtain
17	the active participation of business, labor organiza-
18	tions, and parents in the development and improve-
19	ment of vocational education activities carried out by
20	the eligible agency;
21	(8) describes how vocational education is
22	aligned with State and regional employment oppor-
23	tunities;
24	(9) describes the methods proposed for the joint

25 planning and coordination of programs carried out

under this subtitle with other Federal education pro-

2	grams;
3	(10) describes how funds will be used to pro-
4	mote gender equity in secondary and postsecondary
5	vocational education;
6	(11) describes how funds will be used to im-
7	prove and expand the use of technology in instruc-
8	tion;
9	(12) describes how funds will be used to serve
10	individuals in State correctional institutions;
11	(13) describes how funds will be used effectively
12	to link secondary and postsecondary education;
13	(14) describes how funds will be allocated and
14	used at the secondary and postsecondary level, any
15	consortia that will be formed among secondary
16	schools and eligible institutions, and how funds will
17	be allocated among the members of the consortia;
18	(15) describes how the eligible agency will en-
19	sure that the data reported to the eligible agency
20	from local educational agencies and eligible institu-
21	tions under this subtitle and the data the eligible
22	agency reports to the Secretary are complete, accu-
23	rate, and reliable;

1	(16) describes how the eligible agency will de-
2	velop program strategies for populations that in-
3	elude, at a minimum—
4	(A) low-income individuals, including foster
5	children;
6	(B) individuals with disabilities;
7	(C) single parents and displaced home-
8	makers; and
9	(D) individuals with multiple barriers to
10	educational enhancement; and
11	(17) contains the description and information
12	specified in paragraphs (8) and (16) of section
13	304(b) concerning postsecondary students and
14	school dropouts.
15	(d) Plan Approval.—
16	(1) IN GENERAL.—The Secretary shall approve
17	a State plan, or a revision to an approved State
18	plan, only if the Secretary determines that—
19	(A) the State plan, or revision, respec-
20	tively, meets the requirements of this section;
21	and
22	(B) the State's performance measures and
23	expected levels of performance under section
24	112 are sufficiently rigorous to meet the pur-
25	pose of this title.

1 (2) DISAPPROVAL.—The Secretary shall not fi-2 nally disapprove a State plan, except after giving the 3 eligible agency notice and an opportunity for a hear-4 ing. (3) PEER REVIEW.—The Secretary shall estab-5 6 lish a peer review process to make recommendations regarding approval of State plans and revisions to 7 8 State plans. 9 (4) TIMEFRAME.—A State plan shall be deemed 10 approved if the Secretary has not responded to the 11 eligible agency regarding the plan within 90 days of 12 the date the Secretary receives the plan. 13 (e) ELIGIBLE AGENCY REPORT. (1) IN GENERAL.—The eligible agency shall an-14 15 nually report to the Secretary regarding— 16 (A) the quality and effectiveness of the 17 services, and activities, assisted programs, 18 under this subtitle, based on the performance 19 measures and expected levels of performance 20 described in section 112; and 21 (B) the progress each population of indi-22 viduals described in section 124(c)(16) is mak-23 ing toward achieving the expected levels of per-

24 formance.

1	(2) CONTENTS.—The eligible agency report
2	also -
3	(A) shall include such information, in such
4	form, as the Secretary may reasonably require,
5	in order to ensure the collection of uniform
6	data; and
7	(B) shall be made available to the public.
8	CHAPTER 3-LOCAL PROVISIONS
9	SEC. 131. DISTRIBUTION FOR SECONDARY SCHOOL VOCA-
10	TIONAL EDUCATION.
11	(a) Allocation.—Except as otherwise provided in
12	this section, each eligible agency shall distribute the por-
13	tion of the funds made available for secondary school voca-
14	tional education activities under section 122(b) for any fis-
15	eal year to local educational agencies within the State as
16	follows:
17	(1) Seventy percent.—From 70 percent of
18	such portion, each local educational agency shall be
19	allocated an amount that bears the same relation-
20	ship to such 70 percent as the amount such local
21	educational agency was allocated under section 1124
22	of the Elementary and Secondary Education Act of
23	1965 (20 U.S.C. 6333) for the preceding fiscal year
24	bears to the total amount received under such see-

tion by all local educational agencies in the State for
 such year.

3 (2) TWENTY PERCENT.—From 20 percent of 4 such portion, each local educational agency shall be 5 allocated an amount that bears the same relation-6 ship to such 20 percent as the number of students 7 with disabilities who have individualized education 8 programs under section 614(d) of the Individuals 9 with Disabilities Education Act (20 U.S.C. 1414(d)) 10 served by such local educational agency for the pre-11 ceding fiscal year bears to the total number of such 12 students served by all local educational agencies in 13 the State for such year.

14 (3) TEN PERCENT.—From 10 percent of such portion, each local educational agency shall be allo-15 16 cated an amount that bears the same relationship to 17 such 10 percent as the number of students enrolled 18 in schools and adults enrolled in training programs 19 under the jurisdiction of such local educational agen-20 ey for the preceding fiscal year bears to the number 21 of students enrolled in schools and adults enrolled in 22 training programs under the jurisdiction of all local 23 educational agencies in the State for such year.

24 (b) MINIMUM ALLOCATION.—

1	(1) In GENERAL.—Except as provided in para-
2	graph (2), no local educational agency shall receive
3	an allocation under subsection (a) unless the amount
4	allocated to such agency under subsection (a) is not
5	less than $$25,000$. A local educational agency may
6	enter into a consortium with other local educational
7	agencies for purposes of meeting the minimum allo-
8	cation requirement of this paragraph.
9	(2) WAIVER.—The eligible agency may waive
10	the application of paragraph (1) in any case in
11	which the local educational agency—
12	(A) is located in a rural, sparsely popu-
13	lated area; and
14	(B) demonstrates that such agency is un-
15	able to enter into a consortium for purposes of
16	providing services under this section.
17	(3) REALLOCATION.—Any amounts that are not
18	allocated by reason of paragraph (1) or (2) shall be
19	reallocated to local educational agencies that meet
20	the requirements of paragraph (1) or (2) in accord-
21	ance with the provisions of this section.
22	(c) Limited Jurisdiction Agencies.—
23	(1) IN GENERAL.—In applying the provisions of
24	subsection (a), no eligible agency receiving assistance
25	under this subtitle shall allocate funds to a local

educational agency that serves only elementary
 schools, but shall distribute such funds to the local
 educational agency or regional educational agency
 that provides secondary school services to secondary
 school students in the same attendance area.

6 (2) SPECIAL RULE.—The amount to be allo-7 eated under paragraph (1) to a local educational 8 agency that has jurisdiction only over secondary 9 schools shall be determined based on the number of 10 students that entered such secondary schools in the 11 previous year from the elementary schools involved. 12 (d) ALLOCATIONS TO AREA VOCATIONAL EDUCATION Schools and Educational Service Agencies.— 13

(1) IN GENERAL.—Each eligible agency shall
distribute the portion of funds made available for
any fiscal year by such entity for secondary school
vocational education activities under section 122(b)
to the appropriate area vocational education school
or educational service agency in any case in which—
(A) the area vocational education school or

21 educational service agency, and the local edu22 eational agency concerned—

23 (i) have formed or will form a consor24 tium for the purpose of receiving funds
25 under this section; or

1	(ii) have entered into or will enter into
2	a cooperative arrangement for such pur-
3	pose; and

4 (B)(i) the area vocational education school 5 or educational service agency serves an approxi-6 mately equal or greater proportion of students 7 who are individuals with disabilities or are low-8 income than the proportion of such students at-9 tending the secondary schools under the jurisdiction of all of the local educational agencies 10 11 sending students to the area vocational edu-12 eation school or the educational service agency; 13 or

14 (ii) the area vocational education school, 15 educational service agency, or local educational 16 agency demonstrates that the vocational edu-17 cation school or educational service agency is 18 unable to meet the criterion described in clause 19 (i) due to the lack of interest by students de-20 scribed in elause (i) in attending vocational edu-21 eation programs in that area vocational edu-22 eation school or educational service agency.

23 (2) ALLOCATION BASIS.—If an area vocational
24 education school or educational service agency meets
25 the requirements of paragraph (1), then—

1	(A) the amount that will otherwise be dis-
2	tributed to the local educational agency under
3	this section shall be allocated to the area voca-
4	tional education school, the educational service
5	agency, and the local educational agency, based
6	on each school's or agency's relative share of
7	students described in paragraph (1)(B)(i) who
8	are attending vocational education programs
9	(based, if practicable, on the average enrollment
10	for the prior 3 years); or
11	(B) such amount may be allocated on the
12	basis of an agreement between the local edu-
13	cational agency and the area vocational edu-
14	cation school or educational service agency.
15	(3) STATE DETERMINATION.
16	(A) IN GENERAL.—For the purposes of
17	this subsection, the eligible agency may deter-
18	mine the number of students who are low-in-
19	come on the basis of—
20	(i) eligibility for—
21	(I) free or reduced-price meals
22	under the National School Lunch Act
23	(7 U.S.C. 1751 et seq.);

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1	(II) assistance under a State pro-
2	gram funded under part A of title IV
3	of the Social Security Act;
4	(III) benefits under the Food
5	Stamp Act of 1977 (7 U.S.C. 2011 et
6	seq.); or
7	(IV) services under title I of the
8	Elementary and Secondary Education
9	Act of 1965 (20 U.S.C. 6301 et seq.);
10	and
11	(ii) another index of economic status,
12	including an estimate of such index, if the
13	eligible agency demonstrates to the satis-
14	faction of the Secretary that such index is
15	a more representative means of determin-
16	ing such number.
17	(B) DATA.—If an eligible agency elects to
18	use more than 1 factor described in subpara-
19	graph (A) for purposes of making the deter-
20	mination described in such subparagraph, the
21	eligible agency shall ensure that the data used
22	is not duplicative.
23	(4) APPEALS PROCEDURE.—The eligible agency
24	shall establish an appeals procedure for resolution of
25	any dispute arising between a local educational

agency and an area vocational education school or
 an educational service agency with respect to the al location procedures described in this section, includ ing the decision of a local educational agency to
 leave a consortium.

6 (5) SPECIAL RULE. Notwithstanding the pro-7 visions of paragraphs (1), (2), (3), and (4), any local 8 educational agency receiving an allocation that is not 9 sufficient to conduct a secondary school vocational 10 education program of sufficient size, scope, and 11 quality to be effective may—

12 (A) form a consortium or enter into a co-13 operative agreement with an area vocational 14 education school or educational service agency 15 offering secondary school vocational education 16 programs of sufficient size, scope, and quality 17 to be effective and that are accessible to stu-18 dents who are individuals with disabilities or 19 are low-income, and are served by such local 20 educational agency; and

21 (B) transfer such allocation to the area vo22 eational education school or educational service
23 agency.

24 (e) SPECIAL RULE.—Each eligible agency distribut25 ing funds under this section shall treat a secondary school

funded by the Bureau of Indian Affairs within the State
 as if such school were a local educational agency within
 the State for the purpose of receiving a distribution under
 this section.

5 SEC. 132. DISTRIBUTION FOR POSTSECONDARY VOCA6 TIONAL EDUCATION.

7 (a) DISTRIBUTION.

8 (1) IN GENERAL.—Except as otherwise pro-9 vided in this section, each eligible agency shall dis-10 tribute the portion of funds made available for post-11 secondary vocational education under section 122(b) 12 for any fiscal year to eligible institutions within the 13 State in accordance with paragraph (2).

14 (2) ALLOCATION.—Each eligible institution in 15 the State having an application approved under see-16 tion 134 for a fiscal year shall be allocated an 17 amount that bears the same relationship to the 18 amount of funds made available for postsecondary 19 vocational education under section 122(b) for the 20 fiscal year as the number of Pell Grant recipients 21 and recipients of assistance from the Bureau of In-22 dian Affairs enrolled for the preceding fiscal year by 23 such eligible institution in vocational education programs that do not exceed 2 years in duration bears 24

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1	to the number of such recipients enrolled in such
2	programs within the State for such fiscal year.
3	(3) MINIMUM ALLOCATION.
4	(A) IN GENERAL.—Except as provided in
5	subparagraph (B), no eligible institution shall
6	receive an allocation under paragraph (2) un-
7	less the amount allocated to the eligible institu-
8	tion under paragraph (2) is not less than
9	$\frac{65,000}{2}$
10	(B) WAIVER.—The eligible agency may
11	waive the application of subparagraph (A) in
12	any case in which the eligible institution is lo-
13	cated in a rural, sparsely populated area.
14	(C) REALLOCATION.—Any amounts that
15	are not allocated by reason of subparagraph (A)
16	or (B) shall be reallocated to eligible institu-
17	tions that meet the requirements of subpara-
18	graph (A) or (B) in accordance with the provi-
19	sions of this section.
20	(4) Definition of pell grant recipient.
21	The term "Pell Grant recipient" means a recipient
22	of financial aid under subpart 1 of part A of title
23	IV of the Higher Education Act of 1965 (20 U.S.C.
24	1070a).

 2 may allocate funds made available for postsecondary edu- a cation under section 122(b) for a fiscal year using an al- 4 ternative formula if the eligible agency demonstrates to 5 the Secretary's satisfaction that— 6 (1) the alternative formula better meets the purpose of this title; and (2)(A) the formula described in subsection (a) does not result in an allocation of funds to the eligible institutions that serve the highest numbers or percentages of low-income students; and (B) the alternative formula will result in such a distribution. 14 SEC. 133. LOCAL ACTIVITIES. (a) MANDATORY.—Funds made available to a local educational agency or an eligible institution under this subtitle shall be used— (1) to conduct vocational education programs; and technological education programs related to vo- cational education, that further student achievement; (2) to provide services and activities that are of sufficient size, scope, and quality to be effective; (3) to integrate academic education with voca- tional education for students participating in voca- 	1	(b) ALTERNATIVE ALLOCATION.—An eligible agency
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24 tional education for students participating in voca-	22	sufficient size, scope, and quality to be effective;
	23	(3) to integrate academic education with voca-
25 tional education:	24	tional education for students participating in voca-
7	25	

1	(4) to link secondary education (as determined
2	under State law) and postsecondary education, in-
3	eluding implementing tech-prep programs;
4	(5) to provide professional development activi-
5	ties to teachers, counselors, and administrators, in-
6	cluding
7	(A) inservice and preservice training in
8	state-of-the-art vocational education programs;
9	(B) internship programs that provide busi-
10	ness experience to teachers; and
11	(C) programs designed to train teachers
12	specifically in the use and application of tech-
13	nology;
14	(6) to improve or expand the use of technology
15	in vocational instruction, including professional de-
16	velopment in the use of technology, which may in-
17	elude distance learning;
18	(7) to expand, improve, and modernize quality
19	vocational education programs;
20	(8) to provide access to quality vocational edu-
21	cation programs for students, including students
22	who are members of the populations described in
23	section $124(e)(16);$
24	(9) to develop and implement performance man-
25	agement systems and evaluations; and

1	(10) to promote gender equity in secondary and
2	postsecondary vocational education.
3	(b) PERMISSIVE.—Funds made available to a local
4	educational agency or an eligible institution under this
5	subtitle may be used—
6	(1) to carry out student internships;
7	(2) to provide guidance and counseling for stu-
8	dents participating in vocational education pro-
9	grams;
10	(3) to provide vocational education programs
11	for adults and school dropouts to complete their sec-
12	ondary school education;
13	(4) to acquire and adapt equipment, including
14	instructional aids;
15	(5) to support vocational student organizations;
16	(6) to provide assistance to students who have
17	participated in services and activities under this sub-
18	title in finding an appropriate job and continuing
19	their education; and
20	(7) to support other activities that are consist-
21	ent with the purpose of this title.
22	SEC. 134. LOCAL APPLICATION.
23	(a) IN GENERAL.—Each local educational agency or
24	eligible institution desiring assistance under this subtitle
25	shall submit an application to the eligible agency at such

time, in such manner, and accompanied by such informa tion as the eligible agency (in consultation with such other
 educational entities as the eligible agency determines to
 be appropriate) may require.

5 (b) CONTENTS.—Each application shall, at a mini-6 mum—

7 (1) describe how the vocational education activi8 ties will be earried out pertaining to meeting the ex9 pected levels of performance;

10 (2) describe the process that will be used to
11 independently evaluate and continuously improve the
12 performance of the local educational agency or eligi13 ble institution, as appropriate; and

(3) describe how the local educational agency or
eligible institution, as appropriate, will consult with
students, parents, business, labor organizations, and
other interested individuals, in carrying out activities
under this subtitle.

19 Subtitle B—Tech-Prep Education

20 sec. 151. short title.

21 This subtitle may be cited as the "Tech-Prep Edu22 cation Act".

23 SEC. 152. PURPOSES.

24 The purposes of this subtitle are—

1 (1) to provide implementation grants to consor-2 tia of local educational agencies, postsecondary edu-3 cational institutions, and employers or labor organi-4 zations, for the development and operation of pro-5 grams designed to provide a tech-prep education program leading to a 2-year associate degree or a 2-6 7 year certificate; 8 (2) to provide, in a systematic manner, strong, 9 comprehensive links among secondary schools, post-10 secondary educational institutions, and local or re-11 gional employers, or labor organizations; and 12 (3) to support the use of contextual, authentic, 13 and applied teaching and curriculum based on each State's academic, occupational, and employability 14 15 standards. SEC. 153. DEFINITIONS. 16 17 (a) In this subtitle: 18 (1) ARTICULATION AGREEMENT.—The term "articulation agreement" means a written commit-19 20 ment to a program designed to provide students with 21 a non duplicative sequence of progressive achieve-22 ment leading to degrees or certificates in a tech-prep 23 education program.

24 (2) COMMUNITY COLLEGE.—The term "commu25 nity college"—

1	(A) has the meaning provided in section
2	1201(a) of the Higher Education Act of 1965
3	(20 U.S.C. 1141) for an institution which pro-
4	vides not less than a 2-year program which is
5	acceptable for full credit toward a bachelor's de-
6	gree; and
7	(B) includes tribally controlled community
8	colleges.
9	(3) TECH-PREP PROGRAM.—The term "tech-
10	prep program" means a program of study that—
11	(A) combines at a minimum 2 years of see-
12	ondary education (as determined under State
13	law) and a minimum 2 years of postsecondary
14	education in a nonduplicative, sequential course
15	of study;
16	(B) integrates academic and vocational in-
17	struction, and utilizes work-based and worksite
18	learning where appropriate and available;
19	(C) provides technical preparation in a ca-
20	reer field such as engineering technology, ap-
21	plied science, a mechanical, industrial, or prac-
22	tical art or trade, agriculture, health occupa-
23	tions, business, or applied economics;
24	(D) builds student competence in mathe-
25	matics, science, communications, economics,

1	and workplace skills, through applied, contex-
2	tual academics, and integrated instruction in a
3	coherent sequence of courses;
4	(E) leads to an associate or a bacca-
5	laureate degree or a certificate in a specific ca-
6	reer field; and
7	(F) leads to placement in appropriate em-
8	ployment or further education.
9	SEC. 154. PROGRAM AUTHORIZED.
10	(a) Discretionary Amounts.—
11	(1) In GENERAL.—For any fiscal year for
12	which the amount appropriated under section 158 to
13	carry out this subtitle is equal to or less than
14	\$50,000,000, the Secretary shall award grants for
15	tech-prep education programs to consortia of—
16	(A) local educational agencies, intermedi-
17	ate educational agencies or area vocational edu-
18	eation schools serving secondary school stu-
19	dents, or secondary schools funded by the Bu-
20	reau of Indian Affairs;
21	(B)(i) nonprofit institutions of higher edu-
22	cation that offer —
23	(I) a 2-year associate degree program,
24	or a 2-year certificate program, and are
25	qualified as institutions of higher education

1	pursuant to section 481(a) of the Higher
2	Education Act of 1965 (20 U.S.C.
3	1088(a)), including institutions receiving
4	assistance under the Tribally Controlled
5	Community College Assistance Act of 1978
6	(25 U.S.C. 1801 et seq.) and tribally con-
7	trolled postsecondary vocational institu-
8	tions; or
9	(II) a 2-year apprenticeship program
10	that follows secondary instruction,
11	if such nonprofit institutions of higher edu-
12	cation are not prohibited from receiving assist-
13	ance under part B of the Higher Education Act
14	of 1965 (20 U.S.C. 1071 et seq.) pursuant to
15	the provisions of section 435(a)(3) of such Act
16	(20 U.S.C. 1083(a)); or
17	(ii) proprietary institutions of higher edu-
18	cation which offer a 2-year associate degree
19	program and which are qualified as institutions
20	of higher education pursuant to section 481(a)
21	of the Higher Education Act of 1965 (20
22	U.S.C. 1088(a)) if such proprietary institutions
23	of higher education are not subject to a default
24	management plan required by the Secretary; or
25	(C) employers or labor organizations.

(2) SPECIAL RULE.—A consortium described in
 paragraph (1) may include 1 or more institutions of
 higher education that award baccalaureate degrees.
 (b) STATE GRANTS.—

5 (1) IN GENERAL.—For any fiscal year for 6 which the amount made available under section 158 7 to carry out this subtitle exceeds \$50,000,000, the 8 Secretary shall allot such amount among the States 9 in the same manner as funds are allotted to States 10 under paragraphs (2), (3), and (4) of section 111(a).

11 (2) PAYMENTS TO ELIGIBLE AGENCIES.—The
12 Secretary shall make a payment in the amount of a
13 State's allotment under this paragraph to the eligi14 ble agency that serves the State and has an applica15 tion approved under paragraph (4).

16 (3) AWARD BASIS.—From amounts made avail17 able to each eligible agency under this subsection,
18 the eligible agency shall award grants, on a competi19 tive basis or on the basis of a formula determined
20 by the eligible agency, for tech-prep education pro21 grams to consortia described in subsection (a).

22 (4) STATE APPLICATION.—Each eligible agency
 23 desiring assistance under this subtitle shall submit
 24 an application to the Secretary at such time, in such

manner, and accompanied by such information as
 the Secretary may require.

3 SEC. 155. TECH-PREP EDUCATION PROGRAMS.

4 (a) GENERAL AUTHORITY.—Each consortium shall
5 use amounts provided through the grant to develop and
6 operate a tech-prep education program.

7 (b) CONTENTS OF PROGRAM.—Any such tech-prep 8 program shall—

9 (1) be carried out under an articulation agree10 ment between the participants in the consortium;

11 (2) consist of at least 2 years of secondary 12 school preceding graduation and 2 years or more of 13 higher education, or an apprenticeship program of at 14 least 2 years following secondary instruction, with a 15 common core of required proficiency in mathematics, 16 science, communications, and technologies designed 17 to lead to an associate or baccalaureate degree or a 18 certificate in a specific career field;

19 (3) include the development of tech-prep edu20 eation program curricula for both secondary and
21 postsecondary levels that—

22 (A) meets challenging academic standards
23 developed by the State;

24 (B) links secondary schools and 2-year
 25 postsecondary institutions, and where possible

87

1	and practicable, 4-year institutions of higher
2	education through nonduplicative sequences of
3	courses in career fields;
4	(C) uses, where appropriate and available,
5	work-based or worksite learning in conjunction
6	with business and industry; and
7	(D) uses educational technology and dis-
8	tance learning, as appropriate, to involve all the
9	consortium partners more fully in the develop-
10	ment and operation of programs.
11	(4) include a professional development program
12	for academic, vocational, and technical teachers
13	that—
14	(A) is designed to train teachers to effec-
15	tively implement tech-prep education curricula;
16	(B) provides for joint training for teachers
17	from all participants in the consortium;
	from an participants in the consolution;
18	(C) is designed to ensure that teachers
18 19	
	(C) is designed to ensure that teachers
19	(C) is designed to ensure that teachers stay current with the needs, expectations, and
19 20	(C) is designed to ensure that teachers stay current with the needs, expectations, and methods of business and industry;
19 20 21	 (C) is designed to ensure that teachers stay current with the needs, expectations, and methods of business and industry; (D) focuses on training postsecondary edu-
19 20 21 22	 (C) is designed to ensure that teachers stay current with the needs, expectations, and methods of business and industry; (D) focuses on training postsecondary edu- eation faculty in the use of contextual and ap-

1	(5) include training programs for counselors de-
2	signed to enable counselors to more effectively—
3	(A) make tech-prep education opportuni-
4	ties known to students interested in such activi-
5	ties;
6	(B) ensure that such students successfully
7	complete such programs;
8	(C) ensure that such students are placed in
9	appropriate employment; and
10	(D) stay current with the needs, expecta-
11	tions, and methods of business and industry;
12	(6) provide equal access to the full range of
13	technical preparation programs to individuals who
14	are members of populations described in section
15	$\frac{124(c)(16)}{12}$, including the development of tech-prep
16	education program services appropriate to the needs
17	of such individuals; and
18	(7) provide for preparatory services that assist
19	all participants in such programs.
20	(c) Additional Authorized Activities.—Each
21	such tech-prep program may—
22	(1) provide for the acquisition of tech-prep edu-
23	cation program equipment;
24	(2) as part of the program's planning activities,
25	acquire technical assistance from State or local enti-

1	ties that have successfully designed, established and
2	operated tech-prep programs;
3	(3) acquire technical assistance from State or
4	local entities that have designed, established, and op-
5	erated tech-prep programs that have effectively used
6	educational technology and distance learning in the
7	delivery of curricula and services and in the articula-
8	tion process; and
9	(4) establish articulation agreements with insti-
10	tutions of higher education, labor organizations, or
11	businesses located outside of the State served by the
12	consortium, especially with regard to using distance
13	learning and educational technology to provide for
14	the delivery of services and programs.
15	SEC. 156. APPLICATIONS.
16	(a) IN GENERAL.—Each consortium that desires to

receive a grant under this subtitle shall submit an applica-17 tion to the Secretary or the eligible agency, as appropriate, 18 at such time and in such manner as the Secretary or the 19 eligible agency, as appropriate, shall prescribe. 20

21 (b) THREE-YEAR PLAN.—Each application submitted under this section shall contain a 3-year plan for the 22 development and implementation of activities under this 23 24 subtitle.

(c) APPROVAL.—The Secretary or the eligible agency,
 as appropriate, shall approve applications based on the po tential of the activities described in the application to cre ate an effective tech-prep education program described in
 section 155.

6 (d) SPECIAL CONSIDERATION.—The Secretary or the
7 eligible agency, as appropriate, shall give special consider8 ation to applications that—

9 (1) provide for effective employment placement
10 activities or the transfer of students to 4-year insti11 tutions of higher education;

12 (2) are developed in consultation with 4-year in13 stitutions of higher education;

14 (3) address effectively the needs of populations
15 described in section 124(e)(16);

16 (4) provide education and training in areas or
17 skills where there are significant workforce short18 ages, including the information technology industry;
19 and

20 (5) demonstrate how tech-prep programs will
21 help students meet high academic and employability
22 competencies.

23 (e) EQUITABLE DISTRIBUTION OF ASSISTANCE.—In
24 awarding grants under this subtitle, the Secretary shall
25 ensure an equitable distribution of assistance among

States, and the Secretary or the eligible agency, as appro priate, shall ensure an equitable distribution of assistance
 between urban and rural consortium participants.

- 4 (f) <u>NOTICE.</u>
- 5 (1) IN GENERAL.—In the case of grants to be 6 awarded by the Secretary, each consortium that sub-7 mits an application under this section shall provide 8 notice of such submission and a copy of such appli-9 cation to the State educational agency and the State 10 agency for higher education of the State in which 11 the consortium is located.
- 12 (2) NOTIFICATION.—The Secretary shall notify 13 the State educational agency and the State agency 14 for higher education of a State each time a consor-15 tium located in the State is selected to receive a 16 grant under this subtitle.

17 SEC. 157. AUTHORIZATION OF APPROPRIATIONS.

18 There are authorized to be appropriated to earry out 19 this subtitle such sums as may be necessary for each of 20 the fiscal years 1999 through 2004.

21 Subtitle C—General Provisions

22 SEC. 161. ADMINISTRATIVE PROVISIONS.

23 (a) SUPPLEMENT NOT SUPPLANT.—Funds made
24 available under this title for vocational education activities
25 shall supplement, and shall not supplant, other public

funds expended to carry out vocational education and
 tech-prep activities.

3 (b) MAINTENANCE OF EFFORT.

4 (1) DETERMINATION.—No payments shall be 5 made under this title for any fiscal year to an eligi-6 ble agency for vocational education or tech-prep ac-7 tivities unless the Secretary determines that the fis-8 eal effort per student or the aggregate expenditures 9 of the State for vocational education for the fiscal 10 year preceding the fiscal year for which the deter-11 mination is made, equaled or exceeded such effort or 12 expenditures for vocational education for the second 13 fiscal year preceding the fiscal year for which the de-14 termination is made.

15 (2) WAIVER.—The Secretary may waive the re-16 quirements of this section, with respect to not more 17 than 5 percent of expenditures by any eligible agen-18 ey for 1 fiscal year only, on making a determination 19 that such waiver would be equitable due to excep-20 tional or uncontrollable circumstances affecting the 21 ability of the applicant to meet such requirements, 22 such as a natural disaster or an unforeseen and pre-23 cipitous decline in financial resources. No level of 24 funding permitted under such a waiver may be used 25 as the basis for computing the fiscal effort or aggregate expenditures required under this section for
 years subsequent to the year covered by such waiver.
 The fiscal effort or aggregate expenditures for the
 subsequent years shall be computed on the basis of
 the level of funding that would, but for such waiver,
 have been required.

7 (c) REPRESENTATION.—The eligible agency shall
8 provide representation to the statewide partnership.

9 SEC. 162. EVALUATION, IMPROVEMENT, AND ACCOUNT-10 ABILITY.

(a) LOCAL EVALUATION.—Each eligible agency shall
 evaluate annually the vocational education and tech-prep
 activities of each local educational agency or eligible insti tution receiving assistance under this title, using the per formance measures established under section 112.

16 (b) IMPROVEMENT ACTIVITIES.—If, after reviewing 17 the evaluation, an eligible agency determines that a local educational agency or eligible institution is not making 18 substantial progress in achieving the purpose of this title, 19 20 the eligible agency may work jointly with the local educational agency or eligible institution, respectively, to de-21 22 velop an improvement plan. If, after not more than 2 years 23 of implementation of the improvement plan, the eligible 24 agency determines that the local educational agency or eli-25 gible institution, respectively, is not making substantial

progress, the eligible agency shall take whatever corrective 1 action the eligible agency deems necessary, which may in-2 elude termination of funding or the implementation of al-3 ternative service arrangements, consistent with State law. 4 5 The eligible agency shall take corrective action under the preceding sentence only after the eligible agency has pro-6 7 vided technical assistance to the local educational agency 8 or eligible institution and shall ensure, to the extent prae-9 ticable, that any corrective action the eligible agency takes 10 allows for continued services to and activities for individuals served by the local educational agency or eligible in-11 12 stitution, respectively.

13 (c) TECHNICAL ASSISTANCE.—If the Secretary determines that an eligible agency is not properly implementing 14 the eligible agency's responsibilities under section 124, or 15 is not making substantial progress in meeting the purpose 16 of this title, based on the performance measures and ex-17 peeted levels of performance under section 112 included 18 in the eligible agency's State plan, the Secretary shall 19 work with the eligible agency to implement improvement 20 21 activities.

(d) WITHHOLDING OF FEDERAL FUNDS.—If, after
a reasonable time, but not earlier than 1 year after implementing activities described in subsection (c), the Secretary determines that the eligible agency is not making

sufficient progress, based on the eligible agency's perform-1 ance measures and expected levels of performance, the 2 Secretary, after notice and opportunity for a hearing, shall 3 4 withhold from the eligible agency all, or a portion, of the 5 eligible agency's grant funds under this subtitle. The Seeretary may use funds withheld under the preceding sen-6 7 tence to provide, through alternative arrangements, serv-8 ices, and activities within the State to meet the purpose of this title. 9

10 SEC. 163. NATIONAL ACTIVITIES.

The Secretary may, directly or through grants, con-11 tracts, or cooperative agreements, earry out research, de-12 velopment, dissemination, evaluation, capacity-building, 13 and technical assistance activities that carry out the pur-14 15 pose of this title.

16 SEC. 164. NATIONAL ASSESSMENT OF VOCATIONAL EDU-17

CATION PROGRAMS.

18 (a) IN GENERAL.—The Secretary shall conduct a national assessment of vocational education programs as-19 sisted under this title, through studies and analyses con-20 21 ducted independently through competitive awards.

22 (b) INDEPENDENT ADVISORY PANEL.—The Sec-23 retary shall appoint an independent advisory panel, con-24 sisting of vocational education administrators, educators, 25 researchers, and representatives of labor organizations,

business, parents, guidance and counseling professionals, 1 and other relevant groups, to advise the Secretary on the 2 implementation of such assessment, including the issues 3 to be addressed and the methodology of the studies in-4 5 volved, and the findings and recommendations resulting from the assessment. The panel shall submit to the Com-6 7 mittee on Education and the Workforce of the House of 8 Representatives, the Committee on Labor and Human Re-9 sources of the Senate, and the Secretary an independent 10 analysis of the findings and recommendations resulting from the assessment. The Federal Advisory Committee 11 Act (5 U.S.C. App.) shall not apply to the panel estab-12 lished under this subsection. 13

(e) CONTENTS.—The assessment required under subsection (a) shall include descriptions and evaluations of
(1) the effect of the vocational education programs assisted under this title on State and tribal
administration of vocational education programs and
on local vocational education practices, including the

20 capacity of State, tribal, and local vocational edu21 cation systems to address the purpose of this title;

22 (2) expenditures at the Federal, State, tribal,
23 and local levels to address program improvement in
24 vocational education, including the impact of Federal

1	allocation requirements (such as within-State dis-
2	tribution formulas) on the delivery of services;
3	(3) preparation and qualifications of teachers of
4	vocational and academic curricula in vocational edu-
5	cation programs, as well as shortages of such teach-
6	ers;
7	(4) participation in vocational education pro-
8	grams;
9	(5) academic and employment outcomes of vo-
10	cational education, including analyses of—
11	(A) the extent and success of integration
12	of academic and vocational curricula; and
13	(B) the degree to which vocational edu-
14	eation is relevant to subsequent employment or
15	participation in postsecondary education;
16	(6) employer involvement in, and satisfaction
17	with, vocational education programs; and
18	(7) the effect of performance measures, and
19	other measures of accountability, on the delivery of
20	vocational education services.
21	(d) Consultation.—
22	(1) IN GENERAL.—The Secretary shall consult
23	with the Committee on Education and the Workforce
24	of the House of Representatives and the Committee
25	on Labor and Human Resources of the Senate in

1	the design and implementation of the assessment re-
2	quired under subsection (a).
3	(2) REPORTS.—The Secretary shall submit to
4	the Committee on Education and the Workforce of
5	the House of Representatives, the Committee on
6	Labor and Human Resources of the Senate, and the
7	Secretary—
8	(A) an interim report regarding the assess-
9	ment on or before July 1, 2001; and
10	(B) a final report, summarizing all studies
11	and analyses that relate to the assessment and
12	that are completed after the assessment, on or
13	before July 1, 2002.
14	(0) Drown \mathbf{N} (1) (1)
	(3) PROHIBITION. —Notwithstanding any other
15	(3) PROINBITION.—Notwithstanding any other provision of law or regulation, the reports required
15	provision of law or regulation, the reports required
15 16	provision of law or regulation, the reports required by this subsection shall not be subject to any review
15 16 17	provision of law or regulation, the reports required by this subsection shall not be subject to any review outside of the Department of Education before their
15 16 17 18	provision of law or regulation, the reports required by this subsection shall not be subject to any review outside of the Department of Education before their transmittal to the Committee on Education and the
15 16 17 18 19	provision of law or regulation, the reports required by this subsection shall not be subject to any review outside of the Department of Education before their transmittal to the Committee on Education and the Workforce of the House of Representatives, the
 15 16 17 18 19 20 	provision of law or regulation, the reports required by this subsection shall not be subject to any review outside of the Department of Education before their transmittal to the Committee on Education and the Workforce of the House of Representatives, the Committee on Labor and Human Resources of the
 15 16 17 18 19 20 21 	provision of law or regulation, the reports required by this subsection shall not be subject to any review outside of the Department of Education before their transmittal to the Committee on Education and the Workforee of the House of Representatives, the Committee on Labor and Human Resources of the Senate, and the Secretary, but the President, the

1	the assessment as the President, the Secretary, or
2	the panel determine to be appropriate.
3	SEC. 165. NATIONAL RESEARCH CENTER.
4	(a) GENERAL AUTHORITY.—
5	(1) IN GENERAL.—The Secretary, through
6	grants, contracts, or cooperative agreements, may
7	establish 1 or more national centers in the areas
8	of
9	(A) applied research and development; and
10	(B) dissemination and training.
11	(2) Consultation.—The Secretary shall con-
12	sult with the States prior to establishing 1 or more
13	such centers.
14	(3) ELIGIBLE ENTITIES.—Entities eligible to
15	receive funds under this section are institutions of
16	higher education, other public or private nonprofit
17	organizations or agencies, and consortia of such in-
18	stitutions, organizations, or agencies.
19	(b) ACTIVITIES.—
20	(1) IN GENERAL.—The national center or cen-
21	ters shall carry out such activities as the Secretary
22	determines to be appropriate to assist State and
23	local recipients of funds under this title to achieve
24	the purpose of this title, which may include the re-
25	search and evaluation activities in such areas as-

1	(A) the integration of vocational and aca-
2	demic instruction, secondary and postsecondary
3	instruction;
4	(B) effective inservice and preservice
5	teacher education that assists vocational edu-
б	cation systems;
7	(C) performance measures and expected
8	levels of performance that serve to improve vo-
9	cational education programs and student
10	achievement;
11	(D) effects of economic changes on the
12	kinds of knowledge and skills required for em-
13	ployment or participation in postsecondary edu-
14	cation;
15	(E) longitudinal studies of student achieve-
16	ment; and
17	(F) dissemination and training activities
18	related to the applied research and demonstra-
19	tion activities described in this subsection,
20	which may also include—
21	(i) serving as a repository for infor-
22	mation on vocational and technological
23	skills, State academic standards, and relat-
24	ed materials; and

1(ii) developing and maintaining na-2tional networks of educators who facilitate3the development of vocational education4systems.

5 (2) REPORT.—The center or centers conducting 6 the activities described in paragraph (1) annually 7 shall prepare a report of key research findings of 8 such center or centers and shall submit copies of the 9 report to the Secretary, the Secretary of Labor, and 10 the Secretary of Health and Human Services. The 11 Secretary shall submit that report to the Committee on Education and the Workforce of the House of 12 13 Representatives, the Committee on Labor and 14 Human Resources of the Senate, the Library of 15 Congress, and each eligible agency.

16 (e) REVIEW.—The Secretary shall—

(1) consult at least annually with the national
center or centers and with experts in education to
ensure that the activities of the national center or
centers meet the needs of vocational education programs; and

22 (2) undertake an independent review of each
23 award recipient under this section prior to extending
24 an award to such recipient beyond a 5-year period.

1 SEC. 166. DATA SYSTEMS.

(a) IN GENERAL.—The Secretary shall maintain a 2 3 data system to collect information about, and report on, the condition of vocational education and on the effective-4 5 ness of State and local programs, services, and activities carried out under this title in order to provide the See-6 7 retary and Congress, as well as Federal, State, local, and 8 tribal agencies, with information relevant to improvement 9 in the quality and effectiveness of vocational education. 10 The Secretary annually shall report to Congress on the Secretary's analysis of performance data collected each 11 12 year pursuant to this title.

(b) DATA SYSTEM.—In maintaining the data system,
the Secretary shall ensure that the data system is compatible with other Federal information systems.

16 (c) ASSESSMENTS.—As a regular part of its assess-17 ments, the National Center for Education Statistics shall 18 collect and report information on vocational education for 19 a nationally representative sample of students. Such as-20 sessment may include international comparisons.

21 Subtitle D—Authorization of 22 Appropriations

23 SEC. 171. AUTHORIZATION OF APPROPRIATIONS.

24 There are authorized to be appropriated to carry out 25 subtitle (A), and sections 163, 164, 165, and 166, such sums as may be necessary for each of the fiscal years 1999
 through 2004.

3 Subtitle E—Repeal

4 SEC. 181. REPEAL.

5 (a) REPEAL.—The Carl D. Perkins Vocational and
6 Applied Technology Education Act (20 U.S.C. 2301 et
7 seq.) is repealed.

8 (b) REFERENCES TO CARL D. PERKINS VOCATIONAL
9 AND APPLIED TECHNOLOGY EDUCATION ACT.—

10 (1) IMMIGRATION AND NATIONALITY ACT.—Sec11 tion 245A(h)(4)(C) of the Immigration and Nation12 ality Act (8 U.S.C. 1255a(h)(4)(C)) is amended by
13 striking "Vocational Education Act of 1963" and in14 serting "Carl D. Perkins Vocational and Applied
15 Technology Education Act of 1997".

16 (2) NATIONAL DEFENSE AUTHORIZATION
17 ACT.—Section 4461 of the National Defense Author18 ization Act for Fiscal Year 1993 (10 U.S.C. 1143
19 note) is amended—

- 20 (A) by striking paragraph (4); and
- 21 (B) by redesignating paragraphs (5) and
 22 (6) as paragraphs (4) and (5), respectively.
 23 (3) ELEMENTARY AND SECONDARY EDUCATION
 24 ACT OF 1965. The Elementary and Secondary Edu-

1

eation Act of 1965 (20 U.S.C. 6301 et seq.) is

2	amended—
3	(A) in section $1114(b)(2)(C)(v)$ (20 U.S.C.
4	6314(b)(2)(C)(v)), by striking "Carl D. Perkins
5	Vocational and Applied Technology Education
6	Act," and inserting "Carl D. Perkins Voca-
7	tional and Applied Technology Education Act of
8	1997";
9	(B) in section $9115(b)(5)$ (20 U.S.C.
10	7815(b)(5)), by striking "Carl D. Perkins Voca-
11	tional and Applied Technology Education Act"
12	and inserting "Carl D. Perkins Vocational and
13	Applied Technology Education Act of 1997";
14	(C) in section 14302(a)(2) (20 U.S.C.
15	8852(a)(2))
16	(i) by striking subparagraph (C); and
17	(ii) by redesignating subparagraphs
18	(D), (E) , and (F) as subparagraphs (C) ,
19	(D), and (E), respectively; and
20	(D) in the matter preceding subparagraph
21	(A) of section $14307(a)(1)$ (20 U.S.C.
22	8857(a)(1)), by striking "Carl D. Perkins Voca-
23	tional and Applied Technology Education Act"
24	and inserting "Carl D. Perkins Vocational and

25 Applied Technology Education Act of 1997".

1	(4) Equity in educational land-grant sta-
2	TUS ACT OF 1994.—Section $533(c)(4)(A)$ of the Eq-
3	uity in Educational Land-Grant Status Act of 1994
4	(7 U.S.C. 301 note) is amended by striking "(20
5	U.S.C. 2397h(3)" and inserting ", as such section
6	was in effect on the day preceding the date of enact-
7	ment of the Carl D. Perkins Vocational and Applied
8	Technology Education Act of 1997".
9	(5) Improving america's schools act of
10	1994.—Section 563 of the Improving America's
11	Schools Act of 1994 (20 U.S.C. 6301 note) is
12	amended by striking "the date of enactment of an
13	Act reauthorizing the Carl D. Perkins Vocational
14	and Applied Technology Education Act (20 U.S.C.
15	2301 et seq.)" and inserting "July 1, 1999".
16	(6) INTERNAL REVENUE CODE OF 1986.—Sec-
17	tion 135(c)(3)(B) of the Internal Revenue Code of
18	1986 (26 U.S.C. 135(c)(3)(B)) is amended—
19	(A) by striking "subparagraph (C) or (D)
20	of section 521(3) of the Carl D. Perkins Voca-
21	tional Education Act" and inserting "subpara-
22	graph (C) or (D) of section $2(3)$ of the
23	Workforce Investment Partnership Act of
24	1997"; and

1	(B) by striking "any State (as defined in
2	section $521(27)$ of such Act)" and inserting
3	"any State or outlying area (as the terms
4	'State' and 'outlying area' are defined in section
5	2 of such Act)".
6	(7) Appalachian regional development
7	ACT OF 1965.—Section 214(c) of the Appalachian
8	Regional Development Act of 1965 (40 U.S.C. App.
9	214(c)) (as amended by subsection (c)(5)) is further
10	amended by striking "Carl D. Perkins Vocational
11	Education Act" and inserting "Carl D. Perkins Vo-
12	cational and Applied Technology Education Act of
13	1997".
14	(8) Vocational education amendments of
15	1968.—Section 104 of the Vocational Education
16	Amendments of 1968 (82 Stat. 1091) is amended by
17	striking "section 3 of the Carl D. Perkins Vocational
18	Education Act" and inserting "the Carl D. Perkins
19	Vocational and Applied Technology Education Act of
20	1997".
21	(9) Older Americans Act of 1965.—The
22	Older Americans Act of 1965 (42 U.S.C. 3001 et
23	seq.) is amended—
24	(A) in section $502(b)(1)(N)(i)$ (42 U.S.C.
25	3056(b)(1)(N)(i)), by striking "or the Carl D.

1	Perkins Vocational and Applied Technology
2	Education Act (20 U.S.C. 2301 et seq.)"; and
3	(B) in section $505(d)(2)$ $(42$ U.S.C.
4	3056c(d)(2))—
5	(i) by striking "employment and
6	training programs" and inserting
7	"workforce investment activities"; and
8	(ii) by striking "the Carl D. Perkins
9	Vocational and Applied Technology Edu-
10	cation Act (20 U.S.C. 2301 et seq.)" and
11	inserting "the Carl D. Perkins Vocational
12	and Applied Technology Education Act of
13	1997".
14	TITLE II—ADULT EDUCATION
15	AND LITERACY
16	SEC. 201. SHORT TITLE.
17	This title may be eited as the "Adult Education and
18	Literacy Act".
19	SEC. 202. FINDINGS AND PURPOSE.
20	(a) FINDINGS.—Congress finds that—
21	(1) the National Adult Literacy Survey and
22	other studies have found that more than one-fifth of
23	American adults demonstrate very low literacy skills
24	that make it difficult for the adults to be economi-

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1	cally self-sufficient, much less enter high-skill, high-
2	wage jobs;
3	(2) data from the National Adult Literacy Sur-
4	vey shows that adults with very low levels of literacy
5	are 10 times as likely to be poor as adults with high
6	levels of literacy; and
7	(3) our Nation's well-being is dependent on the
8	knowledge and skills of all of our Nation's citizens.
9	(b) PURPOSE.—It is the purpose of this title to create
10	a partnership among the Federal Government, States, and
11	localities to help provide for adult education and literacy
12	services so that adults who need such services, will, as ap-
13	propriate, be able to—
14	(1) become literate and obtain the knowledge
15	and skills needed to compete in a global economy;
16	(2) complete a secondary school education; and
17	(3) have the education skills necessary to sup-
18	port the educational development of their children.
19	Subtitle A—Adult Education and
20	Literacy Programs
21	CHAPTER 1—FEDERAL PROVISIONS
22	SEC. 211. RESERVATION; GRANTS TO STATES; ALLOT-
23	MENTS.
24	(a) Reservation of Funds for National Lead-
25	ERSHIP ACTIVITIES.—From the amount appropriated for

any fiscal year under section 246, the Secretary shall
 reserve—

3 (1) 1.5 percent to earry out section 213; 4 (2) 2 percent to earry out section 243; and 5 (3) 1.5 percent to earry out section 245. 6 (b) GRANTS TO STATES.—From the sum appro-7 priated under section 246 and not reserved under sub-8 section (a) for a fiscal year, the Secretary shall award a 9 grant to each eligible agency having a State plan approved 10 under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional 11

12 allotment under subsection (c)(2) for the eligible agency
13 for the fiscal year to enable the eligible agency to carry
14 out the activities assisted under this subtitle.

- 15 (e) ALLOTMENTS.
- 16 (1) INITIAL ALLOTMENTS.—From the sum ap-17 propriated under section 246 and not reserved under 18 subsection (a) for a fiscal year, the Secretary first 19 shall allot to each eligible agency having a State 20 plan approved under section 224 the following 21 amounts:

22 (A) \$100,000 in the case of an eligible
23 agency serving the United States Virgin Is24 lands, Guam, American Samoa, the Common25 wealth of the Northern Mariana Islands, the

1	Republic of the Marshall Islands, the Federated
2	States of Micronesia, and the Republic of
3	Palau.
4	(B) \$250,000, in the case of any other eli-
5	gible agency.
6	(2) Additional allotments.—From the sum
7	appropriated under section 246, not reserved under
8	subsection (a), and not allotted under paragraph (1) ,
9	for any fiscal year, the Secretary shall allot to each
10	eligible agency an amount that bears the same rela-
11	tionship to such sum as the number of qualifying
12	adults in the State or outlying area served by the el-
13	igible agency bears to the number of such adults in
14	all States and outlying areas.
15	(d) QUALIFYING ADULT.—For the purposes of this
16	subsection, the term "qualifying adult" means an adult
17	who—
18	(1) is at least 16 years of age;
19	(2) is beyond the age of compulsory school at-
20	tendance under the law of the State or outlying
21	area;
22	(3) does not possess a secondary school diploma
23	or its recognized equivalent; and
24	(4) is not enrolled in secondary school.
25	(e) Special Rule.—

1 (1) IN GENERAL.—From amounts made avail-2 able under subsection (e) for the Republic of the 3 Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, the Secretary shall 4 5 award grants to Guam, American Samoa, the Com-6 monwealth of the Northern Mariana Islands, the Re-7 public of the Marshall Islands, the Federated States 8 of Micronesia, or the Republic of Palau to carry out 9 activities described in this part in accordance with 10 the provisions of this subtitle that the Secretary de-11 termines are not inconsistent with this subsection.

12 (2) AWARD BASIS.—The Secretary shall award
13 grants pursuant to paragraph (1) on a competitive
14 basis and pursuant to recommendations from the
15 Pacific Region Educational Laboratory in Honolulu,
16 Hawaii.

17 (3) TERMINATION OF ELIGIBILITY. Notwith18 standing any other provision of law, the Republic of
19 the Marshall Islands, the Federated States of Micro20 nesia, and the Republic of Palau shall not receive
21 any funds under this part for any fiscal year that
22 begins after September 30, 2004.

23 (4) ADMINISTRATIVE COSTS.—The Secretary
 24 may provide not more than 5 percent of the funds
 25 made available for grants under this subsection to

pay the administrative costs of the Pacific Region
 Educational Laboratory regarding activities assisted
 under this subsection.

4 (f) MAINTENANCE OF EFFORT.—

(1) IN GENERAL.—An eligible agency may re-5 6 ceive a grant under this subtitle for any fiscal year 7 only if the Secretary finds that the amount expended 8 by the State for adult education and literacy, in the 9 second fiscal year preceding the fiscal year for which 10 the determination is made, was not less than 90 per-11 cent of the amount expended for adult education and 12 literacy in the third fiscal year preceding the fiscal year for which the determination is made. 13

14 (2) WAIVER.—The Secretary may waive the re-15 quirements of this subsection for 1 fiscal year only 16 if the Secretary determines that such a waiver is eq-17 uitable due to exceptional or uncontrollable eir-18 cumstances, such as a natural disaster or an unfore-19 seen and precipitous decline in the financial re-20 sources of the State.

(g) REALLOTMENT.—If the Secretary determines
that any amount of a State's allotment under this section
for any fiscal year will not be required for earrying out
the program for which such amount has been allotted, the
Secretary shall make such amount available for reallot-

ment to 1 or more States on the basis that the Secretary
 determines would best serve the purpose of this title.

3 SEC. 212. PERFORMANCE MEASURES AND EXPECTED 4 LEVELS OF PERFORMANCE.

5 (a) ESTABLISHMENT OF PERFORMANCE MEAS-URES.—After consultation with eligible agencies, eligible 6 7 providers, and other interested parties (including rep-8 resentatives of business, representatives of labor organiza-9 tions, and institutions of higher education), the Secretary 10 shall establish and publish performance measures described in this subsection that assess the progress of each 11 12 eligible agency in enhancing and developing more fully the literacy skills of the adult population in the State or outly-13 ing area. The measures, at a minimum, shall include-14 15 (1) demonstrated improvements in literacy skill 16 levels in reading and writing the English language, 17 numeracy, and problem solving;

18 (2) attainment of secondary school diplomas or
19 their recognized equivalent;

20 (3) placement in, retention in, or completion of,
21 postsecondary education, training, or unsubsidized
22 employment; and

23 (4) other performance measures the Secretary
 24 determines necessary.

(b) EXPECTED LEVELS OF PERFORMANCE.—In de veloping a State plan, each eligible agency shall negotiate
 with the Secretary the expected levels of performance for
 the performance measures described in subsection (a).

5 SEC. 213. NATIONAL LEADERSHIP ACTIVITIES.

6 (a) AUTHORITY.—From the amount reserved under
7 section 211(a)(1) for any fiscal year, the Secretary may
8 establish a program of national leadership and evaluation
9 activities to enhance the quality of adult education and
10 literacy nationwide.

11 (b) METHOD OF FUNDING.—The Secretary may 12 carry out national leadership and evaluation activities di-13 rectly or through grants, contracts, or cooperative 14 agreements.

15 (c) USES OF FUNDS.—Funds made available to carry
16 out this section shall be used for—

17 (1) research, such as estimating the number of
18 adults functioning at the lowest levels of literacy
19 proficiency;

20 (2) demonstration of model and innovative pro21 grams, such as the development of models for basic
22 skill certificates, identification of effective strategies
23 for working with adults with learning disabilities and
24 with individuals with limited English proficiency who
25 are adults, and workplace literacy programs;

1	(3) dissemination, such as dissemination of in-
2	formation regarding promising practices resulting
3	from federally funded demonstration programs;
4	(4) evaluations and assessments, such as peri-
5	odic independent evaluations of activities assisted
6	under this subtitle and assessments of the condition
7	and progress of literacy in the United States;
8	(5) efforts to support capacity building at the
9	State and local levels, such as technical assistance in
10	program planning, assessment, evaluation, and mon-
11	itoring of activities under this subtitle;
12	(6) data collection, such as improvement of
13	both local and State data systems through technical
14	assistance and development of model performance
15	data collection systems;
16	(7) professional development, such as technical
17	assistance activities to advance effective training
18	practices, identify exemplary professional develop-
19	ment projects, and disseminate new findings in adult
20	education training;
21	(8) technical assistance, such as endeavors that
22	aid distance learning, and promote and improve the
23	use of technology in the classroom; or
24	(9) other activities designed to enhance the
25	quality of adult education and literacy nationwide.

1 CHAPTER 2—STATE PROVISIONS

2 SEC. 221. STATE ADMINISTRATION.

3 (a) IN GENERAL.—Each eligible agency shall be re4 sponsible for the State administration of activities under
5 this subtitle, including—

6 (1) the development, submission, and implemen7 tation of the State plan;

8 (2) consultation with other appropriate agen-9 cies, groups, and individuals that are involved in, or 10 interested in, the development and implementation 11 of activities assisted under this subtitle; and

12 (3) coordination and nonduplication with other
13 Federal and State education, training, corrections,
14 public housing; and social service programs.

15 (b) STATE-IMPOSED REQUIREMENTS.—Whenever a 16 State imposes any rule or policy relating to the adminis-17 tration and operation of activities funded under this sub-18 title (including any rule or policy based on State interpre-19 tation of any Federal law, regulation, or guideline), the 20 State shall identify the rule or policy as a State-imposed 21 requirement.

22 SEC. 222. STATE DISTRIBUTION OF FUNDS; STATE SHARE.

23 (a) STATE DISTRIBUTION OF FUNDS.—Each eligible
24 agency receiving a grant under this subtitle for a fiscal
25 year—

1	(1) shall use not less than 80 percent of the
2	grant funds to carry out section 225 and to award
3	grants and contracts under section 231 for the fiscal
4	year, of which not more than 10 percent of the sum
5	shall be available to earry out section 225 for the
6	fiscal year;
7	(2) shall use not more than 15 percent of the
8	grant funds to carry out State leadership activities
9	under section 223 for the fiscal year; and
10	(3) shall use not more than 5 percent of the
11	grant funds, or \$80,000, whichever is greater, for
12	administrative expenses of the eligible agency for the
13	fiscal year.
14	(b) State Share Requirement.—
15	(1) IN GENERAL.—In order to receive a grant
16	from the Secretary under section 211(b) each eligi-
17	ble agency shall provide an amount equal to 25 per-
18	cent of the total amount of funds expended for adult
19	education in the State, except that the Secretary
20	may decrease the amount of funds required under
21	this subsection for an eligible agency serving an out-
22	lying area.
23	(2) STATE'S SHARE.—An eligible agency's

funds required under paragraph (1) may be in eash
or in kind, fairly evaluated, and shall include only

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1	non-Federal funds that are used for adult education
2	and literacy activities in a manner that is consistent
3	with the purpose of this subtitle.
4	SEC. 223. STATE LEADERSHIP ACTIVITIES.
5	(a) In General.—Each eligible agency shall use
6	funds made available under section $222(a)(2)$ for 1 or
7	more of the following activities:
8	(1) Professional development and training, in-
9	eluding training in the use of software and
10	technology.
11	(2) Developing and disseminating curricula for
12	adult education and literacy activities.
13	(3) Monitoring and evaluating the quality of,
14	and improvement in, services and activities con-
15	ducted with assistance under this subtitle.
16	(4) Establishing challenging performance meas-
17	ures and levels of performance for literacy pro-
18	ficiency in order to assess program quality and im-
19	provement.
20	(5) Integration of literacy instruction and occu-
21	pational skill training, and promoting linkages with
22	employers.
23	(6) Linkages with postsecondary institutions.
24	(7) Supporting State or regional networks of
25	literacy resource centers.

(8) Other activities of statewide significance
 that promote the purpose of this subtitle.

3 (b) COLLABORATION. In carrying out this section,
4 eligible agencies shall collaborate where possible and avoid
5 duplicating efforts in order to maximize the impact of the
6 activities described in subsection (a).

7 SEC. 224. STATE PLAN.

 $8 \qquad (a) 3-YEAR PLANS.$

9 (1) IN GENERAL.—Each eligible agency desiring
10 a grant under this subtitle for any fiscal year shall
11 submit to, or have on file with, the Secretary a 312 year State plan.

13 (2) COMPREHENSIVE PLAN OR APPLICATION.
14 The eligible agency may submit the State plan as
15 part of a comprehensive plan or application for Fed16 eral education assistance.

17 (b) PLAN CONTENTS.—In developing the State plan,
18 and any revisions to the State plan, the eligible agency
19 shall include in the State plan or revisions—

(1) an objective assessment of the needs of individuals in the State for adult education and literacy
activities, including individuals most in need or
hardest to serve, such as educationally disadvantaged adults, immigrants, individuals with limited
English proficiency, incarcerated individuals, home-

1	less individuals, recipients of public assistance, and
2	individuals with disabilities;
3	(2) a description of the adult education and lit-
4	eracy activities that will be carried out with any
5	funds received under this subtitle;
6	(3) a description of how the eligible agency will
7	evaluate annually the effectiveness of the adult edu-
8	cation and literacy activities based on the perform-
9	ance measures described in section 212;
10	(4) a description of how the eligible agency will
11	ensure that the data reported to the eligible agency
12	from eligible providers under this subtitle and the
13	data the eligible agency reports to the Secretary are
14	complete, accurate, and reliable;
15	(5) a description of the performance measures
16	required under section 212(a) and how such per-
17	formance measures and the expected levels of per-
18	formance will ensure improvement of adult education
19	and literacy activities in the State or outlying area;
20	(6) an assurance that the funds received under
21	this subtitle will not be expended for any purpose
22	other than for activities under this subtitle;
23	(7) a description of how the eligible agency will
24	fund local activities in accordance with the priorities
25	described in section 242(a);

1	(8) a description of how the eligible agency will
2	determine which eligible providers are eligible for
3	funding in accordance with the preference described
4	in section $242(b)$;
5	(9) a description of how funds will be used for
6	State leadership activities, which activities may in-
7	elude professional development and training, instruc-
8	tional technology, and management technology;
9	(10) an assurance that the eligible agency will
10	expend the funds under this subtitle only in a man-
11	ner consistent with fiscal requirement in section 241;
12	(11) a description of the process that will be
13	used for public participation and comment with re-
14	spect to the State plan;
15	(12) a description of how the eligible agency
16	will develop program strategies for populations that
17	include, at a minimum—
18	(A) low-income students;
19	(B) individuals with disabilities;
20	(C) single parents and displaced home-
21	makers; and
22	(D) individuals with multiple barriers to
23	educational enhancement;

1	(13) a description of the measures that will be
2	taken by the eligible agency to assure coordination
3	of and avoid duplication among—
4	(A) adult education activities authorized
5	under this subtitle;
6	(B) activities authorized under title III;
7	(C) programs authorized under the Wag-
8	ner-Peyser Act (29 U.S.C. 49 et seq.), title I of
9	the Rehabilitation Act of 1973 (29 U.S.C. 720
10	et seq.), part A of title IV of the Social Security
11	Act (42 U.S.C. 601 et seq.), section $6(d)$ of the
12	Food Stamp Act of 1977 (7 U.S.C. 2015(d)),
13	and title V of the Older Americans Act of 1965
14	(42 U.S.C. 3056 et seq.);
15	(D) a work program authorized under see-
16	tion $6(0)$ of the Food Stamp Act of 1977 (7
17	U.S.C. 2015(o));
18	(E) activities authorized under chapter 2
19	of title H of the Trade Act of 1974 (19 U.S.C.
20	2271 et seq.);
21	(F) activities authorized under chapter 41
22	of title 38, United States Code;
23	(G) activities carried out by the Bureau of
24	Apprenticeship and Training;

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1	(H) training activities carried out by the
2	Department of Housing and Urban Develop-
3	ment; and
4	(I) programs authorized under State un-
5	employment compensation laws and the Federal
6	unemployment insurance program under titles
7	HI, IX, and XII of the Social Security Act (42
8	U.S.C. 501 et seq., 1101 et seq., and 1321 et
9	seq.); and
10	(14) the description and information specified
11	in paragraphs (8) and (16) of section 304(b).
12	(c) PLAN REVISIONS.—When changes in conditions
13	or other factors require substantial revisions to an ap-
14	proved State plan, the eligible agency shall submit a revi-
15	sion to the State plan to the Secretary.
16	(d) Consultation.—The eligible agency shall—
17	(1) submit the State plan, and any revisions to
18	the State plan, to the Governor of the State for re-
19	view and comment; and
20	(2) ensure that any comments by the Governor
21	regarding the State plan, and any revision to the
22	State plan, are submitted to the Secretary.
23	(e) Plan Approval.—

1	(1) IN GENERAL.—The Secretary shall approve
2	a State plan, or a revision to an approved State
3	plan, only if the Secretary determines that—
4	(A) the State plan, or revision, respec-
5	tively, meets the requirements of this section;
6	and
7	(B) the State's performance measures and
8	expected levels of performance under section
9	212 are sufficiently rigorous to meet the pur-
10	pose of this title.
11	(2) DISAPPROVAL.—The Secretary shall not fi-
12	nally disapprove a State plan, except after giving the
13	eligible agency notice and an opportunity for a
14	hearing.
15	(3) PEER REVIEW.—The Secretary shall estab-
16	lish a peer review process to make recommendations
17	regarding the approval of State plans and revisions
18	to the State plan.
19	SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND
20	OTHER INSTITUTIONALIZED INDIVIDUALS.
21	(a) Program Authorized.—From funds made
22	available under section $222(a)(1)$ for a fiscal year, each
23	eligible agency shall carry out corrections education or
24	education for other institutionalized individuals.

1	(b) USES OF FUNDS.—The funds described in sub-
2	section (a) shall be used for the cost of educational pro-
3	grams for criminal offenders in corrections institutions
4	and for other institutionalized individuals, including aca-
5	demic programs for—
6	(1) basic education;
7	(2) special education programs as determined
8	by the State;
9	(3) bilingual programs, or English as a second
10	language programs; and
11	(4) secondary school credit programs.
12	(c) Definition of Criminal Offender.—
13	(1) CRIMINAL OFFENDER.—The term "criminal
14	offender" means any individual who is charged with
15	or convicted of any criminal offense.
16	(2) Correctional institution.—The term
17	"correctional institution" means any—
18	(Λ) prison;
19	(B) jail;
20	(C) reformatory;
21	(D) work farm;
22	(E) detention center; or
23	(F) halfway house, community-based reha-
24	bilitation center, or any other similar institution

1	designed for the confinement or rehabilitation
2	of criminal offenders.

3 CHAPTER 3—LOCAL PROVISIONS

4 SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE 5 **PROVIDERS.**

6 (a) GRANTS.—From funds made available under see-7 tion 222(a)(1), each eligible agency shall award multiyear 8 grants or contracts to eligible providers within the State 9 to enable the eligible providers to develop, implement, and 10 improve adult education and literacy activities within the 11 State.

12 (b) SPECIAL RULE.—Each eligible agency receiving 13 funds under this subtitle shall ensure that all eligible pro-14 viders have direct and equitable access to apply for grants 15 or contracts under this section.

16 (e) REQUIRED LOCAL ACTIVITIES.—Each eligible 17 provider receiving a grant or contract under this subtitle 18 shall establish programs that provide instruction or serv-19 ices, such as—

20 (1) adult education and literacy services; or

21 (2) English literacy programs.

22 SEC. 232. LOCAL APPLICATION.

Each eligible provider desiring a grant or contract
under this subtitle shall submit an application to the eligi-

ble agency containing such information and assurances as 1 2 the eligible agency may require, including— 3 (1) a description of how funds awarded under 4 this subtitle will be spent; 5 (2) how the expected levels of performance of 6 the eligible provider with respect to participant re-7 cruitment, retention, and performance measures de-8 scribed in section 212 will be met and reported to 9 the eligible agency; and 10 (3) a description of any cooperative arrange-11 ments the eligible provider has with other agencies, 12 institutions, or organizations for the delivery of 13 adult education and literacy programs. 14 SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS. 15 (a) IN GENERAL.—Subject to subsection (b), of the sum that is made available under this subtitle to an eligi-16 ble provider— 17 18 (1) not less than 95 percent shall be expended 19 for earrying out adult education and literacy activi-20 ties; and 21 (2) the remaining amount, not to exceed 5 per-22 cent, shall be used for planning, administration, per-23 sonnel development, and interagency coordination. 24 (b) SPECIAL RULE.—In cases where the cost limits 25 described in subsection (a) are too restrictive to allow for

adequate planning, administration, personnel develop ment, and interagency coordination, the eligible agency
 shall negotiate with the eligible provider in order to deter mine an adequate level of funds to be used for noninstruc tional purposes.

6 CHAPTER 4—GENERAL PROVISIONS

7 SEC. 241. ADMINISTRATIVE PROVISIONS.

8 (a) SUPPLEMENT NOT SUPPLANT.—Funds made 9 available for adult education and literacy activities under 10 this subtitle shall supplement and not supplant other 11 State, or local public funds expended for adult education 12 and literacy activities.

13 (b) REPRESENTATION.—The eligible agency shall
14 provide representation to the statewide partnership.

15 SEC. 242. PRIORITIES AND PREFERENCES.

(a) PRIORITIES.—Each eligible agency and eligible
provider receiving assistance under this subtitle shall give
priority in using the assistance to adult education and literacy activities that—

- 20 (1) are built on a strong foundation of research
 21 and effective educational practice;
- 22 (2) effectively employ advances in technology,
 23 as appropriate, including the use of computers;
- 24 (3) provide learning in real life contexts to en25 sure that an individual has the skills needed to com-

1	pete in a global economy and exercise the rights and
2	responsibilities of citizenship;
3	(4) are staffed by well-trained instructors, coun-
4	selors, and administrators;
5	(5) are of sufficient intensity and duration for
6	participants to achieve substantial learning gains,
7	such as by earning a basic skills certificate that re-
8	flects skills acquisition and has meaning to
9	employers;
10	(6) establish measurable performance levels for
11	participant outcomes, such as levels of literacy
12	achieved and attainment of a secondary school di-
13	ploma or its recognized equivalent, that are tied to
14	challenging State performance levels for literacy
15	proficiency;
16	(7) coordinate with other available resources in
17	the community, such as by establishing strong links
18	with elementary schools and secondary schools, post-
19	secondary institutions, 1-stop customer service cen-
20	ters, job training programs, and social service
21	agencies;
22	(8) offer flexible schedules and support services
23	(such as child care and transportation) that are nec-
24	essary to enable individuals, including individuals

with disabilities or other special needs, to attend and 1 2 complete programs; and 3 (9) maintain a high-quality information man-4 agement system that has the capacity to report eli-5 ent outcomes and to monitor program performance 6 against the State performance measures. 7 (b) PREFERENCES.—In determining which eligible 8 providers will receive funds under this subtitle for a fiscal 9 year, each eligible agency receiving a grant under this sub-10 title, in addition to addressing the priorities described in subsection (a), shall— 11 12 (1) give preference to eligible providers that the 13 eligible agency determines serve local areas with 14 high concentrations of individuals in poverty or with 15 low levels of literacy (including English language 16 proficiency); and 17 (2) consider 18 (A) the results, if any, of the evaluations 19 required under section 245(a); and 20 (B) the degree to which the eligible pro-21 vider will coordinate with and utilize other lit-22 eracy and social services available in the 23 community.

1 SEC. 243. INCENTIVE GRANTS.

2 (a) IN GENERAL.—The Secretary may make grants
3 to States that exceed—

4 (1) the State performance measures established
5 by the Secretary of Education under this Act; and
6 (2) the State performance measures established
7 under title HI.

8 (b) PRIORITY.—In awarding incentive grants under 9 this section, the Secretary shall give priority to those 10 States submitting a State unified plan as described in sec-11 tion 501 that is approved by the appropriate Secretaries 12 as described in such section.

(c) USE OF FUNDS.—A State that receives an incentive grant under this section shall use the funds made
available through the grant to carry out innovative programs as determined by the State.

17 SEC. 244. EVALUATION, IMPROVEMENT, AND ACCOUNT-18ABILITY.

(a) LOCAL EVALUATION.—Each eligible agency shall
biennially evaluate the adult education and literacy activities of each eligible provider that receives a grant or contract under this subtitle, using the performance measures
established under section 212.

24 (b) IMPROVEMENT ACTIVITIES.—If, after reviewing
25 the evaluation, an eligible agency determines that an eligi26 ble provider is not making substantial progress in achiev-

ing the purpose of this subtitle, the eligible agency may 1 work jointly with the eligible provider to develop an im-2 provement plan. If, after not more than 2 years of imple-3 4 mentation of the improvement plan, the eligible agency de-5 termines that the eligible provider is not making substantial progress, the eligible agency shall take whatever cor-6 7 rective action the eligible agency deems necessary, which 8 may include termination of funding or the implementation 9 of alternative service arrangements, consistent with State 10 law. The eligible agency shall take corrective action under the preceding sentence only after the eligible agency has 11 12 provided technical assistance to the eligible provider and 13 shall ensure, to the extent practicable, that any corrective action the eligible agency takes allows for continued serv-14 15 ices to and activities for the individuals served by the eligible provider. 16

17 (e) STATE REPORT.

18 (1) IN GENERAL. The eligible agency shall report annually to the Secretary regarding the quality
20 and effectiveness of the adult education and literacy
21 activities funded through the eligible agency's grants
22 or contracts under this subtitle, based on the per23 formance measures and expected levels of perform24 ance included in the State plan.

1(2) INFORMATION.—The eligible agency shall2include in the reports such information, in such3form, as the Secretary may require in order to en-4sure the collection of uniform national data.

5 (3) AVAILABILITY.—The eligible agency shall
6 make available to the public the annual report under
7 this subsection.

8 (d) TECHNICAL ASSISTANCE.—If the Secretary determines that the eligible agency is not properly imple-9 10 menting the eligible agency's responsibilities under sub-11 section (b), or is not making substantial progress in meet-12 ing the purpose of this subtitle, based on the performance measures and expected levels of performance included in 13 the eligible agency's State plan, the Secretary shall work 14 15 with the eligible agency to implement improvement activities. 16

17 (e) WITHHOLDING OF FEDERAL FUNDS.-If, not earlier than 2 years after implementing activities described 18 19 in subsection (d), the Secretary determines that the eligible agency is not making sufficient progress, based on the 20 eligible agency's performance measures and expected lev-21 els of performance, the Secretary, after notice and oppor-22 tunity for a hearing, shall withhold from the eligible agen-23 24 ey all, or a portion, of the eligible agency's grant under 25 this subtitle. The Secretary may use funds withheld under

the preceding sentence to provide, through alternative ar-1 rangements, services and activities within the State to 2 meet the purpose of this title. 3 4 SEC. 245. NATIONAL INSTITUTE FOR LITERACY. 5 (a) PURPOSE.—The purpose of this section is to establish a National Institute for Literacy that-6 7 (1) provides national leadership regarding 8 literacy; 9 (2) coordinates literacy services and policy; and 10 (3) is a national resource for adult education 11 and literacy, by providing the best and most current 12 information available and supporting the creation of 13 new ways to offer improved literacy services. 14 (b) ESTABLISHMENT. 15 (1) IN GENERAL.—There shall be a National 16 Institute for Literacy (in this section referred to as 17 the "Institute"). The Institute shall be administered 18 under the terms of an interagency agreement en-19 tered into by the Secretary with the Secretary of 20 Labor and the Secretary of Health and Human 21 Services (in this section referred to as the "Inter-22 agency Group"). The Secretary may include in the 23 Institute any research and development center, insti-24 tute, or elearinghouse established within the Depart-25 ment of Education the purpose of which is determined by the Secretary to be related to the purpose
 of the Institute.

3 **Recommendations.**—The (2)Interagency 4 Group shall consider the recommendations of the 5 National Institute for Literacy Advisory Board (in 6 this section referred to as the "Board") established 7 under subsection (e) in planning the goals of the In-8 stitute and in the implementation of any programs 9 to achieve the goals. If the Board's recommendations 10 are not followed, the Interagency Group shall pro-11 vide a written explanation to the Board concerning 12 actions the Interagency Group takes that are inconsistent with the Board's recommendations, including 13 14 the reasons for not following the Board's ree-15 ommendations with respect to the actions. The 16 Board may also request a meeting of the Inter-17 agency Group to discuss the Board's recommenda-18 tions.

19 (3) DAILY OPERATIONS.—The daily operations
20 of the Institute shall be administered by the Director
21 of the Institute.

22 (c) DUTIES.

23 (1) IN GENERAL.—In order to provide leader24 ship for the improvement and expansion of the sys-

1	tem for delivery of literacy services, the Institute is
2	authorized to—
3	(A) establish a national electronic data
4	base of information that disseminates informa-
5	tion to the broadest possible audience within
6	the literacy and basic skills field, and that
7	includes—
8	(i) effective practices in the provision
9	of literacy and basic skills instruction, in-
10	cluding the integration of such instruction
11	with occupational skills training;
12	(ii) public and private literacy and
13	basic skills programs and Federal, State,
14	and local policies affecting the provision of
15	literacy services at the national, State, and
16	local levels;
17	(iii) opportunities for technical assist-
18	ance, meetings, conferences, and other op-
19	portunities that lead to the improvement of
20	literacy and basic skills services; and
21	(iv) a communication network for lit-
22	eracy programs, providers, social service
23	agencies, and students;

1	(B) coordinate support for the provision of
2	literacy and basic skills services across Federal
3	agencies and at the State and local levels;
4	(C) coordinate the support of research and
5	development on literacy and basic skills for
6	adults across Federal agencies, especially with
7	the Office of Educational Research and Im-
8	provement in the Department of Education,
9	and carry out basic and applied research and
10	development on topics that are not being inves-
11	tigated by other organizations or agencies;
12	(D) collect and disseminate information on
13	methods of advancing literacy;
14	(E) provide policy and technical assistance
15	to Federal, State, and local entities for the im-
16	provement of policy and programs relating to
17	literacy;
18	(F) fund a network of State or regional
19	adult literacy resource centers to assist State
20	and local public and private nonprofit efforts to
21	improve literacy by—
22	(i) encouraging the coordination of lit-
23	eracy services; and
24	(ii) serving as a link between the In-
25	stitute and providers of adult education

1	and literacy activities for the purpose of
2	sharing information, data, research, exper-
3	tise, and literacy resources; and
4	(G) undertake other activities that lead to
5	the improvement of the Nation's literacy deliv-
6	ery system and that complement other such ef-
7	forts being undertaken by public and private
8	agencies and organizations.
9	(2) Grants, contracts, and cooperative
10	AGREEMENTS.—The Institute may award grants to,
11	or enter into contracts or cooperative agreements
12	with, individuals, public or private institutions, agen-
13	cies, organizations, or consortia of such institutions,
14	agencies, or organizations to carry out the activities
15	of the Institute. Such grants, contracts, or agree-
16	ments shall be subject to the laws and regulations
17	that generally apply to grants, contracts, or agree-
18	ments entered into by Federal agencies.
19	(d) LITERACY LEADERSHIP.—
20	(1) IN GENERAL.—The Institute may, in con-
21	sultation with the Board, award fellowships, with
22	

siders necessary, to outstanding individuals pursuing
careers in adult education or literacy in the areas of
instruction, management, research, or innovation.

such stipends and allowances that the Director con-

1	(2) Fellowships.—Fellowships awarded under
2	this subsection shall be used, under the auspices of
3	the Institute, to engage in research, education, train-
4	ing, technical assistance, or other activities to ad-
5	vance the field of adult education or literacy, includ-
6	ing the training of volunteer literacy providers at the
7	national, State, or local level.
8	(3) INTERNSHIPS.—The Institute, in consulta-
9	tion with the Board, is authorized to award paid and
10	unpaid internships to individuals seeking to assist in
11	carrying out the Institute's purpose and to accept
12	assistance from volunteers.
13	(e) National Institute for Literacy Advisory
13 14	(e) National Institute for Literacy Advisory Board.—
14	Board.
14 15	BOARD.— (1) ESTABLISHMENT.—
14 15 16	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na-
14 15 16 17	BOARD
14 15 16 17 18	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed
14 15 16 17 18 19	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed by the President with the advice and consent of
 14 15 16 17 18 19 20 	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate.
14 15 16 17 18 19 20 21	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate. (B) COMPOSITION.—The Board shall com-

1	(i) literacy organizations and provid-
2	ers of literacy services, including nonprofit
3	providers, providers of English as a second
4	language programs and services, social
5	service organizations, and eligible providers
6	receiving assistance under this subtitle;
7	(ii) businesses that have demonstrated
8	interest in literacy programs;
9	(iii) literacy students, including lit-
10	eracy students with disabilities;
11	(iv) experts in the area of literacy
12	research;
13	(v) State and local governments;
14	(vi) State Directors of adult edu-
15	cation; and
16	(vii) labor organizations.
17	(2) DUTIES.—The Board shall—
18	(A) make recommendations concerning the
19	appointment of the Director and staff of the In-
20	stitute; and
21	(B) provide independent advice on the op-
22	eration of the Institute.
23	(3) Appointments.—
24	(A) IN GENERAL.—Appointments to the
25	Board made after the date of enactment of the

1 Workforce Investment Partnership Act shall be 2 for 3-year terms, except that the initial terms 3 for members may be established at 1, 2, or 3 4 years in order to establish a rotation in which 5 1/3 of the members are selected each year. (B) VACANCIES.—Any member appointed 6 7 to fill a vacancy occurring before the expiration 8 of the term for which the member's predecessor 9 was appointed shall be appointed only for the 10 remainder of that term. A member may serve 11 after the expiration of that member's term until 12 a successor has taken office. 13 (4) OFFICERS.—The Chairperson and Vice 14 Chairperson of the Board shall be elected by the 15 members. 16 (5) MEETINGS.—The Board shall meet at the 17 call of the Chairperson or a majority of its members. 18 (f) GIFTS, BEQUESTS, AND DEVISES. 19 (1) IN GENERAL.—The Institute may accept, 20 administer, and use gifts or donations of services, 21 money, or property, whether real or personal, tan-22 gible or intangible. (2) RULES.—The Board shall establish written 23 24 rules setting forth the criteria to be used by the In-25 stitute in determining whether the acceptance of 1 contributions of services, money, or property whether 2 real or personal, tangible or intangible, would reflect 3 unfavorably upon the ability of the Institute or any 4 employee to carry out its responsibilities or official 5 duties in a fair and objective manner, or would com-6 promise the integrity or the appearance of the integ-7 rity of its programs or any official involved in those 8 programs.

9 (g) MAILS.—The Board and the Institute may use 10 the United States mails in the same manner and under 11 the same conditions as other departments and agencies of 12 the United States.

13 (h) STAFF.—The Interagency Group, after consider14 ing recommendations made by the Board, shall appoint
15 and fix the pay of a Director.

16 (i) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be 17 appointed without regard to the provisions of title 5, Unit-18 ed States Code, governing appointments in the competitive 19 20 service, and may be paid without regard to the provisions 21 of chapter 51 and subchapter III of chapter 53 of that 22 title relating to elassification and General Schedule pay 23 rates, except that an individual so appointed may not re-24 ceive pay in excess of the annual rate of basic pay payable for level IV of the Executive Schedule. 25

(j) EXPERTS AND CONSULTANTS.—The Institute
 may procure temporary and intermittent services under
 section 3109(b) of title 5, United States Code.

4 (k) REPORT.—The Institute shall submit a biennial
5 report to the Interagency Group and Congress.

6 (1) NONDUPLICATION.—The Institute shall not dupli-7 cate any functions carried out by the Secretary, the Sec-8 retary of Labor, or the Secretary of Health and Human 9 Services under this subtitle. This subsection shall not be 10 construed to prohibit the Secretaries from delegating such 11 functions to the Institute.

12 (m) FUNDING.—Any amounts appropriated to the 13 Secretary, the Secretary of Labor, the Secretary of Health 14 and Human Services, or any other department that par-15 ticipates in the Institute for purposes that the Institute 16 is authorized to perform under this section may be pro-17 vided to the Institute for such purposes.

18 SEC. 246. AUTHORIZATION OF APPROPRIATIONS.

19 There are authorized to be appropriated to carry out 20 this title such sums as may be necessary for fiscal year 21 1998 and each of the 3 succeeding fiscal years.

22 Subtitle B—Repeal

23 **SEC. 251. REPEAL.**

24 (a) REPEAL. The Adult Education Act (20 U.S.C.
25 1201 et. seq.) is repealed.

1	(b) Conforming Amendments.—
2	(1) Refugee education assistance act.
3	Subsection (b) of section 402 of the Refugee Edu-
4	cation Assistance Act of 1980 (8 U.S.C. 1522 note)
5	is repealed.
6	(2) Elementary and secondary education
7	ACT OF 1965.—
8	(A) SECTION 1202 OF ESEA.—Section
9	$\frac{1202(e)(1)}{100}$ of the Elementary and Secondary
10	Education Act of 1965 (20 U.S.C. 6362(c)(1))
11	is amended by striking "Adult Education Act"
12	and inserting "Workforce Investment Partner-
13	ship Act of 1997".
14	(B) SECTION 1205 OF ESEA.—Section
15	1205(8)(B) of such Act (20 U.S.C. 6365(8)(B))
16	is amended by striking "Adult Education Act"
17	and inserting "Workforce Investment Partner-
18	ship Act of 1997".
19	(C) SECTION 1206 OF ESEA.—Section
20	$\frac{1206(a)(1)(A)}{A}$ of such Act (20 U.S.C.
21	6366(a)(1)(A)) is amended by striking "an
22	adult basic education program under the Adult
23	Education Act" and inserting "adult education
24	and literacy activities under the Workforce In-
25	vestment Partnership Act of 1997".

(D) SECTION 3113 OF ESEA.—Section
3113(1) of such Act (20 U.S.C. 6813(1)) is
amended by striking "section 312 of the Adult
Education Act" and inserting "section 2 of the
Workforce Investment Partnership Act of
$\frac{1997''}{.}$
(E) SECTION 9161 OF ESEA.—Section
9161(2) of such Act (20 U.S.C. 7881(2)) is
amended by striking "section 312(2) of the
Adult Education Act" and inserting "section 2
of the Workforce Investment Partnership Act of
1997".
(3) Older Americans Act of 1965.—Section
203(b)(8) of the Older Americans Act of 1965 (42)
U.S.C. 3013(b)(8)) is amended by striking "Adult
Education Act" and inserting "Workforce Invest-
ment Partnership Act of 1997".
(4) NATIONAL LITERACY ACT OF 1991.—The
National Literacy Act of 1991 (20 U.S.C. 1201
note) is repealed.

TITLE III—WORKFORCE INVEST-1 MENT AND RELATED ACTIVI-2 TIES 3 Subtitle A—Workforce Investment 4 **Activities** 5 **1-ALLOTMENTS** 6 **CHAPTER** ŦO **STATES** FOR ADULT EMPLOYMENT AND TRAIN-7 ING ACTIVITIES, DISLOCATED WORK-8 ER EMPLOYMENT AND TRAINING AC-9 TIVITIES, AND YOUTH ACTIVITIES 10

11 SEC. 301. GENERAL AUTHORIZATION.

12 The Secretary of Labor shall make an allotment to 13 each State that has a State plan approved under section 14 304 and a grant to each outlying area that complies with 15 the requirements of this title, to enable the State or outly-16 ing area to assist local areas in providing, through a state-17 wide workforce investment system—

- 18 (1) adult employment and training activities;
- 19 (2) dislocated worker employment and training
 20 activities; and
- 21 (3) youth activities, including summer employ22 ment opportunities, tutoring, activities to promote
 23 study skills, alternative secondary school services,
 24 employment skill training, adult mentoring, and sup25 portive services.

1 SEC. 302. STATE ALLOTMENTS.

2	(a) IN GENERAL.—The Secretary shall—
3	(1) make allotments and grants from the total
4	amount appropriated under section 322(a) for a fis-
5	cal year in accordance with subsection $(b)(1)$;
6	(2)(A) reserve 20 percent of the amount appro-
7	priated under section 322(b) for a fiscal year for use
8	under section 366(b)(2), 367(f), and 369; and
9	(B) make allotments and grants from 80 per-
10	cent of the amount appropriated under section
11	322(b) for a fiscal year in accordance with sub-
12	section $(b)(2)$; and
13	(3)(A) for each fiscal year in which the amount
14	appropriated under section 322(c) exceeds
15	\$1,000,000,000, reserve a portion determined under
16	subsection $(b)(3)(A)$ of the amount appropriated
17	under section 322(c) for use under sections 362 and
18	364; and
19	(B) use the remainder of the amount appro-
20	priated under section 322(e) for a fiscal year to
21	make allotments and grants in accordance with sub-
22	paragraphs (B) and (C) of subsection $(b)(3)$ and
23	make funds available for use under section 361.
24	(b) Allotment Among States.—
25	(1) Adult employment and training ac-

26 TIVITIES.

(A) OUTLYING AREAS.—

1

2 (i) IN GENERAL.—From the amount 3 made available under subsection (a)(1) for 4 a fiscal year, the Secretary shall reserve 5 not more than 1/4 of 1 percent— 6 (I) to provide assistance to the 7 outlying areas to earry out adult em-8 ployment and training activities; and 9 (II) for each of the fiscal years 10 1999 through 2003, to earry out the 11 competition described in clause (iii), 12 except that the amount reserved to 13 carry out such clause for any such fis-14 eal year shall not exceed the amount 15 reserved for the Freely Associated 16 States for fiscal year 1998, from 17 under reserved section amounts 18 202(a)(1) of the Job Training Part-19 nership Act (29 U.S.C. 1602(a)(1)) 20 (as in effect on the day before the 21 date of enactment of this Act). 22 (ii) APPLICATION.—To be eligible to 23 receive a grant under this subparagraph, 24 an outlying area shall submit an applica-25 tion to the Secretary at such time, in such

1 manner, and containing such information 2 and assurances as the Secretary may re-3 quire. 4 (iii) Competitive grants.—The Secretary shall use funds described in clause 5 6 (i)(II) to make grants to outlying areas to 7 carry out adult employment and training 8 activities. 9 BASIS.—The (iv)Secretary shall 10 make grants pursuant to clause (iii) on a 11 competitive basis and pursuant to the ree-12 ommendations of experts in the field of 13 employment and training, working through 14 the Pacific Region Educational Laboratory 15 in Honolulu, Hawaii. 16 Assistance (\mathbf{v}) REQUIREMENTS. 17 Any Freely Associated State that desires 18 to receive a grant made under this sub-19 paragraph shall include in the application 20 of the State for assistance— 21 information demonstrating (\mathbf{H}) 22 that the State will meet all conditions 23 of the regulations described in clause 24 (ix); and

1	(II) an assurance that, notwith-
2	standing any other provision of this
3	title, the State will use the amounts
4	made available through such grants
5	only for the direct provision of serv-
6	i ces.
7	(vi) TERMINATION OF ELIGIBILITY.
8	Notwithstanding any other provision of
9	law, the Freely Associated States shall not
10	receive any funds under this subparagraph
11	for any program year that begins after
12	September 30, 2004.
13	(vii) Administrative costs.—The
14	Secretary may provide not more than 5
15	percent of the amount made available for
16	grants under clause (iii) to pay the admin-
17	istrative costs of the Pacific Region Edu-
18	cational Laboratory in Honolulu, Hawaii,
19	regarding activities assisted under this
20	subparagraph.
21	(viii) Additional requirement.
22	The provisions of Public Law 95–134, per-
23	mitting the consolidation of grants by the
24	outlying areas shall not apply to funds pro-
25	vided to those areas, including the Freely

1	Associated States, under this subpara-
2	graph.
3	(ix) Regulations.—The Secretary
4	shall issue regulations specifying require-
5	ments of this title that apply to outlying
6	areas receiving funds under this subpara-
7	graph.
8	(x) DEFINITION.—In this subpara-
9	graph, the term "Freely Associated
10	States" means the Republic of the Mar-
11	shall Islands, the Federated States of Mi-
12	eronesia, and the Republic of Palau.
13	(B) STATES.—
14	(i) In GENERAL.—After determining
15	the amount to be reserved under subpara-
16	graph (A), the Secretary shall allot the re-
17	mainder of the amount referred to in sub-
18	section $(a)(1)$ relating to a fiscal year to
19	the States pursuant to clause (ii) for adult
20	employment and training activities.
21	(ii) FORMULA.—Subject to clauses
22	(iii) and (iv), of the remainder—
23	(I) 33 ^{1/3} percent shall be allotted
24	on the basis of the relative number of
25	unemployed individuals in areas of

1	substantial unemployment in each
2	State as compared to the total num-
3	ber of unemployed individuals in areas
4	of substantial unemployment in all
5	States;
6	(II) 331/3 percent shall be allot-
7	ted on the basis of the relative excess
8	number of unemployed individuals in
9	each State as compared to the total
10	excess number of unemployed individ-
11	uals in all States; and
12	(III) 331/3 percent shall be allot-
13	ted on the basis of the relative num-
14	ber of disadvantaged adults in each
15	State as compared to the total num-
16	ber of disadvantaged adults in all
17	States.
18	(iii) Minimum and maximum per-
19	CENTAGES.
20	(I) Minimum percentage.—No
21	State shall receive an allotment per-
22	centage for a fiscal year that is less
23	than 90 percent of the allotment per-
24	centage of the State for the preceding
25	fiscal year.

1	(II) MAXIMUM PERCENTAGE.
2	No State shall receive an allotment
3	percentage for a fiscal year that is
4	more than 130 percent of the allot-
5	ment percentage of the State for the
6	preceding fiscal year.
7	(iv) Small state minimum allot-
8	MENT.—No State shall receive an allot-
9	ment under this subparagraph that is less
10	than $\frac{1}{2}$ of 1 percent of the remainder de-
11	scribed in clause (i) for a fiscal year.
12	Amounts necessary for increasing such al-
13	lotments to States to comply with the pre-
14	ceding sentence shall be obtained by rat-
15	ably reducing the allotments to be made to
16	other States under this subparagraph.
17	(v) DEFINITIONS.—In this subpara-
18	graph:
19	(I) Allotment percentage.
20	The term "allotment percentage",
21	used with respect to fiscal year 1999
22	or a subsequent fiscal year, means a
23	percentage of the remainder described
24	in clause (i), received through an al-
25	lotment made under this subpara-

graph, for the fiscal year. The term,
used with respect to fiscal year 1998,
means the percentage of the amounts
allocated under section 202(b) of the
Job Training Partnership Act (29
U.S.C. 1602(b)) (as in effect on the
day before the date of enactment of
this Act) received under such section
by service delivery areas in the State
involved for fiscal year 1998.
(II) Area of substantial un-
EMPLOYMENT.—The term "area of
substantial unemployment" means
any area that is of sufficient size and
scope to sustain a program of
workforce investment activities carried
out under this subtitle and that has
an average rate of unemployment of
at least 6.5 percent for the most re-
cent 12 months, as determined by the
Secretary. For purposes of this sub-
clause, determinations of areas of sub-
clause, determinations of areas of sub- stantial unemployment shall be made

1	(III) DISADVANTAGED ADULT.—
2	The term "disadvantaged adult"
3	means an individual who is not less
4	than age 22 and not more than age
5	72 and is a low-income individual.
6	(IV) Excess number.—The
7	term "excess number" means the
8	number of unemployed individuals in
9	excess of 4.5 percent of the civilian
10	labor force in a State.
11	(2) Dislocated worker employment and
12	TRAINING.—
13	(A) OUTLYING AREAS.—
14	(i) IN GENERAL.—From the amount
15	made available under subsection $(a)(2)(B)$
16	for a fiscal year, the Secretary shall re-
17	serve not more than 1/4 of 1 percent—
18	(I) to provide assistance to the
19	outlying areas to carry out dislocated
20	worker employment and training ac-
21	tivities; and
22	(II) for each of the fiscal years
23	1999 through 2003, to carry out the
24	competition described in clause (iii),
25	except that the amount reserved to

1	carry out such clause for any such fis-
2	cal year shall not exceed the amount
3	reserved for the Freely Associated
4	States for fiscal year 1998, from
5	amounts reserved under section
6	302(b) of the Job Training Partner-
7	ship Act (29 U.S.C. $1652(b)$) (as in
8	effect on the day before the date of
9	enactment of this Act).
10	(ii) Application.—To be eligible to
11	receive a grant under this subparagraph,
12	an outlying area shall submit an applica-
13	tion to the Secretary at such time, in such
14	manner, and containing such information
15	and assurances as the Secretary may re-
16	quire.
17	(iii) Competitive grants.—The Sec-
18	retary shall use funds described in clause
19	(i)(II) to make grants to outlying areas to
20	carry out dislocated worker employment
21	and training activities.
22	(iv) BASIS.—The Secretary shall
23	make grants pursuant to clause (iii) on a
24	competitive basis and pursuant to the rec-
25	ommendations of experts in the field of

1	employment and training, working through
2	the Pacific Region Educational Laboratory
3	in Honolulu, Hawaii.
4	(v) Assistance requirements.—
5	Any Freely Associated State that desires
6	to receive a grant made under this sub-
7	paragraph shall include in the application
8	of the State for assistance—
9	(I) information demonstrating
10	that the State will meet all conditions
11	of the regulations described in clause
12	(ix); and
13	(II) an assurance that, notwith-
14	standing any other provision of this
15	title, the State will use the amounts
16	made available through such grants
17	only for the direct provision of serv-
18	ices.
19	(vi) TERMINATION OF ELIGIBILITY.
20	Notwithstanding any other provision of
21	law, the Freely Associated States shall not
22	receive any funds under this subparagraph
23	for any program year that begins after
24	September 30, 2004.

1	(vii) Administrative costs.—The
2	Secretary may provide not more than 5
3	percent of the amount made available for
4	grants under clause (iii) to pay the admin-
5	istrative costs of the Pacific Region Edu-
6	cational Laboratory in Honolulu, Hawaii,
7	regarding activities assisted under this
8	subparagraph.
9	(viii) Additional requirement.—
10	The provisions of Public Law 95–134, per-
11	mitting the consolidation of grants by the
12	outlying areas, shall not apply to funds
13	provided to those areas, including the
14	Freely Associated States, under this sub-
15	paragraph.
16	(ix) REGULATIONS.—The Secretary
17	shall issue regulations specifying require-
18	ments of this title that apply to outlying
19	areas receiving funds under this subpara-
20	graph.
21	(x) DEFINITION.—In this subpara-
22	graph, the term "Freely Associated
23	States" means the Republic of the Mar-
24	shall Islands, the Federated States of Mi-
25	eronesia, and the Republic of Palau.

(B) STATES.—

2	(i) IN GENERAL.—After determining
3	the amount to be reserved under subpara-
4	graph (A), the Secretary shall allot the re-
5	mainder of the amount referred to in sub-
6	section $(a)(2)(B)$ relating to a fiscal year
7	to the States pursuant to clause (ii) for
8	dislocated worker employment and training
9	activities.
10	(ii) Formula.—Subject to clause
11	(iii), of the remainder—
12	(I) 33 ¹ / ₃ percent shall be allotted
13	on the basis of the relative number of
14	unemployed individuals in each State
15	as compared to the total number of
16	unemployed individuals in all States;
17	(II) 33 ¹ / ₃ percent shall be allot-
18	ted on the basis described in para-
19	graph (1)(B)(ii)(II); and
20	(III) 331/3 percent shall be allot-
21	ted on the basis of the relative num-
22	ber of individuals in each State who
23	have been unemployed for 15 weeks or
24	more as compared to the total number
25	of individuals in all States who have

1	been unemployed for 15 weeks or
2	more.
3	(iii) Small state minimum allot-
4	MENT.
5	(I) IN GENERAL.—Except as pro-
6	vided in subclause (II), the require-
7	ments of clauses (iv) and (v) of para-
8	graph (1)(B) shall apply to allotments
9	made under this subparagraph in the
10	same manner and to the same extent
11	as the requirements apply to allot-
12	ments made under paragraph (1)(B).
13	(II) EXCEPTION.—For purposes
14	of applying the requirements of those
15	clauses under this subparagraph ref-
16	erences in those clauses to the re-
17	mainder described in elause (i) of
18	paragraph (1)(B) shall be considered
19	to be references to the remainder de-
20	seribed in elause (i) of this subpara-
21	graph.
22	(3) Youth Activities.—
23	(A) Youth opportunity grants.—
24	(i) In GENERAL.—For each fiscal year
25	in which the amount appropriated under

1	section $322(c)$ exceeds $$1,000,000,000$, the
2	Secretary shall reserve a portion of the
3	amount to provide youth opportunity
4	grants under section 364 and provide
5	youth activities under section 362.
6	(ii) PORTION.—The portion referred
7	to in clause (i) shall equal, for a fiscal
8	year —
9	(I) except as provided in sub-
10	clause (II), the difference obtained by
11	subtracting $$1,000,000,000$ from the
12	amount described in elause (i); and
13	(II) for any fiscal year in which
14	the amount is \$1,250,000,000 or
15	greater, \$250,000,000.
16	(iii) Youth activities for farm-
17	WORKERS.—From the portion described in
18	elause (i) for a fiscal year, the Secretary
19	shall make available \$10,000,000 to pro-
20	vide youth activities under section 362.
21	(B) OUTLYING AREAS.
22	(i) IN GENERAL.—From the amount
23	made available under subsection $(a)(3)(B)$
24	for a fiscal year, the Secretary shall re-
25	serve not more than $\frac{1}{4}$ of 1 percent—

1(I) to provide assistance to the2outlying areas to carry out youth ac-3tivities; and

4 (II) for each of the fiscal years 5 1999 through 2003, to earry out the 6 competition described in clause (iii), 7 except that the amount reserved to 8 earry out such clause for any such fis-9 eal year shall not exceed the amount 10 reserved for the Freely Associated 11 States for fiscal year 1998, from 12 reserved under sections amounts 13 252(a) and 262(a)(1) of the Job 14 Training Partnership Act (29 U.S.C. 15 and 1631(a) and 1642(a)(1)) (as in 16 effect on the day before the date of 17 enactment of this Act). 18 (ii) APPLICATION.—To be eligible to

19 receive a grant under this subparagraph, 20 an outlying area shall submit an applica-21 tion to the Secretary at such time, in such 22 manner, and containing such information 23 and assurances as the Secretary may re-24 quire.

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1	(iii) Competitive grants.—The Sec-
2	retary shall use funds described in clause
3	(i)(II) to make grants to outlying areas to
4	carry out youth activities.
5	(iv) BASIS.—The Secretary shall
6	make grants pursuant to clause (iii) on a
7	competitive basis and pursuant to the rec-
8	ommendations of experts in the field of
9	employment and training, working through
10	the Pacific Region Educational Laboratory
11	in Honolulu, Hawaii.
12	(v) Assistance requirements.
13	Any Freely Associated State that desires
14	to receive a grant made under this sub-
15	paragraph shall include in the application
16	of the State for assistance—
17	(I) information demonstrating
18	that the State will meet all conditions
19	of the regulations described in clause
20	(ix); and
21	(II) an assurance that, notwith-
22	standing any other provision of this
23	title, the State will use the amounts
24	made available through such grants

1	only for the direct provision of serv-
2	i ces.
3	(vi) TERMINATION OF ELIGIBILITY.—
4	Notwithstanding any other provision of
5	law, the Freely Associated States shall not
6	receive any funds under this subparagraph
7	for any program year that begins after
8	September 30, 2004.
9	(vii) Administrative costs.—The
10	Secretary may provide not more than 5
11	percent of the amount made available for
12	grants under clause (iii) to pay the admin-
13	istrative costs of the Pacific Region Edu-
14	cational Laboratory in Honolulu, Hawaii,
15	regarding activities assisted under this
16	subparagraph.
17	(viii) Additional requirement.—
18	The provisions of Public Law 95–134, per-
19	mitting the consolidation of grants by the
20	outlying areas, shall not apply to funds
21	provided to those areas, including the

Freely Associated States, under this subparagraph.

24(ix)REGULATIONS.—TheSecretary25shall issue regulations specifying require-

22

1 ments of this title that apply to outlying 2 areas receiving funds under this subpara-3 graph. 4 **DEFINITION.**—In this subpara- (\mathbf{x}) "Freely 5 the term Associated graph, States" means the Republic of the Mar-6 7 shall Islands, the Federated States of Mi-8 eronesia, and the Republic of Palau. 9 (C) STATES. (i) IN GENERAL.—After determining 10 11 the amounts to be reserved under subpara-12 graph (A) (if any) and subparagraph (B), 13 the Secretary shall— 14 (I) from the amount referred to 15 in subsection (a)(3)(B) relating to a 16 fiscal make available year, 17 \$15,000,000 to provide youth activi-18 ties under section 361; and 19 (II) allot the remainder of the 20 amount referred to in subsection 21 (a)(3)(B) relating to a fiscal year to 22 the States pursuant to clause (ii) for 23 youth activities. 24 (ii) FORMULA.—Subject to clause 25 (iii), of the remainder—

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1	(I) $331/_3$ percent shall be allotted
2	on the basis described in paragraph
3	(1)(B)(ii)(I);
4	(II) 331/3 percent shall be allot-
5	ted on the basis described in para-
6	graph (1)(B)(ii)(II); and
7	(III) 331/3 percent shall be allot-
8	ted on the basis of the relative num-
9	ber of disadvantaged youth in each
10	State as compared to the total num-
11	ber of disadvantaged youth in all
12	States.
13	(iii) Minimum percentage; maxi-
14	MUM PERCENTAGE; SMALL STATE MINI-
15	MUM ALLOTMENT.
16	(I) IN GENERAL.—Except as pro-
17	vided in subclause (II), the require-
18	ments of clauses (iii), (iv), and (v) of
19	paragraph (1)(B) shall apply to allot-
20	ments made under this subparagraph
21	in the same manner and to the same
22	extent as the requirements apply to
23	allotments made under paragraph
24	(1)(B).

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1	(II) Exceptions.—For purposes
2	of applying the requirements of those
3	clauses under this subparagraph—
4	(aa) references in those
5	clauses to the remainder de-
6	scribed in clause (i) of paragraph
7	(1)(B) shall be considered to be
8	references to the remainder de-
9	scribed in clause (i)(II) of this
10	subparagraph; and
11	(bb) the term "allotment
12	percentage", used with respect to
13	fiscal year 1998, means the per-
14	centage of the amounts allocated
15	under sections 252(b) and 262(b)
16	of the Job Training Partnership
17	Act (29 U.S.C. 1631(b) and
18	1642(b)) (as in effect on the day
19	before the date of enactment of
20	this Act) received under such sec-
21	tions by service delivery areas in
22	the State involved for fiscal year
23	1998.
24	(iv) DEFINITION.—In this subpara-
25	graph, the term "disadvantaged youth"

	109
1	means an individual who is not less than
2	age 14 and is not more than age 21 and
3	is a low-income individual.
4	SEC. 303. STATEWIDE PARTNERSHIP.
5	(a) In General.—The Governor of a State shall es-
6	tablish and appoint the members of a statewide partner-
7	ship to assist in the development of the State plan de-
8	scribed in section 304 and carry out the functions de-
9	scribed in subsection (d).
10	(b) Membership.—The statewide partnership shall
11	include—
12	(1) the Governor;
13	(2) representatives, appointed by the Gov-
14	ernor—
15	(A) a majority of whom—
16	(i) are representatives of business in
17	the State;
18	(ii) are owners of businesses, chief ex-
19	ecutives or operating officers of private
20	businesses, and other business executives
21	or employers with optimum policymaking
22	or hiring authority, including members of
23	local partnerships described in section
24	308(c)(2)(A)(i);

1	(iii) represent businesses with employ-
2	ment opportunities that reflect the employ-
3	ment opportunities of the State; and
4	(iv) are appointed from among indi-
5	viduals nominated by State business orga-
6	nizations and business trade associations;
7	(B) the remainder of whom are individuals
8	who have optimum policymaking authority, in-
9	cluding —
10	(i) representatives of—
11	(I) chief elected officials (rep-
12	resenting both cities and counties,
13	where appropriate);
14	(II) labor organizations, who
15	have been nominated by State labor
16	federations;
17	(III) individuals, and organiza-
18	tions, that have experience relating to
19	youth activities;
20	(ii) the eligible agency officials respon-
21	sible for vocational education, including
22	postsecondary vocational education, and
23	for adult education and literacy, and the
24	State officials responsible for postsecond-

1	ary education (including education in com-
2	munity colleges); and
3	(iii) the State agency official respon-
4	sible for vocational rehabilitation, and
5	where applicable, the State agency official
6	responsible for providing vocational reha-
7	bilitation program activities for the blind;
8	(3) such other State agency officials as the
9	Governor may designate, such as State agency offi-
10	cials carrying out activities relating to employment
11	and training, economic development, public assist-
12	ance, veterans, youth, juvenile justice and the em-
13	ployment service established under the Wagner-
14	Peyser Act (29 U.S.C. 49 et seq.); and
15	(4) two members of each chamber of the State
16	legislature, appointed by the appropriate presiding
17	officer of the chamber.
18	(c) CHAIRMAN.—The Governor shall select a chair-
19	person for the statewide partnership from among the rep-
20	resentatives described in subsection $(b)(2)(A)$.
21	(d) Functions.—In addition to developing the State
22	plan, the statewide partnership shall—
23	(1) advise the Governor on the development of
24	a comprehensive statewide workforce investment sys-
25	tem;

1	(2) assist the Governor in preparing the annual
2	report to the Secretaries described in section 321(c);
3	(3) assist the Governor in developing the state-
4	wide labor market information system described in
5	section 15(d) of the Wagner-Peyser Act; and
6	(4) assist in the monitoring and continuous im-
7	provement of the performance of the statewide
8	workforce investment system, including the evalua-
9	tion of the effectiveness of workforce investment ac-
10	tivities carried out under this subtitle in serving the
11	needs of employers seeking skilled employees and in-
12	dividuals seeking services.
13	(e) Authority of Governor.—
14	(1) AUTHORITY.—The Governor shall have the
15	final authority to determine the contents of and sub-
16	mit the State plan described in section 304.
17	(2) PROCESS.—Prior to the date on which the
18	Governor submits a State plan under section 304,
19	the Governor shall—
20	(A) make available copies of a proposed
21	State plan to the public;
22	(B) allow members of the statewide part-
23	nership and members of the public to submit
24	comments on the proposed State plan to the
25	Governor, not later than the end of the 30-day

1period beginning on the date on which the pro-2posed State plan is made available; and3(C) include with the State plan submitted4to the Secretary under section 304 any such5comments that represent disagreement with the6plan.

7 SEC. 304. STATE PLAN.

(a) IN GENERAL.—For a State to be eligible to re-8 9 ceive an allotment under section 302, the Governor of the 10 State shall submit to the Secretary for approval a single 11 comprehensive State plan (referred to in this title as the 12 "State plan") that outlines a 3-year strategy for the state-13 wide workforce investment system of the State and that meets the requirements of section 303 and this section. 14 15 (b) CONTENTS.—The State plan shall include—

16 (1) a description of the statewide partnership
17 described in section 303 used in developing the plan;
18 (2) a description of State-imposed requirements
19 for the statewide workforce investment system;

20 (3) a description of the State performance
21 measures developed for the workforce investment ac22 tivities to be carried out through the system, that in23 eludes information identifying the State performance
24 measures, established in accordance with section
25 321(a);

1	(4) information describing—
2	(A) the needs of the State with regard to
3	current and projected employment opportuni-
4	ties;
5	(B) the job skills necessary to obtain the
6	needed employment opportunities;
7	(C) the economic development needs of the
8	State; and
9	(D) the type and availability of workforce
10	investment activities in the State;
11	(5) an identification of local areas designated in
12	the State, including a description of the process used
13	for the designation of such areas, which shall—
14	(A) ensure a linkage between participants
15	in workforce investment activities funded under
16	this subtitle, and local employment opportuni-
17	ties;
18	(B) ensure that a significant portion of the
19	population that lives in the local area also
20	works in the same local area;
21	(C) ensure cooperation and coordination of
22	activities between neighboring local areas; and
23	(D) take into consideration State economic
24	development areas;

1	(6) an identification of criteria for the appoint-
2	ment of members of local partnerships based on the
3	requirements of section 308;
4	(7) the detailed plans required under section 8
5	of the Wagner-Peyser Act;
6	(8) a description of the measures that will be
7	taken by the State to assure coordination of and
8	avoid duplication among—
9	(A) workforce investment activities author-
10	ized under this subtitle;
11	(B) other activities authorized under this
12	title;
13	(C) activities authorized under title I or II;
14	(D) programs authorized under the Wag-
15	ner-Peyser Act (29 U.S.C. 49 et seq.), title I of
16	the Rehabilitation Act of 1973 (29 U.S.C. 720
17	et seq.), part A of title IV of the Social Security
18	Act (42 U.S.C. 601 et seq.), and section $6(d)$
19	of the Food Stamp Act of 1977 (7 U.S.C.
20	2015(d)), and activities authorized under title V
21	of the Older Americans Act of 1965 (42 U.S.C.
22	$\frac{3056}{2000}$ et seq.);
23	(E) work programs authorized under see-
24	tion $6(0)$ of the Food Stamp Act of 1977 (7
25	U.S.C. 2015(0));

1	(\mathbf{F}) activities authorized under chapter 2
2	of title H of the Trade Act of 1974 (19 U.S.C.
3	$\frac{2271 \text{ et seq.}};$
4	(G) activities authorized under chapter 41
5	of title 38, United States Code;
6	(H) activities carried out by the Bureau of
7	Apprenticeship and Training;
8	(I) training activities carried out by the
9	Department of Housing and Urban Develop-
10	ment; and
11	(J) programs authorized under State un-
12	employment compensation laws and the Federal
13	unemployment insurance program under titles
14	HI, IX, and XII of the Social Security Act (42)
15	U.S.C. 501 et seq., 1101 et seq., and 1321 et
16	seq.);
17	(9) a description of the process used by the
18	State to provide an opportunity for public comment,
19	and input into the development of the State plan,
20	prior to submission of the plan;
21	(10) a description of the process for the public
22	to comment on members of the local partnerships;
23	(11) a description of the length of terms and
24	appointment processes for members of the statewide
25	partnership and local partnerships in the State;

1	(12) information identifying how the State will
2	leverage any funds the State receives under this sub-
3	title with other private and Federal resources;
4	(13) assurances that the State will provide, in
5	accordance with section 374, for fiscal control and
6	fund accounting procedures that may be necessary
7	to ensure the proper disbursement of, and account-
8	ing for, funds paid to the State through the allot-
9	ment made under section 302;
10	(14) if appropriate, a description of a within-
11	State allocation formula—
12	(A) that is based on factors relating to ex-
13	cess poverty in local areas or excess unemploy-
14	ment above the State average in local areas;
15	and
16	(B) through which the State may distrib-
17	ute the funds the State receives under this sub-
18	title for adult employment and training activi-
19	ties or youth activities to local areas;
20	(15) an assurance that the funds made avail-
21	able to the State through the allotment made under
22	section 302 will supplement and not supplant other
23	public funds expended to provide activities described
24	in this subtitle;
25	(16) information indicating

1	(A) how the services of one-stop partners
2	in the State will be provided through the one-
3	stop customer service system;
4	(B) how the costs of such services and the
5	operating costs of the system will be funded;
6	and
7	(C) how the State will assist in the devel-
8	opment and implementation of the operating
9	agreement described in section 311(e);
10	(17) information specifying the actions that
11	constitute a conflict of interest prohibited in the
12	State for purposes of section 308(g)(2)(B);
13	(18) a description of a core set of consistently
14	defined data elements for reporting on the activities
15	carried out through the one-stop customer service
16	system in the State;
17	(19) with respect to employment and training
18	activities funded under this subtitle, information—
19	(A) describing the employment and train-
20	ing activities that will be carried out with the
21	funds the State receives under this subtitle, and
22	a description of how the State will provide rapid
23	response activities to dislocated workers;
24	(B) describing the State strategy for devel-
25	opment of a fully operational statewide one-stop

1	customer service system as described in section
2	$\frac{315(b)}{b}$, including—
3	(i) criteria for use by chief elected of-
4	ficials and local partnerships, for designat-
5	ing or certifying one-stop customer service
6	center operators, appointing one-stop part-
7	ners, and conducting oversight with respect
8	to the one-stop customer service system,
9	for each local area; and
10	(ii) the steps that the State will take
11	over the 3 years covered by the plan to en-
12	sure that all publicly funded labor ex-
13	change services described in section
14	$\frac{315(c)(2)}{c}$ or the Wagner-Peyser Act (29)
15	U.S.C. 49 et seq.), will be available
16	through the one-stop customer service sys-
17	tem of the State;
18	(C) describing the criteria used by the local
19	partnership in the development of the local plan
20	described in section 309; and
21	(D) describing the procedures the State
22	will use to identify eligible providers of training
23	services, as required under this subtitle; and
24	(20) with respect to youth activities funded
25	under this subtitle, information—

1	(A) describing the youth activities that will
2	be carried out with the funds the State receives
3	under this subtitle;
4	(B) identifying the criteria to be used by
5	the local partnership in awarding grants under
6	section 313 for youth activities;
7	(C) identifying the types of criteria the
8	Governor and local partnerships will use to
9	identify effective and ineffective youth activities
10	and eligible providers of such activities; and
11	(D) describing how the State will coordi-
12	nate the youth activities carried out in the
13	State under this subtitle with the services pro-
14	vided by Job Corps centers in the State.
15	(c) Plan Submission and Approval.—A State
16	plan submitted to the Secretary under this section by a
17	Governor shall be considered to be approved by the Sec-
18	retary at the end of the 60-day period beginning on the
19	day the Secretary receives the plan, unless the Secretary
20	makes a written determination, during the 60-day period,
21	that—
22	(1) the plan is inconsistent with a specific pro-
23	vision of this title; or
24	(2) the levels of performance have not been
25	agreed to pursuant to section 321(a)(4).

(d) MODIFICATIONS TO INITIAL PLAN.—A State may
 submit, for approval by the Secretary, substantial modi fications to the State plan in accordance with the require ments of this section and section 303, as necessary, during
 the 3-year period of the plan.

6 CHAPTER 2—ALLOCATIONS TO LOCAL 7 WORKFORCE INVESTMENT AREAS

8 SEC. 306. WITHIN STATE ALLOCATIONS.

9 (a) Reservations for State Activities.—

10 (1) ADULT EMPLOYMENT AND TRAINING AC-11 TIVITIES, DISLOCATED WORKER EMPLOYMENT AND 12 TRAINING ACTIVITIES, AND YOUTH ACTIVITIES. 13 The Governor of a State shall reserve not more than 14 15 percent of each of the amounts allotted to the 15 State under paragraphs (1)(B), (2)(B), and 16 (3)(C)(ii) of section 302(b) for a fiscal year for 17 statewide workforce investment activities described 18 in subsections (b)(2) and (c) of section 314.

19 (2) STATEWIDE RAPID RESPONSE ACTIVI20 THES.—The Governor of the State shall reserve not
21 more than 25 percent of the total amount allotted
22 to the State under section 302(b)(2)(B) for a fiscal
23 year for statewide rapid response activities described
24 in section 314(b)(1).

25 (b) WITHIN STATE ALLOCATION.—

(1) ALLOCATION.—The Governor of the State

3 allotted to the State under section 302(b) and 4 not reserved under subsection (a) for the purper 5 providing employment and training activities to 6 ble participants pursuant to section 315 and g 7 activities to eligible participants pursuant to section 315 and g 8 316. 9 (2) METHODS.—The State, acting in activities to eligible participants pursuant to set 10 ance with the State plan, and after consulting 11 chief elected officials in the local areas, shall 12 eate— 13 (A) the funds that are allotted to the 14 for adult employment and training activities under section 302(b)(1)(B) and are no 16 served under subsection (a)(1), in accord 17 with paragraph (3) or (4); 18 (B) the funds that are allotted to the 19 for dislocated worker employment and training 20 activities under section 302(b)(2)(B) and 21 not reserved under paragraph (1) or (2) of 22 section (a), in accordance with paragraph 23 and 24 (C) the funds that are allotted to the	-	
4 not reserved under subsection (a) for the purper providing employment and training activities to ble participants pursuant to section 315 and 3 activities to eligible participants pursuant to se 316. 9 (2) METHODS.—The State, acting in activities to eligible participants pursuant to se 316. 9 (2) METHODS.—The State, acting in activities to eligible participants pursuant to se 316. 9 (2) METHODS.—The State, acting in activities the State plan, and after consulting ehief elected officials in the local areas, shall cate— 13 (A) the funds that are allotted to the for adult employment and training activities under section 302(b)(1)(B) and are no served under subsection (a)(1), in accord with paragraph (3) or (4); 18 (B) the funds that are allotted to the for dislocated worker employment and training activities under section 302(b)(2)(B) and and not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and 23 and 24 (C) the funds that are allotted to the	2	shall allocate to the local areas the funds that are
5 providing employment and training activities to 6 ble participants pursuant to section 315 and 3 7 activities to eligible participants pursuant to se 8 316. 9 (2) METHODS.—The State, acting in ac 10 ance with the State plan, and after consulting 11 chief elected officials in the local areas, shall 12 eate— 13 (A) the funds that are allotted to the 14 for adult employment and training action 15 under section 302(b)(1)(B) and are not 16 served under subsection (a)(1), in accord 17 with paragraph (3) or (4); 18 (B) the funds that are allotted to the 19 for dislocated worker employment and training 20 activities under section 302(b)(2)(B) and 21 not reserved under paragraph (1) or (2) of 22 section (a), in accordance with paragraph 23 and 24 (C) the funds that are allotted to the	3	allotted to the State under section 302(b) and are
 ble participants pursuant to section 315 and 3 activities to eligible participants pursuant to set 316. (2) METHODS.—The State, acting in action ance with the State plan, and after consulting chief elected officials in the local areas, shall eate— (A) the funds that are allotted to the for adult employment and training action under section 302(b)(1)(B) and are not served under subsection (a)(1), in accord with paragraph (3) or (4); (B) the funds that are allotted to the for dislocated worker employment and training not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and (C) the funds that are allotted to the 	4	not reserved under subsection (a) for the purpose of
 activities to eligible participants pursuant to see 316. (2) METHODS. The State, acting in action and with the State plan, and after consulting ehief elected officials in the local areas, shall entered at a case with the funds that are allotted to the for adult employment and training action and the section 302(b)(1)(B) and are not served under subsection (a)(1), in accord with paragraph (3) or (4); (B) the funds that are allotted to the for dislocated worker employment and training activities under section 302(b)(2)(B) and are not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and (C) the funds that are allotted to the for the funds that are allotted to the funds that are allotted to the for the funds that are allotted to the funds the funds that are allotted to the funds the funds the funds the funds the funds the fund	5	providing employment and training activities to eligi-
8 316. 9 (2) METHODS.—The State, acting in acting ance with the State plan, and after consulting the chief elected officials in the local areas, shall entered. 11 chief elected officials in the local areas, shall entered. 12 cate— 13 (A) the funds that are allotted to the for adult employment and training acting under section $302(b)(1)(B)$ and are not served under subsection $(a)(1)$, in accord with paragraph (3) or (4); 18 (B) the funds that are allotted to the for dislocated worker employment and training activities under section $302(b)(2)(B)$ and are not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and and activities under section $302(b)(2)(B)$ and are not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and and activities under section $302(b)(2)(B)$ and are not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and and activities under section $302(b)(2)(B)$ and activities under section $302(b)(2)(B)$ are not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and activities and activities under section $302(b)(2)(B)$ are not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and activities and activities and activities are allotted to the section (a), and activities are allotted to the section (a), and activities are allotted to the section (b) and activities are allotted to the section (b) and activities are allotted to the section (c) and activities are allotted to the section	6	ble participants pursuant to section 315 and youth
 9 (2) METHODS.—The State, acting in action ance with the State plan, and after consulting chief elected officials in the local areas, shall cate— (A) the funds that are allotted to the for adult employment and training action under section 302(b)(1)(B) and are not served under subsection (a)(1), in accord with paragraph (3) or (4); (B) the funds that are allotted to the for dislocated worker employment and training not reserved under paragraph (1) or (2) of section (a), in accordance with paragraph and (C) the funds that are allotted to the 	7	activities to eligible participants pursuant to section
10 ance with the State plan, and after consulting 11 chief elected officials in the local areas, shall 12 cate— 13 (A) the funds that are allotted to the 14 for adult employment and training action 15 under section $302(b)(1)(B)$ and are no 16 served under subsection $(a)(1)$, in accord 17 with paragraph (3) or (4); 18 (B) the funds that are allotted to the 19 for dislocated worker employment and training 20 activities under section $302(b)(2)(B)$ and 21 not reserved under paragraph (1) or (2) of 22 section (a), in accordance with paragraph 23 and 24 (C) the funds that are allotted to the	8	316.
11 chief elected officials in the local areas, shall 12 cate— 13 (A) the funds that are allotted to the 14 for adult employment and training action 15 under section $302(b)(1)(B)$ and are not 16 served under subsection (a)(1), in accord 17 with paragraph (3) or (4); 18 (B) the funds that are allotted to the 19 for dislocated worker employment and training 20 activities under section $302(b)(2)(B)$ and 21 not reserved under paragraph (1) or (2) of 22 section (a), in accordance with paragraph 23 and 24 (C) the funds that are allotted to the	9	(2) Methods.—The State, acting in accord-
12 cate— 13 (A) the funds that are allotted to the 14 for adult employment and training activities 15 under section $302(b)(1)(B)$ and are no 16 served under subsection (a)(1), in accord 17 with paragraph (3) or (4); 18 (B) the funds that are allotted to the 19 for dislocated worker employment and training 20 activities under section $302(b)(2)(B)$ and 21 not reserved under paragraph (1) or (2) of 22 section (a), in accordance with paragraph 23 and 24 (C) the funds that are allotted to the	10	ance with the State plan, and after consulting with
13(A) the funds that are allotted to the14for adult employment and training acti15under section $302(b)(1)(B)$ and are no16served under subsection (a)(1), in accord17with paragraph (3) or (4);18(B) the funds that are allotted to the19for dislocated worker employment and tra20activities under section $302(b)(2)(B)$ and21not reserved under paragraph (1) or (2) of22section (a), in accordance with paragraph23and24(C) the funds that are allotted to the	11	chief elected officials in the local areas, shall allo-
14for adult employment and training action15under section $302(b)(1)(B)$ and are not16served under subsection $(a)(1)$, in accord17with paragraph (3) or (4) ;18(B) the funds that are allotted to the19for dislocated worker employment and tra20activities under section $302(b)(2)(B)$ and21not reserved under paragraph (1) or (2) of22section (a) , in accordance with paragraph23and24(C) the funds that are allotted to the	12	cate
15under section $302(b)(1)(B)$ and are no16served under subsection (a)(1), in accord17with paragraph (3) or (4);18(B) the funds that are allotted to the19for dislocated worker employment and tra20activities under section $302(b)(2)(B)$ and21not reserved under paragraph (1) or (2) of22section (a), in accordance with paragraph23and24(C) the funds that are allotted to the	13	(A) the funds that are allotted to the State
16served under subsection (a)(1), in accord17with paragraph (3) or (4);18(B) the funds that are allotted to the19for dislocated worker employment and tra20activities under section $302(b)(2)(B)$ and21not reserved under paragraph (1) or (2) of22section (a), in accordance with paragraph23and24(C) the funds that are allotted to the	14	for adult employment and training activities
17with paragraph (3) or (4);18(B) the funds that are allotted to the19for dislocated worker employment and tra20activities under section $302(b)(2)(B)$ and21not reserved under paragraph (1) or (2) of22section (a), in accordance with paragraph23and24(C) the funds that are allotted to the	15	under section 302(b)(1)(B) and are not re-
18(B) the funds that are allotted to the19for dislocated worker employment and tra20activities under section $302(b)(2)(B)$ and21not reserved under paragraph (1) or (2) of22section (a), in accordance with paragraph23and24(C) the funds that are allotted to the	16	served under subsection $(a)(1)$, in accordance
19for dislocated worker employment and tra20activities under section $302(b)(2)(B)$ and21not reserved under paragraph (1) or (2) of22section (a), in accordance with paragraph23and24(C) the funds that are allotted to the	17	with paragraph (3) or (4) ;
20activities under section $302(b)(2)(B)$ and21not reserved under paragraph (1) or (2) of22section (a), in accordance with paragraph23and24(C) the funds that are allotted to the	18	(B) the funds that are allotted to the State
21not reserved under paragraph (1) or (2) of22section (a), in accordance with paragraph23and24(C) the funds that are allotted to the	19	for dislocated worker employment and training
22 section (a), in accordance with paragraph 23 and 24 (C) the funds that are allotted to the	20	activities under section 302(b)(2)(B) and are
 23 and 24 (C) the funds that are allotted to the 	21	not reserved under paragraph (1) or (2) of sub-
24 (C) the funds that are allotted to the	22	section (a), in accordance with paragraph (3) ;
	23	and
25 for youth activities under se	24	(C) the funds that are allotted to the State
	25	for youth activities under section

1 302(b)(3)(C)(ii) and are not reserved under 2 subsection (a)(1), in accordance with paragraph 3 (3) or (4). 4 (3) ADULT EMPLOYMENT AND TRAINING AC-5 TIVITIES, DISLOCATED WORKER EMPLOYMENT AND 6 TRAINING ACTIVITIES, AND YOUTH ACTIVITIES FOR-7 MULA ALLOCATIONS. 8 (A) ADULT EMPLOYMENT AND TRAINING 9 ACTIVITIES.—In allocating the funds described 10 in paragraph (2)(A) to local areas, a State may 11 allocate-12 (i) 331/3 percent of the funds on the 13 described in section basis 14 302(b)(1)(B)(ii)(I); 15 (ii) 331/3 percent of the funds on the described 16 basis in section 17 302(b)(1)(B)(ii)(II); and 18 (iii) 331/3 percent of the funds on the 19 basis described in section 20 302(b)(1)(B)(ii)(III). 21 (B) DISLOCATED WORKER EMPLOYMENT 22 AND TRAINING ACTIVITIES.—In allocating the 23 funds described in paragraph (2)(B) to local 24 areas, a State shall allocate—

1 (i) $33\frac{1}{3}$ percent of the funds on the 2 basis described in section 3 302(b)(2)(B)(ii)(I); 4 (ii) 33¹/₃ percent of the funds on the 5 described basis in section 302(b)(2)(B)(ii)(II); and 6 7 (iii) 331/3 percent of the funds on the 8 basis described in section 9 302(b)(2)(B)(ii)(III). (C) YOUTH ACTIVITIES.—In allocating the 10 11 funds described in paragraph (2)(C) to local 12 areas, a State may allocate— 13 (i) 331/3 percent of the funds on the 14 described in section basis 15 302(b)(3)(C)(ii)(I); (ii) 331/3 percent of the funds on the 16 17 described basis in section 18 302(b)(3)(C)(ii)(II); and 19 (iii) 331/3 percent of the funds on the 20 basis described section in 21 302(b)(3)(C)(ii)(III). 22 (D) APPLICATION.—For purposes of carrying out subparagraphs (A), (B), and (C), and 23 24 subparagraphs (A) and (B) of paragraph (4)—

1	(i) references in section 302(b) to a
2	State shall be deemed to be references to
3	a local area; and
4	(ii) references in section 302(b) to all
5	States shall be deemed to be references to
6	all local areas in the State involved.
7	(4) Adult employment and training and
8	YOUTH DISCRETIONARY ALLOCATIONS.
9	(A) Adult employment and training
10	ACTIVITIES.—In lieu of making the allocation
11	described in paragraph $(3)(A)$, in allocating the
12	funds described in paragraph (2)(A) to local
13	areas, a State may distribute—
14	(i) a portion equal to not less than 70
15	percent of the funds in accordance with
16	paragraph (3)(A); and
17	(ii) the remaining portion of the funds
18	on the basis of a formula that—
19	(I) takes into consideration fac-
20	tors relating to excess poverty in local
21	areas or excess unemployment above
22	the State average in local areas; and
23	(II) was developed by the state-
24	wide partnership and approved by the
25	Secretary as part of the State plan.

1	(B) YOUTH ACTIVITIES.—In lieu of mak-
2	ing the allocation described in paragraph
3	(3)(C), in allocating the funds described in
4	paragraph (2)(C) to local areas, a State may
5	distribute
6	(i) a portion equal to not less than 70
7	percent of the funds in accordance with
8	paragraph (3)(C); and
9	(ii) the remaining portion of the funds
10	on the basis of a formula that—
11	(I) takes into consideration fac-
12	tors relating to excess youth poverty
13	in local areas or excess unemployment
14	above the State average in local areas;
15	and
16	(II) was developed by the state-
17	wide partnership and approved by the
18	Secretary as part of the State plan.
19	(5) Limitation.—
20	(A) IN GENERAL.—Not more than 15 per-
21	cent of the amount allocated to a local area for
22	a fiscal year —
23	(i) under paragraph $(3)(A)$ or $(4)(A)$
24	may be used by the local partnership for
25	the area for the administrative cost of car-

- 1 rying out local adult employment and 2 training activities; 3 (ii) under paragraph (3)(B) may be 4 used by the local partnership for the ad-5 ministrative cost of carrying out local dis-6 located worker employment and training 7 activities; and 8 (iii) under paragraph (3)(C) or (4)(B)9 may be used by the local partnership for 10 the administrative cost of earrying out 11 local youth activities. 12 (B) REGULATIONS.—The Secretary, after 13 consulting with the Governors, shall develop 14 and issue regulations that define the term "ad-15 ministrative cost" for purposes of this title. 16 (6) TRANSFER AUTHORITY.—A local partner-17 ship may transfer, if such a transfer is approved by 18 the Governor, not more than 20 percent of the funds 19 allocated to the local area under paragraph (3)(A) or 20 (4)(A), and 20 percent of the funds allocated to the 21 local area under paragraph (3)(B), for a fiscal year 22 between-23 (A) adult employment and training activi-
- 24

ties; and

1	(B) dislocated	worker	employment	and
2	training activities.			

3 (7) FISCAL AUTHORITY.

4 (A) FISCAL AGENT.—The chief elected of-5 ficial in a local area shall serve as the fiscal 6 agent for, and shall be liable for any misuse of, 7 the funds allocated to the local area under this section, unless the chief elected official reaches 8 9 an agreement with the Governor for the Gov-10 ernor to act as the fiscal agent and bear such 11 liability.

(B) DISBURSAL.—The fiscal agent shall 12 13 disburse such funds for workforce investment 14 activities at the direction of the local partner-15 ship, pursuant to the requirements of this title, 16 if the direction does not violate a provision of 17 this Act. The fiscal agent shall disburse funds 18 immediately on receiving such direction from 19 the local partnership.

20 SEC. 307. LOCAL WORKFORCE INVESTMENT AREAS.

21 (a) DESIGNATION OF AREAS.

22 (1) IN GENERAL.—Except as provided in sub23 section (b) and paragraph (2), the Governor shall
24 designate local workforce investment areas in the

	100
1	State, in accordance with the State plan require-
2	ments described in section 304(b)(5).
3	(2) Automatic designation.—
4	(A) IN GENERAL.—The Governor of the
5	State shall approve a request for designation as
6	a local area from any unit of general local gov-
7	ernment with a population of 500,000 or more,
8	if the designation meets the State plan require-
9	ments described in section $304(b)(5)$.
10	(B) LARGE COUNTIES.—A county with a
11	population of 500,000 or more may request
12	such designation only with the agreement of the
13	political subdivisions within the county with
14	populations of 200,000 or more.
15	(C) LARGE POLITICAL SUBDIVISIONS.
16	Single units of general local government with
17	populations of 200,000 or more that are service
18	delivery areas on the date of enactment of this
19	Act shall have an automatic right to request
20	designation as local areas under this section.
21	(3) PERMANENT DESIGNATION.—Once the
22	boundaries for a local area are determined under
23	this section in accordance with the State plan, the
24	boundaries shall not change except with the approval
25	of the Governor.

1 (b) SMALL STATES.—The Governor of any State determined to be eligible to receive a minimum allotment 2 under paragraph (1), (2), or (3) of section 302(b) for the 3 first year covered by the State plan may designate the 4 State as a single State local area for the purposes of this 5 title. The Governor shall identify the State as a local area 6 under section 304(b)(5), in lieu of designating local areas 7 8 as described in subparagraphs (A), (B), and (C) of section 9 304(b)(5).

10 SEC. 308. LOCAL WORKFORCE INVESTMENT PARTNER 11 SHIPS AND YOUTH PARTNERSHIPS.

(a) ESTABLISHMENT OF LOCAL PARTNERSHIP.
There shall be established in each local area of a State,
and certified by the Governor of the State, a local
workforce investment partnership.

16 (b) ROLE OF LOCAL PARTNERSHIP.—The primary 17 role of the local partnership shall be to set policy for the 18 portion of the statewide workforce investment system 19 within the local area, including—

20 (1) ensuring that the activities authorized
21 under this subtitle and carried out in the local area
22 meet local performance measures that include high
23 academic and skill measures;

24 (2) ensuring that the activities meet the needs
25 of employers and jobseekers; and

1 (3) ensuring the continuous improvement of the 2 system. (c) MEMBERSHIP OF LOCAL PARTNERSHIP. 3 4 (1) STATE CRITERIA.—The Governor of the 5 State shall establish criteria for the appointment of 6 members of the local partnerships for local areas in 7 the State in accordance with the requirements of 8 paragraph (2). Information identifying such criteria 9 shall be included in the State plan, as described in 10 section 304(b)(6). (2) Composition.—Such criteria shall require, 11 12 at a minimum, that the membership of each local 13 partnership-14 (A) shall include— 15 (i) a majority of members who— 16 (I) are representatives of busi-17 ness in the local area; 18 (II) are owners of businesses, 19 chief executives or operating officers 20 of private businesses, and other busi-21 ness executives or employers with op-22 timum policymaking or hiring author-23 ity; 24 (III) represent businesses with

employment opportunities that reflect

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1	the employment opportunities of the
2	local area; and
3	(IV) are appointed from among
4	individuals nominated by local busi-
5	ness organizations and business trade
6	associations;
7	(ii) chief officers representing local
8	postsecondary educational institutions, rep-
9	resentatives of vocational education provid-
10	ers, and representatives of adult education
11	providers;
12	(iii) chief officers representing labor
13	organizations (for a local area in which
14	such representatives reside), nominated by
15	local labor federations, or (for a local area
16	in which such representatives do not re-
17	side) other representatives of employees;
18	and
19	(iv) chief officers representing eco-
20	nomic development agencies, including pri-
21	vate sector economic development entities;
22	and
23	(B) may include chief officers who have
24	policymaking authority, from one-stop partners
25	who have entered into an operating agreement

1	described in section 311(c) to participate in the
2	one-stop customer service system in the local
3	area; and
4	(C) may include such other individuals or
5	representatives of entities as the chief elected
6	official in the local area may determine to be
7	appropriate.
8	(3) CHAIRPERSON.—The local partnership shall
9	elect a chairperson from among the members of the
10	partnership described in paragraph (2)(A)(i).
11	(d) Appointment and Certification of Local
12	Partnership.—
13	(1) Appointment of local partnership
14	MEMBERS AND ASSIGNMENT OF RESPONSIBIL-
15	ITIES.
16	(A) IN GENERAL.—The chief elected offi-
17	cial in a local area is authorized to appoint the
18	members of the local partnership for such area,
19	in accordance with the State criteria established
20	under subsection (c).
21	(B) Multiple units of local govern-
22	MENT IN AREA.
23	(i) IN GENERAL.—In a case in which
24	a local area includes more than 1 unit of
25	general local government, the chief elected

1	officials of such units may execute an
2	agreement that specifies the respective
3	roles of the individual chief elected offi-
4	cials
5	(I) in the appointment of the
6	members of the local partnership from
7	the individuals nominated or rec-
8	ommended to be such members in ac-
9	cordance with the criteria established
10	under subsection (c); and
11	(II) in carrying out any other re-
12	sponsibilities assigned to such officials
13	under this subtitle.
13 14	under this subtitle. (ii) Lack of agreement.—If, after
14	(ii) Lack of agreement.—If, after
14 15	(ii) LACK OF AGREEMENT.—If, after a reasonable effort, the chief elected offi-
14 15 16	(ii) LACK OF AGREEMENT.—If, after a reasonable effort, the chief elected offi- cials are unable to reach agreement as pro-
14 15 16 17	(ii) LACK OF AGREEMENT.—If, after a reasonable effort, the chief elected offi- cials are unable to reach agreement as pro- vided under clause (i), the Governor may
14 15 16 17 18	(ii) LACK OF AGREEMENT.—If, after a reasonable effort, the chief elected offi- cials are unable to reach agreement as pro- vided under clause (i), the Governor may appoint the members of the local partner-
14 15 16 17 18 19	(ii) LACK OF AGREEMENT.—If, after a reasonable effort, the chief elected offi- cials are unable to reach agreement as pro- vided under clause (i), the Governor may appoint the members of the local partner- ship from individuals so nominated or ree-
 14 15 16 17 18 19 20 	(ii) LACK OF AGREEMENT.—If, after a reasonable effort, the chief elected offi- cials are unable to reach agreement as pro- vided under clause (i), the Governor may appoint the members of the local partner- ship from individuals so nominated or rec- ommended.
 14 15 16 17 18 19 20 21 	 (ii) LACK OF AGREEMENT.—If, after a reasonable effort, the chief elected officials are unable to reach agreement as provided under clause (i), the Governor may appoint the members of the local partnership from individuals so nominated or recommended. (2) CERTIFICATION.—

(B) CRITERIA.—Such certification shall be 1 2 based on criteria established under subsection 3 (c) and, for a second or subsequent certifi-4 eation, the extent to which the local partnership 5 has ensured that workforce investment activities 6 carried out in the local area have enabled the 7 local area to meet the local performance meas-8 ures required under section 321(b). 9 (\mathbf{C}) FAILURE \overline{TO} **ACHIEVE** CERTIFI-CATION.—Failure of a local partnership to 10 11 achieve certification shall result in reappoint-12 ment and certification of another local partner-13 ship for the local area pursuant to the process 14 described in paragraph (1) and this paragraph. 15 (3) DECERTIFICATION. 16 (A) IN GENERAL.—Notwithstanding para-17 graph (2), the Governor may decertify a local 18 partnership at any time for— 19 (i) fraud or abuse; or 20 (ii) failure to earry out the functions 21 specified for the local partnership in para-

22 graphs (1) through (5) of subsection (e);

23 after providing notice and an opportunity for
24 comment.

1 (B) PLAN.—If the Governor decertifies a 2 local partnership for a local area, the Governor 3 may require that a local partnership be appointed and certified for the local area pursuant 4 5 to a plan developed by the Governor in con-6 sultation with the chief elected official in the 7 local area and in accordance with the criteria 8 established under subsection (c).

9 (4) EXCEPTION. Notwithstanding subsection 10 (c) and paragraphs (1) and (2), if a State described 11 in section 307(b) designates the State as a local 12 area in the State plan, the Governor may designate 13 the statewide partnership described in section 303 to 14 earry out any of the functions described in sub-15 section (c).

16 (e) FUNCTIONS OF LOCAL PARTNERSHIP.—The
17 functions of the local partnership shall include—

18 (1) developing and submitting a local plan as
19 described in section 309 in partnership with the ap20 propriate chief elected official;

21 (2) appointing, certifying, or designating one22 stop partners and one-stop customer service center
23 operators, pursuant to the criteria specified in the
24 local plan;

1	(3) conducting oversight with respect to the
2	one-stop customer service system;
3	(4) modifying the list of eligible providers of
4	training services pursuant to subsections $(b)(3)(B)$
5	and $(c)(2)(B)$ of section 312;
6	(5) setting local performance measures pursu-
7	ant to section 312(b)(2)(D)(ii);
8	(6) analyzing and identifying—
9	(A) current and projected local employ-
10	ment opportunities; and
11	(B) the skills necessary to obtain such
12	local employment opportunities;
13	(7) coordinating the workforce investment ac-
14	tivities carried out in the local area with economic
15	development strategies and developing other em-
16	ployer linkages with such activities; and
17	(8) assisting the Governor in developing the
18	statewide labor market information system described
19	in section 15(d) of the Wagner-Peyser Act.
20	(f) SUNSHINE PROVISION.—The local partnership
21	shall make available to the public, on a regular basis,
22	through open meetings, information regarding the activi-
23	ties of the local partnership, including information regard-
24	ing membership, the appointment of one-stop partners,
25	the designation and certification of one-stop customer

service center operators, and the award of grants to eligi ble providers of youth activities.

3 (g) OTHER ACTIVITIES OF LOCAL PARTNERSHIP.
4 (1) LIMITATION.

(A) IN GENERAL.—Except as provided in subparagraph (B), no local partnership may directly carry out or enter into a contract for a training service described in section 315(c)(3).

(B) WAIVERS.—The Governor of the State 9 10 in which the local partnership is located may 11 grant to the local partnership a written waiver 12 of the prohibition set forth in subparagraph 13 (A), if the local partnership provides substantial 14 evidence that a private or public entity is not 15 available to provide the training service and 16 that the activity is necessary to provide an em-17 ployment opportunity described in the local plan 18 described in section 309.

19 (2) CONFLICT OF INTEREST.—No member of a
20 local partnership may—

21 (A) vote on a matter under consideration
22 by the local partnership—

23 (i) regarding the provision of services
24 by such member (or by an organization
25 that such member represents); or

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1	(ii) that would provide direct financial
2	benefit to such member or the immediate
3	family of such member; or
4	(B) engage in any other activity deter-
5	mined by the Governor to constitute a conflict
6	of interest as specified in the State plan.
7	(h) TECHNICAL ASSISTANCE.—If a local area fails to
8	meet established State or local performance measures, the
9	Governor shall provide technical assistance to the local
10	partnership involved to improve the performance of the
11	local area.
12	(i) Youth Partnership.—
13	(1) ESTABLISHMENT.—There shall be estab-
14	lished in each local area of a State, a youth partner-
15	ship appointed by the local partnership, in coopera-
16	tion with the chief elected official, in the local area.
17	(2) Membership.—The membership of each
18	youth partnership—
19	(A) shall include—
20	(i) 1 or more members of the local
21	partnership;
22	(ii) representatives of youth service
23	agencies, including juvenile justice agen-
24	cies;

1	(iii) representatives of local public
2	housing authorities;
3	(iv) parents of youth seeking assist-
4	ance under this subtitle;
5	(v) individuals, including former par-
6	ticipants, and representatives of organiza-
7	tions, that have experience relating to
8	youth activities; and
9	(vi) representatives of the Job Corps,
10	as appropriate; and
11	(B) may include such other individuals as
12	the chairperson of the local partnership, in co-
13	operation with the chief elected official, deter-
14	mines to be appropriate.
15	(3) DUTIES.—The duties of the youth partner-
16	ship include—
17	(A) the development of the portions of the
18	local plan relating to youth, as determined by
19	the chairperson of the local partnership;
20	(B) awarding grants to, and conducting
21	oversight with respect to, eligible providers of
22	youth activities, as described in section 313, in
23	the local area;
24	(C) coordinating youth activities in the
25	local area; and

	201	
1	(D) other duties determined to be appro-	
2	priate by the chairperson of the local partner-	
3	ship.	
4	SEC. 309. LOCAL PLAN.	
5	(a) In General.—Each local partnership shall de-	
6	velop and submit to the Governor a comprehensive 3-year	
7	local plan (referred to in this title as the "local plan"),	
8	in partnership with the appropriate chief elected official.	
9	The local plan shall be consistent with the State plan.	
10	(b) CONTENTS.—The local plan shall include—	
11	(1) an identification of the needs of the local	
12	area with regard to current and projected employ-	
13	ment opportunities;	
14	(2) an identification of the job skills necessary	
15	to obtain such employment opportunities;	
16	(3) a description of the activities to be used	
17	under this subtitle to link local employers and local	
18	job seekers;	
19	(4) an identification and assessment of the type	
20	and availability of adult and dislocated worker em-	
21	ployment and training activities in the local area;	
22	(5) an identification of successful eligible pro-	
23	viders of youth activities in the local area;	
24	(6) a description of the measures that will be	
25	taken by the local area to assure coordination of and	

1	avoid duplication among the programs and activities	
2	described in section 304(b)(8);	
3	(7) a description of the manner in which the	
4	local partnership will coordinate activities carried	
5	out under this subtitle in the local area with such	
6	activities carried out in neighboring local areas;	
7	(8) a description of the competitive process to	
8	be used to award grants in the local area for activi-	
9	ties carried out under this subtitle;	
10	(9) information describing local performance	
11	measures for the local area that are based on the	
12	performance measures in the State plan;	
13	(10) in accordance with the State plan, a de-	
14	scription of the criteria that the chief elected official	
15	in the local area and the local partnership will use	
16	to appoint, designate, or certify, and to conduct	
17	oversight with respect to, one-stop customer service	
18	center systems in the local area; and	
19	(11) such other information as the Governor	
20	may require.	
21	(c) Plan Submission and Approval.—A local plan	
22	submitted to the Governor under this section shall be con-	
23	sidered to be approved by the Governor at the end of the	
24	60-day period beginning on the day the Governor receives	

the plan, unless the Governor makes a written determina tion during the 60-day period that—

3 (1) entities conducting evaluations conducted 4 under section 321(d) in the local area have found 5 deficiencies in activities carried out under this sub-6 title and the local area has not made acceptable 7 progress in implementing corrective measures to ad-8 dress the deficiencies; or 9 (2) the plan does not comply with this title. 10 (d) LACK OF AGREEMENT.—If the local partnership and the appropriate chief elected official in the local area 11 12 cannot agree on the local plan after making a reasonable effort, the Governor may develop the local plan. 13 14 CHAPTER 3—WORKFORCE INVESTMENT 15 ACTIVITIES AND PROVIDERS SEC. 311. IDENTIFICATION AND OVERSIGHT OF ONE-STOP 16 17 PARTNERS AND ONE-STOP CUSTOMER SERV-18 ICE CENTER OPERATORS.

19 (a) IN GENERAL.—Consistent with the State plan,
20 the chief elected official and the local partnership may de21 velop and implement operating agreements described in
22 subsection (c) to appoint one-stop partners, may designate
23 or certify one-stop customer service center operators, and
24 may conduct oversight with respect to the one-stop customer service system, in the local area.

1 (b) ONE-STOP PARTNERS.—

2 (1) Designated partners.—

3	(A) IN GENERAL.—Each entity that car-
4	ries out a program, services, or activities de-
5	scribed in subparagraph (B) shall make avail-
6	able to participants, through a one-stop cus-
7	tomer service center, the services described in
8	section $315(e)(2)$ that are applicable to such
9	program, and shall participate in the operation
10	of such center as a party to the agreement de-
11	seribed in subsection (c).
12	(B) Programs; services; activities.—
13	The programs, services, and activities referred
14	to in subparagraph (A) consist of—
15	(i) core services authorized under this
16	subtitle;
17	(ii) other activities authorized under
18	this title;
19	(iii) activities authorized under title I
20	and title II;
21	(iv) programs authorized under the
22	Wagner-Peyser Act (29 U.S.C. 49 et seq.);
23	(v) programs authorized under title I
24	of the Rehabilitation Act of 1973 (29
25	U.S.C. 729 et seq.);

(vi) programs authorized under sec-
(vi) programs authorized under see-
tion $403(a)(5)$ of the Social Security Act
(42 U.S.C. 603(a)(5)) (as added by section
5001 of the Balanced Budget Act of
$\frac{1997}{};$
(vii) programs authorized under title
V of the Older Americans Act of 1965 (42
U.S.C. 3056 et seq.);
(viii) activities authorized under chap-
ter 2 of title H of the Trade Act of 1974
(19 U.S.C. 2271 et seq.);
(ix) activities authorized under chap-
ter 41 of title 38, United States Code;
(x) activities carried out by the Bu-
reau of Apprenticeship and Training;
(xi) training activities carried out by
the Department of Housing and Urban
Development; and
(xii) programs authorized under State
unemployment compensation laws and the
Federal unemployment insurance program
under titles III, IX, and XII of the Social
Security Act (42 U.S.C. 501 et seq., 1101
et seq., and 1321 et seq.).
(2) Additional partners.—

1	(A) IN GENERAL.—In addition to the enti-
2	ties described in paragraph (1), other entities
3	that carry out human resource programs may
4	make available to participants through a one-
5	stop customer service center the services de-
6	seribed in section $315(e)(2)$ that are applicable
7	to such program, and participate in the oper-
8	ation of such centers as a party to the agree-
9	ment described in subsection (e), if the local
10	partnership and chief elected official involved
11	approve such participation.
12	(B) PROGRAMS.—The programs referred
13	to in subparagraph (A) include—
14	(i) programs authorized under part A
15	of title IV of the Social Security Act;
16	(ii) programs authorized under section
17	6(d)(4) of the Food Stamp Act of 1977 (7)
18	U.S.C. 2015(d)(4));
19	(iii) work programs authorized under
20	section $6(0)$ of the Food Stamp Act of
21	1997 (7 U.S.C. 2015 (o)); and
22	(iv) other appropriate Federal, State,
23	or local programs, including programs in
24	the private sector.
25	(c) Operating Agreements.—

1	(1) IN GENERAL.—The one-stop customer serv-
2	ice center operator selected pursuant to subsection
3	(d) for a one-stop customer service center shall enter
4	into a written agreement with the local partnership
5	and one-stop partners described in subsection (b)
6	concerning the operation of the center. Such agree-
7	ment shall be subject to the approval of the chief
8	elected official and the local partnership.
9	(2) Contents.—The written agreement re-
10	quired under paragraph (1) shall contain—
11	(A) provisions describing—
12	(i) the services to be provided through
13	the center;
14	(ii) how the costs of such services and
15	the operating costs of the system will be
16	funded,
17	(iii) methods for referral of individuals
18	between the one-stop customer service cen-
19	ter operators and the one-stop partners,
20	for the appropriate services and activities;
21	(iv) the monitoring and oversight of
22	activities carried out under the agreement;
23	and
24	(v) the duration of the agreement and
25	the procedures for amending the agree-

1	ment during the term of the agreement;
2	and
3	(B) such other provisions, consistent with
4	the requirements of this title, as the parties to
5	the agreement determine to be appropriate.
6	(d) One-Stop Customer Service Center Opera-
7	TORS.—
8	(1) IN GENERAL.—To be eligible to receive
9	funds made available under this subtitle to operate
10	a one-stop customer service center, an entity shall—
11	(A) be designated or certified as a one-stop
12	customer service center operator, as described
13	in subsection (a); and
14	(B) be a public or private entity, or consor-
15	tium of entities, located in the local area, which
16	entity or consortium may include an institution
17	of higher education (as defined in section 481
18	of the Higher Education Act of 1965 (20
19	U.S.C. 1088), a local employment service office
20	established under the Wagner-Peyser Act (29
21	U.S.C. 49 et seq.), a local government agency,
22	a private for-profit entity, a private nonprofit
23	entity, or other interested entity, of dem-
24	onstrated effectiveness.

1 (2) EXCEPTION.—Elementary schools and sec-2 ondary schools shall not be eligible for designation 3 or certification as one-stop customer service center 4 operators, except that nontraditional secondary 5 schools and area vocational education schools shall 6 be eligible for such designation or certification.

7 (e) ESTABLISHED ONE-STOP CUSTOMER SERVICE 8 System.—For a local area in which a one-stop customer 9 service system has been established prior to the date of 10 enactment of this Act, the local partnership, the chief elected official, and the Governor may agree to appoint, 11 designate, or certify the one-stop partners and one-stop 12 customer service center operators of such system, for pur-13 poses of this section. 14

15 (f) OVERSIGHT.—The local partnership shall conduct 16 oversight with respect to the one-stop customer service 17 center system and may terminate for cause the eligibility 18 of such a partner or operator to provide activities through 19 or operate a one-stop customer service center.

20 SEC. 312. DETERMINATION AND IDENTIFICATION OF ELIGI-

21 BLE PROVIDERS OF TRAINING SERVICES BY

22 **PROGRAM.**

23 (a) General Eligibility Requirements.

24 (1) IN GENERAL.—Except as provided in sub 25 section (e), to be eligible to receive funds made avail-

1	able under section 306 to provide training services
2	described in section $315(c)(3)$ (referred to in this
3	title as "training services") and be identified as an
4	eligible provider of such services, a provider of such
5	services shall meet the requirements of this section.
6	(2) PROVIDERS.—To be eligible to receive the
7	funds, the provider shall be—
8	(A) a postsecondary educational institution
9	that—
10	(i) is eligible to receive Federal funds
11	under title IV of the Higher Education Act
12	of 1965 (20 U.S.C. 1070 et seq.); and
13	(ii) provides a program that leads to
14	an associate degree, baccalaureate degree,
15	or certificate; or
16	(B) another public or private provider of a
17	program.
18	(b) Initial Determination and Identifica-
19	TION.
20	(1) Postsecondary educational institu-
21	TIONS.—To be eligible to receive funds as described
22	in subsection (a), an institution described in sub-
23	section $(a)(2)(A)$ shall submit an application at such
24	time, in such manner, and containing such informa-
25	tion as the designated State agency described in sub-

1	section (f) may require, after consultation with the
2	local partnerships in the State. On submission of the
3	application, the institution shall automatically be ini-
4	tially eligible to receive such funds for the program
5	described in subsection $(a)(2)(A)$.
6	(2) Other providers.—
7	(A) PROCEDURE.—The Governor, in con-
8	sultation with the local partnerships in the
9	State, shall establish a procedure for determin-
10	ing the initial eligibility of providers described
11	in subsection $(a)(2)(B)$ to receive such funds
12	for specified programs. The procedure shall re-
13	quire a provider of a program to meet minimum
14	acceptable levels of performance based on—
15	(i) performance criteria relating to the
16	rates, percentages, increases, and costs de-
17	scribed in subparagraph (C) for the pro-
18	gram, as demonstrated using verifiable
19	program-specific performance information
20	described in subparagraph (C) and submit-
21	ted to the designated State agency, as re-
22	quired under subparagraph (C); and
23	(ii) performance criteria relating to
24	any characteristics for which local partner-
25	ships request the submission of informa-

1	tion under subparagraph (D) for the pro-
2	gram, as demonstrated using the informa-
3	tion submitted.
4	(B) MINIMUM LEVELS.—The Governor
5	shall—
6	(i) consider, in determining such mini-
7	mum levels—
8	(I) criteria relating to the eco-
9	nomic, geographic, and demographic
10	factors in the local areas in which the
11	provider provides the program; and
12	(II) the characteristics of the
13	population served by such provider
14	through the program; and
15	(ii) verify the minimum levels of per-
16	formance by using quarterly records de-
17	scribed in section 321.
18	(C) APPLICATION.—To be initially eligible
19	to receive funds as described in subsection (a),
20	a provider described in subsection (a)(2)(B)
21	shall submit an application at such time, in
22	such manner, and containing such information
23	as the designated State agency may require, in-
24	eluding performance information on—

1	(i) program completion rates for par-
2	ticipants in the applicable program con-
3	ducted by the provider;
4	(ii) the percentage of the graduates of
5	the program placed in unsubsidized em-
6	ployment in an occupation related to the
7	program conducted;
8	(iii) retention rates of the graduates
9	in unsubsidized employment—
10	(I) 6 months after completion of
11	the program; and
12	(II) 12 months after completion
13	of the program;
14	(iv) the wages received by the grad-
15	uates placed in unsubsidized employment
16	after the completion of participation in the
17	program
18	(I) on the first day of the em-
19	ployment;
20	(II) 6 months after the first day
21	of the employment; and
22	(III) 12 months after the first
23	day of the employment;
24	(v) where appropriate, the rates of li-
25	censure or certification of the graduates,

1	attainment of academic degrees or equiva-
2	lents, or attainment of other measures of
3	skill; and
4	(vi) program cost per participant in
5	the program.
6	(D) Additional information.—
7	(i) IN GENERAL.—In addition to the
8	performance information described in sub-
9	paragraph (C), the local partnerships in
10	the State involved may require that a pro-
11	vider submit, to the local partnerships and
12	to the designated State agency, other per-
13	formance information relating to the pro-
14	gram to be initially identified as an eligible
15	provider of training services, including in-
16	formation regarding the ability of the pro-
17	vider to provide continued counseling and
18	support regarding the workplace to the
19	graduates, for not less than 12 months
20	after the graduation involved.
21	(ii) Higher Levels of Perform-
22	ANCE ELIGIBILITY.—The local partnership
23	may require higher levels of performance
24	than the minimum levels established under
25	subparagraph $(\Lambda)(i)$ for initial eligibility to

1	receive funds as described in subsection
2	(a).
3	(3) List of eligible providers by pro-
4	GRAM.—
5	(A) IN GENERAL.—The designated State
6	agency, after reviewing the performance infor-
7	mation described in paragraph $(2)(C)$ and any
8	information required to be submitted under
9	paragraph $(2)(D)$ and using the procedure de-
10	scribed in paragraph (2)(B), shall—
11	(i) identify eligible providers of train-
12	ing services described in subparagraphs
13	(A) and (B) of subsection $(a)(2)$, including
14	identifying the programs of the providers
15	through which the providers may offer the
16	training services; and
17	(ii) compile a list of the eligible pro-
18	viders, and the programs, accompanied by
19	the performance information described in
20	paragraph $(2)(C)$ and any information re-
21	quired to be submitted under paragraph
22	(2)(D) for each such provider described in
23	subsection $(a)(2)(B)$.
24	(B) LOCAL MODIFICATION.—The local
25	partnership may modify such list by reducing

1	the number of eligible providers listed, to en-
2	sure that the eligible providers carry out pro-
3	grams that provide skills that enable partici-
4	pants to obtain local employment opportunities.
5	(c) Subsequent Eligibility.—
6	(1) INFORMATION AND CRITERIA.—To be eligi-
7	ble to continue to receive funds as described in sub-
8	section (a) for a program, a provider shall—
9	(A) submit the performance information
10	described in subsection $(b)(2)(C)$ and any infor-
11	mation required to be submitted under sub-
12	section $(b)(2)(D)$ annually to the designated
13	State agency at such time and in such manner
14	as the designated State agency may require for
15	the program;
16	(B) annually meet the performance criteria
17	described in subclause (I) and (if applicable)
18	subclause (II) of subsection $(b)(2)(B)(i)$ for the
19	program; and
20	(C) annually meet local performance meas-
21	ures, as demonstrated utilizing quarterly
22	records described in section 321, for the pro-
23	gram.
24	(2) LIST OF ELIGIBLE PROVIDERS BY PRO-
25	GRAM.—

(A) IN GENERAL.—The designated State
agency, after reviewing the performance infor-
mation and any other information submitted
under paragraph (1) and using the procedure
described in subsection $(b)(2)(A)$, shall identify
eligible providers and programs, and compile a
list of the providers and programs, as described
in subsection (b)(3), accompanied by the per-
formance information and other information for
each such provider.
(B) LOCAL MODIFICATION.—The local
partnership may modify such list by reducing
the number of eligible providers listed, to en-
sure that the eligible providers carry out pro-
grams that provide skills that enable partici-
pants to obtain local employment opportunities.
(3) AVAILABILITY.—Such list and information
shall be made widely available to participants in em-
ployment and training activities funded under this
subtitle, and to others, through the one-stop cus-
tomer service system described in section 315(b).
(d) Enforcement.
(1) Accuracy of information.—If the des-

23 (1) Accounter of involved. after consultation with the
24 ignated State agency, after consultation with the
25 local partnership involved, determines that a pro-

vider or individual supplying information on behalf of a provider intentionally supplies inaccurate information under this section, the agency shall terminate the eligibility of the eligible provider to receive

time, but not less than 2 years.

funds described in subsection (a) for a period of

7 (2) Compliance with criteria or require-8 MENTS.—If the designated State agency, after con-9 sultation with the local partnership, determines that 10 an eligible provider or a program of training services 11 carried out by an eligible provider fails to meet the 12 required performance criteria and performance 13 measures described in subparagraphs (B) and (C) of 14 subsection (c)(1) or materially violates any provision 15 of this title, including the regulations promulgated 16 to implement this title, the agency may terminate 17 the eligibility of the eligible provider to receive funds 18 described in subsection (a) for such program or take 19 such other action as the agency determines to be ap-20 propriate.

21 (3) REPAYMENT. Any provider whose eligi22 bility is terminated under paragraph (1) or (2) for
23 a program shall be liable for repayment of funds de24 seribed in subsection (a) received for the program

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1	during any period of noncompliance described in
2	such paragraph.
3	(4) APPEAL.—The Governor shall establish a
4	procedure for an eligible provider to appeal a deter-
5	mination by the designated State agency that results
6	in termination of eligibility under this subsection.
7	Such procedure shall provide an opportunity for a
8	hearing and prescribe appropriate time limits to en-
9	sure prompt resolution of the appeal.
10	(e) On-the-Job Training Exception.—
11	(1) IN GENERAL. Providers of on-the-job
12	training shall not be subject to the requirements of
13	subsections (a) through (d).
13 14	subsections (a) through (d). (2) Collection and dissemination of in-
14	(2) Collection and dissemination of in-
14 15	(2) Collection and dissemination of in- formation.—A one-stop customer service center
14 15 16	(2) COLLECTION AND DISSEMINATION OF IN- FORMATION.—A one-stop customer service center operator in a local area shall collect such perform-
14 15 16 17	(2) COLLECTION AND DISSEMINATION OF IN- FORMATION.—A one-stop customer service center operator in a local area shall collect such perform- ance information from on-the-job training providers
14 15 16 17 18	(2) COLLECTION AND DISSEMINATION OF IN- FORMATION.—A one-stop customer service center operator in a local area shall collect such perform- ance information from on-the-job training providers as the Governor may require, and disseminate such
14 15 16 17 18 19	(2) COLLECTION AND DISSEMINATION OF IN- FORMATION.—A one-stop customer service center operator in a local area shall collect such perform- ance information from on-the-job training providers as the Governor may require, and disseminate such information through the one-stop customer service
14 15 16 17 18 19 20	(2) COLLECTION AND DISSEMINATION OF IN- FORMATION.—A one-stop customer service center operator in a local area shall collect such perform- ance information from on-the-job training providers as the Governor may require, and disseminate such information through the one-stop customer service system.
 14 15 16 17 18 19 20 21 	 (2) COLLECTION AND DISSEMINATION OF IN- FORMATION.—A one-stop customer service center operator in a local area shall collect such perform- ance information from on-the-job training providers as the Governor may require, and disseminate such information through the one-stop customer service system. (f) ADMINISTRATION.—The Governor shall designate

(b)(2)(D) and carry out other duties described in this sec tion.

3 SEC. 313. IDENTIFICATION OF ELIGIBLE PROVIDERS OF 4 **YOUTH ACTIVITIES.**

5 The youth partnership is authorized to award grants 6 on a competitive basis, based on the criteria contained in 7 the State plan and local plan, to providers of youth activi-8 ties, and conduct oversight with respect to such providers, 9 in the local area.

10 SEC. 314. STATEWIDE WORKFORCE INVESTMENT ACTIVI 11 THES.

12 (a) IN GENERAL.—Funds reserved by a Governor for
13 a State—

14 (1) under section 306(a)(2) shall be used to
15 carry out the statewide rapid response activities de16 seribed in subsection (b)(1); and

17 (2) under section 306(a)(1)—

18 (A) shall be used to carry out the state19 wide workforce investment activities described
20 in subsection (b)(2); and

21 (B) may be used to carry out any of the
22 statewide workforce investment activities de23 seribed in subsection (c),

regardless of whether the funds were allotted to the
 State under paragraph (1), (2), or (3) of section
 302(b).

4 (b) Required Statewide Workforce Invest-5 Ment Activities.—

6 (1) STATEWIDE RAPID RESPONSE ACTIVI7 THES.—A State shall use funds reserved under sec8 tion 306(a)(2) to earry out statewide rapid response
9 activities, which shall include—

10(A) provision of rapid response activities,11carried out in local areas by the State, working12in conjunction with the local partnership and13the chief elected official in the local area; and

14 (B) provision of additional assistance to 15 local areas that experience disasters, mass layoffs or plant closings, or other events that pre-16 17 eipitate substantial increases in the number of 18 unemployed individuals, earried out in the local 19 areas by the State, working in conjunction with 20 the local partnership and the chief elected offi-21 eial in the local areas.

22 (2) OTHER REQUIRED STATEWIDE WORKFORCE
 23 INVESTMENT ACTIVITIES.—A State shall use funds
 24 reserved under section 306(a)(1) to carry out other

statewide workforce investment activities, which
 shall include—

3 (A) disseminating the list of eligible pro4 viders of training services, including eligible
5 providers of nontraditional training services,
6 and the performance information as described
7 in subsections (b) and (c) of section 312 and a
8 list of eligible providers of youth activities de9 seribed in section 313;

10(B) conducting evaluations, under section11321(d), of activities authorized in this section,12section 315, and section 316, in coordination13with the activities carried out under section14368;

15 (C) provision of incentive grants to local 16 areas for regional cooperation among local part-17 nerships, for local coordination and nonduplica-18 tion of activities carried out under this Act, and 19 for comparative performance by local areas on 20 the local performance measures described in 21 section 321(b);

22 (D) providing technical assistance to local
23 areas that fail to meet local performance meas24 ures;

1	(E) assisting in the establishment and op-
2	eration of a one-stop customer service system;
3	and
4	(F) operation of a fiscal and management
5	accountability information system under section
6	321(e).
7	(c) Allowable Statewide Workforce Invest-
8	MENT ACTIVITIES.—
9	(1) IN GENERAL.—A State may use funds re-
10	served under section $306(a)(1)$ to carry out addi-
11	tional statewide workforce investment activities,
12	which may include—
13	(A) subject to paragraph (2), administra-
14	tion by the State of the workforce investment
15	activities carried out under this subtitle;
16	(B) identification and implementation of
17	incumbent worker training programs, which
18	may include the establishment and implementa-
19	tion of an employer loan program;
20	(C) carrying out other activities authorized
21	in section 315 that the State determines to be
22	necessary to assist local areas in carrying out
23	activities described in subsection (c) or (d) of
24	section 315 through the statewide workforce in-
25	vestment system; and

(D) carrying out, on a statewide basis, activities described in section 316.

3 (2) LIMITATION.—Of the reserved funds de-4 scribed in paragraph (1)(A), a portion, equal to not 5 more than 5 percent of the total amount allotted to 6 the State under paragraphs (1), (2), and (3) of see-7 tion 302(b) for the fiscal year involved, may be used 8 for the administration of the workforce investment 9 activities carried out under this subtitle. Funds 10 made available from the portion may be used for the 11 administration of any of the workforce investment 12 activities, regardless of whether the funds were allot-13 ted to the State under paragraph (1), (2), or (3) of 14 section 302(b).

15 SEC. 315. LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.

(a) IN GENERAL.—Funds received by a local area
under paragraph (3)(A) or (4)(A), as appropriate, of section 306(b), and funds received by the local area under
section 306(b)(3)(B)—

20 (1) shall be used to carry out employment and
21 training activities described in subsection (c) for
22 adults or dislocated workers, as appropriate; and

23 (2) may be used to carry out employment and
24 training activities described in subsection (d) for
25 adults or dislocated workers, as appropriate.

1

1	(b) Establishment of One-Stop Customer
2	Service System.—
3	(1) In GENERAL.—There shall be established in
4	a State that receives an allotment under section 302
5	a one-stop customer service system, which—
6	(A) shall provide the core services de-
7	scribed in subsection $(c)(2);$
8	(B) shall provide access to training services
9	as described in subsection (e)(3);
10	(C) shall provide access to the activities (if
11	any) carried out under subsection (d); and
12	(D) shall provide access to the information
13	described in section 15 of the Wagner-Peyser
14	Act and all job search, placement, recruitment,
15	and other labor exchange services authorized
16	under the Wagner-Peyser Act (29 U.S.C. 49 et
17	seq.).
18	(2) ONE-STOP DELIVERY.—At a minimum, the
19	one-stop customer service system—
20	(A) shall make each of the services de-
21	scribed in paragraph (1) accessible at not less
22	than 1 physical customer service center in each
23	local area of the State; and
24	(B) may also make services described in
25	paragraph (1) available—

1 (i) through a network of customer 2 service centers that can provide 1 or more 3 of the services described in paragraph (1) 4 to such individuals; and 5 (ii) through a network of eligible one-6 stop partners— 7 (I) in which each partner pro-8 vides 1 or more of the services to such 9 individuals and is accessible at a customer service center that consists of a 10 11 physical location or an electronically 12 or technologically linked access point; 13 and 14 (II) that assures individuals that 15 information on the availability of core 16 services will be available regardless of 17 where the individuals initially enter 18 the statewide workforce investment 19 system, including information made 20 available through an access point de-21 seribed in subclause (I). 22 (c) REQUIRED LOCAL ACTIVITIES.

23 (1) IN GENERAL.—Funds received by a local
24 area under paragraph (3)(A) or (4)(A), as appro25 priate, of section 306(b), and funds received by the

1	local area under section 306(b)(3)(B) shall be
2	used
3	(A) to establish a one-stop customer serv-
4	ice center described in subsection (b);
5	(B) to provide the core services described
6	in paragraph (2) to participants described in
7	such paragraph through the one-stop customer
8	service system; and
9	(C) to provide training services described
10	in paragraph (3) to participants described in
11	such paragraph.
12	(2) Core services.—Funds received by a local
13	area as described in paragraph (1) shall be used to
14	provide core services, which shall be available to all
15	individuals seeking assistance through a one-stop
16	customer service system and shall, at a minimum,
17	inelude—
18	(Λ) determinations of whether the individ-
19	uals are eligible to receive activities under this
20	subtitle;
21	(B) outreach, intake (which may include
22	worker profiling), and orientation to the infor-
23	mation and other services available through the

24 one-stop customer service system;

1	(C) initial assessment of skill levels, apti-
2	tudes, abilities, and supportive service needs;
3	(D) case management assistance, as appro-
4	priate;
5	(E) job search and placement assistance;
6	(F) provision of information regarding—
7	(i) local, State, and, if appropriate, re-
8	gional or national, employment opportuni-
9	ties; and
10	(ii) job skills necessary to obtain the
11	employment opportunities;
12	(G) provision of performance information
13	on eligible providers of training services as de-
14	scribed in section 312, provided by program,
15	and eligible providers of youth activities as de-
16	scribed in section 313, eligible providers of
17	adult education as described in title II, eligible
18	providers of postsecondary vocational education
19	activities and vocational education activities
20	available to school dropouts as described in title
21	I, and eligible providers of vocational rehabilita-
22	tion program activities as described in title I of
23	the Rehabilitation Act of 1973;

1	(H) provision of performance information
2	on the activities carried out by one-stop part-
3	ners, as appropriate;
4	(I) provision of information regarding how
5	the local area is performing on the local per-
6	formance measures described in section 321(b),
7	and any additional performance information
8	provided to the one-stop customer service center
9	by the local partnership;
10	(J) provision of accurate information relat-
11	ing to the availability of supportive services, in-
12	cluding child care and transportation, available
13	in the local area, and referral to such services,
14	as appropriate;
15	(K) provision of information regarding fil-
16	ing claims for unemployment compensation;
17	(L) assistance in establishing eligibility
18	for
19	(i) welfare-to-work activities author-
20	ized under section $403(a)(5)$ of the Social
21	Security Act (as added by section 5001 of
22	the Balanced Budget Act of 1997) avail-
23	able in the local area; and
24	(ii) programs of financial aid assist-
25	ance for training and education programs

1	that are not funded under this Act and are
2	available in the local area; and
3	(M) followup services, including counseling
4	regarding the workplace, for participants in
5	workforce investment activities who are placed
6	in unsubsidized employment, for not less than
7	12 months after the completion of such partici-
8	pation, as appropriate.
9	(3) Required training services.—
10	(A) Eligible participants.—Funds re-
11	ceived by a local area as described in paragraph
12	(1) shall be used to provide training services to
13	individuals—
14	(i) who are adults (including dis-
15	located workers);
16	(ii) who seek the services;
17	(iii)(I) who are unable to obtain em-
18	ployment through the core services; or
19	(II) who are employed and who are
20	determined by a one-stop customer service
21	center operator to be in need of such train-
22	ing services in order to gain or retain em-
23	ployment that allows for self-sufficiency;
24	(iv) who after an interview, evalua-
25	tion, or assessment, and case management,

1	have been determined by a one-stop cus-
2	tomer service center operator or one-stop
3	partner, as appropriate, to be in need of
4	training services and to have the skills and
5	qualifications, to successfully participate in
6	the selected program of training services;
7	(v) who select programs of training
8	services that are directly linked to the em-
9	ployment opportunities in the local area in-
10	volved or in another area in which the
11	adults receiving such services are willing to
12	relocate;
13	(vi) who meet the requirements of
14	subparagraph (B); and
15	(vii) who are determined to be eligible
16	in accordance with the priority system, if
17	any, in effect under subparagraph (D).
18	(B) QUALIFICATION.—
19	(i) Requirement.—Except as pro-
20	vided in elause (ii), provision of such train-
21	ing services shall be limited to individuals
22	who—
23	(I) are unable to obtain other
24	grant assistance for such services, in-
25	cluding Federal Pell Grants estab-

1	lished under title IV of the Higher
2	Education Act of 1965 (20 U.S.C.
3	$\frac{1070}{1070}$ et seq.); or
4	(II) who require assistance be-
5	yond the assistance made available
6	under other grant assistance pro-
7	grams, including Federal Pell Grants.
8	(ii) REIMBURSEMENTS.—Training
9	services may be provided under this para-
10	graph to an individual who otherwise meets
11	the requirements of this paragraph while
12	an application for a Federal Pell Grant is
13	pending, except that if such individual is
14	subsequently awarded a Federal Pell
15	Grant, appropriate reimbursement shall be
16	made to the local area from such Federal
17	Pell Grant.
18	(C) TRAINING SERVICES.—Training serv-
19	ices may include—
20	(i) employment skill training;
21	(ii) on-the-job training;
22	(iii) job readiness training; and
23	(iv) adult education services when pro-
24	vided in combination with services de-
25	scribed in clause (i), (ii), or (iii).

1	(D) PRIORITY.—In the event that funds
2	are limited within a local area for adult employ-
3	ment and training activities, priority shall be
4	given to disadvantaged adults for receipt of
5	training services provided under this paragraph.
6	The appropriate local partnership and the Gov-
7	ernor shall direct the one-stop customer service
8	center operator in the local area with regard to
9	making determinations related to such priority.
10	(E) DELIVERY OF SERVICES.—Training
11	services provided under this paragraph shall be
12	provided—
13	(i) except as provided in section
	(i) except as provided in section 312(e), through eligible providers of such
13	
13 14	312(e), through eligible providers of such
13 14 15	312(e), through eligible providers of such services identified in accordance with see-
13 14 15 16	312(e), through eligible providers of such services identified in accordance with see- tion 312; and
 13 14 15 16 17 	312(e), through eligible providers of such services identified in accordance with sec- tion 312; and (ii) in accordance with subparagraph
 13 14 15 16 17 18 	312(e), through eligible providers of such services identified in accordance with sec- tion 312; and (ii) in accordance with subparagraph (F).
 13 14 15 16 17 18 19 	 312(e), through eligible providers of such services identified in accordance with section 312; and (ii) in accordance with subparagraph (F). (F) CONSUMER CHOICE REQUIREMENTS.—
 13 14 15 16 17 18 19 20 	 312(e), through eligible providers of such services identified in accordance with section 312; and (ii) in accordance with subparagraph (F). (F) CONSUMER CHOICE REQUIREMENTS.— (i) IN GENERAL.—Training services
 13 14 15 16 17 18 19 20 21 	 312(e), through eligible providers of such services identified in accordance with section 312; and (ii) in accordance with subparagraph (F). (F) CONSUMER CHOICE REQUIREMENTS.— (i) IN GENERAL.—Training services provided under this paragraph shall be

1	(ii) ELIGIBLE PROVIDERS.—Each
2	local partnership, through one-stop cus-
3	tomer service centers, shall make avail-
4	able
5	(I) the list of eligible providers
6	required under subsection $(b)(3)$ or
7	(c)(2) of section 312, with a descrip-
8	tion of the programs through which
9	the providers may offer the training
10	services, and a list of the names of
11	on-the-job training providers; and
12	(II) the performance information
13	on eligible providers of training serv-
14	ices as described in section 312.
15	(iii) Employment information.
16	Each local partnership, through one-stop
17	customer service centers, shall make avail-
18	able—
19	(I) information regarding local,
20	State, and, if appropriate, regional or
21	national, employment opportunities;
22	and
23	(II) information regarding the
24	job skills necessary to obtain the em-
25	ployment opportunities.

1	(iv) Individual training ac-
2	COUNTS.—An individual who is eligible
3	pursuant to subparagraph (Λ) and seeks
4	training services may select, in consulta-
5	tion with a case manager, an eligible pro-
6	vider of training services from the lists of
7	providers described in clause (ii)(I). Upon
8	such selection, the operator of the one-stop
9	customer service center shall, to the extent
10	practicable, refer such individual to the eli-
11	gible provider of training services, and ar-
12	range for payment for such services
13	through an individual training account.
14	(d) PERMISSIBLE LOCAL ACTIVITIES.—
15	(1) Discretionary one-stop delivery ac-
16	TIVITIES.—Funds received by a local area under
17	paragraph $(3)(\Lambda)$ or $(4)(\Lambda)$, as appropriate, of sec-
18	tion 306(b), and funds received by the local area
19	under section 306(b)(3)(B) may be used to provide,
20	through one-stop delivery described in subsection
21	(b)(2)—
22	(Λ) intensive employment-related services
23	for participants in training services;

1	(B) customized screening and referral of
2	qualified participants in training services to em-
3	ployment; and
4	(C) customized employment-related serv-
5	ices to employers.
6	(2) Supportive services.—Funds received by
7	the local area as described in paragraph (1) may be
8	used to provide supportive services to participants—
9	(A) who are participating in activities de-
10	scribed in this section or youth activities under
11	this subtitle; and
12	(B) who are unable to obtain such support-
13	ive services through other programs providing
14	such services.
15	(3) NEEDS-RELATED PAYMENTS.—
16	(A) IN GENERAL.—Funds received by the
17	local area under section 306(b)(3)(B) may be
18	used to provide needs-related payments to dis-
19	located workers who do not qualify for, or have
20	exhausted, unemployment compensation, for the
21	purpose of enabling such individuals to partici-
22	pate in training services.
23	(B) Additional eligibility require-
24	MENTS.—In addition to the requirements con-
25	tained in subparagraph (A), a dislocated worker

1	who has ceased to qualify for unemployment
2	compensation may be eligible to receive needs-
3	related payments under this paragraph only if
4	such worker was enrolled in the training serv-
5	ices—
6	(i) by the end of the 13th week of the
7	worker's unemployment compensation ben-
8	efits period for the most recent layoff that
9	resulted in a determination of the worker's
10	eligibility for employment and training ac-
11	tivities for dislocated workers under this
12	subtitle; or
13	(ii) if later, by the end of the 13th
14	week after the worker is informed that a
15	short-term layoff will exceed 6 months.
16	(C) Level of payments.—The level of a
17	needs-related payment made to a dislocated
18	worker under this paragraph shall not exceed
19	the greater of—
20	(i) the applicable level of unemploy-
21	ment compensation; or
22	(ii) if such worker did not qualify for
23	unemployment compensation, an amount
24	equal to the poverty line, for an equivalent

1	period, which amount shall be adjusted to
2	reflect changes in total family income.
3	SEC. 316. LOCAL YOUTH ACTIVITIES.
4	(a) PURPOSES.—The purposes of this section are—
5	(1) to provide effective and comprehensive ac-
6	tivities to youth seeking assistance in achieving aca-
7	demic and employment success;
8	(2) to ensure continuous contact for youth with
9	committed adults;
10	(3) to provide opportunities for training to
11	youth;
12	(4) to provide continued support services for
13	youth;
14	(5) to provide incentives for recognition and
15	achievement to youth; and
16	(6) to provide opportunities for youth in activi-
17	ties related to leadership, development, decisionmak-
18	ing, citizenship, and community service.
19	(b) Required Elements.—Funds received by a
20	local area under paragraph (3)(C) or (4)(B) of section
21	306(b) shall be used to carry out, for youth who seek the
22	activities, activities that—
23	(1) consist of the provision of—

1	(A) tutoring, study skills training, and in-
2	struction, leading to completion of secondary
3	school, including dropout prevention strategies;
4	(B) alternative secondary school services;
5	(C) summer employment opportunities and
6	other paid and unpaid work experiences, includ-
7	ing internships;
8	(D) employment skill training, as appro-
9	priate;
10	(E) community service and leadership de-
11	velopment opportunities;
12	(\mathbf{F}) services described in section $315(e)(2)$;
13	(G) supportive services;
14	(H) adult mentoring for the period of par-
15	ticipation and a subsequent period, for a total
16	of not less than 12 months; and
17	(I) followup services for not less than 12
18	months after the completion of participation, as
19	appropriate;
20	(2) provide—
21	(A) preparation for postsecondary edu-
22	cational opportunities, in appropriate cases;
23	(B) strong linkages between academic and
24	occupational learning; and

1	(C) preparation for unsubsidized employ-
2	ment opportunities, in appropriate cases; and
3	(3) involve parents, participants, and other
4	members of the community with experience relating
5	to youth in the design and implementation of the ac-
6	tivities.
7	(c) PRIORITY.—At a minimum, 50 percent of the
8	funds described in subsection (b) shall be used to provide
9	youth activities to out-of-school youth.
10	(d) PROHIBITIONS.—
11	(1) NO LOCAL EDUCATION CURRICULUMNo
12	funds described in subsection (b) shall be used to de-
13	velop or implement local school system education
14	curricula.
15	(2) Nonduplication.—No funds described in
16	subsection (b) shall be used to carry out activities
17	that duplicate federally funded activities available to
18	youth in the local area.
19	(3) Noninterference and nonreplace-
20	ment of regular academic requirements.—No
21	funds described in subsection (b) shall be used to
22	provide an activity for youth who are not school
23	dropouts if participation in the activity would inter-
24	fere with or replace the regular academic require-
25	ments of the youth.

1 CHAPTER 4—GENERAL PROVISIONS

2 SEC. 321. ACCOUNTABILITY.

3 (a) PURPOSE.—The purpose of this section is to pro-4 vide comprehensive performance measures to assess the 5 progress of States and local areas (including eligible providers and programs of activities authorized under this 6 7 subtitle that are made available in the States and local 8 areas), in assisting both employers and jobseekers in meet-9 ing their employment needs, in order to ensure an ade-10 quate return on the investment of Federal funds for the 11 activities.

12 (b) STATE PERFORMANCE MEASURES.—

(1) IN GENERAL.—To be eligible to receive an
allotment under section 302, a State shall establish,
and identify in the State plan, State performance
measures. Each State performance measure shall
consist of an indicator of performance, referred to in
paragraph (2) or (3), and a performance level, referred to in paragraph (4).

20 (2) CORE INDICATORS OF PERFORMANCE.—The
21 State performance measures shall contain indicators
22 of performance, including, at a minimum—

23 (A) core indicators of performance for
24 adults, including dislocated workers, participat-

1	ing in activities that are training services, which
2	indicators consist of—
3	(i) placement in unsubsidized employ-
4	ment related to the training received
5	through the activities;
6	(ii) retention in unsubsidized employ-
7	ment related to the training received
8	through the activities—
9	(I) 6 months after completion of
10	participation in the activities; and
11	(H) 12 months after completion
12	of participation;
13	(iii) wages received by such partici-
14	pants who are placed in unsubsidized em-
15	ployment related to the training received
16	through the activities after completion of
17	participation—
18	(I) on the first day of the em-
19	ployment;
20	(II) 6 months after the first day
21	of the employment; and
22	(III) 12 months after the first
23	day of the employment; and
24	(iv) percentage of wage replacement
25	for dislocated workers placed in

1	unsubsidized employment related to the
2	training received through the activities;
3	(B) core indicators of performance for
4	adults, including dislocated workers, participat-
5	ing in activities that are core services, which in-
6	dicators consist of the indicators described in
7	clauses (i) through (iv) of subparagraph (A);
8	and
9	(C) core indicators of performance for
10	youth participating in youth activities under
11	section 316, that consist of—
12	(i) attainment of secondary school di-
13	plomas or their recognized equivalents;
14	(ii) attainment of job readiness and
15	employment skills;
16	(iii) placement in, retention in, and
17	completion of postsecondary education, ad-
18	vanced training, or an apprenticeship;
19	(iv) placement in unsubsidized em-
20	ployment related to the training received
21	through the activities;
22	(v) retention in unsubsidized employ-
23	ment related to the training received
24	through the activities—

1	(I) 6 months after completion of
2	participation in the activities; and
3	(H) 12 months after completion
4	of participation; and
5	(vi) wages received by such partici-
6	pants who are placed in unsubsidized em-
7	ployment related to the training received
8	through the activities, after completion of
9	participation—
10	(I) on the first day of the em-
11	ployment;
12	(II) 6 months after the first day
13	of the employment; and
14	(III) 12 months after the first
15	day of the employment.
16	(3) Customer satisfaction indicator.—The
17	State performance measures shall contain an indica-
18	tor of performance with respect to customer satisfac-
19	tion of employers and participants, which may be
20	measured through surveys conducted after the con-
21	clusion of participation in workforce investment ac-
22	tivities.
23	(4) State levels of performance.—In
24	order to ensure an adequate return on the invest-
25	ment of Federal funds in workforce investment ac-

4	
1	tivities, the Secretary and each Governor shall reach
2	agreement on the levels of performance expected to
3	be achieved by the State, on the State performance
4	measures established pursuant to this subsection. In
5	reaching the agreement, the Secretary and Governor
6	shall establish a level of performance for each indica-
7	tor of performance described in paragraph (2) or
8	(3). Such agreement shall take into account—
9	(A) how the levels compare with the levels
10	established by other States, taking into consid-
11	eration the specific circumstances, including
12	economic circumstances, of each State; and
13	(B) the extent to which such levels pro-
14	mote continuous improvement in performance
15	by such State and ensure an adequate return
16	on the investment of Federal funds.
17	(5) POPULATIONS.—In developing the State
18	performance measures, a State shall develop and
19	identify in the State plan State performance meas-
20	ures for populations that include, at a minimum—
21	(A) disadvantaged adults;
22	(B) dislocated workers;
23	(C) out-of-school youth; and
24	(D) individuals with disabilities.
25	(b) Local Performance Measures.—

(1) IN GENERAL.-Each Governor shall nego-1 2 tiate and reach agreement with the local partnership 3 and the chief elected official in each local area on 4 local performance measures. Each local performance 5 measure shall consist of an indicator of performance 6 referred to in paragraph (2) or (3) of subsection (a), 7 and a performance level referred to in paragraph 8 (2).

9 (2) PERFORMANCE LEVELS.—Based on the ex-10 pected levels of performance established pursuant to 11 subsection (a)(4), the Governor shall negotiate and 12 reach agreement with the local partnership and the 13 chief elected official in each local area regarding the 14 levels of performance expected to be achieved for the 15 local area on the indicators of performance.

16 (3) POPULATIONS.—In negotiating and reach-17 ing agreement on the local performance measures, 18 the Governor, local partnership, and chief elected of-19 ficial, shall negotiate and reach agreement on local 20 performance measures for populations that include, 21 at a minimum, the populations described in sub-22 section (a)(5). The local partnership shall identify 23 these local performance measures in the local plan. 24 (e) REPORT.

(1) IN GENERAL.—Each State that receives an 1 2 allotment under section 302 shall annually prepare 3 and submit to the Secretary a report on the progress 4 of the State in achieving State performance meas-5 ures. The annual report shall also include informa-6 tion regarding the progress of local areas in achiev-7 ing local performance measures. The report shall 8 also include information on the status of State evaluations of workforce investment activities described 9 10 in subsection (d). 11 (2) ADDITIONAL INFORMATION.—In preparing 12 such report, the State shall include, at a minimum, 13 information relating to-14 (A) the performance of graduates of pro-15 grams of training services as compared to 16 former enrollees in the programs, with the re-17 spect to the core indicators described in sub-18 section (a)(2)(A); 19 (B) the educational attainment of such 20 graduates and former enrollees; 21 (C) the cost of the workforce investment 22 activities relative to the impact of the activities 23 on the performance of graduates on the core in-24 dicators; and

1	(D) the performance of welfare recipients,
2	veterans, individuals with disabilities, and dis-
3	placed homemakers with respect to the core in-
4	dicators described in subparagraphs (A) and
5	(B) of subsection $(a)(2)$.
6	(3) INFORMATION DISSEMINATION.—The See-
7	retary shall make the information contained in such
8	reports available to Congress, the Library of Con-
9	gress, and the public through publication and other
10	appropriate methods, and shall disseminate State-by-
11	State comparisons of the information that take into
12	consideration the specific circumstances, including
13	economic circumstances, of the States.
14	(4) DEFINITION.—In this subsection, the term
15	"welfare recipient" means a person receiving pay-
16	ments described in section $2(24)(A)$.
17	(d) Evaluation of State Programs.—
18	(1) Workforce investment activities.
19	Using funds reserved under section 306(a)(1), a
20	State shall conduct ongoing evaluations of workforce
21	investment activities carried out in the State under
22	this subtitle.
23	(2) Criteria for longitudinal studies.—
24	The evaluations shall include longitudinal studies of
25	the workforce investment activities. Evaluation cri-

1 teria for purposes of the longitudinal studies shall be 2 developed in conjunction with statewide partnerships 3 and local partnerships. The criteria shall measure the relationship between the level of public funding 4 5 for the activities and the degree to which the activi-6 ties promote employment and wage gains. Such lon-7 gitudinal studies shall be conducted by an evaluator 8 who is unaffiliated with the statewide partnership or 9 the local partnership and shall include measures that 10 reflect the State performance measures.

11 (3) ADDITIONAL STUDIES.—The State shall 12 also fund evaluation studies of the workforce investment activities. The evaluation studies shall provide 13 14 ongoing analysis to statewide partnerships and local 15 partnerships to promote efficiency and effectiveness 16 in improving employability outcomes for jobscekers 17 and competitiveness for employers. Such evaluation 18 studies shall be designed in conjunction with state-19 wide partnerships and local partnerships, and shall 20 include analysis of customer feedback, and outcome 21 and process measures.

22 (e) FISCAL AND MANAGEMENT ACCOUNTABILITY IN23 FORMATION SYSTEMS.—

24 (1) IN GENERAL. Using funds reserved under
 25 section 306(a)(1), the Governor shall operate a fiscal

1	and management accountability information system,
2	based on guidelines established by the Secretary in
3	consultation with the Governors and other appro-
4	priate parties. Such guidelines shall promote the ef-
5	ficient collection and use of fiscal and management
6	information for reporting and monitoring the use of
7	funds made available to the State under this subtitle
8	for workforce investment activities and for use by
9	the State in preparing the annual report described
10	in subsection (c). In measuring the progress of the
11	State on State and local performance measures, a
12	State shall utilize quarterly wage records available
13	through the unemployment insurance system.

14 (2) CONFIDENTIALITY.—In carrying out the re15 quirements of this Act, the State shall comply with
16 section 444 of the General Education Provisions Act
17 (20 U.S.C. 1232g) (as added by the Family Edu18 cational Rights and Privacy Act of 1974).

19 (f) SANCTIONS.

20 (1) DETERMINATION.—If a State fails to meet
21 2 or more State performance measures described in
22 this section for each of the 3 years covered by a
23 State plan, the Secretary shall determine whether
24 the failure is attributable to—

1	(A) adult employment and training activi-
2	ties;
3	(B) dislocated worker employment and
4	training activities; or
5	(C) youth activities.
6	(2) Technical assistance or reduction of
7	ALLOTMENTS.—The Secretary—
8	(A) may provide technical assistance to the
9	State to improve the level of performance of the
10	State, in accordance with section 366(b); and
11	(B) shall, on finding that a State fails to
12	meet 2 or more State performance measures for
13	2 consecutive years, reduce, by not more than
14	5 percent, the allotment made under section
15	302 for the category of activities to which the
16	failure is attributable.
17	(3) Funds resulting from reduced allot-
18	MENTS.—The Secretary may use an amount re-
19	tained as a result of a reduction in an allotment
20	made under paragraph $(2)(B)$ to award an incentive
21	grant under section 365 or to provide technical as-
22	sistance in accordance with section 366.
23	(g) INCENTIVE GRANTS.—The Secretary may make
24	incentive grants under section 365 to States that exceed
25	the State performance measures.

1 (h) DEFINITIONS.—In this section:

2	(1) Former enrollee.—The term "former
3	enrollee" means an individual who has been selected
4	for and has enrolled in a program of workforce in-
5	vestment activities, but left the program before com-
6	pleting the requirements of the program.
7	(2) GRADUATE.—The term "graduate" means
8	an individual who has been selected for and has en-
9	rolled in a program of workforce investment activi-
10	ties and has completed the requirements of such pro-
11	gram.
12	(i) OTHER TERMS.—The Secretary, in consultation
13	with the Governors, local partnerships, and other appro-
14	priate entities, shall issue regulations that identify and de-

15 fine other terms used in this title, in order to promote16 uniformity in the implementation of this Act.

17 SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

(a) ADULT EMPLOYMENT AND TRAINING ACTIVITHES.—There are authorized to be appropriated to carry
out the activities described in section 302(a)(1) under this
subtitle, such sums as may be necessary for each of fiscal
years 1999 through 2003.

23 (b) DISLOCATED WORKER EMPLOYMENT AND
24 TRAINING ACTIVITIES.—There are authorized to be ap25 propriated to carry out the activities described in section

302(a)(2) under this subtitle, such sums as may be nec essary for each of fiscal years 1999 through 2003.

3 (c) YOUTH ACTIVITIES.—There are authorized to be
4 appropriated to carry out the activities described in section
5 302(a)(3) under this subtitle, such sums as may be nec6 essary for each of fiscal years 1999 through 2003.

Subtitle B—Job Corps

8 SEC. 331. PURPOSES.

7

9 The purposes of this subtitle are—

10 (1) to maintain a national Job Corps program, 11 carried out in partnership with States and commu-12 nities, to assist eligible youth who need and can ben-13 efit from an intensive program, operated in a group 14 setting in residential and nonresidential centers, to 15 become more responsible, employable, and productive 16 eitizens;

17 (2) to set forth standards and procedures for
18 selecting individuals as enrollees in the Job Corps;
19 (3) to authorize the establishment of Job Corps
20 centers in which enrollees will participate in inten21 sive programs of activities described in this subtitle;
22 and

23 (4) to prescribe various other powers, duties,
24 and responsibilities incident to the operation and
25 continuing development of the Job Corps.

1 SEC. 332. DEFINITIONS.

2	In this subtitle:
3	(1) APPLICABLE LOCAL PARTNERSHIP.—The
4	term "applicable local partnership" means a local
5	partnership-
6	(A) that provides information for a Job
7	Corps center on local employment opportunities
8	and the job skills needed to obtain the opportu-
9	nities; and
10	(B) that serves communities in which the
11	graduates of the Job Corps center seek employ-
12	ment.
13	(2) Applicable one-stop customer service
14	CENTER.—The term "applicable one-stop customer
15	service center" means a one-stop customer service
16	center that provides services, such as referral, in-
17	take, recruitment, and placement, to a Job Corps
18	center.
19	(3) ENROLLEE.—The term "enrollee" means
20	an individual who has voluntarily applied for, been
21	selected for, and enrolled in the Job Corps program,
22	and remains with the program, but has not yet be-
23	come a graduate.
24	(4) Former enrollee.—The term "former
25	anvollas" mang an individual who has voluntarily

25 enrollee'' means an individual who has voluntarily
26 applied for, been selected for, and enrolled in the
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1	Job Corps program, but left the program before
2	completing the requirements of a vocational training
3	program, or receiving a secondary school diploma or
4	recognized equivalent, as a result of participation in
5	the Job Corps program.
6	(5) GRADUATE.—The term "graduate" means
7	an individual who has voluntarily applied for, been
8	selected for, and enrolled in the Job Corps program
9	and has completed the requirements of a vocational
10	training program, or received a secondary school di-
11	ploma or recognized equivalent, as a result of par-
12	ticipation in the Job Corps program.
13	(6) JOB CORPS.—The term "Job Corps" means
14	the Job Corps described in section 333.
15	(7) Job corps center.—The term "Job Corps
16	center" means a center described in section 333.
17	(8) OPERATOR.—The term "operator" means
18	an entity selected under this subtitle to operate a
19	Job Corps center.
20	(9) REGION.—The term "region" means an
21	area served by a regional office of the Employment
22	and Training Administration.
23	(10) SERVICE PROVIDER.—The term "service
24	provider" means an entity selected under this sub-

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1	title to provide services described in this subtitle to
2	a Job Corps center.

3 SEC. 333. ESTABLISHMENT.

4 There shall be established in the Department of 5 Labor a Job Corps program, to carry out activities de-6 seribed in this subtitle for individuals enrolled in a Job 7 Corps and assigned to a center.

8 SEC. 334. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

9 To be eligible to become an enrollee, an individual 10 shall be—

11 (1) not less than age 16 and not more than age
12 21 on the date of enrollment, except that—

13 (A) not more than 20 percent of the indi14 viduals enrolled in the Job Corps may be not
15 less than age 22 and not more than age 24 on
16 the date of enrollment; and

17 (B) either such maximum age limitation
18 may be waived by the Secretary, in accordance
19 with regulations of the Secretary, in the case of
20 an individual with a disability; and

21 (2) a low-income individual; and

22 (3) an individual who is 1 or more of the follow23 ing:

24 (A) Basic skills deficient.

25 (B) A school dropout.

1	(C) Homeless, a runaway, or a foster child.
2	(\mathbf{D}) A parent.
3	(E) An individual who requires additional
4	education, vocational training, or intensive
5	counseling and related assistance, in order to
6	participate successfully in regular schoolwork or
7	to secure and hold employment.
8	SEC. 335. RECRUITMENT, SCREENING, SELECTION, AND AS-
9	SIGNMENT OF ENROLLEES.
10	(a) Standards and Procedures.—
11	(1) In GENERAL.—The Secretary shall pre-
12	scribe specific standards and procedures for the re-
13	cruitment, screening, and selection of eligible appli-
14	cants for the Job Corps, after considering ree-
15	ommendations from the Governors, local partner-
16	ships, and other interested parties.
17	(2) METHODS.—In prescribing standards and
18	procedures under paragraph (1), the Secretary, at a
19	minimum, shall—
20	(Λ) prescribe procedures for informing en-
21	rollees that drug tests will be administered to
22	the enrollees and the results received within 45
23	days after the enrollees enroll in the Job Corps;
24	(B) establish standards for recruitment of
25	Job Corps applicants;

1	(C) establish standards and procedures
2	for—
3	(i) determining, for each applicant,
4	whether the educational and vocational
5	needs of the applicant can best be met
6	through the Job Corps program or an al-
7	ternative program in the community in
8	which the applicant resides; and
9	(ii) obtaining from each applicant per-
10	tinent data relating to background, needs,
11	and interests for determining eligibility
12	and potential assignment;
13	(D) where appropriate, take measures to
14	improve the professional capability of the indi-
15	viduals conducting screening of the applicants;
16	and
17	(E) assure that an appropriate number of
18	enrollees are from rural areas.
19	(3) IMPLEMENTATION.—To the extent prac-
20	ticable, the standards and procedures shall be imple-
21	mented through arrangements with—
22	(Λ) applicable one-stop customer service
23	centers;
24	(B) community action agencies, business
25	organizations, and labor organizations; and

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1 (C) agencies and individuals that have con-2 tact with youth over substantial periods of time 3 and are able to offer reliable information about 4 the needs and problems of the youth. (4) CONSULTATION.—The standards and proce-5 6 dures shall provide for necessary consultation with 7 individuals and organizations, including court, pro-8 bation, parole, law enforcement, education, welfare, 9 and medical authorities and advisers. (5) REIMBURSEMENT.—The Secretary is au-10 11 thorized to enter into contracts with and make pay-12 ments to individuals and organizations for the cost 13 of conducting recruitment, screening, and selection 14 of eligible applicants for the Job Corps, as provided 15 for in this section. The Secretary shall make no payment to any individual or organization solely as com-16 17 pensation for referring the names of applicants for 18 the Job Corps. 19 (b) SPECIAL LIMITATIONS ON SELECTION. 20 (1) IN GENERAL.-No individual shall be se-21 lected as an enrollee unless the individual or organi-22 zation implementing the standards and procedures 23 determines that—

24 (A) there is a reasonable expectation that 25 the individual considered for selection can par-

1	ticipate successfully in group situations and ac-
2	tivities, and is not likely to engage in behavior
3	that would prevent other enrollees from receiv-
4	ing the benefit of the Job Corps program or be
5	incompatible with the maintenance of sound
6	discipline and satisfactory relationships between
7	the Job Corps center to which the individual
8	might be assigned and communities surround-
9	ing the Job Corps center;
10	(B) the individual manifests a basic under-
11	standing of both the rules to which the individ-
12	ual will be subject and of the consequences of
13	failure to observe the rules; and
14	(C) the individual has passed a background
15	eheek conducted in accordance with procedures
16	established by the Secretary.
17	(2) Individuals on probation, parole, or
18	SUPERVISED RELEASE.—An individual on probation,
19	parole, or supervised release may be selected as an
20	enrollee only if release from the supervision of the
21	probation or parole official involved is satisfactory to
22	the official and the Secretary and does not violate
23	applicable laws (including regulations). No individual
24	shall be denied a position in the Job Corps solely on

1	the basis of individual contact with the criminal jus-
2	tice system.
3	(c) Assignment Plan.—
4	(1) In GENERAL.—Every 2 years, the Secretary
5	shall develop and implement an assignment plan for
6	assigning enrollees to Job Corps centers. In develop-
7	ing the plan, the Secretary shall, based on the analy-
8	sis described in paragraph (2), establish targets, ap-
9	plicable to each Job Corps center, for—
10	(A) the maximum attainable percentage of
11	enrollees at the Job Corps center that reside in
12	the State in which the center is located; and
13	(B) the maximum attainable percentage of
14	enrollees at the Job Corps center that reside in
15	the region in which the center is located, and in
16	surrounding regions.
17	(2) ANALYSIS.—In order to develop the plan
18	described in paragraph (1), the Secretary shall,
19	every 2 years, analyze, for the Job Corps center—
20	(A) the size of the population of individ-
21	uals eligible to participate in Job Corps in the
22	State and region in which the Job Corps center
23	is located, and in surrounding regions;

1	(B) the relative demand for participation
2	in the Job Corps in the State and region, and
3	in surrounding regions; and
4	(C) the capacity and utilization of the Job
5	Corps center, including services provided
6	through the center.
7	(d) Assignment of Individual Enrollees.—
8	(1) IN GENERAL.—After an individual has been
9	selected for the Job Corps in accordance with the
10	standards and procedures of the Secretary under
11	subsection (a), the enrollee shall be assigned to the
12	Job Corps center that is closest to the home of the
13	enrollee, except that the Secretary may waive this
14	requirement if—
15	(A) the enrollee chooses a vocational train-
16	ing program, or requires English as a second
17	language program, that is not available at such
18	center;
19	(B) the enrollee is an individual with a dis-
20	ability and may be better served at another cen-
21	ter;
22	(C) the enrollee would be unduly delayed in
23	participating in the Job Corps program because
24	the closest center is operating at full capacity;
25	O ľ*

1(D) the parent or guardian of the enrollee2requests assignment of the enrollee to another3Job Corps center due to circumstances in the4community of the enrollee that would impair5prospects for successful participation in the Job6Corps program.

7 (2) ENROLLEES WHO ARE YOUNGER THAN
8 18.—An enrollee who is younger than 18 shall not
9 be assigned to a Job Corps center other than the
10 center closest to the home of the enrollee pursuant
11 to paragraph (1) if the parent or guardian of the en12 rollee objects to the assignment.

13 SEC. 336. ENROLLMENT.

14 (a) RELATIONSHIP BETWEEN ENROLLMENT AND 15 MILITARY OBLIGATIONS.—Enrollment in the Job Corps 16 shall not relieve any individual of obligations under the 17 Military Selective Service Act (50 U.S.C. App. 451 et 18 seq.).

(b) PERIOD OF ENROLLMENT.—No individual may
20 be enrolled in the Job Corps for more than 2 years, ex21 cept—

(1) in a case in which completion of an advanced career training program under section 338(b)
would require an individual to participate in the Job
Corps for not more than 1 additional year; or

1 (2) as the Secretary may authorize in a special 2 case.

3 SEC. 337. JOB CORPS CENTERS.

4 (a) Operators and Service Providers.—

5 (1) ELIGIBLE ENTITIES.—

6 (A) OPERATORS.—The Secretary shall 7 enter into an agreement with a Federal, State, 8 or local agency, such as individuals participat-9 ing in a statewide partnership or in a local 10 partnership or an agency that operates or wish-11 es to develop an area vocational education 12 school facility or residential vocational school, 13 or with a private organization, for the operation 14 of each Job Corps center.

15 (B) PROVIDERS.—The Secretary may
16 enter into an agreement with a local entity to
17 provide activities described in this subtitle to
18 the Job Corps center.

19 (2) <u>Selection process.</u>

20 (A) COMPETITIVE BASIS.—Except as pro21 vided in subsections (c) and (d) of section 303
22 of the Federal Property and Administrative
23 Services Act of 1949 (41 U.S.C. 253), the Sec24 retary shall select on a competitive basis an en25 tity to operate a Job Corps center and entities

1	to provide activities described in this subtitle to
2	the Job Corps center. In developing a solicita-
3	tion for an operator or service provider, the
4	Secretary shall consult with the Governor for
5	the State in which the center is located, the in-
6	dustry council for the Job Corps center (if es-
7	tablished), and the applicable local partnership
8	regarding the contents of such solicitation, in-
9	eluding elements that will promote the consist-
10	ency of the activities carried out through the
11	center with the objectives set forth in the State
12	plan or in a local plan.
13	(B) Recommendations and consider-
14	ATIONS.—
15	(i) OPERATORS.—In selecting an en-
16	tity to operate a Job Corps center, the
17	Secretary shall consider—
18	(I) the ability of the entity to co-
19	ordinate the activities carried out
20	through the Job Corps center with ac-
21	tivities carried out under the appro-
22	priate State plan and local plans;
23	(II) the degree to which the voca-
24	tional training that the entity pro-
25	poses for the center reflects local em-

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1	ployment opportunities in the local
2	areas in which enrollees at the center
3	intend to seek employment;
4	(III) the degree to which the en-
5	tity is familiar with the surrounding
6	communities, applicable one-stop cen-
7	ters, and the State and region in
8	which the center is located; and
9	(IV) the past performance of the
10	entity, if any, relating to operating or
11	providing activities described in this
12	subtitle to a Job Corps center.
13	(ii) PROVIDERS.—In selecting a serv-
14	ice provider for a Job Corps center, the
15	Secretary shall consider the factors de-
16	scribed in subclauses (I) through (IV) of
17	clause (i), as appropriate.
18	(b) CHARACTER AND ACTIVITIES.—Job Corps cen-
19	ters may be residential or nonresidential in character, and
20	shall be designed and operated so as to provide enrollees,
21	in a well-supervised setting, with access to activities de-
22	scribed in this subtitle. In any year, no more than 20 per-
23	cent of the individuals enrolled in the Job Corps may be
24	nonresidential participants in the Job Corps.
25	(c) Civilian Conservation Centers.—

(1) IN GENERAL.—The Job Corps centers may 1 2 Civilian Conservation Centers include operated 3 under agreements with the Secretary of Agriculture 4 or the Secretary of the Interior, located primarily in 5 rural areas, which shall provide, in addition to other 6 vocational training and assistance, programs of work 7 experience to conserve, develop, or manage public 8 natural resources or public recreational areas or to 9 develop community projects in the public interest.

10 (2) <u>SELECTION PROCESS.</u>—The Secretary may 11 select an entity to operate a Civilian Conservation 12 Center on a competitive basis, as provided in sub-13 section (a), if the center fails to meet such national 14 performance standards as the Secretary shall estab-15 lish.

16 (d) INDIAN TRIBES.

17 (1) GENERAL AUTHORITY.—The Secretary may
18 enter into agreements with Indian tribes to operate
19 Job Corps centers for Indians.

20 (2) DEFINITIONS.—In this subsection, the
21 terms "Indian" and "Indian tribe", have the mean22 ings given such terms in subsections (d) and (e), re23 spectively, of section 4 of the Indian Self-Determina24 tion and Education Assistance Act (25 U.S.C.
25 450b).

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1 SEC. 338. PROGRAM ACTIVITIES.

2 (a) ACTIVITIES PROVIDED BY JOB CORPS CEN-3 TERS.—

4 (1) IN GENERAL.—Each Job Corps center shall
5 provide enrollees with an intensive, well organized,
6 and fully supervised program of education, voca7 tional training, work experience, recreational activi8 ties, and counseling. Each Job Corps center shall
9 provide enrollees assigned to the center with access
10 to core services described in subtitle A.

11 (2) Relationship to opportunities.—

12 (A) IN GENERAL.—The activities provided 13 under this subsection shall provide work-based 14 learning throughout the enrollment of the en-15 rollees and assist the enrollees in obtaining 16 meaningful unsubsidized employment, partici-17 pating in secondary education or postsecondary 18 education programs, enrolling in other suitable 19 vocational training programs, or satisfying 20 Armed Forces requirements, on completion of 21 their enrollment.

22 (B) LINK TO EMPLOYMENT OPPORTUNI23 THES.—The vocational training provided shall
24 be linked to the employment opportunities in
25 the local area in which the enrollee intends to
26 seek employment after graduation.

(b) Advanced Career Training Programs.—

2 (1) IN GENERAL.—The Secretary may arrange 3 for programs of advanced career training for se-4 lected enrollees in which the enrollees may continue 5 to participate for a period of not to exceed 1 year 6 in addition to the period of participation to which 7 the enrollees would otherwise be limited. The ad-8 vanced career training may be provided through the 9 eligible providers of training services identified by the State involved under section 312. 10

11 (2) <u>BENEFITS.</u>

1

12 (A) IN GENERAL.—During the period of 13 participation in an advanced eareer training 14 program, an enrollee shall be eligible for full 15 Job Corps benefits, or a monthly stipend equal 16 to the average value of the residential support, 17 food, allowances, and other benefits provided to 18 enrollees assigned to residential Job Corps cen-19 ters.

20 (B) CALCULATION.—The total amount for
21 which an enrollee shall be eligible under sub22 paragraph (A) shall be reduced by the amount
23 of any scholarship or other educational grant
24 assistance received by such enrollee for ad25 vanced career training.

1 (3) DEMONSTRATION.—Each year, any opera-2 tor seeking to enroll additional enrollees in an ad-3 vanced career training program shall demonstrate 4 that participants in such program have achieved a 5 reasonable rate of completion and placement in 6 training-related jobs before the operator may carry 7 out such additional enrollment.

8 (c) CONTINUED SERVICES.—The Secretary shall also 9 provide continued services to graduates, including provid-10 ing counseling regarding the workplace for 12 months 11 after the date of graduation of the graduates. In selecting 12 a provider for such services, the Secretary shall give prior-13 ity to one-stop partners.

14 SEC. 339. COUNSELING AND JOB PLACEMENT.

(a) COUNSELING AND TESTING.—The Secretary
shall arrange for counseling and testing for each enrollee
at regular intervals to measure progress in the education
and vocational training programs carried out through the
Job Corps.

20 (b) PLACEMENT.—The Secretary shall arrange for 21 counseling and testing for enrollees prior to their sched-22 uled graduations to determine their capabilities and, based 23 on their capabilities, shall make every effort to arrange 24 to place the enrollees in jobs in the vocations for which 25 the enrollees are trained or to assist the enrollees in obtaining further activities described in this subtitle. In ar ranging for the placement of graduates in jobs, the Sec retary shall utilize the one-stop customer service system
 to the fullest extent possible.

5 (c) STATUS AND PROGRESS.—The Secretary shall de-6 termine the status and progress of enrollees scheduled for 7 graduation and make every effort to assure that their 8 needs for further activities described in this subtitle are 9 met.

10 **SEC. 340. SUPPORT.**

(a) PERSONAL ALLOWANCES.—The Secretary shall
provide enrollees assigned to Job Corps centers with such
personal allowances as the Secretary may determine to be
necessary or appropriate to meet the needs of the enrollees.

16 (b) READJUSTMENT ALLOWANCES.—The Secretary 17 shall arrange for a readjustment allowance to be paid to eligible former enrollees and graduates. The Secretary 18 shall arrange for the allowance to be paid at the one-stop 19 20 customer service center nearest to the home of such a former enrollee or graduate who is returning home, or at 21 the one-stop customer service center nearest to the loca-22 tion where the former enrollee or graduate has indicated 23 24 an intent to seek employment. If the Secretary uses any 25 organization, in lieu of a one-stop customer service center, to provide placement services under this Act, the Secretary
 shall arrange for that organization to pay the readjust ment allowance.

4 SEC. 341. OPERATING PLAN.

5 (a) IN GENERAL.—The provisions of the contract be-6 tween the Secretary and an entity selected to operate a 7 Job Corps center shall, at a minimum, serve as an operat-8 ing plan for the Job Corps center.

9 (b) ADDITIONAL INFORMATION.—The Secretary may 10 require the operator, in order to remain eligible to operate 11 the Job Corps center, to submit such additional informa-12 tion as the Secretary may require, which shall be consid-13 ered part of the operating plan.

(c) AVAILABILITY.—The Secretary shall make the operating plan described in subsections (a) and (b), excluding any proprietary information, available to the public.
SEC: 342: STANDARDS OF CONDUCT:

(a) PROVISION AND ENFORCEMENT.—The Secretary
shall provide, and directors of Job Corps centers shall
stringently enforce, standards of conduct within the centers. Such standards of conduct shall include provisions
forbidding the actions described in subsection (b)(2)(A).
(b) DISCIPLINARY MEASURES.—

24 (1) IN GENERAL.—To promote the proper
 25 moral and disciplinary conditions in the Job Corps,

1	the directors of Job Corps centers shall take appro-
2	priate disciplinary measures against enrollees. If
3	such a director determines that an enrollee has com-
4	mitted a violation of the standards of conduct, the
5	director shall dismiss the enrollee from the Job
6	Corps if the director determines that the retention
7	of the enrollee in the Job Corps will jeopardize the
8	enforcement of such standards or diminish the op-
9	portunities of other enrollees.
10	(2) Zero tolerance policy and drug test-
11	ING.
12	(A) GUIDELINES.—The Secretary shall
13	adopt guidelines establishing a zero tolerance
14	policy for an act of violence, for use, sale, or
15	possession of a controlled substance, for abuse
16	of alcohol, or for other illegal or disruptive ac-
17	tivity.
18	(B) Drug testing.—The Secretary shall
19	require drug testing of all enrollees for con-
20	trolled substances in accordance with proce-
21	dures prescribed by the Secretary under section
22	335(a).
23	(C) DEFINITIONS.—In this paragraph:
24	(i) Controlled substance.—The
25	term "controlled substance" has the mean-

1	ing given the term in section 102 of the
2	Controlled Substances Act (21 U.S.C.
3	802).
4	(ii) ZERO TOLERANCE POLICY.—The
5	term "zero tolerance policy" means a pol-
б	icy under which an enrollee shall be auto-
7	matically dismissed from the Job Corps
8	after a determination by the director that
9	the enrollee has carried out an action de-
10	scribed in subparagraph (A).
11	(c) APPEAL.—A disciplinary measure taken by a di-
12	rector under this section shall be subject to expeditious
13	appeal in accordance with procedures established by the
14	Secretary.
15	SEC. 343. COMMUNITY PARTICIPATION.
16	(a) Business and Community Liaison.—Each Job
17	Corps center shall have a Business and Community Liai-
18	son (referred to in this Act as a "Liaison"), designated
19	by the director of the center.
20	(b) Responsibilities.—The responsibilities of the
21	Liaison shall include—
22	(1) establishing and developing relationships
23	and networks with—
24	(A) local and (in the case of rural or re-
25	mote sites) distant employers; and

1	(B) applicable one-stop customer service
2	centers and applicable local partnerships,
3	for the purpose of providing job opportunities for
4	Job Corps graduates; and
5	(2) establishing and developing relationships
6	with members of the community in which the Job
7	Corps center is located, informing members of the
8	community about the projects of the Job Corps cen-
9	ter and changes in the rules, procedures, or activities
10	of the center that may affect the community, and
11	planning events of mutual interest to the community
12	and the Job Corps center.
13	(c) New Centers.—The Liaison for a Job Corps
14	center that is not yet operating shall establish and develop
15	the relationships and networks described in subsection (b)
16	at least 3 months prior to the date on which the center
17	accepts the first enrollee at the center.
18	SEC. 344. INDUSTRY COUNCILS.
19	(a) IN GENERAL.—Each Job Corps center shall have
20	an industry council, appointed by the director of the center
21	after consultation with the Liaison, in accordance with
22	procedures established by the Secretary.
23	(b) Industry Council Composition.—
24	(1) In GENERAL.—An industry council shall be

24 (1) IN GENERAL.—An industry council shall be
25 comprised of—

1	(A) a majority of members who shall be
2	local and (in the case of rural or remote sites)
3	distant owners of business concerns, chief ex-
4	ecutives or chief operating officers of non-
5	governmental employers, or other private sector
6	employers, who—
7	(i) have substantial management, hir-
8	ing, or policy responsibility; and
9	(ii) who represent businesses with em-
10	ployment opportunities that reflect the em-
11	ployment opportunities of the applicable
12	local area; and
13	(B) representatives of labor organizations
14	(where present) and representatives of employ-
15	ces.
16	(2) Local partnership.—The industry coun-
17	eil may include members of the applicable local part-
18	nerships who meet the requirements described in
19	paragraph (1).
20	(c) Responsibilities.—The responsibilities of the
21	industry council shall be—
22	(1) to work closely with all applicable local part-
23	nerships in order to determine, and recommend to
24	the Secretary, appropriate vocational training for the
25	center;

1	(2) to review all the relevant labor market in-
2	formation to—
3	(A) determine the employment opportuni-
4	ties in the local areas in which the enrollees in-
5	tend to seek employment after graduation;
6	(B) determine the skills and education that
7	are necessary to obtain the employment oppor-
8	tunities; and
9	(C) recommend to the Secretary the type
10	of vocational training that should be imple-
11	mented at the center to enable the enrollees to
12	obtain the employment opportunities; and
13	(3) to meet at least once every 6 months to re-
14	evaluate the labor market information, and other rel-
15	evant information, to determine, and recommend to
16	the Secretary, any necessary changes in the voca-
17	tional training provided at the center.
18	(d) New Centers.—The industry council for a Job
19	Corps center that is not yet operating shall carry out the
20	responsibilities described in subsection (c) at least 3
21	months prior to the date on which the center accepts the
22	first enrollee at the center.
23	SEC. 345. ADVISORY COMMITTEES.

24 The Secretary may establish and use advisory com25 mittees in connection with the operation of the Job Corps

1 program, and the operation of Job Corps centers, when-2 ever the Secretary determines that the availability of out-3 side advice and counsel on a regular basis would be of 4 substantial benefit in identifying and overcoming prob-5 lems, in planning program or center development, or in 6 strengthening relationships between the Job Corps and 7 agencies, institutions, or groups engaged in related activi-8 ties.

9 SEC. 346. EXPERIMENTAL, RESEARCH, AND DEMONSTRA-10 TION PROJECTS.

11 The Secretary may carry out experimental, research, 12 or demonstration projects relating to carrying out the Job 13 Corps program and may waive any provision of this sub-14 title that the Secretary finds would prevent the Secretary 15 from carrying out the projects.

16 SEC. 347. APPLICATION OF PROVISIONS OF FEDERAL LAW.

17 (a) ENROLLEES NOT CONSIDERED TO BE FEDERAL
18 EMPLOYEES.—

19 (1) IN GENERAL.—Except as otherwise pro-20 vided in this subsection and in section 8143(a) of 21 title 5, United States Code, enrollees shall not be 22 considered to be Federal employees and shall not be 23 subject to the provisions of law relating to Federal 24 employment, including such provisions regarding 25 hours of work, rates of compensation, leave, unemployment compensation, and Federal employee bene fits.

3 (2) PROVISIONS RELATING TO TAXES AND SO-4 CIAL SECURITY BENEFITS.—For purposes of the Internal Revenue Code of 1986 and title H of the So-5 6 eial Security Act (42 U.S.C. 401 et seq.), enrollees 7 shall be deemed to be employees of the United 8 States and any service performed by an individual as 9 an enrollee shall be deemed to be performed in the 10 employ of the United States.

11 (3) PROVISIONS RELATING TO COMPENSATION 12 TO FEDERAL EMPLOYEES FOR WORK INJURIES .----13 For purposes of subchapter I of chapter 81 of title 14 5, United States Code (relating to compensation to 15 Federal employees for work injuries), enrollees shall 16 be deemed to be eivil employees of the Government 17 of the United States within the meaning of the term 18 "employee" as defined in section 8101 of title 5, 19 United States Code, and the provisions of such sub-20 chapter shall apply as specified in section 8143(a) of 21 title 5, United States Code.

(4) FEDERAL TORT CLAIMS PROVISIONS.—For
purposes of the Federal tort claims provisions in
title 28, United States Code, enrollees shall be considered to be employees of the Government.

1 (b) ADJUSTMENTS AND SETTLEMENTS.—Whenever 2 the Secretary finds a claim for damages to a person or 3 property resulting from the operation of the Job Corps 4 to be a proper charge against the United States, and the 5 claim is not cognizable under section 2672 of title 28, 6 United States Code, the Secretary may adjust and settle 7 the claim in an amount not exceeding \$1,500.

8 (c) PERSONNEL OF THE UNIFORMED SERVICES. 9 Personnel of the uniformed services who are detailed or 10 assigned to duty in the performance of agreements made by the Secretary for the support of the Job Corps shall 11 12 not be counted in computing strength under any law limiting the strength of such services or in computing the per-13 centage authorized by law for any grade in such services. 14 15 SEC. 348. SPECIAL PROVISIONS.

16 (a) ENROLLMENT.—The Secretary shall ensure that 17 women and men have an equal opportunity to participate in the Job Corps program, consistent with section 335. 18 19 (b) Studies, Evaluations, Proposals, AND DATA.—The Secretary shall assure that all studies, eval-20 uations, proposals, and data produced or developed with 21 22 Federal funds in the course of carrying out the Job Corps program shall become the property of the United States. 23 24 (e) TRANSFER OF PROPERTY.

1 (1) IN GENERAL.—Notwithstanding title H of 2 the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.) and any other 3 4 provision of law, the Secretary and the Secretary of 5 Education shall receive priority by the Secretary of 6 Defense for the direct transfer, on a nonreimburs-7 able basis, of the property described in paragraph 8 (2) for use in earrying out programs under this Act 9 or under any other Act.

10 (2) PROPERTY.—The property described in this 11 paragraph is real and personal property under the 12 control of the Department of Defense that is not 13 used by such Department, including property that 14 the Secretary of Defense determines is in excess of 15 current and projected requirements of such Depart-16 ment.

17 (d) GROSS RECEIPTS.—Transactions conducted by a private for-profit or nonprofit entity that is an operator 18 or service provider for a Job Corps center shall not be 19 20 considered to be generating gross receipts. Such an opera-21 tor or service provider shall not be liable, directly or indi-22 rectly, to any State or subdivision of a State (nor to any person acting on behalf of such a State or subdivision) 23 24 for any gross receipts taxes, business privilege taxes meas-25 ured by gross receipts, or any similar taxes imposed on,

or measured by, gross receipts in connection with any pay-1 ments made to or by such entity for operating or providing 2 3 services to a Job Corps center. Such an operator or service 4 provider shall not be liable to any State or subdivision of 5 a State to collect or pay any sales, excise, use, or similar tax imposed on the sale to or use by such operator or serv-6 7 ice provider of any property, service, or other item in con-8 nection with the operation of or provision of services to a Job Corps center. 9

10 (e) MANAGEMENT FEE.—The Secretary shall provide 11 each operator and (in an appropriate case, as determined 12 by the Secretary) service provider with an equitable and 13 negotiated management fee of not less than 1 percent of 14 the amount of the funding provided under the appropriate 15 agreement specified in section 337.

16 (f) DONATIONS.—The Secretary may accept on be-17 half of the Job Corps or individual Job Corps centers 18 charitable donations of eash or other assistance, including 19 equipment and materials, if such donations are available 20 for appropriate use for the purposes set forth in this sub-21 title.

(g) SALE OF PROPERTY.—Notwithstanding any other
provision of law, if the Administrator of General Services
sells a Job Corps center facility, the Administrator shall

1	transfer the proceeds from the sale to the Secretary, who
2	shall use the proceeds to carry out the Job Corps program.
3	SEC. 349. MANAGEMENT INFORMATION.
4	(a) Financial Management Information Sys-
5	TEM.—
6	(1) In GENERAL.—The Secretary shall establish
7	procedures to ensure that each operator, and each
8	service provider, maintains a financial management
9	information system that will provide—
10	(A) accurate, complete, and current disclo-
11	sures of the costs of Job Corps operations; and
12	(B) sufficient data for the effective evalua-
13	tion of activities carried out through the Job
14	Corps program.
15	(2) Accounts.—Each operator and service
16	provider shall maintain funds received under this
17	subtitle in accounts in a manner that ensures timely
18	and accurate reporting as required by the Secretary.
19	(3) FISCAL RESPONSIBILITY.—Operators shall
20	remain fiscally responsible and control costs, regard-
21	less of whether the funds made available for Job
22	Corps centers are incrementally increased or de-
23	creased between fiscal years.
24	(b) AUDIT.—

1 (1) Access.—The Secretary, the Inspector 2 General of the Department of Labor, the Comptrol-3 ler General of the United States, and any of their duly authorized representatives, shall have access to 4 5 any books, documents, papers, and records of the operators and service providers described in sub-6 7 section (a) that are pertinent to the Job Corps pro-8 gram, for purposes of conducting surveys, audits, 9 and evaluations of the operators and service provid-10 ers.

11 (2) SURVEYS, AUDITS, AND EVALUATIONS.
12 The Secretary shall survey, audit, or evaluate, or ar13 range for the survey, audit, or evaluation of, the op14 erators and service providers, using Federal auditors
15 or independent public accountants. The Secretary
16 shall conduct such surveys, audits, or evaluations
17 not less often than once every 3 years.

18 (c) INFORMATION ON CORE PERFORMANCE MEAS19 URES.—

20 (1) ESTABLISHMENT.—The Secretary shall,
21 with continuity and consistency from year to year,
22 establish core performance measures, and expected
23 performance levels on the performance measures, for
24 Job Corps centers and the Job Corps program, re25 lating to—

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(A) the number of graduates and the rate of such graduation, analyzed by type of vocational training received through the Job Corps program and by whether the vocational training was provided by a local or national service provider;

7 (B) the number of graduates who entered 8 unsubsidized employment related to the voca-9 tional training received through the Job Corps 10 program and the number who entered 11 unsubsidized employment not related to the vo-12 cational training received, analyzed by whether the vocational training was provided by a local 13 14 or national service provider and by whether the 15 placement in the employment was conducted by 16 a local or national service provider;

17 (C) the average wage received by graduates 18 who entered unsubsidized employment related 19 to the vocational training received through the 20 Job Corps program and the average wage re-21 ceived by graduates who entered unsubsidized 22 employment unrelated to the vocational training 23 received;

1	(D) the average wage received by grad-
2	uates placed in unsubsidized employment after
3	completion of the Job Corps program—
4	(i) on the first day of the employment;
5	(ii) 6 months after the first day of the
6	employment; and
7	(iii) 12 months after the first day of
8	the employment,
9	analyzed by type of vocational training received
10	through the Job Corps program;
11	(E) the number of graduates who entered
12	unsubsidized employment and were retained in
13	the unsubsidized employment—
14	(i) 6 months after completion of the
15	Job Corps program; and
16	(ii) 12 months after completion of the
17	Job Corps program;
18	(F) the number of graduates who entered
19	unsubsidized employment—
20	(i) for 32 hours per week or more;
21	(ii) for not less than 20 but less than
22	32 hours per week; and
23	(iii) for less than 20 hours per week;
24	(G) the number of graduates who entered
25	postsecondary education or advanced training

1	programs, including registered apprenticeship
2	programs, as appropriate; and
3	(H) the number of graduates who attained
4	job readiness and employment skills.
5	(2) Performance of recruiters.—The Sec-
6	retary shall also establish performance measures,
7	and expected performance levels on the performance
8	measures, for local and national recruitment service
9	providers serving the Job Corps program. The per-
10	formance measures shall relate to the number of en-
11	rollees retained in the Job Corps program for 30
12	days and for 60 days after initial placement in the
13	program.
14	(3) REPORT.—The Secretary shall collect, and
15	annually submit a report to the appropriate commit-
16	tees of Congress containing, information on the per-
17	formance of each Job Corps center, and the Job
18	Corps program, on the core performance measures,
19	as compared to the expected performance level for
20	each performance measure. The report shall also
21	contain information on the performance of the serv-
22	ice providers described in paragraph (2) on the per-
23	formance measures established under such para-

25 els for the performance measures.

graph, as compared to the expected performance lev-

1	(d) Additional Information.—The Secretary shall
2	also collect, and submit in the report described in sub-
3	section (c), information on the performance of each Job
4	Corps center, and the Job Corps program, regarding—
5	(1) the number of enrollees served;
6	(2) the average level of learning gains for grad-
7	uates and former enrollees;
8	(3) the number of former enrollees and grad-
9	uates who entered the Armed Forces;
10	(4) the number of former enrollees who entered
11	postsecondary education;
12	(5) the number of former enrollees who entered
13	unsubsidized employment related to the vocational
14	training received through the Job Corps program
15	and the number who entered unsubsidized employ-
16	ment not related to the vocational training received;
17	(6) the number of former enrollees and grad-
18	uates who obtained a secondary school diploma or its
19	recognized equivalent;
20	(7) the number and percentage of dropouts
21	from the Job Corps program including the number
22	dismissed under the zero tolerance policy described
23	in section 342(b); and
24	(8) any additional information required by See-
25	retary.

(e) METHODS.—The Secretary may, to collect the in formation described in subsections (e) and (d), use meth ods described in subtitle A.

4 (f) Performance Assessments and Improve-5 ments.—

6 (1) ASSESSMENTS.—The Secretary shall con-7 duct an annual assessment of the performance of 8 each Job Corps center. Based on the assessment, the 9 Secretary shall take measures to continuously im-10 prove the performance of the Job Corps program.

11 (2) PERFORMANCE IMPROVEMENT PLANS.— 12 With respect to a Job Corps center that fails to 13 meet the expected levels of performance relating to 14 the core performance measures specified in sub-15 section (e), the Secretary shall develop and imple-16 ment a performance improvement plan. Such a plan 17 shall require action including—

18 (A) providing technical assistance to the
19 center;

20 (B) changing the vocational training of21 fered at the center;

22 (C) changing the management staff of the
23 center;

24 (D) replacing the operator of the center;
25 (E) reducing the capacity of the center;

1	(F) relocating the center; or
2	(G) closing the center.
3	(3) Additional performance improvement
4	PLANS.—In addition to the performance improve-
5	ment plans required under paragraph (2), the See-
6	retary may develop and implement additional per-
7	formance improvement plans. Such a plan shall re-
8	quire improvements, including the actions described
9	in paragraph (2), for a Job Corps center that fails
10	to meet criteria established by the Secretary other
11	than the expected levels of performance described in
12	paragraph (2).
13	SEC. 350. GENERAL PROVISIONS.
13 14	SEC. 350. GENERAL PROVISIONS. The Secretary is authorized to—
_	
14	The Secretary is authorized to—
14 15	The Secretary is authorized to— (1) disseminate, with regard to the provisions of
14 15 16	The Secretary is authorized to— (1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data
14 15 16 17	The Secretary is authorized to— (1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall
14 15 16 17 18	The Secretary is authorized to— (1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall determine to be appropriate, to public agencies, pri-
14 15 16 17 18 19	The Secretary is authorized to— (1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall determine to be appropriate, to public agencies, pri- vate organizations, and the general public;
 14 15 16 17 18 19 20 	The Secretary is authorized to— (1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall determine to be appropriate, to public agencies, pri- vate organizations, and the general public; (2) subject to section 347(b), collect or com-
 14 15 16 17 18 19 20 21 	The Secretary is authorized to— (1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall determine to be appropriate, to public agencies, pri- vate organizations, and the general public; (2) subject to section 347(b), collect or com- promise all obligations to or held by the Secretary

1	referred to the Attorney General for suit or collec-
2	tion; and
3	(3) expend funds made available for purposes of
4	this subtitle—
5	(A) for printing and binding, in accordance
6	with applicable law (including regulation); and
7	(B) without regard to any other law (in-
8	eluding regulation), for rent of buildings and
9	space in buildings and for repair, alteration,
10	and improvement of buildings and space in
11	buildings rented by the Secretary, except that
12	the Secretary shall not expend funds under the
13	authority of this subparagraph—
14	(i) except when necessary to obtain an
15	item, service, or facility, that is required in
16	the proper administration of this subtitle,
17	and that otherwise could not be obtained,
18	or could not be obtained in the quantity or
19	quality needed, or at the time, in the form,
20	or under the conditions in which the item,
21	service, or facility is needed; and
22	(ii) prior to having given written noti-
23	fication to the Administrator of General
24	Services (if the expenditure would affect an
25	activity that otherwise would be under the

1	jurisdiction of the General Services Admin-
2	istration) of the intention of the Secretary
3	to make the expenditure, and the reasons
4	and justifications for the expenditure.
5	SEC. 351. AUTHORIZATION OF APPROPRIATIONS.
б	There are authorized to be appropriated to carry out
7	this subtitle such sums as may be necessary for each of
8	the fiscal years 1999 through 2003.
9	Subtitle C—National Programs
10	SEC. 361. NATIVE AMERICAN PROGRAMS.
11	(a) PURPOSE AND POLICY.
12	(1) PURPOSE.—The purpose of this section is
13	to support workforce investment activities and sup-
14	plemental services for Indian and Native Hawaiian
15	individuals in order—
16	(Λ) to develop more fully the academic, oc-
17	cupational, and literacy skills of such individ-
18	uals;
19	(B) to make such individuals more com-
20	petitive in the workforce; and
21	(C) to promote the economic and social de-
22	velopment of Indian and Native Hawaiian com-
23	munities in accordance with the goals and val-
24	ues of such communities.

1(2) INDIAN POLICY.—All programs assisted2under this section shall be administered in a manner3consistent with the principles of the Indian Self-De-4termination and Education Assistance Act (25)5U.S.C. 450 et seq.) and the government-to-govern-6ment relationship between the Federal Government7and Indian tribal governments.

8 (b) DEFINITIONS.—In this section:

9 (1) INDIAN, INDIAN TRIBE, AND TRIBAL ORGA10 NIZATION.—The terms "Indian", "Indian tribe",
11 and "tribal organization" have the meanings given
12 such terms in subsections (d), (e), and (l), respec13 tively, of section 4 of the Indian Self-Determination
14 and Education Assistance Act (25 U.S.C. 450b).

15 (2) NATIVE HAWAHAN AND NATIVE HAWAHAN
16 ORGANIZATION.—The terms "Native Hawaiian" and
17 "Native Hawaiian organization" have the meanings
18 given such terms in paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Edu20 eation Act (20 U.S.C. 7912).

21 (c) PROGRAMS AUTHORIZED. The Secretary shall
22 make grants to, or enter into contracts or cooperative
23 agreements with, Indian tribes, tribal organizations, In24 dian-controlled organizations serving Indians, or Native

1	Hawaiian organizations to carry out the authorized activi-
2	ties described in subsection (d).
3	(d) AUTHORIZED ACTIVITIES.—
4	(1) IN GENERAL.—Funds made available under
5	this section shall be used to carry out the activities
6	described in paragraph (2) that—
7	(A) are consistent with this section; and
8	(B) are necessary to meet the needs of In-
9	dians or Native Hawaiians preparing to enter,
10	reenter, or retain unsubsidized employment.
11	(2) Workforce investment activities and
12	SUPPLEMENTAL SERVICES.
13	(A) IN GENERAL.—Funds made available
14	under this section shall be used for—
15	(i) building a comprehensive facility to
16	be utilized by American Samoans residing
17	in Hawaii for the co-location of federally
18	funded and State funded workforce invest-
19	ment activities;
20	(ii) comprehensive workforce invest-
21	ment activities for Indians or Native Ha-
22	waiians; or
23	(iii) supplemental services for Indian
24	or Native Hawaiian youth on or near In-

1	dian reservations and in Oklahoma, Alas-
2	ka, or Hawaii.
3	(B) SPECIAL RULE.—Notwithstanding any
4	other provision of this section, individuals who
5	were eligible to participate in programs under
6	section 401 of the Job Training Partnership
7	Act (29 U.S.C. 1671) (as such section was in
8	effect on the day before the date of enactment
9	of this Act) shall be eligible to participate in an
10	activity assisted under subparagraph $(A)(i)$.
11	(e) PROGRAM PLAN.—In order to receive a grant or
12	enter into a contract or cooperative agreement under this
13	section an entity described in subsection (c) shall submit
14	to the Secretary a plan that describes a 2-year strategy
15	for meeting the needs of Indian or Native Hawaiian indi-
16	viduals, as appropriate, in the area served by such entity.
17	Such plan shall—
18	(1) be consistent with the purpose of this sec-
19	tion;
20	(2) identify the population to be served;
21	(3) identify the education and employment
22	needs of the population to be served and the manner
23	in which the activities to be provided will strengthen
24	the ability of the individuals served to obtain or re-
~ ~	

25 tain unsubsidized employment;

(4) describe the activities to be provided and
 the manner in which such activities are to be inte grated with other appropriate activities; and

4 (5) describe, after the entity submitting the 5 plan consults with the Secretary, the performance 6 measures to be used to assess the performance of 7 entities in carrying out the activities assisted under 8 this section.

9 (f) CONSOLIDATION OF FUNDS.—Each entity receiv10 ing assistance under this section may consolidate such as11 sistance with assistance received from related programs in
12 accordance with the provisions of the Indian Employment,
13 Training and Related Services Demonstration Act of 1992
14 (25 U.S.C. 3401 et seq.).

15 (g) NONDUPLICATIVE AND NONEXCLUSIVE SERV16 ICES.—Nothing in this section shall be construed—

17 (1) to limit the eligibility of any entity de18 seribed in subsection (c) to participate in any activ19 ity offered by a State or local entity under this Act;
20 or

21 (2) to preclude or discourage any agreement,
22 between any entity described in subsection (e) and
23 any State or local entity, to facilitate the provision
24 of services by such entity or to the population served
25 by such entity.

1	(h) Administrative Provisions.—
2	(1) Organizational unit established.
3	The Secretary shall designate a single organizational
4	unit within the Department of Labor that shall have
5	primary responsibility for the administration of the
6	activities authorized under this section.
7	(2) REGULATIONS.—The Secretary shall con-
8	sult with the entities described in subsection (c) in—
9	(A) establishing regulations to carry out
10	this section, including performance measures
11	for entities receiving assistance under such sub-
12	section, taking into account the economic cir-
13	cumstances of such entities; and
14	(B) developing a funding distribution plan
15	that takes into consideration previous levels of
16	funding (prior to the date of enactment of this
17	Act) to such entities.
18	(3) Waivers.—
19	(A) IN GENERAL.—With respect to an en-
20	tity described in subsection (c), the Secretary,
21	notwithstanding any other provision of law,
22	may, pursuant to a request submitted by such
23	entity that meets the requirements established
24	under paragraph (2) , waive any of the statutory
25	or regulatory requirements of this title that are

1	inconsistent with the specific needs of the enti-
2	ties described in such subsection, except that
3	the Secretary may not waive requirements relat-
4	ing to wage and labor standards, worker rights,
5	participation and protection of participants,
6	grievance procedures, and judicial review.
7	(B) REQUEST AND APPROVAL.—An entity
8	described in subsection (c) that requests a waiv-
9	er under subparagraph (A) shall submit a plan
10	to the Secretary to improve the program of
11	workforce investment activities carried out by
12	the entity, which plan shall meet the require-
13	ments established by the Secretary and shall be
14	generally consistent with the requirements of
15	section $379(i)(3)$.
16	(4) Advisory council.—
17	(A) IN GENERAL.—The Secretary shall es-
18	tablish a Native American Employment and
19	Training Council to facilitate the consultation
20	described in paragraph (2).
21	(B) COMPOSITION.—The Council shall be
22	composed of individuals, appointed by the Sec-
23	retary, who are representatives of the entities
24	described in subsection (c).

1	(C) DUTIES.—The Council shall advise the
2	Secretary on all aspects of the operation and
3	administration of the programs assisted under
4	this section, including the selection of the indi-
5	vidual appointed as the head of the unit estab-
6	lished under paragraph (1).
7	(D) Personnel matters.—
8	(i) Compensation of members.—
9	Members of the Council shall serve without
10	compensation.
11	(ii) TRAVEL EXPENSES.—The mem-
12	bers of the Council shall be allowed travel
13	expenses, including per diem in lieu of sub-
14	sistence, at rates authorized for employees
15	of agencies under subchapter I of chapter
16	57 of title 5, United States Code, while
17	away from their homes or regular places of
18	business in the performance of services for
19	the Council.
20	(iii) Administrative support.—The
21	Secretary shall provide the Council with
22	such administrative support as may be nec-
23	essary to perform the functions of the
24	Council.

1	(E) CHAIRPERSON.—The Council shall se-
2	lect a chairperson from among its members.
3	(F) MEETINGS.—The Council shall meet
4	not less than twice each year.
5	(G) APPLICATION.—Section 14 of the Fed-
6	eral Advisory Committee Act (5 U.S.C. App.)
7	shall not apply to the Council.
8	(5) Technical Assistance.—The Secretary,
9	acting through the unit established under paragraph
10	(1), is authorized to provide technical assistance to
11	entities described in subsection (e) that receive as-
12	sistance under this section to enable such entities to
13	improve the activities authorized under this section
14	that are provided by such entities.
15	SEC. 362. MIGRANT AND SEASONAL FARMWORKER PRO-
16	GRAMS.
17	(a) IN GENERAL.—Every 2 years, the Secretary
18	shall, on a competitive basis, make grants to, or enter into
19	contracts with, eligible entities to carry out the activities
20	described in subsection (d).
21	(b) ELIGIBLE ENTITIES.—To be eligible to receive a
22	grant or enter into a contract under this section, an entity
23	shall have an understanding of the problems of eligible mi-
24	grant and seasonal farmworkers (including dependents),
25	a familiarity with the area to be served, and the ability

to demonstrate a capacity to administer effectively a diver sified program of workforce investment activities (includ ing youth activities) and related assistance for eligible mi grant and seasonal farmworkers.

5 (c) PROGRAM PLAN.—

6 (1) IN GENERAL.—To be eligible to receive a 7 grant or enter into a contract under this section, an 8 entity described in subsection (b) shall submit to the 9 Secretary a plan that describes a 2-year strategy for 10 meeting the needs of eligible migrant and seasonal 11 farmworkers in the area to be served by such entity. 12 (2) ADMINISTRATION.—Grants and contracts 13 awarded under this section shall be centrally admin-

istered by the Department of Labor and competitively awarded by the Secretary using procedures
consistent with standard Federal Government competitive procurement policies.

18 (3) COMPETITION.

19(A) IN GENERAL.—The competition for20grants made and contracts entered into under21this section shall be conducted every 2 years.

(B) EXCEPTION.—Notwithstanding subparagraph (A), if a recipient of such a grant or
contract has performed satisfactorily under the
terms of the grant agreement or contract, the

1 Secretary may waive the requirement for such 2 competition for such recipient upon receipt 3 from the recipient of a satisfactory 2-year plan 4 described in paragraph (1) for the succeeding 2-year grant or contract period. 5 6 (4) CONTENTS.—Such plan shall— 7 (A) identify the education and employment 8 needs of the eligible migrant and seasonal farm-9 workers to be served and the manner in which 10 the workforce investment activities (including 11 youth activities) to be carried out will strength-12 en the ability of the eligible migrant and sea-13 **farmworkers** obtain sonal to or retain 14 unsubsidized employment or stabilize their 15 unsubsidized employment; 16 (B) describe the related assistance, includ-17 ing supportive services, to be provided and the 18 manner in which such assistance and services 19 are to be integrated and coordinated with other 20 appropriate services; and 21 (C) describe, after consultation with the 22 Secretary, the performance measures to be used 23 to assess the performance of such entity in ear-24 rying out the activities assisted under this see-25

tion.

1 (d) AUTHORIZED ACTIVITIES.—Funds made available under this section shall be used to earry out workforce 2 investment activities (including youth activities) and pro-3 vide related assistance for eligible migrant and seasonal 4 5 farmworkers, which may include employment, training, educational assistance, literacy assistance, an English lan-6 7 guage program, worker safety training, supportive serv-8 ices, dropout prevention activities, follow-up services for 9 those individuals placed in employment, self-employment 10 and related business enterprise development education as needed by eligible migrant and seasonal farmworkers and 11 12 identified pursuant to the plan required by subsection (e), and technical assistance relating to capacity enhancement 13 in such areas as management information technology. 14

15 (e) CONSULTATION WITH GOVERNORS AND LOCAL 16 PARTNERSHIPS.—In making grants and entering into con-17 tracts under this section, the Secretary shall consult with 18 the Governors and local partnerships of the States in 19 which the eligible entities will carry out the activities de-20 seribed in subsection (d).

21 (f) REGULATIONS.—The Secretary shall consult with
22 eligible migrant and seasonal farmworkers groups and
23 States in establishing regulations to carry out this section,
24 including performance measures for eligible entities that

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1	take into account the economic circumstances and demo-
2	graphics of eligible migrant and seasonal farmworkers.
3	(g) DEFINITIONS.—In this section:
4	(1) DISADVANTAGED.—The term "disadvan-
5	taged", used with respect to a farmworker, means a
6	farmworker whose income, for 12 consecutive
7	months out of the 24 months prior to application for
8	the program involved, does not exceed the higher
9	of —
10	(A) the poverty line (as defined in section
11	<u>334(a)(2)(B))</u> for an equivalent period; or
12	(B) 70 percent of the lower living standard
13	income level, for an equivalent period.
14	(2) Eligible migrant and seasonal farm-
15	WORKERS.—The term "eligible migrant and seasonal
16	farmworkers" means individuals who are eligible mi-
17	grant farmworkers or are eligible seasonal farm-
18	workers.
19	(3) Eligible migrant farmworker.—The
20	term "eligible migrant farmworker" means—
21	(A) an eligible seasonal farmworker de-
22	scribed in paragraph $(4)(\Lambda)$ whose agricultural
23	labor requires travel to a job site such that the
24	farmworker is unable to return to a permanent
25	place of residence within the same day; and

1	(B) a dependent of the farmworker de-
2	scribed in subparagraph (A).
3	(4) Eligible seasonal farmworker.—The
4	term "eligible seasonal farmworker" means—
5	(A) a disadvantaged person who, for 12
6	consecutive months out of the 24 months prior
7	to application for the program involved, has
8	been primarily employed in agricultural labor
9	that is characterized by chronic unemployment
10	or underemployment; and
11	(B) a dependent of the person described in
12	subparagraph (A).
13	SEC. 363. VETERANS' WORKFORCE INVESTMENT PRO-
13 14	SEC. 363. VETERANS' WORKFORCE INVESTMENT PRO- GRAMS.
14	GRAMS.
14 15	GRAMS. (a) Authorization.—
14 15 16	GRAMS. (a) Authorization.— (1) In general.—The Secretary shall conduct,
14 15 16 17	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to
14 15 16 17 18	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of
14 15 16 17 18 19	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of service-connected disabled veterans, Vietnam era vet-
 14 15 16 17 18 19 20 	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of service-connected disabled veterans, Vietnam era vet- erans, and recently separated veterans.
 14 15 16 17 18 19 20 21 	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of service-connected disabled veterans, Vietnam era vet- crans, and recently separated veterans. (2) CONDUCT OF PROGRAMS.—Programs sup-
 14 15 16 17 18 19 20 21 22 	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of service-connected disabled veterans, Vietnam era vet- erans, and recently separated veterans. (2) CONDUCT OF PROGRAMS.—Programs sup- ported under this section may be conducted through

1	title, that the Secretary determines have an under-
2	standing of the unemployment problems of veterans
3	described in paragraph (1), familiarity with the area
4	to be served, and the capability to administer effec-
5	tively a program of workforce investment activities
6	for such veterans.
7	(3) Required activities.—Programs sup-
8	ported under this section shall include—
9	(A) activities to enhance services provided
10	to veterans by other providers of workforce in-
11	vestment activities funded by Federal, State, or
12	local government;
13	(B) activities to provide workforce invest-
14	ment activities to such veterans that are not
15	adequately provided by other public providers of
16	workforce investment activities; and
17	(C) outreach and public information activi-
18	ties to develop and promote maximum job and
19	job training opportunities for such veterans and
20	to inform such veterans about employment, job
21	training, on-the-job training and educational
22	opportunities under this title, under title 38,
23	United States Code, and under other provisions
24	of law, which activities shall be coordinated with

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1	activities provided through the one-stop cus-
2	tomer service centers.
3	(b) Administration of Programs.—
4	(1) IN GENERAL.—The Secretary shall admin-
5	ister programs supported under this section through
6	the Assistant Secretary for Veterans' Employment
7	and Training.
8	(2) Additional responsibilities.—In carry-
9	ing out responsibilities under this section, the Assist-
10	ant Secretary for Veterans' Employment and Train-
11	ing shall—
12	(A) be responsible for the awarding of
13	grants and contracts and the distribution of
14	funds under this section and for the establish-
15	ment of appropriate fiscal controls, accountabil-
16	ity, and program performance measures for re-
17	cipients of grants and contracts under this sec-
18	tion; and
19	(B) consult with the Secretary of Veterans
20	Affairs and take steps to ensure that programs
21	supported under this section are coordinated, to
22	the maximum extent feasible, with related pro-
23	grams and activities conducted under title 38,
24	United States Code, including programs and ac-
25	tivities conducted under subchapter H of chap-

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1	ter 77 of such title, chapters 30, 31, 32, and
2	34 of such title, and sections 1712A, 1720A,
3	3687, and 4103A of such title.
4	SEC. 364. YOUTH OPPORTUNITY GRANTS.
5	(a) GRANTS.—
6	(1) IN GENERAL.—Using funds made available
7	under section 302(b)(3)(A), the Secretary shall
8	make grants to eligible local partnerships to provide
9	activities described in subsection (b) for youth to in-
10	erease the long-term employment of eligible youth
11	who live in empowerment zones, enterprise commu-
12	nities, and high poverty areas and who seek assist-
13	ance.
14	(2) GRANT PERIOD.—The Secretary may make
15	a grant under this section for a 1-year period, and
16	may renew the grant for each of the 4 succeeding
17	years.
18	(3) GRANT AWARDS.—The minimum amount
19	that may be made available to a grant recipient for
20	the first year of a grant made under this section
21	shall be \$10,000,000 .
22	(b) Use of Funds.—
23	(1) IN GENERAL.—A local partnership that re-
24	ceives a grant under this section shall use the funds

1	ties that meet the requirements of section 316, ex-
2	cept as provided in paragraph (2), as well as youth
3	development activities such as activities relating to
4	leadership development, citizenship, and community
5	service, and recreation activities.
6	(2) Intensive placement and followup
7	SERVICES.—In providing activities under this sec-
8	tion, a local partnership shall provide—
9	(A) intensive placement services; and
10	(B) followup services for not less than 24
11	months after the completion of participation in
12	the other activities described in this subsection,
13	as appropriate.
14	(c) ELIGIBLE LOCAL PARTNERSHIPS.—To be eligible
15	to receive a grant under this section, a local partnership—
16	(1) shall serve a community that—
17	(Λ) has a population of at least 50,000;
18	and
19	(B) has been designated as an
20	empowerment zone or an enterprise community
21	under section 1391 of the Internal Revenue
22	Code of 1986; or
23	(2) in a State without a zone or community de-
24	scribed in paragraph (1)(B), shall serve a commu-

1	nity that has been designated as a high poverty area
2	by the Governor of the State.
3	(d) Application.—To be eligible to receive a grant
4	under this section, a local partnership shall submit an ap-
5	plication to the Secretary at such time, in such manner,
6	and containing such information as the Secretary may re-
7	quire, including—
8	(1) a description of the activities that the local
9	partnership will provide under this section to youth
10	in the community described in subsection (c);
11	(2) a description of the performance measures
12	negotiated under subsection (e), and the manner in
13	which the local partnerships will carry out the activi-
14	ties to meet the performance measures;
15	(3) a description of the manner in which the ac-
16	tivities will be linked to activities described in section
17	316; and
18	(4) a description of the community support, in-
19	eluding financial support through leveraging addi-
20	tional public and private resources, for the activities.
21	(c) Performance Measures.—
22	(1) IN GENERAL.—The Secretary shall nego-
23	tiate and reach agreement with the local partnership
24	on performance measures that will be used to evalu-
25	ate the performance of the local partnership in car-

rying out the activities described in subsection (b).
 Each local performance measure shall consist of an
 indicator of performance referred to in paragraph
 (2) or (3) of section 321(a), and a performance level
 referred to in paragraph (2).

6 (2) PERFORMANCE LEVELS.—The Secretary 7 shall negotiate and reach agreement with the local 8 partnership regarding the levels of performance ex-9 pected to be achieved for the local partnership on 10 the indicators of performance.

11 SEC. 365. INCENTIVE GRANTS.

12 (a) IN GENERAL. The Secretary may make grants
13 to States that exceed—

14 (1) the State performance measures established
15 by the Secretary of Education under this Act; and
16 (2) the State performance measures established
17 under this title.

18 (b) PRIORITY.—In awarding incentive grants under 19 this section, the Secretary shall give priority to those 20 States submitting a State unified plan as described in sec-21 tion 501 that is approved by the appropriate Secretaries 22 as described in such section.

23 (c) USE OF FUNDS.—A State that receives an incen24 tive grant under this section shall use the funds made

available through the grant to carry out innovative pro grams as determined by the State.

3 SEC. 366. TECHNICAL ASSISTANCE.

4 (a) TRANSITION ASSISTANCE.—The Secretary shall
5 provide technical assistance to assist States in making
6 transitions from carrying out activities under provisions
7 described in section 391 to carrying out activities under
8 this title.

9 (b) PERFORMANCE IMPROVEMENT.

10 (1) GENERAL ASSISTANCE.

11 (A) AUTHORITY.—The Secretary—

12 (i) shall provide technical assistance
13 to States that do not meet a State per14 formance measure described in section
15 321(a) for a program year; and

16(ii) may provide technical assistance17to other States, local areas, and grant re-18cipients under sections 361 and 362 to19promote the continuous improvement of20the programs and activities authorized21under this title.

(B) FORM OF ASSISTANCE.—In carrying
out this paragraph on behalf of a State, or
grant recipient under section 361 or 362, the
Secretary, after consultation with the State or

1	grant recipient, may award grants and enter
2	into contracts and cooperative agreements.
3	(C) Limitation.—Grants or contracts
4	awarded under this paragraph that are for
5	amounts in excess of \$50,000 shall only be
6	awarded on a competitive basis.
7	(2) Dislocated worker technical assist-
8	ANCE.
9	(A) AUTHORITY.—Of the amounts avail-
10	able pursuant to section 302(a)(2), the Sec-
11	retary shall reserve not more than 5 percent of
12	such amounts to provide technical assistance to
13	States that do not meet the State performance
14	measures described in section 321(a) with re-
15	spect to employment and training activities for
16	dislocated workers. Using such reserved funds,
17	the Secretary may provide such assistance to
18	other States, local areas, business and labor or-
19	ganizations, and other entities involved in pro-
20	viding assistance to dislocated workers, to pro-
21	mote the continuous improvement of assistance
22	provided to dislocated workers, under this title.
23	(B) TRAINING.—Amounts reserved under
24	this paragraph may be used to provide for the
25	training of staff, including specialists, who pro-

1	vide rapid response services. Such training shall
2	include instruction in proven methods of pro-
3	moting, establishing, and assisting labor-man-
4	agement committees. Such projects shall be ad-
5	ministered through the dislocated worker office
6	described in section 369(b).
7	SEC. 367. DEMONSTRATION, PILOT, MULTISERVICE, RE-
8	SEARCH, AND MULTISTATE PROJECTS.
9	(a) Strategic Plan.—
10	(1) IN GENERAL.—After consultation with
11	States, localities, and other interested parties, the
12	Secretary shall, every 2 years, publish in the Federal
13	Register, a plan that describes the demonstration
14	and pilot (including dislocated worker demonstration
15	and pilot), multiservice, research, and multistate
16	project priorities of the Department of Labor con-
17	cerning employment and training for the 5-year pe-
18	riod following the submission of the plan. Copies of
19	the plan shall be transmitted to the appropriate
20	committees of Congress.
21	(2) LIMITATION.—With respect to a plan pub-
22	lished under paragraph (1), the Secretary shall en-

lished under paragraph (1), the Secretary shall ensure that research projects (referred to in subsection
(d)) are considered for incorporation into the plan
only after projects referred to in subsections (b), (c),

1	and (e) have been considered and incorporated into
2	the plan, and are funded only as funds remain to
3	permit the funding of such research projects.
4	(3) FACTORS.—The plan published under para-
5	graph (1) shall contain strategies to address national
6	employment and training problems and take into ac-
7	count factors such as—
8	(A) the availability of existing research (as
9	of the date of the publication);
10	(B) the need to ensure results that have
11	interstate validity;
12	(C) the benefits of economies of scale and
13	the efficiency of proposed projects; and
14	(D) the likelihood that the results of the
15	projects will be useful to policymakers and
16	stakeholders in addressing employment and
17	training problems.
18	(b) Demonstration and Pilot Projects.—
19	(1) IN GENERAL.—Under a plan published
20	under subsection (a), the Secretary shall, through
21	grants or contracts, carry out demonstration and
22	pilot projects for the purpose of developing and im-
23	plementing techniques and approaches, and dem-
24	onstrating the effectiveness of specialized methods,
25	in addressing employment and training needs. Such

1	projects shall include the provision of direct services
2	to individuals to enhance employment opportunities
3	and an evaluation component.
4	(2) Limitations.—
5	(A) Competitive awards.—Grants or
6	contracts awarded for carrying out demonstra-
7	tion and pilot projects under this subsection
8	shall be awarded only on a competitive basis,
9	except that a noncompetitive award may be
10	made in the case of a project that is funded
11	jointly with other public or private sector enti-
12	ties that provide a substantial portion of the
13	funding for the project.
14	(B) ELIGIBLE ENTITIES.—Grants or con-
15	tracts may be awarded under this subsection
16	only to—
17	(i) entities with recognized expertise
18	in—
19	(I) conducting national dem-
20	onstration projects;
21	(II) utilizing state-of-the-art
22	demonstration methods; and
23	(III) conducting evaluations of
24	employment and training projects; or

1	(ii) State and local entities with exper-
2	tise in operating or overseeing employment
3	and training programs.
4	(C) TIME LIMITS.—The Secretary shall es-
5	tablish appropriate time limits for carrying out
6	demonstration and pilot projects under this
7	subsection.
8	(c) Multiservice Projects.—
9	(1) IN GENERAL. Under a plan published
10	under subsection (a), the Secretary shall, through
11	grants or contracts, carry out multiservice
12	projects
13	(A) that will test an array of approaches to
14	the provision of employment and training serv-
15	ices to a variety of targeted populations;
16	(B) in which the entity carrying out the
17	project, in conjunction with employers, orga-
18	nized labor, and other groups such as the dis-
19	ability community, will design, develop, and test
20	various training approaches in order to deter-
21	mine effective practices; and
22	(C) that will assist in the development and
23	replication of effective service delivery strategies
24	for targeted populations for the national em-
25	ployment and training system as a whole.

1 (2) LIMITATIONS.

2	(A) Competitive awards.—Grants or
3	contracts awarded for carrying out multiservice
4	projects under this subsection shall be awarded
5	only on a competitive basis.
6	(B) TIME LIMITS.—A grant or contract
7	shall not be awarded under this subsection to
8	the same organization for more than 3 consecu-
9	tive years unless such grant or contract is com-
10	petitively reevaluated within such period.
11	(d) RESEARCH.
12	(1) IN GENERAL.—Under a plan published
13	under subsection (a), the Secretary shall, through
14	grants or contracts, carry out research projects that
15	will contribute to the solution of employment and
16	training problems in the United States.
17	(2) Limitations.
18	(A) Competitive awards. Grants or
19	contracts awarded for carrying out research
20	projects under this subsection in amounts that
21	exceed \$50,000 shall be awarded only on a com-
22	petitive basis, except that a noncompetitive
23	award may be made in the case of a project
24	that is funded jointly with other public or pri-

1	vate sector entities that provide a substantial
2	portion of the funding for the project.
3	(B) ELIGIBLE ENTITIES.—Grants or con-
4	tracts shall be awarded under this subsection
5	only to entities with nationally recognized ex-
6	pertise in the methods, techniques, and knowl-
7	edge of the social sciences.
8	(C) TIME LIMITS.—The Secretary shall es-
9	tablish appropriate time limits for the duration
10	of research projects funded under this sub-
11	section.
12	(e) Multistate Projects.—
13	(1) IN GENERAL.
14	(A) AUTHORITY.—Under a plan published
15	under subsection (a), the Secretary may,
16	through grants or contracts, carry out
17	multistate projects that require demonstrated
18	expertise that is available at the national level
19	to effectively disseminate best practices and
20	models for implementing employment and train-
21	ing services, address the specialized employment
22	and training needs of particular service popu-
23	lations, or address industrywide skill shortages.
24	(B) DESIGN OF GRANTS.—Grants or con-
25	tracts awarded under this subsection shall be

1	designed to obtain information relating to the
2	provision of services under different economic
3	conditions or to various demographic groups in
4	order to provide guidance at the national and
5	State levels about how best to administer spe-
6	cific employment and training services.
7	(2) Limitations.—
8	(A) Competitive awards.—Grants or
9	contracts awarded for carrying out multistate
10	projects under this subsection shall be awarded
11	only on a competitive basis.
12	(B) TIME LIMITS.—A grant or contract
13	shall not be awarded under this subsection to
14	the same organization for more than 3 consecu-
15	tive years unless such grant or contract is com-
16	petitively reevaluated within such period.
17	(f) DISLOCATED WORKER PROJECTS.—Of the
18	amount made available pursuant to section $302(a)(2)(\Lambda)$
19	for any program year, the Secretary shall use not more
20	than 5 percent of such amount to carry out demonstration
21	and pilot projects, multiservice projects, and multistate
22	projects, relating to the employment and training needs
23	of dislocated workers. Of the requirements of this section,
24	such projects shall be subject only to the provisions relat-
25	ing to review and evaluation of applications under sub-

section (g). Such projects may include demonstration and
 pilot projects relating to promoting self-employment, pro moting job creation, averting dislocations, assisting dis located farmers, assisting dislocated fishermen, and pro moting public works. Such projects shall be administered
 through the dislocated worker office described in section
 369(b).

8 (g) PEER REVIEW.—The Secretary shall utilize a
9 peer review process to—

10 (1) review and evaluate all applications for
11 grants and contracts in amounts that exceed
12 \$100,000 that are submitted under this section; and
13 (2) review and designate exemplary and promis14 ing programs under this section.

15 SEC. 368. EVALUATIONS.

16 (a) PROGRAMS AND ACTIVITIES CARRIED UNDER 17 THIS TITLE.—For the purpose of improving the manage-18 ment and effectiveness of programs and activities carried 19 out under this title, the Secretary shall provide for the 20 continuing evaluation of the programs and activities. Such 21 evaluations shall address—

22 (1) the general effectiveness of such programs
23 and activities in relation to their cost;

24 (2) the effectiveness of the performance meas25 ures relating to such programs and activities;

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1	(3) the effectiveness of the structure and mech-
2	anisms for delivery of services through such pro-
3	grams and activities;
4	(4) the impact of the programs and activities on
5	the community and participants involved;
6	(5) the impact of such programs and activities
7	on related programs and activities;
8	(6) the extent to which such programs and ac-
9	tivities meet the needs of various demographie
10	groups; and
11	(7) such other factors as may be appropriate.
12	(b) Other Programs and Activities.—The Sec-
13	retary may conduct evaluations of other federally funded
14	employment-related programs and activities, including
15	programs and activities administered under—
16	(1) the Wagner-Peyser Act (29 U.S.C. 49 et
17	seq.);
18	(2) the Act of August 16, 1937 (commonly
19	known as the "National Apprenticeship Act"; 50
20	Stat. 664, chapter 663; 29 U.S.C. 50 et seq.);
21	(3) the Older Americans Act of 1965 (42)
22	U.S.C. 3001 et seq.);
23	(4) chapter 2 of title H of the Trade Act of
24	1974 (19 U.S.C. 2271 et seq.); and

1(5) the Federal unemployment insurance pro-2gram under titles III, IX, and XII of the Social Se-3curity Act (42 U.S.C. 501 et seq., 1101 et seq., and41321 et seq.).

5 (c) TECHNIQUES.—Evaluations conducted under this 6 section shall utilize appropriate methodology and research 7 designs, which may include the use of control groups cho-8 sen by scientific random assignment methodologies. Such 9 an evaluation shall be conducted by a person not imme-10 diately involved in the administration of the program or 11 activity being evaluated.

(d) REPORTS.—The entity carrying out an evaluation
described in subsection (a), (b), or (c) shall prepare and
submit to the Secretary a draft report and a final report
containing the results of the evaluation.

16 (e) REPORTS TO CONGRESS.—Not later than 30 days 17 after the completion of such a draft report, the Secretary 18 shall transmit the draft report to the appropriate commit-19 tees of Congress. Not later than 60 days after the comple-20 tion of such a final report, the Secretary shall transmit 21 the final report to the appropriate committees of Con-22 gress.

23 SEC. 369. NATIONAL EMERGENCY GRANTS.

24 (a) IN GENERAL.—The Secretary is authorized to 25 award national emergency grants in a timely manner—

1	(1) to an entity described in subsection (e) to
2	provide employment and training assistance to work-
3	ers affected by major economic dislocations, such as
4	plant closures, mass layoffs, or closures and realign-
5	ments of military installations;
6	(2) to provide assistance to the Governor of any
7	State within the boundaries of which is an area that
8	has suffered an emergency or a major disaster as
9	defined in paragraphs (1) and (2), respectively, of
10	section 102 of The Robert T. Stafford Disaster Re-
11	lief and Emergency Assistance Act (42 U.S.C. 5122
12	(1) and (2)) (referred to in this section as the "dis-
13	aster area") to provide disaster relief employment in
14	the area; and
15	(3) to provide additional assistance to a State
16	or local partnership for eligible dislocated workers in
17	a case in which the State or local partnership has
18	expended the funds provided under this section to
19	carry out activities described in paragraphs (1) and
20	(2) and can demonstrate the need for additional
21	funds to provide appropriate services for such work-
22	ers, in accordance with requirements prescribed by
23	the Secretary.
24	

24 (b) ADMINISTRATION.—The Secretary shall designate
25 a dislocated worker office to coordinate the functions of

the Secretary under this title relating to national emer gency grants.

3 (c) Employment and Training Assistance Re-4 Quirements.—

5 (1) APPLICATION.—To be eligible to receive a 6 grant under subsection (a)(1), an entity shall submit 7 an application to the Secretary at such time, in such 8 manner, and containing such information as the Sec-9 retary may require.

10 (2) ELIGIBLE ENTITY.—In this subsection, the 11 term "entity" means a State, a local partnership, an 12 entity described in section 361(c), an employer or 13 employer association, a labor organization, and an 14 entity determined to be eligible by the Governor of 15 the State involved.

16 (d) DISASTER RELIEF EMPLOYMENT ASSISTANCE
17 Requirements.—

18 (1) IN GENERAL. Funds made available under
19 subsection (a)(2)—

20 (A) shall be used to provide disaster relief
21 employment on projects that provide food,
22 elothing, shelter, and other humanitarian assist23 ance for disaster victims, and projects regard24 ing demolition, cleaning, repair, renovation, and
25 reconstruction of damaged and destroyed struc-

1	tures, facilities, and lands located within the
2	disaster area;
3	(B) may be expended through public and
4	private agencies and organizations engaged in
5	such projects; and
6	(C) may be expended to provide the serv-
7	ices authorized under section 315(c).
8	(2) ELIGIBILITY.—An individual shall be eligi-
9	ble to be offered disaster relief employment under
10	subsection $(a)(2)$ if such individual is a dislocated
11	worker, is a long-term unemployed individual, or is
12	temporarily or permanently laid off as a consequence
13	of the disaster.
14	(3) Limitations on disaster relief em-
15	PLOYMENT.—No individual shall be employed under
16	subsection $(a)(2)$ for more than 6 months for work
17	related to recovery from a single natural disaster.
18	SEC. 370. AUTHORIZATION OF APPROPRIATIONS.
19	(a) In General.—
20	(1) NATIVE AMERICAN PROGRAMS; MIGRANT
21	AND SEASONAL FARMWORKER PROGRAMS; VETER-
22	ANS' EMPLOYMENT PROGRAMS.—Subject to sub-
23	section $(b)(1)$, there are authorized to be appro-
24	priated to carry out sections 361 through 363 such

sums as may be necessary for each of the fiscal
 years 1999 through 2003.
 (2) INCENTIVE GRANTS; TECHNICAL ASSIST-

(2) INCENTIVE GRANTS: TECHNICAL ASSIST-4 **DEMONSTRATION** AND PILOT ANCE; **PROJECTS;** 5 EVALUATIONS.—Subject to subsection (b)(2), there 6 are authorized to be appropriated to earry out see-7 tions 365 through 368, such sums as may be nee-8 essary for each of fiscal years 1999 through 2003. 9 (b) RESERVATIONS.

10 (1) NATIVE AMERICAN PROGRAMS; MIGRANT
 11 AND SEASONAL FARMWORKER PROGRAMS; VETER 12 ANS' EMPLOYMENT PROGRAMS.—Of the amount appropriated under subsection (a)(1) for a fiscal year,
 14 the Secretary shall—

15 (A) reserve not less than \$55,000,000 for
16 carrying out section 361;

17 (B) reserve not less than \$70,000,000 for
18 carrying out section 362; and

19 (C) reserve not less than \$7,300,000 for
20 carrying out section 363.

21 (2) INCENTIVE GRANTS; TECHNICAL ASSIST22 ANCE; DEMONSTRATION AND PILOT PROJECTS;
23 EVALUATIONS.—Of the amount appropriated under
24 subsection (a)(2) for a fiscal year, the Secretary
25 shall—

1	(A) reserve 36.8 percent for carrying out
2	section $365;$
3	(B) reserve 25 percent for carrying out
4	section 366 (other than section 366(b)(2));
5	(C) reserve 24.2 percent of a carrying out
6	section 367 (other than 367(f)); and
7	(D) reserve 14 percent for carrying out
8	section 368.
9	Subtitle D—Administration
10	SEC. 371. REQUIREMENTS AND RESTRICTIONS.
11	(a) BENEFITS.—
12	(1) WAGES.
13	(A) IN GENERAL.—Individuals in on-the-
14	job training or individuals employed in pro-
15	grams and activities carried out under this title
16	shall be compensated at the same rates, includ-
17	ing periodic increases, as trainces or employees
18	who are similarly situated in similar occupa-
19	tions by the same employer and who have simi-
20	lar skills. Such rates shall be in accordance with
21	applicable law, but in no event less than the
22	higher of the rate specified in section $6(a)(1)$ of
23	the Fair Labor Standards Act of 1938 (29
24	U.S.C. 206(a)(1)) or the applicable State or
25	local minimum wage law.

(B) CONSTRUCTION.—The reference in
subparagraph (A) to section $6(a)(1)$ of the Fair
Labor Standards Act of 1938—
(i) shall be deemed to be a reference
to section 6(c) of that Act (29 U.S.C.
$\frac{206(c)}{c}$ for individuals in the Common-
wealth of Puerto Rico;
(ii) shall be deemed to be a reference
to section 6(a)(3) (29 U.S.C. 206(a)(3)) of
that Act for individuals in American
Samoa; and
(iii) shall not be applicable for individ-
uals in other territorial jurisdictions in
which section 6 of the Fair Labor Stand-
ards Act of 1938 (29 U.S.C. 206) does not
apply.
(2) Treatment of allowances, earnings,
AND PAYMENTS.—Allowances, carnings, and pay-
ments to individuals participating in programs and
activities carried out under this title shall not be
considered to be income for the purposes of deter-
mining eligibility for, and the amount of income
transfer and in-kind aid furnished under, any Fed-
eral or federally assisted program based on need,

1	other than as provided under the Social Security Act
2	(42 U.S.C. 301 et seq.).

- 3 (b) LABOR STANDARDS.—
- 4 (1) DISPLACEMENT.

5 (A) PROIHBITION.—A participant in a pro-6 gram or activity authorized under this title (re-7 ferred to in this subsection as a "specified activity") shall not displace (including a partial 8 displacement, such as a reduction in the hours 9 10 of nonovertime work, wages, or employment benefits) any currently employed employee (as 11 12 of the date of the participation).

13 (B) PROHIBITION ON IMPAIRMENT ΘF 14 CONTRACTS.—A specified activity shall not im-15 pair an existing contract for services or collective bargaining agreement, and no such activity 16 17 that would be inconsistent with the terms of a 18 collective bargaining agreement shall be under-19 taken without the written concurrence of the 20 labor organization and employer concerned.

21 (2) OTHER PROHIBITIONS.—A participant in a
 22 specified activity shall not be employed in a job—

23 (A) when any other individual is on layoff
24 from the same or any substantially equivalent
25 job with the participating employer;

1 (B) when the employer has terminated the 2 employment of any regular employee or other-3 wise reduced the workforce of the employer with 4 the intention of filling the vacancy so created 5 with the participant; or 6 (C) that is created in a promotional line 7 that will infringe in any way on the promotional 8 opportunities of currently employed individuals 9 (as of the date of the participation). 10 (3) HEALTH AND SAFETY.—Health and safety 11 standards established under Federal and State law 12 otherwise applicable to working conditions of em-13 ployees shall be equally applicable to working condi-14 tions of participants engaged in specified activities. 15 To the extent that a State workers' compensation 16 law applies, workers' compensation shall be provided 17 to participants on the same basis as the compensa-18 tion is provided to other individuals in the State in 19 similar employment. 20 (4) EMPLOYMENT CONDITIONS.-Individuals in

20 (4) EMPLOYMENT CONDITIONS. — Individuals in
21 on-the-job training or individuals employed in pro22 grams and activities carried out under this title,
23 shall be provided benefits and working conditions at
24 the same level and to the same extent as other train-

1	ces or employees working a similar length of time
2	and doing the same type of work.
3	(5) Opportunity to submit comments.—
4	Consistent with sections 303(d)(2) and 309(c), inter-
5	ested members of the public shall be provided an op-
6	portunity to submit comments with respect to pro-
7	grams and activities proposed to be funded under
8	subtitle A.
9	(c) Grievance Procedure.—
10	(1) IN GENERAL.—Each State receiving an al-
11	lotment under section 302 and each grant recipient
12	under section 361 or 362 shall establish and main-
13	tain a procedure for grievances or complaints alleg-
14	ing violations of the requirements of this title from
15	participants and other interested or affected parties.
16	Such procedure shall include an opportunity for a
17	hearing and be completed within 60 days after the

19 (2) INVESTIGATION.

20 (A) IN GENERAL.—The Secretary shall in21 vestigate an allegation of a violation described
22 in paragraph (1) if—

date of the filing of the grievance or complaint.

23 (i) a decision relating to such violation
24 has not been reached within 60 days after
25 the date of the filing of the grievance or

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1	complaint and either party appeals the de-
2	cision to the Secretary; or
3	(ii) a decision relating to such viola-
4	tion has been reached within 60 days after
5	the date of the filing and the party to
6	which such decision is adverse appeals the
7	decision to the Secretary.
8	(B) ADDITIONAL REQUIREMENT.—The
9	Secretary shall make a final determination re-
10	lating to an appeal made under subparagraph
11	(A) no later than 120 days after the date of
12	such appeal.
13	(3) REMEDIES.—Remedies that may be im-
14	posed under this subsection for a violation of any re-
15	quirement of this title shall be limited—
16	(A) to suspension or termination of pay-
17	ments under this title to a person that has vio-
18	lated any requirement of this title;
19	(B) to prohibition of placement of a partic-
20	ipant with an employer that has violated any
21	requirement of this title;
22	(C) where applicable, to reinstatement of
23	an employee, payment of lost wages and bene-
24	fits, and reestablishment of other relevant

1 terms, conditions and privileges of employment; 2 and 3 (D) where appropriate, to other equitable 4 relief. 5 (4) CONSTRUCTION.—Nothing in paragraph (3) 6 shall be construed to prohibit a grievant or com-7 plainant from pursuing a remedy authorized under 8 another Federal, State, or local law for a violation 9 of this title. 10 (d) RELOCATION. 11 (1) PROHIBITION ON USE OF FUNDS TO EN-12 COURAGE OR INDUCE RELOCATION.—No funds pro-13 vided under this title shall be used, or proposed for 14 use, to encourage or induce the relocation of a busi-15 ness or part of a business if such relocation would 16 result in a loss of employment for any employee of 17 such business at the original location and such origi-18 nal location is within the United States. 19 (2) PROHIBITION ON USE OF FUNDS FOR CUS-20 TOMIZED OR SKILL TRAINING AND RELATED ACTIVI-21 RELOCATION.—No funds provided TIES **AFTER** 22 under this title for an employment and training ac-

tivity shall be used for customized or skill training,
on-the-job training, or company-specific assessments
of job applicants or employees, for any business or

part of a business that has relocated, until the date that is 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business results in a loss of employment for any employee of such business at the original location and such original location is within the United States.

8 (3) REPAYMENT.—If the Secretary determines 9 that a violation of paragraph (1) or (2) has oc-10 curred, the Secretary shall require the State that 11 has violated such paragraph to repay to the United 12 States an amount equal to the amount expended in 13 violation of such paragraph.

(e) LIMITATION ON USE OF FUNDS.—No funds available under this title shall be used for employment generating activities, economic development activities, activities
for the capitalization of businesses, investment in contract
bidding resource centers, or similar activities. No funds
available under subtitle A shall be used for foreign travel.
SEC. 372. PROMPT ALLOCATION OF FUNDS.

21 (a) ALLOTMENTS AND ALLOCATIONS BASED ON LAT22 EST AVAILABLE DATA.—All allotments and allocations
23 under section 302, 306, or 366 shall be based on the latest
24 available data and estimates satisfactory to the Secretary.
25 All data relating to disadvantaged adults, disadvantaged

youth, and low-income individuals shall be based on the
 most recent satisfactory data from the Bureau of the Cen sus.

4 (b) PUBLICATION IN FEDERAL REGISTER RELATING
5 TO FORMULA FUNDS.—Whenever the Secretary allots
6 funds required to be allotted under section 302 or 366,
7 the Secretary shall publish in a timely fashion in the Fed8 eral Register the proposed amount to be distributed to
9 each recipient of the funds.

10 (c) REQUIREMENT FOR FUNDS DISTRIBUTED BY 11 FORMULA.—All funds required to be allotted or allocated under section 302, 306, or 366 shall be allotted or allo-12 eated within 45 days after the date of enactment of the 13 Act appropriating the funds, except that, if such funds are 14 15 appropriated in advance as authorized by section 379(g), such funds shall be allotted or allocated not later than the 16 17 March 31 preceding the program year for which such funds are to be available for obligation. 18

(d) AVAILABILITY OF FUNDS.—Funds shall be made
available under section 306 to the chief elected official for
a local area not later than 30 days after the date the funds
are made available to the Governor involved, under section
302, or 7 days after the date the local plan for the area
is approved, whichever is later.

1 SEC. 373. MONITORING.

2 (a) IN GENERAL.—The Secretary is authorized to 3 monitor all recipients of financial assistance under this 4 title to determine whether the recipients are complying 5 with the provisions of this title, including the regulations 6 issued under this title.

7 (b) INVESTIGATIONS.—The Secretary may inves-8 tigate any matter the Secretary determines to be necessary 9 to determine the compliance of the recipients with this title, including the regulations issued under this title. The 10 investigations authorized by this subsection may include 11 examining records (including making certified copies of 12 the records), questioning employees, and entering any 13 premises or onto any site in which any part of a program 14 or activity of such a recipient is conducted or in which 15 any of the records of the recipient are kept. 16

17 (c) ADDITIONAL REQUIREMENT.—For the purpose of any investigation or hearing conducted under this title by 18 the Secretary, the provisions of section 9 of the Federal 19 Trade Commission Act (15 U.S.C. 49) (relating to the at-20 tendance of witnesses and the production of documents) 21 22 apply to the Secretary, in the same manner and to the 23 same extent as the provisions apply to the Federal Trade Commission. 24

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1 SEC. 374. FISCAL CONTROLS; SANCTIONS.

2 (a) Establishment of Fiscal Controls by 3 States.—

4 (1) IN GENERAL.—Each State shall establish 5 such fiscal control and fund accounting procedures 6 as may be necessary to assure the proper disbursal 7 of, and accounting for, Federal funds allocated to 8 local areas under subtitle A. Such procedures shall 9 ensure that all financial transactions carried out 10 under subtitle A are conducted and records main-11 tained in accordance with generally accepted ac-12 counting principles applicable in each State.

13 (2) REGULATIONS.—The Secretary shall pre-14 seribe regulations establishing uniform cost prin-15 eiples that are substantially equivalent to such prin-16 eiples generally applicable to recipients of Federal 17 grant funds, and are consistent with appropriate cir-18 culars of the Office of Management and Budget. At 19 a minimum, such regulations shall provide that—

20 (A) to be allowable, costs incurred under
21 this title shall—

(i) be necessary and reasonable for
proper and efficient administration of the
programs and activities carried out under
this title;

1 except for the administrative (ii)2 funds described in section 314(e)(2), be al-3 locable to the programs and activities ear-4 ried out under this title; and 5 (iii) not be a general expense required 6 to carry out the overall responsibilities of 7 State or local governments; and 8 (\mathbf{B}) procurement transactions between 9 local partnerships and such governments shall 10 be conducted only on a cost-reimbursable basis. 11 (3) PROCUREMENT STANDARDS.—Each Gov-12 ernor, in accordance with minimum requirements es-13 tablished by the Secretary (after consultation with 14 the Governors) in regulations, shall prescribe and 15 implement procurement standards to ensure fiscal 16 accountability and prevent fraud and abuse in pro-

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18 (4) MONITORING.—The Governor shall conduct
19 onsite monitoring of each local area within the State
20 to ensure compliance with the procurement stand21 ards prescribed pursuant to paragraph (3).

grams and activities carried out under this title.

(5) ACTION BY GOVERNOR.—If the Governor
determines that a local area is not in compliance
with the procurement standards prescribed pursuant
to paragraph (3), the Governor shall—

17

1	(A) require corrective action to secure
2	prompt compliance; and
3	(B) impose the sanctions provided under
4	subsection (b) in the event of failure to take the
5	required corrective action.
6	(6) CERTIFICATION.—The Governor shall, every
7	3 years, certify to the Secretary that—
8	(A) the State has implemented the pro-
9	curement standards prescribed under paragraph
10	(3);
11	(B) the State has monitored local areas to
12	ensure compliance with the procurement stand-
13	ards as required under paragraph (4); and
14	(C) the State has taken appropriate action
15	to secure compliance pursuant to paragraph
16	(5).
17	(7) ACTION BY THE SECRETARY.—If the Sec-
18	retary determines that the Governor has not fulfilled
19	
	the requirements of this subsection, the Secretary
20	the requirements of this subsection, the Secretary shall—
20 21	· · · · ·
	shall—
21	$\frac{(A)}{(A)} \frac{(A)}{(A)} $

1	ernor to take the required appropriate action to
2	secure compliance.
3	(b) Substantial Violation.—
4	(1) ACTION BY GOVERNOR.—If, as a result of
5	a financial or compliance audit or otherwise, the
6	Governor determines that there is a substantial vio-
7	lation of a specific provision of this title, including
8	regulations issued under this title, and corrective ac-
9	tion has not been taken, the Governor shall impose
10	a reorganization plan, which may include—
11	(Λ) decertifying the local partnership in-
12	volved in accordance with section $308(e)(3)$;
13	(B) prohibiting the use of providers who
14	have been identified as eligible providers of
15	workforce investment activities under chapter 3
16	of subtitle A;
17	(C) selecting an alternative entity to ad-
18	minister a program or activity for the local area
19	involved;
20	(D) merging the local area into 1 or more
21	other local areas; or
22	(E) making such other changes as the Sec-
23	retary or Governor determines to be necessary
24	to secure compliance.

1 (2) APPEAL.—The action taken by the Gov-2 ernor pursuant to paragraph (1) may be appealed to 3 the Secretary, who shall make a final decision on the 4 appeal not later than 60 days after the receipt of the 5 appeal.

6 (3) ACTION BY SECRETARY.—If the Governor 7 fails to take promptly the action required under 8 paragraph (1), the Secretary shall take such action. 9 (c) Access by Comptroller General.—For the 10 purpose of evaluating and reviewing programs and activities established or provided for by this title, the Comptrol-11 12 ler General shall have access to and the right to copy any books, accounts, records, correspondence, or other docu-13 ments pertinent to such programs and activities that are 14 in the possession, custody, or control of a State, a local 15 partnership, any recipient of funds under this title, or any 16 subgrantee or contractor of such a recipient. 17

18 (d) Repayment of Certain Amounts to the
19 United States.—

20 (1) IN GENERAL.—Every recipient of funds
21 under this title shall repay to the United States
22 amounts found not to have been expended in accord23 ance with this title.

24 (2) OFFSET OF REPAYMENT. If the Secretary
 25 determines that a State has expended funds made

available under this title in a manner contrary to the
 requirements of this title, the Secretary may offset
 repayment of such expenditures against any other
 amount to which the State is or may be entitled, ex cept as provided under subsection (c)(1).

6 (3)REPAYMENT FROM **DEDUCTION** BY 7 STATE.—If the Secretary requires a State to repay 8 funds as a result of a determination that a localarea 9 of the State has expended funds contrary to the re-10 quirements of this title, the Governor of the State 11 may use an amount deducted under paragraph (4) 12 to repay the funds, except as provided under sub-13 section (e)(1).

(4) DEDUCTION BY STATE.—The Governor may
deduct an amount equal to the misexpenditure deseribed in paragraph (3) from subsequent program
year allocations to the local area from funds reserved for the administrative costs of the local programs involved, as appropriate.

20 (5) LIMITATIONS.—A deduction made by a
21 State as described in paragraph (4) shall not be
22 made until such time as the Governor has taken ap23 propriate corrective action to ensure full compliance
24 within such local area with regard to appropriate ex25 penditures of funds under this title.

(e) Repayment of Amounts.—

1

2 (1) IN GENERAL.—Each recipient of funds 3 under this title shall be liable to repay the amounts 4 described in subsection (d)(1), from funds other 5 than funds received under this title, upon a deter-6 mination by the Secretary that the misexpenditure of funds was due to willful disregard of the require-7 8 ments of this title, gross negligence, failure to ob-9 serve accepted standards of administration, or a pat-10 tern of misexpenditure as described in paragraphs 11 (2) and (3) of subsection (d). No such determination shall be made under this subsection or subsection 12 13 (d) until notice and opportunity for a fair hearing 14 has been given to the recipient.

15 (2) FACTORS IN IMPOSING SANCTIONS.—In de-16 termining whether to impose any sanction author-17 ized by this section against a recipient for violations 18 by a subgrantee or contractor of such recipient 19 under this title (including the regulations issued 20 under this title), the Secretary shall first determine 21 whether such recipient has adequately demonstrated 22 that the recipient has—

23 (A) established and adhered to an appro 24 priate system for the award and monitoring of
 25 grants and contracts with subgrantees and con-

1	tractors that contains acceptable standards for
2	ensuring accountability;
3	(B) entered into a written grant agreement
4	or contract with such subgrantee or contractor
5	that established elear goals and obligations in
6	unambiguous terms;
7	(C) acted with due diligence to monitor the
8	implementation of the grant agreement or con-
9	tract, including the carrying out of the appro-
10	priate monitoring activities (including audits) at
11	reasonable intervals; and
12	(D) taken prompt and appropriate correc-
13	tive action upon becoming aware of any evi-
14	dence of a violation of this title, including regu-
15	lations issued under this title, by such sub-
16	grantee or contractor.
17	(3) WAIVER.—If the Secretary determines that
18	the recipient has demonstrated substantial compli-
19	ance with the requirements of paragraph (2) , the
20	Secretary may waive the imposition of sanctions au-
21	thorized by this section upon such recipient. The
22	Secretary is authorized to impose any sanction con-
23	sistent with the provisions of this title and any ap-
24	plicable Federal or State law directly against any

subgrantee or contractor for violation of this title,
 including regulations issued under this title.

3 (f) IMMEDIATE TERMINATION OR SUSPENSION OF 4 Assistance in Emergency Situations.—In emergency 5 situations, if the Secretary determines it is necessary to protect the integrity of the funds or ensure the proper op-6 7 eration of the program or activity involved, the Secretary 8 may immediately terminate or suspend financial assist-9 ance, in whole or in part, to the recipient if the recipient 10 is given prompt notice and the opportunity for a subsequent hearing within 30 days after such termination or 11 suspension. The Secretary shall not delegate any of the 12 functions or authority specified in this subsection, other 13 than to an officer whose appointment is required to be 14 15 made by and with the advice and consent of the Senate. 16 (g) DISCRIMINATION AGAINST PARTICIPANTS.—If the Secretary determines that any recipient of funds under 17 this title has discharged or in any other manner discrimi-18 nated in violation of section 378 against, a participant or 19 any other individual in connection with the administration 20 21 of the program or activity involved, or any individual be-22 cause such individual has filed any complaint or instituted 23 or caused to be instituted any proceeding under or related 24 to this title, or has testified or is about to testify in any 25 such proceeding or investigation under or related to this 1 title, or otherwise unlawfully denied to any individual a
2 benefit to which that individual is entitled under the provi3 sions of this title, including regulations issued under this
4 title, the Secretary shall, within 30 days after the date
5 of the determination, take such action or order such cor6 rective measures, as may be necessary, with respect to the
7 recipient or the aggrieved individual.

8 (h) REMEDIES.—The remedies described in this see9 tion shall not be construed to be the exclusive remedies
10 available for violations described in this section.

11 SEC. 375. REPORTS; RECORDKEEPING; INVESTIGATIONS.

12 (a) REPORTS.

13 (1) IN GENERAL.—Recipients of funds under 14 this title shall keep records that are sufficient to 15 permit the preparation of reports required by this 16 title and to permit the tracing of funds to a level of 17 expenditure adequate to ensure that the funds have 18 not been spent unlawfully.

19 (2) SUBMISSION TO THE SECRETARY.—Every
20 such recipient shall maintain such records and sub21 mit such reports, in such form and containing such
22 information, as the Secretary may require regarding
23 the performance of programs and activities carried
24 out under this title. Such records and reports shall
25 be submitted to the Secretary but shall not be re-

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1	quired to be submitted more than once each quarter
2	unless specifically requested by Congress or a com-
3	mittee of Congress.
4	(3) MAINTENANCE OF STANDARDIZED
5	RECORDS.—In order to allow for the preparation of
6	the reports required under subsection (c), such re-
7	cipients shall maintain standardized records for all
8	individual participants and provide to the Secretary
9	a sufficient number of such records to provide for an
10	adequate analysis of the records.
11	(4) AVAILABILITY TO THE PUBLIC.
12	(A) IN GENERAL.—Except as provided in
13	subparagraph (B), records maintained by such
14	recipients pursuant to this subsection shall be
15	made available to the public upon request.
16	(B) EXCEPTION.—Subparagraph (A) shall
17	not apply to—
18	(i) information, the disclosure of
19	which would constitute a clearly unwar-
20	ranted invasion of personal privacy; and
21	(ii) trade secrets, or commercial or fi-
22	nancial information, that is obtained from
23	a person and privileged or confidential.
24	(C) FEES TO RECOVER COSTS.—Such re-
25	cipients may charge fees sufficient to recover

	0.10
1	costs applicable to the processing of requests
2	for records under subparagraph (A).
3	(b) INVESTIGATIONS OF USE OF FUNDS.
4	(1) IN GENERAL.—
5	(A) SECRETARY.—In order to evaluate
6	compliance with the provisions of this title, the
7	Secretary shall conduct, in several States, in
8	each fiscal year, investigations of the use of
9	funds received by recipients under this title.
10	(B) Comptroller general of the
11	UNITED STATES.—In order to ensure compli-
12	ance with the provisions of this title, the Comp-
13	troller General of the United States may con-
14	duct investigations of the use of funds received
15	under this title by any recipient.
16	(2) Prohibition.—In conducting any inves-
17	tigation under this title, the Secretary or the Comp-
18	troller General of the United States may not request
19	the compilation of any information that the recipient
20	is not otherwise required to compile and that is not
21	readily available to such recipient.
22	(3) AUDITS.—
23	(A) IN GENERAL.—In carrying out any
24	audit under this title (other than any initial
25	audit survey or any audit investigating possible

1 criminal or fraudulent conduct), either directly 2 or through grant or contract, the Secretary, the 3 Inspector General of the Department of Labor, 4 or the Comptroller General of the United States 5 shall furnish to the State, recipient, or other 6 entity to be audited, advance notification of the 7 overall objectives and purposes of the audit, and 8 any extensive recordkeeping or data require-9 ments to be met, not later than 14 days (or as 10 soon as practicable), prior to the commence-11 ment of the audit. (B) NOTIFICATION REQUIREMENT.—If the 12 13 scope, objectives, or purposes of the audit 14 change substantially during the course of the 15 audit, the entity being audited shall be notified 16 of the change as soon as practicable. 17 (C) ADDITIONAL REQUIREMENT.—The re-18 ports on the results of such audits shall eite the 19 law, regulation, policy, or other criteria applica-20 ble to any finding contained in the reports. (D) RULE OF CONSTRUCTION.-Nothing 21 22 contained in this title shall be construed so as 23 to be inconsistent with the Inspector General 24 Act of 1978 (5 U.S.C. App.) or government au-

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diting standards issued by the Comptroller Gen-
eral of the United States.
(c) Accessibility of Reports.—Each State, each
local partnership, and each recipient (other than a sub-
recipient, subgrantee, or contractor of a recipient) receiv-
ing funds under this title shall—
(1) make readily accessible such reports con-
cerning its operations and expenditures as shall be
prescribed by the Secretary;
(2) prescribe and maintain comparable manage-
ment information systems, in accordance with guide-
lines that shall be prescribed by the Secretary, de-
signed to facilitate the uniform compilation, cross
tabulation, and analysis of programmatic, partici-
pant, and financial data, on statewide, local area,
and other appropriate bases, necessary for reporting,
monitoring, and evaluating purposes, including data
necessary to comply with section 378; and
(3) monitor the performance of providers in
complying with the terms of grants, contracts, or
other agreements made pursuant to this title.
(d) Information To Be Included in Reports.—
(1) IN GENERAL.—The reports required in sub-
section (e) shall include information regarding pro-

1	grams and activities carried out under this title per-
2	taining to—
3	(A) the relevant demographic characteris-
4	tics (including race, ethnicity, sex, and age) and
5	other related information regarding partici-
6	pants;
7	(B) the programs and activities in which
8	participants are enrolled, and the length of time
9	that participants are engaged in such programs
10	and activities;
11	(C) outcomes of the programs and activi-
12	ties for participants, including the occupations
13	of participants, and placement for participants
14	in nontraditional employment;
15	(D) specified costs of the programs and ac-
16	tivities; and
17	(E) information necessary to prepare re-
18	ports to comply with section 378.
19	(2) Additional requirement.—The Sec-
20	retary shall ensure that all elements of the informa-
21	tion required for the reports described in paragraph
22	(1) are defined and reported uniformly.
23	(c) RETENTION OF RECORDS.—The Governor of a
24	State that receives funds under this title shall ensure that
25	requirements are established for retention of all records

of the State pertinent to all grants awarded, and contracts 1 and agreements entered into, under this title, including 2 financial, statistical, property, and participant records and 3 4 supporting documentation. For funds allotted to a State 5 under this title for any program year, the State shall retain the records for 2 subsequent program years. The 6 7 State shall retain records for nonexpendable property that 8 is used to carry out this title for a period of 3 years after 9 final disposition of the property.

10 (f) QUARTERLY FINANCIAL REPORTS.—

11 (1) IN GENERAL.—Each local partnership in 12 the State shall submit quarterly financial reports to 13 the Governor with respect to programs and activities 14 carried out under this title. Such reports shall in-15 elude information identifying all program and activ-16 ity costs by cost category in accordance with gen-17 erally accepted accounting principles and by year of 18 the appropriation involved.

19 (2) ADDITIONAL REQUIREMENT.—Each State
20 shall submit to the Secretary, on a quarterly basis,
21 a summary of the reports submitted to the Governor
22 pursuant to paragraph (1).

23 (g) MAINTENANCE OF ADDITIONAL RECORDS.
24 Each State and local partnership shall maintain records

with respect to programs and activities carried out under
 this title that identify—

3 (1) any income or profits earned, including such
4 income or profits earned by subrecipients; and

5 (2) any costs incurred (such as stand-in costs)
6 that are otherwise allowable except for funding limi7 tations.

8 (h) COST CATEGORIES.—In requiring entities to 9 maintain records of costs by category under this title, the 10 Secretary shall require only that the costs be categorized 11 as administrative or programmatic costs.

12 SEC. 376. ADMINISTRATIVE ADJUDICATION.

13 (a) IN GENERAL.—Whenever any applicant for financial assistance under this title is dissatisfied because the 14 15 Secretary has made a determination not to award financial assistance in whole or in part to such applicant, the appli-16 17 eant may request a hearing before an administrative law judge of the Department of Labor. A similar hearing may 18 also be requested by any recipient for whom a corrective 19 20 action has been required or a sanction has been imposed by the Secretary under section 374. Except to the extent 21 22 provided for in section 371(e) or 378, all other disputes arising under this title relating to the manner in which 23 24 the recipient carries out a program or activity under this 25 title shall be adjudicated under grievance procedures established by the recipient or under applicable law other
 than this title.

3 (b) APPEAL.—The decision of the administrative law judge shall constitute final action by the Secretary unless, 4 within 20 days after receipt of the decision of the adminis-5 trative law judge, a party dissatisfied with the decision or 6 any part of the decision has filed exceptions with the Sec-7 8 retary specifically identifying the procedure, fact, law, or 9 policy to which exception is taken. Any exception not spe-10 eifically urged shall be deemed to have been waived. After the 20-day period the decision of the administrative law 11 12 judge shall become the final decision of the Secretary unless the Secretary, within 30 days after such filing, has 13 notified the parties that the case involved has been accept-14 15 ed for review.

16 (c) TIME LIMIT.—Any case accepted for review by 17 the Secretary under subsection (b) shall be decided within 18 180 days after such acceptance. If the case is not decided 19 within the 180-day period, the decision of the administra-20 tive law judge shall become the final decision of the Sec-21 retary at the end of the 180-day period.

22 (d) ADDITIONAL REQUIREMENT.—The provisions of
23 section 377 shall apply to any final action of the Secretary
24 under this section.

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1 SEC. 377. JUDICIAL REVIEW.

2 (a) <u>REVIEW.</u>

3 (1) <u>PETITION.—With respect to any final order</u> 4 by the Secretary under section 376 by which the 5 Secretary awards, declines to award, or only condi-6 tionally awards, financial assistance under this title, 7 or any final order of the Secretary under section 376 8 with respect to a corrective action or sanction im-9 posed under section 374, any party to a proceeding 10 which resulted in such final order may obtain review 11 of such final order in the United States Court of Ap-12 peals having jurisdiction over the applicant or recipi-13 ent of funds involved, by filing a review petition 14 within 30 days after the date of issuance of such 15 final order.

16 (2) ACTION ON PETITION.—The elerk of the 17 court shall transmit a copy of the review petition to 18 the Secretary who shall file the record on which the 19 final order was entered as provided in section 2112 20 of title 28, United States Code. The filing of a re-21 view petition shall not stay the order of the See-22 retary, unless the court orders a stay. Petitions filed 23 under this subsection shall be heard expeditiously, if 24 possible within 10 days after the date of filing of a 25 reply to the petition.

1(3) STANDARD AND SCOPE OF REVIEW. No2objection to the order of the Secretary shall be con-3sidered by the court unless the objection was specifi-4cally urged, in a timely manner, before the Sec-5retary. The review shall be limited to questions of6law and the findings of fact of the Secretary shall7be conclusive if supported by substantial evidence.

8 (b) JUDGMENT.—The court shall have jurisdiction to 9 make and enter a decree affirming, modifying, or setting 10 aside the order of the Secretary in whole or in part. The 11 judgment of the court regarding the order shall be final, 12 subject to certiorari review by the Supreme Court as pro-13 vided in section 1254(1) of title 28, United States Code. 14 SEC. 378. NONDISCRIMINATION.

15 (a) PROHIBITED DISCRIMINATION.

16 (1) PROHIBITION ON DISCRIMINATION IN FED-17 ERAL PROGRAMS AND ACTIVITIES.—For the purpose 18 of applying the prohibitions against discrimination 19 on the basis of age under the Age Discrimination 20 Act of 1975 (42 U.S.C. 6101 et seq.), on the basis 21 of disability under section 504 of the Rehabilitation 22 Act of 1973 (29 U.S.C. 794), on the basis of sex 23 under title IX of the Education Amendments of 24 1972 (20 U.S.C. 1681 et seq.), or on the basis of 25 race, color, or national origin under title VI of the

Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.),
 programs and activities funded in whole or in part
 under this title shall be considered to be programs
 and activities receiving Federal financial assistance,
 and education programs and activities receiving Fed eral financial assistance.

7 (2) Prohibition of discrimination regard-8 PARTICIPATION, BENEFITS, ING AND EMPLOY-9 MENT.--No individual shall be excluded from par-10 ticipation in, denied the benefits of, subjected to dis-11 erimination under, or denied employment in the ad-12 ministration of or in connection with, any such pro-13 gram or activity because of race, color, religion, sex, 14 national origin, age, disability, or political affiliation 15 or belief.

16 (3) PROHIBITION ON ASSISTANCE FOR FACILI17 THES FOR SECTARIAN INSTRUCTION OR RELIGIOUS
18 WORSHIP.—Participants shall not be employed under
19 this title to carry out the construction, operation, or
20 maintenance of any part of any facility that is used
21 or to be used for sectarian instruction or as a place
22 for religious worship.

23 (4) PROHIBITION ON DISCRIMINATION ON BASIS
24 OF PARTICIPANT STATUS.—No person may discrimi25 nate against an individual who is a participant in a

1	program or activity that receives funds under this
2	title, with respect to the terms and conditions affect-
3	ing, or rights provided to, the individual, solely be-
4	cause of the status of the individual as a participant,
5	in carrying out any endeavor that involves—
6	(Λ) participants in programs and activities
7	that receive funding under this title; and
8	(B) persons who receive no assistance
9	under this title.
10	(5) Prohibition on discrimination against
11	CERTAIN NONCITIZENS.—Participation in programs
12	and activities or receiving funds under this title shall
13	be available to citizens and nationals of the United
14	States, lawfully admitted permanent resident aliens,
15	refugees, asylees, and parolees, other aliens lawfully
16	present in the United States, and other individuals
17	authorized by the Attorney General to work in the
18	United States.
19	(b) Action of Secretary.—Whenever the Sec-
20	retary finds that a State or other recipient of funds under
21	this title has failed to comply with a provision of law re-
22	ferred to in subsection $(a)(1)$, or with paragraph (2) , (3) ,
23	(4), or (5) of subsection (a), including an applicable regu-
24	lation prescribed to carry out such provision or paragraph,

25 the Secretary shall notify such State or recipient and shall

request that the State or recipient comply. If within a rea sonable period of time, not to exceed 60 days, the State
 or recipient fails or refuses to comply, the Secretary
 may—

5 (1) refer the matter to the Attorney General
6 with a recommendation that an appropriate civil ac7 tion be instituted;

8 (2) exercise the powers and functions provided 9 to the head of a Federal department or agency 10 under the Age Discrimination Act of 1975, title V 11 of the Rehabilitation Act of 1973 (29 U.S.C. 791 et 12 seq.), title IX of the Education Amendments of 13 1972, or title VI of the Civil Rights Act of 1964, as 14 may be applicable; or

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

17 (c) ACTION OF ATTORNEY GENERAL.—When a matter is referred to the Attorney General pursuant to sub-18 section (b)(1), or whenever the Attorney General has rea-19 son to believe that a State or other recipient of funds 20 21 under this title is engaged in a pattern or practice of discrimination in violation of a provision of law referred to 22 in subsection (a)(1) or in violation of paragraph (2), (3), 23 (4), or (5) of subsection (a), the Attorney General may 24 25 bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, in eluding injunctive relief.

3 (d) JOB CORPS MEMBERS.—For purposes of this sec4 tion, Job Corps members shall be considered as the ulti5 mate beneficiaries of an education program or activity re6 ceiving Federal financial assistance.

7 SEC. 379. ADMINISTRATIVE PROVISIONS.

8 (a) IN GENERAL.—The Secretary may, in accordance 9 with chapter 5 of title 5, United States Code, prescribe 10 rules and regulations to earry out this title to the extent necessary to implement, administer, and ensure compli-11 ance with the requirements of this title. Such rules and 12 regulations may include provisions making adjustments 13 authorized by section 6504 of title 31, United States Code. 14 All such rules and regulations shall be published in the 15 Federal Register at least 30 days prior to their effective 16 dates. Copies of each such rule or regulation shall be 17 transmitted to the appropriate committees of Congress on 18 the date of such publication and shall contain, with respect 19 20 to each material provision of such rule or regulation, a 21 eitation to the particular substantive section of law that 22 is the basis for the provision.

23 (b) Acquisition of Certain Property and Serv24 ICES.—The Secretary is authorized, in carrying out this
25 title, to accept, purchase, or lease in the name of the De-

partment of Labor, and employ or dispose of in further ance of the purposes of this title, any money or property,
 real, personal, or mixed, tangible or intangible, received
 by gift, devise, bequest, or otherwise, and to accept vol untary and uncompensated services notwithstanding the
 provisions of section 1342 of title 31, United States Code.
 (c) AUTHORITY TO ENTER INTO CERTAIN AGREE-

8 MENTS AND TO MAKE CERTAIN EXPENDITURES.—The 9 Secretary may make such grants, enter into such con-10 tracts or agreements, establish such procedures, and make such payments, in installments and in advance or by way 11 of reimbursement, or otherwise allocate or expend such 12 funds under this title, as may be necessary to carry out 13 this title, including making expenditures for construction, 14 15 repairs, and capital improvements, and including making necessary adjustments in payments on account of over-16 17 payments or underpayments.

(d) ANNUAL REPORT.—The Secretary shall prepare
and submit to Congress an annual report regarding the
programs and activities carried out under this title. The
Secretary shall include in such report—

(1) a summary of the achievements, failures,
and problems of the programs and activities in meeting the objectives of this title;

(2) a summary of major findings from research,
 evaluations, pilot projects, and experiments con ducted under this title in the fiscal year prior to the
 submission of the report;

5 (3) recommendations for modifications in the
6 programs and activities based on analysis of such
7 findings; and

8 (4) such other recommendations for legislative
9 or administrative action as the Secretary determines
10 to be appropriate.

11 (e) UTILIZATION OF SERVICES AND FACILITIES. 12 The Secretary is authorized, in carrying out this title, under the same procedures as are applicable under sub-13 section (e) or to the extent permitted by law other than 14 15 this title, to accept and use the services and facilities of departments, agencies, and establishments of the United 16 States. The Secretary is also authorized, in carrying out 17 this title, to accept and use the services and facilities of 18 the agencies of any State or political subdivision of a 19 State, with the consent of the State or political subdivi-20 21 sion.

22 (f) OBLIGATIONAL AUTHORITY.—Notwithstanding 23 any other provision of this title, the Secretary shall have 24 no authority to enter into contracts, grant agreements, or 25 other financial assistance agreements under this title except to such extent and in such amounts as are provided
 in advance in appropriations Acts.

3 (g) PROGRAM YEAR.

4 (1) IN GENERAL.—Appropriations for any fiscal
5 year for programs and activities carried out under
6 this title shall be available for obligation only on the
7 basis of a program year. The program year shall
8 begin on July 1 in the fiscal year for which the ap9 propriation is made.

10 (2) AVAILABILITY.—Funds obligated for any 11 program year for a program or activity carried out 12 under this title may be expended by each State re-13 ceiving such funds during that program year and the 14 2 succeeding program years. Funds received by local 15 areas from States under this title during a program 16 year may be expended during that program year and 17 the succeeding program year. No amount of the 18 funds described in this paragraph shall be 19 deobligated on account of a rate of expenditure that 20 is consistent with a State plan, an operating plan 21 described in section 341, or a plan, grant agreement, 22 contract, application, or other agreement described 23 in subtitle C, as appropriate.

24 (h) ENFORCEMENT OF MILITARY SELECTIVE SERV25 ICE ACT.—The Secretary shall ensure that each individual

participating in any program or activity established under 1 this title, or receiving any assistance or benefit under this 2 title, has not violated section 3 of the Military Selective 3 4 Service Act (50 U.S.C. App. 453) by not presenting and 5 submitting to registration as required pursuant to such section. The Director of the Selective Service System shall 6 cooperate with the Secretary to enable the Secretary to 7 8 earry out this subsection.

9 (i) WAIVERS.

(1) SPECIAL RULE.—With respect to a State 10 11 that has been granted a waiver under the provisions 12 relating to training and employment services of the 13 Department of Labor in title I of the Departments 14 of Labor, Health and Human Services, and Edu-15 cation, and Related Agencies Appropriations Act, 16 1997 (Public Law 104–208; 110 Stat. 3009–234), 17 the authority provided under such waiver shall con-18 tinue in effect and apply, and include a waiver of the 19 related provisions of subtitle A and this subtitle, for 20 the duration of the initial waiver.

21 (2) GENERAL AUTHORITY. Notwithstanding
22 any other provision of law, the Secretary may waive
23 for a State, or a local area in a State, pursuant to
24 a request submitted by the Governor of the State (in

1	consultation with appropriate local elected officials)
2	that meets the requirements of paragraph (3)—
3	(A) any of the statutory or regulatory re-
4	quirements of subtitle A or this subtitle (except
5	for requirements relating to wage and labor
6	standards, worker rights, participation and pro-
7	tection of participants, grievance procedures
8	and judicial review, nondiscrimination, alloca-
9	tion of funds to local areas, eligibility of provid-
10	ers or participants, and the establishment and
11	functions of local areas); and
12	(B) any of the statutory or regulatory re-
13	quirements of sections 8 through 10 of the
14	Wagner-Peyser Act (29 U.S.C. 49g through
15	49i) (excluding requirements relating to the
16	provision of services to unemployment insurance
17	claimants (including veterans) but including re-
18	porting requirements relating to such provision
19	of services, and excluding requirements relating
20	to universal access to basic labor exchange serv-
21	ices without cost to jobseckers).
22	(3) Requests.—A Governor requesting a waiv-
23	or under personant (9) shall submit a plan to the

er under paragraph (2) shall submit a plan to the
Secretary to improve the statewide workforce investment system that—

1	(A) identifies the statutory or regulatory
2	requirements that are requested to be waived
3	and the goals that the State or local area in the
4	State, as appropriate, intends to achieve as a
5	result of the waiver;
6	(B) describes the actions that the State or
7	local area, as appropriate, has undertaken to
8	remove State or local statutory or regulatory
9	barriers;
10	(C) describes the goals of the waiver and
11	the expected programmatic outcomes if the re-
12	quest is granted;
13	(D) describes the individuals impacted by
14	the waiver; and
15	(E) describes the process used to monitor
16	the progress in implementing such a waiver,
17	and the process by which notice and an oppor-
18	tunity to comment on such request has been
19	provided to the organizations identified in sec-
20	tion $308(b)(2)$.
21	(4) CONDITIONS.—Not later than 90 days after
22	the date of the original submission of a request for
23	a waiver under paragraph (2), the Secretary shall
24	provide a waiver under this subsection if and only to
25	the extent that—

1	(A) the Secretary determines that the re-
2	quirements requested to be waived impede the
3	ability of the State or local area, as appro-
4	priate, to implement the plan described in para-
5	graph (3); and

6 (B) the State has executed a memorandum 7 of understanding with the Secretary requiring 8 such State to meet, or ensure that the local 9 area meets, agreed-upon outcomes and to im-10 plement other appropriate measures to ensure 11 accountability.

12 SEC. 380. STATE LEGISLATIVE AUTHORITY.

13 (a) AUTHORITY OF STATE LEGISLATURE.—Nothing in this title shall be interpreted to preclude the enactment 14 15 of State legislation providing for the implementation, consistent with the provisions of this title, of the activities 16 17 assisted under this title. Any funds received by a State under this title shall be subject to appropriation by the 18 State legislature, consistent with the terms and conditions 19 20 required under this title.

21 (b) INTERSTATE COMPACTS AND COOPERATIVE 22 AGREEMENTS.—In the event that compliance with provi-23 sions of this title would be enhanced by compacts and co-24 operative agreements between States, the consent of Con-25 gress is given to States to enter into such compacts and agreements to facilitate such compliance, subject to the
 approval of the Secretary.

3 Subtitle E—Repeals and 4 Conforming Amendments

5 SEC. 391. REPEALS.

6 (a) GENERAL IMMEDIATE REPEALS. The following
7 provisions are repealed:

8 (1) Section 204 of the Immigration Reform and
9 Control Act of 1986 (8 U.S.C. 1255a note).

 10
 (2) Title H of Public Law 95–250 (92 Stat.

 11
 172).

12 (3) The Displaced Homemakers Self-Sufficiency
 13 Assistance Act (29 U.S.C. 2301 et seq.).

14 (4) Section 211 of the Appalachian Regional
15 Development Act of 1965 (40 U.S.C. App. 211).

16 (5) Subtitle C of title VII of the Stewart B.
17 McKinney Homeless Assistance Act (42 U.S.C.
18 11441 et seq.), except section 738 of such title (42
19 U.S.C. 11448).

20 (6) Subchapter I of chapter 421 of title 49,
21 United States Code.

22 (b) SUBSEQUENT REPEALS.—The following provi23 sions are repealed:

24 (1) The Job Training Partnership Act (29)
25 U.S.C. 1501 et seq.).

(2) Title VII of the Stewart B. McKinney
 Homeless Assistance Act (42 U.S.C. 11421 et seq.),
 except subtitle B and section 738 of such title (42
 U.S.C. 11431 et seq. and 11448).

5 SEC. 392. CONFORMING AMENDMENTS.

6 (a) PREPARATION.—After consultation with the ap-7 propriate committees of Congress and the Director of the 8 Office of Management and Budget, the Secretary shall 9 prepare recommended legislation containing technical and 10 conforming amendments to reflect the changes made by 11 this subtitle.

12 (b) SUBMISSION TO CONGRESS.—Not later than 6 13 months after the date of enactment of this Act, the Sec-14 retary shall submit to Congress the recommended legisla-15 tion referred to under paragraph (1).

16 SEC. 393. EFFECTIVE DATES.

17 (a) IMMEDIATE REPEALS.—The repeals made by sec18 tion 391(a) shall take effect on the date of the enactment
19 of this Act.

20 (b) SUBSEQUENT REPEALS.—The repeals made by
21 section 391(b) shall take effect on July 1, 1999.

1	TITLE IV—WORKFORCE INVEST-
2	MENT-RELATED ACTIVITIES
3	Subtitle A—Wagner-Peyser Act
4	SEC. 401. DEFINITIONS.
5	Section 2 of the Wagner-Peyser Act (29 U.S.C. 49a)
6	is amended—
7	(1) in paragraph (1)—
8	(A) by striking "or officials"; and
9	(B) by striking "Job Training Partnership
10	Act" and inserting "Workforce Investment
11	Partnership Act of 1997";
12	(2) by striking paragraphs (2) and (4);
13	(3) by redesignating paragraphs (3) and (5) as
14	paragraphs (5) and (6), respectively;
15	(4) by inserting after paragraph (1) the follow-
16	ing:
17	${}(2)$ the term 'local workforce investment area'
18	means a local workforce investment area designated
19	under section 307 of the Workforce Investment
20	Partnership Act of 1997;
21	${}$ (3) the term 'local workforce investment part-
22	nership' means a local workforce investment partner-
23	ship established under section 308 of the Workforce
24	Investment Partnership Act of 1997;

1 ^{('(4)} the term 'one-stop customer service sys-2 tem' means a one-stop customer service system es-3 tablished under section 315(b) of the Workforce In-4 vestment Partnership Act of 1997;"; and

5 (5) in paragraph (5) (as redesignated in para6 graph (3)), by striking the semicolon and inserting
7 "; and".

8 SEC. 402. FUNCTIONS.

9 (a) IN GENERAL. Section 3(a) of the Wagner10 Peyser Act (29 U.S.C. 49b(a)) is amended to read as fol11 lows:

12 <u>"(a) The Secretary shall</u>

13 "(1) assist in the coordination and development 14 of a nationwide system of public labor exchange 15 services, provided as part of the one-stop customer 16 service systems of the States;

17 <u>"(2)</u> assist in the development of continuous 18 improvement models for such nationwide system that 19 ensure private sector satisfaction with the system 20 and meet the demands of jobseekers relating to the 21 system; and

22 <u>"(3) ensure, for individuals otherwise eligible to</u>
 23 receive unemployment compensation, the provision of
 24 reemployment services and other activities in which

1	the individuals are required to participate to receive
2	the compensation.".
3	(b) Conforming Amendments.—Section 508(b)(1)
4	of the Unemployment Compensation Amendments of 1976
5	(42 U.S.C. 603a(b)(1)) is amended—
6	(1) by striking "the third sentence of section
7	3(a)" and inserting "section 3(b)"; and
8	(2) by striking "49b(a)" and inserting
9	<u>"49b(b))".</u>
10	SEC. 403. DESIGNATION OF STATE AGENCIES.
11	Section 4 of the Wagner-Peyser Act (29 U.S.C. 49c)
12	is amended —
13	(1) by striking ", through its legislature," and
14	inserting ", pursuant to State statute,";
15	(2) by inserting after "the provisions of this Act
16	and" the following: ", in accordance with such State
17	statute, the Governor shall"; and
18	(3) by striking "United States Employment
19	Service" and inserting "Secretary".
20	SEC. 404. APPROPRIATIONS.
21	Section 5(c) of the Wagner-Peyser Act (29 U.S.C.
22	49d(c)) is amended by striking paragraph (3).
23	SEC. 405. DISPOSITION OF ALLOTTED FUNDS.
24	Section 7 of the Wagner-Peyser Act (29 U.S.C. 49f)
25	is amended—

1	(1) in subsection $(b)(2)$, by striking "private in-
2	dustry council" and inserting "local workforce in-
3	vestment partnership";
4	(2) in subsection $(c)(2)$, by striking "any pro-
5	gram under" and all that follows and inserting "any
6	workforce investment activity carried out under the
7	Workforce Investment Partnership Act of 1997.";
8	(3) in subsection (d) —
9	(A) by striking "United States Employ-
10	ment Service" and inserting "Secretary"; and
11	(B) by striking "Job Training Partnership
12	Act" and inserting "Workforce Investment
13	Partnership Act of 1997"; and
14	(4) by adding at the end the following:
15	"(e) All job search, placement, recruitment, labor
16	market information, and other labor exchange services au-
17	thorized under subsection (a) shall be provided as part of
18	the one-stop customer service system established by the
19	State.".
20	SEC. 406. STATE PLANS.
21	Section 8 of the Wagner-Peyser Act (29 U.S.C. 49g)
22	is amended—
23	(1) in subsection (a) to read as follows:
24	"(a) Any State desiring to receive assistance under
25	this Act shall submit to the Secretary, as part of the State

1	plan submitted under section 304 of the Workforce Invest-
2	ment Partnership Act of 1997, detailed plans for carrying
3	out the provisions of this Act within such State.";
4	(2) by striking subsections (b), (c), and (c);
5	(3) by redesignating subsection (d) as sub-
6	section (b); and
7	(4) by adding at the end the following:
8	"(e) The part of the State plan described in sub-
9	section (a) shall include the information described in para-
10	graphs (8) and (16) of section 304(b) of the Workforce
11	Investment Partnership Act of 1997.".
12	SEC. 407. REPEAL OF FEDERAL ADVISORY COUNCIL.
13	Section 11 of the Wagner-Peyser Act (29 U.S.C. 49j)
14	is hereby repealed.
15	SEC. 408. REGULATIONS.
	SEC. 400. RECOLATIONS.
16	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k)
17	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k)
17	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval
17 18	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Sec-
17 18 19	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Sec- retary".
17 18 19 20	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Sec- retary". SEC. 409. LABOR MARKET INFORMATION.
 17 18 19 20 21 	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Sec- retary". SEC. 409. LABOR MARKET INFORMATION. The Wagner-Peyser Act is amended—
 17 18 19 20 21 22 	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Sec- retary". SEC. 409. LABOR MARKET INFORMATION. The Wagner-Peyser Act is amended— (1) by redesignating section 15 (29 U.S.C. 49
 17 18 19 20 21 22 23 	Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Sec- retary". SEC. 409. LABOR MARKET INFORMATION. The Wagner-Peyser Act is amended— (1) by redesignating section 15 (29 U.S.C. 49 note) as section 16; and

1 "SEC. 15. LABOR MARKET INFORMATION.

2	· (a)	SVOTEM	CONTENT
4	$-\pi a \tau$	DIDIEM	OONTENT.

3 "(1) IN GENERAL.—The Secretary, in accord4 ance with the provisions of this section, shall oversee
5 the development, maintenance, and continuous im6 provement of a system of labor market information
7 that includes—

8 "(A) statistical data from cooperative sta-9 tistical survey and projection programs and 10 data from administrative reporting systems 11 that, taken together, enumerate, estimate, and 12 project the employment opportunities at the na-13 tional, State, and local levels in a timely man-14 ner, including data on—

15 <u>"(i) employment and unemployment</u>
16 status of the national, State, and local
17 populations, as such data are developed by
18 the Bureau of Labor Statistics and other
19 sources;

20 "(ii) industrial distribution of occupa21 tions, as well as current and projected em22 ployment opportunities and skill trends by
23 occupation and industry, with particular
24 attention paid to State and local employ25 ment opportunities;

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1	"(iii) data on the incidence of, indus-
2	trial and geographical location of, and
3	number of workers displaced by, perma-
4	nent layoffs and plant closings; and
5	"(iv) employee information maintained
6	in a longitudinal manner and collected (as
7	of the date of enactment of the Workforce
8	Investment Partnership Act of 1997) by
9	States;
10	"(B) State and local employment informa-
11	tion, and other appropriate statistical data re-
12	lated to labor market dynamics (compiled for
13	States and localities with technical assistance
14	provided by the Secretary), which shall—
15	"(i) be current and comprehensive, as
16	of the date used;
17	"(ii) assist individuals to make in-
18	formed choices relating to employment and
19	training; and
20	"(iii) assist employers to locate, iden-
21	tify skill traits of, and train individuals
22	who are seeking employment and training;
23	"(C) technical standards (which the Sec-
24	retary shall make publicly available) for data
25	and information described in subparagraphs (A)

1	and (B) that, at a minimum, meet the criteria
2	of chapter 35 of title 44, United States Code;
3	"(D) procedures to ensure compatibility
4	and additivity of the data and information de-
5	scribed in subparagraphs (A) and (B) from na-
6	tional, State, and local levels;
7	"(E) procedures to support standardization
8	and aggregation of data from administrative re-
9	porting systems described in subparagraph (A)
10	of employment-related programs;
11	"(F) analysis of data and information de-
12	scribed in subparagraphs (A) and (B) for uses
13	such as State and local policymaking;
14	"(G) wide dissemination of such data, in-
15	formation, and analysis, training for users of
16	the data, information, and analysis, and vol-
17	untary technical standards for dissemination
18	mechanisms; and
19	"(H) programs of—
20	"(i) research and demonstration; and
21	"(ii) technical assistance for States
22	and localities.
23	"(2) INFORMATION TO BE CONFIDENTIAL.

1	"(A) IN GENERAL.—No officer or em-
2	ployee of the Federal Government or agent of
3	the Federal Government may—
4	"(i) use any submission that is fur-
5	nished for exclusively statistical purposes
6	under the provisions of this section for any
7	purpose other than the statistical purposes
8	for which the submission is furnished;
9	"(ii) make any publication or media
10	transmittal of the data contained in the
11	submission described in clause (i) that per-
12	mits information concerning individual
13	subjects to be reasonably inferred by either
14	direct or indirect means; or
15	"(iii) permit anyone other than a
16	sworn officer, employee, or agent of any
17	Federal department or agency, or a con-
18	tractor (including an employee of a con-
19	tractor) of such department or agency, to
20	examine an individual submission described
21	in elause (i);
22	without the consent of the individual, agency, or
23	other person who is the subject of the submis-
24	sion or provides that submission.

1 "(B) Immunity from legal process.— 2 Any submission (including any data derived 3 from the submission) that is collected and re-4 tained by a Federal department or agency, or 5 an officer, employee, agent, or contractor of 6 such a department or agency, for exclusively 7 statistical purposes under this section shall be 8 immune from the legal process and shall not, 9 without the consent of the individual, agency, or 10 other person who is the subject of the submis-11 sion or provides that submission, be admitted 12 as evidence or used for any purpose in any ac-13 tion, suit, or other judicial or administrative 14 proceeding.

15 <u>"(C)</u> CONSTRUCTION.—Nothing in this 16 section shall be construed to provide immunity 17 from the legal process for such submission (in-18 eluding any data derived from the submission) 19 if the submission is in the possession of any 20 person, agency, or entity other than the Federal 21 Government or an officer, employee, agent, or 22 contractor of the Federal Government, or if the 23 submission is independently collected, retained, 24 or produced for purposes other than the pur-25 poses of this Act.

1 ^{"(b)} System Responsibilities.—

2	"(1) IN GENERAL.—The labor market informa-
3	tion system shall be planned, administered, overseen,
4	and evaluated through a cooperative governance
5	structure involving the Federal Government and
6	States.
7	${}(2)$ DUTIES.—The Secretary, with respect to
8	data collection, analysis, and dissemination of labor
9	market information for the system, shall carry out
10	the following duties:
11	${(A)}$ Assign responsibilities within the De-
12	partment of Labor for elements of the system
13	described in subsection (a) to ensure that all
14	statistical and administrative data collected is
15	consistent with appropriate Bureau of Labor
16	Statistics standards and definitions.
17	${(B)}$ Actively seek the cooperation of other
18	Federal agencies to establish and maintain
19	mechanisms for ensuring complementarity and
20	nonduplication in the development and oper-
21	ation of statistical and administrative data col-
22	lection activities.
23	"(C) Eliminate gaps and duplication in
24	statistical undertakings, with the systemization

of wage surveys as an early priority.

25

1	"(D) In collaboration with the Bureau of
2	Labor Statistics and States, develop and main-
3	tain the elements of the system described in
4	subsection (a), including the development of
5	consistent definitions for use by the States in
6	collecting the data and information described in
7	subparagraphs (A) and (B), of subsection
8	(a)(1) and the development of the annual plan
9	under subsection (c).
10	${(E)}$ Establish procedures for the system
11	to ensure that—
12	"(i) such data and information are
13	timely;
14	"(ii) administrative records for the
15	system are consistent in order to facilitate
16	aggregation of such data and information;
17	"(iii) paperwork and reporting for the
18	system are reduced to a minimum; and
19	"(iv) States and localities are fully in-
20	volved in the maintenance and continuous
21	improvement of the system at the State
22	and local levels.
23	"(c) ANNUAL PLAN.—The Secretary, with the assist-
24	ance of the States and the Bureau of Labor Statistics,
25	and with the assistance of other appropriate Federal agen-

cies, shall prepare an annual plan which shall be the mech anism for achieving cooperative management of the na tionwide labor market information system described in
 subsection (a) and the statewide labor market information
 systems that comprise the nationwide system. The plan
 shall—

7 "(1)(A) describe the elements of the system de8 seribed in subsection (a), including standards, defini9 tions, formats, collection methodologies, and other
10 necessary system elements, for use in collecting data
11 and information described in subparagraphs (A) and
12 (B) of subsection (a)(1); and

13 <u>"(B) include assurances that</u>

14

"(i) the data will be timely and detailed;

15 "(ii) administrative records will be stand-16 ardized to facilitate the aggregation of the data 17 from local areas to State and national levels 18 and to support the creation of new statistical 19 series from program records; and

20 <u>"(iii) paperwork and reporting require-</u>
21 ments for employers and individuals will be re22 duced;

23 <u>"(2) include a report on the results of an an-</u>
24 nual consumer satisfaction review concerning the
25 performance of the system, including the perform-

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ance of the system in addressing the needs of Con-

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2	gress, States, localities, employers, jobseekers, and
3	other consumers;
4	${}$ (3) evaluate the performance of the system
5	and recommend needed improvements, taking into
6	consideration the results of the consumer satisfac-
7	tion review, with particular attention paid to the im-
8	provements needed at the State and local levels;
9	"(4) describe annual priorities, and priorities
10	over 5 years, for the system;
11	${}(5)$ describe current (as of the date of the sub-
12	mission of the plan) spending and spending needs to
13	carry out activities under this section, including the
14	costs to States and localities of meeting the require-
15	ments of subsection (d)(2); and
16	${}$ (6) describe the involvement of States in the
17	development of the plan, through formal consulta-
18	tions conducted by the Secretary in cooperation with
19	representatives of the Governors of every State, and
20	with representatives of local partnerships, pursuant
21	to a process established by the Secretary in coopera-
22	tion with the States.
23	"(d) State Responsibilities.—

1	"(1) Designation of state agency.—In
2	order to receive Federal financial assistance under
3	this section, the Governor of a State—
4	"(A) shall designate a single State agency
5	to be responsible for the management of the
6	portions of the system described in subsection
7	(a) that comprise a statewide labor market in-
8	formation system; and
9	"(B) shall establish a process for the over-
10	sight of such system.
11	"(2) DUTIES.—In order to receive Federal fi-
12	nancial assistance under this section, the State agen-
13	cy shall—
14	${(A)}$ consult with State and local employ-
15	ers, participants, and local partnerships about
16	the labor market relevance of the data to be col-
17	lected and disseminated through the statewide
18	
	labor market information system;
19	labor market information system; <u> "(B) consult with State educational agen-</u>
19 20	
	"(B) consult with State educational agen-
20	"(B) consult with State educational agen- cies and local educational agencies concerning
20 21	"(B) consult with State educational agen- cies and local educational agencies concerning providing labor market information in order to

1	"(C) collect and disseminate for the sys-
2	tem, on behalf of the State and localities in the
3	State, the information and data described in
4	subparagraphs (A) and (B) of subsection
5	(a)(1);
6	"(D) maintain and continuously improve
7	the statewide labor market information system
8	in accordance with this section;
9	"(E) perform contract and grant respon-
10	sibilities for data collection, analysis, and dis-
11	semination for such system;
12	"(F) conduct such other data collection,
13	analysis, and dissemination activities as will en-
14	sure an effective statewide labor market infor-
15	mation system;
16	"(G) actively seek the participation of
17	other State and local agencies in data collec-
18	tion, analysis, and dissemination activities in
19	order to ensure complementarity, compatibility,
20	and usefulness of data;
21	"(H) participate in the development of the
22	annual plan described in subsection (c); and
23	
24	in section 321(c)(1) and section 312 to assist

1	the State and other States in measuring State
2	progress on State performance measures.
3	"(3) RULE OF CONSTRUCTION. Nothing in
4	this section shall be construed as limiting the ability
5	of a State agency to conduct additional data collec-
6	tion, analysis, and dissemination activities with
7	State funds or with Federal funds from sources
8	other than this section.
9	"(e) Authorization of Appropriations.—There
10	are authorized to be appropriated to carry out this section
11	such sums as may be necessary for each of fiscal years
12	1999 through 2003.
13	"(f) DEFINITIONS.—In this section, the terms 'local
14	area' and 'local partnership' have the meanings given the

15 terms in section 2 of the Workforce Investment Partner16 ship Act of 1997.".

17 SEC. 410. TECHNICAL AMENDMENTS.

18 Sections 3(b), 6(b)(1), and 7(d) of the Wagner
19 Peyser Act (29 U.S.C. 49b(b), 49e(b)(1), and 49f(d)) are
20 amended by striking "Secretary of Labor" and inserting
21 "Secretary".

Subtitle B—Linkages With Other Programs

3 SEC. 421. TRADE ACT OF 1974.

4 Section 241 of the Trade Act of 1974 (19 U.S.C.
5 2313) is amended by adding at the end the following:

6 "(d) To be eligible to receive funds under this section, 7 a State shall submit to the Secretary an application that 8 includes the description and information described in 9 paragraphs (8) and (16) of section 304(b) of the 10 Workforce Investment Partnership Act of 1997.".

11 SEC. 422. NATIONAL APPRENTICESHIP ACT.

12 The Act of August 16, 1937 (commonly known as 13 the "National Apprenticeship Act"; 50 Stat. 664, chapter 14 663; 29 U.S.C. 50 et seq.) is amended by inserting after 15 section 3 the following:

16 "SEC. 3A. COORDINATION AND NONDUPLICATION.

17 "In carrying out this Act, the Secretary of Labor 18 shall require that an appropriate administrative entity in 19 each State enter into an agreement with the Secretary re-20 garding the implementation of this Act that includes the 21 description and information described in paragraphs (8) 22 and (16) of section 304(b) of the Workforce Investment 23 Partnership Act of 1997.".

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1 SEC. 423. VETERANS' EMPLOYMENT PROGRAMS.

2 Chapter 41 of title 38, United States Code, is amend3 ed by adding at the end the following:

4 "§ 4110B. Coordination and nonduplication

5 "In carrying out this chapter, the Secretary shall re-6 quire that an appropriate administrative entity in each 7 State enter into an agreement with the Secretary regard-8 ing the implementation of this Act that includes the de-9 scription and information described in paragraphs (8) and 10 (16) of section 304(b) of the Workforce Investment Part-11 nership Act of 1997.".

12 SEC. 424. OLDER AMERICANS ACT OF 1965.

13 Section 502(b)(1) of the Older Americans Act of
14 1965 (42 U.S.C. 3056(b)(1)) is amended—

15 (1) in subparagraph (O), by striking "; and"
16 and inserting a semicolon;

17 (2) in subparagraph (P), by striking the period
18 and inserting "; and"; and

19 (3) by adding at the end the following subpara20 graph:

21 "(Q) will provide to the Secretary the descrip22 tion and information described in paragraphs (8)
23 and (16) of section 304(b) of the Workforce Invest24 ment Partnership Act of 1997.".

1 TITLE V—GENERAL PROVISIONS

2 SEC. 501. STATE UNIFIED PLANS.

3 (a) PURPOSE.—The purpose of this section is to per4 mit and encourage the submission of State unified plans,
5 to assure coordination of and to avoid duplication between
6 the activities carried out through the one-stop customer
7 service systems.

8 (b) DEFINITIONS.—In this section:

9 (1) APPROPRIATE SECRETARY.—The term "ap-10 propriate Secretary" means the head of the Federal 11 agency with authority to carry out a system pro-12 gram.

13 (2) APPROPRIATE STATE AGENCY.—The term
14 "appropriate State agency"—

15 (A) used with respect to a system program
16 authorized under title I or II, means an eligible
17 agency; and

(B) used with respect to another system
program, means a State agency with authority
to carry out the system program, as specified
by the Governor of the State.

22 (3) SYSTEM PROGRAM.—The term "system pro23 gram" means a program of activities, carried out
24 through the one-stop customer service system, that
25 are—

1	(A) activities authorized under title I or II;
2	(B) workforce investment activities author-
3	ized under subtitle A of title III;
4	(C) other activities authorized under title
5	III;
6	(D) programs authorized under section
7	6(d) of the Food Stamp Act of 1977 (7 U.S.C.
8	2015(d));
9	(E) work programs authorized under see-
10	tion 6(o) of the Food Stamp Act of 1977 (7
11	U.S.C. 2015(0));
12	(F) activities authorized under chapter 2
13	of title H of the Trade Act of 1974 (19 U.S.C.
14	2271 et seq.;
15	(G) programs authorized under the Wag-
16	ner-Peyser Act (29 U.S.C. 49 et seq.);
17	(H) activities carried out by the Bureau of
18	Apprenticeship and Training;
19	(I) programs authorized under title I of
20	the Rehabilitation Act of 1973 (29 U.S.C. 720
21	et seq.);
22	(J) activities authorized under chapter 41
23	of title 38, United States Code;
24	(K) programs authorized under State un-
25	employment compensation laws and the Federal

1	unemployment insurance program under titles
2	III, IX, and XII of the Social Security Act (42
3	U.S.C. 501 et seq., 1101 et seq., and 1321 et
4	seq.).
5	(L) programs authorized under part A of
6	title IV of the Social Security Act (42 U.S.C.
7	601 et seq.;
8	(M) programs authorized under title V of
9	the Older Americans Act of 1965 (42 U.S.C.
10	$\frac{3056}{3056}$ et seq.); or
11	(N) training activities carried out by the
12	Department of Housing and Urban Develop-
13	ment.
14	(c) STATE UNIFIED PLAN.—A State may develop
15	and submit to the appropriate Secretaries a State unified
16	plan for 2 or more of the system programs.
17	(d) Contents.—
18	(1) PLANNING PROVISIONS.—
19	(A) IN GENERAL.—In a State that elects
20	to develop a State unified plan, the plan shall
21	contain planning provisions, which shall be de-
22	veloped in a manner that substantially reflects
23	the planning requirements of the provisions of
24	the Federal statutes authorizing the system
25	programs.

1	(B) Planning requirements.—In sub-
2	paragraph (A), the term "planning require-
3	ments", used with respect to a system program,
4	means such requirements as the appropriate
5	Secretary shall by regulation specify for the sys-
6	tem program.
7	(2) INFORMATION PROVISIONS.—In addition to
8	the planning provisions required to be included pur-
9	suant to paragraph (1), the plan shall include the
10	following:
11	(A) A description of the process used for
12	developing the State unified plan.
13	(B) A description of the process used to
14	consult the chief elected officials in the State
15	about the State unified plan.
16	(C) A description of the accountability sys-
17	tem of the State for activities carried out
18	through the one-stop customer service system.
19	(D) A description of how the one-stop cus-
20	tomer service system will provide the services
21	identified in the State unified plan through
22	such system.
23	(E) An assurance that the funds appro-
24	priated under Federal law to earry out the ac-
25	tivities identified in the State unified plan will

be used to supplement and not supplant other Federal, State, and local public funds expended to carry out the activities for eligible individuals.

5 (e) DEVELOPMENT.

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6 (1) PLANNING PROVISIONS.—The provisions of 7 the plan described in subsection (d)(1) shall be de-8 veloped by the statewide partnership. The portion of 9 the State unified plan relating to a system program 10 may be modified, as appropriate, with the agreement of the Governor and the head of the appropriate 11 12 State agency with authority to carry out the system 13 program. The Governor and the head of the appro-14 priate State agency shall have the final authority to 15 determine the content of the portion of the State 16 unified plan that relates to the system program.

17 (2) INFORMATION PROVISIONS.—The provisions
18 of the plan described in subsection (d)(2) shall be
19 developed by the statewide partnership, which shall
20 have the final authority to determine the content of
21 the provisions.

(f) SUBMISSION.—After the heads of the appropriate
State agencies approve the portions of the State unified
plan that relate to their system programs, the State uni-

fied plan shall be submitted to the appropriate Secretaries
 by—

- 3 (1) the Governor; and
- 4 (2) an eligible agency, in the case of a plan con5 taining a portion relating to the system program of
 6 the eligible agency.

7 (g) APPROVAL BY THE APPROPRIATE SECRETAR-8 HES.—

9 (1) JURISDICTION.—Each of the appropriate 10 Secretaries shall have the authority to approve the 11 portion of the State unified plan relating to the sys-12 tem program for which the Secretary has authority. 13 On the approval of the Secretary, the portion of the plan relating to the system program shall be imple-14 15 mented by the State pursuant to the State unified 16 plan.

17 (2) APPROVAL.—A portion of a State unified 18 plan submitted to an appropriate Secretary under 19 this section shall be considered to be approved by 20 the appropriate Secretary at the end of the 60-day 21 period beginning on the day the appropriate See-22 retary receives the portion, unless the Secretary 23 makes a written determination, during the 60-day 24 period, that the portion does not substantially reflect the planning requirements of the appropriate Fed eral statutes authorizing the system programs.

3 SEC. 502. TRANSITION PROVISIONS.

4 (a) IN GENERAL.—The Secretary of Education or the
5 Secretary of Labor, as appropriate, shall take such steps
6 as such Secretary determines to be appropriate to provide
7 for the orderly transition to the authority of this Act from
8 any authority under provisions of law to be repealed under
9 subtitle E of title I, subtitle B of title II, or subtitle E
10 of title III, or any related authority.

11 (b) EXTENDED TRANSITION PERIOD.

12 (1) IN GENERAL.—If, on or before July 1, 13 1999, a State has enacted a State statute that pro-14 vides for the establishment or conduct of 3 or more 15 of the programs, projects, or activities described in 16 subparagraphs (A) through (E) of paragraph (2), 17 the State shall not be required to comply with provi-18 sions of this Act that conflict the provisions of with 19 such State statute relating to such programs, 20 projects, or activities for the period ending 3 years 21 after the effective date specified in section 503(a). 22 After such 3-year period, the Secretary of Education 23 or the Secretary of Labor, as appropriate, shall 24 allow a State to continue operating under such State

1	statute if the State is meeting the State performance
2	measures of the State.
3	(2) Programs, projects, and activities de-
4	SCRIBED.—The programs, projects, and activities
5	described in this paragraph are the following:
6	(A) Establishment of statewide partner-
7	ships or substate partnerships, including local
8	and regional partnerships.
9	(B) Reorganization or consolidation of
10	State agencies with responsibility for workforce
11	investment activities.
12	(C) Reorganization or consolidation of
13	workforce investment activities.
14	(D) Restructuring of local delivery systems
15	for workforce investment activities.
16	(E) Development or restructuring of State
17	accountability or oversight systems for
18	workforce investment systems to focus on per-
19	formance.
20	SEC. 503. EFFECTIVE DATE.
21	(a) IN GENERAL.—Except as otherwise provided in
22	this Act, this Act takes effect on July 1, 1999.
23	(b) Early Implementation.—At the option of a
24	State, the Governor of the State and the chief official of
25	the eligible agencies in the State may use funds made

1 available under a provision of law described in section

2 502(a), or any related authority to implement this Act at

3 any time prior to July 1, 1999.

4 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

- 5 (a) SHORT TITLE.—This Act may be cited as the
- 6 "Workforce Investment Partnership Act of 1997".
- 7 (b) TABLE OF CONTENTS.—The table of contents is as
- 8 *follows*:

Sec. 1. Short title; table of contents. Sec. 2. Definitions.

TITLE I—VOCATIONAL, TECHNOLOGICAL, AND TECH-PREP EDUCATION

- Sec. 101. Short title.
- Sec. 102. Findings and purpose.
- Sec. 103. Voluntary selection and participation.

Subtitle A—Vocational Education

CHAPTER 1—FEDERAL PROVISIONS

- Sec. 111. Reservations and State allotment.
- Sec. 112. Performance measures and expected levels of performance.
- Sec. 113. Assistance for the outlying areas.
- Sec. 114. Indian and Hawaiian Native programs.
- Sec. 115. Tribally controlled postsecondary vocational institutions.
- Sec. 116. Incentive grants.

Chapter 2—State Provisions

- Sec. 121. State administration.
- Sec. 122. State use of funds.
- Sec. 123. State leadership activities.
- Sec. 124. State plan.

Chapter 3—Local Provisions

- Sec. 131. Distribution for secondary school vocational education.
- Sec. 132. Distribution for postsecondary vocational education.
- Sec. 133. Local activities.
- Sec. 134. Local application.

Subtitle B—Tech-Prep Education

- Sec. 151. Short title.
- Sec. 152. Purposes.
- Sec. 153. Definitions.

- Sec. 154. Program authorized.
- Sec. 155. Tech-prep education programs.
- Sec. 156. Applications.
- Sec. 157. Authorization of appropriations.

Subtitle C—General Provisions

- Sec. 161. Administrative provisions.
- Sec. 162. Evaluation, improvement, and accountability.
- Sec. 163. National activities.
- Sec. 164. National assessment of vocational education programs.
- Sec. 165. National research center.
- Sec. 166. Data systems.

Subtitle D—Authorization of Appropriations

Sec. 171. Authorization of appropriations.

Subtitle E—Repeal

Sec. 181. Repeal.

TITLE II—ADULT EDUCATION AND LITERACY

- Sec. 201. Short title.
- Sec. 202. Findings and purpose.

Subtitle A—Adult Education and Literacy Programs

Chapter 1—Federal Provisions

- Sec. 211. Reservation; grants to States; allotments.
- Sec. 212. Performance measures and expected levels of performance.
- Sec. 213. National leadership activities.

Chapter 2—State Provisions

- Sec. 221. State administration.
- Sec. 222. State distribution of funds; State share.
- Sec. 223. State leadership activities.
- Sec. 224. State plan.
- Sec. 225. Programs for corrections education and other institutionalized individuals.

Chapter 3—Local Provisions

- Sec. 231. Grants and contracts for eligible providers.
- Sec. 232. Local application.
- Sec. 233. Local administrative cost limits.

CHAPTER 4—GENERAL PROVISIONS

- Sec. 241. Administrative provisions.
- Sec. 242. Priorities and preferences.
- Sec. 243. Incentive grants.
- Sec. 244. Evaluation, improvement, and accountability.
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TITLE III—WORKFORCE INVESTMENT AND RELATED ACTIVITIES

Subtitle A—Workforce Investment Activities

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- Sec. 337. Job Corps centers.
- Sec. 338. Program activities.
- Sec. 339. Counseling and job placement.
- Sec. 340. Support.
- Sec. 341. Operating plan.
- Sec. 342. Standards of conduct.
- Sec. 343. Community participation.
- Sec. 344. Industry councils.
- Sec. 345. Advisory committees.
- Sec. 346. Experimental, research, and demonstration projects.

- Sec. 347. Application of provisions of Federal law.
- Sec. 348. Special provisions.
- Sec. 349. Management information.
- Sec. 350. General provisions.
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Subtitle C—National Programs

- Sec. 361. Native American programs.
- Sec. 362. Migrant and seasonal farmworker programs.
- Sec. 363. Veterans' workforce investment programs.
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- Sec. 367. Demonstration, pilot, multiservice, research, and multistate projects.
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- Sec. 371. Requirements and restrictions.
- Sec. 372. Prompt allocation of funds.
- Sec. 373. Monitoring.
- Sec. 374. Fiscal controls; sanctions.
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- Sec. 376. Administrative adjudication.
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- Sec. 378. Nondiscrimination.
- Sec. 379. Administrative provisions.
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Subtitle E—Repeals and Conforming Amendments

- Sec. 391. Repeals.
- Sec. 392. Conforming amendments.
- Sec. 393. Effective dates.

TITLE IV—WORKFORCE INVESTMENT-RELATED ACTIVITIES

Subtitle A—Wagner-Peyser Act

- Sec. 401. Definitions.
- Sec. 402. Functions.
- Sec. 403. Designation of State agencies.
- Sec. 404. Appropriations.
- Sec. 405. Disposition of allotted funds.
- Sec. 406. State plans.
- Sec. 407. Repeal of Federal Advisory Council.
- Sec. 408. Regulations.
- Sec. 409. Labor market information.
- Sec. 410. Technical amendments.

Subtitle B—Linkages With Other Programs

- Sec. 421. Trade Act of 1974.
- Sec. 422. National Apprenticeship Act.
- Sec. 423. Veterans' employment programs.

Sec. 424. Older Americans Act of 1965.

TITLE V—GENERAL PROVISIONS

Sec. 501. State unified plans. Sec. 502. Transition provisions. Sec. 503. Effective date.

1 SEC. 2. DEFINITIONS.

2	In this Act:
3	(1) ADULT.—In paragraph (14) and title III,
4	the term "adult" means an individual who is age 22
5	or older.
6	(2) Adult education.—The term "adult edu-
7	cation" means services or instruction below the post-
8	secondary level for individuals—
9	(A) who have attained 16 years of age or
10	who are beyond the age of compulsory school at-
11	tendance under State law;
12	(B) who are not enrolled in secondary
13	school; and
14	(C) who—
15	(i) lack sufficient mastery of basic edu-
16	cational skills to enable the individuals to
17	function effectively in society;
18	(ii) do not possess a secondary school
19	diploma or its recognized equivalent; or
20	(iii) are unable to speak, read, or write
21	the English language.

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1	(3) Area vocational education school.—
2	The term "area vocational education school" means—
3	(A) a specialized public secondary school
4	used exclusively or principally for the provision
5	of vocational education for individuals who seek
6	to study and prepare for entering the labor mar-
7	ket;
8	(B) the department of a public secondary
9	school exclusively or principally used for provid-
10	ing vocational education in not fewer than 5 dif-
11	ferent occupational fields to individuals who are
12	available for study in preparation for entering
13	the labor market;
14	(C) a technical institute or vocational school
15	used exclusively or principally for the provision
16	of vocational education to individuals who have
17	completed or left public secondary school and
18	who seek to study and prepare for entering the
19	labor market, if the institute or school admits as
20	regular students both individuals who have com-
21	pleted public secondary school and individuals
22	who have left public secondary school; or
23	(D) the department or division of a junior
24	college, community college, or university operat-
25	ing under the policies of the eligible agency and

1	that provides vocational education in not fewer
2	than 5 different occupational fields leading to
3	immediate employment but not necessarily lead-
4	ing to a baccalaureate degree, if the department
5	or division admits as regular students both indi-
6	viduals who have completed public secondary
7	school and individuals who have left public sec-
8	ondary school.
9	(4) Chief elected official.—The term "chief
10	elected official" means the chief elected executive offi-
11	cer of a unit of general local government in a local
12	area.
13	(5) DISADVANTAGED ADULT.—In title III, and
14	except as provided in section 302, the term "dis-
15	advantaged adult" means an adult who is a low-in-
16	come individual.
17	(6) DISLOCATED WORKER.—The term "dislocated
18	worker" means an individual who—
19	(A)(i) has been terminated or laid off, or
20	who has received a notice of termination or lay-
21	off, from employment;
22	(ii)(I) is eligible for or has exhausted enti-
23	tlement to unemployment compensation; or
24	(II) has been employed for a duration suffi-
25	cient to demonstrate, to the appropriate entity at

1	a one-stop customer service center, attachment to
2	the workforce, but is not eligible for unemploy-
3	ment compensation due to insufficient earnings
4	or having performed services for an employer
5	that were not covered under a State unemploy-
6	ment compensation law; and
7	(iii) is unlikely to return to a previous in-
8	dustry or occupation;
9	(B)(i) has been terminated or laid off, or
10	has received a notice of termination or layoff,
11	from employment as a result of any permanent
12	closure of, or any substantial layoff at, a plant,
13	facility, or enterprise;
14	(ii) is employed at a facility at which the
15	employer has made a general announcement that
16	such facility will close within 180 days; or
17	(iii) for purposes of eligibility to receive
18	services under title III other than training serv-
19	ices described in section 315(c)(3), intensive serv-
20	ices, or supportive services, is employed at a fa-
21	cility at which the employer has made a general
22	announcement that such facility will close;
23	(C) was self-employed (including employ-
24	ment as a farmer, a rancher, or a fisherman) but
25	is unemployed as a result of general economic

1	conditions in the community in which the indi-
2	vidual resides or because of natural disasters; or
3	(D) is a displaced homemaker.
4	(7) DISPLACED HOMEMAKER.—The term "dis-
5	placed homemaker" means an individual who has
6	been providing unpaid services to family members in
7	the home and who—
8	(A) has been dependent on the income of an-
9	other family member but is no longer supported
10	by that income; and
11	(B) is unemployed or underemployed and is
12	experiencing difficulty in obtaining or upgrad-
13	ing employment.
14	(8) ECONOMIC DEVELOPMENT AGENCIES.—The
15	term "economic development agencies" includes local
16	planning and zoning commissions or boards, commu-
17	nity development agencies, and other local agencies
18	and institutions responsible for regulating, promot-
19	ing, or assisting in local economic development.
20	(9) Educational service agency.—The term
21	"educational service agency" means a regional public
22	multiservice agency authorized by State statute to de-
23	velop and manage a service or program, and provide
24	the service or program to a local educational agency.

1	(10) Elementary school; local educational
2	AGENCY.—The terms "elementary school" and "local
3	educational agency" have the meanings given the
4	terms in section 14101 of the Elementary and Sec-
5	ondary Education Act of 1965 (20 U.S.C. 8801).
6	(11) ELIGIBLE AGENCY.—The term "eligible
7	agency" means—
8	(A) in the case of vocational education ac-
9	tivities or requirements described in title I—
10	(i) the individual, entity, or agency in
11	a State or an outlying area responsible for
12	administering or setting policy for voca-
13	tional education in the State or outlying
14	area, respectively, pursuant to the law of
15	the State or outlying area, respectively; or
16	(ii) if no individual, entity, or agency
17	is responsible for administering or setting
18	such policy pursuant to the law of the State
19	or outlying area, the individual, entity, or
20	agency in a State or outlying area, respec-
21	tively, responsible for administering or set-
22	ting policy for vocational education in the
23	State or outlying area, respectively, on the
24	date of enactment of the Workforce Invest-
25	ment Partnership Act of 1997; and

1	(B) in the case of adult education and lit-
2	eracy activities or requirements described in title
3	<i>II</i> —
4	(i) the individual, entity, or agency in
5	a State or an outlying area responsible for
6	administering or setting policy for adult
7	education and literacy in the State or out-
8	lying area, respectively, pursuant to the law
9	of the State or outlying area, respectively;
10	or
11	(ii) if no individual, entity, or agency
12	is responsible for administering or setting
13	such policy pursuant to the law of the State
14	or outlying area, the individual, entity, or
15	agency in a State or outlying area, respec-
16	tively, responsible for administering or set-
17	ting policy for adult education and literacy
18	in the State or outlying area, respectively,
19	on the date of enactment of the Workforce
20	Investment Partnership Act of 1997.
21	(12) ELIGIBLE INSTITUTION.—In title I, the
22	term "eligible institution" means—
23	(A) an institution of higher education;
24	(B) a local educational agency providing
25	education at the postsecondary level;

1	(C) an area vocational education school
2	providing education at the postsecondary level;
3	(D) a postsecondary educational institution
4	controlled by the Bureau of Indian Affairs or op-
5	erated by or on behalf of any Indian tribe that
6	is eligible to contract with the Secretary of the
7	Interior for the administration of programs
8	under the Indian Self-Determination Act or the
9	Act of April 16, 1934 (48 Stat. 596; 25 U.S.C.
10	452 et seq.); and
11	(E) a consortium of 2 or more of the enti-
12	ties described in subparagraphs (A) through (D) .
13	(13) Eligible provider.—The term "eligible
14	provider"—
15	(A) in title II, means—
16	(i) a local educational agency;
17	(ii) a community-based organization;
18	(iii) an institution of higher education;
19	(iv) a public or private nonprofit
20	agency;
21	(v) a consortium of such agencies, or-
22	ganizations, or institutions; or
23	(vi) a library; and
24	(B) in title III, used with respect to—

1	(i) training services (other than on-the-
2	job training), means a provider who is
3	identified in accordance with section 312;
4	(ii) youth activities, means a provider
5	who is awarded a grant in accordance with
6	section 313; or
7	(iii) other workforce investment activi-
8	ties, means a public or private entity se-
9	lected to be responsible for such activities, in
10	accordance with subtitle A of title III, such
11	as a one-stop customer service center opera-
12	tor designated or certified under section
13	311.
14	(14) Employment and training activity.—
15	The term "employment and training activity" means
16	an activity described in section 314(b)(1) or sub-
17	section $(c)(1)$ or (d) of section 315, carried out for an
18	adult or dislocated worker.
19	(15) English literacy program.—The term
20	"English literacy program" means a program of in-
21	struction designed to help individuals of limited Eng-
22	lish proficiency achieve competence in the English
23	language.
24	(16) GOVERNOR.—The term "Governor" means
25	the chief executive officer of a State.

1	(17) Individual with a disability.—
2	(A) IN GENERAL.—The term "individual
3	with a disability" means an individual with
4	any disability (as defined in section 3 of the
5	Americans with Disabilities Act of 1990 (42
6	$U.S.C. \ 12102)).$
7	(B) Individuals with disabilities.—The
8	term "individuals with disabilities" means more
9	than 1 individual with a disability.
10	(18) Individual of limited english pro-
11	FICIENCY.—The term "individual of limited English
12	proficiency" means an adult or out-of-school youth
13	who has limited ability in speaking, reading, writing,
14	or understanding the English language, and—
15	(A) whose native language is a language
16	other than English; or
17	(B) who lives in a family or community en-
18	vironment where a language other than English
19	is the dominant language.
20	(19) Institution of higher education.—Ex-
21	cept for purposes of subtitle B of title I, the term "in-
22	stitution of higher education" has the meaning given
23	the term in section 1201(a) of the Higher Education
24	Act of 1965 (20 U.S.C. 1141(a)).
25	(20) Literacy.—

1	(A) IN GENERAL.—The term "literacy"
2	means an individual's ability to read, write, and
3	speak in English, compute, and solve problems,
4	at levels of proficiency necessary to function on
5	the job and in society.
6	(B) Workplace literacy program.—The
7	term "workplace literacy program" means a pro-
8	gram of literacy activities that is offered in the
9	workplace for the purpose of improving the pro-
10	ductivity of the workforce through the improve-
11	ment of literacy skills.
12	(21) LOCAL AREA.—In paragraph (4) and title
13	III, the term "local area" means a local workforce in-
14	vestment area designated under section 307.
15	(22) Local partnership.—In title III, the
16	term 'local partnership' means a local workforce in-
17	vestment partnership established under section 308(a).
18	(23) Local performance measure.—The term
19	"local performance measure" means a performance
20	measure established under section 321(b).
21	(24) Low-income individual.—In paragraph
22	(49) and title III, the term "low-income individual"
23	means an individual who—
24	(A) receives, or is a member of a family
25	that receives, cash payments under a Federal,

1 State, or local income-based public assistance 2 program; (B) received an income, or is a member of 3 4 a family that received a total family income, for 5 the 6-month period prior to application for the 6 program involved (exclusive of unemployment 7 compensation, child support payments, payments 8 described in subparagraph (A), and old-age and 9 survivors insurance benefits received under sec-10 tion 202 of the Social Security Act (42 U.S.C. 11 402)) that, in relation to family size, does not 12 exceed the higher of— 13 (i) the poverty line, for an equivalent 14 period; or 15 (ii) 70 percent of the lower living 16 standard income level, for an equivalent pe-17 riod; 18 (C) is a member of a household that receives 19 (or has been determined within the 6-month pe-20 riod prior to application for the program in-21 volved to be eligible to receive) food stamps pur-22 suant to the Food Stamp Act of 1977 (7 U.S.C. 23 2011 et seq.); 24 (D) qualifies as a homeless individual, as

25 defined in subsections (a) and (c) of section 103

1	of the Stewart B. McKinney Homeless Assistance
2	Act (42 U.S.C. 11302);
3	(E) is a foster child on behalf of whom
4	State or local government payments are made; or
5	(F) in cases permitted by regulations of the
6	Secretary of Labor, is an individual with a dis-
7	ability whose own income meets the requirements
8	of a program described in subparagraph (A) or
9	of subparagraph (B), but who is a member of a
10	family whose income does not meet such require-
11	ments.
12	(25) Lower living standard income level.—
13	The term "lower living standard income level" means
14	that income level (adjusted for regional, metropolitan,
15	urban, and rural differences and family size) deter-
16	mined annually by the Secretary of Labor based on
17	the most recent lower living family budget issued by
18	the Secretary of Labor.
19	(26) Nontraditional employment.—In titles I
20	and III, the term "nontraditional employment" refers
21	to occupations or fields of work for which individuals
22	from one gender comprise less than 25 percent of the

from one gender comprise less than 25 percent of the
individuals employed in each such occupation or field
of work.

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1	(27) ON-THE-JOB TRAINING.—The term "on-the-
2	job training" means training in the public or private
3	sector that is provided to a paid participant while
4	engaged in productive work in a job that—
5	(A) provides knowledge or skills essential to
6	the full and adequate performance of the job;
7	(B) provides reimbursement to employers of
8	up to 50 percent of the wage rate of the partici-
9	pant, for the extraordinary costs of providing the
10	training and additional supervision related to
11	the training; and
12	(C) is limited in duration as appropriate to
13	the occupation for which the participant is being
14	trained.
15	(28) Out-of-school youth.—The term "out-of-
16	school youth" means—
17	(A) a youth who is a school dropout; or
18	(B) a youth who has received a secondary
19	school diploma or its equivalent but is basic lit-
20	eracy skills deficient, unemployed, or under-
21	employed.
22	(29) OUTLYING AREA.—The term "outlying
23	area" means the United States Virgin Islands, Guam,
24	American Samoa, the Commonwealth of the Northern
25	Mariana Islands, the Republic of the Marshall Is-

1	lands, the Federated States of Micronesia, and the Re-
2	public of Palau.
3	(30) PARTICIPANT.—The term "participant",
4	used with respect to an activity carried out under
5	title III, means an individual participating in the
6	activity.
7	(31) Postsecondary educational institu-
8	TION.—The term "postsecondary educational institu-
9	tion" means—
10	(A) an institution of higher education that
11	provides not less than a 2-year program of in-
12	struction that is acceptable for credit toward a
13	bachelor's degree;
14	(B) a tribally controlled community college;
15	OT
16	(C) a nonprofit educational institution of-
17	fering certificate or apprenticeship programs at
18	the postsecondary level.
19	(32) POVERTY LINE.—The term "poverty line"
20	means the poverty line (as defined by the Office of
21	Management and Budget, and revised annually in ac-
22	cordance with section 673(2) of the Community Serv-
23	ices Block Grant Act (42 U.S.C. 9902(2))) applicable
24	to a family of the size involved.

1	(33) Public Assistance.—In title III, the term
2	"public assistance" means Federal, State, or local
3	government cash payments for which eligibility is de-
4	termined by a needs or income test.
5	(34) RAPID RESPONSE ACTIVITY.—In title III,
6	the term "rapid response activity" means an activity
7	provided by a State, or by an entity designated by a
8	State, with funds provided by the State under section
9	306(a)(2), in the case of a permanent closure or mass
10	layoff at a plant, facility, or enterprise, or a natural
11	or other disaster, that results in mass job dislocation,
12	in order to assist dislocated workers in obtaining re-
13	employment as soon as possible, with services includ-
14	ing—
15	(A) the establishment of onsite contact with
16	employers and employee representatives—
17	(i) immediately after the State is noti-
18	fied of a current or projected permanent clo-
19	sure or mass layoff; or
20	(ii) in the case of a disaster, imme-
21	diately after the State is made aware of
22	mass job dislocation as a result of such dis-
23	aster;
24	(B) the provision of information and access
25	to available employment and training activities;

1	(C) assistance in establishing a labor-man-
2	agement committee, voluntarily agreed to by
3	labor and management, with the ability to devise
4	and implement a strategy for assessing the em-
5	ployment and training needs of dislocated work-
6	ers and obtaining services to meet such needs;
7	(D) the provision of emergency assistance
8	adapted to the particular closure, layoff, or dis-
9	aster; and
10	(E) the provision of assistance to the local
11	community in developing a coordinated response
12	and in obtaining access to State economic devel-
13	opment assistance.
14	(35) School drop-Out.—The term "school drop-
15	out" means an individual who is no longer attending
16	any school and who has not received a secondary
17	school diploma or its recognized equivalent.
18	(36) Secondary school.—The term "secondary
19	school" has the meaning given the term in section
20	14101 of the Elementary and Secondary Education
21	Act of 1965 (20 U.S.C. 8801), except that the term
22	does not include education below grade 9.
23	(37) Secretary.—

1	(A) TITLES I AND II.—In titles I and II,
2	the term "Secretary" means the Secretary of
3	Education.
4	(B) TITLE III.—In title III, the term "Sec-
5	retary" means the Secretary of Labor.
6	(38) State.—The term "State" means each of
7	the several States of the United States, the District of
8	Columbia, and the Commonwealth of Puerto Rico.
9	(39) State educational agency.—The term
10	"State educational agency" means the State board of
11	education or other agency or officer primarily respon-
12	sible for the State supervision of public elementary or
13	secondary schools, or, if there is no such agency or of-
14	ficer, an agency or officer designated by the Governor
15	or by State law.
16	(40) State performance measure.—In title
17	III, the term "State performance measure" means a
18	performance measure established under section
19	321(a).
20	(41) Statewide partnership.—The term
21	"statewide partnership" means a partnership estab-
22	lished under section 303.
23	(42) Supportive services.—In title III, the
24	term "supportive services" means services such as
25	transportation, child care, dependent care, housing,

2	able an individual to participate in employment and
3	training activities or youth activities.
4	(43) TRIBALLY CONTROLLED COMMUNITY COL-
5	LEGE.—The term "tribally controlled community col-
6	lege" means an institution that receives assistance
7	under the Tribally Controlled Community College As-
8	sistance Act of 1978 (25 U.S.C. 1801 et seq.) or the
9	Navajo Community College Act (25 U.S.C. 640a et
10	seq.).
11	(44) Unit of general local government.—
12	In title III, the term "unit of general local govern-
13	ment" means any general purpose political subdivi-
14	sion of a State that has the power to levy taxes and
15	spend funds, as well as general corporate and police
16	powers.
17	(45) Veteran; related definitions.—
18	(A) VETERAN.—The term "veteran" means
19	an individual who served in the active military,
20	naval, or air service, and who was discharged or
21	released from such service under conditions other
22	than dishonorable.
23	(B) DISABLED VETERAN.—The term "dis-
24	11 J J J 1

24 abled veteran" means—

1

and needs-based payments, that are necessary to en-

1 (i) a veteran who is entitled to com-2 pensation under laws administered by the Secretary of Veterans Affairs; or 3 4 (ii) an individual who was discharged or released from active duty because of serv-5 6 ice-connected disability. 7 (C) RECENTLY SEPARATED VETERAN.—The 8 term "recently separated veteran" means any 9 veteran who applies for participation under title 10 III within 48 months of the discharge or release 11 from active military, naval, or air service. 12 (D) VIETNAM ERA VETERAN.—The term "Vietnam era veteran" means a veteran any 13 14 part of whose active military, naval, or air serv-15 ice occurred between August 5, 1964, and May 7, 16 1975. 17 (46) VOCATIONAL EDUCATION.—The term "voca-18 tional education" means organized education that— 19 (A) offers a sequence of courses that provides 20 individuals with the academic knowledge and 21 skills the individuals need to prepare for further 22 education and for careers in current or emerging 23 employment sectors; and 24 (B)includes competency-based applied 25 learning that contributes to the academic knowl-

1	edge, higher-order reasoning and problem-solving
2	skills, work attitudes, general employability
3	skills, and occupation-specific skills, of an indi-
4	vidual.
5	(47) Vocational rehabilitation program.—
6	The term "vocational rehabilitation program" means
7	a program assisted under title I of the Rehabilitation
8	Act of 1973 (29 U.S.C. 720 et seq.).
9	(48) Workforce investment activity.—The
10	term "workforce investment activity" means an em-
11	ployment and training activity, a youth activity, and
12	an activity described in section 314.
13	(49) YOUTH.—In paragraph (50) and title III
14	(other than subtitles B and C of such title), the term
15	"youth" means an individual who—
16	(A) is not less than age 14 and not more
17	than age 21;
18	(B) is a low-income individual; and
19	(C) an individual who is 1 or more of the
20	following:
21	(i) Deficient in basic literacy skills.
22	(ii) A school dropout.
23	(iii) Homeless, a runaway, or a foster
24	child.
25	(iv) Pregnant or a parent.

1	(v) An offender.
2	(vi) An individual who requires addi-
3	tional assistance to complete an educational
4	program, or to secure and hold employment.
5	(50) Youth Activity.—The term "youth activ-
6	ity" means an activity described in section 316, car-
7	ried out for youth.
8	(51) Youth partnership.—The term "youth
9	partnership" means a partnership established under
10	section $308(i)$.
11	TITLE I-VOCATIONAL, TECHNO-
12	LOGICAL, AND TECH-PREP
13	EDUCATION
14	SEC. 101. SHORT TITLE.
15	This title may be cited as the "Carl D. Perkins Voca-
16	tional and Applied Technology Education Act of 1997".
17	SEC. 102. FINDINGS AND PURPOSE.
18	(a) FINDINGS.—Congress finds that—
19	(1) in order to be successful workers, citizens,
20	and learners in the 21st century, individuals will
21	need—
22	(A) a combination of strong basic and ad-
23	vanced academic skills;
24	(B) computer and other technical skills;
25	(C) theoretical knowledge;

	1 - 1
1	(D) communications, problem-solving, team-
2	work, and employability skills; and
3	(E) the ability to acquire additional knowl-
4	edge and skills throughout a lifetime;
5	(2) students participating in vocational edu-
6	cation can achieve challenging academic and tech-
7	nical skills, and may learn better and retain more,
8	when the students learn in context, learn by doing,
9	and have an opportunity to learn and understand
10	how academic, vocational, and technological skills are
11	used outside the classroom;
12	(3)(A) many high school graduates in the United
13	States do not complete a rigorous course of study that
14	prepares the graduates for completing a 2-year or 4-
15	year college degree or for entering high-skill, high-
16	wage careers;
17	(B) adult students are an increasingly diverse
18	group and often enter postsecondary education unpre-
19	pared for academic and technical work; and
20	(C) certain individuals often face great chal-
21	lenges in acquiring the knowledge and skills needed
22	for successful employment;
23	(4) community colleges, technical colleges, and
24	area vocational education schools are offering adults
25	a gateway to higher education, and access to quality

1	certificates and degrees that increase their skills and
2	earnings, by—
3	(A) ensuring that the academic, vocational,
4	and technological skills gained by students ade-
5	quately prepare the students for the workforce;
6	and
7	(B) enhancing connections with employers
8	and 4-year institutions of higher education;
9	(5) local, State, and national programs sup-
10	ported under the Carl D. Perkins Vocational and Ap-
11	plied Technology Education Act (20 U.S.C. 2301 et
12	seq.) (as such Act was in effect on the day before the
13	date of enactment of this Act) have assisted many stu-
14	dents in obtaining technical, academic, and employ-
15	ability skills, and tech-prep education;
16	(6) the Federal Government can assist States
17	and localities by carrying out nationally significant
18	research, program development, demonstration, dis-
19	semination, evaluation, data collection, professional
20	development, and technical assistance activities that
21	support State and local efforts regarding vocational
22	education; and
23	(7) through a performance partnership with
24	States and localities based on clear programmatic
25	goals, increased State and local flexibility, improved

accountability, and performance measures, the Fed eral Government will provide to States and localities
 financial assistance for the improvement and expan sion of vocational education for students participat ing in vocational education.

6 (b) PURPOSE.—The purpose of this title is to make the 7 United States more competitive in the world economy by 8 developing more fully the academic, vocational, and em-9 ployability skills of secondary students and postsecondary 10 students who elect to enroll in vocational education pro-11 grams, by—

12 (1) building on the efforts of States and localities
13 to develop challenging academic standards;

14 (2) promoting the development of services and
15 activities that integrate academic, vocational, and
16 technological instruction, and that link secondary and
17 postsecondary education for participating vocational
18 education students;

19 (3) increasing State and local flexibility in pro20 viding services and activities designed to develop, im21 plement, and improve vocational education, including
22 tech-prep education; and

23 (4) disseminating national research, and provid24 ing professional development and technical assistance,

1	that will improve vocational education programs,
2	services, and activities.
3	SEC. 103. VOLUNTARY SELECTION AND PARTICIPATION.
4	No funds made available under this title shall be
5	used—
6	(1) to require any secondary school student to
7	choose or pursue a specific career path or major; and
8	(2) to mandate that any individual participate
9	in a vocational education program under this title.
10	Subtitle A—Vocational Education
11	CHAPTER 1—FEDERAL PROVISIONS
12	SEC. 111. RESERVATIONS AND STATE ALLOTMENT.
13	(a) Reservations and State Allotment.—
14	(1) Reservations.—From the sum appro-
15	priated under section 171 for each fiscal year, the
16	Secretary shall reserve—
17	(A) 0.2 percent to carry out section 113;
18	(B) 1.75 percent to carry out sections 114
19	and 115, of which—
20	(i) 1.25 percent of the sum shall be
21	available to carry out section 114(b);
22	(ii) 0.25 percent of the sum shall be
23	available to carry out section 114(c); and
24	(iii) 0.25 percent of the sum shall be
25	available to carry out section 115; and

1	(C) 1.3 percent of the sum shall be used to
2	carry out sections 116, 163, 164, 165, and 166,
3	of which not less than 0.65 percent of the sum
4	shall be available to carry out section 116.
5	(2) State allotment formula.—Subject to
6	paragraphs (3) and (4), from the remainder of the
7	sums appropriated under section 171 and not re-
8	served under paragraph (1) for a fiscal year, the Sec-
9	retary shall allot to a State for the fiscal year—
10	(A) an amount that bears the same ratio to
11	50 percent of the sums being allotted as the prod-
12	uct of the population aged 15 to 19 inclusive, in
13	the State in the fiscal year preceding the fiscal
14	year for which the determination is made and
15	the State's allotment ratio bears to the sum of
16	the corresponding products for all the States;
17	(B) an amount that bears the same ratio to
18	20 percent of the sums being allotted as the prod-
19	uct of the population aged 20 to 24, inclusive, in
20	the State in the fiscal year preceding the fiscal
21	year for which the determination is made and
22	the State's allotment ratio bears to the sum of
23	the corresponding products for all the States;
24	(C) an amount that bears the same ratio to
25	15 percent of the sums being allotted as the prod-

1	uct of the population aged 25 to 65, inclusive, in
2	the State in the fiscal year preceding the fiscal
3	year for which the determination is made and
4	the State's allotment ratio bears to the sum of
5	the corresponding products for all the States; and
6	(D) an amount that bears the same ratio to
7	15 percent of the sums being allotted as the
8	amounts allotted to the State under subpara-
9	graphs (A), (B), and (C) for such years bears to
10	the sum of the amounts allotted to all the States
11	under subparagraphs (A), (B), and (C) for such
12	year.
13	(3) Minimum allotment.—
13 14	(3) MINIMUM ALLOTMENT.— (A) IN GENERAL.—Notwithstanding any
14	(A) IN GENERAL.—Notwithstanding any
14 15	(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subpara-
14 15 16	(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subpara- graphs (B) and (C), and paragraph (4), no State
14 15 16 17	(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subpara- graphs (B) and (C), and paragraph (4), no State shall receive for a fiscal year under this sub-
14 15 16 17 18	(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subpara- graphs (B) and (C), and paragraph (4), no State shall receive for a fiscal year under this sub- section less than $\frac{1}{2}$ of 1 percent of the amount
14 15 16 17 18 19	(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subpara- graphs (B) and (C), and paragraph (4), no State shall receive for a fiscal year under this sub- section less than $\frac{1}{2}$ of 1 percent of the amount appropriated under section 171 and not reserved
 14 15 16 17 18 19 20 	(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subpara- graphs (B) and (C), and paragraph (4), no State shall receive for a fiscal year under this sub- section less than $\frac{1}{2}$ of 1 percent of the amount appropriated under section 171 and not reserved under paragraph (1) for such fiscal year.
 14 15 16 17 18 19 20 21 	(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subpara- graphs (B) and (C), and paragraph (4), no State shall receive for a fiscal year under this sub- section less than $\frac{1}{2}$ of 1 percent of the amount appropriated under section 171 and not reserved under paragraph (1) for such fiscal year. Amounts necessary for increasing such payments

1	(B) Requirement.—Due to the applica-
2	tion of subparagraph (A), for any fiscal year, no
3	State shall receive more than 150 percent of the
4	amount the State received under this subsection
5	for the preceding fiscal year (or in the case of
6	fiscal year 1999 only, under section 101 of the
7	Carl D. Perkins Vocational and Applied Tech-
8	nology Education Act, as such section was in ef-
9	fect on the day before the date of enactment of
10	this Act).
11	(C) Special rule.—
12	(i) In general.—Subject to para-
13	graph (4), no State, by reason of subpara-
14	graph (A), shall be allotted for a fiscal year
15	more than the lesser of—
16	(I) 150 percent of the amount that
17	the State received in the preceding fis-
18	cal year (or in the case of fiscal year
19	1999 only, under section 101 of the
20	Carl D. Perkins Vocational and Ap-
21	plied Technology Education Act, as
22	such section was in effect on the day
23	before the date of enactment of this
24	Act); and

1	(II) the amount calculated under
2	clause (ii).
3	(ii) Amount.—The amount calculated
4	under this clause shall be determined by
5	multiplying—
6	(I) the number of individuals in
7	the State counted under paragraph (2)
8	in the preceding fiscal year; by
9	(II) 150 percent of the national
10	average per pupil payment made with
11	funds available under this section for
12	that year (or in the case of fiscal year
13	1999, only, under section 101 of the
14	Carl D. Perkins Vocational and Ap-
15	plied Technology Education Act, as
16	such section was in effect on the day
17	before the date of enactment of this
18	Act).
19	(4) Hold harmless.—
20	(A) IN GENERAL.—No State shall receive an
21	allotment under this section for a fiscal year that
22	is less than the allotment the State received
23	under part A of title I of the Carl D. Perkins Vo-
24	cational and Applied Technology Education Act
25	(20 U.S.C. 2311 et seq.) (as such part was in ef-

1	fect on the day before the date of enactment of
2	this Act) for fiscal year 1997.
3	(B) RATABLE REDUCTION.—If for any fis-
4	cal year the amount appropriated for allotments
5	under this section is insufficient to satisfy the
6	provisions of subparagraph (A), the payments to
7	all States under such subparagraph shall be rat-
8	ably reduced.
9	(b) Reallotment.—If the Secretary determines that
10	any amount of any State's allotment under subsection (a)
11	for any fiscal year will not be required for such fiscal year
12	for carrying out the activities for which such amount has
13	been allotted, the Secretary shall make such amount avail-
14	able for reallotment. Any such reallotment among other
15	States shall occur on such dates during the same year as
16	the Secretary shall fix, and shall be made on the basis of
17	criteria established by regulation. No funds may be reallot-
18	ted for any use other than the use for which the funds were
19	appropriated. Any amount reallotted to a State under this
20	subsection for any fiscal year shall remain available for ob-
21	ligation during the succeeding fiscal year and shall be
22	deemed to be part of the State's allotment for the year in
23	which the amount is obligated.
24	(c) Allotment Ratio.—

1	(1) IN GENERAL.—The allotment ratio for any
2	State shall be 1.00 less the product of—
3	(A) 0.50; and
4	(B) the quotient obtained by dividing the
5	per capita income for the State by the per capita
6	income for all the States (exclusive of the Com-
7	monwealth of Puerto Rico), except that—
8	(i) the allotment ratio in no case shall
9	be more than 0.60 or less than 0.40; and
10	(ii) the allotment ratio for the Com-
11	monwealth of Puerto Rico shall be 0.60.
12	(2) PROMULGATION.—The allotment ratios shall
13	be promulgated by the Secretary for each fiscal year
14	between October 1 and December 31 of the fiscal year
15	preceding the fiscal year for which the determination
16	is made. Allotment ratios shall be computed on the
17	basis of the average of the appropriate per capita in-
18	comes for the 3 most recent consecutive fiscal years for
19	which satisfactory data are available.
20	(3) Definition of per capita income.—For
21	the purpose of this section, the term "per capita in-
22	come" means, with respect to a fiscal year, the total
23	personal income in the calendar year ending in such
24	year, divided by the population of the area concerned
25	in such year.

(4) POPULATION DETERMINATION.—For the pur poses of this section, population shall be determined
 by the Secretary on the basis of the latest estimates
 available to the Department of Education.

5 SEC. 112. PERFORMANCE MEASURES AND EXPECTED LEV-6 ELS OF PERFORMANCE.

7 (a) Establishment of Performance Measures.— 8 After consultation with eligible agencies, local educational 9 agencies, eligible institutions, and other interested parties 10 (including representatives of business and representatives of labor organizations), the Secretary shall establish and pub-11 lish performance measures described in this subsection to 12 13 assess the progress of each eligible agency in achieving the following: 14

15 (1) Student mastery of academic skills.

16 (2) Student mastery of job readiness skills.

17 (3) Student mastery of vocational skill proficien18 cies for students in vocational education programs,
19 that are necessary for the receipt of a secondary
20 school diploma or its recognized equivalent, or a sec21 ondary school skill certificate.

22 (4) Receipt of a postsecondary degree or certifi23 cate.

24 (5) Placement in, retention in, and completion
25 of, secondary school education (as determined under

1	State law) and postsecondary education, and place-
2	ment and retention in employment and in military
3	service, including for the populations described in sec-
4	$tion \ 124(c)(16).$
5	(6) Participation in and completion of nontradi-
6	tional vocational education programs.
7	(7) Other performance measures as determined
8	by the Secretary.
9	(b) Expected Levels of Performance.—In devel-
10	oping a State plan, each eligible agency shall negotiate with
11	the Secretary the expected levels of performance for the per-
12	formance measures described in subsection (a).
13	SEC. 113. ASSISTANCE FOR THE OUTLYING AREAS.
14	(a) IN GENERAL.—From the funds reserved under sec-
15	tion 111(a)(1)(A), the Secretary—
16	(1) shall award a grant in the amount of
17	\$500,000 to Guam for vocational education and
18	training for the purpose of providing direct edu-
19	cational services related to vocational education, in-
20	cluding—
21	(A) teacher and counselor training and re-
22	training;
23	(B) curriculum development; and
24	(C) improving vocational education pro-
25	grams in secondary schools and institutions of

1	higher education, or improving cooperative edu-
2	cation programs involving both secondary schools
3	and institutions of higher education;
4	(2) shall award a grant in the amount of
5	\$600,000 to the United States Virgin Islands for vo-
6	cational education for the purpose described in para-
7	graph (1); and
8	(3) shall award a grant in the amount of
9	\$190,000 to each of American Samoa and the Com-
10	monwealth of the Northern Mariana Islands for voca-
11	tional education for the purpose described in para-
12	graph (1).
13	(b) Special Rule.—
14	(1) IN GENERAL.—From funds reserved under
15	section $111(a)(1)(A)$ and not awarded under sub-
16	section (a), the Secretary shall make available the
17	amount awarded to the Republic of the Marshall Is-
18	lands, the Federated States of Micronesia, and the Re-
19	public of Palau under section 101A of the Carl D.
20	Perkins Vocational and Applied Technology Edu-
21	cation Act (as such section was in effect on the day
22	before the date of enactment of this Act) to award
23	grants under the succeeding sentence. From the
24	amount made available under the preceding sentence,
25	the Secretary shall award grants, to Guam, American

1	Samoa, the Commonwealth of the Northern Mariana
2	Islands, the Republic of the Marshall Islands, the Fed-
3	erated States of Micronesia, or the Republic of Palau
4	for the purpose described in subsection $(a)(1)$.
5	(2) AWARD BASIS.—The Secretary shall award
6	grants pursuant to paragraph (1) on a competitive
7	basis and pursuant to recommendations from the Pa-
8	cific Region Educational Laboratory in Honolulu,
9	Hawaii.
10	(3) TERMINATION OF ELIGIBILITY.—Notwith-
11	standing any other provision of law, the Republic of
12	the Marshall Islands, the Federated States of Microne-
13	sia, and the Republic of Palau shall not receive any
14	funds under this title for any fiscal year that begins
15	after September 30, 2004.
16	(4) Administrative costs.—The Secretary
17	may provide not more than 5 percent of the funds
18	made available for grants under this subsection to
19	pay the administrative costs of the Pacific Region
20	Educational Laboratory regarding activities assisted
21	under this subsection.
22	SEC. 114. INDIAN AND HAWAIIAN NATIVE PROGRAMS.
23	(a) Definitions; Authority of Secretary.—
24	(1) DEFINITIONS.—For the purpose of this sec-
25	tion—

1	(A) the term "Act of April 16, 1934" means
2	the Act entitled "An Act authorizing the Sec-
3	retary of the Interior to arrange with States or
4	territories for the education, medical attention,
5	relief of distress, and social welfare of Indians,
6	and for other purposes", enacted April 16, 1934
7	(48 Stat. 596; 25 U.S.C. 452 et seq.);
8	(B) the term "Bureau funded school" has
9	the meaning given the term in section 1146 of
10	the Education Amendments of 1978 (25 U.S.C.
11	2026); and
12	(C) the term "Hawaiian native" means any
13	individual any of whose ancestors were natives,
14	prior to 1778, of the area which now comprises
15	the State of Hawaii.
16	(2) AUTHORITY.—From the funds reserved pur-
17	suant to section $111(a)(1)(B)$, the Secretary shall
18	award grants and enter into contracts for Indian and
19	Hawaiian native programs in accordance with this
20	section, except that such programs shall not include
21	secondary school programs in Bureau funded schools.
22	(b) Indian Programs.—
23	(1) AUTHORITY.—
24	(A) IN GENERAL.—Except as provided in
25	subparagraph (B) , from the funds reserved pur-

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suant to section 111(a)(1)(B)(i), the Secretary is directed—

3	(i) upon the request of any Indian
4	tribe, or a tribal organization serving an
5	Indian tribe, which is eligible to contract
6	with the Secretary of the Interior for the ad-
7	ministration of programs under the Indian
8	Self-Determination Act (25 U.S.C. 450 et
9	seq.) or under the Act of April 16, 1934; or
10	(ii) upon an application received from
11	a Bureau funded school offering postsecond-
12	ary or adult education programs filed at
13	such time and under such conditions as the
14	Secretary may prescribe,
15	to make grants to or enter into contracts with
16	any Indian tribe or tribal organization, or to
17	make a grant to such Bureau funded school, as
18	appropriate, to plan, conduct, and administer
19	programs or portions of programs authorized by,
20	and consistent with the purpose of, this title.
21	(B) REQUIREMENTS.—The grants or con-
22	tracts described in subparagraph (A), shall be
23	subject to the following:

24 (i) TRIBAL ORGANIZATIONS.—Such
25 grants or contracts with any tribal organi-

1	zation shall be subject to the terms and con-
2	ditions of section 102 of the Indian Self-De-
3	termination Act (25 U.S.C. 450f) and shall
4	be conducted in accordance with the provi-
5	sions of sections 4, 5, and 6 of the Act of
6	April 16, 1934, which are relevant to the
7	programs administered under this sub-
8	section.
9	(ii) BUREAU FUNDED SCHOOLS.—Such
10	grants to Bureau funded schools shall not be
11	subject to the requirements of the Indian
12	Self-Determination Act (25 U.S.C. 450f et
13	seq.) or the Act of April 16, 1934.
14	(C) APPLICATION.—Any Indian tribe, tribal
15	organization, or Bureau funded school eligible to
16	receive assistance under this paragraph may
17	apply individually or as part of a consortium
18	with another such Indian tribe, tribal organiza-
19	tion, or Bureau funded school.
20	(D) PERFORMANCE MEASURES AND EVAL-
21	UATION.—Any Indian tribe, tribal organization,
22	or Bureau funded school that receives assistance
23	under this section shall—

- 1 (i) establish performance measures and 2 expected level of performance to be achieved by students served under this section; and 3 4 (ii) evaluate the quality and effectiveness of activities and services provided 5 6 under this subsection. 7 (E) MINIMUM.—In the case of a Bureau 8 funded school, the minimum amount of a grant 9 awarded or contract entered into under this sec-10 tion shall be \$35,000. 11 (F) RESTRICTIONS.—The Secretary may 12 not place upon grants awarded or contracts en-13 tered into under this paragraph any restrictions 14 relating to programs other than restrictions that 15 apply to grants made to or contracts entered into 16 with States pursuant to allotments under section 17 111(a). The Secretary, in awarding grants and 18 entering into contracts under this paragraph, 19 shall ensure that the grants and contracts will 20 improve vocational education programs, and 21 shall give special consideration to— 22 (i) grants or contracts which involve,
 - (i) grants or contracts which involve, coordinate with, or encourage tribal economic development plans; and

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1	(ii) applications from tribally con-
2	trolled community colleges that—
3	(I) are accredited or are can-
4	didates for accreditation by a nation-
5	ally recognized accreditation organiza-
6	tion as an institution of postsecondary
7	vocational education; or
8	(II) operate vocational education
9	programs that are accredited or are
10	candidates for accreditation by a na-
11	tionally recognized accreditation orga-
12	nization, and issue certificates for com-
13	pletion of vocational education pro-
14	grams.
15	(G) STIPENDS.—
16	(i) IN GENERAL.—Funds received pur-
17	suant to grants or contracts described in
18	subparagraph (A) may be used to provide
19	stipends to students who are enrolled in vo-
20	cational education programs and who have
21	acute economic needs which cannot be met
22	through work-study programs.
23	(ii) Amount.—Stipends described in
24	clause (i) shall not exceed reasonable
25	amounts as prescribed by the Secretary.

1	(2) MATCHING.—If sufficient funding is avail-
2	able, the Bureau of Indian Affairs shall expend an
3	amount equal to the amount made available under
4	this subsection, relating to programs for Indians, to
5	pay a part of the costs of programs funded under this
6	subsection. During each fiscal year the Bureau of In-
7	dian Affairs shall expend no less than the amount ex-
8	pended during the prior fiscal year on vocational
9	education programs, services, and activities adminis-
10	tered either directly by, or under contract with, the
11	Bureau of Indian Affairs, except that in no year shall
12	funding for such programs, services, and activities be
13	provided from accounts and programs that support
14	other Indian education programs. The Secretary and
15	the Assistant Secretary of the Interior for Indian Af-
16	fairs shall prepare jointly a plan for the expenditure
17	of funds made available and for the evaluation of pro-
18	grams assisted under this subsection. Upon the com-
19	pletion of a joint plan for the expenditure of the funds
20	and the evaluation of the programs, the Secretary
21	shall assume responsibility for the administration of
22	the program, with the assistance and consultation of
23	the Bureau of Indian Affairs.
24	(3) Special rule.—Programs funded under

25 this subsection shall be in addition to such other pro-

1 grams, services, and activities as are made available 2 to eligible Indians under other provisions of this Act. 3 (c) HAWAIIAN NATIVE PROGRAMS.—From the funds 4 reserved pursuant to section 111(a)(1)(B)(ii), the Secretary is directed, to award grants or enter into contracts with 5 organizations primarily serving and representing Hawai-6 7 ian natives which are recognized by the Governor of the 8 State of Hawaii to plan, conduct, and administer pro-9 grams, or portions thereof, which are authorized by and 10 consistent with the purpose of this title, for the benefit of 11 Hawaiian natives.

12 SEC. 115. TRIBALLY CONTROLLED POSTSECONDARY VOCA13 TIONAL INSTITUTIONS.

(a) IN GENERAL.—It is the purpose of this section to
provide grants for the operation and improvement of tribally controlled postsecondary vocational institutions to ensure continued and expanded educational opportunities for
Indian students, and to allow for the improvement and expansion of the physical resources of such institutions.

(b) GRANTS AUTHORIZED.—From the funds reserved
pursuant to section 111(a)(1)(B)(iii), the Secretary shall
make grants to tribally controlled postsecondary vocational
institutions to provide basic support for the vocational education and training of Indian students.

(c) ELIGIBLE GRANT RECIPIENTS.—To be eligible for
 assistance under this section a tribally controlled post secondary vocational institution shall—

4 (1) be governed by a board of directors or trust5 ees, a majority of whom are Indians;

6 (2) demonstrate adherence to stated goals, a phi-7 losophy, or a plan of operation which fosters individ-8 ual Indian economic and self-sufficiency opportunity, 9 including programs that are appropriate to stated 10 tribal goals of developing individual entrepreneur-11 ships and self-sustaining economic infrastructures on 12 reservations;

(3) have been in operation for at least 3 years;
(4) hold accreditation with or be a candidate for
accreditation by a nationally recognized accrediting
authority for postsecondary vocational education; and
(5) enroll the full-time equivalency of not less
than 100 students, of whom a majority are Indians.
(d) GRANT REQUIREMENTS.—

(1) APPLICATIONS.—Any tribally controlled
postsecondary vocational institution that desires to
receive a grant under this section shall submit an application to the Secretary. Such application shall include a description of recordkeeping procedures for the
expenditure of funds received under this section that

will allow the Secretary to audit and monitor pro grams.

3 (2) NUMBER.—The Secretary shall award not
4 less than 2 grants under this section for each fiscal
5 year.

6 (3) CONSULTATION.—In awarding grants under 7 this section, the Secretary shall, to the extent prac-8 ticable, consult with the boards of trustees of, and the 9 tribal governments chartering, the institutions desir-10 ing the grants.

11 (4) LIMITATION.—Amounts made available
12 through grants under this section shall not be used in
13 connection with religious worship or sectarian in14 struction.

15 (e) USES OF GRANTS.—

16 (1) IN GENERAL.—The Secretary shall, subject to
17 the availability of appropriations, provide for each
18 program year to each tribally controlled vocational
19 institution having an application approved by the
20 Secretary, an amount necessary to pay expenses asso21 ciated with—

(A) the maintenance and operation of the
program, including development costs, costs of
basic and special instruction (including special
programs for individuals with disabilities and

1	academic instruction), materials, student costs,
2	administrative expenses, boarding costs, trans-
3	portation, student services, daycare and family
4	support programs for students and their families
5	(including contributions to the costs of education
6	for dependents), and student stipends;
7	(B) capital expenditures, including oper-
8	ations and maintenance, and minor improve-
9	ments and repair, and physical plant mainte-
10	nance costs, for the conduct of programs funded
11	under this section; and
12	(C) costs associated with repair, upkeep, re-
13	placement, and upgrading of the instructional
14	equipment.
15	(2) Accounting.—Each institution receiving a
16	grant under this section shall provide annually to the
17	Secretary an accurate and detailed accounting of the
18	institution's operating and maintenance expenses and
19	such other information concerning costs as the Sec-
20	retary may reasonably require.
21	(f) Effect on Other Programs.—
22	(1) In general.—Except as specifically pro-
23	vided in this Act, eligibility for assistance under this
24	section shall not preclude any tribally controlled post-
25	secondary vocational institution from receiving Fed-

eral financial assistance under any program author ized under the Higher Education Act of 1965 (20
 U.S.C. 1001 et seq.) or any other applicable program
 for the benefit of institutions of higher education or
 vocational education.

6 (2) PROHIBITION ON ALTERATION OF GRANT 7 AMOUNT.—The amount of any grant for which trib-8 ally controlled postsecondary vocational institutions 9 are eligible under this section shall not be altered be-10 cause of funds allocated to any such institution from 11 funds appropriated under the Act of November 2, 12 1921 (commonly known as the "Snyder Act") (42 13 Stat. 208, chapter 115; 25 U.S.C. 13).

14 (3) PROHIBITION ON CONTRACT DENIAL.—No 15 tribally controlled postsecondary vocational institu-16 tion for which an Indian tribe has designated a por-17 tion of the funds appropriated for the tribe from 18 funds appropriated under such Act of November 2, 19 1921, may be denied a contract for such portion 20 under the Indian Self-Determination and Education 21 Assistance Act (25 U.S.C. 450b et seq.) (except as pro-22 vided in that Act), or denied appropriate contract 23 support to administer such portion of the appro-24 priated funds.

(g) NEEDS ESTIMATE AND REPORT ON FACILITIES
 2 AND FACILITIES IMPROVEMENT.—

3 (1) NEEDS ESTIMATE.—The Secretary shall. 4 based on the most accurate data available from the institutions and Indian tribes whose Indian students 5 6 are served under this section, and in consideration of 7 employment needs, economic development needs, pop-8 ulation training needs, and facilities needs, prepare 9 an actual budget needs estimate for each institution eligible under this section for each subsequent pro-10 11 gram year, and submit such budget needs estimate to 12 Congress in such a timely manner as will enable the 13 appropriate committees of Congress to consider such 14 needs data for purposes of the uninterrupted flow of 15 adequate appropriations to such institutions. Such 16 data shall take into account the goals and require-17 ments of the Personal Responsibility and Work Op-18 portunity Reconciliation Act of 1996 (Public Law 19 104–193; 110 Stat. 2105).

20 (2) STUDY OF TRAINING AND HOUSING NEEDS.—
21 (A) IN GENERAL.—The Secretary shall con22 duct a detailed study of the training, housing,
23 and immediate facilities needs of each institu24 tion eligible under this section. The study shall
25 include an examination of—

1	(i) training equipment needs;
2	(ii) housing needs of families whose
3	heads of households are students and whose
4	dependents have no alternate source of sup-
5	port while such heads of households are stu-
6	dents; and
7	(iii) immediate facilities needs.
8	(B) REPORT.—The Secretary shall report to
9	Congress not later than July 1, 1999, on the re-
10	sults of the study required by subparagraph (A).
11	(C) CONTENTS.—The report required by
12	subparagraph (B) $shall$ include the number,
13	type, and cost of meeting the needs described in
14	subparagraph (A), and rank each institution by
15	relative need.
16	(D) PRIORITY.—In conducting the study re-
17	quired by subparagraph (A) , the Secretary shall
18	give priority to institutions that are receiving
19	assistance under this section.
20	(3) Long-term study of facilities.—
21	(A) IN GENERAL.—The Secretary shall pro-
22	vide for the conduct of a long-term study of the
23	facilities of each institution eligible for assist-
24	ance under this section.

1	(B) CONTENTS.—The study required by
2	subparagraph (A) shall include a 5-year projec-
3	tion of training facilities, equipment, and hous-
4	ing needs and shall consider such factors as pro-
5	jected service population, employment, and eco-
6	nomic development forecasting, based on the most
7	current and accurate data available from the in-
8	stitutions and Indian tribes affected.
9	(B) SUBMISSION.—The Secretary shall sub-
10	mit to Congress a detailed report on the results
11	of such study not later than the end of the 18-
12	month period beginning on the date of enactment
13	of this Act.
14	(h) DEFINITIONS.—For the purposes of this section:
15	(1) INDIAN; INDIAN TRIBE.—The terms "Indian"
16	and "Indian tribe" have the meaning given such
17	terms in section 2 of the Tribally Controlled Commu-
18	nity College Assistance Act of 1978 (25 U.S.C. 1801).
19	(2) TRIBALLY CONTROLLED POSTSECONDARY VO-
20	CATIONAL INSTITUTION.—The term "tribally con-
21	trolled postsecondary vocational institution" means
22	an institution of higher education that—
23	(A) is formally controlled, or has been for-
24	mally sanctioned or chartered by the governing
25	body of an Indian tribe or tribes; and

1	(B)	offers	technical	degrees	or	certificate
2	granting p	orogra	ms.			

3 SEC. 116. INCENTIVE GRANTS.

4 (a) IN GENERAL.—The Secretary may make grants to
5 States that exceed—

6 (1) the State performance measures established
7 by the Secretary of Education under this Act; and

8 (2) the State performance measures established
9 under title III.

(b) PRIORITY.—In awarding incentive grants under
this section, the Secretary shall give priority to those States
submitting a State unified plan as described in section 501
that is approved by the appropriate Secretaries as described
in such section.

(c) USE OF FUNDS.—A State that receives an incentive grant under this section shall use the funds made available through the grant to carry out innovative programs
as determined by the State.

19 CHAPTER 2—STATE PROVISIONS

20 SEC. 121. STATE ADMINISTRATION.

21 Each eligible agency shall be responsible for the State
22 administration of activities under this subtitle, including—

23 (1) the development, submission, and implemen-

24 tation of the State plan;

1	(2) the efficient and effective performance of the
2	eligible agency's duties under this subtitle; and
3	(3) consultation with other appropriate agencies,
4	groups, and individuals that are involved in the de-
5	velopment and implementation of activities assisted
6	under this subtitle, such as employers, parents, stu-
7	dents, teachers, labor organizations, State and local
8	elected officials, and local program administrators.
9	SEC. 122. STATE USE OF FUNDS.
10	(a) RESERVATIONS.—From funds allotted to each
11	State under section 111(a) for each fiscal year, the eligible
12	agency shall reserve—
13	(1) not more than 14 percent of the funds to
14	carry out section 123;
15	(2) not more than 10 percent of the funds, or
16	\$300,000, whichever is greater, of which—
17	(A) $60,000$ shall be available to provide
18	technical assistance and advice to local edu-
19	cational agencies, postsecondary educational in-
20	stitutions, and other interested parties in the
21	State for gender equity activities; and
22	(B) the remainder may be used to—
23	(i) develop the State plan;
24	(ii) review local applications;

1 (iii) monitor and evaluate program ef-2 *fectiveness;* (iv) provide technical assistance; and 3 4 (v) assure compliance with all applica-5 ble Federal laws, including required services 6 and activities for individuals who are mem-7 bers of populations described in section 8 124(c)(16); and 9 (3) 1 percent of the funds, or the amount the State expended under the Carl D. Perkins Vocational 10 11 and Applied Technology Education Act (20 U.S.C. 12 2301 et seq.) for vocational education programs for 13 criminal offenders for the fiscal year 1997, whichever 14 is greater, to carry out programs for criminal offend-15 ers. 16 (b) REMAINDER.—From funds allotted to each State 17 under section 111(a) for each fiscal year and not reserved under subsection (a), the eligible agency shall determine the 18 portion of the funds that will be available to carry out sec-19 20 tions 131 and 132. 21

(c) MATCHING REQUIREMENT.—Each eligible agency
receiving funds under this subtitle shall match, from nonFederal sources and on a dollar-for-dollar basis, the funds
received under subsection (a)(2).

1 SEC. 123. STATE LEADERSHIP ACTIVITIES.

(a) MANDATORY.—Each eligible agency shall use the
funds reserved under section 122(a)(1) to conduct programs,
services, and activities that further the development, implementation, and improvement of vocational education within the State and that are integrated, to the maximum extent
possible, with challenging State academic standards, including—

9 (1) providing comprehensive professional devel-10 opment (including initial teacher preparation) for vo-11 cational, academic, guidance, and administrative per-12 sonnel, that—

13 (A) will help the teachers and personnel to
14 meet the expected levels of performance estab15 lished under section 112;

16 (B) reflects the eligible agency's assessment
17 of the eligible agency's needs for professional de18 velopment; and

19 (C) is integrated with the professional devel-20 opment activities that the State carries out 21 under title II of the Elementary and Secondary 22 Education Act of 1965 (20 U.S.C. 6001 et seq.); 23 (2) developing and disseminating curricula that 24 are aligned, as appropriate, with challenging State 25 academic standards, and vocational and technological 26 skills:

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1	(3) monitoring and evaluating the quality of,
2	and improvement in, activities conducted with assist-
3	ance under this subtitle;
4	(4) promoting gender equity in secondary and
5	postsecondary vocational education;
6	(5) supporting tech-prep education activities;
7	(6) improving and expanding the use of tech-
8	nology in instruction;
9	(7) supporting partnerships among local edu-
10	cational agencies, institutions of higher education,
11	adult education providers, and, as appropriate, other
12	entities, such as employers, labor organizations, par-
13	ents, and local partnerships, to enable students to
14	achieve to challenging State academic standards, and
15	vocational and technological skills; and
16	(8) serving individuals in State institutions,
17	such as State correctional institutions and institu-
18	tions that serve individuals with disabilities.
19	(b) PERMISSIVE.—Each eligible agency may use the
20	funds reserved under section 122(a)(1) for—
21	(1) improving guidance and counseling pro-
22	grams that assist students in making informed edu-
23	cation and vocational decisions;
24	(2) supporting vocational student organizations,
25	especially with respect to efforts to increase the par-

1	ticipation of students who are members of populations
2	described in section $124(c)(16);$
3	(3) providing vocational education programs for
4	adults and school dropouts to complete their second-
5	ary school education; and
6	(4) providing assistance to students who have
7	participated in services and activities under this sub-
8	title in finding an appropriate job and continuing
9	their education.
10	SEC. 124. STATE PLAN.
11	(a) State Plan.—
12	(1) IN GENERAL.—Each eligible entity desiring
13	assistance under this subtitle for any fiscal year shall
14	prepare and submit to the Secretary a State plan for
15	a 3-year period, together with such annual revisions
16	as the eligible agency determines to be necessary.
17	(2) COORDINATION.—The period required by
18	paragraph (1) shall be coordinated with the period
19	covered by the State plan described in section 304.
20	(3) HEARING PROCESS.—The eligible agency
21	shall conduct public hearings in the State, after ap-
22	propriate and sufficient notice, for the purpose of af-
23	fording all segments of the public and interested orga-
24	nizations and groups (including employers, labor or-
25	ganizations, and parents), an opportunity to present

their views and make recommendations regarding the
 State plan. A summary of such recommendations and
 the eligible agency's response to such recommenda tions shall be included with the State plan.
 (b) DEVELOPMENT OF PLAN.—The eligible agency

6 shall develop the State plan with representatives of second7 ary and postsecondary vocational education, and business,
8 in the State and shall also consult the Governor of the State.
9 (c) CONTENTS OF THE PLAN.—The State plan shall
10 include information that—

(1) describes the vocational education activities
to be assisted that are designed to meet and reach the
State performance measures;

(2) describes the integration of academic education with vocational education, and with technological education related to vocational education;

17 (3) describes how the eligible agency will
18 disaggregate data relating to students participating
19 in vocational education in order to adequately meas20 ure the progress of the students;

21 (4) describes how the eligible agency will ade22 quately address the needs of students in alternative
23 education programs;

24 (5) describes how the eligible agency will provide
25 local educational agencies, area vocational education

1	schools, and eligible institutions in the State with
2	technical assistance;
3	(6) describes how the eligible agency will encour-
4	age the participation of the parents of secondary
5	school students who are involved in vocational edu-
6	cation activities;
7	(7) identifies how the eligible agency will obtain
8	the active participation of business, labor organiza-
9	tions, and parents in the development and improve-
10	ment of vocational education activities carried out by
11	the eligible agency;
12	(8) describes how vocational education is aligned
13	with State and regional employment opportunities;
14	(9) describes the methods proposed for the joint
15	planning and coordination of programs carried out
16	under this subtitle with other Federal education pro-
17	grams;
18	(10) describes how funds will be used to promote
19	gender equity in secondary and postsecondary voca-
20	tional education;
21	(11) describes how funds will be used to improve
22	and expand the use of technology in instruction;
23	(12) describes how funds will be used to serve in-
24	dividuals in State correctional institutions;

1	(13) describes how funds will be used effectively
2	to link secondary and postsecondary education;
3	(14) describes how funds will be allocated and
4	used at the secondary and postsecondary level, any
5	consortia that will be formed among secondary schools
6	and eligible institutions, and how funds will be allo-
7	cated among the members of the consortia;
8	(15) describes how the eligible agency will ensure
9	that the data reported to the eligible agency from local
10	educational agencies and eligible institutions under
11	this subtitle and the data the eligible agency reports
12	to the Secretary are complete, accurate, and reliable;
13	(16) describes how the eligible agency will de-
14	velop program strategies for populations that include,
15	at a minimum—
16	(A) low-income individuals, including foster
17	children;
18	(B) individuals with disabilities;
19	(C) single parents and displaced home-
20	makers; and
21	(D) individuals with multiple barriers to
22	educational enhancement; and
23	(17) contains the description and information
24	specified in paragraphs (8) and (16) of section 304(b)

1	concerning the provision of services only for post-
2	secondary students and school dropouts.
3	(d) Plan Approval.—
4	(1) IN GENERAL.—The Secretary shall approve a
5	State plan, or a revision to an approved State plan,
6	only if the Secretary determines that—
7	(A) the State plan, or revision, respectively,
8	meets the requirements of this section; and
9	(B) the State's performance measures and
10	expected levels of performance under section 112
11	are sufficiently rigorous to meet the purpose of
12	this title.
13	(2) DISAPPROVAL.—The Secretary shall not fi-
14	nally disapprove a State plan, except after giving the
15	eligible agency notice and an opportunity for a hear-
16	ing.
17	(3) PEER REVIEW.—The Secretary shall establish
18	a peer review process to make recommendations re-
19	garding approval of State plans and revisions to
20	State plans.
21	(4) TIMEFRAME.—A State plan shall be deemed
22	approved if the Secretary has not responded to the eli-
23	gible agency regarding the plan within 90 days of the
24	date the Secretary receives the plan.
25	(e) ELIGIBLE AGENCY REPORT.—

1	(1) IN GENERAL.—The eligible agency shall an-
2	nually report to the Secretary regarding—
3	(A) the quality and effectiveness of the pro-
4	grams, services, and activities, assisted under
5	this subtitle, based on the performance measures
6	and expected levels of performance described in
7	section 112; and
8	(B) the progress each population of individ-
9	uals described in section $124(c)(16)$ is making
10	toward achieving the expected levels of perform-
11	ance.
12	(2) CONTENTS.—The eligible agency report
13	also—
14	(A) shall include such information, in such
15	form, as the Secretary may reasonably require,
16	in order to ensure the collection of uniform data;
17	and
18	(B) shall be made available to the public.
19	CHAPTER 3—LOCAL PROVISIONS
20	SEC. 131. DISTRIBUTION FOR SECONDARY SCHOOL VOCA-
21	TIONAL EDUCATION.
22	(a) Allocation.—Except as otherwise provided in
23	this section, each eligible agency shall distribute the portion
24	of the funds made available for secondary school vocational

1	education activities under section 122(b) for any fiscal year
2	to local educational agencies within the State as follows:
3	(1) Seventy percent.—From 70 percent of
4	such portion, each local educational agency shall be
5	allocated an amount that bears the same relationship
6	to such 70 percent as the amount such local edu-
7	cational agency was allocated under section 1124 of
8	the Elementary and Secondary Education Act of
9	1965 (20 U.S.C. 6333) for the preceding fiscal year
10	bears to the total amount received under such section
11	by all local educational agencies in the State for such
12	year.
10	

13 (2) TWENTY PERCENT.—From 20 percent of such 14 portion, each local educational agency shall be allo-15 cated an amount that bears the same relationship to such 20 percent as the number of students with dis-16 17 abilities who have individualized education programs 18 under section 614(d) of the Individuals With Disabil-19 ities Education Act (20 U.S.C. 1414(d)) served by 20 such local educational agency for the preceding fiscal 21 year bears to the total number of such students served 22 by all local educational agencies in the State for such 23 year.

24 (3) TEN PERCENT.—From 10 percent of such
25 portion, each local educational agency shall be allo-

1	cated an amount that bears the same relationship to
2	such 10 percent as the number of students enrolled in
3	schools and adults enrolled in training programs
4	under the jurisdiction of such local educational agen-
5	cy for the preceding fiscal year bears to the number
6	of students enrolled in schools and adults enrolled in
7	training programs under the jurisdiction of all local
8	educational agencies in the State for such year.
9	(b) Minimum Allocation.—
10	(1) In general.—Except as provided in para-
11	graph (2), no local educational agency shall receive
12	an allocation under subsection (a) unless the amount
13	allocated to such agency under subsection (a) is not
14	less than $$25,000$. A local educational agency may
15	enter into a consortium with other local educational
16	agencies for purposes of meeting the minimum alloca-
17	tion requirement of this paragraph.
18	(2) WAIVER.—The eligible agency may waive the
19	application of paragraph (1) in any case in which
20	the local educational agency—
21	(A) is located in a rural, sparsely populated
22	area; and
23	(B) demonstrates that such agency is unable
24	to enter into a consortium for purposes of pro-
25	viding services under this section.

1	(3) REALLOCATION.—Any amounts that are not
2	allocated by reason of paragraph (1) or (2) shall be
3	reallocated to local educational agencies that meet the
4	requirements of paragraph (1) or (2) in accordance
5	with the provisions of this section.
6	(c) Limited Jurisdiction Agencies.—
7	(1) IN GENERAL.—In applying the provisions of
8	subsection (a), no eligible agency receiving assistance
9	under this subtitle shall allocate funds to a local edu-
10	cational agency that serves only elementary schools,
11	but shall distribute such funds to the local educational
12	agency or regional educational agency that provides
13	secondary school services to secondary school students
14	in the same attendance area.
15	(2) Special Rule.—The amount to be allocated
16	under paragraph (1) to a local educational agency
17	that has jurisdiction only over secondary schools shall
18	be determined based on the number of students that
19	entered such secondary schools in the previous year
20	from the elementary schools involved.
21	(d) Allocations to Area Vocational Education
22	Schools and Educational Service Agencies.—
23	(1) IN GENERAL.—Each eligible agency shall dis-
24	tribute the portion of funds made available for any
25	fiscal year by such entity for secondary school voca-

1	tional education activities under section 122(b) to the
2	appropriate area vocational education school or edu-
3	cational service agency in any case in which—
4	(A) the area vocational education school or
5	educational service agency, and the local edu-
6	cational agency concerned—
7	(i) have formed or will form a consor-
8	tium for the purpose of receiving funds
9	under this section; or
10	(ii) have entered into or will enter into
11	a cooperative arrangement for such purpose;
12	and
13	(B)(i) the area vocational education school
14	or educational service agency serves an approxi-
15	mately equal or greater proportion of students
16	who are individuals with disabilities or are low-
17	income than the proportion of such students at-
18	tending the secondary schools under the jurisdic-
19	tion of all of the local educational agencies send-
20	ing students to the area vocational education
21	school or the educational service agency; or
22	(ii) the area vocational education school,
23	educational service agency, or local educational
24	agency demonstrates that the vocational edu-
25	cation school or educational service agency is un-

1	able to meet the criterion described in clause (i)
2	due to the lack of interest by students described
3	in clause (i) in attending vocational education
4	programs in that area vocational education
5	school or educational service agency.
6	(2) Allocation BASIS.—If an area vocational
7	education school or educational service agency meets
8	the requirements of paragraph (1), then—
9	(A) the amount that will otherwise be dis-
10	tributed to the local educational agency under
11	this section shall be allocated to the area voca-
12	tional education school, the educational service
13	agency, and the local educational agency, based
14	on each school's or agency's relative share of stu-
15	dents described in paragraph $(1)(B)(i)$ who are
16	attending vocational education programs (based,
17	if practicable, on the average enrollment for the
18	prior 3 years); or
19	(B) such amount may be allocated on the
20	basis of an agreement between the local edu-
21	cational agency and the area vocational edu-
22	cation school or educational service agency.
23	(3) State determination.—
24	(A) IN GENERAL.—For the purposes of this
25	subsection, the eligible agency may determine the

1	number of students who are low-income on the
2	basis of—
3	(i) eligibility for—
4	(I) free or reduced-price meals
5	under the National School Lunch Act
6	(7 U.S.C. 1751 et seq.);
7	(II) assistance under a State pro-
8	gram funded under part A of title IV
9	of the Social Security Act;
10	(III) benefits under the Food
11	Stamp Act of 1977 (7 U.S.C. 2011 et
12	seq.); or
13	(IV) services under title I of the
14	Elementary and Secondary Education
15	Act of 1965 (20 U.S.C. 6301 et seq.);
16	and
17	(ii) another index of economic status,
18	including an estimate of such index, if the
19	eligible agency demonstrates to the satisfac-
20	tion of the Secretary that such index is a
21	more representative means of determining
22	such number.
23	(B) DATA.—If an eligible agency elects to
24	use more than 1 factor described in subpara-
25	graph (A) for purposes of making the determina-

tion described in such subparagraph, the eligible
 agency shall ensure that the data used is not du plicative.

4 (4) APPEALS PROCEDURE.—The eligible agency 5 shall establish an appeals procedure for resolution of 6 any dispute arising between a local educational agen-7 cy and an area vocational education school or an 8 educational service agency with respect to the alloca-9 tion procedures described in this section, including 10 the decision of a local educational agency to leave a 11 consortium.

12 (5) SPECIAL RULE.—Notwithstanding the provi-13 sions of paragraphs (1), (2), (3), and (4), any local 14 educational agency receiving an allocation that is not 15 sufficient to conduct a secondary school vocational 16 education program of sufficient size, scope, and qual-17 ity to be effective may—

(A) form a consortium or enter into a cooperative agreement with an area vocational education school or educational service agency offering secondary school vocational education programs of sufficient size, scope, and quality to be
effective and that are accessible to students who
are individuals with disabilities or are low-in-

1	come, and are served by such local educational
2	agency; and
3	(B) transfer such allocation to the area vo-
4	cational education school or educational service
5	agency.
6	(e) Special Rule.—Each eligible agency distributing
7	funds under this section shall treat a secondary school fund-
8	ed by the Bureau of Indian Affairs within the State as if
9	$such\ school\ were\ a\ local\ educational\ agency\ within\ the\ State$
10	for the purpose of receiving a distribution under this sec-
11	tion.
12	SEC. 132. DISTRIBUTION FOR POSTSECONDARY VOCA-
13	TIONAL EDUCATION.
13 14	TIONAL EDUCATION. (a) DISTRIBUTION.—
14	(a) DISTRIBUTION.—
14 15	(a) DISTRIBUTION.— (1) IN GENERAL.—Except as otherwise provided
14 15 16	 (a) DISTRIBUTION.— (1) IN GENERAL.—Except as otherwise provided in this section, each eligible agency shall distribute
14 15 16 17	 (a) DISTRIBUTION.— (1) IN GENERAL.—Except as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available for postsecondary
14 15 16 17 18	 (a) DISTRIBUTION.— (1) IN GENERAL.—Except as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available for postsecondary vocational education under section 122(b) for any fis-
14 15 16 17 18 19	 (a) DISTRIBUTION.— (1) IN GENERAL.—Except as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available for postsecondary vocational education under section 122(b) for any fis- cal year to eligible institutions within the State in
 14 15 16 17 18 19 20 	 (a) DISTRIBUTION.— (1) IN GENERAL.—Except as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available for postsecondary vocational education under section 122(b) for any fis- cal year to eligible institutions within the State in accordance with paragraph (2).
 14 15 16 17 18 19 20 21 	 (a) DISTRIBUTION.— (1) IN GENERAL.—Except as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available for postsecondary vocational education under section 122(b) for any fis- cal year to eligible institutions within the State in accordance with paragraph (2). (2) ALLOCATION.—Each eligible institution in
 14 15 16 17 18 19 20 21 22 	 (a) DISTRIBUTION.— (1) IN GENERAL.—Except as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available for postsecondary vocational education under section 122(b) for any fis- cal year to eligible institutions within the State in accordance with paragraph (2). (2) ALLOCATION.—Each eligible institution in the State having an application approved under sec-

1	cational education under section 122(b) for the fiscal
2	year as the number of Pell Grant recipients and re-
3	cipients of assistance from the Bureau of Indian Af-
4	fairs enrolled for the preceding fiscal year by such eli-
5	gible institution in vocational education programs
6	that do not exceed 2 years in duration bears to the
7	number of such recipients enrolled in such programs
8	within the State for such fiscal year.
9	(3) Minimum Allocation.—
10	(A) IN GENERAL.—Except as provided in
11	subparagraph (B), no eligible institution shall
12	receive an allocation under paragraph (2) unless
13	the amount allocated to the eligible institution
14	under paragraph (2) is not less than \$65,000.
15	(B) WAIVER.—The eligible agency may
16	waive the application of subparagraph (A) in
17	any case in which the eligible institution is lo-
18	cated in a rural, sparsely populated area.
19	(C) REALLOCATION.—Any amounts that are
20	not allocated by reason of subparagraph (A) or
21	(B) shall be reallocated to eligible institutions
22	that meet the requirements of subparagraph (A)
23	or (B) in accordance with the provisions of this
24	section.

1	(4) DEFINITION OF PELL GRANT RECIPIENT.—
2	The term "Pell Grant recipient" means a recipient of
3	financial aid under subpart 1 of part A of title IV
4	of the Higher Education Act of 1965 (20 U.S.C.
5	1070a).
6	(b) ALTERNATIVE ALLOCATION.—An eligible agency
7	may allocate funds made available for postsecondary edu-
8	cation under section 122(b) for a fiscal year using an alter-
9	native formula if the eligible agency demonstrates to the
10	Secretary's satisfaction that—
11	(1) the alternative formula better meets the pur-
12	pose of this title; and
13	(2)(A) the formula described in subsection (a)
14	does not result in an allocation of funds to the eligible
15	institutions that serve the highest numbers or percent-
16	ages of low-income students; and
17	(B) the alternative formula will result in such a
18	distribution.
19	SEC. 133. LOCAL ACTIVITIES.
20	(a) MANDATORY.—Funds made available to a local
21	educational agency or an eligible institution under this sub-
22	title shall be used—
23	(1) to conduct vocational education programs,
24	and technological education programs related to voca-
25	tional education, that further student achievement;

1	(2) to provide services and activities that are of
2	sufficient size, scope, and quality to be effective;
3	(3) to integrate academic education with voca-
4	tional education for students participating in voca-
5	tional education;
6	(4) to link secondary education (as determined
7	under State law) and postsecondary education, in-
8	cluding implementing tech-prep programs;
9	(5) to provide professional development activities
10	to teachers, counselors, and administrators, includ-
11	ing—
12	(A) inservice and preservice training in
13	state-of-the-art vocational education programs;
14	(B) internship programs that provide busi-
15	ness experience to teachers; and
16	(C) programs designed to train teachers spe-
17	cifically in the use and application of tech-
18	nology;
19	(6) to improve or expand the use of technology
20	in vocational instruction, including professional de-
21	velopment in the use of technology, which may in-
22	clude distance learning;
23	(7) to expand, improve, and modernize quality
24	vocational education programs;

1	(8) to provide access to quality vocational edu-
2	cation programs for students, including students who
3	are members of the populations described in section
4	124(c)(16);
5	(9) to develop and implement performance man-
6	agement systems and evaluations; and
7	(10) to promote gender equity in secondary and
8	postsecondary vocational education.
9	(b) PERMISSIVE.—Funds made available to a local
10	educational agency or an eligible institution under this sub-
11	title may be used—
12	(1) to carry out student internships;
13	(2) to provide guidance and counseling for stu-
14	dents participating in vocational education pro-
15	grams;
16	(3) to provide vocational education programs for
17	adults and school dropouts to complete their second-
18	ary school education;
19	(4) to acquire and adapt equipment, including
20	instructional aids;
21	(5) to support vocational student organizations;
22	(6) to provide assistance to students who have
23	participated in services and activities under this sub-
24	title in finding an appropriate job and continuing
25	their education; and

(7) to support other activities that are consistent
 with the purpose of this title.

3 SEC. 134. LOCAL APPLICATION.

4 (a) IN GENERAL.—Each local educational agency or
5 eligible institution desiring assistance under this subtitle
6 shall submit an application to the eligible agency at such
7 time, in such manner, and accompanied by such informa8 tion as the eligible agency (in consultation with such other
9 educational entities as the eligible agency determines to be
10 appropriate) may require.

11 (b) CONTENTS.—Each application shall, at a mini12 mum—

(1) describe how the vocational education activities will be carried out pertaining to meeting the expected levels of performance;

(2) describe the process that will be used to independently evaluate and continuously improve the performance of the local educational agency or eligible
institution, as appropriate; and

20 (3) describe how the local educational agency or
21 eligible institution, as appropriate, will consult with
22 students, parents, business, labor organizations, and
23 other interested individuals, in carrying out activities
24 under this subtitle.

1 Subtitle B—Tech-Prep Education

2 SEC. 151. SHORT TITLE.

3 This subtitle may be cited as the "Tech-Prep Edu4 cation Act".

5 SEC. 152. PURPOSES.

6 The purposes of this subtitle are—

7 (1) to provide implementation grants to consor8 tia of local educational agencies, postsecondary edu9 cational institutions, and employers or labor organi10 zations, for the development and operation of pro11 grams designed to provide a tech-prep education pro12 gram leading to a 2-year associate degree or a 2-year
13 certificate;

(2) to provide, in a systematic manner, strong,
comprehensive links among secondary schools, postsecondary educational institutions, and local or regional employers, or labor organizations; and

18 (3) to support the use of contextual, authentic,
19 and applied teaching and curriculum based on each
20 State's academic, occupational, and employability
21 standards.

22 SEC. 153. DEFINITIONS.

23 (a) In this subtitle:

24 (1) ARTICULATION AGREEMENT.—The term "ar25 ticulation agreement" means a written commitment

1	to a program designed to provide students with a non
2	duplicative sequence of progressive achievement lead-
3	ing to degrees or certificates in a tech-prep education
4	program.
5	(2) Community college.—The term "commu-
6	nity college"—
7	(A) has the meaning provided in section
8	1201(a) of the Higher Education Act of 1965 (20
9	U.S.C. 1141) for an institution which provides
10	not less than a 2-year program which is accept-
11	able for full credit toward a bachelor's degree;
12	and
13	(B) includes tribally controlled community
14	colleges.
15	(3) Tech-prep program.—The term "tech-prep
16	program" means a program of study that—
17	(A) combines at a minimum 2 years of sec-
18	ondary education (as determined under State
19	law) and a minimum 2 years of postsecondary
20	education in a nonduplicative, sequential course
21	$of \ study;$
22	(B) integrates academic and vocational in-
23	struction, and utilizes work-based and worksite
24	learning where appropriate and available;

1	(C) provides technical preparation in a ca-
2	reer field such as engineering technology, applied
3	science, a mechanical, industrial, or practical
4	art or trade, agriculture, health occupations,
5	business, or applied economics;
6	(D) builds student competence in mathe-
7	matics, science, communications, economics, and
8	workplace skills, through applied, contextual aca-
9	demics, and integrated instruction in a coherent
10	sequence of courses;
11	(E) leads to an associate or a baccalaureate
12	degree or a certificate in a specific career field;
13	and
14	(F) leads to placement in appropriate em-
15	ployment or further education.
16	SEC. 154. PROGRAM AUTHORIZED.
17	(a) Discretionary Amounts.—
18	(1) IN GENERAL.—For any fiscal year for which
19	the amount appropriated under section 157 to carry
20	out this subtitle is equal to or less than \$50,000,000,
21	the Secretary shall award grants for tech-prep edu-
22	cation programs to consortia of—
23	(A) local educational agencies, intermediate
24	educational agencies or area vocational edu-
25	cation schools serving secondary school students,

1	or secondary schools funded by the Bureau of In-
2	dian Affairs;
3	(B)(i) nonprofit institutions of higher edu-
4	cation that offer—
5	(I) a 2-year associate degree program,
6	or a 2-year certificate program, and are
7	qualified as institutions of higher education
8	pursuant to section 481(a) of the Higher
9	Education Act of 1965 (20 U.S.C. 1088(a)),
10	including $institutions$ $receiving$ $assistance$
11	under the Tribally Controlled Community
12	College Assistance Act of 1978 (25 U.S.C.
13	1801 et seq.) and tribally controlled post-
14	secondary vocational institutions; or
15	(II) a 2-year apprenticeship program
16	that follows secondary instruction,
17	if such nonprofit institutions of higher education
18	are not prohibited from receiving assistance
19	under part B of the Higher Education Act of
20	1965 (20 U.S.C. 1071 et seq.) pursuant to the
21	provisions of section $435(a)(3)$ of such Act (20
22	U.S.C. 1083(a)); or
23	(ii) proprietary institutions of higher edu-
24	cation which offer a 2-year associate degree pro-
25	gram and which are qualified as institutions of

1	higher education pursuant to section 481(a) of
2	the Higher Education Act of 1965 (20 U.S.C.
3	1088(a)) if such proprietary institutions of high-
4	er education are not subject to a default manage-
5	ment plan required by the Secretary; or
6	(C) employers or labor organizations.
7	(2) Special Rule.—A consortium described in
8	paragraph (1) may include 1 or more institutions of
9	higher education that award baccalaureate degrees.
10	(b) State Grants.—
11	(1) IN GENERAL.—For any fiscal year for which
12	the amount made available under section 157 to carry
13	out this subtitle exceeds \$50,000,000, the Secretary
14	shall allot such amount among the States in the same
15	manner as funds are allotted to States under para-
16	graphs (2), (3), and (4) of section 111(a).
17	(2) PAYMENTS TO ELIGIBLE AGENCIES.—The
18	Secretary shall make a payment in the amount of a
19	State's allotment under this paragraph to the eligible
20	agency that serves the State and has an application
21	approved under paragraph (4).
22	(3) AWARD BASIS.—From amounts made avail-
23	able to each eligible agency under this subsection, the
24	eligible agency shall award grants, on a competitive
25	basis or on the basis of a formula determined by the

eligible agency, for tech-prep education programs to
 consortia described in subsection (a).
 (4) STATE APPLICATION.—Each eligible agency
 desiring assistance under this subtitle shall submit an
 application to the Secretary at such time, in such
 manner, and accompanied by such information as the
 Secretary may require.

8 SEC. 155. TECH-PREP EDUCATION PROGRAMS.

9 (a) GENERAL AUTHORITY.—Each consortium shall use
10 amounts provided through the grant to develop and operate
11 a tech-prep education program.

12 (b) CONTENTS OF PROGRAM.—Any such tech-prep pro13 gram shall—

14 (1) be carried out under an articulation agree15 ment between the participants in the consortium;

16 (2) consist of at least 2 years of secondary school 17 preceding graduation and 2 years or more of higher 18 education, or an apprenticeship program of at least 19 2 years following secondary instruction, with a com-20 mon core of required proficiency in mathematics, 21 science, communications, and technologies designed to 22 lead to an associate or baccalaureate degree or a cer-23 tificate in a specific career field;

1	(3) include the development of tech-prep edu-
2	cation program curricula for both secondary and
3	postsecondary levels that—
4	(A) meets challenging academic standards
5	developed by the State;
6	(B) links secondary schools and 2-year post-
7	secondary institutions, and where possible and
8	practicable, 4-year institutions of higher edu-
9	cation through nonduplicative sequences of
10	courses in career fields;
11	(C) uses, where appropriate and available,
12	work-based or worksite learning in conjunction
13	with business and industry; and
14	(D) uses educational technology and dis-
15	tance learning, as appropriate, to involve all the
16	consortium partners more fully in the develop-
17	ment and operation of programs.
18	(4) include a professional development program
19	for academic, vocational, and technical teachers
20	that—
21	(A) is designed to train teachers to effec-
22	tively implement tech-prep education curricula;
23	(B) provides for joint training for teachers
24	from all participants in the consortium;

1	(C) is designed to ensure that teachers stay
2	current with the needs, expectations, and meth-
3	ods of business and industry;
4	(D) focuses on training postsecondary edu-
5	cation faculty in the use of contextual and ap-
6	plied curricula and instruction; and
7	(E) provides training in the use and appli-
8	cation of technology;
9	(5) include training programs for counselors de-
10	signed to enable counselors to more effectively—
11	(A) make tech-prep education opportunities
12	known to students interested in such activities;
13	(B) ensure that such students successfully
14	complete such programs;
15	(C) ensure that such students are placed in
16	appropriate employment; and
17	(D) stay current with the needs, expecta-
18	tions, and methods of business and industry;
19	(6) provide equal access to the full range of tech-
20	nical preparation programs to individuals who are
21	members of populations described in section
22	124(c)(16), including the development of tech-prep
23	education program services appropriate to the needs
24	of such individuals; and

1	(7) provide for preparatory services that assist
2	all participants in such programs.
3	(c) Additional Authorized Activities.—Each
4	such tech-prep program may—
5	(1) provide for the acquisition of tech-prep edu-
6	cation program equipment;
7	(2) as part of the program's planning activities,
8	acquire technical assistance from State or local enti-
9	ties that have successfully designed, established and
10	operated tech-prep programs;
11	(3) acquire technical assistance from State or
12	local entities that have designed, established, and op-
13	erated tech-prep programs that have effectively used
14	educational technology and distance learning in the
15	delivery of curricula and services and in the articula-
16	tion process; and
17	(4) establish articulation agreements with insti-
18	tutions of higher education, labor organizations, or
19	businesses located outside of the State served by the
20	consortium, especially with regard to using distance
21	learning and educational technology to provide for the
22	delivery of services and programs.
23	SEC. 156. APPLICATIONS.

24 (a) IN GENERAL.—Each consortium that desires to re25 ceive a grant under this subtitle shall submit an application

to the Secretary or the eligible agency, as appropriate, at
 such time and in such manner as the Secretary or the eligi ble agency, as appropriate, shall prescribe.

4 (b) THREE-YEAR PLAN.—Each application submitted
5 under this section shall contain a 3-year plan for the devel6 opment and implementation of activities under this sub7 title.

8 (c) APPROVAL.—The Secretary or the eligible agency, 9 as appropriate, shall approve applications based on the po-10 tential of the activities described in the application to create 11 an effective tech-prep education program described in sec-12 tion 155.

(d) SPECIAL CONSIDERATION.—The Secretary or the
eligible agency, as appropriate, shall give special consideration to applications that—

16 (1) provide for effective employment placement
17 activities or the transfer of students to 4-year institu18 tions of higher education;

19 (2) are developed in consultation with 4-year in20 stitutions of higher education;

21 (3) address effectively the needs of populations
22 described in section 124(c)(16);

(4) provide education and training in areas or
skills where there are significant workforce shortages,
including the information technology industry; and

(5) demonstrate how tech-prep programs will
 help students meet high academic and employability
 competencies.

4 (e) EQUITABLE DISTRIBUTION OF ASSISTANCE.—In
5 awarding grants under this subtitle, the Secretary shall en6 sure an equitable distribution of assistance among States,
7 and the Secretary or the eligible agency, as appropriate,
8 shall ensure an equitable distribution of assistance between
9 urban and rural consortium participants.

10 (f) NOTICE.—

11 (1) IN GENERAL.—In the case of grants to be 12 awarded by the Secretary, each consortium that sub-13 mits an application under this section shall provide 14 notice of such submission and a copy of such applica-15 tion to the State educational agency and the State 16 agency for higher education of the State in which the 17 consortium is located.

18 (2) NOTIFICATION.—The Secretary shall notify
19 the State educational agency and the State agency for
20 higher education of a State each time a consortium
21 located in the State is selected to receive a grant
22 under this subtitle.

2 There is authorized to be appropriated to carry out
3 this subtitle such sums as may be necessary for fiscal year
4 1999 and each of the 5 succeeding fiscal years.

5 Subtitle C—General Provisions

6 SEC. 161. ADMINISTRATIVE PROVISIONS.

7 (a) SUPPLEMENT NOT SUPPLANT.—Funds made
8 available under this title for vocational education activities
9 shall supplement, and shall not supplant, other public funds
10 expended to carry out vocational education and tech-prep
11 activities.

12 (b) MAINTENANCE OF EFFORT.—

13 (1) DETERMINATION.—No payments shall be 14 made under this title for any fiscal year to an eligible 15 agency for vocational education or tech-prep activities 16 unless the Secretary determines that the fiscal effort 17 per student or the aggregate expenditures of the State 18 for vocational education for the fiscal year preceding 19 the fiscal year for which the determination is made. 20 equaled or exceeded such effort or expenditures for vo-21 cational education for the second fiscal year preceding 22 the fiscal year for which the determination is made. (2) WAIVER.—The Secretary may waive the re-23 24 quirements of this section, with respect to not more 25 than 5 percent of expenditures by any eligible agency 26 for 1 fiscal year only, on making a determination •S 1186 RS

that such waiver would be equitable due to excep-
tional or uncontrollable circumstances affecting the
ability of the applicant to meet such requirements,
such as a natural disaster or an unforeseen and pre-
cipitous decline in financial resources. No level of
funding permitted under such a waiver may be used
as the basis for computing the fiscal effort or aggre-
gate expenditures required under this section for years
subsequent to the year covered by such waiver. The
fiscal effort or aggregate expenditures for the subse-

11 quent years shall be computed on the basis of the level 12 of funding that would, but for such waiver, have been 13 required.

14 (c) REPRESENTATION.—The eligible agency shall pro-15 vide representation to the statewide partnership.

16 SEC. 162. EVALUATION, IMPROVEMENT, AND ACCOUNTABIL-

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18 (a) LOCAL EVALUATION.—Each eligible agency shall 19 evaluate annually the vocational education and tech-prep 20 activities of each local educational agency or eligible insti-21 tution receiving assistance under this title, using the per-22 formance measures established under section 112.

23 (b) IMPROVEMENT ACTIVITIES.—If, after reviewing the 24 evaluation, an eligible agency determines that a local educational agency or eligible institution is not making sub-25

stantial progress in achieving the purpose of this title, the 1 2 eligible agency may work jointly with the local educational 3 agency or eligible institution, respectively, to develop an 4 improvement plan. If, after not more than 2 years of imple-5 mentation of the improvement plan, the eligible agency determines that the local educational agency or eligible insti-6 7 tution, respectively, is not making substantial progress, the 8 eligible agency shall take whatever corrective action the eli-9 gible agency deems necessary, which may include termi-10 nation of funding or the implementation of alternative serv-11 ice arrangements, consistent with State law. The eligible 12 agency shall take corrective action under the preceding sen-13 tence only after the eligible agency has provided technical assistance to the local educational agency or eligible institu-14 15 tion and shall ensure, to the extent practicable, that any corrective action the eligible agency takes allows for contin-16 17 ued services to and activities for individuals served by the 18 local educational agency or eligible institution, respectively. 19 (c) TECHNICAL ASSISTANCE.—If the Secretary deter-

20 mines that an eligible agency is not properly implementing 21 the eligible agency's responsibilities under section 124, or 22 is not making substantial progress in meeting the purpose 23 of this title, based on the performance measures and ex-24 pected levels of performance under section 112 included in 25 the eligible agency's State plan, the Secretary shall work with the eligible agency to implement improvement activi ties.

3 (d) WITHHOLDING OF FEDERAL FUNDS.—If, after a 4 reasonable time, but not earlier than 1 year after implementing activities described in subsection (c), the Secretary 5 determines that the eligible agency is not making sufficient 6 7 progress, based on the eligible agency's performance meas-8 ures and expected levels of performance, the Secretary, after 9 notice and opportunity for a hearing, shall withhold from 10 the eligible agency all, or a portion, of the eligible agency's grant funds under this subtitle. The Secretary may use 11 funds withheld under the preceding sentence to provide, 12 13 through alternative arrangements, services, and activities within the State to meet the purpose of this title. 14

15 SEC. 163. NATIONAL ACTIVITIES.

16 The Secretary may, directly or through grants, con-17 tracts, or cooperative agreements, carry out research, devel-18 opment, dissemination, evaluation, capacity-building, and 19 technical assistance activities that carry out the purpose of 20 this title.

21 SEC. 164. NATIONAL ASSESSMENT OF VOCATIONAL EDU22 CATION PROGRAMS.

(a) IN GENERAL.—The Secretary shall conduct a national assessment of vocational education programs assisted

under this title, through studies and analyses conducted
 independently through competitive awards.

3 (b) INDEPENDENT ADVISORY PANEL.—The Secretary 4 shall appoint an independent advisory panel, consisting of 5 vocational education administrators, educators, researchers, and representatives of labor organizations, business, par-6 7 ents, guidance and counseling professionals, and other rel-8 evant groups, to advise the Secretary on the implementation 9 of such assessment, including the issues to be addressed and 10 the methodology of the studies involved, and the findings and recommendations resulting from the assessment. The 11 panel shall submit to the Committee on Education and the 12 13 Workforce of the House of Representatives, the Committee on Labor and Human Resources of the Senate, and the Sec-14 15 retary an independent analysis of the findings and recommendations resulting from the assessment. The Federal 16 Advisory Committee Act (5 U.S.C. App.) shall not apply 17 to the panel established under this subsection. 18

19 (c) CONTENTS.—The assessment required under sub20 section (a) shall include descriptions and evaluations of—

(1) the effect of the vocational education programs assisted under this title on State and tribal administration of vocational education programs and
on local vocational education practices, including the

1	capacity of State, tribal, and local vocational edu-
2	cation systems to address the purpose of this title;
3	(2) expenditures at the Federal, State, tribal,
4	and local levels to address program improvement in
5	vocational education, including the impact of Federal
6	allocation requirements (such as within-State dis-
7	tribution formulas) on the delivery of services;
8	(3) preparation and qualifications of teachers of
9	vocational and academic curricula in vocational edu-
10	cation programs, as well as shortages of such teachers;
11	(4) participation in vocational education pro-
12	grams;
13	(5) academic and employment outcomes of voca-
14	tional education, including analyses of—
15	(A) the extent and success of integration of
16	academic and vocational curricula; and
17	(B) the degree to which vocational edu-
18	cation is relevant to subsequent employment or
19	participation in postsecondary education;
20	(6) employer involvement in, and satisfaction
21	with, vocational education programs; and
22	(7) the effect of performance measures, and other
23	measures of accountability, on the delivery of voca-
24	tional education services.
25	(d) Consultation.—

1	(1) IN GENERAL.—The Secretary shall consult
2	with the Committee on Education and the Workforce
3	of the House of Representatives and the Committee on
4	Labor and Human Resources of the Senate in the de-
5	sign and implementation of the assessment required
6	under subsection (a).
7	(2) REPORTS.—The Secretary shall submit to the
8	Committee on Education and the Workforce of the
9	House of Representatives, the Committee on Labor
10	and Human Resources of the Senate, and the Sec-
11	retary—
12	(A) an interim report regarding the assess-
13	ment on or before July 1, 2001; and
14	(B) a final report, summarizing all studies
15	and analyses that relate to the assessment and
16	that are completed after the assessment, on or be-
17	fore July 1, 2002.
18	(3) PROHIBITION.—Notwithstanding any other
19	provision of law or regulation, the reports required by
20	this subsection shall not be subject to any review out-
21	side of the Department of Education before their
22	transmittal to the Committee on Education and the
23	Workforce of the House of Representatives, the Com-
24	mittee on Labor and Human Resources of the Senate,
25	and the Secretary, but the President, the Secretary,

1	and the independent advisory panel established under
2	subsection (b) may make such additional rec-
3	ommendations to Congress with respect to the assess-
4	ment as the President, the Secretary, or the panel de-
5	termine to be appropriate.
6	SEC. 165. NATIONAL RESEARCH CENTER.
7	(a) General Authority.—
8	(1) IN GENERAL.—The Secretary, through
9	grants, contracts, or cooperative agreements, may es-
10	tablish 1 or more national centers in the areas of—
11	(A) applied research and development; and
12	(B) dissemination and training.
13	(2) CONSULTATION.—The Secretary shall consult
14	with the States prior to establishing 1 or more such
15	centers.
16	(3) ELIGIBLE ENTITIES.—Entities eligible to re-
17	ceive funds under this section are institutions of high-
18	er education, other public or private nonprofit orga-
19	nizations or agencies, and consortia of such institu-
20	tions, organizations, or agencies.
21	(b) ACTIVITIES.—
22	(1) IN GENERAL.—The national center or centers
23	shall carry out such activities as the Secretary deter-
24	mines to be appropriate to assist State and local re-
25	cipients of funds under this title to achieve the pur-

1	pose of this title, which may include the research and
2	evaluation activities in such areas as—
3	(A) the integration of vocational and aca-
4	demic instruction, secondary and postsecondary
5	instruction;
6	(B) effective inservice and preservice teacher
7	education that assists vocational education sys-
8	tems;
9	(C) performance measures and expected lev-
10	els of performance that serve to improve voca-
11	tional education programs and student achieve-
12	ment;
13	(D) effects of economic changes on the kinds
14	of knowledge and skills required for employment
15	or participation in postsecondary education;
16	(E) longitudinal studies of student achieve-
17	ment; and
18	(F) dissemination and training activities
19	related to the applied research and demonstra-
20	tion activities described in this subsection, which
21	may also include—
22	(i) serving as a repository for informa-
23	tion on vocational and technological skills,
24	State academic standards, and related ma-
25	terials; and

1(ii) developing and maintaining na-2tional networks of educators who facilitate3the development of vocational education sys-4tems.

5 (2) REPORT.—The center or centers conducting 6 the activities described in paragraph (1) annually 7 shall prepare a report of key research findings of such 8 center or centers and shall submit copies of the report 9 to the Secretary, the Secretary of Labor, and the Sec-10 retary of Health and Human Services. The Secretary 11 shall submit that report to the Committee on Edu-12 cation and the Workforce of the House of Representa-13 tives, the Committee on Labor and Human Resources 14 of the Senate, the Library of Congress, and each eligi-15 ble agency.

16 (c) REVIEW.—The Secretary shall—

(1) consult at least annually with the national
center or centers and with experts in education to ensure that the activities of the national center or centers meet the needs of vocational education programs;
and

(2) undertake an independent review of each
award recipient under this section prior to extending
an award to such recipient beyond a 5-year period.

1 SEC. 166. DATA SYSTEMS.

2 (a) IN GENERAL.—The Secretary shall maintain a data system to collect information about, and report on, the 3 condition of vocational education and on the effectiveness 4 5 of State and local programs, services, and activities carried out under this title in order to provide the Secretary and 6 7 Congress, as well as Federal, State, local, and tribal agen-8 cies, with information relevant to improvement in the qual-9 ity and effectiveness of vocational education. The Secretary annually shall report to Congress on the Secretary's analy-10 sis of performance data collected each year pursuant to this 11 12 title.

(b) DATA SYSTEM.—In maintaining the data system,
the Secretary shall ensure that the data system is compatible with other Federal information systems.

(c) ASSESSMENTS.—As a regular part of its assessments, the National Center for Education Statistics shall
collect and report information on vocational education for
a nationally representative sample of students. Such assessment may include international comparisons.

21 Subtitle D—Authorization of 22 Appropriations

23 SEC. 171. AUTHORIZATION OF APPROPRIATIONS.

24 There is authorized to be appropriated to carry out 25 subtitle (A), and sections 163, 164, 165, and 166, such sums as may be necessary for fiscal year 1999 and each of the
 5 succeeding fiscal years.

3 Subtitle E—Repeal

4 SEC. 181. REPEAL.

5 (a) REPEAL.—The Carl D. Perkins Vocational and
6 Applied Technology Education Act (20 U.S.C. 2301 et seq.)
7 is repealed.

8 (b) REFERENCES TO CARL D. PERKINS VOCATIONAL
9 AND APPLIED TECHNOLOGY EDUCATION ACT.—

(1) IMMIGRATION AND NATIONALITY ACT.—Section 245A(h)(4)(C) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(C)) is amended by
striking "Vocational Education Act of 1963" and inserting "Carl D. Perkins Vocational and Applied
Technology Education Act of 1997".

16 (2) NATIONAL DEFENSE AUTHORIZATION ACT.—
17 Section 4461 of the National Defense Authorization
18 Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is
19 amended—

20 (A) by striking paragraph (4); and
21 (B) by redesignating paragraphs (5) and
22 (6) as paragraphs (4) and (5), respectively.
23 (3) ELEMENTARY AND SECONDARY EDUCATION
24 ACT OF 1965.—The Elementary and Secondary Edu-

	100
1	cation Act of 1965 (20 U.S.C. 6301 et seq.) is amend-
2	ed—
3	(A) in section $1114(b)(2)(C)(v)$ (20 U.S.C.
4	6314(b)(2)(C)(v)), by striking "Carl D. Perkins
5	Vocational and Applied Technology Education
6	Act," and inserting "Carl D. Perkins Vocational
7	and Applied Technology Education Act of 1997";
8	(B) in section $9115(b)(5)$ (20 U.S.C.
9	7815(b)(5)), by striking "Carl D. Perkins Voca-
10	tional and Applied Technology Education Act"
11	and inserting "Carl D. Perkins Vocational and
12	Applied Technology Education Act of 1997";
13	(C) in section $14302(a)(2)$ (20 U.S.C.
1.4	$a a = a \left(- \left(a \right) \right)$

14 8852(a)(2))—

15	(i) by striking subparagraph (C); and
16	(ii) by redesignating subparagraphs
17	(D), (E), and (F) as subparagraphs (C),
18	(D), and (E) , respectively; and
19	(D) in the matter preceding subparagraph

19(D) in the matter preceding subparagraph20(A) of section 14307(a)(1) (20 U.S.C.218857(a)(1)), by striking "Carl D. Perkins Voca-22tional and Applied Technology Education Act"23and inserting "Carl D. Perkins Vocational and24Applied Technology Education Act of 1997".

1	(4) Equity in educational land-grant sta-
2	TUS ACT OF 1994.—Section 533(c)(4)(A) of the Equity
3	in Educational Land-Grant Status Act of 1994 (7
4	U.S.C. 301 note) is amended by striking "(20 U.S.C.
5	2397h(3)" and inserting ", as such section was in ef-
6	fect on the day preceding the date of enactment of the
7	Carl D. Perkins Vocational and Applied Technology
8	Education Act of 1997".
9	(5) Improving America's schools act of
10	1994.—Section 563 of the Improving America's
11	Schools Act of 1994 (20 U.S.C. 6301 note) is amended
12	by striking "the date of enactment of an Act reauthor-
13	izing the Carl D. Perkins Vocational and Applied
14	Technology Education Act (20 U.S.C. 2301 et seq.)"
15	and inserting "July 1, 1999".
16	(6) INTERNAL REVENUE CODE OF 1986.—Section
17	135(c)(3)(B) of the Internal Revenue Code of 1986 (26
18	U.S.C. 135(c)(3)(B)) is amended—
19	(A) by striking "subparagraph (C) or (D) of
20	section 521(3) of the Carl D. Perkins Vocational
21	Education Act" and inserting "subparagraph
22	(C) or (D) of section $2(3)$ of the Workforce In-
23	vestment Partnership Act of 1997"; and
24	(B) by striking "any State (as defined in
25	section 521(27) of such Act)" and inserting "any

State or outlying area (as the terms 'State' and 1 2 'outlying area' are defined in section 2 of such 3 *Act*)". 4 (7) Appalachian regional development act 5 OF 1965.—Section 214(c) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 214(c)) (as 6 7 amended by subsection (c)(5) is further amended by 8 striking "Carl D. Perkins Vocational Education Act" 9 and inserting "Carl D. Perkins Vocational and Ap-10 plied Technology Education Act of 1997". 11 (8) VOCATIONAL EDUCATION AMENDMENTS OF 12 1968.—Section 104 of the Vocational Education 13 Amendments of 1968 (82 Stat. 1091) is amended by 14 striking "section 3 of the Carl D. Perkins Vocational 15 Education Act" and inserting "the Carl D. Perkins 16 Vocational and Applied Technology Education Act of 17 1997". 18 (9) OLDER AMERICANS ACT OF 1965.—The Older

19 Americans Act of 1965 (42 U.S.C. 3001 et seq.) is 20 amended-

21	(A) in section $502(b)(1)(N)(i)$ (42 U.S.C.
22	3056(b)(1)(N)(i)), by striking "or the Carl D.
23	Perkins Vocational and Applied Technology
24	Education Act (20 U.S.C. 2301 et seq.)"; and

1 (B)section 505(d)(2)(42)U.S.C.in2 3056c(d)(2))— (i) by striking "employment and train-3 4 ing programs" and inserting "workforce investment activities"; and 5 (ii) by striking "the Carl D. Perkins 6 7 Vocational and Applied Technology Edu-8 cation Act (20 U.S.C. 2301 et seq.)" and in-9 serting "the Carl D. Perkins Vocational and 10 Technology Education Act of Applied 1997". 11 TITLE II—ADULT EDUCATION 12 AND LITERACY 13 14 SEC. 201. SHORT TITLE. 15 This title may be cited as the "Adult Education and Literacy Act". 16 17 SEC. 202. FINDINGS AND PURPOSE. 18 (a) FINDINGS.—Congress finds that— 19 (1) the National Adult Literacy Survey and 20 other studies have found that more than one-fifth of 21 American adults demonstrate very low literacy skills 22 that make it difficult for the adults to be economically 23 self-sufficient, much less enter high-skill, high-wage

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1 (3) 1.5 percent to carry out section 245. 2 (b) GRANTS TO STATES.—From the sum appropriated under section 246 and not reserved under subsection (a) for 3 4 a fiscal year, the Secretary shall award a grant to each 5 eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment 6 7 under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year 8 9 to enable the eligible agency to carry out the activities assisted under this subtitle. 10

11 (c) Allotments.—

(1) INITIAL ALLOTMENTS.—From the sum appropriated under section 246 and not reserved under
subsection (a) for a fiscal year, the Secretary first
shall allot to each eligible agency having a State plan
approved under section 224 the following amounts:

(A) \$100,000 in the case of an eligible agency serving the United States Virgin Islands,
Guam, American Samoa, the Commonwealth of
the Northern Mariana Islands, the Republic of
the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

23 (B) \$250,000, in the case of any other eligi24 ble agency.

(2) Additional allotments.—From the sum
appropriated under section 246, not reserved under
subsection (a), and not allotted under paragraph (1),
for any fiscal year, the Secretary shall allot to each
eligible agency an amount that bears the same rela-
tionship to such sum as the number of qualifying
adults in the State or outlying area served by the eli-
gible agency bears to the number of such adults in all
States and outlying areas.
(d) QUALIFYING ADULT.—For the purposes of this sub-
section, the term "qualifying adult" means an adult who—
(1) is at least 16 years of age;
(2) is beyond the age of compulsory school at-
tendance under the law of the State or outlying area;
(3) does not possess a secondary school diploma
or its recognized equivalent; and
(4) is not enrolled in secondary school.
(e) Special Rule.—
(1) IN GENERAL.—From amounts made avail-
able under subsection (c) for the Republic of the Mar-
shall Islands, the Federated States of Micronesia, and
the Republic of Palau, the Secretary shall award
grants to Guam, American Samoa, the Common-
wealth of the Northern Mariana Islands, the Republic
of the Marshall Islands, the Federated States of Mi-

1	cronesia, or the Republic of Palau to carry out activi-
2	ties described in this part in accordance with the pro-
3	visions of this subtitle that the Secretary determines
4	are not inconsistent with this subsection.
5	(2) AWARD BASIS.—The Secretary shall award
6	grants pursuant to paragraph (1) on a competitive
7	basis and pursuant to recommendations from the Pa-
8	cific Region Educational Laboratory in Honolulu,
9	Hawaii.
10	(3) TERMINATION OF ELIGIBILITY.—Notwith-
11	standing any other provision of law, the Republic of
12	the Marshall Islands, the Federated States of Microne-
13	sia, and the Republic of Palau shall not receive any
14	funds under this part for any fiscal year that begins
15	after September 30, 2004.
16	(4) Administrative costs.—The Secretary
17	may provide not more than 5 percent of the funds
18	made available for grants under this subsection to
19	pay the administrative costs of the Pacific Region
20	Educational Laboratory regarding activities assisted
21	under this subsection.
22	(f) Maintenance of Effort.—
23	(1) IN GENERAL.—An eligible agency may re-
24	ceive a grant under this subtitle for any fiscal year
25	only if the Secretary finds that the amount expended

1	by the State for adult education and literacy, in the
2	second fiscal year preceding the fiscal year for which
3	the determination is made, was not less than 90 per-
4	cent of the amount expended for adult education and
5	literacy in the third fiscal year preceding the fiscal
6	year for which the determination is made.
7	(2) WAIVER.—The Secretary may waive the re-
8	quirements of this subsection for 1 fiscal year only if
9	the Secretary determines that such a waiver is equi-
10	table due to exceptional or uncontrollable cir-
11	cumstances, such as a natural disaster or an unfore-
12	seen and precipitous decline in the financial resources
13	of the State.
14	(g) Reallotment.—If the Secretary determines that
15	any amount of a State's allotment under this section for
16	any fiscal year will not be required for carrying out the
17	program for which such amount has been allotted, the Sec-
18	retary shall make such amount available for reallotment to
19	1 or more States on the basis that the Secretary determines
20	would best serve the purpose of this title.
21	

21 SEC.212.PERFORMANCEMEASURESANDEXPECTED22LEVELS OF PERFORMANCE.

(a) ESTABLISHMENT OF PERFORMANCE MEASURES.—
After consultation with eligible agencies, eligible providers,
and other interested parties (including representatives of

business, representatives of labor organizations, and insti tutions of higher education), the Secretary shall establish
 and publish performance measures described in this sub section that assess the progress of each eligible agency in
 enhancing and developing more fully the literacy skills of
 the adult population in the State or outlying area. The
 measures, at a minimum, shall include—

8 (1) demonstrated improvements in literacy skill
9 levels in reading and writing the English language,
10 numeracy, and problem solving;

11 (2) attainment of secondary school diplomas or
12 their recognized equivalent;

(3) placement in, retention in, or completion of,
postsecondary education, training, or unsubsidized
employment; and

16 (4) other performance measures the Secretary de-17 termines necessary.

(b) EXPECTED LEVELS OF PERFORMANCE.—In developing a State plan, each eligible agency shall negotiate with
the Secretary the expected levels of performance for the performance measures described in subsection (a).

22 SEC. 213. NATIONAL LEADERSHIP ACTIVITIES.

(a) AUTHORITY.—From the amount reserved under
section 211(a)(1) for any fiscal year, the Secretary may establish a program of national leadership and evaluation ac-

tivities to enhance the quality of adult education and lit eracy nationwide.

3 (b) METHOD OF FUNDING.—The Secretary may carry
4 out national leadership and evaluation activities directly
5 or through grants, contracts, or cooperative agreements.

6 (c) USES OF FUNDS.—Funds made available to carry
7 out this section shall be used for—

8 (1) research, such as estimating the number of
9 adults functioning at the lowest levels of literacy pro10 ficiency;

(2) demonstration of model and innovative programs, such as the development of models for basic
skill certificates, identification of effective strategies
for working with adults with learning disabilities and
with individuals with limited English proficiency
who are adults, and workplace literacy programs;

17 (3) dissemination, such as dissemination of in18 formation regarding promising practices resulting
19 from federally funded demonstration programs;

20 (4) evaluations and assessments, such as periodic
21 independent evaluations of activities assisted under
22 this subtitle and assessments of the condition and
23 progress of literacy in the United States;

24 (5) efforts to support capacity building at the
25 State and local levels, such as technical assistance in

1	program planning, assessment, evaluation, and mon-
2	itoring of activities under this subtitle;
3	(6) data collection, such as improvement of both
4	local and State data systems through technical assist-
5	ance and development of model performance data col-
6	lection systems;
7	(7) professional development, such as technical
8	assistance activities to advance effective training
9	practices, identify exemplary professional develop-
10	ment projects, and disseminate new findings in adult
11	education training;
12	(8) technical assistance, such as endeavors that
13	aid distance learning, and promote and improve the
14	use of technology in the classroom; or
15	(9) other activities designed to enhance the qual-
16	ity of adult education and literacy nationwide.
17	CHAPTER 2—STATE PROVISIONS
18	SEC. 221. STATE ADMINISTRATION.
19	(a) IN GENERAL.—Each eligible agency shall be re-
20	sponsible for the State administration of activities under
21	this subtitle, including—
22	(1) the development, submission, and implemen-
23	tation of the State plan;
24	(2) consultation with other appropriate agencies,
25	groups, and individuals that are involved in, or in-

1	terested in, the development and implementation of
2	activities assisted under this subtitle; and
3	(3) coordination and nonduplication with other
4	Federal and State education, training, corrections,
5	public housing, and social service programs.
6	(b) State-Imposed Requirements.—Whenever a
7	State imposes any rule or policy relating to the administra-
8	tion and operation of activities funded under this subtitle
9	(including any rule or policy based on State interpretation
10	of any Federal law, regulation, or guideline), the State shall
11	identify the rule or policy as a State-imposed requirement.
12	SEC. 222. STATE DISTRIBUTION OF FUNDS; STATE SHARE.
13	(a) State Distribution of Funds.—Each eligible
14	agency receiving a grant under this subtitle for a fiscal
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15 year—

(1) shall use not less than 80 percent of the grant
funds to carry out section 225 and to award grants
and contracts under section 231 for the fiscal year, of
which not more than 10 percent of the 80 percent
shall be available to carry out section 225 for the fiscal year;

(2) shall use not more than 15 percent of the
grant funds to carry out State leadership activities
under section 223 for the fiscal year; and

1	(3) shall use not more than 5 percent of the
2	grant funds, or \$80,000, whichever is greater, for ad-
3	ministrative expenses of the eligible agency for the fis-
4	cal year.
5	(b) State Share Requirement.—
6	(1) IN GENERAL.—In order to receive a grant
7	from the Secretary under section 211(b) each eligible
8	agency shall provide an amount equal to 25 percent
9	of the total amount of funds expended for adult edu-
10	cation in the State or outlying area, except that the
11	Secretary may decrease the amount of funds required
12	under this subsection for an eligible agency serving an
13	outlying area.
14	(2) STATE'S SHARE.—An eligible agency's funds
15	required under paragraph (1) may be in cash or in
16	kind, fairly evaluated, and shall include only non-
17	Federal funds that are used for adult education and
18	literacy activities in a manner that is consistent with
19	the purpose of this subtitle.
20	SEC. 223. STATE LEADERSHIP ACTIVITIES.
21	(a) IN GENERAL.—Each eligible agency shall use funds
22	made available under section $222(a)(2)$ for 1 or more of
23	the following activities:

1	(1) Professional development and training, in-
2	cluding training in the use of software and
3	technology.
4	(2) Developing and disseminating curricula for
5	adult education and literacy activities.
6	(3) Monitoring and evaluating the quality of,
7	and improvement in, services and activities conducted
8	with assistance under this subtitle.
9	(4) Establishing challenging performance meas-
10	ures and levels of performance for literacy proficiency
11	in order to assess program quality and improvement.
12	(5) Integration of literacy instruction and occu-
13	pational skill training, and promoting linkages with
14	employers.
15	(6) Linkages with postsecondary institutions.
16	(7) Supporting State or regional networks of lit-
17	eracy resource centers.
18	(8) Other activities of statewide significance that
19	promote the purpose of this subtitle.
20	(b) Collaboration.—In carrying out this section, el-
21	igible agencies shall collaborate where possible and avoid
22	duplicating efforts in order to maximize the impact of the
23	activities described in subsection (a).
24	SEC. 224. STATE PLAN.
25	(a) 3-Year Plans.—

(1) IN GENERAL.—Each eligible agency desiring
 a grant under this subtitle for any fiscal year shall
 submit to, or have on file with, the Secretary a 3-year
 State plan.

5 (2) COMPREHENSIVE PLAN OR APPLICATION.—
6 The eligible agency may submit the State plan as
7 part of a comprehensive plan or application for Fed8 eral education assistance.

9 (b) PLAN CONTENTS.—In developing the State plan,
10 and any revisions to the State plan, the eligible agency shall
11 include in the State plan or revisions—

12 (1) an objective assessment of the needs of indi-13 viduals in the State for adult education and literacy 14 activities, including individuals most in need or 15 hardest to serve, such as educationally disadvantaged 16 adults, immigrants, individuals with limited English 17 proficiency, incarcerated individuals, homeless indi-18 viduals, recipients of public assistance, and individ-19 uals with disabilities:

20 (2) a description of the adult education and lit21 eracy activities that will be carried out with any
22 funds received under this subtitle;

23 (3) a description of how the eligible agency will
24 evaluate annually the effectiveness of the adult edu-

1	cation and literacy activities based on the perform-
2	ance measures described in section 212;
3	(4) a description of how the eligible agency will
4	ensure that the data reported to the eligible agency
5	from eligible providers under this subtitle and the
6	data the eligible agency reports to the Secretary are
7	complete, accurate, and reliable;
8	(5) a description of the performance measures re-
9	quired under section 212(a) and how such perform-
10	ance measures and the expected levels of performance
11	will ensure improvement of adult education and lit-
12	eracy activities in the State or outlying area;
13	(6) an assurance that the funds received under
14	this subtitle will not be expended for any purpose
15	other than for activities under this subtitle;
16	(7) a description of how the eligible agency will
17	fund local activities in accordance with the priorities
18	described in section $242(a)$;
19	(8) a description of how the eligible agency will
20	determine which eligible providers are eligible for
21	funding in accordance with the preferences described
22	in section 242(b);
23	(9) a description of how funds will be used for
24	State leadership activities, which activities may in-

1	clude professional development and training, instruc-
2	tional technology, and management technology;
3	(10) an assurance that the eligible agency will
4	expend the funds under this subtitle only in a manner
5	consistent with fiscal requirement in section 241;
6	(11) a description of the process that will be used
7	for public participation and comment with respect to
8	the State plan;
9	(12) a description of how the eligible agency will
10	develop program strategies for populations that in-
11	clude, at a minimum—
12	(A) low-income students;
13	(B) individuals with disabilities;
14	(C) single parents and displaced home-
15	makers; and
16	(D) individuals with multiple barriers to
17	educational enhancement;
18	(13) a description of the measures that will be
19	taken by the eligible agency to assure coordination of
20	and avoid duplication among—
21	(A) adult education activities authorized
22	under this subtitle;
23	(B) activities authorized under title III;
24	(C) programs authorized under the Wagner-
25	Peyser Act (29 U.S.C. 49 et seq.), title I of the

1	Rehabilitation Act of 1973 (29 U.S.C. 720 et
2	seq.), part A of title IV of the Social Security
3	Act (42 U.S.C. 601 et seq.), section $6(d)$ of the
4	Food Stamp Act of 1977 (7 U.S.C. 2015(d)), and
5	title V of the Older Americans Act of 1965 (42
6	U.S.C. 3056 et seq.);
7	(D) a work program authorized under sec-
8	tion 6(0) of the Food Stamp Act of 1977 (7
9	$U.S.C. \ 2015(o));$
10	(E) activities authorized under chapter 2 of
11	title II of the Trade Act of 1974 (19 U.S.C. 2271
12	et seq.);
13	(F) activities authorized under chapter 41
14	of title 38, United States Code;
15	(G) activities carried out by the Bureau of
16	Apprenticeship and Training;
17	(H) training activities carried out by the
18	Department of Housing and Urban Develop-
19	ment; and
20	(I) programs authorized under State unem-
21	ployment compensation laws and the Federal
22	unemployment insurance program under titles
23	III, IX, and XII of the Social Security Act (42
24	U.S.C. 501 et seq., 1101 et seq., and 1321 et
25	seq.); and

	010
1	(14) the description and information specified in
2	paragraphs (8) and (16) of section 304(b).
3	(c) PLAN REVISIONS.—When changes in conditions or
4	other factors require substantial revisions to an approved
5	State plan, the eligible agency shall submit a revision to
6	the State plan to the Secretary.
7	(d) CONSULTATION.—The eligible agency shall—
8	(1) submit the State plan, and any revisions to
9	the State plan, to the Governor of the State for review
10	and comment; and
11	(2) ensure that any comments by the Governor
12	regarding the State plan, and any revision to the
13	State plan, are submitted to the Secretary.
14	(e) PLAN APPROVAL.—
15	(1) IN GENERAL.—The Secretary shall approve a
16	State plan, or a revision to an approved State plan,
17	only if the Secretary determines that—
18	(A) the State plan, or revision, respectively,
19	meets the requirements of this section; and
20	(B) the State's performance measures and
21	expected levels of performance under section 212
22	are sufficiently rigorous to meet the purpose of
23	this title.
24	(2) DISAPPROVAL.—The Secretary shall not fi-
25	nally disapprove a State plan, except after giving the

eligible agency notice and an opportunity for a

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hearing.

(3) PEER REVIEW.—The Secretary shall establish 3 4 a peer review process to make recommendations regarding the approval of State plans and revisions to 5 6 the State plan. 7 SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND 8 OTHER INSTITUTIONALIZED INDIVIDUALS. 9 (a) PROGRAM AUTHORIZED.—From funds made available under section 222(a)(1) for a fiscal year, each eligible 10 agency shall carry out corrections education or education 11 12 for other institutionalized individuals. 13 (b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs 14 15 for criminal offenders in corrections institutions and for 16 other institutionalized individuals, including academic programs for— 17 18 (1) basic education; 19 (2) special education programs as determined by 20 the State; 21 (3) bilingual programs, or English as a second 22 language programs; and 23 (4) secondary school credit programs. (c) DEFINITION OF CRIMINAL OFFENDER.— 24

1	(1) CRIMINAL OFFENDER.—The term "criminal
2	offender" means any individual who is charged with
3	or convicted of any criminal offense.
4	(2) Correctional institution.—The term
5	"correctional institution" means any—
б	(A) prison;
7	(B) jail;
8	(C) reformatory;
9	(D) work farm;
10	(E) detention center; or
11	(F) halfway house, community-based reha-
12	bilitation center, or any other similar institution
13	designed for the confinement or rehabilitation of
14	criminal offenders.
15	CHAPTER 3—LOCAL PROVISIONS
16	SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE
17	PROVIDERS.
18	(a) GRANTS.—From funds made available under sec-
19	tion 222(a)(1), each eligible agency shall award multiyear
20	grants or contracts to eligible providers within the State
21	to enable the eligible providers to develop, implement, and
22	improve adult education and literacy activities within the
23	State.
24	(b) Special Rule.—Each eligible agency receiving

24 (b) SPECIAL RULE.—Each eligible agency receiving
25 funds under this subtitle shall ensure that all eligible pro-

viders have direct and equitable access to apply for grants
 or contracts under this section.

3 (c) REQUIRED LOCAL ACTIVITIES.—Each eligible pro4 vider receiving a grant or contract under this subtitle shall
5 establish programs that provide instruction or services that
6 meet the purpose described in section 202(b), such as—

7 (1) adult education and literacy services; or

8 (2) English literacy programs.

9 SEC. 232. LOCAL APPLICATION.

Each eligible provider desiring a grant or contract
under this subtitle shall submit an application to the eligible agency containing such information and assurances as
the eligible agency may require, including—

14 (1) a description of how funds awarded under
15 this subtitle will be spent;

16 (2) how the expected levels of performance of the
17 eligible provider with respect to participant recruit18 ment, retention, and performance measures described
19 in section 212, will be met and reported to the eligible
20 agency; and

(3) a description of any cooperative arrangements the eligible provider has with other agencies,
institutions, or organizations for the delivery of adult
education and literacy programs.

1 SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.

2 (a) IN GENERAL.—Subject to subsection (b), of the sum
3 that is made available under this subtitle to an eligible
4 provider—

5 (1) not less than 95 percent shall be expended for
6 carrying out adult education and literacy activities;
7 and

8 (2) the remaining amount, not to exceed 5 per9 cent, shall be used for planning, administration, per10 sonnel development, and interagency coordination.

11 (b) SPECIAL RULE.—In cases where the cost limits de-12 scribed in subsection (a) are too restrictive to allow for ade-13 quate planning, administration, personnel development, 14 and interagency coordination, the eligible provider shall ne-15 gotiate with the eligible agency in order to determine an 16 adequate level of funds to be used for noninstructional pur-17 poses.

18 CHAPTER 4—GENERAL PROVISIONS 19 SEC. 241. ADMINISTRATIVE PROVISIONS.

20 (a) SUPPLEMENT NOT SUPPLANT.—Funds made
21 available for adult education and literacy activities under
22 this subtitle shall supplement and not supplant other State
23 or local public funds expended for adult education and lit24 eracy activities.

25 (b) REPRESENTATION.—The eligible agency shall pro26 vide representation to the statewide partnership.

1 SEC. 242. PRIORITIES AND PREFERENCES.

2	(a) PRIORITIES.—Each eligible agency and eligible
3	provider receiving assistance under this subtitle shall give
4	priority in using the assistance to adult education and lit-
5	eracy activities that—
6	(1) are built on a strong foundation of research
7	and effective educational practice;
8	(2) effectively employ advances in technology, as
9	appropriate, including the use of computers;
10	(3) provide learning in real life contexts to en-
11	sure that an individual has the skills needed to com-

pete in a global economy and exercise the rights and
responsibilities of citizenship;

14 (4) are staffed by well-trained instructors, coun15 selors, and administrators;

16 (5) are of sufficient intensity and duration for
17 participants to achieve substantial learning gains,
18 such as by earning a basic skills certificate that re19 flects skills acquisition and has meaning to
20 employers;

(6) establish measurable performance levels for
participant outcomes, such as levels of literacy
achieved and attainment of a secondary school diploma or its recognized equivalent, that are tied to
challenging State performance levels for literacy
proficiency;

1	(7) coordinate with other available resources in
2	the community, such as by establishing strong links
3	with elementary schools and secondary schools, post-
4	secondary institutions, 1-stop customer service cen-
5	ters, job training programs, and social service
6	agencies;
7	(8) offer flexible schedules and support services
8	(such as child care and transportation) that are nec-
9	essary to enable individuals, including individuals
10	with disabilities or other special needs, to attend and
11	complete programs; and
12	(9) maintain a high-quality information man-
13	agement system that has the capacity to report client
14	outcomes and to monitor program performance
15	against the State performance measures.
16	(b) Preferences.—In determining which eligible
17	providers will receive funds under this subtitle for a fiscal
18	year, each eligible agency receiving a grant under this sub-
19	title, in addition to addressing the priorities described in
20	subsection (a), shall—
21	(1) give preference to eligible providers that the
22	eligible agency determines serve local areas with high
23	concentrations of individuals in poverty or with low
24	levels of literacy (including English language pro-

25 ficiency); and

1 (2) consider—

2	(A) the results, if any, of the evaluations re-
3	quired under section 244(a); and
4	(B) the degree to which the eligible provider
5	will coordinate with and utilize other literacy
6	and social services available in the community.
7	SEC. 243. INCENTIVE GRANTS.
8	(a) IN GENERAL.—The Secretary may make grants to
9	States that exceed—
10	(1) the State performance measures established
11	by the Secretary of Education under this Act; and
12	(2) the State performance measures established
13	under title III.
14	(b) PRIORITY.—In awarding incentive grants under
15	this section, the Secretary shall give priority to those States
16	submitting a State unified plan as described in section 501
17	that is approved by the appropriate Secretaries as described
18	in such section.
19	(c) Use of Funds.—A State that receives an incen-
20	tive grant under this section shall use the funds made avail-
21	able through the grant to carry out innovative programs

22 as determined by the State.

526

3 (a) LOCAL EVALUATION.—Each eligible agency shall
4 biennially evaluate the adult education and literacy activi5 ties of each eligible provider that receives a grant or con6 tract under this subtitle, using the performance measures
7 established under section 212.

8 (b) IMPROVEMENT ACTIVITIES.—If, after reviewing the 9 evaluation, an eligible agency determines that an eligible 10 provider is not making substantial progress in achieving 11 the purpose of this subtitle, the eligible agency may work jointly with the eligible provider to develop an improvement 12 plan. If, after not more than 2 years of implementation of 13 the improvement plan, the eligible agency determines that 14 the eligible provider is not making substantial progress, the 15 eligible agency shall take whatever corrective action the eli-16 gible agency deems necessary, which may include termi-17 18 nation of funding or the implementation of alternative serv-19 ice arrangements, consistent with State law. The eligible agency shall take corrective action under the preceding sen-20 tence only after the eligible agency has provided technical 21 22 assistance to the eligible provider and shall ensure, to the 23 extent practicable, that any corrective action the eligible 24 agency takes allows for continued services to and activities for the individuals served by the eligible provider. 25

26 (c) STATE REPORT.—

1	(1) IN GENERAL.—The eligible agency shall re-
2	port annually to the Secretary regarding the quality
3	and effectiveness of the adult education and literacy
4	activities funded through the eligible agency's grants
5	or contracts under this subtitle, based on the perform-
6	ance measures and expected levels of performance in-
7	cluded in the State plan.
8	(2) INFORMATION.—The eligible agency shall in-
9	clude in the reports such information, in such form,
10	as the Secretary may require in order to ensure the
11	collection of uniform national data.
12	(3) AVAILABILITY.—The eligible agency shall
13	make available to the public the annual report under
14	this subsection.
15	(d) TECHNICAL ASSISTANCE.—If the Secretary deter-
16	mines that the eligible agency is not properly implementing
17	the eligible agency's responsibilities under subsection (b), or
18	is not making substantial progress in meeting the purpose
19	of this subtitle, based on the performance measures and ex-
20	pected levels of performance included in the eligible agency's
21	State plan, the Secretary shall work with the eligible agency
22	to implement improvement activities.
23	(e) WITHHOLDING OF FEDERAL FUNDS.—If, not ear-
24	lier than 2 years after implementing activities described in

25 subsection (d), the Secretary determines that the eligible

agency is not making sufficient progress, based on the eligi-1 ble agency's performance measures and expected levels of 2 performance, the Secretary, after notice and opportunity for 3 4 a hearing, shall withhold from the eligible agency all, or a portion, of the eligible agency's grant under this subtitle. 5 6 The Secretary may use funds withheld under the preceding 7 sentence to provide, through alternative arrangements, serv-8 ices and activities within the State to meet the purpose of 9 this title.

10 SEC. 245. NATIONAL INSTITUTE FOR LITERACY.

(a) PURPOSE.—The purpose of this section is to establish a National Institute for Literacy that—

13 (1) provides national leadership regarding
14 literacy;

(2) coordinates literacy services and policy; and
(3) is a national resource for adult education
and literacy, by providing the best and most current
information available and supporting the creation of
new ways to offer improved literacy services.

20 (b) ESTABLISHMENT.—

(1) IN GENERAL.—There shall be a National Institute for Literacy (in this section referred to as the
"Institute"). The Institute shall be administered
under the terms of an interagency agreement entered
into by the Secretary with the Secretary of Labor and

1	the Secretary of Health and Human Services (in this
2	section referred to as the "Interagency Group"). The
3	Secretary may include in the Institute any research
4	and development center, institute, or clearinghouse es-
5	tablished within the Department of Education the
6	purpose of which is determined by the Secretary to be
7	related to the purpose of the Institute.
8	(2) Recommendations.—The Interagency
9	Group shall consider the recommendations of the Na-
10	tional Institute for Literacy Advisory Board (in this
11	section referred to as the "Board") established under
12	subsection (e) in planning the goals of the Institute
13	and in the implementation of any programs to
14	achieve the goals. If the Board's recommendations are
15	not followed, the Interagency Group shall provide a
16	written explanation to the Board concerning actions
17	the Interagency Group takes that are inconsistent
18	with the Board's recommendations, including the rea-
19	sons for not following the Board's recommendations
20	with respect to the actions. The Board may also re-
21	quest a meeting of the Interagency Group to discuss
22	the Board's recommendations.
23	(3) DAILY OPERATIONS.—The daily operations of
24	the Institute shall be administered by the Director of
25	the Institute.

1	(c) DUTIES.—
2	(1) IN GENERAL.—In order to provide leadership
3	for the improvement and expansion of the system for
4	delivery of literacy services, the Institute is authorized
5	to—
6	(A) establish a national electronic data base
7	of information that disseminates information to
8	the broadest possible audience within the literacy
9	and basic skills field, and that includes—
10	(i) effective practices in the provision
11	of literacy and basic skills instruction, in-
12	cluding the integration of such instruction
13	with occupational skills training;
14	(ii) public and private literacy and
15	basic skills programs and Federal, State,
16	and local policies affecting the provision of
17	literacy services at the national, State, and
18	local levels;
19	(iii) opportunities for technical assist-
20	ance, meetings, conferences, and other op-
21	portunities that lead to the improvement of
22	literacy and basic skills services; and
23	(iv) a communication network for lit-
24	eracy programs, providers, social service
25	agencies, and students;

1	(B) coordinate support for the provision of
2	literacy and basic skills services across Federal
3	agencies and at the State and local levels;
4	(C) coordinate the support of research and
5	development on literacy and basic skills for
6	adults across Federal agencies, especially with
7	the Office of Educational Research and Improve-
8	ment in the Department of Education, and carry
9	out basic and applied research and development
10	on topics that are not being investigated by other
11	organizations or agencies;
12	(D) collect and disseminate information on
13	methods of advancing literacy;
14	(E) provide policy and technical assistance
15	to Federal, State, and local entities for the im-
16	provement of policy and programs relating to
17	literacy;
18	(F) fund a network of State or regional
19	adult literacy resource centers to assist State and
20	local public and private nonprofit efforts to im-
21	prove literacy by—
22	(i) encouraging the coordination of lit-
23	eracy services; and
24	(ii) serving as a link between the Insti-
25	tute and providers of adult education and

literacy activities for the purpose of sharing
 information, data, research, expertise, and
 literacy resources; and

4 (G) undertake other activities that lead to
5 the improvement of the Nation's literacy delivery
6 system and that complement other such efforts
7 being undertaken by public and private agencies
8 and organizations.

9 (2)GRANTS, CONTRACTS, AND COOPERATIVE 10 AGREEMENTS.—The Institute may award grants to, 11 or enter into contracts or cooperative agreements 12 with, individuals, public or private institutions, 13 agencies, organizations, or consortia of such institu-14 tions, agencies, or organizations to carry out the ac-15 tivities of the Institute. Such grants, contracts, or 16 agreements shall be subject to the laws and regula-17 tions that generally apply to grants, contracts, or 18 agreements entered into by Federal agencies.

19 (d) LITERACY LEADERSHIP.—

(1) IN GENERAL.—The Institute may, in consultation with the Board, award fellowships, with
such stipends and allowances that the Director considers necessary, to outstanding individuals pursuing
careers in adult education or literacy in the areas of
instruction, management, research, or innovation.

1	(2) Fellowships.—Fellowships awarded under
2	this subsection shall be used, under the auspices of the
3	Institute, to engage in research, education, training,
4	technical assistance, or other activities to advance the
5	field of adult education or literacy, including the
6	training of volunteer literacy providers at the na-
7	tional, State, or local level.
8	(3) INTERNSHIPS.—The Institute, in consulta-
9	tion with the Board, is authorized to award paid and
10	unpaid internships to individuals seeking to assist in
11	carrying out the Institute's purpose and to accept as-
12	sistance from volunteers.
13	(e) NATIONAL INSTITUTE FOR LITERACY ADVISORY
13 14	(e) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—
14	BOARD.—
14 15	BOARD.— (1) ESTABLISHMENT.—
14 15 16	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na-
14 15 16 17	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board,
14 15 16 17 18	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed
14 15 16 17 18 19	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed by the President with the advice and consent of
 14 15 16 17 18 19 20 	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate.
 14 15 16 17 18 19 20 21 	BOARD.— (1) ESTABLISHMENT.— (A) IN GENERAL.—There shall be a Na- tional Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate. (B) COMPOSITION.—The Board shall com-

1	(i) literacy organizations and provid-
2	ers of literacy services, including nonprofit
3	providers, providers of English as a second
4	language programs and services, social serv-
5	ice organizations, and eligible providers re-
6	ceiving assistance under this subtitle;
7	(ii) businesses that have demonstrated
8	interest in literacy programs;
9	(iii) literacy students, including lit-
10	eracy students with disabilities;
11	(iv) experts in the area of literacy
12	research;
13	(v) State and local governments;
14	(vi) State Directors of adult education;
15	and
16	(vii) labor organizations.
17	(2) DUTIES.—The Board shall—
18	(A) make recommendations concerning the
19	appointment of the Director and staff of the In-
20	stitute; and
21	(B) provide independent advice on the oper-
22	ation of the Institute.
23	(3) Appointments.—
24	(A) IN GENERAL.—Appointments to the
25	Board made after the date of enactment of the

1	Workforce Investment Partnership Act shall be
2	for 3-year terms, except that the initial terms for
3	members may be established at 1, 2, or 3 years
4	in order to establish a rotation in which $\frac{1}{3}$ of
5	the members are selected each year.
6	(B) VACANCIES.—Any member appointed to
7	fill a vacancy occurring before the expiration of
8	the term for which the member's predecessor was
9	appointed shall be appointed only for the re-
10	mainder of that term. A member may serve after
11	the expiration of that member's term until a suc-
12	cessor has taken office.
13	(4) OFFICERS.—The Chairperson and Vice
14	Chairperson of the Board shall be elected by the mem-
15	bers.
16	(5) MEETINGS.—The Board shall meet at the call
17	of the Chairperson or a majority of its members.
18	(f) Gifts, Bequests, and Devises.—
19	(1) IN GENERAL.—The Institute may accept, ad-
20	minister, and use gifts or donations of services,
21	money, or property, whether real or personal, tangible
22	or intangible.
23	(2) RULES.—The Board shall establish written
24	rules setting forth the criteria to be used by the Insti-
25	tute in determining whether the acceptance of con-

1 tributions of services, money, or property whether real 2 or personal, tangible or intangible, would reflect unfa-3 vorably upon the ability of the Institute or any em-4 ployee to carry out its responsibilities or official du-5 ties in a fair and objective manner, or would com-6 promise the integrity or the appearance of the integ-7 rity of its programs or any official involved in those 8 programs.

9 (g) MAILS.—The Board and the Institute may use the 10 United States mails in the same manner and under the 11 same conditions as other departments and agencies of the 12 United States.

(h) STAFF.—The Interagency Group, after considering
recommendations made by the Board, shall appoint and fix
the pay of a Director.

Service 16 (i) Applicability of Certain Civil LAWS.—The Director and staff of the Institute may be ap-17 pointed without regard to the provisions of title 5, United 18 19 States Code, governing appointments in the competitive service, and may be paid without regard to the provisions 20 21 of chapter 51 and subchapter III of chapter 53 of that title 22 relating to classification and General Schedule pay rates, 23 except that an individual so appointed may not receive pay 24 in excess of the annual rate of basic pay payable for level IV of the Executive Schedule. 25

(j) EXPERTS AND CONSULTANTS.—The Institute may
 procure temporary and intermittent services under section
 3109(b) of title 5, United States Code.

4 (k) REPORT.—The Institute shall submit a biennial re5 port to the Interagency Group and Congress.

6 (1) NONDUPLICATION.—The Institute shall not dupli-7 cate any functions carried out by the Secretary, the Sec-8 retary of Labor, or the Secretary of Health and Human 9 Services under this subtitle. This subsection shall not be 10 construed to prohibit the Secretaries from delegating such 11 functions to the Institute.

(m) FUNDING.—Any amounts appropriated to the Secretary, the Secretary of Labor, the Secretary of Health and
Human Services, or any other department that participates
in the Institute for purposes that the Institute is authorized
to perform under this section may be provided to the Institute for such purposes.

18 SEC. 246. AUTHORIZATION OF APPROPRIATIONS.

19 There is authorized to be appropriated to carry out
20 this title such sums as may be necessary for fiscal year 1999
21 and each of the 5 succeeding fiscal years.

22 Subtitle B—Repeal

23 SEC. 251. REPEAL.

24 (a) REPEAL.—The Adult Education Act (20 U.S.C.
25 1201 et. seq.) is repealed.

1	(b) Conforming Amendments.—
2	(1) Refugee education assistance act.—
3	Subsection (b) of section 402 of the Refugee Education
4	Assistance Act of 1980 (8 U.S.C. 1522 note) is re-
5	pealed.
6	(2) ELEMENTARY AND SECONDARY EDUCATION
7	ACT OF 1965.—
8	(A) SECTION 1202 OF ESEA.—Section
9	1202(c)(1) of the Elementary and Secondary
10	Education Act of 1965 (20 U.S.C. $6362(c)(1)$) is
11	amended by striking "Adult Education Act" and
12	inserting 'Workforce Investment Partnership Act
13	of 1997".
14	(B) SECTION 1205 OF ESEA.—Section
15	1205(8)(B) of such Act (20 U.S.C. $6365(8)(B)$) is
16	amended by striking "Adult Education Act" and
17	inserting "Workforce Investment Partnership Act
18	of 1997".
19	(C) Section 1206 OF ESEA.—Section
20	1206(a)(1)(A) of such Act (20 U.S.C.
21	6366(a)(1)(A)) is amended by striking "an adult
22	basic education program under the Adult Edu-
23	cation Act" and inserting "adult education and
24	literacy activities under the Workforce Invest-
25	ment Partnership Act of 1997".

1	(D) Section 3113 of esea.—Section
2	3113(1) of such Act (20 U.S.C. $6813(1)$) is
3	amended by striking "section 312 of the Adult
4	Education Act" and inserting "section 2 of the
5	Workforce Investment Partnership Act of 1997".
6	(E) SECTION 9161 OF ESEA.—Section
7	9161(2) of such Act (20 U.S.C. 7881(2)) is
8	amended by striking "section 312(2) of the Adult
9	Education Act" and inserting "section 2 of the
10	Workforce Investment Partnership Act of 1997".
11	(3) Older Americans act of 1965.—Section
12	203(b)(8) of the Older Americans Act of 1965 (42
13	U.S.C. 3013(b)(8)) is amended by striking "Adult
14	Education Act" and inserting "Workforce Investment
15	Partnership Act of 1997".
16	(4) NATIONAL LITERACY ACT OF 1991.—The Na-
17	tional Literacy Act of 1991 (20 U.S.C. 1201 note) is
18	repealed.

TITLE III—WORKFORCE INVEST-1 MENT AND RELATED ACTIVI-2 TIES 3 Subtitle A—Workforce Investment 4 **Activities** 5 **1—ALLOTMENTS STATES** 6 **CHAPTER** TO FOR ADULT EMPLOYMENT AND TRAIN-7 ING ACTIVITIES, DISLOCATED WORK-8 ER EMPLOYMENT AND TRAINING AC-9 10 TIVITIES, AND YOUTH ACTIVITIES

11 SEC. 301. GENERAL AUTHORIZATION.

12 The Secretary of Labor shall make an allotment to 13 each State that has a State plan approved under section 14 304 and a grant to each outlying area that complies with 15 the requirements of this title, to enable the State or outlying 16 area to assist local areas in providing, through a statewide 17 workforce investment system—

18 (1) adult employment and training activities;

19 (2) dislocated worker employment and training
20 activities; and

21 (3) youth activities, including summer employ22 ment opportunities, tutoring, activities to promote
23 study skills, alternative secondary school services, em24 ployment skill training, adult mentoring, and sup25 portive services.

1 SEC. 302. STATE ALLOTMENTS.

_	
2	(a) IN GENERAL.—The Secretary shall—
3	(1) make allotments and grants from the total
4	amount appropriated under section 322(a) for a fis-
5	cal year in accordance with subsection $(b)(1)$;
6	(2)(A) reserve 20 percent of the amount appro-
7	priated under section 322(b) for a fiscal year for use
8	under sections 366(b)(2), 367(f), and 369; and
9	(B) make allotments and grants from 80 percent
10	of the amount appropriated under section 322(b) for
11	a fiscal year in accordance with subsection $(b)(2)$;
12	and
13	(3)(A) for each fiscal year in which the amount
14	appropriated under section $322(c)$ exceeds
15	\$1,000,000,000, reserve a portion determined under
16	subsection $(b)(3)(A)$ of the amount appropriated
17	under section 322(c) for use under sections 362 and
18	364; and
19	(B) use the remainder of the amount appro-
20	priated under section 322(c) for a fiscal year to make
21	allotments and grants in accordance with subpara-
22	graphs (B) and (C) of subsection $(b)(3)$ and make
23	funds available for use under section 361.
24	(b) Allotment Among States.—
25	(1) Adult employment and training activi-
26	TIES.—

1	(A) OUTLYING AREAS.—
2	(i) In general.—From the amount
3	made available under subsection $(a)(1)$ for a
4	fiscal year, the Secretary shall reserve not
5	more than 1/4 of 1 percent—
6	(I) to provide assistance to the
7	outlying areas to carry out adult em-
8	ployment and training activities; and
9	(II) for each of the fiscal years
10	1999 through 2004, to carry out the
11	competition described in clause (iii),
12	except that the amount reserved to
13	carry out such clause for any such fis-
14	cal year shall not exceed the amount
15	reserved for the Freely Associated
16	States for fiscal year 1998, from
17	amounts reserved under section
18	202(a)(1) of the Job Training Partner-
19	ship Act (29 U.S.C. 1602(a)(1)) (as in
20	effect on the day before the date of en-
21	actment of this Act).
22	(ii) Application.—To be eligible to
23	receive a grant under this subparagraph, an
24	outlying area shall submit an application
25	to the Secretary at such time, in such man-

1	ner, and containing such information and
2	assurances as the Secretary may require.
3	(iii) Competitive grants.—The Sec-
4	retary shall use funds described in clause
5	(i)(II) to make grants to outlying areas to
6	carry out adult employment and training
7	activities.
8	(iv) BASIS.—The Secretary shall make
9	grants pursuant to clause (iii) on a com-
10	petitive basis and pursuant to the rec-
11	ommendations of experts in the field of em-
12	ployment and training, working through the
13	Pacific Region Educational Laboratory in
14	Honolulu, Hawaii.
15	(v) Assistance requirements.—Any
16	Freely Associated State that desires to re-
17	ceive a grant made under this subpara-
18	graph shall include in the application of the
19	State for assistance—
20	(I) information demonstrating
21	that the State will meet all conditions
22	of the regulations described in clause
23	<i>(ix); and</i>
24	(II) an assurance that, notwith-
25	standing any other provision of this

	·
1	title, the State will use the amounts
2	made available through such grants
3	only for the direct provision of services.
4	(vi) TERMINATION OF ELIGIBILITY.—
5	Notwithstanding any other provision of law,
6	the Freely Associated States shall not re-
7	ceive any funds under this subparagraph
8	for any program year that begins after Sep-
9	tember 30, 2004.
10	(vii) Administrative costs.—The
11	Secretary may provide not more than 5
12	percent of the amount made available for
13	grants under clause (iii) to pay the admin-
14	istrative costs of the Pacific Region Edu-
15	cational Laboratory in Honolulu, Hawaii,
16	regarding activities assisted under this sub-
17	paragraph.
18	(viii) Additional requirement.—
19	The provisions of Public Law 95–134, per-
20	mitting the consolidation of grants by the
21	outlying areas, shall not apply to funds
22	provided to those areas, including the Free-
23	ly Associated States, under this subpara-
24	graph.

1	(ix) REGULATIONS.—The Secretary
2	shall issue regulations specifying require-
3	ments of this title that apply to outlying
4	areas receiving funds under this subpara-
5	graph.
6	(B) States.—
7	(i) IN GENERAL.—After determining
8	the amount to be reserved under subpara-
9	graph (A), the Secretary shall allot the re-
10	mainder of the amount referred to in sub-
11	section (a)(1) for a fiscal year to the States
12	pursuant to clause (ii) for adult employ-
13	ment and training activities.
14	(ii) FORMULA.—Subject to clauses (iii)
15	and (iv), of the remainder—
16	(I) $33^{1/3}$ percent shall be allotted
17	on the basis of the relative number of
18	unemployed individuals in areas of
19	substantial unemployment in each
20	State, compared to the total number of
21	unemployed individuals in areas of
22	substantial unemployment in all
23	States;
24	(II) $33^{1/3}$ percent shall be allotted
25	on the basis of the relative excess num-

1	ber of unemployed individuals in each
2	State, compared to the total excess
3	number of unemployed individuals in
4	all States; and
5	(III) $33^{1/3}$ percent shall be allotted
6	on the basis of the relative number of
7	disadvantaged adults in each State,
8	compared to the total number of dis-
9	advantaged adults in all States.
10	(iii) Minimum and maximum per-
11	CENTAGES.—
12	(I) Minimum percentage.—No
13	State shall receive an allotment per-
14	centage for a fiscal year that is less
15	than 90 percent of the allotment per-
16	centage of the State for the preceding
17	fiscal year.
18	(II) MAXIMUM PERCENTAGE.—No
19	State shall receive an allotment per-
20	centage for a fiscal year that is more
21	than 130 percent of the allotment per-
22	centage of the State for the preceding
23	fiscal year.
24	(iv) Small state minimum allot-
25	MENT.—No State shall receive an allotment

1	under this subparagraph that is less than
2	$\frac{1}{2}$ of 1 percent of the remainder described
3	in clause (i) for a fiscal year. Amounts nec-
4	essary for increasing such allotments to
5	States to comply with the preceding sen-
6	tence shall be obtained by ratably reducing
7	the allotments to be made to other States
8	under this subparagraph.
9	(v) DEFINITIONS.—In this subpara-
10	graph:
11	(I) Allotment percentage.—
12	The term "allotment percentage", used
13	with respect to fiscal year 1999 or a
14	subsequent fiscal year, means a per-
15	centage of the remainder described in
16	clause (i), received through an allot-
17	ment made under this subparagraph,
18	for the fiscal year. The term, used with
19	respect to fiscal year 1998, means the
20	percentage of the amounts allocated
21	under section 202(b) of the Job Train-
22	ing Partnership Act (29 U.S.C.
23	1602(b)) (as in effect on the day before
24	the date of enactment of this Act) re-
25	ceived under such section by service de-

1	livery areas	in the	State	involved for
2	fiscal year 1	998.		

3	(II) AREA OF SUBSTANTIAL UN-
4	EMPLOYMENT.—The term "area of sub-
5	stantial unemployment" means any
6	area that is of sufficient size and scope
7	to sustain a program of workforce in-
8	vestment activities carried out under
9	this subtitle and that has an average
10	rate of unemployment of at least 6.5
11	percent for the most recent 12 months,
12	as determined by the Secretary. For
13	purposes of this subclause, determina-
14	tions of areas of substantial unemploy-
15	ment shall be made once each fiscal
16	year.
17	(III) DISADVANTAGED ADULT.—
18	The term "disadvantaged adult" means
19	an individual who is not less than age

low-income individual.

22 (IV) EXCESS NUMBER.—The term
23 "excess number" means the number of
24 unemployed individuals in excess of

22 and not more than age 72 and is a

20

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1	4.5 percent of the civilian labor force
2	in a State.
3	(2) DISLOCATED WORKER EMPLOYMENT AND
4	TRAINING.—
5	(A) OUTLYING AREAS.—
6	(i) In general.—From the amount
7	made available under subsection $(a)(2)(B)$
8	for a fiscal year, the Secretary shall reserve
9	not more than 1/4 of 1 percent—
10	(I) to provide assistance to the
11	outlying areas to carry out dislocated
12	worker employment and training ac-
13	tivities; and
14	(II) for each of the fiscal years
15	1999 through 2004, to carry out the
16	competition described in clause (iii),
17	except that the amount reserved to
18	carry out such clause for any such fis-
19	cal year shall not exceed the amount
20	reserved for the Freely Associated
21	States for fiscal year 1998, from
22	amounts reserved under section 302(b)
23	of the Job Training Partnership Act
24	(29 U.S.C. 1652(b)) (as in effect on the

1	day before the date of enactment of this
2	Act).
3	(ii) Application.—To be eligible to
4	receive a grant under this subparagraph, an
5	outlying area shall submit an application
6	to the Secretary at such time, in such man-
7	ner, and containing such information and
8	assurances as the Secretary may require.
9	(iii) Competitive grants.—The Sec-
10	retary shall use funds described in clause
11	(i)(II) to make grants to outlying areas to
12	carry out dislocated worker employment
13	and training activities.
14	(iv) BASIS.—The Secretary shall make
15	grants pursuant to clause (iii) on a com-
16	petitive basis and pursuant to the rec-
17	ommendations of experts in the field of em-
18	ployment and training, working through the
19	Pacific Region Educational Laboratory in
20	Honolulu, Hawaii.
21	(v) Assistance requirements.—Any
22	Freely Associated State that desires to re-
23	ceive a grant made under this subpara-
24	graph shall include in the application of the
25	State for assistance—

	501
1	(I) information demonstrating
2	that the State will meet all conditions
3	of the regulations described in clause
4	(ix); and
5	(II) an assurance that, notwith-
6	standing any other provision of this
7	title, the State will use the amounts
8	made available through such grants
9	only for the direct provision of services.
10	(vi) TERMINATION OF ELIGIBILITY.—
11	Notwithstanding any other provision of law,
12	the Freely Associated States shall not re-
13	ceive any funds under this subparagraph
14	for any program year that begins after Sep-
15	tember 30, 2004.
16	(vii) Administrative costs.—The
17	Secretary may provide not more than 5
18	percent of the amount made available for
19	grants under clause (iii) to pay the admin-
20	istrative costs of the Pacific Region Edu-
21	cational Laboratory in Honolulu, Hawaii,
22	regarding activities assisted under this sub-
23	paragraph.
24	(viii) Additional requirement.—
25	The provisions of Public Law 95–134, per-

1	mitting the consolidation of grants by the
2	outlying areas, shall not apply to funds
3	provided to those areas, including the Free-
4	ly Associated States, under this subpara-
5	graph.
6	(ix) REGULATIONS.—The Secretary
7	shall issue regulations specifying require-
8	ments of this title that apply to outlying
9	areas receiving funds under this subpara-
10	graph.
11	(B) States.—
12	(i) IN GENERAL.—After determining
13	the amount to be reserved under subpara-
14	graph (A), the Secretary shall allot the re-
15	mainder of the amount referred to in sub-
16	section $(a)(2)(B)$ for a fiscal year to the
17	States pursuant to clause (ii) for dislocated
18	worker employment and training activities.
19	(ii) FORMULA.—Of the remainder—
20	(I) $33^{1/3}$ percent shall be allotted
21	on the basis of the relative number of
22	unemployed individuals in each State,
23	compared to the total number of unem-
24	ployed individuals in all States;

1	(II) $33^{1/3}$ percent shall be allotted
2	on the basis described in paragraph
3	(1)(B)(ii)(II); and
4	(III) $33^{1/3}$ percent shall be allotted
5	on the basis of the relative number of
6	individuals in each State who have
7	been unemployed for 15 weeks or more,
8	compared to the total number of indi-
9	viduals in all States who have been un-
10	employed for 15 weeks or more.
11	(3) Youth activities.—
12	(A) Youth opportunity grants.—
13	(i) IN GENERAL.—For each fiscal year
14	in which the amount appropriated under
15	section 322(c) exceeds \$1,000,000,000, the
16	Secretary shall reserve a portion of the
17	amount to provide youth opportunity
18	grants under section 364 and provide youth
19	activities under section 362.
20	(ii) PORTION.—The portion referred to
21	in clause (i) shall equal, for a fiscal year—
22	(I) except as provided in sub-
23	clause (II), the difference obtained by
24	subtracting \$1,000,000,000 from the
25	amount described in clause (i); and

	$\overline{00}$
1	(II) for any fiscal year in which
2	the amount is \$1,250,000,000 or great-
3	er, \$250,000,000.
4	(iii) Youth activities for farm-
5	workers.—From the portion described in
6	clause (i) for a fiscal year, the Secretary
7	shall make available \$10,000,000 to provide
8	youth activities under section 362.
9	(B) OUTLYING AREAS.—
10	(i) In general.—From the amount
11	made available under subsection $(a)(3)(B)$
12	for a fiscal year, the Secretary shall reserve
13	not more than $\frac{1}{4}$ of 1 percent—
14	(I) to provide assistance to the
15	outlying areas to carry out youth ac-
16	tivities; and
17	(II) for each of the fiscal years
18	1999 through 2004, to carry out the
19	competition described in clause (iii),
20	except that the amount reserved to
21	carry out such clause for any such fis-
22	cal year shall not exceed the amount
23	reserved for the Freely Associated
24	States for fiscal year 1998, from
25	amounts reserved under sections 252(a)

1	and 262(a)(1) of the Job Training
2	Partnership Act (29 U.S.C. and
3	1631(a) and $1642(a)(1)$ (as in effect
4	on the day before the date of enactment
5	of this Act).
6	(ii) Application.—To be eligible to
7	receive a grant under this subparagraph, an
8	outlying area shall submit an application
9	to the Secretary at such time, in such man-
10	ner, and containing such information and
11	assurances as the Secretary may require.
12	(iii) Competitive grants.—The Sec-
13	retary shall use funds described in clause
14	(i)(II) to make grants to outlying areas to
15	carry out youth activities.
16	(iv) BASIS.—The Secretary shall make
17	grants pursuant to clause (iii) on a com-
18	petitive basis and pursuant to the rec-
19	ommendations of experts in the field of em-
20	ployment and training, working through the
21	Pacific Region Educational Laboratory in
22	Honolulu, Hawaii.
23	(v) Assistance requirements.—Any
24	Freely Associated State that desires to re-
25	ceive a grant made under this subpara-

1	graph shall include in the application of the
2	State for assistance—
3	(I) information demonstrating
4	that the State will meet all conditions
5	of the regulations described in clause
6	<i>(ix); and</i>
7	(II) an assurance that, notwith-
8	standing any other provision of this
9	title, the State will use the amounts
10	made available through such grants
11	only for the direct provision of services.
12	(vi) TERMINATION OF ELIGIBILITY.—
13	Notwithstanding any other provision of law,
14	the Freely Associated States shall not re-
15	ceive any funds under this subparagraph
16	for any program year that begins after Sep-
17	tember 30, 2004.
18	(vii) Administrative costs.—The
19	Secretary may provide not more than 5
20	percent of the amount made available for
21	grants under clause (iii) to pay the admin-
22	istrative costs of the Pacific Region Edu-
23	cational Laboratory in Honolulu, Hawaii,
24	regarding activities assisted under this sub-
25	paragraph.

1	(viii) Additional requirement.—
2	The provisions of Public Law 95–134, per-
3	mitting the consolidation of grants by the
4	outlying areas, shall not apply to funds
5	provided to those areas, including the Free-
6	ly Associated States, under this subpara-
7	graph.
8	(ix) REGULATIONS.—The Secretary
9	shall issue regulations specifying require-
10	ments of this title that apply to outlying
11	areas receiving funds under this subpara-
12	graph.
13	(C) States.—
14	(i) IN GENERAL.—After determining
15	the amounts to be reserved under subpara-
16	graph (A) (if any) and subparagraph (B),
17	the Secretary shall—
18	(I) from the amount referred to in
19	subsection $(a)(3)(B)$ for a fiscal year,
20	make available \$15,000,000 to provide
21	youth activities under section 361; and
22	(II) allot the remainder of the
23	amount referred to in subsection
24	(a)(3)(B) for a fiscal year to the States

1	pursuant to clause (ii) for youth ac-
2	tivities.
3	(ii) FORMULA.—Subject to clause (iii),
4	of the remainder—
5	(I) $33^{1/3}$ percent shall be allotted
6	on the basis described in paragraph
7	(1)(B)(ii)(I);
8	(II) $33^{1/3}$ percent shall be allotted
9	on the basis described in paragraph
10	(1)(B)(ii)(II); and
11	(III) $33^{1/3}$ percent shall be allotted
12	on the basis of the relative number of
13	disadvantaged youth in each State,
14	compared to the total number of dis-
15	advantaged youth in all States.
16	(iii) Minimum percentage; maximum
17	PERCENTAGE; SMALL STATE MINIMUM AL-
18	LOTMENT.—
19	(I) IN GENERAL.—Except as pro-
20	vided in subclause (II), the require-
21	ments of clauses (iii), (iv), and (v) of
22	paragraph $(1)(B)$ shall apply to all t-
23	ments made under this subparagraph
24	in the same manner and to the same
25	extent as the requirements apply to al-

1	lotments made under paragraph
2	(1)(B).
3	(II) Exceptions.—For purposes
4	of applying the requirements of those
5	clauses under this subparagraph—
6	(aa) references in those
7	clauses to the remainder described
8	in clause (i) of paragraph $(1)(B)$
9	shall be considered to be references
10	to the remainder described in
11	clause (i)(II) of this subpara-
12	graph; and
13	(bb) the term "allotment per-
14	centage", used with respect to fis-
15	cal year 1998, means the percent-
16	age of the amounts allocated
17	under sections 252(b) and 262(b)
18	of the Job Training Partnership
19	Act (29 U.S.C. $1631(b)$ and
20	1642(b)) (as in effect on the day
21	before the date of enactment of
22	this Act) received under such sec-
23	tions by service delivery areas in
24	the State involved for fiscal year
25	1998.

1	(iv) DEFINITION.—In this subpara-
2	graph, the term "disadvantaged youth"
3	means an individual who is not less than
4	age 14 and is not more than age 21 and is
5	a low-income individual.
6	(4) DEFINITION.—In this subsection, the term
7	"Freely Associated States" means the Republic of the
8	Marshall Islands, the Federated States of Micronesia,
9	and the Republic of Palau.
10	SEC. 303. STATEWIDE PARTNERSHIP.
11	(a) IN GENERAL.—The Governor of a State shall estab-
12	lish and appoint the members of a statewide partnership
13	to assist in the development of the State plan described in
14	section 304 and carry out the functions described in sub-
15	section (d).
16	(b) Membership.—
17	(1) IN GENERAL.—The statewide partnership
18	shall include—
19	(A) the Governor;
20	(B) representatives, appointed by the Gov-
21	ernor, who—
22	(i) are representatives of business in
23	the State;
24	(ii) are owners of businesses, chief ex-
25	ecutives or operating officers of private

1	businesses, and other business executives or
2	employers with optimum policymaking or
3	hiring authority, including members of
4	local partnerships described in section
5	308(c)(2)(A)(i);
6	(iii) represent businesses with employ-
7	ment opportunities that reflect the employ-
8	ment opportunities of the State; and
9	(iv) are appointed from among indi-
10	viduals nominated by State business orga-
11	nizations and business trade associations;
12	(C) representatives, appointed by the Gov-
13	ernor, who are individuals who have optimum
14	policymaking authority, including—
15	(i) representatives of—
16	(I) chief elected officials (rep-
17	resenting both cities and counties,
18	where appropriate);
19	(II) labor organizations, who have
20	been nominated by State labor federa-
21	tions; and
22	(III) individuals, and organiza-
23	tions, that have experience relating to
24	youth activities;

1	(ii) the eligible agency officials respon-
2	sible for vocational education, including
3	postsecondary vocational education, and for
4	adult education and literacy, and the State
5	officials responsible for postsecondary edu-
6	cation (including education in community
7	colleges); and
8	(iii) the State agency official respon-
9	sible for vocational rehabilitation and,
10	where applicable, the State agency official
11	responsible for providing vocational reha-
12	bilitation program activities for the blind;
13	(D) such other State agency officials as the
14	Governor may designate, such as State agency
15	officials carrying out activities relating to em-
16	ployment and training, economic development,
17	public assistance, veterans, youth, juvenile justice
18	and the employment service established under the
19	Wagner-Peyser Act (29 U.S.C. 49 et seq.); and
20	(E) two members of each chamber of the
21	State legislature, appointed by the appropriate
22	presiding officer of the chamber.
23	(2) MAJORITY.—A majority of the members of
24	the statewide partnership shall be representatives de-
25	scribed in paragraph (1)(B).

1	(c) CHAIRMAN.—The Governor shall select a chair-
2	person for the statewide partnership from among the rep-
3	resentatives described in subsection $(b)(1)(B)$.
4	(d) FUNCTIONS.—In addition to developing the State
5	plan, the statewide partnership shall—
6	(1) advise the Governor on the development of a
7	comprehensive statewide workforce investment system;
8	(2) assist the Governor in preparing the annual
9	report to the Secretaries described in section 321(d);
10	(3) assist the Governor in developing the state-
11	wide labor market information system described in
12	section 15(e) of the Wagner-Peyser Act; and
13	(4) assist in the monitoring and continuous im-
14	provement of the performance of the statewide
15	workforce investment system, including the evaluation
16	of the effectiveness of workforce investment activities
17	carried out under this subtitle in serving the needs of
18	employers seeking skilled employees and individuals
19	seeking services.
20	(e) Authority of Governor.—
21	(1) AUTHORITY.—The Governor shall have the
22	final authority to determine the contents of and sub-
23	mit the State plan described in section 304.

1	(2) PROCESS.—Prior to the date on which the
2	Governor submits a State plan under section 304, the
3	Governor shall—
4	(A) make available copies of a proposed
5	State plan to the public;
6	(B) allow members of the statewide partner-
7	ship and members of the public to submit com-
8	ments on the proposed State plan to the Gov-
9	ernor, not later than the end of the 30-day pe-
10	riod beginning on the date on which the proposed
11	State plan is made available; and
12	(C) include with the State plan submitted
13	to the Secretary under section 304 any such com-
14	ments that represent disagreement with the plan.
15	SEC. 304. STATE PLAN.
16	(a) IN GENERAL.—For a State to be eligible to receive
17	an allotment under section 302, the Governor of the State
18	shall submit to the Secretary for approval a single com-
19	prehensive State plan (referred to in this title as the "State
20	plan") that outlines a 3-year strategy for the statewide
21	workforce investment system of the State and that meets the
22	requirements of section 303 and this section.
23	(b) CONTENTS.—The State plan shall include—
24	(1) a description of the statewide partnership de-
25	scribed in section 303 used in developing the plan;

1	(2) a description of State-imposed requirements
2	for the statewide workforce investment system;
3	(3) a description of the State performance meas-
4	ures developed for the workforce investment activities
5	to be carried out through the system, that includes in-
6	formation identifying the State performance meas-
7	ures, established in accordance with section 321(b);
8	(4) information describing—
9	(A) the needs of the State with regard to
10	current and projected employment opportunities;
11	(B) the job skills necessary to obtain the
12	needed employment opportunities;
13	(C) the economic development needs of the
14	State; and
15	(D) the type and availability of workforce
16	investment activities in the State;
17	(5) an identification of local areas designated in
18	the State, including a description of the process used
19	for the designation of such areas, which shall—
20	(A) ensure a linkage between participants
21	in workforce investment activities funded under
22	this subtitle, and local employment opportuni-
23	ties;

1	(B) ensure that a significant portion of the
2	population that lives in the local area also works
3	in the same local area;
4	(C) ensure cooperation and coordination of
5	activities between neighboring local areas; and
6	(D) take into consideration State economic
7	development areas;
8	(6) an identification of criteria for the appoint-
9	ment of members of local partnerships based on the
10	requirements of section 308;
11	(7) the detailed plans required under section 8 of
12	the Wagner-Peyser Act;
13	(8) a description of the measures that will be
14	taken by the State to assure coordination of and
15	avoid duplication among—
16	(A) workforce investment activities author-
17	ized under this subtitle;
18	(B) other activities authorized under this
19	title;
20	(C) activities authorized under title I or II;
21	(D) programs authorized under the Wagner-
22	Peyser Act (29 U.S.C. 49 et seq.), title I of the
23	Rehabilitation Act of 1973 (29 U.S.C. 720 et
24	seq.), part A of title IV of the Social Security
25	Act (42 U.S.C. 601 et seq.), and section $6(d)$ of

1	the Food Stamp Act of 1977 (7 U.S.C. 2015(d)),
2	and activities authorized under title V of the
3	Older Americans Act of 1965 (42 U.S.C. 3056 et
4	seq.);
5	(E) work programs authorized under section
6	6(0) of the Food Stamp Act of 1977 (7 U.S.C.
7	2015(0));
8	(F) activities authorized under chapter 2 of
9	title II of the Trade Act of 1974 (19 U.S.C. 2271
10	$et \ seq.);$
11	(G) activities authorized under chapter 41
12	of title 38, United States Code;
13	(H) activities carried out by the Bureau of
14	Apprenticeship and Training;
15	(I) training activities carried out by the
16	Department of Housing and Urban Develop-
17	ment; and
18	(J) programs authorized under State unem-
19	ployment compensation laws and the Federal
20	unemployment insurance program under titles
21	III, IX, and XII of the Social Security Act (42
22	U.S.C. 501 et seq., 1101 et seq., and 1321 et
23	seq.);
24	(9) a description of the process used by the State
25	to provide an opportunity for public comment, and

1	input into the development of the State plan, prior to
2	submission of the plan;
3	(10) a description of the process for the public to
4	comment on members of the local partnerships;
5	(11) a description of the length of terms and ap-
6	pointment processes for members of the statewide
7	partnership and local partnerships in the State;
8	(12) information identifying how the State will
9	leverage any funds the State receives under this sub-
10	title with other private and Federal resources;
11	(13) assurances that the State will provide, in
12	accordance with section 374, for fiscal control and
13	fund accounting procedures that may be necessary to
14	ensure the proper disbursement of, and accounting
15	for, funds paid to the State through the allotment
16	made under section 302;
17	(14) if appropriate, a description of a within-
18	State allocation formula—
19	(A) that is based on factors relating to ex-
20	cess poverty in local areas or excess unemploy-
21	ment above the State average in local areas; and
22	(B) through which the State may distribute
23	the funds the State receives under this subtitle
24	for adult employment and training activities or
25	youth activities to local areas;

1	(15) an assurance that the funds made available
2	to the State through the allotment made under section
3	302 will supplement and not supplant other public
4	funds expended to provide activities described in this
5	subtitle;
6	(16) information indicating—
7	(A) how the services of one-stop partners in
8	the State will be provided through the one-stop
9	customer service system;
10	(B) how the costs of such services and the
11	operating costs of the system will be funded; and
12	(C) how the State will assist in the develop-
13	ment and implementation of the operating agree-
14	ment described in section 311(c);
15	(17) information specifying the actions that con-
16	stitute a conflict of interest prohibited in the State for
17	purposes of section $308(g)(2)(B)$;
18	(18) a description of a core set of consistently de-
19	fined data elements for reporting on the activities car-
20	ried out through the one-stop customer service system
21	in the State;
22	(19) with respect to employment and training
23	activities funded under this subtitle, information—
24	(A) describing the employment and training
25	activities that will be carried out with the funds

1	the State receives under this subtitle, and a de-
2	scription of how the State will provide rapid re-
3	sponse activities to dislocated workers;
4	(B) describing the State strategy for devel-
5	opment of a fully operational statewide one-stop
6	customer service system as described in section
7	315(b), including—
8	(i) criteria for use by chief elected offi-
9	cials and local partnerships, for designating
10	or certifying one-stop customer service cen-
11	ter operators, appointing one-stop partners,
12	and conducting oversight with respect to the
13	one-stop customer service system, for each
14	local area; and
15	(ii) the steps that the State will take
16	over the 3 years covered by the plan to en-
17	sure that all publicly funded labor exchange
18	services described in section $315(c)(2)$ or the
19	Wagner-Peyser Act (29 U.S.C. 49 et seq.),
20	will be available through the one-stop cus-
21	tomer service system of the State;
22	(C) describing the criteria used by the local
23	partnership in the development of the local plan
24	described in section 309; and

1	(D) describing the procedures the State will
2	use to identify eligible providers of training serv-
3	ices, as required under this subtitle; and
4	(20) with respect to youth activities funded
5	under this subtitle, information—
6	(A) describing the youth activities that will
7	be carried out with the funds the State receives
8	under this subtitle;
9	(B) identifying the criteria to be used by
10	the local partnership in awarding grants under
11	section 313 for youth activities;
12	(C) identifying the types of criteria the
13	Governor and local partnerships will use to iden-
14	tify effective and ineffective youth activities and
15	eligible providers of such activities; and
16	(D) describing how the State will coordinate
17	the youth activities carried out in the State
18	under this subtitle with the services provided by
19	Job Corps centers in the State.
20	(c) Plan Submission and Approval.—A State plan
21	submitted to the Secretary under this section by a Governor
22	shall be considered to be approved by the Secretary at the
23	end of the 60-day period beginning on the day the Secretary
24	receives the plan, unless the Secretary makes a written de-
25	termination, during the 60-day period, that—

1 (1) the plan is inconsistent with a specific provi-2 sion of this title; or 3 (2) the levels of performance have not been 4 agreed to pursuant to section 321(b)(4). 5 (d) MODIFICATIONS TO INITIAL PLAN.—A State may submit, for approval by the Secretary, substantial modifica-6 7 tions to the State plan in accordance with the requirements 8 of this section and section 303, as necessary, during the 3-9 year period of the plan. 10 **CHAPTER 2—ALLOCATIONS TO LOCAL** WORKFORCE INVESTMENT AREAS 11 12 SEC. 306. WITHIN STATE ALLOCATIONS. 13 (a) Reservations for State Activities.—

14 (1) Adult employment and training activi-15 TIES, DISLOCATED WORKER EMPLOYMENT AND TRAIN-16 ING ACTIVITIES, AND YOUTH ACTIVITIES.—The Gov-17 ernor of a State shall reserve not more than 15 per-18 cent of each of the amounts allotted to the State under 19 paragraphs (1)(B), (2)(B), and (3)(C)(ii) of section 20 302(b) for a fiscal year for statewide workforce invest-21 ment activities described in subsections (b)(2) and (c)22 of section 314.

23 (2) STATEWIDE RAPID RESPONSE ACTIVITIES.—
24 The Governor of the State shall reserve not more than
25 25 percent of the total amount allotted to the State

1	under section $302(b)(2)(B)$ for a fiscal year for state-
2	wide rapid response activities described in section
3	314(b)(1).

4 (b) WITHIN STATE ALLOCATION.—

5 (1) Allocation.—The Governor of the State 6 shall allocate to the local areas the funds that are al-7 lotted to the State under section 302(b) and are not 8 reserved under subsection (a) for the purpose of pro-9 viding employment and training activities to eligible 10 participants pursuant to section 315 and youth ac-11 tivities to eligible participants pursuant to section 12 316.

13 (2) METHODS.—The State, acting in accordance
14 with the State plan, and after consulting with chief
15 elected officials in the local areas, shall allocate—

16 (A) the funds that are allotted to the State
17 for adult employment and training activities
18 under section 302(b)(1)(B) and are not reserved
19 under subsection (a)(1), in accordance with
20 paragraph (3) or (4);

(B) the funds that are allotted to the State
for dislocated worker employment and training
activities under section 302(b)(2)(B) and are not
reserved under paragraph (1) or (2) of subsection
(a), in accordance with paragraph (3); and

1	(C) the funds that are allotted to the State
2	for youth activities under section
3	302(b)(3)(C)(ii) and are not reserved under sub-
4	section (a)(1), in accordance with paragraph (3)
5	or (4).
6	(3) Adult employment and training activi-
7	TIES, DISLOCATED WORKER EMPLOYMENT AND TRAIN-
8	ING ACTIVITIES, AND YOUTH ACTIVITIES FORMULA AL-
9	LOCATIONS.—
10	(A) Adult employment and training ac-
11	TIVITIES.—In allocating the funds described in
12	paragraph (2)(A) to local areas, a State may al-
13	locate—
14	(i) $33^{1/3}$ percent of the funds on the
15	basis described in section
16	302(b)(1)(B)(ii)(I);
17	(ii) $33^{1/3}$ percent of the funds on the
18	basis described in section
19	302(b)(1)(B)(ii)(II); and
20	(iii) $33^{1/3}$ percent of the funds on the
21	basis described in section
22	302(b)(1)(B)(ii)(III).
23	(B) DISLOCATED WORKER EMPLOYMENT
24	AND TRAINING ACTIVITIES.—In allocating the

1	funds described in paragraph $(2)(B)$ to local
2	areas, a State shall allocate—
3	(i) $33^{1/3}$ percent of the funds on the
4	basis described in section
5	302(b)(2)(B)(ii)(I);
6	(ii) $33^{1/3}$ percent of the funds on the
7	basis described in section
8	302(b)(2)(B)(ii)(II); and
9	(iii) $33^{1/3}$ percent of the funds on the
10	basis described in section
11	302(b)(2)(B)(ii)(III).
12	(C) Youth activities.—In allocating the
13	funds described in paragraph $(2)(C)$ to local
14	areas, a State may allocate—
15	(i) $33^{1/3}$ percent of the funds on the
16	basis described in section
17	302(b)(3)(C)(ii)(I);
18	(ii) $33^{1/3}$ percent of the funds on the
19	basis described in section
20	302(b)(3)(C)(ii)(II); and
21	(iii) $33^{1/3}$ percent of the funds on the
22	basis described in section
23	302(b)(3)(C)(ii)(III).

1	(D) APPLICATION.—For purposes of carry-
2	ing out subparagraphs (A), (B), and (C), and
3	subparagraphs (A) and (B) of paragraph (4)—
4	(i) references in section $302(b)$ to a
5	State shall be deemed to be references to a
6	local area; and
7	(ii) references in section 302(b) to all
8	States shall be deemed to be references to all
9	local areas in the State involved.
10	(4) Adult employment and training and
11	YOUTH DISCRETIONARY ALLOCATIONS.—
12	(A) Adult employment and training ac-
13	TIVITIES.—In lieu of making the allocation de-
14	scribed in paragraph (3)(A), in allocating the
15	funds described in paragraph $(2)(A)$ to local
16	areas, a State may distribute—
17	(i) a portion equal to not less than 70
18	percent of the funds in accordance with
19	paragraph (3)(A); and
20	(ii) the remaining portion of the funds
21	on the basis of a formula that—
22	(I) takes into consideration fac-
23	tors relating to excess poverty in local
24	areas or excess unemployment above
25	the State average in local areas; and

1	(II) was developed by the state-
2	wide partnership and approved by the
3	Secretary as part of the State plan.
4	(B) Youth Activities.—In lieu of making
5	the allocation described in paragraph $(3)(C)$, in
6	allocating the funds described in paragraph
7	(2)(C) to local areas, a State may distribute—
8	(i) a portion equal to not less than 70
9	percent of the funds in accordance with
10	paragraph (3)(C); and
11	(ii) the remaining portion of the funds
12	on the basis of a formula that—
13	(I) takes into consideration fac-
14	tors relating to excess youth poverty in
15	local areas or excess unemployment
16	above the State average in local areas;
17	and
18	(II) was developed by the state-
19	wide partnership and approved by the
20	Secretary as part of the State plan.
21	(5) LIMITATION.—
22	(A) IN GENERAL.—Of the amount allocated
23	to a local area under this subsection for a fiscal
24	year—

1	(i) not more than 15 percent of the
2	amount allocated under paragraph $(3)(A)$
3	or (4)(A);
4	(ii) not more than 15 percent of the
5	amount allocated under paragraph $(3)(B)$;
6	and
7	(iii) not more than 15 percent of the
8	amount allocated under paragraph $(3)(C)$
9	or (4)(B),
10	may be used by the local partnership for the ad-
11	ministrative cost of carrying out local workforce
12	investment activities described in section 315 or
13	316.
14	(B) USE OF FUNDS.—Funds made available
15	for administrative costs under subparagraph (A)
16	may be used for the administrative cost of any
17	of the local workforce investment activities de-
18	scribed in sections 315 and 316, regardless of
19	whether the funds were allocated under the provi-
20	sions described in clause (i), (ii), or (iii) of sub-
21	paragraph (A).
22	(C) REGULATIONS.—The Secretary, after
23	consulting with the Governors, shall develop and
24	issue regulations that define the term "adminis-
25	trative cost" for purposes of this title.

1	(6) TRANSFER AUTHORITY.—A local partnership
2	may transfer, if such a transfer is approved by the
3	Governor, not more than 20 percent of the funds allo-
4	cated to the local area under paragraph $(3)(A)$ or
5	(4)(A), and 20 percent of the funds allocated to the
6	local area under paragraph $(3)(B)$, for a fiscal year
7	between—
8	(A) adult employment and training activi-
9	ties; and
10	(B) dislocated worker employment and
11	training activities.
12	(7) FISCAL AUTHORITY.—
13	(A) FISCAL AGENT.—The chief elected offi-
14	cial in a local area shall serve as the fiscal agent
15	for, and shall be liable for any misuse of, the
16	funds allocated to the local area under this sec-
17	tion, unless the chief elected official reaches an
18	agreement with the Governor for the Governor to
19	act as the fiscal agent and bear such liability.
20	(B) DISBURSAL.—The fiscal agent shall dis-
21	burse such funds for workforce investment activi-
22	ties at the direction of the local partnership, pur-
23	suant to the requirements of this title, if the di-
24	rection does not violate a provision of this Act.
25	The fiscal agent shall disburse funds immediately

	360
1	on receiving such direction from the local part-
2	nership.
3	SEC. 307. LOCAL WORKFORCE INVESTMENT AREAS.
4	(a) Designation of Areas.—
5	(1) In general.—Except as provided in sub-
6	section (b) and paragraph (2), the Governor shall des-
7	ignate local workforce investment areas in the State,
8	in accordance with the State plan requirements de-
9	scribed in section 304(b)(5).
10	(2) Automatic designation.—
11	(A) IN GENERAL.—The Governor of the
12	State shall approve a request for designation as
13	a local area from any unit of general local gov-
14	ernment with a population of 500,000 or more,
15	if the designation meets the State plan require-
16	ments described in section $304(b)(5)$.
17	(B) LARGE COUNTIES.—A county with a
18	population of 500,000 or more may request such
19	designation only with the agreement of the polit-
20	ical subdivisions within the county with popu-
21	lations of 200,000 or more.
22	(C) Large political subdivisions.—Sin-
23	gle units of general local government with popu-
24	lations of 200,000 or more that are service deliv-
25	ery areas on the date of enactment of this Act

8 (b) SMALL STATES.—The Governor of any State deter-9 mined to be eligible to receive a minimum allotment under paragraph (1), (2), or (3) of section 302(b) for the first year 10 covered by the State plan may designate the State as a sin-11 gle State local area for the purposes of this title. The Gov-12 ernor shall identify the State as a local area under section 13 304(b)(5), in lieu of designating local areas as described 14 15 in subparagraphs (A), (B), and (C) of section 304(b)(5). 16 SEC. 308. LOCAL WORKFORCE INVESTMENT PARTNERSHIPS

10 SEC. 308. LOCAL WORKFORCE INVESTMENT PARTNERSH

AND YOUTH PARTNERSHIPS.

17

(a) ESTABLISHMENT OF LOCAL PARTNERSHIP.—There
shall be established in each local area of a State, and certified by the Governor of the State, a local workforce invest-

21 ment partnership.

(b) ROLE OF LOCAL PARTNERSHIP.—The primary role
of the local partnership shall be to set policy for the portion
of the statewide workforce investment system within the
local area, including—

1	(1) ensuring that the activities authorized under
2	this subtitle and carried out in the local area meet
3	local performance measures that include high aca-
4	demic and skill measures;
5	(2) ensuring that the activities meet the needs of
6	employers and jobseekers; and
7	(3) ensuring the continuous improvement of the
8	system.
9	(c) Membership of Local Partnership.—
10	(1) State criteria.—The Governor of the State
11	shall establish criteria for the appointment of mem-
12	bers of the local partnerships for local areas in the
13	State in accordance with the requirements of para-
14	graph (2). Information identifying such criteria shall
15	be included in the State plan, as described in section
16	304(b)(6).
17	(2) Composition.—Such criteria shall require,
18	at a minimum, that the membership of each local
19	partnership—
20	(A) shall include—
21	(i) a majority of members who—
22	(I) are representatives of business
23	in the local area;
24	(II) are owners of businesses, chief
25	executives or operating officers of pri-

1	vate businesses, and other business ex-
2	ecutives or employers with optimum
3	policymaking or hiring authority;
4	(III) represent businesses with
5	employment opportunities that reflect
6	the employment opportunities of the
7	local area; and
8	(IV) are appointed from among
9	individuals nominated by local busi-
10	ness organizations and business trade
11	associations;
12	(ii) chief officers representing local
13	postsecondary educational institutions, rep-
14	resentatives of vocational education provid-
15	ers, and representatives of adult education
16	providers;
17	(iii) chief officers representing labor
18	organizations (for a local area in which
19	such representatives reside), nominated by
20	local labor federations, or (for a local area
21	in which such representatives do not reside)
22	other representatives of employees; and
23	(iv) chief officers representing economic
24	development agencies, including private sec-
25	tor economic development entities;

1	(B) may include chief officers who have pol-
2	icymaking authority, from one-stop partners who
3	have entered into an operating agreement de-
4	scribed in section 311(c) to participate in the
5	one-stop customer service system in the local
6	area; and
7	(C) may include such other individuals or
8	representatives of entities as the chief elected offi-
9	cial in the local area may determine to be appro-
10	priate.
11	(3) CHAIRPERSON.—The local partnership shall
12	elect a chairperson from among the members of the
13	partnership described in paragraph $(2)(A)(i)$.
14	(d) Appointment and Certification of Local
15	Partnership.—
16	(1) Appointment of local partnership mem-
17	BERS AND ASSIGNMENT OF RESPONSIBILITIES.—
18	(A) IN GENERAL.—The chief elected official
19	in a local area is authorized to appoint the
20	members of the local partnership for such area,
21	in accordance with the State criteria established
22	under subsection (c).
23	(B) MULTIPLE UNITS OF LOCAL GOVERN-
24	MENT IN AREA.—

1	(i) IN GENERAL.—In a case in which
2	a local area includes more than 1 unit of
3	general local government, the chief elected
4	officials of such units may execute an agree-
5	ment that specifies the respective roles of the
6	individual chief elected officials—
7	(I) in the appointment of the
8	members of the local partnership from
9	the individuals nominated or rec-
10	ommended to be such members in ac-
11	cordance with the criteria established
12	under subsection (c); and
13	(II) in carrying out any other re-
14	sponsibilities assigned to such officials
15	under this subtitle.
16	(ii) Lack of agreement.—If, after a
17	reasonable effort, the chief elected officials
18	are unable to reach agreement as provided
19	under clause (i), the Governor may appoint
20	the members of the local partnership from
21	individuals so nominated or recommended.
22	(2) Certification.—
23	(A) IN GENERAL.—The Governor shall an-
24	nually certify 1 local partnership for each local
25	area in the State.

1 (B) CRITERIA.—Such certification shall be 2 based on criteria established under subsection (c) and, for a second or subsequent certification, the 3 4 extent to which the local partnership has ensured that workforce investment activities carried out 5 6 in the local area have enabled the local area to 7 meet the local performance measures required 8 under section 321(c). 9 (C)FAILURE TOACHIEVE CERTIFI-10 CATION.—Failure of a local partnership to 11 achieve certification shall result in reappoint-12 ment and certification of another local partner-13 ship for the local area pursuant to the process 14 described in paragraph (1) and this paragraph. 15 (3) Decertification.— 16 (A) IN GENERAL.—Notwithstanding para-17 graph (2), the Governor may decertify a local 18 partnership, at any time after providing notice 19 and an opportunity for comment, for-20 (i) fraud or abuse; or 21 (ii) failure to carry out the functions 22 specified for the local partnership in para-23 graphs (1) through (5) of subsection (e). 24 (B) PLAN.—If the Governor decertifies a 25 local partnership for a local area, the Governor

1	may require that a local partnership be ap-
2	pointed and certified for the local area pursuant
3	to a plan developed by the Governor in consulta-
4	tion with the chief elected official in the local
5	area and in accordance with the criteria estab-
6	lished under subsection (c).
7	(4) EXCEPTION.—Notwithstanding subsection (c)
8	and paragraphs (1) and (2), if a State described in
9	section 307(b) designates the State as a local area in
10	the State plan, the Governor may designate the state-
11	wide partnership described in section 303 to carry
12	out any of the functions described in subsection (e).
13	(e) Functions of Local Partnership.—The func-
14	tions of the local partnership shall include—
15	(1) developing and submitting a local plan as
16	described in section 309 in partnership with the ap-
17	propriate chief elected official;
18	(2) appointing, certifying, or designating one-
19	stop partners and one-stop customer service center op-
20	erators, pursuant to the criteria specified in the local
21	plan;
22	(3) conducting oversight with respect to the one-
23	stop customer service system;

1	(4) modifying the list of eligible providers of
2	training services pursuant to subsections $(b)(3)(B)$
3	and $(c)(2)(B)$ of section 312;
4	(5) setting local performance measures pursuant
5	to section $312(b)(2)(D)(ii);$
6	(6) analyzing and identifying—
7	(A) current and projected local employment
8	opportunities; and
9	(B) the skills necessary to obtain such local
10	employment opportunities;
11	(7) coordinating the workforce investment activi-
12	ties carried out in the local area with economic devel-
13	opment strategies and developing other employer link-
14	ages with such activities; and
15	(8) assisting the Governor in developing the
16	statewide labor market information system described
17	in section 15(e) of the Wagner-Peyser Act.
18	(f) SUNSHINE PROVISION.—The local partnership
19	shall make available to the public, on a regular basis
20	through open meetings, information regarding the activities
21	of the local partnership, including information regarding
22	membership, the appointment of one-stop partners, the des-
23	ignation and certification of one-stop customer service cen-
24	ter operators, and the award of grants to eligible providers
25	of youth activities.

1	(g) Other Activities of Local Partnership.—
2	(1) LIMITATION.—
3	(A) IN GENERAL.—Except as provided in
4	subparagraph (B), no local partnership may di-
5	rectly carry out or enter into a contract for a
6	training service described in section $315(c)(3)$.
7	(B) WAIVERS.—The Governor of the State
8	in which the local partnership is located may
9	grant to the local partnership a written waiver
10	of the prohibition set forth in subparagraph (A) ,
11	if the local partnership provides substantial evi-
12	dence that a private or public entity is not
13	available to provide the training service and that
14	the activity is necessary to provide an employ-
15	ment opportunity described in the local plan de-
16	scribed in section 309.
17	(2) Conflict of interest.—No member of a
18	local partnership may—
19	(A) vote on a matter under consideration by
20	the local partnership—
21	(i) regarding the provision of services
22	by such member (or by an organization that
23	such member represents); or

1	(ii) that would provide direct financial
2	benefit to such member or the immediate
3	family of such member; or
4	(B) engage in any other activity determined
5	by the Governor to constitute a conflict of inter-
6	est as specified in the State plan.
7	(h) TECHNICAL ASSISTANCE.—If a local area fails to
8	meet established State or local performance measures, the
9	Governor shall provide technical assistance to the local
10	partnership involved to improve the performance of the
11	local area.
12	(i) Youth Partnership.—
13	(1) ESTABLISHMENT.—There shall be established
14	in each local area of a State, a youth partnership ap-
15	pointed by the local partnership, in cooperation with
16	the chief elected official, in the local area.
17	(2) Membership.—The membership of each
18	youth partnership—
19	(A) shall include—
20	(i) 1 or more members of the local
21	partnership;
22	(ii) representatives of youth service
23	agencies, including juvenile justice agencies;
24	(iii) representatives of local public
25	housing authorities;

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(iv)	parents	of

1	(iv) parents of youth seeking assistance
2	under this subtitle;
3	(v) individuals, including former par-
4	ticipants, and representatives of organiza-
5	tions, that have experience relating to youth
6	activities; and
7	(vi) representatives of the Job Corps,
8	as appropriate; and
9	(B) may include such other individuals as
10	the chairperson of the local partnership, in co-
11	operation with the chief elected official, deter-
12	mines to be appropriate.
13	(3) DUTIES.—The duties of the youth partner-
14	ship include—
15	(A) the development of the portions of the
16	local plan relating to youth, as determined by
17	the chairperson of the local partnership;
18	(B) awarding grants to, and conducting
19	oversight with respect to, eligible providers of
20	youth activities, as described in section 313, in
21	the local area;
22	(C) coordinating youth activities in the
23	local area; and

4 SEC. 309. LOCAL PLAN.

(a) IN GENERAL.—Each local partnership shall develop and submit to the Governor a comprehensive 3-year
local plan (referred to in this title as the 'local plan'), in
partnership with the appropriate chief elected official. The
local plan shall be consistent with the State plan.

10 (b) CONTENTS.—The local plan shall include—

(1) an identification of the needs of the local
area with regard to current and projected employment opportunities;

14 (2) an identification of the job skills necessary to
15 obtain such employment opportunities;

16 (3) a description of the activities to be used
17 under this subtitle to link local employers and local
18 jobseekers;

(4) an identification and assessment of the type
and availability of adult and dislocated worker employment and training activities in the local area;

22 (5) an identification of successful eligible provid23 ers of youth activities in the local area;

24 (6) a description of the measures that will be
25 taken by the local area to assure coordination of and

1	avoid duplication among the programs and activities
2	described in section 304(b)(8);
3	(7) a description of the manner in which the
4	local partnership will coordinate activities carried
5	out under this subtitle in the local area with such ac-
6	tivities carried out in neighboring local areas;
7	(8) a description of the competitive process to be
8	used to award grants in the local area for activities
9	carried out under this subtitle;
10	(9) information describing local performance
11	measures for the local area that are based on the per-
12	formance measures in the State plan;
13	(10) in accordance with the State plan, a de-
14	scription of the criteria that the chief elected official
15	in the local area and the local partnership will use
16	to appoint, designate, or certify, and to conduct over-
17	sight with respect to, one-stop customer service center
18	systems in the local area; and
19	(11) such other information as the Governor may
20	require.
21	(c) Plan Submission and Approval.—A local plan
22	submitted to the Governor under this section shall be consid-
23	ered to be approved by the Governor at the end of the 60-
24	day period beginning on the day the Governor receives the

plan, unless the Governor makes a written determination
 during the 60-day period that—

3 (1) entities conducting evaluations conducted
4 under section 321(e) in the local area have found defi5 ciencies in activities carried out under this subtitle
6 and the local area has not made acceptable progress
7 in implementing corrective measures to address the
8 deficiencies; or

9 (2) the plan does not comply with this title.

(d) LACK OF AGREEMENT.—If the local partnership
and the appropriate chief elected official in the local area
cannot agree on the local plan after making a reasonable
effort, the Governor may develop the local plan.

14 CHAPTER 3—WORKFORCE INVESTMENT

15 ACTIVITIES AND PROVIDERS

16 SEC. 311. IDENTIFICATION AND OVERSIGHT OF ONE-STOP

17 PARTNERS AND ONE-STOP CUSTOMER SERV-

18 *ICE CENTER OPERATORS.*

(a) IN GENERAL.—Consistent with the State plan, the
chief elected official and the local partnership shall develop
and implement operating agreements described in subsection (c) to appoint one-stop partners, shall designate or
certify one-stop customer service center operators, and shall
conduct oversight with respect to the one-stop customer service system, in the local area.

1	(b) One-Stop Partners.—
2	(1) Designated partners.—
3	(A) IN GENERAL.—Each entity that carries
4	out a program, services, or activities described in
5	subparagraph (B) shall make available to par-
6	ticipants, through a one-stop customer service
7	center, the services described in section $315(c)(2)$
8	that are applicable to such program, and shall
9	participate in the operation of such center as a
10	party to the agreement described in subsection
11	(c).
12	(B) Programs; services; activities.—
13	The programs, services, and activities referred to
14	in subparagraph (A) consist of—
15	(i) core services authorized under this
16	subtitle;
17	(ii) other activities authorized under
18	this title;
19	(iii) activities authorized under title I
20	and title II;
21	(iv) programs authorized under the
22	Wagner-Peyser Act (29 U.S.C. 49 et seq.);
23	(v) programs authorized under title I
24	of the Rehabilitation Act of 1973 (29 U.S.C.
25	729 et seq.);

1	(vi) programs authorized under section
2	403(a)(5) of the Social Security Act (42)
3	U.S.C. $603(a)(5)$) (as added by section 5001
4	of the Balanced Budget Act of 1997);
5	(vii) programs authorized under title V
6	of the Older Americans Act of 1965 (42
7	U.S.C. 3056 et seq.);
8	(viii) activities authorized under chap-
9	ter 2 of title II of the Trade Act of 1974 (19
10	U.S.C. 2271 et seq.);
11	(ix) activities authorized under chapter
12	41 of title 38, United States Code;
13	(x) activities carried out by the Bureau
14	of Apprenticeship and Training;
15	(xi) training activities carried out by
16	the Department of Housing and Urban De-
17	velopment; and
18	(xii) programs authorized under State
19	unemployment compensation laws and the
20	Federal unemployment insurance program
21	under titles III, IX, and XII of the Social
22	Security Act (42 U.S.C. 501 et seq., 1101 et
23	seq., and 1321 et seq.).
24	(2) Additional partners.—

1	(A) IN GENERAL.—In addition to the enti-
2	ties described in paragraph (1), other entities
3	that carry out human resource programs may
4	make available to participants through a one-
5	stop customer service center the services described
6	in section $315(c)(2)$ that are applicable to such
7	program, and participate in the operation of
8	such centers as a party to the agreement de-
9	scribed in subsection (c), if the local partnership
10	and chief elected official involved approve such
11	participation.
12	(B) PROGRAMS.—The programs referred to
13	in subparagraph (A) include—
14	(i) programs authorized under part A
15	of title IV of the Social Security Act;
16	(ii) programs authorized under section
17	6(d)(4) of the Food Stamp Act of 1977 (7)
18	$U.S.C. \ 2015(d)(4));$
19	(iii) work programs authorized under
20	section 6(0) of the Food Stamp Act of 1997
21	(7 U.S.C. 2015 (0)); and
22	(iv) other appropriate Federal, State,
23	or local programs, including programs in
24	the private sector.
25	(c) Operating Agreements.—

1	(1) IN GENERAL.—The one-stop customer service
2	center operator selected pursuant to subsection (d) for
3	a one-stop customer service center shall enter into a
4	written agreement with the local partnership and one-
5	stop partners described in subsection (b) concerning
6	the operation of the center. Such agreement shall be
7	subject to the approval of the chief elected official and
8	the local partnership.
9	(2) CONTENTS.—The written agreement required
10	under paragraph (1) shall contain—
11	(A) provisions describing—
12	(i) the services to be provided through
13	the center;
14	(ii) how the costs of such services and
15	the operating costs of the system will be
16	funded,
17	(iii) methods for referral of individuals
18	between the one-stop customer service center
19	operators and the one-stop partners, for the
20	appropriate services and activities;
21	(iv) the monitoring and oversight of
22	activities carried out under the agreement;
23	and

1	(v) the duration of the agreement and
2	the procedures for amending the agreement
3	during the term of the agreement; and
4	(B) such other provisions, consistent with
5	the requirements of this title, as the parties to
6	the agreement determine to be appropriate.
7	(d) One-Stop Customer Service Center Opera-
8	TORS.—
9	(1) IN GENERAL.—To be eligible to receive funds
10	made available under this subtitle to operate a one-
11	stop customer service center, an entity shall—
12	(A) be designated or certified as a one-stop
13	customer service center operator, as described in
14	subsection (a); and
15	(B) be a public or private entity, or consor-
16	tium of entities, of demonstrated effectiveness lo-
17	cated in the local area, which entity or consor-
18	tium may include an institution of higher edu-
19	cation (as defined in section 481 of the Higher
20	Education Act of 1965 (20 U.S.C. 1088), a local
21	employment service office established under the
22	Wagner-Peyser Act (29 U.S.C. 49 et seq.), a local
23	government agency, a private for-profit entity, a
24	private nonprofit entity, or other interested en-
25	tity, of demonstrated effectiveness.

(2) EXCEPTION.—Elementary schools and sec ondary schools shall not be eligible for designation or
 certification as one-stop customer service center oper ators, except that nontraditional secondary schools
 and area vocational education schools shall be eligible
 for such designation or certification.

7 (e) Established One-Stop Customer Service 8 Systems.—For a local area in which a one-stop customer 9 service system has been established prior to the date of en-10 actment of this Act, the local partnership, the chief elected official, and the Governor may agree to appoint, designate, 11 or certify the one-stop partners and one-stop customer serv-12 13 ice center operators of such system, for purposes of this section. 14

(f) OVERSIGHT.—The local partnership shall conduct
oversight with respect to the one-stop customer service center
system and may terminate for cause the eligibility of such
a partner or operator to provide activities through or opera te a one-stop customer service center.

20 SEC. 312. DETERMINATION AND IDENTIFICATION OF ELIGI21 BLE PROVIDERS OF TRAINING SERVICES BY
22 PROGRAM.

23 (a) GENERAL ELIGIBILITY REQUIREMENTS.—

24 (1) IN GENERAL.—Except as provided in sub25 section (e), to be eligible to receive funds made avail-

1	able under section 306 to provide training services de-
2	scribed in section 315(c)(3) (referred to in this title
3	as "training services") and be identified as an eligible
4	provider of such services, a provider of such services
5	shall meet the requirements of this section.
6	(2) Providers.—To be eligible to receive the
7	funds, the provider shall be—
8	(A) a postsecondary educational institution
9	that—
10	(i) is eligible to receive Federal funds
11	under title IV of the Higher Education Act
12	of 1965 (20 U.S.C. 1070 et seq.); and
13	(ii) provides a program that leads to
14	an associate degree, baccalaureate degree, or
15	certificate; or
16	(B) another public or private provider of a
17	program.
18	(b) Initial Determination and Identification.—
19	(1) Postsecondary educational institu-
20	TIONS.—To be eligible to receive funds as described in
21	subsection (a), an institution described in subsection
22	(a)(2)(A) shall submit an application at such time,
23	in such manner, and containing such information as
24	the designated State agency described in subsection (f)
25	may require, after consultation with the local part-

1	
1	nerships in the State. On submission of the applica-
2	tion, the institution shall automatically be initially
3	eligible to receive such funds for the program de-
4	scribed in subsection $(a)(2)(A)$.
5	(2) Other providers.—
6	(A) Procedure.—The Governor, in con-
7	sultation with the local partnerships in the
8	State, shall establish a procedure for determining
9	the initial eligibility of providers described in
10	subsection $(a)(2)(B)$ to receive such funds for
11	specified programs. The procedure shall require a
12	provider of a program to meet minimum accept-
13	able levels of performance based on—
14	(i) performance criteria relating to the
15	rates, percentages, increases, and costs de-
16	scribed in subparagraph (C) for the pro-
17	gram, as demonstrated using verifiable pro-
18	gram-specific performance information de-
19	scribed in subparagraph (C) and submitted
20	to the designated State agency, as required
21	under subparagraph (C); and
22	(ii) performance criteria relating to
23	any characteristics for which local partner-
24	ships request the submission of information
25	$under \ subparagraph \ (D) \ for \ the \ program,$

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as demonstrated using the information	ı sub-
mitted.	
(B) MINIMUM LEVELS.—The Gov	vernor
shall—	
(i) consider, in determining such	mini-
mum levels—	
(I) criteria relating to the	eco-
nomic, geographic, and demogr	a phic
factors in the local areas in which	ch the
provider provides the program; an	d
(II) the characteristics of the	pop-
ulation served by such pre	wider
through the program; and	
(ii) verify the minimum levels of	f per-
formance by using quarterly record	s de-
scribed in section 321.	
(C) Application.—To be initially el	igible
to receive funds as described in subsection	(a), a
provider described in subsection $(a)(2)(B)$	shall
submit an application at such time, in	such
manner, and containing such information	as the

designated State agency may require, including
performance information on—

1 (i) program completion rates for par-2 ticipants in the applicable program conducted by the provider; 3 4 *(ii)* the percentage of the graduates of 5 the program placed in unsubsidized employ-6 ment in an occupation related to the pro-7 gram conducted; 8 (iii) retention rates of the graduates in 9 unsubsidized employment— 10 (I) 6 months after completion of 11 the program; and 12 (II) 12 months after completion of 13 the program; 14 (iv) the wages received by the grad-15 uates placed in unsubsidized employment after the completion of participation in the 16 17 program-18 (I) on the first day of the employ-19 *ment*; 20 (II) 6 months after the first day 21 of the employment; and 22 (III) 12 months after the first day 23 of the employment; 24 (v) where appropriate, the rates of li-25

censure or certification of the graduates, at-

1	tainment of academic degrees or equiva-
2	lents, or attainment of other measures of
3	skill; and
4	(vi) program cost per participant in
5	the program.
6	(D) Additional information.—
7	(i) IN GENERAL.—In addition to the
8	performance information described in sub-
9	paragraph (C), the local partnerships in the
10	State involved may require that a provider
11	submit, to the local partnerships and to the
12	designated State agency, other performance
13	information relating to the program to be
14	initially identified as an eligible provider of
15	training services, including information re-
16	garding the ability of the provider to pro-
17	vide continued counseling and support re-
18	garding the workplace to the graduates, for
19	not less than 12 months after the gradua-
20	tion involved.
21	(ii) Higher levels of performance
22	ELIGIBILITY.—The local partnership may
23	require higher levels of performance than
24	the minimum levels established under sub-

24

1	paragraph (A)(i) for initial eligibility to re-
2	ceive funds as described in subsection (a).
3	(3) LIST OF ELIGIBLE PROVIDERS BY PRO-
4	GRAM.—
5	(A) IN GENERAL.—The designated State
6	agency, after reviewing the performance informa-
7	tion described in paragraph $(2)(C)$ and any in-
8	formation required to be submitted under para-
9	graph (2)(D) and using the procedure described
10	in paragraph (2)(B), shall—
11	(i) identify eligible providers of train-
12	ing services described in subparagraphs (A)
13	and (B) of subsection $(a)(2)$, including
14	identifying the programs of the providers
15	through which the providers may offer the
16	training services; and
17	(ii) compile a list of the eligible pro-
18	viders, and the programs, accompanied by
19	the performance information described in
20	paragraph $(2)(C)$ and any information re-
21	quired to be submitted under paragraph
22	(2)(D) for each such provider described in
23	subsection $(a)(2)(B)$.
24	(B) LOCAL MODIFICATION.—The local part-
25	nership may modify such list by reducing the

1	number of eligible providers listed, to ensure that
2	the eligible providers carry out programs that
3	provide skills that enable participants to obtain
4	local employment opportunities.
5	(c) Subsequent Eligibility.—
6	(1) INFORMATION AND CRITERIA.—To be eligible
7	to continue to receive funds as described in subsection
8	(a) for a program, a provider shall—
9	(A) submit the performance information de-
10	scribed in subsection $(b)(2)(C)$ and any informa-
11	tion required to be submitted under subsection
12	(b)(2)(D) annually to the designated State agen-
13	cy at such time and in such manner as the des-
14	ignated State agency may require for the pro-
15	gram;
16	(B) annually meet the performance criteria
17	described in subclause (I) and (if applicable)
18	subclause (II) of subsection $(b)(2)(B)(i)$ for the
19	program; and
20	(C) annually meet local performance meas-
21	ures, as demonstrated utilizing quarterly records
22	described in section 321, for the program.
23	(2) LIST OF ELIGIBLE PROVIDERS BY PRO-
24	GRAM.—

1	(A) IN GENERAL.—The designated State
2	agency, after reviewing the performance informa-
3	tion and any other information submitted under
4	paragraph (1) and using the procedure described
5	in subsection (b)(2)(A), shall identify eligible
6	providers and programs, and compile a list of
7	the providers and programs, as described in sub-
8	section (b)(3), accompanied by the performance
9	information and other information for each such
10	provider.
11	(B) LOCAL MODIFICATION.—The local part-
12	nership may modify such list by reducing the
13	number of eligible providers listed, to ensure that
14	the eligible providers carry out programs that
15	provide skills that enable participants to obtain
16	local employment opportunities.
17	(3) AVAILABILITY.—Such list and information
18	shall be made widely available to participants in em-
19	ployment and training activities funded under this
20	subtitle, and to others, through the one-stop customer
21	service system described in section 315(b).
22	(d) Enforcement.—
23	(1) Accuracy of information.—If the des-
24	ignated State agency, after consultation with the local
25	partnership involved, determines that a provider or

individual supplying information on behalf of a pro vider intentionally supplies inaccurate information
 under this section, the agency shall terminate the eli gibility of the provider to receive funds described in
 subsection (a) for a period of time, but not less than
 2 years.

7 (2) Compliance with criteria or require-8 MENTS.—If the designated State agency, after con-9 sultation with the local partnership, determines that 10 an eligible provider or a program of training services 11 carried out by an eligible provider fails to meet the 12 required performance criteria and performance meas-13 ures described in subparagraphs (B) and (C) of sub-14 section (c)(1), or materially violates any provision of 15 this title, including the regulations promulgated to 16 implement this title, the agency may terminate the 17 eligibility of the provider to receive funds described in 18 subsection (a) for such program or take such other ac-19 tion as the agency determines to be appropriate.

20 (3) REPAYMENT.—Any provider whose eligibility
21 is terminated under paragraph (1) or (2) for a pro22 gram shall be liable for repayment of funds described
23 in subsection (a) received for the program during any
24 period of noncompliance described in such paragraph.

1	(4) Appeal.—The Governor shall establish a
2	procedure for an eligible provider to appeal a deter-
3	mination by the designated State agency that results
4	in termination of eligibility under this subsection.
5	Such procedure shall provide an opportunity for a
6	hearing and prescribe appropriate time limits to en-
7	sure prompt resolution of the appeal.
8	(e) ON-THE-JOB TRAINING EXCEPTION.—
9	(1) IN GENERAL.—Providers of on-the-job train-
10	ing shall not be subject to the requirements of sub-
11	sections (a) through (d).
12	(2) Collection and dissemination of infor-
13	MATION.—A one-stop customer service center operator
14	in a local area shall collect such performance infor-
15	mation from on-the-job training providers as the Gov-
16	ernor may require, and disseminate such information
17	through the one-stop customer service system.
18	(f) Administration.—The Governor shall designate a
19	State agency to collect and disseminate the performance in-
20	formation described in subsection $(b)(2)(C)$ and any infor-
21	mation required to be submitted under subsection $(b)(2)(D)$
22	and carry out other duties described in this section.

1	SEC. 313. IDENTIFICATION OF ELIGIBLE PROVIDERS OF
2	YOUTH ACTIVITIES.
3	The youth partnership is authorized to award grants
4	on a competitive basis, based on the criteria contained in
5	the State plan and local plan, to providers of youth activi-
6	ties, and conduct oversight with respect to such providers,
7	in the local area.
8	SEC. 314. STATEWIDE WORKFORCE INVESTMENT ACTIVI-
9	TIES.
10	(a) IN GENERAL.—Funds reserved by a Governor for
11	a State—
12	(1) under section 306(a)(2) shall be used to carry
13	out the statewide rapid response activities described
14	in subsection $(b)(1)$; and
15	(2) under section 306(a)(1)—
16	(A) shall be used to carry out the statewide
17	workforce investment activities described in sub-
18	section $(b)(2)$; and
19	(B) may be used to carry out any of the
20	statewide workforce investment activities de-
21	scribed in subsection (c),
22	regardless of whether the funds were allotted to the
23	State under paragraph (1), (2), or (3) of section
24	302(b).
25	(b) Required Statewide Workforce Investment
26	Activities.—

1	(1) Statewide rapid response activities.—
2	A State shall use funds reserved under section
3	306(a)(2) to carry out statewide rapid response ac-
4	tivities, which shall include—
5	(A) provision of rapid response activities,
6	carried out in local areas by the State, working
7	in conjunction with the local partnership and
8	the chief elected official in the local area; and
9	(B) provision of additional assistance to
10	local areas that experience disasters, mass layoffs
11	or plant closings, or other events that precipitate
12	substantial increases in the number of unem-
13	ployed individuals, carried out in the local areas
14	by the State, working in conjunction with the
15	local partnership and the chief elected official in
16	the local areas.
17	(2) Other required statewide workforce
18	INVESTMENT ACTIVITIES.—A State shall use funds re-
19	served under section $306(a)(1)$ to carry out other
20	statewide workforce investment activities, which shall
21	include—
22	(A) disseminating the list of eligible provid-
23	ers of training services, including eligible provid-
24	ers of nontraditional training services, and the
25	performance information as described in sub-

1	sections (b) and (c) of section 312, and a list of
2	eligible providers of youth activities described in
3	section 313;
4	(B) conducting evaluations, under section
5	321(e), of activities authorized in this section,
6	section 315, and section 316, in coordination
7	with the activities carried out under section 368;
8	(C) providing incentive grants to local
9	areas for regional cooperation among local part-
10	nerships, for local coordination and nonduplica-
11	tion of activities carried out under this Act, and
12	for comparative performance by local areas on
13	the local performance measures described in sec-
14	$tion \ 321(c);$
15	(D) providing technical assistance to local
16	areas that fail to meet local performance meas-
17	ures;
18	(E) assisting in the establishment and oper-
19	ation of a one-stop customer service system; and
20	(F) operating a fiscal and management ac-
21	countability information system under section
22	321(f).
23	(c) Allowable Statewide Workforce Investment
24	Activities.—

1	(1) IN GENERAL.—A State may use funds re-
2	served under section 306(a)(1) to carry out additional
3	statewide workforce investment activities, which may
4	include—
5	(A) subject to paragraph (2), administra-
6	tion by the State of the workforce investment ac-
7	tivities carried out under this subtitle;
8	(B) identification and implementation of
9	incumbent worker training programs, which
10	may include the establishment and implementa-
11	tion of an employer loan program;
12	(C) carrying out other activities authorized
13	in section 315 that the State determines to be
14	necessary to assist local areas in carrying out
15	activities described in subsection (c) or (d) of sec-
16	tion 315 through the statewide workforce invest-
17	ment system; and
18	(D) carrying out, on a statewide basis, ac-
19	tivities described in section 316.
20	(2) Limitation.—
21	(A) IN GENERAL.—Of the funds allotted to
22	a State under section 302(b) and reserved under
23	section 306(a)(1) for a fiscal year—
24	(i) not more than 5 percent of the
25	amount allotted under section 302(b)(1);

1 (ii) not more than 5 percent of the 2 amount allotted under section 302(b)(2); 3 and 4 (iii) not more than 5 percent of the amount allotted under section 302(b)(3). 5 6 may be used by the State for the administration 7 of statewide workforce investment activities car-8 ried out under this section. 9 (B) USE OF FUNDS.—Funds made available 10 for administrative costs under subparagraph (A) 11 may be used for the administrative cost of any 12 of the statewide workforce investment activities, 13 regardless of whether the funds were allotted to 14 the State under paragraph (1), (2), or (3) of sec-15 $tion \ 302(b).$ 16 SEC. 315. LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.

17 (a) IN GENERAL.—Funds received by a local area
18 under paragraph (3)(A) or (4)(A), as appropriate, of sec19 tion 306(b), and funds received by the local area under sec20 tion 306(b)(3)(B)—

(1) shall be used to carry out employment and
training activities described in subsection (c) for
adults or dislocated workers, as appropriate; and

1	(2) may be used to carry out employment and
2	training activities described in subsection (d) for
3	adults or dislocated workers, as appropriate.
4	(b) Establishment of One-Stop Customer Serv-
5	ice System.—
6	(1) IN GENERAL.—There shall be established in
7	a State that receives an allotment under section 302
8	a one-stop customer service system, which—
9	(A) shall provide the core services described
10	in subsection $(c)(2)$;
11	(B) shall provide access to training services
12	as described in subsection $(c)(3)$;
13	(C) shall provide access to the activities (if
14	any) carried out under subsection (d); and
15	(D) shall provide access to the information
16	described in section 15 of the Wagner-Peyser Act
17	and all job search, placement, recruitment, and
18	other labor exchange services authorized under
19	the Wagner-Peyser Act (29 U.S.C. 49 et seq.).
20	(2) One-stop delivery.—At a minimum, the
21	one-stop customer service system—
22	(A) shall make each of the services described
23	in paragraph (1) accessible at not less than 1
24	physical customer service center in each local
25	area of the State; and

1	(B) may also make services described in
2	paragraph (1) available—
3	(i) through a network of customer serv-
4	ice centers that can provide 1 or more of the
5	services described in paragraph (1) to such
6	individuals; and
7	(ii) through a network of eligible one-
8	stop partners—
9	(I) in which each partner pro-
10	vides 1 or more of the services to such
11	individuals and is accessible at a cus-
12	tomer service center that consists of a
13	physical location or an electronically
14	or technologically linked access point;
15	and
16	(II) that assures individuals that
17	information on the availability of core
18	services will be available regardless of
19	where the individuals initially enter
20	the statewide workforce investment sys-
21	tem, including information made
22	available through an access point de-
23	scribed in subclause (I).
24	(c) Required Local Activities.—

1	(1) IN GENERAL.—Funds received by a local
2	area under paragraph (3)(A) or (4)(A), as appro-
3	priate, of section 306(b), and funds received by the
4	local area under section 306(b)(3)(B), shall be used—
5	(A) to establish a one-stop customer service
6	center described in subsection (b);
7	(B) to provide the core services described in
8	paragraph (2) to participants described in such
9	paragraph through the one-stop customer service
10	system; and
11	(C) to provide training services described in
12	paragraph (3) to participants described in such
13	paragraph.
14	(2) Core services.—Funds received by a local
15	area as described in paragraph (1) shall be used to
16	provide core services, which shall be available to all
17	individuals seeking assistance through a one-stop cus-
18	tomer service system and shall, at a minimum, in-
19	clude—
20	(A) determinations of whether the individ-
21	uals are eligible to receive activities under this
22	subtitle;
23	(B) outreach, intake (which may include
24	worker profiling), and orientation to the infor-

1	mation and other services available through the
2	one-stop customer service system;
3	(C) initial assessment of skill levels, apti-
4	tudes, abilities, and supportive service needs;
5	(D) case management assistance, as appro-
6	priate;
7	(E) job search and placement assistance;
8	(F) provision of information regarding—
9	(i) local, State, and, if appropriate, re-
10	gional or national, employment opportuni-
11	ties; and
12	(ii) job skills necessary to obtain the
13	employment opportunities;
14	(G) provision of performance information
15	on eligible providers of training services as de-
16	scribed in section 312, provided by program, and
17	eligible providers of youth activities as described
18	in section 313, eligible providers of adult edu-
19	cation as described in title II, eligible providers
20	of postsecondary vocational education activities
21	and vocational education activities available to
22	school dropouts as described in title I, and eligi-
23	ble providers of vocational rehabilitation pro-
24	gram activities as described in title I of the Re-
25	habilitation Act of 1973;

1	(H) provision of performance information
2	on the activities carried out by one-stop part-
3	ners, as appropriate;
4	(I) provision of information regarding how
5	the local area is performing on the local perform-
6	ance measures described in section 321(c), and
7	any additional performance information pro-
8	vided to the one-stop customer service center by
9	the local partnership;
10	(J) provision of accurate information relat-
11	ing to the availability of supportive services, in-
12	cluding child care and transportation, available
13	in the local area, and referral to such services,
14	as appropriate;
15	(K) provision of information regarding fil-
16	ing claims for unemployment compensation;
17	(L) assistance in establishing eligibility
18	for-
19	(i) welfare-to-work activities authorized
20	under section $403(a)(5)$ of the Social Secu-
21	rity Act (as added by section 5001 of the
22	Balanced Budget Act of 1997) available in
23	the local area; and
24	(ii) programs of financial aid assist-
25	ance for training and education programs

1	that are not funded under this Act and are
2	available in the local area; and
3	(M) followup services, including counseling
4	regarding the workplace, for participants in
5	workforce investment activities who are placed in
6	unsubsidized employment, for not less than 12
7	months after the completion of such participa-
8	tion, as appropriate.
9	(3) Required training services.—
10	(A) ELIGIBLE PARTICIPANTS.—Funds re-
11	ceived by a local area as described in paragraph
12	(1) shall be used to provide training services to
13	individuals—
14	(i) who are adults (including dis-
15	located workers);
16	(ii) who seek the services;
17	(iii)(I) who are unable to obtain em-
18	ployment through the core services; or
19	(II) who are employed and who are de-
20	termined by a one-stop customer service
21	center operator to be in need of such train-
22	ing services in order to gain or retain em-
23	ployment that allows for self-sufficiency;
24	(iv) who after an interview, evaluation,
25	or assessment, and case management, have

1	been determined by a one-stop customer
2	service center operator or one-stop partner,
3	as appropriate, to be in need of training
4	services and to have the skills and qualifica-
5	tions, to successfully participate in the se-
б	lected program of training services;
7	(v) who select programs of training
8	services that are directly linked to the em-
9	ployment opportunities in the local area in-
10	volved or in another area in which the
11	adults receiving such services are willing to
12	relocate;
13	(vi) who meet the requirements of sub-
14	paragraph (B); and
15	(vii) who are determined to be eligible
16	in accordance with the priority system, if
17	any, in effect under subparagraph (D).
18	(B) QUALIFICATION.—
19	(i) Requirement.—Except as pro-
20	vided in clause (ii), provision of such train-
21	ing services shall be limited to individuals
22	who—
23	(I) are unable to obtain other
24	grant assistance for such services, in-
25	cluding Federal Pell Grants established

1	under title IV of the Higher Education
2	Act of 1965 (20 U.S.C. 1070 et seq.); or
3	(II) require assistance beyond the
4	assistance made available under other
5	grant assistance programs, including
6	Federal Pell Grants.
7	(ii) Reimbursements.—Training
8	services may be provided under this para-
9	graph to an individual who otherwise meets
10	the requirements of this paragraph while an
11	application for a Federal Pell Grant is
12	pending, except that if such individual is
13	subsequently awarded a Federal Pell Grant,
14	appropriate reimbursement shall be made to
15	the local area from such Federal Pell Grant.
16	(C) TRAINING SERVICES.—Training services
17	may include—
18	(i) employment skill training;
19	(ii) on-the-job training;
20	(iii) job readiness training; and
21	(iv) adult education services when pro-
22	vided in combination with services described
23	in clause (i), (ii), or (iii).
24	(D) PRIORITY.—In the event that funds are
25	limited within a local area for adult employment

1	and training activities, priority shall be given
2	to disadvantaged adults for receipt of training
3	services provided under this paragraph. The ap-
4	propriate local partnership and the Governor
5	shall direct the one-stop customer service center
6	operator in the local area with regard to making
7	determinations related to such priority.
8	(E) Delivery of services.—Training
9	services provided under this paragraph shall be
10	provided—
11	(i) except as provided in section
12	312(e), through eligible providers of such
13	services identified in accordance with sec-
14	tion 312; and
15	(ii) in accordance with subparagraph
16	(F).
17	(F) Consumer choice requirements.—
18	(i) IN GENERAL.—Training services
19	provided under this paragraph shall be pro-
20	vided in a manner that maximizes
21	consumer choice in the selection of an eligi-
22	ble provider of such services.
23	(ii) ELIGIBLE PROVIDERS.—Each local
24	partnership, through one-stop customer
25	service centers, shall make available—

	0_0
1	(I) the list of eligible providers re-
2	quired under subsection $(b)(3)$ or $(c)(2)$
3	of section 312, with a description of the
4	programs through which the providers
5	may offer the training services, and a
6	list of the names of on-the-job training
7	providers; and
8	(II) the performance information
9	on eligible providers of training serv-
10	ices as described in section 312.
11	(iii) Employment information.—
12	Each local partnership, through one-stop
13	customer service centers, shall make avail-
14	able—
15	(I) information regarding local,
16	State, and, if appropriate, regional or
17	national, employment opportunities;
18	and
19	(II) information regarding the job
20	skills necessary to obtain the employ-
21	ment opportunities.
22	(iv) Individual training ac-
23	counts.—An individual who is eligible
24	pursuant to $subparagraph$ (A) and $seeks$
25	training services may select, in consultation

1	with a case manager, an eligible provider of
2	training services from the lists of providers
3	described in clause (ii)(I). Upon such selec-
4	tion, the operator of the one-stop customer
5	service center shall, to the extent prac-
6	ticable, refer such individual to the eligible
7	provider of training services, and arrange
8	for payment for such services through an
9	individual training account.
10	(d) Permissible Local Activities.—
11	(1) Discretionary one-stop delivery activi-
12	TIES.—Funds received by a local area under para-
13	graph (3)(A) or (4)(A), as appropriate, of section
14	306(b), and funds received by the local area under
15	section $306(b)(3)(B)$ may be used to provide, through
16	one-stop delivery described in subsection (b)(2)—
17	(A) intensive employment-related services
18	for participants in training services;
19	(B) customized screening and referral of
20	qualified participants in training services to em-
21	ployment; and
22	(C) customized employment-related services
23	to employers.

1	(2) SUPPORTIVE SERVICES.—Funds received by
2	the local area as described in paragraph (1) may be
3	used to provide supportive services to participants—
4	(A) who are participating in activities de-
5	scribed in this section; and
6	(B) who are unable to obtain such support-
7	ive services through other programs providing
8	such services.
9	(3) NEEDS-RELATED PAYMENTS.—
10	(A) IN GENERAL.—Funds received by the
11	local area under section $306(b)(3)(B)$ may be
12	used to provide needs-related payments to dis-
13	located workers who do not qualify for, or have
14	exhausted, unemployment compensation, for the
15	purpose of enabling such individuals to partici-
16	pate in training services.
17	(B) Additional eligibility require-
18	MENTS.—In addition to the requirements con-
19	tained in subparagraph (A), a dislocated worker
20	who has ceased to qualify for unemployment
21	compensation may be eligible to receive needs-re-
22	lated payments under this paragraph only if
23	such worker was enrolled in the training serv-
24	ices—

1	(i) by the end of the 13th week of the
2	worker's unemployment compensation bene-
3	fits period for the most recent layoff that re-
4	sulted in a determination of the worker's
5	eligibility for employment and training ac-
6	tivities for dislocated workers under this
7	subtitle; or
8	(ii) if later, by the end of the 13th week
9	after the worker is informed that a short-
10	term layoff will exceed 6 months.
11	(C) Level of payments.—The level of a
12	needs-related payment made to a dislocated
13	worker under this paragraph shall not exceed the
14	greater of—
15	(i) the applicable level of unemploy-
16	ment compensation; or
17	(ii) if such worker did not qualify for
18	unemployment compensation, an amount
19	equal to the poverty line, for an equivalent
20	period, which amount shall be adjusted to
21	reflect changes in total family income.
22	SEC. 316. LOCAL YOUTH ACTIVITIES.
23	(a) PURPOSES.—The purposes of this section are—

1	(1) to provide effective and comprehensive activi-
2	ties to youth seeking assistance in achieving academic
3	and employment success;
4	(2) to ensure continuous contact for youth with
5	committed adults;
6	(3) to provide opportunities for training to
7	youth;
8	(4) to provide continued support services for
9	youth;
10	(5) to provide incentives for recognition and
11	achievement to youth; and
12	(6) to provide opportunities for youth in activi-
13	ties related to leadership, development, decisionmak-
14	ing, citizenship, and community service.
15	(b) REQUIRED ELEMENTS.—Funds received by a local
16	area under paragraph $(3)(C)$ or $(4)(B)$ of section $306(b)$
17	shall be used to carry out, for youth who seek the activities,
18	activities that—
19	(1) consist of the provision of—
20	(A) tutoring, study skills training, and in-
21	struction, leading to completion of secondary
22	school, including dropout prevention strategies;
23	(B) alternative secondary school services;

1	(C) summer employment opportunities and
2	other paid and unpaid work experiences, includ-
3	ing internships;
4	(D) employment skill training, as appro-
5	priate;
6	(E) community service and leadership de-
7	velopment opportunities;
8	(F) services described in section $315(c)(2)$;
9	(G) supportive services;
10	(H) adult mentoring for the period of par-
11	ticipation and a subsequent period, for a total of
12	not less than 12 months; and
13	(I) followup services for not less than 12
14	months after the completion of participation, as
15	appropriate;
16	(2) provide—
17	(A) preparation for postsecondary edu-
18	cational opportunities, in appropriate cases;
19	(B) strong linkages between academic and
20	occupational learning; and
21	(C) preparation for unsubsidized employ-
22	ment opportunities, in appropriate cases; and
23	(3) involve parents, participants, and other
24	members of the community with experience relating to

youth in the design and implementation of the activi ties.

3 (c) PRIORITY.—At a minimum, 50 percent of the funds
4 described in subsection (b) shall be used to provide youth
5 activities to out-of-school youth.

6 (d) PROHIBITIONS.—

7 (1) NO LOCAL EDUCATION CURRICULUM.—No
8 funds described in subsection (b) shall be used to de9 velop or implement local school system education cur10 ricula.

(2) NONDUPLICATION.—No funds described in
subsection (b) shall be used to carry out activities that
duplicate federally funded activities available to
youth in the local area.

15 (3) NONINTERFERENCE AND NONREPLACEMENT
16 OF REGULAR ACADEMIC REQUIREMENTS.—No funds
17 described in subsection (b) shall be used to provide an
18 activity for youth who are not school dropouts if par19 ticipation in the activity would interfere with or re20 place the regular academic requirements of the youth.

21 CHAPTER 4—GENERAL PROVISIONS

22 SEC. 321. ACCOUNTABILITY.

(a) PURPOSE.—The purpose of this section is to provide comprehensive performance measures to assess the
progress of States and local areas (including eligible provid-

ers and programs of activities authorized under this subtitle
 that are made available in the States and local areas), in
 assisting both employers and jobseekers in meeting their em ployment needs, in order to ensure an adequate return on
 the investment of Federal funds for the activities.

6 (b) State Performance Measures.—

(1) IN GENERAL.—To be eligible to receive an allotment under section 302, a State shall establish, and
identify in the State plan, State performance measures. Each State performance measure shall consist of
an indicator of performance, referred to in paragraph
(2) or (3), and a performance level, referred to in
paragraph (4).

14 (2) CORE INDICATORS OF PERFORMANCE.—The
15 State performance measures shall contain indicators
16 of performance, including, at a minimum—

17 (A) core indicators of performance for
18 adults, including dislocated workers, participat19 ing in activities that are training services, which
20 indicators consist of—

21 (i) placement in unsubsidized employ22 ment related to the training received
23 through the activities;

1	(ii) retention in unsubsidized employ-
2	ment related to the training received
3	through the activities—
4	(I) 6 months after completion of
5	participation in the activities; and
6	(II) 12 months after completion of
7	participation;
8	(iii) wages received by such partici-
9	pants who are placed in unsubsidized em-
10	ployment related to the training received
11	through the activities after completion of
12	participation—
13	(I) on the first day of the employ-
14	ment;
15	(II) 6 months after the first day
16	of the employment; and
17	(III) 12 months after the first day
18	of the employment; and
19	(iv) percentage of wage replacement for
20	dislocated workers placed in unsubsidized
21	employment related to the training received
22	through the activities;
23	(B) core indicators of performance for
24	adults, including dislocated workers, participat-
25	ing in activities that are core services, which in-

1	dicators consist of the indicators described in
2	clauses (i) through (iv) of subparagraph (A); and
3	(C) core indicators of performance for youth
4	participating in youth activities under section
5	316, that consist of—
6	(i) attainment of secondary school di-
7	plomas or their recognized equivalents;
8	(ii) attainment of job readiness and
9	employment skills;
10	(iii) placement in, retention in, and
11	completion of postsecondary education, ad-
12	vanced training, or an apprenticeship;
13	(iv) placement in unsubsidized employ-
14	ment related to the training received
15	through the activities;
16	(v) retention in unsubsidized employ-
17	ment related to the training received
18	through the activities—
19	(I) 6 months after completion of
20	participation in the activities; and
21	(II) 12 months after completion of
22	participation; and
23	(vi) wages received by such partici-
24	pants who are placed in unsubsidized em-
25	ployment related to the training received

through the activities, after completion of
participation—
(I) on the first day of the employ-
ment;
(II) 6 months after the first day
of the employment; and
(III) 12 months after the first day
of the employment.
(3) CUSTOMER SATISFACTION INDICATOR.—The
State performance measures shall contain an indica-
tor of performance with respect to customer satisfac-
tion of employers and participants, which may be
measured through surveys conducted after the conclu-
sion of participation in workforce investment activi-
ties.
(4) State levels of performance.—In order
to ensure an adequate return on the investment of
Federal funds in workforce investment activities, the
Secretary and each Governor shall reach agreement
on the levels of performance expected to be achieved by
the State, on the State performance measures estab-
lished pursuant to this subsection. In reaching the
agreement, the Secretary and Governor shall establish
a level of performance for each indicator of perform-

ance described in paragraph (2) or (3). Such agree-
ment shall take into account—
(A) how the levels compare with the levels
established by other States, taking into consider-
ation the specific circumstances, including eco-
nomic circumstances, of each State; and
(B) the extent to which such levels promote
continuous improvement in performance by such
State and ensure an adequate return on the in-
vestment of Federal funds.
(5) POPULATIONS.—In developing the State per-
formance measures, a State shall develop and identify
in the State plan State performance measures for
populations that include, at a minimum—
(A) disadvantaged adults;
(B) dislocated workers;
(C) out-of-school youth; and
(D) individuals with disabilities.
(c) Local Performance Measures.—
(1) IN GENERAL.—Each Governor shall negotiate
and reach agreement with the local partnership and
the chief elected official in each local area on local
performance measures. Each local performance meas-

1	ferred to in paragraph (2) or (3) of subsection (b),
2	and a performance level referred to in paragraph (2).
3	(2) Performance levels.—Based on the ex-
4	pected levels of performance established pursuant to
5	subsection $(b)(4)$, the Governor shall negotiate and
6	reach agreement with the local partnership and the
7	chief elected official in each local area regarding the
8	levels of performance expected to be achieved for the
9	local area on the indicators of performance.
10	(3) POPULATIONS.—In negotiating and reaching
11	agreement on the local performance measures, the
12	Governor, local partnership, and chief elected official,
13	shall negotiate and reach agreement on local perform-
14	ance measures for populations that include, at a min-
15	imum, the populations described in subsection $(b)(5)$.
16	The local partnership shall identify these local per-
17	formance measures in the local plan.
18	(d) Report.—
19	(1) IN GENERAL.—Each State that receives an
20	allotment under section 302 shall annually prepare
21	and submit to the Secretary a report on the progress
22	of the State in achieving State performance measures.
23	The annual report shall also include information re-
24	garding the progress of local areas in achieving local
25	performance measures. The report shall also include

1	information on the status of State evaluations of
2	workforce investment activities described in subsection
3	(e).
4	(2) ADDITIONAL INFORMATION.—In preparing
5	such report, the State shall include, at a minimum,
6	information relating to—
7	(A) the performance of graduates of pro-
8	grams of training services as compared to former
9	enrollees in the programs, with respect to the
10	core indicators described in subsection $(b)(2)(A)$;
11	(B) the educational attainment of such
12	graduates and former enrollees;
13	(C) the cost of the workforce investment ac-
14	tivities relative to the impact of the activities on
15	the performance of graduates on the core indica-
16	tors; and
17	(D) the performance of welfare recipients,
18	veterans, individuals with disabilities, and dis-
19	placed homemakers with respect to the core indi-
20	cators described in subparagraphs (A) and (B) of
21	subsection $(b)(2)$.
22	(3) INFORMATION DISSEMINATION.—The Sec-
23	retary shall make the information contained in such
24	reports available to Congress, the Library of Congress,
25	and the public through publication and other appro-

1	priate methods, and shall disseminate State-by-State
2	comparisons of the information that take into consid-
3	eration the specific circumstances, including economic
4	circumstances, of the States.
5	(4) DEFINITION.—In this subsection, the term
6	"welfare recipient" means a person receiving pay-
7	ments described in section $2(24)(A)$.
8	(e) Evaluation of State Programs.—
9	(1) Workforce investment activities.—
10	Using funds reserved under section 306(a)(1), a State
11	shall conduct ongoing evaluations of workforce invest-
12	ment activities carried out in the State under this
13	subtitle.
13 14	subtitle. (2) Criteria for longitudinal studies.—
14	(2) CRITERIA FOR LONGITUDINAL STUDIES.—
14 15	(2) CRITERIA FOR LONGITUDINAL STUDIES.— The evaluations shall include longitudinal studies of
14 15 16	(2) CRITERIA FOR LONGITUDINAL STUDIES.— The evaluations shall include longitudinal studies of the workforce investment activities. Evaluation cri-
14 15 16 17	(2) CRITERIA FOR LONGITUDINAL STUDIES.— The evaluations shall include longitudinal studies of the workforce investment activities. Evaluation cri- teria for purposes of the longitudinal studies shall be
14 15 16 17 18	(2) CRITERIA FOR LONGITUDINAL STUDIES.— The evaluations shall include longitudinal studies of the workforce investment activities. Evaluation cri- teria for purposes of the longitudinal studies shall be developed in conjunction with statewide partnerships
14 15 16 17 18 19	(2) CRITERIA FOR LONGITUDINAL STUDIES.— The evaluations shall include longitudinal studies of the workforce investment activities. Evaluation cri- teria for purposes of the longitudinal studies shall be developed in conjunction with statewide partnerships and local partnerships. The criteria shall measure the
 14 15 16 17 18 19 20 	(2) CRITERIA FOR LONGITUDINAL STUDIES.— The evaluations shall include longitudinal studies of the workforce investment activities. Evaluation cri- teria for purposes of the longitudinal studies shall be developed in conjunction with statewide partnerships and local partnerships. The criteria shall measure the relationship between the level of public funding for the
14 15 16 17 18 19 20 21	(2) CRITERIA FOR LONGITUDINAL STUDIES.— The evaluations shall include longitudinal studies of the workforce investment activities. Evaluation cri- teria for purposes of the longitudinal studies shall be developed in conjunction with statewide partnerships and local partnerships. The criteria shall measure the relationship between the level of public funding for the activities and the degree to which the activities pro-

partnership and shall include measures that reflect
 the State performance measures.

(3) ADDITIONAL STUDIES.—The State shall also 3 4 fund evaluation studies of the workforce investment 5 activities. The evaluation studies shall provide ongo-6 ing analysis to statewide partnerships and local part-7 nerships to promote efficiency and effectiveness in im-8 proving employability outcomes for jobseekers and 9 competitiveness for employers. Such evaluation stud-10 ies shall be designed in conjunction with statewide 11 partnerships and local partnerships, and shall in-12 clude analysis of customer feedback, and outcome and 13 process measures.

14 (f) FISCAL AND MANAGEMENT ACCOUNTABILITY IN15 FORMATION SYSTEMS.—

16 (1) IN GENERAL.—Using funds reserved under 17 section 306(a)(1), the Governor shall operate a fiscal 18 and management accountability information system, 19 based on quidelines established by the Secretary in 20 consultation with the Governors and other appro-21 priate parties. Such guidelines shall promote the effi-22 cient collection and use of fiscal and management in-23 formation for reporting and monitoring the use of 24 funds made available to the State under this subtitle 25 for workforce investment activities and for use by the

1	State in preparing the annual report described in
2	subsection (d). In measuring the progress of the State
3	on State and local performance measures, a State
4	shall utilize quarterly wage records available through
5	the unemployment insurance system.
6	(2) Confidentiality.—In carrying out the re-
7	quirements of this Act, the State shall comply with
8	section 444 of the General Education Provisions Act
9	(20 U.S.C. 1232g) (as added by the Family Edu-
10	cational Rights and Privacy Act of 1974).
11	(g) Sanctions.—
12	(1) DETERMINATION.—If a State fails to meet 2
13	or more State performance measures described in this
14	section for each of the 3 years covered by a State
15	plan, the Secretary shall determine whether the fail-
16	ure is attributable to—
17	(A) adult employment and training activi-
18	ties;
19	(B) dislocated worker employment and
20	training activities; or
21	(C) youth activities.
22	(2) Technical assistance or reduction of
23	Allotments.—The Secretary—

1	(A) may provide technical assistance to the
2	State to improve the level of performance of the
3	State, in accordance with section 366(b); and
4	(B) shall, on finding that a State fails to
5	meet 2 or more State performance measures for
6	2 consecutive years, reduce, by not more than 5
7	percent, the allotment made under section 302
8	for the category of activities to which the failure
9	is attributable.
10	(3) Funds resulting from reduced allot-
11	MENTS.—The Secretary may use an amount retained
12	as a result of a reduction in an allotment made under
13	paragraph (2)(B) to award an incentive grant under
14	section 365 or to provide technical assistance in ac-
15	cordance with section 366.
16	(h) INCENTIVE GRANTS.—The Secretary may make in-
17	centive grants under section 365 to States that exceed the
18	State performance measures.
19	(i) DEFINITIONS.—In this section:
20	(1) Former enrollee.—The term "former en-
21	rollee" means an individual who has been selected for
22	and has enrolled in a program of workforce invest-
23	ment activities, but left the program before completing
24	the requirements of the program.

(2) GRADUATE.—The term "graduate" means an
 individual who has been selected for and has enrolled
 in a program of workforce investment activities and
 has completed the requirements of such program.

(j) OTHER TERMS.—The Secretary, in consultation
with the Governors, local partnerships, and other appropriate entities, shall issue regulations that identify and define other terms used in this title, in order to promote uniformity in the implementation of this Act.

10 SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

(a) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—There are authorized to be appropriated to carry out
the activities described in section 302(a)(1) under this subtitle, such sums as may be necessary for each of fiscal years
1999 through 2004.

(b) DISLOCATED WORKER EMPLOYMENT AND TRAIN17 ING ACTIVITIES.—There are authorized to be appropriated
18 to carry out the activities described in section 302(a)(2)
19 under this subtitle, such sums as may be necessary for each
20 of fiscal years 1999 through 2004.

(c) YOUTH ACTIVITIES.—There are authorized to be
appropriated to carry out the activities described in section
302(a)(3) under this subtitle, such sums as may be necessary for each of fiscal years 1999 through 2004.

Subtitle B—Job Corps

2 SEC. 331. PURPOSES.

1

3 The purposes of this subtitle are—

4 (1) to maintain a national Job Corps program,
5 carried out in partnership with States and commu6 nities, to assist eligible youth who need and can bene7 fit from an intensive program, operated in a group
8 setting in residential and nonresidential centers, to
9 become more responsible, employable, and productive
10 citizens;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of Job Corps
centers in which enrollees will participate in intensive programs of activities described in this subtitle;
and

(4) to prescribe various other powers, duties, and
responsibilities incident to the operation and continuing development of the Job Corps.

20 SEC. 332. DEFINITIONS.

21 In this subtitle:

(1) APPLICABLE LOCAL PARTNERSHIP.—The
term "applicable local partnership" means a local
partnership—

1	(A) that provides information for a Job
2	Corps center on local employment opportunities
3	and the job skills needed to obtain the opportuni-
4	ties; and
5	(B) that serves communities in which the
6	graduates of the Job Corps center seek employ-
7	ment.
8	(2) Applicable one-stop customer service
9	CENTER.—The term "applicable one-stop customer
10	service center" means a one-stop customer service cen-
11	ter that provides services, such as referral, intake, re-
12	cruitment, and placement, to a Job Corps center.
13	(3) ENROLLEE.—The term "enrollee" means an
14	individual who has voluntarily applied for, been se-
15	lected for, and enrolled in the Job Corps program,
16	and remains with the program, but has not yet be-
17	come a graduate.
18	(4) Former enrollee.—The term "former en-
19	rollee" means an individual who has voluntarily ap-
20	plied for, been selected for, and enrolled in the Job
21	Corps program, but left the program before complet-
22	ing the requirements of a vocational training pro-
23	gram, or receiving a secondary school diploma or rec-
24	ognized equivalent, as a result of participation in the
25	Job Corps program.

1	(5) GRADUATE.—The term "graduate" means an
2	individual who has voluntarily applied for, been se-
3	lected for, and enrolled in the Job Corps program and
4	has completed the requirements of a vocational train-
5	ing program, or received a secondary school diploma
6	or recognized equivalent, as a result of participation
7	in the Job Corps program.
8	(6) JOB CORPS.—The term "Job Corps" means
9	the Job Corps described in section 333.
10	(7) Job corps center.—The term "Job Corps
11	center" means a center described in section 333.
12	(8) OPERATOR.—The term "operator" means an
13	entity selected under this subtitle to operate a Job
14	Corps center.
15	(9) REGION.—The term "region" means an area
16	served by a regional office of the Employment and
17	Training Administration.
18	(10) Service provider.—The term "service
19	provider" means an entity selected under this subtitle
20	to provide services described in this subtitle to a Job
21	Corps center.
22	SEC. 333. ESTABLISHMENT.
23	There shall be established in the Department of Labor
24	a Job Corps program, to carry out activities described in

1	this subtitle for individuals enrolled in a Job Corps and
2	assigned to a center.
3	SEC. 334. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.
4	To be eligible to become an enrollee, an individual
5	shall be—
6	(1) not less than age 16 and not more than age
7	21 on the date of enrollment, except that—
8	(A) not more than 20 percent of the indi-
9	viduals enrolled in the Job Corps may be not less
10	than age 22 and not more than age 24 on the
11	date of enrollment; and
12	(B) either such maximum age limitation
13	may be waived by the Secretary, in accordance
14	with regulations of the Secretary, in the case of
15	an individual with a disability;
16	(2) a low-income individual; and
17	(3) an individual who is 1 or more of the follow-
18	ing:
19	(A) Basic skills deficient.
20	(B) A school dropout.
21	(C) Homeless, a runaway, or a foster child.
22	(D) A parent.
23	(E) An individual who requires additional
24	education, vocational training, or intensive
25	counseling and related assistance, in order to

1	participate successfully in regular schoolwork or
2	to secure and hold employment.
3	SEC. 335. RECRUITMENT, SCREENING, SELECTION, AND AS-
4	SIGNMENT OF ENROLLEES.
5	(a) Standards and Procedures.—
6	(1) IN GENERAL.—The Secretary shall prescribe
7	specific standards and procedures for the recruitment,
8	screening, and selection of eligible applicants for the
9	Job Corps, after considering recommendations from
10	the Governors, local partnerships, and other interested
11	parties.
12	(2) METHODS.—In prescribing standards and
13	procedures under paragraph (1), the Secretary, at a
14	minimum, shall—
15	(A) prescribe procedures for informing en-
16	rollees that drug tests will be administered to the
17	enrollees and the results received within 45 days
18	after the enrollees enroll in the Job Corps;
19	(B) establish standards for recruitment of
20	Job Corps applicants;
21	(C) establish standards and procedures
22	for-
23	(i) determining, for each applicant,
24	whether the educational and vocational
25	needs of the applicant can best be met

1	through the Job Corps program or an alter-
2	native program in the community in which
3	the applicant resides; and
4	(ii) obtaining from each applicant per-
5	tinent data relating to background, needs,
6	and interests for determining eligibility and
7	potential assignment;
8	(D) where appropriate, take measures to
9	improve the professional capability of the indi-
10	viduals conducting screening of the applicants;
11	and
12	(E) assure that an appropriate number of
13	enrollees are from rural areas.
14	(3) Implementation.—To the extent prac-
15	ticable, the standards and procedures shall be imple-
16	mented through arrangements with—
17	(A) applicable one-stop customer service
18	centers;
19	(B) community action agencies, business or-
20	ganizations, and labor organizations; and
21	(C) agencies and individuals that have con-
22	tact with youth over substantial periods of time
23	and are able to offer reliable information about
24	the needs and problems of youth.

1	(4) CONSULTATION.—The standards and proce-
2	dures shall provide for necessary consultation with in-
3	dividuals and organizations, including court, proba-
4	tion, parole, law enforcement, education, welfare, and
5	medical authorities and advisers.
б	(5) Reimbursement.—The Secretary is author-
7	ized to enter into contracts with and make payments
8	to individuals and organizations for the cost of con-
9	ducting recruitment, screening, and selection of eligi-
10	ble applicants for the Job Corps, as provided for in
11	this section. The Secretary shall make no payment to
12	any individual or organization solely as compensa-
13	tion for referring the names of applicants for the Job
14	Corps.
15	(b) Special Limitations on Selection.—
16	(1) IN GENERAL.—No individual shall be selected
17	as an enrollee unless the individual or organization
18	implementing the standards and procedures deter-
19	mines that—
20	(A) there is a reasonable expectation that
21	the individual considered for selection can par-
22	ticipate successfully in group situations and ac-
23	tivities, and is not likely to engage in behavior
24	that would prevent other enrollees from receiving
25	the benefit of the Job Corps program or be in-

1	compatible with the maintenance of sound dis-
2	cipline and satisfactory relationships between the
3	Job Corps center to which the individual might
4	be assigned and communities surrounding the
5	Job Corps center;
6	(B) the individual manifests a basic under-
7	standing of both the rules to which the individ-
8	ual will be subject and of the consequences of
9	failure to observe the rules; and
10	(C) the individual has passed a background
11	check conducted in accordance with procedures
12	established by the Secretary.
13	(2) Individuals on probation, parole, or su-
14	PERVISED RELEASE.—An individual on probation,
15	parole, or supervised release may be selected as an en-
16	rollee only if release from the supervision of the pro-
17	bation or parole official involved is satisfactory to the
18	official and the Secretary and does not violate appli-
19	cable laws (including regulations). No individual
20	shall be denied a position in the Job Corps solely on
21	the basis of individual contact with the criminal jus-
22	tice system.
23	(c) Assignment Plan.—
24	(1) IN GENERAL.—Every 2 years, the Secretary
25	shall develop and implement an assignment plan for

1	assigning enrollees to Job Corps centers. In developing
2	the plan, the Secretary shall, based on the analysis
3	described in paragraph (2), establish targets, applica-
4	ble to each Job Corps center, for—
5	(A) the maximum attainable percentage of
6	enrollees at the Job Corps center that reside in
7	the State in which the center is located; and
8	(B) the maximum attainable percentage of
9	enrollees at the Job Corps center that reside in
10	the region in which the center is located, and in
11	surrounding regions.
12	(2) ANALYSIS.—In order to develop the plan de-
13	scribed in paragraph (1), the Secretary shall, every 2
14	years, analyze, for the Job Corps center—
15	(A) the size of the population of individuals
16	eligible to participate in Job Corps in the State
17	and region in which the Job Corps center is lo-
18	cated, and in surrounding regions;
19	(B) the relative demand for participation in
20	the Job Corps in the State and region, and in
21	surrounding regions; and
22	(C) the capacity and utilization of the Job
23	Corps center, including services provided through
24	the center.
25	(d) Assignment of Individual Enrollees.—

1	(1) IN GENERAL.—After an individual has been
2	selected for the Job Corps in accordance with the
3	standards and procedures of the Secretary under sub-
4	section (a), the enrollee shall be assigned to the Job
5	Corps center that is closest to the home of the enrollee,
6	except that the Secretary may waive this requirement
7	if—
8	(A) the enrollee chooses a vocational train-
9	ing program, or requires an English as a second
10	language program, that is not available at such
11	center;
12	(B) the enrollee is an individual with a dis-
13	ability and may be better served at another cen-
14	ter;
15	(C) the enrollee would be unduly delayed in
16	participating in the Job Corps program because
17	the closest center is operating at full capacity; or
18	(D) the parent or guardian of the enrollee
19	requests assignment of the enrollee to another Job
20	Corps center due to circumstances in the commu-
21	nity of the enrollee that would impair prospects
22	for successful participation in the Job Corps pro-
23	gram.
24	(2) ENROLLEES WHO ARE YOUNGER THAN 18.—
25	An enrollee who is younger than 18 shall not be as-

1	signed to a Job Corps center other than the center
2	closest to the home of the enrollee pursuant to para-
3	graph (1) if the parent or guardian of the enrollee ob-
4	jects to the assignment.
5	SEC. 336. ENROLLMENT.
6	(a) Relationship Between Enrollment and Mili-
7	TARY OBLIGATIONS.—Enrollment in the Job Corps shall
8	not relieve any individual of obligations under the Military
9	Selective Service Act (50 U.S.C. App. 451 et seq.).
10	(b) Period of Enrollment.—No individual may be
11	enrolled in the Job Corps for more than 2 years, except—
12	(1) in a case in which completion of an ad-
13	vanced career training program under section 338(b)
14	would require an individual to participate in the Job
15	Corps for not more than 1 additional year; or
16	(2) as the Secretary may authorize in a special
17	case.
18	SEC. 337. JOB CORPS CENTERS.
19	(a) Operators and Service Providers.—
20	(1) Eligible entities.—
21	(A) OPERATORS.—The Secretary shall enter
22	into an agreement with a Federal, State, or local
23	agency, such as individuals participating in a
24	statewide partnership or in a local partnership
25	or an agency that operates or wishes to develop

1	an area vocational education school facility or
2	residential vocational school, or with a private
3	organization, for the operation of each Job Corps
4	center.
5	(B) Providers.—The Secretary may enter
6	into an agreement with a local entity to provide
7	activities described in this subtitle to the Job
8	Corps center.
9	(2) Selection process.—
10	(A) Competitive basis.—Except as pro-
11	wided in subsections (a) and (d) of section 202 of

11 vided in subsections (c) and (d) of section 303 of 12 the Federal Property and Administrative Serv-13 ices Act of 1949 (41 U.S.C. 253), the Secretary 14 shall select on a competitive basis an entity to 15 operate a Job Corps center and entities to provide activities described in this subtitle to the 16 17 Job Corps center. In developing a solicitation for 18 an operator or service provider, the Secretary 19 shall consult with the Governor of the State in 20 which the center is located, the industry council 21 for the Job Corps center (if established), and the 22 applicable local partnership regarding the con-23 tents of such solicitation, including elements that will promote the consistency of the activities car-24

1	ried out through the center with the objectives set
2	forth in the State plan or in a local plan.
3	(B) RECOMMENDATIONS AND CONSIDER-
4	ATIONS.—
5	(i) Operators.—In selecting an en-
6	tity to operate a Job Corps center, the Sec-
7	retary shall consider—
8	(I) the ability of the entity to co-
9	ordinate the activities carried out
10	through the Job Corps center with ac-
11	tivities carried out under the appro-
12	priate State plan and local plans;
13	(II) the degree to which the voca-
14	tional training that the entity proposes
15	for the center reflects local employment
16	opportunities in the local areas in
17	which enrollees at the center intend to
18	seek employment;
19	(III) the degree to which the en-
20	tity is familiar with the surrounding
21	communities, applicable one-stop cen-
22	ters, and the State and region in which
23	the center is located; and
24	(IV) the past performance of the
25	entity, if any, relating to operating or

1	providing activities described in this	
2	subtitle to a Job Corps center.	
3	(ii) Providers.—In selecting a service	
4	provider for a Job Corps center, the Sec-	
5	retary shall consider the factors described in	
6	subclauses (I) through (IV) of clause (i), as	
7	appropriate.	
8	(b) Character and Activities.—Job Corps centers	
9	9 may be residential or nonresidential in character, and shall	
10	be designed and operated so as to provide enrollees, in a	
11	1 well-supervised setting, with access to activities described	
12	2 in this subtitle. In any year, no more than 20 percent of	
13	the individuals enrolled in the Job Corps may be nonresi-	
14	dential participants in the Job Corps.	
15	(c) Civilian Conservation Centers.—	
16	(1) IN GENERAL.—The Job Corps centers may	
17	include Civilian Conservation Centers operated under	
18	agreements with the Secretary of Agriculture or the	
19	Secretary of the Interior, located primarily in rural	
20	areas, which shall provide, in addition to other voca-	
21	tional training and assistance, programs of work ex-	
22	perience to conserve, develop, or manage public natu-	
23	ral resources or public recreational areas or to develop	
24	community projects in the public interest.	

1	(2) Selection process.—The Secretary may
2	select an entity to operate a Civilian Conservation
3	Center on a competitive basis, as provided in sub-
4	section (a), if the center fails to meet such national
5	performance standards as the Secretary shall estab-
6	lish.
7	(d) Indian Tribes.—
8	(1) GENERAL AUTHORITY.—The Secretary may
9	enter into agreements with Indian tribes to operate

10 Job Corps centers for Indians.

(2) DEFINITIONS.—In this subsection, the terms
"Indian" and "Indian tribe", have the meanings
given such terms in subsections (d) and (e), respectively, of section 4 of the Indian Self-Determination
and Education Assistance Act (25 U.S.C. 450b).

16 SEC. 338. PROGRAM ACTIVITIES.

17 (a) Activities Provided by Job Corps Centers.—

(1) IN GENERAL.—Each Job Corps center shall
provide enrollees with an intensive, well organized,
and fully supervised program of education, vocational
training, work experience, recreational activities, and
counseling. Each Job Corps center shall provide enrollees assigned to the center with access to core services described in subtitle A.

25 (2) Relationship to opportunities.—

(A) IN GENERAL.—The activities provided under this subsection shall provide work-based learning throughout the enrollment of the enrollees and assist the enrollees in obtaining meaningful unsubsidized employment, participating in secondary education or postsecondary education programs, enrolling in other suitable vocational training programs, or satisfying Armed Forces requirements, on completion of their enrollment.
(B) LINK TO EMPLOYMENT OPPORTUNI-

11(B) LINK TO EMPLOYMENT OPPORTUNI-12TIES.—The vocational training provided shall be13linked to the employment opportunities in the14local area in which the enrollee intends to seek15employment after graduation.

16 (b) Advanced Career Training Programs.—

17 (1) IN GENERAL.—The Secretary may arrange 18 for programs of advanced career training for selected 19 enrollees in which the enrollees may continue to par-20 ticipate for a period of not to exceed 1 year in addi-21 tion to the period of participation to which the enroll-22 ees would otherwise be limited. The advanced career 23 training may be provided through the eligible provid-24 ers of training services identified by the State in-25 volved under section 312.

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(2) Benefits.—

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2	(A) IN GENERAL.—During the period of
3	participation in an advanced career training
4	program, an enrollee shall be eligible for full Job
5	Corps benefits, or a monthly stipend equal to the
6	average value of the residential support, food, al-
7	lowances, and other benefits provided to enrollees
8	assigned to residential Job Corps centers.

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9 (B) CALCULATION.—The total amount for 10 which an enrollee shall be eligible under sub-11 paragraph (A) shall be reduced by the amount of 12 any scholarship or other educational grant as-13 sistance received by such enrollee for advanced 14 career training.

15 (3) DEMONSTRATION.—Each year, any operator
16 seeking to enroll additional enrollees in an advanced
17 career training program shall demonstrate that par18 ticipants in such program have achieved a reasonable
19 rate of completion and placement in training-related
20 jobs before the operator may carry out such addi21 tional enrollment.

(c) CONTINUED SERVICES.—The Secretary shall also
provide continued services to graduates, including providing counseling regarding the workplace for 12 months after
the date of graduation of the graduates. In selecting a pro-

vider for such services, the Secretary shall give priority to
 one-stop partners.

3 SEC. 339. COUNSELING AND JOB PLACEMENT.

4 (a) COUNSELING AND TESTING.—The Secretary shall
5 arrange for counseling and testing for each enrollee at regu6 lar intervals to measure progress in the education and voca7 tional training programs carried out through the Job
8 Corps.

9 (b) PLACEMENT.—The Secretary shall arrange for 10 counseling and testing for enrollees prior to their scheduled graduations to determine their capabilities and, based on 11 their capabilities, shall make every effort to arrange to place 12 the enrollees in jobs in the vocations for which the enrollees 13 are trained or to assist the enrollees in obtaining further 14 15 activities described in this subtitle. In arranging for the placement of graduates in jobs, the Secretary shall utilize 16 the one-stop customer service system to the fullest extent pos-17 18 sible.

(c) STATUS AND PROGRESS.—The Secretary shall determine the status and progress of enrollees scheduled for
graduation and make every effort to assure that their needs
for further activities described in this subtitle are met.

23 SEC. 340. SUPPORT.

24 (a) PERSONAL ALLOWANCES.—The Secretary shall
25 provide enrollees assigned to Job Corps centers with such

personal allowances as the Secretary may determine to be 1 necessary or appropriate to meet the needs of the enrollees. 2 3 (b) READJUSTMENT ALLOWANCES.—The Secretary 4 shall arrange for a readjustment allowance to be paid to eligible former enrollees and graduates. The Secretary shall 5 arrange for the allowance to be paid at the one-stop cus-6 7 tomer service center nearest to the home of such a former 8 enrollee or graduate who is returning home, or at the one-9 stop customer service center nearest to the location where the former enrollee or graduate has indicated an intent to 10 seek employment. If the Secretary uses any organization, 11 in lieu of a one-stop customer service center, to provide 12 13 placement services under this Act, the Secretary shall arrange for that organization to pay the readjustment allow-14 15 ance.

16 SEC. 341. OPERATING PLAN.

17 (a) IN GENERAL.—The provisions of the contract be18 tween the Secretary and an entity selected to operate a Job
19 Corps center shall, at a minimum, serve as an operating
20 plan for the Job Corps center.

(b) ADDITIONAL INFORMATION.—The Secretary may
require the operator, in order to remain eligible to operate
the Job Corps center, to submit such additional information
as the Secretary may require, which shall be considered
part of the operating plan.

(c) AVAILABILITY.—The Secretary shall make the oper ating plan described in subsections (a) and (b), excluding
 any proprietary information, available to the public.

4 SEC. 342. STANDARDS OF CONDUCT.

(a) PROVISION AND ENFORCEMENT.—The Secretary
shall provide, and directors of Job Corps centers shall stringently enforce, standards of conduct within the centers.
Such standards of conduct shall include provisions forbidding the actions described in subsection (b)(2)(A).

10 (b) DISCIPLINARY MEASURES.—

11 (1) IN GENERAL.—To promote the proper moral 12 and disciplinary conditions in the Job Corps, the di-13 rectors of Job Corps centers shall take appropriate 14 disciplinary measures against enrollees. If such a di-15 rector determines that an enrollee has committed a 16 violation of the standards of conduct, the director 17 shall dismiss the enrollee from the Job Corps if the di-18 rector determines that the retention of the enrollee in 19 the Job Corps will jeopardize the enforcement of such 20 standards or diminish the opportunities of other en-21 rollees.

22 (2) ZERO TOLERANCE POLICY AND DRUG TEST23 ING.—

24 (A) GUIDELINES.—The Secretary shall
25 adopt guidelines establishing a zero tolerance

1	policy for an act of violence, for use, sale, or pos-
2	session of a controlled substance, for abuse of al-
3	cohol, or for other illegal or disruptive activity.
4	(B) Drug testing.—The Secretary shall
5	require drug testing of all enrollees for controlled
6	substances in accordance with procedures pre-
7	scribed by the Secretary under section 335(a).
8	(C) DEFINITIONS.—In this paragraph:
9	(i) Controlled substance.—The
10	term "controlled substance" has the mean-
11	ing given the term in section 102 of the
12	Controlled Substances Act (21 U.S.C. 802).
13	(ii) ZERO TOLERANCE POLICY.—The
14	term "zero tolerance policy" means a policy
15	under which an enrollee shall be automati-
16	cally dismissed from the Job Corps after a
17	determination by the director that the en-
18	rollee has carried out an action described in
19	subparagraph (A).
20	(c) APPEAL.—A disciplinary measure taken by a di-
21	rector under this section shall be subject to expeditious ap-
22	peal in accordance with procedures established by the Sec-
23	retary.

1 SEC. 343. COMMUNITY PARTICIPATION.

2	(a) Business and Community Liaison.—Each Job
3	Corps center shall have a Business and Community Liaison
4	(referred to in this Act as a "Liaison"), designated by the
5	director of the center.
6	(b) RESPONSIBILITIES.—The responsibilities of the Li-
7	aison shall include—
8	(1) establishing and developing relationships and
9	networks with—
10	(A) local and (in the case of rural or remote
11	sites) distant employers; and
12	(B) applicable one-stop customer service
13	centers and applicable local partnerships,
14	for the purpose of providing job opportunities for Job
15	Corps graduates; and
16	(2) establishing and developing relationships
17	with members of the community in which the Job
18	Corps center is located, informing members of the
19	community about the projects of the Job Corps center
20	and changes in the rules, procedures, or activities of
21	the center that may affect the community, and plan-
22	ning events of mutual interest to the community and
23	the Job Corps center.
24	(c) New Centers.—The Liaison for a Job Corps cen-
25	ter that is not yet operating shall establish and develop the
26	relationships and networks described in subsection (b) at
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least 3 months prior to the date on which the center accepts
 the first enrollee at the center.

3 SEC. 344. INDUSTRY COUNCILS.

4 (a) IN GENERAL.—Each Job Corps center shall have
5 an industry council, appointed by the director of the center
6 after consultation with the Liaison, in accordance with pro7 cedures established by the Secretary.

8 (b) INDUSTRY COUNCIL COMPOSITION.—

9 (1) IN GENERAL.—An industry council shall be 10 comprised of—

(A) a majority of members who shall be
local and (in the case of rural or remote sites)
distant owners of business concerns, chief executives or chief operating officers of nongovernmental employers, or other private sector employers, who—

17 (i) have substantial management, hir18 ing, or policy responsibility; and

19(ii) represent businesses with employ-20ment opportunities that reflect the employ-21ment opportunities of the applicable local

22 area; and

23 (B) representatives of labor organizations
24 (where present) and representatives of employees.

1	(2) Local partnership.—The industry council
2	may include members of the applicable local partner-
3	ships who meet the requirements described in para-
4	graph (1).
5	(c) RESPONSIBILITIES.—The responsibilities of the in-
6	dustry council shall be—
7	(1) to work closely with all applicable local part-
8	nerships in order to determine, and recommend to the
9	Secretary, appropriate vocational training for the
10	center;
11	(2) to review all the relevant labor market infor-
12	mation to—
13	(A) determine the employment opportunities
14	in the local areas in which the enrollees intend
15	to seek employment after graduation;
16	(B) determine the skills and education that
17	are necessary to obtain the employment opportu-
18	nities; and
19	(C) recommend to the Secretary the type of
20	vocational training that should be implemented
21	at the center to enable the enrollees to obtain the
22	employment opportunities; and
23	(3) to meet at least once every 6 months to re-
24	evaluate the labor market information, and other rel-
25	evant information, to determine, and recommend to

the Secretary, any necessary changes in the voca tional training provided at the center.

3 (d) NEW CENTERS.—The industry council for a Job
4 Corps center that is not yet operating shall carry out the
5 responsibilities described in subsection (c) at least 3 months
6 prior to the date on which the center accepts the first en7 rollee at the center.

8 SEC. 345. ADVISORY COMMITTEES.

9 The Secretary may establish and use advisory committees in connection with the operation of the Job Corps pro-10 gram, and the operation of Job Corps centers, whenever the 11 Secretary determines that the availability of outside advice 12 and counsel on a regular basis would be of substantial bene-13 14 fit in identifying and overcoming problems, in planning 15 program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, 16 or groups engaged in related activities. 17

18 SEC. 346. EXPERIMENTAL, RESEARCH, AND DEMONSTRA-

19 TION PROJECTS.

The Secretary may carry out experimental, research, or demonstration projects relating to carrying out the Job Corps program and may waive any provision of this subtitle that the Secretary finds would prevent the Secretary from carrying out the projects.

4 (1) IN GENERAL.—Except as otherwise provided 5 in this subsection and in section 8143(a) of title 5, 6 United States Code, enrollees shall not be considered 7 to be Federal employees and shall not be subject to the 8 provisions of law relating to Federal employment, in-9 cluding such provisions regarding hours of work, rates 10 of compensation, leave, unemployment compensation, 11 and Federal employee benefits.

12 (2) Provisions relating to taxes and social 13 SECURITY BENEFITS.—For purposes of the Internal 14 Revenue Code of 1986 and title II of the Social Secu-15 rity Act (42 U.S.C. 401 et seq.), enrollees shall be 16 deemed to be employees of the United States and any 17 service performed by an individual as an enrollee 18 shall be deemed to be performed in the employ of the 19 United States.

20 (3) PROVISIONS RELATING TO COMPENSATION TO
21 FEDERAL EMPLOYEES FOR WORK INJURIES.—For
22 purposes of subchapter I of chapter 81 of title 5, Unit23 ed States Code (relating to compensation to Federal
24 employees for work injuries), enrollees shall be deemed
25 to be civil employees of the Government of the United
26 States within the meaning of the term "employee" as

defined in section 8101 of title 5, United States Code,
 and the provisions of such subchapter shall apply as
 specified in section 8143(a) of title 5, United States
 Code.

5 (4) FEDERAL TORT CLAIMS PROVISIONS.—For
6 purposes of the Federal tort claims provisions in title
7 28, United States Code, enrollees shall be considered
8 to be employees of the Government.

9 (b) ADJUSTMENTS AND SETTLEMENTS.—Whenever the 10 Secretary finds a claim for damages to a person or property 11 resulting from the operation of the Job Corps to be a proper 12 charge against the United States, and the claim is not cog-13 nizable under section 2672 of title 28, United States Code, 14 the Secretary may adjust and settle the claim in an amount 15 not exceeding \$1,500.

16 (c) PERSONNEL OF THE UNIFORMED SERVICES.—Per-17 sonnel of the uniformed services who are detailed or as-18 signed to duty in the performance of agreements made by 19 the Secretary for the support of the Job Corps shall not be 20 counted in computing strength under any law limiting the 21 strength of such services or in computing the percentage au-22 thorized by law for any grade in such services. 1 SEC. 348. SPECIAL PROVISIONS.

2 (a) ENROLLMENT.—The Secretary shall ensure that
3 women and men have an equal opportunity to participate
4 in the Job Corps program, consistent with section 335.

5 (b) STUDIES, EVALUATIONS, PROPOSALS, AND
6 DATA.—The Secretary shall assure that all studies, evalua7 tions, proposals, and data produced or developed with Fed8 eral funds in the course of carrying out the Job Corps pro9 gram shall become the property of the United States.

10 (c) TRANSFER OF PROPERTY.—

11 (1) IN GENERAL.—Notwithstanding title II of the 12 Federal Property and Administrative Services Act of 13 1949 (40 U.S.C. 481 et seq.) and any other provision of law, the Secretary and the Secretary of Education 14 15 shall receive priority by the Secretary of Defense for 16 the direct transfer, on a nonreimbursable basis, of the 17 property described in paragraph (2) for use in carry-18 ing out programs under this Act or under any other 19 Act.

(2) PROPERTY.—The property described in this
paragraph is real and personal property under the
control of the Department of Defense that is not used
by such Department, including property that the Secretary of Defense determines is in excess of current
and projected requirements of such Department.

1 (d) GROSS RECEIPTS.—Transactions conducted by a 2 private for-profit or nonprofit entity that is an operator or service provider for a Job Corps center shall not be con-3 4 sidered to be generating gross receipts. Such an operator or service provider shall not be liable, directly or indirectly, 5 to any State or subdivision of a State (nor to any person 6 7 acting on behalf of such a State or subdivision) for any 8 gross receipts taxes, business privilege taxes measured by 9 gross receipts, or any similar taxes imposed on, or measured by, gross receipts in connection with any payments 10 made to or by such entity for operating or providing serv-11 ices to a Job Corps center. Such an operator or service pro-12 13 vider shall not be liable to any State or subdivision of a State to collect or pay any sales, excise, use, or similar tax 14 15 imposed on the sale to or use by such operator or service provider of any property, service, or other item in connec-16 tion with the operation of or provision of services to a Job 17 18 Corps center.

(e) MANAGEMENT FEE.—The Secretary shall provide
each operator and (in an appropriate case, as determined
by the Secretary) service provider with an equitable and
negotiated management fee of not less than 1 percent of the
amount of the funding provided under the appropriate
agreement specified in section 337.

(f) DONATIONS.—The Secretary may accept on behalf
 of the Job Corps or individual Job Corps centers charitable
 donations of cash or other assistance, including equipment
 and materials, if such donations are available for appro priate use for the purposes set forth in this subtitle.

6 (g) SALE OF PROPERTY.—Notwithstanding any other 7 provision of law, if the Administrator of General Services 8 sells a Job Corps center facility, the Administrator shall 9 transfer the proceeds from the sale to the Secretary, who 10 shall use the proceeds to carry out the Job Corps program. 11 SEC. 349. MANAGEMENT INFORMATION.

12 (a) Financial Management Information Sys-13 tem.—

14 (1) IN GENERAL.—The Secretary shall establish
15 procedures to ensure that each operator, and each
16 service provider, maintains a financial management
17 information system that will provide—

18 (A) accurate, complete, and current disclo19 sures of the costs of Job Corps operations; and
20 (B) sufficient data for the effective evalua-

21 tion of activities carried out through the Job
22 Corps program.

23 (2) ACCOUNTS.—Each operator and service pro24 vider shall maintain funds received under this sub-

1	title in accounts in a manner that ensures timely and
2	accurate reporting as required by the Secretary.
3	(3) FISCAL RESPONSIBILITY.—Operators shall
4	remain fiscally responsible and control costs, regard-
5	less of whether the funds made available for Job Corps
6	centers are incrementally increased or decreased be-
7	tween fiscal years.
8	(b) AUDIT.—
9	(1) Access.—The Secretary, the Inspector Gen-
10	eral of the Department of Labor, the Comptroller Gen-
11	eral of the United States, and any of their duly au-
12	thorized representatives, shall have access to any
13	books, documents, papers, and records of the operators
14	and service providers described in subsection (a) that
15	are pertinent to the Job Corps program, for purposes
16	of conducting surveys, audits, and evaluations of the
17	operators and service providers.
18	(2) SURVEYS, AUDITS, AND EVALUATIONS.—The
19	Secretary shall survey, audit, or evaluate, or arrange
20	for the survey, audit, or evaluation of, the operators
21	and service providers, using Federal auditors or inde-
22	pendent public accountants. The Secretary shall con-
23	duct such surveys, audits, or evaluations not less often
24	than once every 3 years.

1 (c) INFORMATION ON CORE PERFORMANCE MEAS-2 URES.—

3	(1) Establishment.—The Secretary shall, with
4	continuity and consistency from year to year, estab-
5	lish core performance measures, and expected per-
6	formance levels on the performance measures, for Job
7	Corps centers and the Job Corps program, relating
8	to—
9	(A) the number of graduates and the rate of
10	such graduation, analyzed by type of vocational
11	training received through the Job Corps program
12	and by whether the vocational training was pro-
13	vided by a local or national service provider;
14	(B) the number of graduates who entered
15	unsubsidized employment related to the voca-
16	tional training received through the Job Corps
17	program and the number who entered
18	unsubsidized employment not related to the voca-
19	tional training received, analyzed by whether the
20	vocational training was provided by a local or
21	national service provider and by whether the
22	placement in the employment was conducted by
23	a local or national service provider;
24	(C) the average wage received by graduates

25 who entered unsubsidized employment related to

1	the vocational training received through the Job
2	Corps program and the average wage received by
3	graduates who entered unsubsidized employment
4	unrelated to the vocational training received;
5	(D) the average wage received by graduates
6	placed in unsubsidized employment after comple-
7	tion of the Job Corps program—
8	(i) on the first day of the employment;
9	(ii) 6 months after the first day of the
10	employment; and
11	(iii) 12 months after the first day of
12	the employment,
13	analyzed by type of vocational training received
14	through the Job Corps program;
15	(E) the number of graduates who entered
16	unsubsidized employment and were retained in
17	the unsubsidized employment—
18	(i) 6 months after completion of the
19	Job Corps program; and
20	(ii) 12 months after completion of the
21	Job Corps program;
22	(F) the number of graduates who entered
23	unsubsidized employment—
24	(i) for 32 hours per week or more;

1	(ii) for not less than 20 but less than
2	32 hours per week; and
3	(iii) for less than 20 hours per week;
4	(G) the number of graduates who entered
5	postsecondary education or advanced training
6	programs, including registered apprenticeship
7	programs, as appropriate; and
8	(H) the number of graduates who attained
9	job readiness and employment skills.
10	(2) Performance of recruiters.—The Sec-
11	retary shall also establish performance measures, and
12	expected performance levels on the performance meas-
13	ures, for local and national recruitment service pro-
14	viders serving the Job Corps program. The perform-
15	ance measures shall relate to the number of enrollees
16	retained in the Job Corps program for 30 days and
17	for 60 days after initial placement in the program.
18	(3) REPORT.—The Secretary shall collect, and
19	annually submit a report to the appropriate commit-
20	tees of Congress containing, information on the per-
21	formance of each Job Corps center, and the Job Corps
22	program, on the core performance measures, as com-
23	pared to the expected performance level for each per-
24	formance measure. The report shall also contain in-
25	formation on the performance of the service providers

2ures established under such paragraph, as compared3to the expected performance levels for the performance4measures.5(d) ADDITIONAL INFORMATION.—The Secretary shall6also collect, and submit in the report described in subsection7(c), information on the performance of each Job Corps cen-8ter, and the Job Corps program, regarding—9(1) the number of enrollees served;10(2) the average level of learning gains for grad-11uates and former enrollees;12(3) the number of former enrollees and graduates13who entered the Armed Forces;14(4) the number of former enrollees who entered15postsecondary education;16(5) the number of former enrollees who entered17unsubsidized employment related to the vocational18training received through the Job Corps program and19the number who entered unsubsidized employment not20related to the vocational training received;21(6) the number of former enrollees and graduates22who obtained a secondary school diploma or its recog-23nized equivalent;24(7) the number and percentage of dropouts from25the Job Corps program including the number dis-	1	described in paragraph (2) on the performance meas-
4measures.5(d) ADDITIONAL INFORMATION.—The Secretary shall6also collect, and submit in the report described in subsection7(c), information on the performance of each Job Corps cen-8ter, and the Job Corps program, regarding—9(1) the number of enrollees served;10(2) the average level of learning gains for grad-11uates and former enrollees;12(3) the number of former enrollees and graduates13who entered the Armed Forces;14(4) the number of former enrollees who entered15postsecondary education;16(5) the number of former enrollees who entered17unsubsidized employment related to the vocational18training received through the Job Corps program and19the number of former enrollees and graduates20related to the vocational training received;21(6) the number of former enrollees and graduates22who obtained a secondary school diploma or its recog-23nized equivalent;24(7) the number and percentage of dropouts from	2	ures established under such paragraph, as compared
5(d) ADDITIONAL INFORMATION.—The Secretary shall6also collect, and submit in the report described in subsection7(c), information on the performance of each Job Corps cen-8ter, and the Job Corps program, regarding—9(1) the number of enrollees served;10(2) the average level of learning gains for grad-11uates and former enrollees;12(3) the number of former enrollees and graduates13who entered the Armed Forces;14(4) the number of former enrollees who entered15postsecondary education;16(5) the number of former enrollees who entered17unsubsidized employment related to the vocational18training received through the Job Corps program and19the number of former enrollees and graduates20related to the vocational training received;21(6) the number of former enrollees and graduates22who obtained a secondary school diploma or its recog-23nized equivalent;24(7) the number and percentage of dropouts from	3	to the expected performance levels for the performance
 6 also collect, and submit in the report described in subsection 7 (c), information on the performance of each Job Corps cen- 8 ter, and the Job Corps program, regarding— 9 (1) the number of enrollees served; 10 (2) the average level of learning gains for grad- 11 uates and former enrollees; 12 (3) the number of former enrollees and graduates 13 who entered the Armed Forces; 14 (4) the number of former enrollees who entered 15 postsecondary education; 16 (5) the number of former enrollees who entered 17 unsubsidized employment related to the vocational 18 training received through the Job Corps program and 19 the number of former enrollees and graduates 20 related to the vocational training received; 21 (6) the number of former enrollees and graduates 22 who obtained a secondary school diploma or its recog- 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	4	measures.
 7 (c), information on the performance of each Job Corps cen- 8 ter, and the Job Corps program, regarding— 9 (1) the number of enrollees served; 10 (2) the average level of learning gains for grad- 11 uates and former enrollees; 12 (3) the number of former enrollees and graduates 13 who entered the Armed Forces; 14 (4) the number of former enrollees who entered 15 postsecondary education; 16 (5) the number of former enrollees who entered 17 unsubsidized employment related to the vocational 18 training received through the Job Corps program and 19 the number who entered unsubsidized employment not 20 related to the vocational training received; 21 (6) the number of former enrollees and graduates 22 who obtained a secondary school diploma or its recog- 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	5	(d) ADDITIONAL INFORMATION.—The Secretary shall
 8 ter, and the Job Corps program, regarding— 9 (1) the number of enrollees served; 10 (2) the average level of learning gains for grad- 11 uates and former enrollees; 12 (3) the number of former enrollees and graduates 13 who entered the Armed Forces; 14 (4) the number of former enrollees who entered 15 postsecondary education; 16 (5) the number of former enrollees who entered 17 unsubsidized employment related to the vocational 18 training received through the Job Corps program and 19 the number who entered unsubsidized employment not 20 related to the vocational training received; 21 (6) the number of former enrollees and graduates 22 who obtained a secondary school diploma or its recog- 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	6	also collect, and submit in the report described in subsection
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 (3) the number of former enrollees and graduates who entered the Armed Forces; (4) the number of former enrollees who entered postsecondary education; (5) the number of former enrollees who entered unsubsidized employment related to the vocational training received through the Job Corps program and the number who entered unsubsidized employment not related to the vocational training received; (6) the number of former enrollees and graduates who obtained a secondary school diploma or its recog- nized equivalent; (7) the number and percentage of dropouts from 	10	(2) the average level of learning gains for grad-
 13 who entered the Armed Forces; 14 (4) the number of former enrollees who entered 15 postsecondary education; 16 (5) the number of former enrollees who entered 17 unsubsidized employment related to the vocational 18 training received through the Job Corps program and 19 the number who entered unsubsidized employment not 20 related to the vocational training received; 21 (6) the number of former enrollees and graduates 22 who obtained a secondary school diploma or its recog- 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	11	uates and former enrollees;
 (4) the number of former enrollees who entered postsecondary education; (5) the number of former enrollees who entered unsubsidized employment related to the vocational training received through the Job Corps program and the number who entered unsubsidized employment not related to the vocational training received; (6) the number of former enrollees and graduates who obtained a secondary school diploma or its recog- nized equivalent; (7) the number and percentage of dropouts from 	12	(3) the number of former enrollees and graduates
 postsecondary education; (5) the number of former enrollees who entered unsubsidized employment related to the vocational training received through the Job Corps program and the number who entered unsubsidized employment not related to the vocational training received; (6) the number of former enrollees and graduates who obtained a secondary school diploma or its recog- nized equivalent; (7) the number and percentage of dropouts from 	13	who entered the Armed Forces;
 16 (5) the number of former enrollees who entered 17 unsubsidized employment related to the vocational 18 training received through the Job Corps program and 19 the number who entered unsubsidized employment not 20 related to the vocational training received; 21 (6) the number of former enrollees and graduates 22 who obtained a secondary school diploma or its recog- 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	14	(4) the number of former enrollees who entered
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 19 the number who entered unsubsidized employment not 20 related to the vocational training received; 21 (6) the number of former enrollees and graduates 22 who obtained a secondary school diploma or its recog- 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	17	unsubsidized employment related to the vocational
 20 related to the vocational training received; 21 (6) the number of former enrollees and graduates 22 who obtained a secondary school diploma or its recog- 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	18	training received through the Job Corps program and
 21 (6) the number of former enrollees and graduates 22 who obtained a secondary school diploma or its recog- 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	19	the number who entered unsubsidized employment not
 who obtained a secondary school diploma or its recog- nized equivalent; (7) the number and percentage of dropouts from 	20	related to the vocational training received;
 23 nized equivalent; 24 (7) the number and percentage of dropouts from 	21	(6) the number of former enrollees and graduates
24 (7) the number and percentage of dropouts from	22	who obtained a secondary school diploma or its recog-
	23	nized equivalent;
25 the Job Corps program including the number dis-	24	(7) the number and percentage of dropouts from
	25	the Job Corps program including the number dis-

1	missed under the zero tolerance policy described in
2	section 342(b); and
3	(8) any additional information required by the
4	Secretary.
5	(e) Methods.—The Secretary may, to collect the in-
6	formation described in subsections (c) and (d), use methods
7	described in subtitle A.
8	(f) Performance Assessments and Improve-
9	MENTS.—
10	(1) Assessments.—The Secretary shall conduct
11	an annual assessment of the performance of each Job
12	Corps center. Based on the assessment, the Secretary
13	shall take measures to continuously improve the per-
14	formance of the Job Corps program.
15	(2) Performance improvement plans.—With
16	respect to a Job Corps center that fails to meet the
17	expected levels of performance relating to the core per-
18	formance measures specified in subsection (c), the Sec-
19	retary shall develop and implement a performance
20	improvement plan. Such a plan shall require action
21	including—
22	(A) providing technical assistance to the
23	center;
24	(B) changing the vocational training offered
25	at the center;

1	(C) changing the management staff of the
2	center;
3	(D) replacing the operator of the center;
4	(E) reducing the capacity of the center;
5	(F) relocating the center; or
6	(G) closing the center.
7	(3) Additional performance improvement
8	PLANS.—In addition to the performance improvement
9	plans required under paragraph (2), the Secretary
10	may develop and implement additional performance
11	improvement plans. Such a plan shall require im-
12	provements, including the actions described in para-
13	graph (2), for a Job Corps center that fails to meet
14	criteria established by the Secretary other than the ex-
15	pected levels of performance described in paragraph
16	(2).
17	SEC. 350. GENERAL PROVISIONS.
18	The Secretary is authorized to—
19	(1) disseminate, with regard to the provisions of
20	section 3204 of title 39, United States Code, data and
21	information in such forms as the Secretary shall de-
22	termine to be appropriate, to public agencies, private
23	organizations, and the general public;
24	(2) subject to section 347(b), collect or com-

25 promise all obligations to or held by the Secretary

1	and exercise all legal or equitable rights accruing to
2	the Secretary in connection with the payment of obli-
3	gations until such time as such obligations may be re-
4	ferred to the Attorney General for suit or collection;
5	and
6	(3) expend funds made available for purposes of
7	this subtitle—
8	(A) for printing and binding, in accordance
9	with applicable law (including regulation); and
10	(B) without regard to any other law (in-
11	cluding regulation), for rent of buildings and
12	space in buildings and for repair, alteration,
13	and improvement of buildings and space in
14	buildings rented by the Secretary, except that the
15	Secretary shall not expend funds under the au-
16	thority of this subparagraph—
17	(i) except when necessary to obtain an
18	item, service, or facility, that is required in
19	the proper administration of this subtitle,
20	and that otherwise could not be obtained, or
21	could not be obtained in the quantity or
22	quality needed, or at the time, in the form,
23	or under the conditions in which the item,
24	service, or facility is needed; and

- 1 (ii) prior to having given written noti-2 fication to the Administrator of General 3 Services (if the expenditure would affect an 4 activity that otherwise would be under the jurisdiction of the General Services Admin-5 6 istration) of the intention of the Secretary 7 to make the expenditure, and the reasons 8 and justifications for the expenditure. SEC. 351. AUTHORIZATION OF APPROPRIATIONS. 9 10 There are authorized to be appropriated to carry out 11 this subtitle such sums as may be necessary for each of the fiscal years 1999 through 2004. 12 Subtitle C—National Programs 13 14 SEC. 361. NATIVE AMERICAN PROGRAMS. 15 (a) PURPOSE AND POLICY.— (1) PURPOSE.—The purpose of this section is to 16 17 support workforce investment activities and supple-18 mental services for Indian and Native Hawaiian in-19 dividuals in order— 20 (A) to develop more fully the academic, oc-21 cupational, and literacy skills of such individ-
- 22 uals;
- 23 (B) to make such individuals more competitive in the workforce: and 24

1	(C) to promote the economic and social de-
2	velopment of Indian and Native Hawaiian com-
3	munities in accordance with the goals and values
4	of such communities.
5	(2) INDIAN POLICY.—All programs assisted
6	under this section shall be administered in a manner
7	consistent with the principles of the Indian Self-De-
8	termination and Education Assistance Act (25 U.S.C.
9	450 et seq.) and the government-to-government rela-
10	tionship between the Federal Government and Indian
11	tribal governments.
12	(b) DEFINITIONS.—In this section:
13	(1) Indian, indian tribe, and tribal organi-
14	ZATION.—The terms "Indian", "Indian tribe", and
15	"tribal organization" have the meanings given such
16	terms in subsections (d), (e), and (l), respectively, of
17	section 4 of the Indian Self-Determination and Edu-
18	cation Assistance Act (25 U.S.C. 450b).
19	(2) NATIVE HAWAIIAN AND NATIVE HAWAIIAN OR-
20	GANIZATION.—The terms "Native Hawaiian" and
21	"Native Hawaiian organization" have the meanings
22	given such terms in paragraphs (1) and (3), respec-
23	tively, of section 9212 of the Native Hawaiian Edu-

cation Act (20 U.S.C. 7912).

1	(c) PROGRAMS AUTHORIZED.—The Secretary shall
2	make grants to, or enter into contracts or cooperative agree-
3	ments with, Indian tribes, tribal organizations, Indian-con-
4	trolled organizations serving Indians, or Native Hawaiian
5	organizations to carry out the authorized activities de-
6	scribed in subsection (d).
7	(d) Authorized Activities.—
8	(1) IN GENERAL.—Funds made available under
9	this section shall be used to carry out the activities
10	described in paragraph (2) that—
11	(A) are consistent with this section; and
12	(B) are necessary to meet the needs of Indi-
13	ans or Native Hawaiians preparing to enter, re-
14	enter, or retain unsubsidized employment.
15	(2) Workforce investment activities and
16	SUPPLEMENTAL SERVICES.—
17	(A) IN GENERAL.—Funds made available
18	under this section shall be used for—
19	(i) building a comprehensive facility to
20	be utilized by American Samoans residing
21	in Hawaii for the co-location of federally
22	funded and State funded workforce invest-
23	ment activities;

- 1 comprehensive workforce invest-(ii)2 ment activities for Indians or Native Hawaiians; or 3 4 (iii) supplemental services for Indian or Native Hawaiian youth on or near In-5 6 dian reservations and in Oklahoma. Alaska. 7 or Hawaii. 8 (B) SPECIAL RULE.—Notwithstanding any 9 other provision of this section, individuals who 10 were eligible to participate in programs under 11 section 401 of the Job Training Partnership Act 12 (29 U.S.C. 1671) (as such section was in effect 13 on the day before the date of enactment of this 14 Act) shall be eligible to participate in an activ-15 ity assisted under subparagraph (A)(i). 16 (e) PROGRAM PLAN.—In order to receive a grant or enter into a contract or cooperative agreement under this 17 section an entity described in subsection (c) shall submit 18 to the Secretary a plan that describes a 2-year strategy for 19 meeting the needs of Indian or Native Hawaiian individ-20 21 uals, as appropriate, in the area served by such entity. Such
- 22 plan shall—
- 23 (1) be consistent with the purpose of this section;
 24 (2) identify the population to be served;

1	(3) identify the education and employment needs
2	of the population to be served and the manner in
3	which the activities to be provided will strengthen the
4	ability of the individuals served to obtain or retain
5	unsubsidized employment;
6	(4) describe the activities to be provided and the
7	manner in which such activities are to be integrated
8	with other appropriate activities; and
9	(5) describe, after the entity submitting the plan
10	consults with the Secretary, the performance measures
11	to be used to assess the performance of entities in car-
12	rying out the activities assisted under this section.
13	(f) Consolidation of Funds.—Each entity receiving
14	assistance under this section may consolidate such assist-
15	ance with assistance received from related programs in ac-
16	cordance with the provisions of the Indian Employment,
17	Training and Related Services Demonstration Act of 1992
18	(25 U.S.C. 3401 et seq.).
19	(g) Nonduplicative and Nonexclusive Serv-
20	ICES.—Nothing in this section shall be construed—
21	(1) to limit the eligibility of any entity described
22	in subsection (c) to participate in any activity offered
23	by a State or local entity under this Act; or
24	(2) to preclude or discourage any agreement, be-
25	tween any entity described in subsection (c) and any

1	State or local entity, to facilitate the provision of
2	services by such entity or to the population served by
3	such entity.
4	(h) Administrative Provisions.—
5	(1) Organizational unit established.—The
6	Secretary shall designate a single organizational unit
7	within the Department of Labor that shall have pri-
8	mary responsibility for the administration of the ac-
9	tivities authorized under this section.
10	(2) REGULATIONS.—The Secretary shall consult
11	with the entities described in subsection (c) in—
12	(A) establishing regulations to carry out
13	this section, including performance measures for
14	entities receiving assistance under such sub-
15	section, taking into account the economic cir-
16	cumstances of such entities; and
17	(B) developing a funding distribution plan
18	that takes into consideration previous levels of
19	funding (prior to the date of enactment of this
20	Act) to such entities.
21	(3) WAIVERS.—
22	(A) IN GENERAL.—With respect to an entity
23	described in subsection (c), the Secretary, not-
24	withstanding any other provision of law, may,
25	pursuant to a request submitted by such entity

1	that meets the requirements established under
2	paragraph (2), waive any of the statutory or reg-
3	ulatory requirements of this title that are incon-
4	sistent with the specific needs of the entities de-
5	scribed in such subsection, except that the Sec-
6	retary may not waive requirements relating to
7	wage and labor standards, worker rights, partici-
8	pation and protection of participants, grievance
9	procedures, and judicial review.
10	(B) REQUEST AND APPROVAL.—An entity
11	described in subsection (c) that requests a waiver
12	under subparagraph (A) shall submit a plan to
13	the Secretary to improve the program of
14	workforce investment activities carried out by the
15	entity, which plan shall meet the requirements
16	established by the Secretary and shall be gen-
17	erally consistent with the requirements of section
18	379(i)(3).
19	(4) Advisory council.—
20	(A) IN GENERAL.—The Secretary shall es-
21	tablish a Native American Employment and
22	Training Council to facilitate the consultation
23	described in paragraph (2).
24	(B) Composition.—The Council shall be
25	composed of individuals, appointed by the Sec-

1	retary, who are representatives of the entities de-
2	scribed in subsection (c).
3	(C) DUTIES.—The Council shall advise the
4	Secretary on all aspects of the operation and ad-
5	ministration of the programs assisted under this
6	section, including the selection of the individual
7	appointed as the head of the unit established
8	under paragraph (1).
9	(D) Personnel matters.—
10	(i) Compensation of members.—
11	Members of the Council shall serve without
12	compensation.
13	(ii) TRAVEL EXPENSES.—The members
14	of the Council shall be allowed travel ex-
15	penses, including per diem in lieu of sub-
16	sistence, at rates authorized for employees of
17	agencies under subchapter I of chapter 57 of
18	title 5, United States Code, while away
19	from their homes or regular places of busi-
20	ness in the performance of services for the
21	Council.
22	(iii) Administrative support.—The
23	Secretary shall provide the Council with
24	such administrative support as may be nec-

1	essary to perform the functions of the Coun-
2	cil.
3	(E) CHAIRPERSON.—The Council shall se-
4	lect a chairperson from among its members.
5	(F) MEETINGS.—The Council shall meet not
6	less than twice each year.
7	(G) APPLICATION.—Section 14 of the Fed-
8	eral Advisory Committee Act (5 U.S.C. App.)
9	shall not apply to the Council.
10	(5) TECHNICAL ASSISTANCE.—The Secretary,
11	acting through the unit established under paragraph
12	(1), is authorized to provide technical assistance to
13	entities described in subsection (c) that receive assist-
14	ance under this section to enable such entities to im-
15	prove the activities authorized under this section that
16	are provided by such entities.
17	SEC. 362. MIGRANT AND SEASONAL FARMWORKER PRO-
18	GRAMS.
19	(a) IN GENERAL.—Every 2 years, the Secretary shall,
20	on a competitive basis, make grants to, or enter into con-
21	tracts with, eligible entities to carry out the activities de-
22	scribed in subsection (d).
23	(b) ELIGIBLE ENTITIES.—To be eligible to receive a
24	grant or enter into a contract under this section, an entity
25	shall have an understanding of the problems of eligible mi-

grant and seasonal farmworkers (including dependents), a
 familiarity with the area to be served, and the ability to
 demonstrate a capacity to administer effectively a diversi fied program of workforce investment activities (including
 youth activities) and related assistance for eligible migrant
 and seasonal farmworkers.

7 (c) PROGRAM PLAN.—

8 (1) IN GENERAL.—To be eligible to receive a 9 grant or enter into a contract under this section, an 10 entity described in subsection (b) shall submit to the 11 Secretary a plan that describes a 2-year strategy for 12 meeting the needs of eligible migrant and seasonal 13 farmworkers in the area to be served by such entity. 14 (2) ADMINISTRATION.—Grants and contracts 15 awarded under this section shall be centrally admin-16 istered by the Department of Labor and competitively 17 awarded by the Secretary using procedures consistent 18 with standard Federal Government competitive pro-19 curement policies. 20 (3) Competition.— 21 (A) IN GENERAL.—The competition for

grants made and contracts entered into under
this section shall be conducted every 2 years.

24 (B) EXCEPTION.—Notwithstanding sub25 paragraph (A), if a recipient of such a grant or

1	contract has performed satisfactorily under the
2	terms of the grant agreement or contract, the
3	Secretary may waive the requirement for such
4	competition for such recipient upon receipt from
5	the recipient of a satisfactory 2-year plan de-
6	scribed in paragraph (1) for the succeeding 2-
7	year grant or contract period.
8	(4) CONTENTS.—Such plan shall—
9	(A) identify the education and employment
10	needs of the eligible migrant and seasonal farm-
11	workers to be served and the manner in which
12	the workforce investment activities (including
13	youth activities) to be carried out will strengthen
14	the ability of the eligible migrant and seasonal
15	farmworkers to obtain or retain unsubsidized
16	employment or stabilize their unsubsidized em-
17	ployment;
18	(B) describe the related assistance, includ-
19	ing supportive services, to be provided and the
20	manner in which such assistance and services
21	are to be integrated and coordinated with other
22	appropriate services; and
23	(C) describe, after consultation with the
24	Secretary, the performance measures to be used

1 to assess the performance of such entity in carry-2 ing out the activities assisted under this section. 3 (d) AUTHORIZED ACTIVITIES.—Funds made available 4 under this section shall be used to carry out workforce investment activities (including youth activities) and provide 5 related assistance for eligible migrant and seasonal farm-6 7 workers, which may include employment, training, edu-8 cational assistance, literacy assistance, an English lan-9 quage program, worker safety training, supportive services, 10 dropout prevention activities, follow-up services for those 11 individuals placed in employment, self-employment and related business enterprise development education as needed 12 13 by eligible migrant and seasonal farmworkers and identified pursuant to the plan required by subsection (c), and 14 15 technical assistance relating to capacity enhancement in such areas as management information technology. 16

(e) CONSULTATION WITH GOVERNORS AND LOCAL
PARTNERSHIPS.—In making grants and entering into contracts under this section, the Secretary shall consult with
the Governors and local partnerships of the States in which
the eligible entities will carry out the activities described
in subsection (d).

(f) REGULATIONS.—The Secretary shall consult with
eligible migrant and seasonal farmworkers groups and
States in establishing regulations to carry out this section,

1	including performance measures for eligible entities that
2	take into account the economic circumstances and demo-
3	graphics of eligible migrant and seasonal farmworkers.
4	(g) DEFINITIONS.—In this section:
5	(1) DISADVANTAGED.—The term "disadvan-
6	taged", used with respect to a farmworker, means a
7	farmworker whose income, for 12 consecutive months
8	out of the 24 months prior to application for the pro-
9	gram involved, does not exceed the higher of—
10	(A) the poverty line (as defined in section
11	334(a)(2)(B)) for an equivalent period; or
12	(B) 70 percent of the lower living standard
13	income level, for an equivalent period.
14	(2) ELIGIBLE MIGRANT AND SEASONAL FARM-
15	workers.—The term "eligible migrant and seasonal
16	farmworkers" means individuals who are eligible mi-
17	grant farmworkers or are eligible seasonal farm-
18	workers.
19	(3) Eligible migrant farmworker.—The
20	term "eligible migrant farmworker" means—
21	(A) an eligible seasonal farmworker de-
22	scribed in paragraph $(4)(A)$ whose agricultural
23	labor requires travel to a job site such that the
24	farmworker is unable to return to a permanent
25	place of residence within the same day; and

1	(B) a dependent of the farmworker described
2	in subparagraph (A).
3	(4) Eligible seasonal farmworker.—The
4	term "eligible seasonal farmworker" means—
5	(A) a disadvantaged person who, for 12
6	consecutive months out of the 24 months prior to
7	application for the program involved, has been
8	primarily employed in agricultural labor that is
9	characterized by chronic unemployment or
10	underemployment; and
11	(B) a dependent of the person described in
12	subparagraph (A).
13	SEC. 363. VETERANS' WORKFORCE INVESTMENT PRO-
13 14	SEC. 363. VETERANS' WORKFORCE INVESTMENT PRO- GRAMS.
14	GRAMS.
14 15	GRAMS. (a) AUTHORIZATION.—
14 15 16	GRAMS. (a) Authorization.— (1) In general.—The Secretary shall conduct,
14 15 16 17	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to
14 15 16 17 18	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of
14 15 16 17 18 19	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of service-connected disabled veterans, Vietnam era vet-
14 15 16 17 18 19 20	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of service-connected disabled veterans, Vietnam era vet- erans, and recently separated veterans.
14 15 16 17 18 19 20 21	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of service-connected disabled veterans, Vietnam era vet- erans, and recently separated veterans. (2) CONDUCT OF PROGRAMS.—Programs sup-
 14 15 16 17 18 19 20 21 22 	GRAMS. (a) AUTHORIZATION.— (1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of service-connected disabled veterans, Vietnam era vet- erans, and recently separated veterans. (2) CONDUCT OF PROGRAMS.—Programs sup- ported under this section may be conducted through

1	that the Secretary determines have an understanding
2	of the unemployment problems of veterans described
3	in paragraph (1), familiarity with the area to be
4	served, and the capability to administer effectively a
5	program of workforce investment activities for such
6	veterans.
7	(3) REQUIRED ACTIVITIES.—Programs supported
8	under this section shall include—
9	(A) activities to enhance services provided
10	to veterans by other providers of workforce in-
11	vestment activities funded by Federal, State, or
12	local government;
13	(B) activities to provide workforce invest-
14	ment activities to such veterans that are not ade-
15	quately provided by other public providers of
16	workforce investment activities; and
17	(C) outreach and public information activi-
18	ties to develop and promote maximum job and
19	job training opportunities for such veterans and
20	to inform such veterans about employment, job
21	training, on-the-job training and educational op-
22	portunities under this title, under title 38, Unit-
23	ed States Code, and under other provisions of
24	law, which activities shall be coordinated with

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1	activities provided through the one-stop customer
2	service centers.
3	(b) Administration of Programs.—
4	(1) IN GENERAL.—The Secretary shall admin-
5	ister programs supported under this section through
6	the Assistant Secretary for Veterans' Employment
7	and Training.
8	(2) Additional responsibilities.—In carry-
9	ing out responsibilities under this section, the Assist-
10	ant Secretary for Veterans' Employment and Train-
11	ing shall—
12	(A) be responsible for the awarding of
13	grants and contracts and the distribution of
14	funds under this section and for the establish-
15	ment of appropriate fiscal controls, accountabil-
16	ity, and program performance measures for re-
17	cipients of grants and contracts under this sec-
18	tion; and
19	(B) consult with the Secretary of Veterans
20	Affairs and take steps to ensure that programs
21	supported under this section are coordinated, to
22	the maximum extent feasible, with related pro-
23	grams and activities conducted under title 38,
24	United States Code, including programs and ac-
25	tivities conducted under subchapter II of chapter

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1	77 of such title, chapters 30, 31, 32, and 34 of
2	such title, and sections 1712A, 1720A, 3687, and
3	4103A of such title.
4	SEC. 364. YOUTH OPPORTUNITY GRANTS.
5	(a) GRANTS.—
6	(1) IN GENERAL.—Using funds made available
7	under section 302(b)(3)(A), the Secretary shall make
8	grants to eligible local partnerships to provide activi-
9	ties described in subsection (b) for youth to increase
10	the long-term employment of eligible youth who live
11	in empowerment zones, enterprise communities, and
12	high poverty areas and who seek assistance.
13	(2) GRANT PERIOD.—The Secretary may make a
14	grant under this section for a 1-year period, and may
15	renew the grant for each of the 4 succeeding years.
16	(3) GRANT AWARDS.—The minimum amount
17	that may be made available to a grant recipient for
18	the first year of a grant made under this section shall
19	be \$10,000,000.
20	(b) Use of Funds.—
21	(1) IN GENERAL.—A local partnership that re-
22	ceives a grant under this section shall use the funds
23	made available through the grant to provide activities
24	that meet the requirements of section 316, except as
25	provided in paragraph (2), as well as youth develop-

ment activities such as activities relating to leader-
ship development, citizenship, and community service,
and recreation activities.
(2) INTENSIVE PLACEMENT AND FOLLOWUP
SERVICES.—In providing activities under this section,
a local partnership shall provide—
(A) intensive placement services; and
(B) followup services for not less than 24
months after the completion of participation in
the other activities described in this subsection,

11 as appropriate.

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12 (c) ELIGIBLE LOCAL PARTNERSHIPS.—To be eligible to receive a grant under this section, a local partnership— 13 14 (1) shall serve a community that—

15 (A) has a population of at least 50,000; and 16 (B) has been designated as an empowerment 17 zone or an enterprise community under section 18 1391 of the Internal Revenue Code of 1986; or

19 (2) in a State without a zone or community de-20 scribed in paragraph (1)(B), shall serve a community 21 that has been designated as a high poverty area by 22 the Governor of the State.

23 (d) APPLICATION.—To be eligible to receive a grant 24 under this section, a local partnership shall submit an ap-25 plication to the Secretary at such time, in such manner,

and containing such information as the Secretary may re quire, including—

3	(1) a description of the activities that the local
4	partnership will provide under this section to youth
5	in the community described in subsection (c);
6	(2) a description of the performance measures
7	negotiated under subsection (e), and the manner in
8	which the local partnerships will carry out the activi-
9	ties to meet the performance measures;
10	(3) a description of the manner in which the ac-
11	tivities will be linked to activities described in section
12	316; and
13	(4) a description of the community support, in-
14	cluding financial support through leveraging addi-
15	tional public and private resources, for the activities.
16	(e) Performance Measures.—
17	(1) IN GENERAL.—The Secretary shall negotiate
18	and reach agreement with the local partnership on
19	performance measures that will be used to evaluate
20	the performance of the local partnership in carrying
21	out the activities described in subsection (b). Each
22	local performance measure shall consist of an indica-
23	tor of performance referred to in paragraph (2) or (3)
24	of section 321(b), and a performance level referred to
25	in paragraph (2).

(2) PERFORMANCE LEVELS.—The Secretary shall
 negotiate and reach agreement with the local partner ship regarding the levels of performance expected to be
 achieved by the local partnership on the indicators of
 performance.

6 SEC. 365. INCENTIVE GRANTS.

7 (a) IN GENERAL.—The Secretary may make grants to
8 States that exceed—

9 (1) the State performance measures established
10 by the Secretary of Education under this Act; and

(2) the State performance measures established
under this title.

(b) PRIORITY.—In awarding incentive grants under
this section, the Secretary shall give priority to those States
submitting a State unified plan as described in section 501
that is approved by the appropriate Secretaries as described
in such section.

(c) USE OF FUNDS.—A State that receives an incentive grant under this section shall use the funds made available through the grant to carry out innovative programs
as determined by the State.

22 SEC. 366. TECHNICAL ASSISTANCE.

(a) TRANSITION ASSISTANCE.—The Secretary shall
provide technical assistance to assist States in making transitions from carrying out activities under provisions de-

1	scribed in section 391 to carrying out activities under this
2	title.
3	(b) Performance Improvement.—
4	(1) General Assistance.—
5	(A) AUTHORITY.—The Secretary—
6	(i) shall provide technical assistance to
7	States that do not meet a State performance
8	measure described in section 321(b) for a
9	program year; and
10	(ii) may provide technical assistance
11	to other States, local areas, and grant re-
12	cipients under sections 361 and 362 to pro-
13	mote the continuous improvement of the
14	programs and activities authorized under
15	this title.
16	(B) FORM OF ASSISTANCE.—In carrying
17	out this paragraph on behalf of a State, or grant
18	recipient under section 361 or 362, the Sec-
19	retary, after consultation with the State or grant
20	recipient, may award grants and enter into con-
21	tracts and cooperative agreements.
22	(C) LIMITATION.—Grants or contracts
23	awarded under this paragraph that are for
24	amounts in excess of \$50,000 shall only be
25	awarded on a competitive basis.

1	(2)	Dislocated	WORKER	TECHNICAL	ASSIST
2	ANCE.—				

3 (A) AUTHORITY.—Of the amounts available 4 pursuant to section 302(a)(2), the Secretary shall 5 reserve not more than 5 percent of such amounts 6 to provide technical assistance to States that do 7 not meet the State performance measures de-8 scribed in section 321(b) with respect to employ-9 ment and training activities for dislocated work-10 ers. Using such reserved funds, the Secretary 11 may provide such assistance to other States, 12 local areas, business and labor organizations, 13 and other entities involved in providing assist-14 ance to dislocated workers, to promote the con-15 tinuous improvement of assistance provided to 16 dislocated workers, under this title.

17 (B) TRAINING.—Amounts reserved under 18 this paragraph may be used to provide for the 19 training of staff, including specialists, who pro-20 vide rapid response services. Such training shall 21 include instruction in proven methods of promot-22 ing, establishing, and assisting labor-manage-23 ment committees. Such projects shall be adminis-24 tered through the dislocated worker office de-25 scribed in section 369(b).

1SEC. 367. DEMONSTRATION, PILOT, MULTISERVICE, RE-2SEARCH, AND MULTISTATE PROJECTS.

3 (a) STRATEGIC PLAN.—

4 (1)IN GENERAL.—After consultation with 5 States, localities, and other interested parties, the Sec-6 retary shall, every 2 years, publish in the Federal 7 Register, a plan that describes the demonstration and 8 pilot (including dislocated worker demonstration and 9 pilot), multiservice, research, and multistate project 10 priorities of the Department of Labor concerning em-11 ployment and training for the 5-year period following 12 the submission of the plan. Copies of the plan shall 13 be transmitted to the appropriate committees of Con-14 gress.

15 (2) LIMITATION.—With respect to a plan pub-16 lished under paragraph (1), the Secretary shall ensure 17 that research projects (referred to in subsection (d)) 18 are considered for incorporation into the plan only 19 after projects referred to in subsections (b), (c), and 20 (e) have been considered and incorporated into the 21 plan, and are funded only as funds remain to permit 22 the funding of such research projects.

23 (3) FACTORS.—The plan published under para24 graph (1) shall contain strategies to address national
25 employment and training problems and take into ac26 count factors such as—

1	(A) the availability of existing research (as
2	of the date of the publication);
3	(B) the need to ensure results that have
4	interstate validity;
5	(C) the benefits of economies of scale and the
6	efficiency of proposed projects; and
7	(D) the likelihood that the results of the
8	projects will be useful to policymakers and stake-
9	holders in addressing employment and training
10	problems.
11	(b) Demonstration and Pilot Projects.—
12	(1) IN GENERAL.—Under a plan published under
13	subsection (a), the Secretary shall, through grants or
14	contracts, carry out demonstration and pilot projects
15	for the purpose of developing and implementing tech-
16	niques and approaches, and demonstrating the effec-
17	tiveness of specialized methods, in addressing employ-
18	ment and training needs. Such projects shall include
19	the provision of direct services to individuals to en-
20	hance employment opportunities and an evaluation
21	component.
22	(2) Limitations.—
23	(A) Competitive Awards.—Grants or con-
24	tracts awarded for carrying out demonstration
25	and pilot projects under this subsection shall be

1	awarded only on a competitive basis, except that
2	a noncompetitive award may be made in the
3	case of a project that is funded jointly with other
4	public or private sector entities that provide a
5	substantial portion of the funding for the project.
6	(B) ELIGIBLE ENTITIES.—Grants or con-
7	tracts may be awarded under this subsection
8	only to—
9	(i) entities with recognized expertise
10	in—
11	(I) conducting national dem-
12	onstration projects;
13	(II) utilizing state-of-the-art dem-
14	onstration methods; and
15	(III) conducting evaluations of
16	employment and training projects; or
17	(ii) State and local entities with exper-
18	tise in operating or overseeing employment
19	and training programs.
20	(C) TIME LIMITS.—The Secretary shall es-
21	tablish appropriate time limits for carrying out
22	demonstration and pilot projects under this sub-
23	section.
24	(c) Multiservice Projects.—

1	(1) IN GENERAL.—Under a plan published under
2	subsection (a), the Secretary shall, through grants or
3	contracts, carry out multiservice projects—
4	(A) that will test an array of approaches to
5	the provision of employment and training serv-
6	ices to a variety of targeted populations;
7	(B) in which the entity carrying out the
8	project, in conjunction with employers, organized
9	labor, and other groups such as the disability
10	community, will design, develop, and test var-
11	ious training approaches in order to determine
12	effective practices; and
13	(C) that will assist in the development and
14	replication of effective service delivery strategies
15	for targeted populations for the national employ-
16	ment and training system as a whole.
17	(2) Limitations.—
18	(A) Competitive Awards.—Grants or con-
19	tracts awarded for carrying out multiservice
20	projects under this subsection shall be awarded
21	only on a competitive basis.
22	(B) TIME LIMITS.—A grant or contract
23	shall not be awarded under this subsection to the
24	same organization for more than 3 consecutive

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years unless such grant or contract is competi-
tively reevaluated within such period.
(d) Research.—
(1) IN GENERAL.—Under a plan published under
subsection (a), the Secretary shall, through grants or
contracts, carry out research projects that will con-
tribute to the solution of employment and training
problems in the United States.
(2) Limitations.—
(A) Competitive Awards.—Grants or con-
tracts awarded for carrying out research projects
under this subsection in amounts that exceed
\$50,000 shall be awarded only on a competitive
basis, except that a noncompetitive award may
be made in the case of a project that is funded
jointly with other public or private sector enti-
ties that provide a substantial portion of the
funding for the project.
(B) ELIGIBLE ENTITIES.—Grants or con-
tracts shall be awarded under this subsection
only to entities with nationally recognized exper-
tise in the methods, techniques, and knowledge of
the social sciences.

1	(C) TIME LIMITS.—The Secretary shall es-
2	tablish appropriate time limits for the duration
3	of research projects funded under this subsection.
4	(e) Multistate Projects.—
5	(1) IN GENERAL.—
6	(A) AUTHORITY.—Under a plan published
7	under subsection (a), the Secretary may, through
8	grants or contracts, carry out multistate projects
9	that require demonstrated expertise that is avail-
10	able at the national level to effectively dissemi-
11	nate best practices and models for implementing
12	employment and training services, address the
13	specialized employment and training needs of
14	particular service populations, or address indus-
15	trywide skill shortages.
16	(B) Design of grants.—Grants or con-
17	tracts awarded under this subsection shall be de-
18	signed to obtain information relating to the pro-
19	vision of services under different economic condi-
20	tions or to various demographic groups in order
21	to provide guidance at the national and State
22	levels about how best to administer specific em-
23	ployment and training services.
24	(9) I IMITATIONS

24 (2) LIMITATIONS.—

(A) COMPETITIVE AWARDS.—Grants or contracts awarded for carrying out multistate projects under this subsection shall be awarded only on a competitive basis.

5 (B) TIME LIMITS.—A grant or contract 6 shall not be awarded under this subsection to the 7 same organization for more than 3 consecutive 8 years unless such grant or contract is competi-9 tively reevaluated within such period.

10 (f) DISLOCATED WORKER PROJECTS.—Of the amount made available pursuant to section 302(a)(2)(A) for any 11 program year, the Secretary shall use not more than 5 per-12 13 cent of such amount to carry out demonstration and pilot projects, multiservice projects, and multistate projects, re-14 15 lating to the employment and training needs of dislocated workers. Of the requirements of this section, such projects 16 shall be subject only to the provisions relating to review and 17 18 evaluation of applications under subsection (q). Such projects may include demonstration and pilot projects relat-19 ing to promoting self-employment, promoting job creation, 20 21 averting dislocations, assisting dislocated farmers, assisting 22 dislocated fishermen, and promoting public works. Such 23 projects shall be administered through the dislocated worker 24 office described in section 369(b).

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(g) PEER REVIEW.—The Secretary shall utilize a peer
 review process to—

3 (1) review and evaluate all applications for
4 grants and contracts in amounts that exceed \$100,000
5 that are submitted under this section; and
6 (2) review and designate exemplary and promis7 ing programs under this section.
8 SEC. 368. EVALUATIONS.

9 (a) PROGRAMS AND ACTIVITIES CARRIED OUT UNDER 10 THIS TITLE.—For the purpose of improving the manage-11 ment and effectiveness of programs and activities carried 12 out under this title, the Secretary shall provide for the con-13 tinuing evaluation of the programs and activities. Such 14 evaluations shall address—

15 (1) the general effectiveness of such programs
16 and activities in relation to their cost;

17 (2) the effectiveness of the performance measures
18 relating to such programs and activities;

19 (3) the effectiveness of the structure and mecha20 nisms for delivery of services through such programs
21 and activities;

(4) the impact of the programs and activities on
the community and participants involved;

24 (5) the impact of such programs and activities
25 on related programs and activities;

1	(6) the extent to which such programs and ac-
2	tivities meet the needs of various demographic groups;
3	and
4	(7) such other factors as may be appropriate.
5	(b) Other Programs and Activities.—The Sec-
6	retary may conduct evaluations of other federally funded
7	employment-related programs and activities, including pro-
8	grams and activities administered under—
9	(1) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);
10	(2) the Act of August 16, 1937 (commonly known
11	as the "National Apprenticeship Act"; 50 Stat. 664,
12	chapter 663; 29 U.S.C. 50 et seq.);
13	(3) the Older Americans Act of 1965 (42 U.S.C.
14	3001 et seq.);
15	(4) chapter 2 of title II of the Trade Act of 1974
16	(19 U.S.C. 2271 et seq.); and
17	(5) the Federal unemployment insurance pro-
18	gram under titles III, IX, and XII of the Social Secu-
19	rity Act (42 U.S.C. 501 et seq., 1101 et seq., and 1321
20	et seq.).
21	(c) Techniques.—Evaluations conducted under this
22	$section \ shall \ utilize \ appropriate \ methodology \ and \ research$
23	designs, which may include the use of control groups chosen
24	by scientific random assignment methodologies. Such an
25	evaluation shall be conducted by a person not immediately

involved in the administration of the program or activity
 being evaluated.

3 (d) REPORTS.—The entity carrying out an evaluation
4 described in subsection (a), (b), or (c) shall prepare and
5 submit to the Secretary a draft report and a final report
6 containing the results of the evaluation.

(e) REPORTS TO CONGRESS.—Not later than 30 days
after the completion of such a draft report, the Secretary
shall transmit the draft report to the appropriate committees of Congress. Not later than 60 days after the completion
of such a final report, the Secretary shall transmit the final
report to the appropriate committees of Congress.

13 SEC. 369. NATIONAL EMERGENCY GRANTS.

14 (a) IN GENERAL.—The Secretary is authorized to
15 award national emergency grants in a timely manner—
16 (1) to an entity described in subsection (c) to
17 provide employment and training assistance to work18 ers affected by major economic dislocations, such as
19 plant closures, mass layoffs, or closures and realign20 ments of military installations;

(2) to provide assistance to the Governor of any
State within the boundaries of which is an area that
has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of The Robert T. Stafford Disaster Relief

and Emergency Assistance Act (42 U.S.C. 5122 (1)
 and (2)) (referred to in this section as the "disaster
 area") to provide disaster relief employment in the
 area; and

(3) to provide additional assistance to a State or 5 6 local partnership for eligible dislocated workers in a 7 case in which the State or local partnership has ex-8 pended the funds provided under this section to carry 9 out activities described in paragraphs (1) and (2) 10 and can demonstrate the need for additional funds to 11 provide appropriate services for such workers, in ac-12 cordance with requirements prescribed by the Sec-13 retary.

(b) ADMINISTRATION.—The Secretary shall designate
a dislocated worker office to coordinate the functions of the
Secretary under this title relating to national emergency
grants.

18 (c) Employment and Training Assistance Re19 QUIREMENTS.—

(1) APPLICATION.—To be eligible to receive a
grant under subsection (a)(1), an entity shall submit
an application to the Secretary at such time, in such
manner, and containing such information as the Secretary may require.

1	(2) ELIGIBLE ENTITY.—In this subsection, the
2	term "entity" means a State, a local partnership, an
3	entity described in section 361(c), an employer or em-
4	ployer association, a labor organization, and an en-
5	tity determined to be eligible by the Governor of the
6	State involved.
7	(d) Disaster Relief Employment Assistance Re-
8	QUIREMENTS.—
9	(1) IN GENERAL.—Funds made available under
10	subsection $(a)(2)$ —
11	(A) shall be used to provide disaster relief
12	employment on projects that provide food, cloth-
13	ing, shelter, and other humanitarian assistance
14	for disaster victims, and projects regarding dem-
15	olition, cleaning, repair, renovation, and recon-
16	struction of damaged and destroyed structures,
17	facilities, and lands located within the disaster
18	area;
19	(B) may be expended through public and
20	private agencies and organizations engaged in
21	such projects; and
22	(C) may be expended to provide the services
23	authorized under section 315(c).
24	(2) ELIGIBILITY.—An individual shall be eligible
25	to be offered disaster relief employment under sub-

1	section (a)(2) if such individual is a dislocated work-
2	er, is a long-term unemployed individual, or is tem-
3	porarily or permanently laid off as a consequence of
4	the disaster.
5	(3) Limitations on disaster relief employ-
6	MENT.—No individual shall be employed under sub-
7	section (a)(2) for more than 6 months for work relat-
8	ed to recovery from a single natural disaster.
9	SEC. 370. AUTHORIZATION OF APPROPRIATIONS.
10	(a) IN GENERAL.—
11	(1) NATIVE AMERICAN PROGRAMS; MIGRANT AND
12	SEASONAL FARMWORKER PROGRAMS; VETERANS' EM-
13	PLOYMENT PROGRAMS.—Subject to subsection (b)(1),
14	there are authorized to be appropriated to carry out
15	sections 361 through 363 such sums as may be nec-
16	essary for each of the fiscal years 1999 through 2004.
17	(2) Incentive grants; technical assistance;
18	DEMONSTRATION AND PILOT PROJECTS; EVALUA-
19	TIONS.—Subject to subsection (b)(2), there are author-
20	ized to be appropriated to carry out sections 365
21	through 368, such sums as may be necessary for each
22	of fiscal years 1999 through 2004.
23	(b) Reservations.—
24	(1) NATIVE AMERICAN PROGRAMS; MIGRANT AND
25	SEASONAL FARMWORKER PROGRAMS; VETERANS' EM-

1	PLOYMENT PROGRAMS.—Of the amount appropriated
2	under subsection (a)(1) for a fiscal year, the Sec-
3	retary shall—
4	(A) reserve not less than \$55,000,000 for
5	carrying out section 361;
6	(B) reserve not less than $$70,000,000$ for
7	carrying out section 362; and
8	(C) reserve not less than \$7,300,000 for car-
9	rying out section 363.
10	(2) Incentive grants; technical assistance;
11	DEMONSTRATION AND PILOT PROJECTS; EVALUA-
12	TIONS.—Of the amount appropriated under sub-
13	section (a)(2) for a fiscal year, the Secretary shall—
14	(A) reserve 36.8 percent for carrying out
15	section 365;
16	(B) reserve 25 percent for carrying out sec-
17	tion 366 (other than section $366(b)(2)$);
18	(C) reserve 24.2 percent of a carrying out
19	section 367 (other than 367(f)); and
20	(D) reserve 14 percent for carrying out sec-
21	<i>tion 368</i> .
22	Subtitle D—Administration
23	SEC. 371. REQUIREMENTS AND RESTRICTIONS.
24	(a) Benefits.—
25	(1) WAGES.—

1	(A) IN GENERAL.—Individuals in on-the-job
2	training or individuals employed in programs
3	and activities carried out under this title shall
4	be compensated at the same rates, including
5	periodic increases, as trainees or employees who
6	are similarly situated in similar occupations by
7	the same employer and who have similar skills.
8	Such rates shall be in accordance with applicable
9	law, but in no event less than the higher of the
10	rate specified in section $6(a)(1)$ of the Fair
11	Labor Standards Act of 1938 (29 U.S.C.
12	206(a)(1)) or the applicable State or local mini-
13	mum wage law.
14	(B) CONSTRUCTION.—The reference in sub-
15	paragraph (A) to section $6(a)(1)$ of the Fair
16	Labor Standards Act of 1938—
17	(i) shall be deemed to be a reference to
18	section $6(c)$ of that Act (29 U.S.C. $206(c)$)
19	for individuals in the Commonwealth of
20	Puerto Rico;
21	(ii) shall be deemed to be a reference to
22	section 6(a)(3) (29 U.S.C. 206(a)(3)) of that
23	Act for individuals in American Samoa;
24	and

1	(iii) shall not be applicable for indi-
2	viduals in other territorial jurisdictions in
3	which section 6 of the Fair Labor Stand-
4	ards Act of 1938 (29 U.S.C. 206) does not
5	apply.
6	(2) TREATMENT OF ALLOWANCES, EARNINGS,
7	AND PAYMENTS.—Allowances, earnings, and pay-
8	ments to individuals participating in programs and
9	activities carried out under this title shall not be con-
10	sidered to be income for the purposes of determining
11	eligibility for, and the amount of income transfer and
12	in-kind aid furnished under, any Federal or federally
13	assisted program based on need, other than as pro-
14	vided under the Social Security Act (42 U.S.C. 301
15	et seq.).
16	(b) Labor Standards.—
17	(1) DISPLACEMENT.—
18	(A) PROHIBITION.—A participant in a pro-
19	gram or activity authorized under this title (re-
20	ferred to in this subsection as a "specified activ-
21	ity") shall not displace (including a partial dis-
22	placement, such as a reduction in the hours of
23	nonovertime work, wages, or employment bene-
24	fits) any currently employed employee (as of the
25	date of the participation).

1	(B) PROHIBITION ON IMPAIRMENT OF CON-
2	TRACTS.—A specified activity shall not impair
3	an existing contract for services or collective bar-
4	gaining agreement, and no such activity that
5	would be inconsistent with the terms of a collec-
6	tive bargaining agreement shall be undertaken
7	without the written concurrence of the labor or-
8	ganization and employer concerned.
9	(2) OTHER PROHIBITIONS.—A participant in a
10	specified activity shall not be employed in a job—
11	(A) when any other individual is on layoff
12	from the same or any substantially equivalent
13	job with the participating employer;
14	(B) when the employer has terminated the
15	employment of any regular employee or other-
16	wise reduced the workforce of the employer with
17	the intention of filling the vacancy so created
18	with the participant; or
19	(C) that is created in a promotional line
20	that will infringe in any way on the pro-
21	motional opportunities of currently employed in-
22	dividuals (as of the date of the participation).
23	(3) HEALTH AND SAFETY.—Health and safety
24	standards established under Federal and State law
25	otherwise applicable to working conditions of employ-

1 ees shall be equally applicable to working conditions 2 of participants engaged in specified activities. To the 3 extent that a State workers' compensation law ap-4 plies, workers' compensation shall be provided to par-5 ticipants on the same basis as the compensation is 6 provided to other individuals in the State in similar 7 employment.

8 (4) EMPLOYMENT CONDITIONS.—Individuals in 9 on-the-job training or individuals employed in pro-10 grams and activities carried out under this title, shall 11 be provided benefits and working conditions at the 12 same level and to the same extent as other trainees or 13 employees working a similar length of time and doing 14 the same type of work.

(5) OPPORTUNITY TO SUBMIT COMMENTS.—Consistent with sections 303(d)(2) and 309(c), interested
members of the public shall be provided an opportunity to submit comments with respect to programs
and activities proposed to be funded under subtitle A.
(c) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—Each State receiving an allotment under section 302 and each grant recipient
under section 361 or 362 shall establish and maintain
a procedure for grievances or complaints alleging violations of the requirements of this title from partici-

1	pants and other interested or affected parties. Such
2	procedure shall include an opportunity for a hearing
3	and be completed within 60 days after the date of the
4	filing of the grievance or complaint.
5	(2) Investigation.—
6	(A) IN GENERAL.—The Secretary shall in-
7	vestigate an allegation of a violation described in
8	paragraph (1) if—
9	(i) a decision relating to such violation
10	has not been reached within 60 days after
11	the date of the filing of the grievance or
12	complaint and either party appeals the de-
13	cision to the Secretary; or
14	(ii) a decision relating to such viola-
15	tion has been reached within 60 days after
16	the date of the filing and the party to which
17	such decision is adverse appeals the decision
18	to the Secretary.
19	(B) Additional requirement.—The Sec-
20	retary shall make a final determination relating
21	to an appeal made under subparagraph (A) no
22	later than 120 days after the date of such appeal.
23	(3) Remedies.—Remedies that may be imposed
24	under this subsection for a violation of any require-
25	ment of this title shall be limited—

1	(A) to suspension or termination of pay-
2	ments under this title to a person that has vio-
3	lated any requirement of this title;
4	(B) to prohibition of placement of a partici-
5	pant with an employer that has violated any re-
6	quirement of this title;
7	(C) where applicable, to reinstatement of an
8	employee, payment of lost wages and benefits,
9	and reestablishment of other relevant terms, con-
10	ditions, and privileges of employment; and
11	(D) where appropriate, to other equitable
12	relief.
13	(4) Construction.—Nothing in paragraph (3)
14	shall be construed to prohibit a grievant or complain-
15	ant from pursuing a remedy authorized under an-
16	other Federal, State, or local law for a violation of
17	this title.
18	(d) Relocation.—
19	(1) Prohibition on use of funds to encour-
20	AGE OR INDUCE RELOCATION.—No funds provided
21	under this title shall be used, or proposed for use, to
22	encourage or induce the relocation of a business or
23	part of a business if such relocation would result in
24	a loss of employment for any employee of such busi-

ness at the original location and such original loca tion is within the United States.

3 (2) Prohibition on use of funds for cus-4 TOMIZED OR SKILL TRAINING AND RELATED ACTIVI-5 TIES AFTER RELOCATION.—No funds provided under 6 this title for an employment and training activity 7 shall be used for customized or skill training, on-the-8 job training, or company-specific assessments of job 9 applicants or employees, for any business or part of 10 a business that has relocated, until the date that is 11 120 days after the date on which such business com-12 mences operations at the new location, if the reloca-13 tion of such business or part of a business results in 14 a loss of employment for any employee of such busi-15 ness at the original location and such original loca-16 tion is within the United States.

17 (3) REPAYMENT.—If the Secretary determines
18 that a violation of paragraph (1) or (2) has occurred,
19 the Secretary shall require the State that has violated
20 such paragraph to repay to the United States an
21 amount equal to the amount expended in violation of
22 such paragraph.

(e) LIMITATION ON USE OF FUNDS.—No funds available under this title shall be used for employment generating activities, economic development activities, activities for

the capitalization of businesses, investment in contract bid ding resource centers, or similar activities. No funds avail able under subtitle A shall be used for foreign travel.

4 SEC. 372. PROMPT ALLOCATION OF FUNDS.

5 (a) Allotments and Allocations Based on Lat-EST AVAILABLE DATA.—All allotments and allocations 6 7 under section 302, 306, or 366 shall be based on the latest 8 available data and estimates satisfactory to the Secretary. 9 All data relating to disadvantaged adults, disadvantaged 10 youth, and low-income individuals shall be based on the most recent satisfactory data from the Bureau of the Census. 11 12 (b) Publication in Federal Register Relating 13 TO FORMULA FUNDS.—Whenever the Secretary allots funds required to be allotted under section 302 or 366, the Sec-14 15 retary shall publish in a timely fashion in the Federal Register the proposed amount to be distributed to each recipient 16

17 of the funds.

(c) REQUIREMENT FOR FUNDS DISTRIBUTED BY FORMULA.—All funds required to be allotted or allocated under
section 302, 306, or 366 shall be allotted or allocated within
45 days after the date of enactment of the Act appropriating
the funds, except that, if such funds are appropriated in
advance as authorized by section 379(g), such funds shall
be allotted or allocated not later than the March 31 preced-

ing the program year for which such funds are to be avail able for obligation.

3 (d) AVAILABILITY OF FUNDS.—Funds shall be made
4 available under section 306 to the chief elected official for
5 a local area not later than 30 days after the date the funds
6 are made available to the Governor involved, under section
7 302, or 7 days after the date the local plan for the area
8 is approved, whichever is later.

9 SEC. 373. MONITORING.

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

15 (b) INVESTIGATIONS.—The Secretary may investigate any matter the Secretary determines to be necessary to de-16 termine the compliance of the recipients with this title, in-17 cluding the regulations issued under this title. The inves-18 tigations authorized by this subsection may include exam-19 20 ining records (including making certified copies of the 21 records), questioning employees, and entering any premises 22 or onto any site in which any part of a program or activity 23 of such a recipient is conducted or in which any of the 24 records of the recipient are kept.

1 (c) ADDITIONAL REQUIREMENT.—For the purpose of 2 any investigation or hearing conducted under this title by the Secretary, the provisions of section 9 of the Federal 3 4 Trade Commission Act (15 U.S.C. 49) (relating to the attendance of witnesses and the production of documents) 5 apply to the Secretary, in the same manner and to the same 6 7 extent as the provisions apply to the Federal Trade Com-8 mission.

9 SEC. 374. FISCAL CONTROLS; SANCTIONS.

10 (a) Establishment of Fiscal Controls by 11 States.—

(1) IN GENERAL.—Each State shall establish 12 13 such fiscal control and fund accounting procedures as 14 may be necessary to assure the proper disbursal of. 15 and accounting for, Federal funds allocated to local areas under subtitle A. Such procedures shall ensure 16 17 that all financial transactions carried out under sub-18 title A are conducted and records maintained in ac-19 cordance with generally accepted accounting prin-20 ciples applicable in each State.

21 (2) REGULATIONS.—The Secretary shall pre22 scribe regulations establishing uniform cost principles
23 that are substantially equivalent to such principles
24 generally applicable to recipients of Federal grant
25 funds, and are consistent with appropriate circulars

1	of the Office of Management and Budget. At a mini-
2	mum, such regulations shall provide that—
3	(A) to be allowable, costs incurred under
4	this title shall—
5	(i) be necessary and reasonable for
6	proper and efficient administration of the
7	programs and activities carried out under
8	this title;
9	(ii) except for the administrative funds
10	described in sections 306(b)(5) and
11	314(c)(2), be allocable to the programs and
12	activities carried out under this title; and
13	(iii) not be a general expense required
14	to carry out the overall responsibilities of
15	State or local governments; and
16	(B) procurement transactions between local
17	partnerships and such governments shall be con-
18	ducted only on a cost-reimbursable basis.
19	(3) PROCUREMENT STANDARDS.—Each Gov-
20	ernor, in accordance with minimum requirements es-
21	tablished by the Secretary (after consultation with the
22	Governors) in regulations, shall prescribe and imple-
23	ment procurement standards to ensure fiscal account-
24	ability and prevent fraud and abuse in programs and
25	activities carried out under this title.

1	(4) MONITORING.—The Governor shall conduct
2	onsite monitoring of each local area within the State
3	to ensure compliance with the procurement standards
4	prescribed pursuant to paragraph (3).
5	(5) Action by governor.—If the Governor de-
6	termines that a local area is not in compliance with
7	the procurement standards prescribed pursuant to
8	paragraph (3), the Governor shall—
9	(A) require corrective action to secure
10	prompt compliance; and
11	(B) impose the sanctions provided under
12	subsection (b) in the event of failure to take the
13	required corrective action.
14	(6) Certification.—The Governor shall, every
15	3 years, certify to the Secretary that—
16	(A) the State has implemented the procure-
17	ment standards prescribed under paragraph (3);
18	(B) the State has monitored local areas to
19	ensure compliance with the procurement stand-
20	ards as required under paragraph (4); and
21	(C) the State has taken appropriate action
22	to secure compliance pursuant to paragraph (5).
23	(7) Action by the secretary.—If the Sec-
24	retary determines that the Governor has not fulfilled

1	the requirements of this subsection, the Secretary
2	shall—
3	(A) require corrective action to secure
4	prompt compliance; and
5	(B) impose the sanctions provided under
6	subsection (f) in the event of failure of the Gov-
7	ernor to take the required appropriate action to
8	secure compliance.
9	(b) Substantial Violation.—
10	(1) ACTION BY GOVERNOR.—If, as a result of a
11	financial or compliance audit or otherwise, the Gov-
12	ernor determines that there is a substantial violation
13	of a specific provision of this title, including regula-
14	tions issued under this title, and corrective action has
15	not been taken, the Governor shall impose a reorga-
16	nization plan, which may include—
17	(A) decertifying the local partnership in-
18	volved in accordance with section $308(c)(3)$;
19	(B) prohibiting the use of providers who
20	have been identified as eligible providers of
21	workforce investment activities under chapter 3
22	of subtitle A;
23	(C) selecting an alternative entity to ad-
24	minister a program or activity for the local area
25	involved;

1	(D) merging the local area into 1 or more
2	other local areas; or
3	(E) making such other changes as the Sec-
4	retary or Governor determines to be necessary to
5	secure compliance.
6	(2) APPEAL.—The action taken by the Governor
7	pursuant to paragraph (1) may be appealed to the
8	Secretary, who shall make a final decision on the ap-
9	peal not later than 60 days after the receipt of the ap-
10	peal.
11	(3) Action by secretary.—If the Governor
12	fails to take promptly the action required under para-
13	graph (1), the Secretary shall take such action.
14	(c) Access by Comptroller General.—For the
15	purpose of evaluating and reviewing programs and activi-
16	ties established or provided for by this title, the Comptroller
17	General shall have access to and the right to copy any books,
18	accounts, records, correspondence, or other documents perti-
19	nent to such programs and activities that are in the posses-
20	sion, custody, or control of a State, a local partnership, any
21	recipient of funds under this title, or any subgrantee or con-
22	tractor of such a recipient.
23	(d) Repayment of Certain Amounts to the Unit-

24 ED STATES.—

1	(1) IN GENERAL.—Every recipient of funds
2	under this title shall repay to the United States
3	amounts found not to have been expended in accord-
4	ance with this title.

5 (2) OFFSET OF REPAYMENT.—If the Secretary 6 determines that a State has expended funds made 7 available under this title in a manner contrary to the 8 requirements of this title, the Secretary may offset re-9 payment of such expenditures against any other 10 amount to which the State is or may be entitled, ex-11 cept as provided under subsection (e)(1).

(3) REPAYMENT FROM DEDUCTION BY STATE.—
If the Secretary requires a State to repay funds as a
result of a determination that a local area of the
State has expended funds contrary to the requirements of this title, the Governor of the State may use
an amount deducted under paragraph (4) to repay
the funds, except as provided under subsection (e)(1).

(4) DEDUCTION BY STATE.—The Governor may
deduct an amount equal to the misexpenditure described in paragraph (3) from subsequent program
year allocations to the local area from funds reserved
for the administrative costs of the local programs involved, as appropriate.

1 (5) LIMITATIONS.—A deduction made by a State 2 as described in paragraph (4) shall not be made until 3 such time as the Governor has taken appropriate cor-4 rective action to ensure full compliance within such local area with regard to appropriate expenditures of 5 6 funds under this title. 7 (e) Repayment of Amounts.— (1) IN GENERAL.—Each recipient of funds under 8 9 this title shall be liable to repay the amounts de-10 scribed in subsection (d)(1), from funds other than 11 funds received under this title, upon a determination 12 by the Secretary that the misexpenditure of funds was 13 due to willful disregard of the requirements of this 14 title, gross negligence, failure to observe accepted 15 standards of administration, or a pattern of 16 misexpenditure as described in paragraphs (2) and 17 (3) of subsection (d). No such determination shall be

made under this subsection or subsection (d) until notice and opportunity for a fair hearing has been given
to the recipient.

(2) FACTORS IN IMPOSING SANCTIONS.—In determining whether to impose any sanction authorized by
this section against a recipient for violations by a
subgrantee or contractor of such recipient under this
title (including the regulations issued under this

1	title), the Secretary shall first determine whether such
2	recipient has adequately demonstrated that the recipi-
3	ent has—
4	(A) established and adhered to an appro-
5	priate system for the award and monitoring of
6	grants and contracts with subgrantees and con-
7	tractors that contains acceptable standards for
8	ensuring accountability;
9	(B) entered into a written grant agreement
10	or contract with such subgrantee or contractor
11	that established clear goals and obligations in
12	unambiguous terms;
13	(C) acted with due diligence to monitor the
14	implementation of the grant agreement or con-
15	tract, including the carrying out of the appro-
16	priate monitoring activities (including audits)
17	at reasonable intervals; and
18	(D) taken prompt and appropriate correc-
19	tive action upon becoming aware of any evidence
20	of a violation of this title, including regulations
21	issued under this title, by such subgrantee or
22	contractor.
23	(3) WAIVER.—If the Secretary determines that
24	the recipient has demonstrated substantial compliance
25	with the requirements of paragraph (2), the Secretary

may waive the imposition of sanctions authorized by
this section upon such recipient. The Secretary is authorized to impose any sanction consistent with the
provisions of this title and any applicable Federal or
State law directly against any subgrantee or contractor for violation of this title, including regulations issued under this title.

8 (f) Immediate Termination or Suspension of As-9 SISTANCE IN EMERGENCY SITUATIONS.—In emergency situ-10 ations, if the Secretary determines it is necessary to protect 11 the integrity of the funds or ensure the proper operation 12 of the program or activity involved, the Secretary may im-13 mediately terminate or suspend financial assistance, in whole or in part, to the recipient if the recipient is given 14 15 prompt notice and the opportunity for a subsequent hearing within 30 days after such termination or suspension. The 16 17 Secretary shall not delegate any of the functions or authority specified in this subsection, other than to an officer 18 whose appointment is required to be made by and with the 19 advice and consent of the Senate. 20

(g) DISCRIMINATION AGAINST PARTICIPANTS.—If the
Secretary determines that any recipient of funds under this
title has discharged or in any other manner discriminated
in violation of section 378 against, a participant or any
other individual in connection with the administration of

the program or activity involved, or any individual because 1 2 such individual has filed any complaint or instituted or caused to be instituted any proceeding under or related to 3 4 this title, or has testified or is about to testify in any such proceeding or investigation under or related to this title, 5 6 or otherwise unlawfully denied to any individual a benefit 7 to which that individual is entitled under the provisions 8 of this title, including regulations issued under this title, 9 the Secretary shall, within 30 days after the date of the determination, take such action or order such corrective 10 measures, as may be necessary, with respect to the recipient 11 12 or the aggrieved individual.

(h) REMEDIES.—The remedies described in this section
shall not be construed to be the exclusive remedies available
for violations described in this section.

16 SEC. 375. REPORTS; RECORDKEEPING; INVESTIGATIONS.

17 *(a) REPORTS.*—

18 (1) IN GENERAL.—Recipients of funds under this
19 title shall keep records that are sufficient to permit
20 the preparation of reports required by this title and
21 to permit the tracing of funds to a level of expendi22 ture adequate to ensure that the funds have not been
23 spent unlawfully.

24 (2) SUBMISSION TO THE SECRETARY.—Every
25 such recipient shall maintain such records and sub-

1	mit such reports, in such form and containing such
2	information, as the Secretary may require regarding
3	the performance of programs and activities carried
4	out under this title. Such records and reports shall be
5	submitted to the Secretary but shall not be required
6	to be submitted more than once each quarter unless
7	specifically requested by Congress or a committee of
8	Congress.
9	(3) Maintenance of standardized
10	RECORDS.—In order to allow for the preparation of
11	the reports required under subsection (c), such recipi-
12	ents shall maintain standardized records for all indi-
13	vidual participants and provide to the Secretary a
14	sufficient number of such records to provide for an
15	adequate analysis of the records.
16	(4) Availability to the public.—
17	(A) IN GENERAL.—Except as provided in
18	subparagraph (B), records maintained by $such$
19	recipients pursuant to this subsection shall be
20	made available to the public upon request.
21	(B) Exception.—Subparagraph (A) shall
22	not apply to—
23	(i) information, the disclosure of which
24	would constitute a clearly unwarranted in-
25	vasion of personal privacy; and

(ii) trade secrets, or commercial or fi-
nancial information, that is obtained from
a person and privileged or confidential.
(C) FEES TO RECOVER COSTS.—Such re-
cipients may charge fees sufficient to recover
costs applicable to the processing of requests for
records under subparagraph (A).
(b) Investigations of Use of Funds.—
(1) IN GENERAL.—
(A) Secretary.—In order to evaluate com-
pliance with the provisions of this title, the Sec-
retary shall conduct, in several States, in each
fiscal year, investigations of the use of funds re-
ceived by recipients under this title.
(B) Comptroller general of the unit-
ED STATES.—In order to ensure compliance with
the provisions of this title, the Comptroller Gen-
eral of the United States may conduct investiga-
tions of the use of funds received under this title
by any recipient.
(2) PROHIBITION.—In conducting any investiga-
tion under this title, the Secretary or the Comptroller
General of the United States may not request the

24 compilation of any information that the recipient is

(3) AUDITS.—

1

2

3

4 (A) IN GENERAL.—In carrying out any audit under this title (other than any initial 5 6 audit survey or any audit investigating possible 7 criminal or fraudulent conduct), either directly 8 or through grant or contract, the Secretary, the 9 Inspector General of the Department of Labor, or 10 the Comptroller General of the United States 11 shall furnish to the State, recipient, or other en-12 tity to be audited, advance notification of the 13 overall objectives and purposes of the audit, and 14 any extensive recordkeeping or data requirements 15 to be met, not later than 14 days (or as soon as 16 practicable), prior to the commencement of the 17 audit.

18 (B) NOTIFICATION REQUIREMENT.—If the
19 scope, objectives, or purposes of the audit change
20 substantially during the course of the audit, the
21 entity being audited shall be notified of the
22 change as soon as practicable.

23 (C) ADDITIONAL REQUIREMENT.—The re24 ports on the results of such audits shall cite the

1	law, regulation, policy, or other criteria applica-
2	ble to any finding contained in the reports.
3	(D) RULE OF CONSTRUCTION.—Nothing
4	contained in this title shall be construed so as to
5	be inconsistent with the Inspector General Act of
6	1978 (5 U.S.C. App.) or government auditing
7	standards issued by the Comptroller General of
8	the United States.
9	(c) Accessibility of Reports.—Each State, each
10	local partnership, and each recipient (other than a sub-
11	recipient, subgrantee, or contractor of a recipient) receiving
12	funds under this title shall—
13	(1) make readily accessible such reports concern-
14	ing its operations and expenditures as shall be pre-
15	scribed by the Secretary;
16	(2) prescribe and maintain comparable manage-
17	ment information systems, in accordance with guide-
18	lines that shall be prescribed by the Secretary, de-
19	signed to facilitate the uniform compilation, cross
20	tabulation, and analysis of programmatic, partici-
21	pant, and financial data, on statewide, local area,
22	and other appropriate bases, necessary for reporting,
23	monitoring, and evaluating purposes, including data
24	necessary to comply with section 378; and

1	(3) monitor the performance of providers in com-
2	plying with the terms of grants, contracts, or other
3	agreements made pursuant to this title.
4	(d) Information To Be Included in Reports.—
5	(1) IN GENERAL.—The reports required in sub-
6	section (c) shall include information regarding pro-
7	grams and activities carried out under this title per-
8	taining to—
9	(A) the relevant demographic characteristics
10	(including race, ethnicity, sex, and age) and
11	other related information regarding participants;
12	(B) the programs and activities in which
13	participants are enrolled, and the length of time
14	that participants are engaged in such programs
15	and activities;
16	(C) outcomes of the programs and activities
17	for participants, including the occupations of
18	participants, and placement for participants in
19	nontraditional employment;
20	(D) specified costs of the programs and ac-
21	tivities; and
22	(E) information necessary to prepare re -
23	ports to comply with section 378.
24	(2) Additional requirement.—The Secretary
25	shall ensure that all elements of the information re-

3 (e) RETENTION OF RECORDS.—The Governor of a 4 State that receives funds under this title shall ensure that requirements are established for retention of all records of 5 6 the State pertinent to all grants awarded, and contracts 7 and agreements entered into, under this title, including fi-8 nancial, statistical, property, and participant records and 9 supporting documentation. For funds allotted to a State 10 under this title for any program year, the State shall retain the records for 2 subsequent program years. The State shall 11 12 retain records for nonexpendable property that is used to carry out this title for a period of 3 years after final dis-13 position of the property. 14

15 (f) QUARTERLY FINANCIAL REPORTS.—

16 (1) IN GENERAL.—Each local partnership in the 17 State shall submit quarterly financial reports to the 18 Governor with respect to programs and activities car-19 ried out under this title. Such reports shall include 20 information identifying all program and activity 21 costs by cost category in accordance with generally 22 accepted accounting principles and by year of the ap-23 propriation involved.

24 (2) ADDITIONAL REQUIREMENT.—Each State
25 shall submit to the Secretary, on a quarterly basis, a

summary of the reports submitted to the Governor
 pursuant to paragraph (1).

3 (g) MAINTENANCE OF ADDITIONAL RECORDS.—Each
4 State and local partnership shall maintain records with re5 spect to programs and activities carried out under this title
6 that identify—

7 (1) any income or profits earned, including such
8 income or profits earned by subrecipients; and

9 (2) any costs incurred (such as stand-in costs)
10 that are otherwise allowable except for funding limi11 tations.

(h) COST CATEGORIES.—In requiring entities to
maintain records of costs by category under this title, the
Secretary shall require only that the costs be categorized as
administrative or programmatic costs.

16 SEC. 376. ADMINISTRATIVE ADJUDICATION.

17 (a) IN GENERAL.—Whenever any applicant for financial assistance under this title is dissatisfied because the 18 Secretary has made a determination not to award financial 19 assistance in whole or in part to such applicant, the appli-20 21 cant may request a hearing before an administrative law 22 judge of the Department of Labor. A similar hearing may 23 also be requested by any recipient for whom a corrective 24 action has been required or a sanction has been imposed 25 by the Secretary under section 374. Except to the extent

provided for in section 371(c) or 378, all other disputes
 arising under this title relating to the manner in which
 the recipient carries out a program or activity under this
 title shall be adjudicated under grievance procedures estab lished by the recipient or under applicable law other than
 this title.

7 (b) APPEAL.—The decision of the administrative law 8 judge shall constitute final action by the Secretary unless, 9 within 20 days after receipt of the decision of the adminis-10 trative law judge, a party dissatisfied with the decision or any part of the decision has filed exceptions with the Sec-11 retary specifically identifying the procedure, fact, law, or 12 13 policy to which exception is taken. Any exception not specifically urged shall be deemed to have been waived. After 14 15 the 20-day period the decision of the administrative law judge shall become the final decision of the Secretary unless 16 the Secretary, within 30 days after such filing, has notified 17 the parties that the case involved has been accepted for re-18 19 view.

(c) TIME LIMIT.—Any case accepted for review by the
Secretary under subsection (b) shall be decided within 180
days after such acceptance. If the case is not decided within
the 180-day period, the decision of the administrative law
judge shall become the final decision of the Secretary at the
end of the 180-day period.

(d) ADDITIONAL REQUIREMENT.—The provisions of
 section 377 shall apply to any final action of the Secretary
 under this section.

4 SEC. 377. JUDICIAL REVIEW.

5 (a) *REVIEW*.—

6 (1) PETITION.—With respect to any final order by the Secretary under section 376 by which the Sec-7 8 retary awards, declines to award, or only condi-9 tionally awards, financial assistance under this title, 10 or any final order of the Secretary under section 376 11 with respect to a corrective action or sanction im-12 posed under section 374, any party to a proceeding 13 which resulted in such final order may obtain review 14 of such final order in the United States Court of Ap-15 peals having jurisdiction over the applicant or recipi-16 ent of funds involved, by filing a review petition 17 within 30 days after the date of issuance of such final 18 order.

19 (2) ACTION ON PETITION.—The clerk of the court
20 shall transmit a copy of the review petition to the
21 Secretary who shall file the record on which the final
22 order was entered as provided in section 2112 of title
23 28, United States Code. The filing of a review peti24 tion shall not stay the order of the Secretary, unless
25 the court orders a stay. Petitions filed under this sub-

section shall be heard expeditiously, if possible within
 10 days after the date of filing of a reply to the peti tion.

4 (3) STANDARD AND SCOPE OF REVIEW.—No ob5 jection to the order of the Secretary shall be consid6 ered by the court unless the objection was specifically
7 urged, in a timely manner, before the Secretary. The
8 review shall be limited to questions of law and the
9 findings of fact of the Secretary shall be conclusive if
10 supported by substantial evidence.

(b) JUDGMENT.—The court shall have jurisdiction to
make and enter a decree affirming, modifying, or setting
aside the order of the Secretary in whole or in part. The
judgment of the court regarding the order shall be final,
subject to certiorari review by the Supreme Court as provided in section 1254(1) of title 28, United States Code.
SEC. 378. NONDISCRIMINATION.

18 (a) PROHIBITED DISCRIMINATION.—

(1) PROHIBITION ON DISCRIMINATION IN FEDERAL PROGRAMS AND ACTIVITIES.—For the purpose
of applying the prohibitions against discrimination
on the basis of age under the Age Discrimination Act
of 1975 (42 U.S.C. 6101 et seq.), on the basis of disability under section 504 of the Rehabilitation Act of
1973 (29 U.S.C. 794), on the basis of sex under title

1	IX of the Education Amendments of 1972 (20 U.S.C.
2	1681 et seq.), or on the basis of race, color, or na-
3	tional origin under title VI of the Civil Rights Act
4	of 1964 (42 U.S.C. 2000d et seq.), programs and ac-
5	tivities funded in whole or in part under this title
6	shall be considered to be programs and activities re-
7	ceiving Federal financial assistance, and education
8	programs and activities receiving Federal financial
9	assistance.
10	(2) Prohibition of discrimination regard-

11 ING PARTICIPATION, BENEFITS, AND EMPLOYMENT.—
12 No individual shall be excluded from participation
13 in, denied the benefits of, subjected to discrimination
14 under, or denied employment in the administration of
15 or in connection with, any such program or activity
16 because of race, color, religion, sex, national origin,
17 age, disability, or political affiliation or belief.

(3) PROHIBITION ON ASSISTANCE FOR FACILITIES FOR SECTARIAN INSTRUCTION OR RELIGIOUS
WORSHIP.—Participants shall not be employed under
this title to carry out the construction, operation, or
maintenance of any part of any facility that is used
or to be used for sectarian instruction or as a place
for religious worship.

1	(4) Prohibition on discrimination on basis
2	of participant status.—No person may discrimi-
3	nate against an individual who is a participant in
4	a program or activity that receives funds under this
5	title, with respect to the terms and conditions affect-
6	ing, or rights provided to, the individual, solely be-
7	cause of the status of the individual as a participant,
8	in carrying out any endeavor that involves—
9	(A) participants in programs and activities
10	that receive funding under this title; and
11	(B) persons who receive no assistance under
12	this title.
13	(5) Prohibition on discrimination against
14	CERTAIN NONCITIZENS.—Participation in programs
15	and activities or receiving funds under this title shall
16	be available to citizens and nationals of the United
17	States, lawfully admitted permanent resident aliens,
18	refugees, asylees, and parolees, other aliens lawfully
19	present in the United States, and other individuals
20	authorized by the Attorney General to work in the
21	United States.
22	(b) Action of Secretary.—Whenever the Secretary
23	finds that a State or other recipient of funds under this
24	title has failed to comply with a provision of law referred
25	to in subsection (a)(1), or with paragraph (2), (3), (4), or

(5) of subsection (a), including an applicable regulation
 prescribed to carry out such provision or paragraph, the
 Secretary shall notify such State or recipient and shall re quest that the State or recipient comply. If within a reason able period of time, not to exceed 60 days, the State or recip ient fails or refuses to comply, the Secretary may—

7 (1) refer the matter to the Attorney General with
8 a recommendation that an appropriate civil action be
9 instituted;

(2) exercise the powers and functions provided to
the head of a Federal department or agency under the
Age Discrimination Act of 1975, title V of the Rehabilitation Act of 1973 (29 U.S.C. 791 et seq.), title IX
of the Education Amendments of 1972, or title VI of
the Civil Rights Act of 1964, as may be applicable;
or

17 (3) take such other action as may be provided by18 law.

(c) ACTION OF ATTORNEY GENERAL.—When a matter
is referred to the Attorney General pursuant to subsection
(b)(1), or whenever the Attorney General has reason to believe that a State or other recipient of funds under this title
is engaged in a pattern or practice of discrimination in
violation of a provision of law referred to in subsection
(a)(1) or in violation of paragraph (2), (3), (4), or (5) of

subsection (a), the Attorney General may bring a civil ac tion in any appropriate district court of the United States
 for such relief as may be appropriate, including injunctive
 relief.

5 (d) JOB CORPS MEMBERS.—For purposes of this sec6 tion, Job Corps members shall be considered as the ultimate
7 beneficiaries of an education program or activity receiving
8 Federal financial assistance.

9 SEC. 379. ADMINISTRATIVE PROVISIONS.

10 (a) IN GENERAL.—The Secretary may, in accordance with chapter 5 of title 5, United States Code, prescribe rules 11 12 and regulations to carry out this title to the extent necessary 13 to implement, administer, and ensure compliance with the requirements of this title. Such rules and regulations may 14 15 include provisions making adjustments authorized by section 6504 of title 31, United States Code. All such rules 16 and regulations shall be published in the Federal Register 17 at least 30 days prior to their effective dates. Copies of each 18 such rule or regulation shall be transmitted to the appro-19 priate committees of Congress on the date of such publica-20 21 tion and shall contain, with respect to each material provi-22 sion of such rule or regulation, a citation to the particular 23 substantive section of law that is the basis for the provision. 24 (b) Acquisition of Certain Property and Serv-ICES.—The Secretary is authorized, in carrying out this 25

1 title, to accept, purchase, or lease in the name of the Depart2 ment of Labor, and employ or dispose of in furtherance of
3 the purposes of this title, any money or property, real, per4 sonal, or mixed, tangible or intangible, received by gift, de5 vise, bequest, or otherwise, and to accept voluntary and un6 compensated services notwithstanding the provisions of sec7 tion 1342 of title 31, United States Code.

(c) Authority To Enter Into Certain Agree-8 9 MENTS AND TO MAKE CERTAIN EXPENDITURES.—The Sec-10 retary may make such grants, enter into such contracts or agreements, establish such procedures, and make such pay-11 ments, in installments and in advance or by way of reim-12 bursement, or otherwise allocate or expend such funds under 13 this title, as may be necessary to carry out this title, includ-14 15 ing making expenditures for construction, repairs, and capital improvements, and including making necessary adjust-16 ments in payments on account of over-payments or under-17 18 payments.

(d) ANNUAL REPORT.—The Secretary shall prepare
and submit to Congress an annual report regarding the programs and activities carried out under this title. The Secretary shall include in such report—

(1) a summary of the achievements, failures, and
problems of the programs and activities in meeting
the objectives of this title;

(2) a summary of major findings from research,
 evaluations, pilot projects, and experiments conducted
 under this title in the fiscal year prior to the submis sion of the report;

5 (3) recommendations for modifications in the
6 programs and activities based on analysis of such
7 findings; and

8 (4) such other recommendations for legislative or
9 administrative action as the Secretary determines to
10 be appropriate.

11 (e) UTILIZATION OF SERVICES AND FACILITIES.—The 12 Secretary is authorized, in carrying out this title, under 13 the same procedures as are applicable under subsection (c) or to the extent permitted by law other than this title, to 14 15 accept and use the services and facilities of departments, agencies, and establishments of the United States. The Sec-16 retary is also authorized, in carrying out this title, to ac-17 cept and use the services and facilities of the agencies of 18 19 any State or political subdivision of a State, with the consent of the State or political subdivision. 20

(f) OBLIGATIONAL AUTHORITY.—Notwithstanding any
other provision of this title, the Secretary shall have no authority to enter into contracts, grant agreements, or other
financial assistance agreements under this title except to

such extent and in such amounts as are provided in ad vance in appropriations Acts.

3 (g) PROGRAM YEAR.—

4 (1) IN GENERAL.—Appropriations for any fiscal
5 year for programs and activities carried out under
6 this title shall be available for obligation only on the
7 basis of a program year. The program year shall
8 begin on July 1 in the fiscal year for which the ap9 propriation is made.

10 (2) AVAILABILITY.—Funds obligated for any pro-11 gram year for a program or activity carried out 12 under this title may be expended by each State receiv-13 ing such funds during that program year and the 2 14 succeeding program years. Funds received by local 15 areas from States under this title during a program 16 year may be expended during that program year and 17 the succeeding program year. No amount of the funds 18 described in this paragraph shall be deobligated on 19 account of a rate of expenditure that is consistent 20 with a State plan, an operating plan described in sec-21 tion 341, or a plan, grant agreement, contract, appli-22 cation, or other agreement described in subtitle C, as 23 appropriate.

24 (h) ENFORCEMENT OF MILITARY SELECTIVE SERVICE
25 ACT.—The Secretary shall ensure that each individual par-

ticipating in any program or activity established under this 1 title, or receiving any assistance or benefit under this title, 2 3 has not violated section 3 of the Military Selective Service 4 Act (50 U.S.C. App. 453) by not presenting and submitting 5 to registration as required pursuant to such section. The 6 Director of the Selective Service System shall cooperate with the Secretary to enable the Secretary to carry out this sub-7 8 section.

9 (i) WAIVERS.—

10 (1) Special Rule.—With respect to a State that 11 has been granted a waiver under the provisions relat-12 ing to training and employment services of the Department of Labor in title I of the Departments of 13 14 Labor, Health and Human Services, and Education, 15 and Related Agencies Appropriations Act, 1997 (Pub-16 lic Law 104–208; 110 Stat. 3009–234), the authority 17 provided under such waiver shall continue in effect 18 and apply, and include a waiver of the related provi-19 sions of subtitle A and this subtitle, for the duration 20 of the initial waiver.

(2) GENERAL AUTHORITY.—Notwithstanding
any other provision of law, the Secretary may waive
for a State, or a local area in a State, pursuant to
a request submitted by the Governor of the State (in

consultation with appropriate local elected officials) that meets the requirements of paragraph (3)—

3 (A) any of the statutory or regulatory re-4 quirements of subtitle A or this subtitle (except 5 for requirements relating to wage and labor 6 standards, worker rights, participation and pro-7 tection of participants, grievance procedures and 8 judicial review, nondiscrimination, allocation of 9 funds to local areas, eligibility of providers or 10 participants, and the establishment and func-11 tions of local areas); and

12 (B) any of the statutory or regulatory re-13 quirements of sections 8 through 10 of the Wag-14 ner-Peyser Act (29 U.S.C. 49g through 49i) (ex-15 cluding requirements relating to the provision of 16 services to unemployment insurance claimants 17 (including veterans) but including reporting re-18 quirements relating to such provision of services, 19 and excluding requirements relating to universal 20 access to basic labor exchange services without 21 cost to jobseekers).

(3) REQUESTS.—A Governor requesting a waiver
under paragraph (2) shall submit a plan to the Secretary to improve the statewide workforce investment
system that—

1

2

1	(A) identifies the statutory or regulatory re-
2	quirements that are requested to be waived and
3	the goals that the State or local area in the
4	State, as appropriate, intends to achieve as a re-
5	sult of the waiver;
6	(B) describes the actions that the State or
7	local area, as appropriate, has undertaken to re-
8	move State or local statutory or regulatory bar-
9	riers;
10	(C) describes the goals of the waiver and the
11	expected programmatic outcomes if the request is
12	granted;
13	(D) describes the individuals impacted by
14	the waiver; and
15	(E) describes the process used to monitor the
16	progress in implementing such a waiver, and the
17	process by which notice and an opportunity to
18	comment on such request has been provided to
19	the organizations identified in section $308(b)(2)$.
20	(4) CONDITIONS.—Not later than 90 days after
21	the date of the original submission of a request for a
22	waiver under paragraph (2), the Secretary shall pro-
23	vide a waiver under this subsection if and only to the
24	extent that—

1	(A) the Secretary determines that the re-
2	quirements requested to be waived impede the
3	ability of the State or local area, as appropriate,
4	to implement the plan described in paragraph
5	(3); and
6	(B) the State has executed a memorandum

(B) the State has executed a memoranaum
of understanding with the Secretary requiring
such State to meet, or ensure that the local area
meets, agreed-upon outcomes and to implement
other appropriate measures to ensure accountability.

12 SEC. 380. STATE LEGISLATIVE AUTHORITY.

13 (a) AUTHORITY OF STATE LEGISLATURE.—Nothing in 14 this title shall be interpreted to preclude the enactment of 15 State legislation providing for the implementation, consistent with the provisions of this title, of the activities assisted 16 under this title. Any funds received by a State under this 17 18 title shall be subject to appropriation by the State legisla-19 ture, consistent with the terms and conditions required 20 under this title.

(b) INTERSTATE COMPACTS AND COOPERATIVE
AGREEMENTS.—In the event that compliance with provisions of this title would be enhanced by compacts and cooperative agreements between States, the consent of Congress
is given to States to enter into such compacts and agree-

ments to facilitate such compliance, subject to the approval
 of the Secretary.

3 Subtitle E—Repeals and 4 Conforming Amendments

5 SEC. 391. REPEALS.

6 (a) GENERAL IMMEDIATE REPEALS.—The following
7 provisions are repealed:

8 (1) Section 204 of the Immigration Reform and
9 Control Act of 1986 (8 U.S.C. 1255a note).

10 (2) Title II of Public Law 95-250 (92 Stat.
11 172).

12 (3) The Displaced Homemakers Self-Sufficiency
13 Assistance Act (29 U.S.C. 2301 et seq.).

14 (4) Section 211 of the Appalachian Regional De15 velopment Act of 1965 (40 U.S.C. App. 211).

16 (5) Subtitle C of title VII of the Stewart B.
17 McKinney Homeless Assistance Act (42 U.S.C. 11441
18 et seq.), except section 738 of such title (42 U.S.C.
19 11448).

20 (6) Subchapter I of chapter 421 of title 49, Unit21 ed States Code.

(b) SUBSEQUENT REPEALS.—The following provisions
are repealed:

24 (1) The Job Training Partnership Act (29
25 U.S.C. 1501 et seq.).

(2) Title VII of the Stewart B. McKinney Home less Assistance Act (42 U.S.C. 11421 et seq.), except
 subtitle B and section 738 of such title (42 U.S.C.
 11431 et seq. and 11448).

5 SEC. 392. CONFORMING AMENDMENTS.

6 (a) PREPARATION.—After consultation with the appro7 priate committees of Congress and the Director of the Office
8 of Management and Budget, the Secretary shall prepare rec9 ommended legislation containing technical and conforming
10 amendments to reflect the changes made by this subtitle.

(b) SUBMISSION TO CONGRESS.—Not later than 6
months after the date of enactment of this Act, the Secretary
shall submit to Congress the recommended legislation referred to under paragraph (1).

15 SEC. 393. EFFECTIVE DATES.

16 (a) IMMEDIATE REPEALS.—The repeals made by sec17 tion 391(a) shall take effect on the date of enactment of this
18 Act.

19 (b) SUBSEQUENT REPEALS.—The repeals made by sec20 tion 391(b) shall take effect on July 1, 1999.

1	TITLE IV-WORKFORCE INVEST-
2	MENT-RELATED ACTIVITIES
3	Subtitle A—Wagner-Peyser Act
4	SEC. 401. DEFINITIONS.
5	Section 2 of the Wagner-Peyser Act (29 U.S.C. 49a)
6	is amended—
7	(1) in paragraph (1)—
8	(A) by striking "or officials"; and
9	(B) by striking "Job Training Partnership
10	Act" and inserting "Workforce Investment Part-
11	nership Act of 1997";
12	(2) by striking paragraphs (2) and (4);
13	(3) by redesignating paragraphs (3) and (5) as
14	paragraphs (5) and (6), respectively;
15	(4) by inserting after paragraph (1) the follow-
16	ing:
17	"(2) the term local workforce investment area"
18	means a local workforce investment area designated
19	under section 307 of the Workforce Investment Part-
20	nership Act of 1997;
21	"(3) the term local workforce investment part-
22	nership' means a local workforce investment partner-
23	ship established under section 308 of the Workforce
24	Investment Partnership Act of 1997;

1	"(4) the term 'one-stop customer service system'
2	means a one-stop customer service system established
3	under section 315(b) of the Workforce Investment
4	Partnership Act of 1997;"; and
5	(5) in paragraph (5) (as redesignated in para-
6	graph (3)), by striking the semicolon and inserting ";
7	and".
8	SEC. 402. FUNCTIONS.
9	(a) IN GENERAL.—Section 3(a) of the Wagner-Peyser
10	Act (29 U.S.C. 49b(a)) is amended to read as follows:
11	"(a) The Secretary shall—
12	"(1) assist in the coordination and development
13	of a nationwide system of public labor exchange serv-
14	ices, provided as part of the one-stop customer service
15	systems of the States;
16	"(2) assist in the development of continuous im-
17	provement models for such nationwide system that en-
18	sure private sector satisfaction with the system and
19	meet the demands of jobseekers relating to the system;
20	and
21	"(3) ensure, for individuals otherwise eligible to
22	receive unemployment compensation, the provision of
23	reemployment services and other activities in which
24	the individuals are required to participate to receive
25	the compensation.".

1	(b) Conforming Amendments.—Section 508(b)(1) of
2	the Unemployment Compensation Amendments of 1976 (42
3	U.S.C. 603a(b)(1)) is amended—
4	(1) by striking "the third sentence of section
5	3(a)" and inserting "section 3(b)"; and
6	(2) by striking "49b(a)" and inserting "49b(b))".
7	SEC. 403. DESIGNATION OF STATE AGENCIES.
8	Section 4 of the Wagner-Peyser Act (29 U.S.C. 49c)
9	is amended—
10	(1) by striking ", through its legislature," and
11	inserting ", pursuant to State statute,";
12	(2) by inserting after "the provisions of this Act
13	and" the following: ", in accordance with such State
14	statute, the Governor shall"; and
15	(3) by striking "United States Employment
16	Service" and inserting "Secretary".
17	SEC. 404. APPROPRIATIONS.
18	Section $5(c)$ of the Wagner-Peyser Act (29 U.S.C.
19	49d(c)) is amended by striking paragraph (3).
20	SEC. 405. DISPOSITION OF ALLOTTED FUNDS.
21	Section 7 of the Wagner-Peyser Act (29 U.S.C. 49f)
22	is amended—
23	(1) in subsection $(b)(2)$, by striking "private in-
24	dustry council" and inserting "local workforce invest-
25	ment partnership";

1	(2) in subsection (c)(2), by striking "any pro-
2	gram under" and all that follows and inserting "any
3	workforce investment activity carried out under the
4	Workforce Investment Partnership Act of 1997.";
5	(3) in subsection (d)—
6	(A) by striking "United States Employment
7	Service" and inserting "Secretary"; and
8	(B) by striking "Job Training Partnership
9	Act" and inserting "Workforce Investment Part-
10	nership Act of 1997"; and
11	(4) by adding at the end the following:
12	"(e) All job search, placement, recruitment, labor mar-
13	ket information, and other labor exchange services author-
14	ized under subsection (a) shall be provided as part of the
15	one-stop customer service system established by the State.".
16	SEC. 406. STATE PLANS.
17	Section 8 of the Wagner-Peyser Act (29 U.S.C. 49g)
18	is amended—
19	(1) in subsection (a) to read as follows:
20	"(a) Any State desiring to receive assistance under
21	this Act shall submit to the Secretary, as part of the State
22	plan submitted under section 304 of the Workforce Invest-
23	ment Partnership Act of 1997, detailed plans for carrying
24	out the provisions of this Act within such State.";
25	(2) by striking subsections (b), (c), and (e);

(3) by redesignating subsection (d) as subsection
 (b); and
 (4) by adding at the end the following:
 "(c) The part of the State plan described in subsection
 (a) shall include the information described in paragraphs
 (8) and (16) of section 304(b) of the Workforce Investment
 Partnership Act of 1997.".

8 SEC. 407. REPEAL OF FEDERAL ADVISORY COUNCIL.

9 Section 11 of the Wagner-Peyser Act (29 U.S.C. 49j)
10 is hereby repealed.

11 SEC. 408. REGULATIONS.

12 Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k)

13 is amended by striking "The Director, with the approval

14 of the Secretary of Labor," and inserting "The Secretary".

15 SEC. 409. LABOR MARKET INFORMATION.

- 16 The Wagner-Peyser Act is amended—
- 17 (1) by redesignating section 15 (29 U.S.C. 49)
- 18 *note) as section 16; and*
- 19 (2) by inserting after section 14 (29 U.S.C. 49l-
- 20 1) the following:

21 "SEC. 15. LABOR MARKET INFORMATION.

- 22 "(a) System Content.—
- 23 "(1) IN GENERAL.—The Secretary, in accordance
 24 with the provisions of this section, shall oversee the
- 25 development, maintenance, and continuous improve-

ment of a system of labor market information that in cludes—

 4 tistical survey and projection programs and da 5 from administrative reporting systems that 6 taken together, enumerate, estimate, and projection 7 the employment opportunities at the national 8 State, and local levels in a timely manner, i 9 cluding data on— 10 "(i) employment and unemployme 11 status of the national, State, and local point 12 ulations, as such data are developed by t 	l-
6taken together, enumerate, estimate, and proje7the employment opportunities at the national8State, and local levels in a timely manner, i9cluding data on—10"(i) employment and unemployme11status of the national, State, and local point	a
 7 the employment opportunities at the nation 8 State, and local levels in a timely manner, i 9 cluding data on— 10 "(i) employment and unemployme 11 status of the national, State, and local po 	t,
8 State, and local levels in a timely manner, i 9 cluding data on— 10 "(i) employment and unemployme 11 status of the national, State, and local po	et
9cluding data on—10"(i) employment and unemployme11status of the national, State, and local point	l,
10"(i) employment and unemployme11status of the national, State, and local population	!-
11 status of the national, State, and local po	
5 7 7 1	t
12 <i>ulations, as such data are developed by t</i>)-
	e
13 Bureau of Labor Statistics and oth	r
14 sources;	
15 <i>"(ii) industrial distribution of occup</i>	!-
16 tions, as well as current and projected en)-
17 ployment opportunities and skill trends	y
18 occupation and industry, with particul	r
19 attention paid to State and local emplo	1-
20 <i>ment opportunities;</i>	
21 "(iii) the incidence of, industrial an	d
22 geographical location of, and number)f
23 workers displaced by, permanent layo	ſs
24 and plant closings; and	

1	"(iv) employee information main-
2	tained in a longitudinal manner and col-
3	lected (as of the date of enactment of the
4	Workforce Investment Partnership Act of
5	1997) by States;
6	"(B) State and local employment informa-
7	tion, and other appropriate statistical data re-
8	lated to labor market dynamics (compiled for
9	States and localities with technical assistance
10	provided by the Secretary), which shall—
11	"(i) be current and comprehensive, as
12	of the date used;
13	"(ii) assist individuals to make in-
14	formed choices relating to employment and
15	training; and
16	"(iii) assist employers to locate, iden-
17	tify skill traits of, and train individuals
18	who are seeking employment and training;
19	``(C) technical standards (which the Sec-
20	retary shall make publicly available) for data
21	and information described in subparagraphs (A)
22	and (B) that, at a minimum, meet the criteria
23	of chapter 35 of title 44, United States Code;
24	(D) procedures to ensure compatibility and
25	additivity of the data and information described

1	in subparagraphs (A) and (B) from national,
2	State, and local levels;
3	((E) procedures to support standardization
4	and aggregation of data from administrative re-
5	porting systems described in subparagraph (A)
6	of employment-related programs;
7	``(F) analysis of data and information de-
8	scribed in subparagraphs (A) and (B) for uses
9	such as State and local policymaking;
10	``(G) wide dissemination of such data, in-
11	formation, and analysis, training for users of the
12	data, information, and analysis, and voluntary
13	technical standards for dissemination mecha-
14	nisms; and
15	"(H) programs of—
16	"(i) research and demonstration; and
17	"(ii) technical assistance for States
18	and localities.
19	"(2) INFORMATION TO BE CONFIDENTIAL.—
20	"(A) IN GENERAL.—No officer or employee
21	of the Federal Government or agent of the Fed-
22	eral Government may—
23	"(i) use any submission that is fur-
24	nished for exclusively statistical purposes
25	under the provisions of this section for any

1 purpose other than the statistical purposes 2 for which the submission is furnished; "(ii) make any publication or media 3 transmittal of the data contained in the 4 submission described in clause (i) that per-5 6 mits information concerning individual 7 subjects to be reasonably inferred by either 8 direct or indirect means; or 9 "(iii) permit anyone other than a 10 sworn officer, employee, or agent of any 11 Federal department or agency, or a contractor (including an employee of a contractor) 12 13 of such department or agency, to examine 14 individual submission described in an 15 clause (i); 16 without the consent of the individual, agency, or 17 other person who is the subject of the submission 18 or provides that submission. 19 "(B) Immunity from legal process.—

20Any submission (including any data derived21from the submission) that is collected and re-22tained by a Federal department or agency, or an23officer, employee, agent, or contractor of such a24department or agency, for exclusively statistical25purposes under this section shall be immune

1	from the legal process and shall not, without the
2	consent of the individual, agency, or other person
3	who is the subject of the submission or provides
4	that submission, be admitted as evidence or used
5	for any purpose in any action, suit, or other ju-
6	dicial or administrative proceeding.
7	"(C) CONSTRUCTION.—Nothing in this sec-
8	tion shall be construed to provide immunity
9	from the legal process for such submission (in-
10	cluding any data derived from the submission) if
11	the submission is in the possession of any person,
12	agency, or entity other than the Federal Govern-
13	ment or an officer, employee, agent, or contractor
14	of the Federal Government, or if the submission
15	is independently collected, retained, or produced
16	for purposes other than the purposes of this Act.
17	"(b) System Responsibilities.—
18	"(1) IN GENERAL.—The labor market informa-
19	tion system shall be planned, administered, overseen,
20	and evaluated through a cooperative governance struc-
21	ture involving the Federal Government and States.
22	"(2) DUTIES.—The Secretary, with respect to
23	data collection, analysis, and dissemination of labor
24	market information for the system, shall carry out the
25	following duties:

1	"(A) Assign responsibilities within the De-
2	partment of Labor for elements of the system de-
3	scribed in subsection (a) to ensure that all statis-
4	tical and administrative data collected is con-
5	sistent with appropriate Bureau of Labor Statis-
6	tics standards and definitions.
7	(B) Actively seek the cooperation of other
8	Federal agencies to establish and maintain
9	mechanisms for ensuring complementarity and
10	nonduplication in the development and oper-
11	ation of statistical and administrative data col-
12	lection activities.
13	``(C) Eliminate gaps and duplication in
14	statistical undertakings, with the systemization
15	of wage surveys as an early priority.
16	``(D) In collaboration with the Bureau of
17	Labor Statistics and States, develop and main-
18	tain the elements of the system described in sub-
19	section (a), including the development of consist-
20	ent definitions for use by the States in collecting
21	the data and information described in subpara-
22	graphs (A) and (B), of subsection $(a)(1)$ and the
23	development of the annual plan under subsection
24	(c).

1	((E) Establish procedures for the system to
2	ensure that—
3	"(i) such data and information are
4	timely;
5	"(ii) administrative records for the
6	system are consistent in order to facilitate
7	aggregation of such data and information;
8	"(iii) paperwork and reporting for the
9	system are reduced to a minimum; and
10	"(iv) States and localities are fully in-
11	volved in the maintenance and continuous
12	improvement of the system at the State and
13	local levels.
14	"(c) ANNUAL PLAN.—The Secretary, with the assist-
15	ance of the States and the Bureau of Labor Statistics, and
16	with the assistance of other appropriate Federal agencies,
17	shall prepare an annual plan which shall be the mechanism
18	for achieving cooperative management of the nationwide
19	labor market information system described in subsection (a)
20	and the statewide labor market information systems that
21	comprise the nationwide system. The plan shall—
22	((1)(A) describe the elements of the system de-

circle (1)(A) assertion the elements of the system described in subsection (a), including standards, definitions, formats, collection methodologies, and other necessary system elements, for use in collecting data and

1	information described in subparagraphs (A) and (B)
2	of subsection $(a)(1)$; and
3	"(B) include assurances that—
4	"(i) the data will be timely and detailed;
5	"(ii) administrative records will be stand-
6	ardized to facilitate the aggregation of the data
7	from local areas to State and national levels and
8	to support the creation of new statistical series
9	from program records; and
10	"(iii) paperwork and reporting require-
11	ments for employers and individuals will be re-
12	duced;
13	"(2) include a report on the results of an annual
14	consumer satisfaction review concerning the perform-
15	ance of the system, including the performance of the
16	system in addressing the needs of Congress, States, lo-
17	calities, employers, jobseekers, and other consumers;
18	"(3) evaluate the performance of the system and
19	recommend needed improvements, taking into consid-
20	eration the results of the consumer satisfaction review,
21	with particular attention paid to the improvements
22	needed at the State and local levels;
23	"(4) describe annual priorities, and priorities
24	over 5 years, for the system;

1	"(5) describe current (as of the date of the sub-
2	mission of the plan) spending and spending needs to
3	carry out activities under this section, including the
4	costs to States and localities of meeting the require-
5	ments of subsection $(e)(2)$; and
6	"(6) describe the involvement of States in the de-
7	velopment of the plan, through formal consultations
8	conducted by the Secretary in cooperation with rep-
9	resentatives of the Governors of every State, and with
10	representatives of local partnerships, pursuant to a
11	process established by the Secretary in cooperation
12	with the States.
13	"(d) Coordination With the States.—The Sec-
14	retary and the Bureau of Labor Statistics, in cooperation
15	with the States, shall—
16	"(1) develop the annual plan described in sub-
17	section (c) by holding formal consultations, at least
18	once each quarter, on the products and administra-
19	tion of the nationwide labor market information sys-
20	tem; and
21	"(2) hold the consultations with representatives
22	from each of the 10 Federal regions of the Employ-
23	ment and Training Administration, elected (pursuant
24	to a process established by the Secretary) by and from
25	the State labor market information directors affiliated

1	with the State agencies that perform the duties de-
2	scribed in subsection $(e)(2)$.
3	"(e) State Responsibilities.—
4	"(1) Designation of state agency.—In order
5	to receive Federal financial assistance under this sec-
6	tion, the Governor of a State—
7	"(A) shall designate a single State agency
8	to be responsible for the management of the por-
9	tions of the system described in subsection (a)
10	that comprise a statewide labor market informa-
11	tion system; and
12	``(B) shall establish a process for the over-
13	sight of such system.
14	"(2) DUTIES.—In order to receive Federal finan-
15	cial assistance under this section, the State agency
16	shall—
17	"(A) consult with State and local employ-
18	ers, participants, and local partnerships about
19	the labor market relevance of the data to be col-
20	lected and disseminated through the statewide
21	labor market information system;
22	``(B) consult with State educational agen-
23	cies and local educational agencies concerning
24	providing labor market information in order to
25	meet the needs of secondary school and post-

1	secondary school students who seek such informa-
2	tion;
3	``(C) collect and disseminate for the system,
4	on behalf of the State and localities in the State,
5	the information and data described in subpara-
6	graphs (A) and (B) of subsection $(a)(1)$;
7	``(D) maintain and continuously improve
8	the statewide labor market information system
9	in accordance with this section;
10	``(E) perform contract and grant respon-
11	sibilities for data collection, analysis, and dis-
12	semination for such system;
13	``(F) conduct such other data collection,
14	analysis, and dissemination activities as will en-
15	sure an effective statewide labor market informa-
16	tion system;
17	``(G) actively seek the participation of other
18	State and local agencies in data collection, anal-
19	ysis, and dissemination activities in order to en-
20	sure complementarity, compatibility, and useful-
21	ness of data;
22	(H) participate in the development of the
23	annual plan described in subsection (c); and
24	``(I) utilize the quarterly records described
25	in sections 321(f)(1) and 312 to assist the State

1	and other States in measuring State progress on
2	State performance measures.
3	"(3) Rule of construction.—Nothing in this
4	section shall be construed as limiting the ability of a
5	State agency to conduct additional data collection,
6	analysis, and dissemination activities with State
7	funds or with Federal funds from sources other than
8	this section.
0	

9 "(f) AUTHORIZATION OF APPROPRIATIONS.—There are 10 authorized to be appropriated to carry out this section such 11 sums as may be necessary for each of fiscal years 1999 12 through 2004.

"(g) DEFINITIONS.—In this section, the terms local
area' and local partnership' have the meanings given the
terms in section 2 of the Workforce Investment Partnership
Act of 1997.".

17 SEC. 410. TECHNICAL AMENDMENTS.

18 Sections 3(b), 6(b)(1), and 7(d) of the Wagner Peyser
19 Act (29 U.S.C. 49b(b), 49e(b)(1), and 49f(d)) are amended
20 by striking "Secretary of Labor" and inserting "Secretary".

21 Subtitle B—Linkages With Other 22 Programs

23 SEC. 421. TRADE ACT OF 1974.

24 Section 241 of the Trade Act of 1974 (19 U.S.C. 2313)

25 is amended by adding at the end the following:

"(d) To be eligible to receive funds under this section,
 a State shall submit to the Secretary an application that
 includes the description and information described in para graphs (8) and (16) of section 304(b) of the Workforce In vestment Partnership Act of 1997.".

6 SEC. 422. NATIONAL APPRENTICESHIP ACT.

7 The Act of August 16, 1937 (commonly known as the
8 "National Apprenticeship Act"; 50 Stat. 664, chapter 663;
9 29 U.S.C. 50 et seq.) is amended by inserting after section
10 3 the following:

11 "SEC. 3A. COORDINATION AND NONDUPLICATION.

12 "In carrying out this Act, the Secretary of Labor shall 13 require that an appropriate administrative entity in each 14 State enter into an agreement with the Secretary regarding 15 the implementation of this Act that includes the description 16 and information described in paragraphs (8) and (16) of 17 section 304(b) of the Workforce Investment Partnership Act 18 of 1997.".

19 SEC. 423. VETERANS' EMPLOYMENT PROGRAMS.

20 Chapter 41 of title 38, United States Code, is amended
21 by adding at the end the following:

22 "§4110B. Coordination and nonduplication

23 "In carrying out this chapter, the Secretary shall re24 quire that an appropriate administrative entity in each
25 State enter into an agreement with the Secretary regarding

	110
1	the implementation of this Act that includes the description
2	and information described in paragraphs (8) and (16) of
3	section 304(b) of the Workforce Investment Partnership Act
4	of 1997.".
5	SEC. 424. OLDER AMERICANS ACT OF 1965.
6	Section 502(b)(1) of the Older Americans Act of 1965
7	(42 U.S.C. 3056(b)(1)) is amended—
8	(1) in subparagraph (O), by striking "; and"
9	and inserting a semicolon;
10	(2) in subparagraph (P), by striking the period
11	and inserting "; and"; and
12	(3) by adding at the end the following subpara-
13	graph:
14	``(Q) will provide to the Secretary the description
15	and information described in paragraphs (8) and
16	(16) of section 304(b) of the Workforce Investment
17	Partnership Act of 1997.".
18	Subtitle C—Twenty-First Century
19	Workforce Commission
20	SEC. 431. SHORT TITLE.
21	This subtitle may be cited as the "Twenty-First Cen-
22	tury Workforce Commission Act".
23	SEC. 432. FINDINGS.
24	Congress finds that—

1	(1) information technology is one of the fastest
2	growing areas in the United States economy;
3	(2) the United States is a world leader in the in-
4	formation technology industry;
5	(3) the continued growth and prosperity of the
6	information technology industry is important to the
7	continued prosperity of the United States economy;
8	(4) highly skilled employees are essential for the
9	success of business entities in the information tech-
10	nology industry and other business entities that use
11	information technology;
12	(5) employees in information technology jobs are
13	highly paid;
14	(6) as of the date of enactment of this Act, these
15	employees are in high demand in all industries and
16	all regions of the United States; and
17	(7) through a concerted effort by business enti-
18	ties, the Federal Government, the governments of
19	States and political subdivisions of States, and edu-
20	cational institutions, more individuals will gain the
21	skills necessary to enter into a technology-based job
22	market, ensuring that the United States remains the
23	world leader in the information technology industry.
24	SEC. 433. DEFINITIONS.
25	In this subtitle:

1	(1) BUSINESS ENTITY.—The term "business en-
2	tity" means a firm, corporation, association, partner-
3	ship, consortium, joint venture, or other form of enter-
4	prise.
5	(2) Commission.—The term "Commission"
6	means the Twenty-First Century Workforce Commis-
7	sion established under section 434.
8	(3) INFORMATION TECHNOLOGY.—The term "in-
9	formation technology" has the meaning given that
10	term in section 5002 of the Information Technology
11	Management Reform Act of 1996 (110 Stat. 679).
12	(4) STATE.—The term "State" means each of the
13	several States of the United States and the District of
14	Columbia.
15	
15	SEC. 434. ESTABLISHMENT OF TWENTY-FIRST CENTURY
15 16	SEC. 434. ESTABLISHMENT OF TWENTY-FIRST CENTURY WORKFORCE COMMISSION.
16	WORKFORCE COMMISSION.
16 17 18	WORKFORCE COMMISSION. (a) ESTABLISHMENT.—There is established a commis-
16 17	WORKFORCE COMMISSION. (a) ESTABLISHMENT.—There is established a commis- sion to be known as the Twenty-First Century Workforce
16 17 18 19	workforce commission. (a) ESTABLISHMENT.—There is established a commis- sion to be known as the Twenty-First Century Workforce Commission.
16 17 18 19 20	WORKFORCE COMMISSION. (a) ESTABLISHMENT.—There is established a commis- sion to be known as the Twenty-First Century Workforce Commission. (b) MEMBERSHIP.—
16 17 18 19 20 21	WORKFORCE COMMISSION. (a) ESTABLISHMENT.—There is established a commis- sion to be known as the Twenty-First Century Workforce Commission. (b) MEMBERSHIP.— (1) COMPOSITION.—
 16 17 18 19 20 21 22 	WORKFORCE COMMISSION. (a) ESTABLISHMENT.—There is established a commis- sion to be known as the Twenty-First Century Workforce Commission. (b) MEMBERSHIP.— (1) COMPOSITION.— (A) IN GENERAL.—The Commission shall be

1	(ii) 7 members shall be appointed by
2	the Majority Leader of the Senate; and
3	(iii) 7 members shall be appointed by
4	the Speaker of the House of Representatives.
5	(B) GOVERNMENTAL REPRESENTATIVES.—
6	Of the members appointed under this sub-
7	section—
8	(i) 1 member shall be an officer or em-
9	ployee of the Department of Labor, who
10	shall be appointed by the President;
11	(ii) 1 member shall be an officer or em-
12	ployee of the Department of Education, who
13	shall be appointed by the President; and
14	(iii) 2 members shall be representatives
15	of the governments of States and political
16	subdivisions of States, 1 of whom shall be
17	appointed by the Majority Leader of the
18	Senate and 1 of whom shall be appointed by
19	the Speaker of the House of Representatives.
20	(C) EDUCATORS.—Of the members ap-
21	pointed under this subsection, 6 shall be edu-
22	cators who are selected from among elementary,
23	secondary, vocational, and postsecondary edu-
24	cators—

1	(i) 2 of whom shall be appointed by the
2	President;
3	(ii) 2 of whom shall be appointed by
4	the Majority Leader of the Senate; and
5	(iii) 2 of whom shall be appointed by
6	the Speaker of the House of Representatives.
7	(D) BUSINESS REPRESENTATIVES.—
8	(i) IN GENERAL.—Of the members ap-
9	pointed under this subsection, at least 4
10	shall be individuals who are employed by
11	non-information technology business enti-
12	ties.
13	(ii) SIZE.—Members appointed under
14	this subsection in accordance with clause (i)
15	shall, to the extent practicable, include indi-
16	viduals from business entities of a size that
17	is small or average for a non-information
18	technology business entity.
19	(2) DATE.—The appointments of the members of
20	the Commission shall be made by the later of—
21	(A) October 31, 1998; or
22	(B) the date that is 45 days after the date
23	of enactment of this Act.
24	(c) Period of Appointment; Vacancies.—Members
25	

4 (d) INITIAL MEETING.—No later than 30 days after
5 the date on which all members of the Commission have been
6 appointed, the Commission shall hold its first meeting.

7 (e) MEETINGS.—The Commission shall meet at the call8 of the Chairperson.

9 (f) QUORUM.—A majority of the members of the Com-10 mission shall constitute a quorum, but a lesser number of 11 members may hold hearings.

12 (g) CHAIRPERSON AND VICE CHAIRPERSON.—The
13 Commission shall select a chairperson and vice chairperson
14 from among its members.

15 SEC. 435. DUTIES OF THE COMMISSION.

16 (a) STUDY.—

17	(1) IN GENERAL.—The Commission shall conduct
18	a thorough study of all matters relating to the infor-
19	mation technology workforce in the United States.
20	(2) MATTERS STUDIED.—The matters studied by
21	the Commission shall include an examination of—
22	(A) the skills necessary to enter the informa-
23	tion technology workforce;
24	(B) ways to expand the number of skilled
25	information technology workers; and

1 (C) the relative efficacy of programs in the 2 United States and foreign countries to train in-3 formation technology workers, with special em-4 phasis on programs that provide for secondary 5 education or postsecondary education in a pro-6 gram other than a 4-year baccalaureate program 7 (including associate degree programs and grad-8 uate degree programs). 9 (3) PUBLIC HEARINGS.—As part of the study 10 conducted under this subsection, the Commission shall 11 hold public hearings in each region of the United 12 States concerning the issues referred to in subpara-13 graphs (A) and (B) of paragraph (2). 14 (4) EXISTING INFORMATION.—To the extent 15 practicable, in carrying out the study under this sub-16 section, the Commission shall identify and use exist-17 ing information related to the issues referred to in 18 subparagraphs (A) and (B) of paragraph (2). 19 (5) Consultation with chief information 20 OFFICERS COUNCIL.—In carrying out the study under 21 this subsection, the Commission shall consult with the 22 Chief Information Officers Council established under 23 Executive Order No. 13011.

24 (b) REPORT.—Not later than 6 months after the first
25 meeting of the Commission, the Commission shall submit

a report to the President and the Congress that shall con-1 tain a detailed statement of the findings and conclusions 2 3 of the Commission resulting from the study, together with 4 its recommendations for such legislation and administrative actions as the Commission considers to be appropriate. 5 6 (c) Facilitation of Exchange of Information.— 7 In carrying out the study under subsection (a), the Commis-8 sion shall, to the extent practicable, facilitate the exchange 9 of information concerning the issues that are the subject of 10 the study among—

(1) officials of the Federal Government and the
governments of States and political subdivisions of
States; and

14 (2) educators from Federal, State, and local in15 stitutions of higher education and secondary schools.

16 SEC. 436. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this subtitle.

(b) INFORMATION FROM FEDERAL AGENCIES.—The
Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this subtitle.
Upon request of the Chairperson of the Commission, the

head of such department or agency shall furnish such infor mation to the Commission.

3 (c) POSTAL SERVICES.—The Commission may use the
4 United States mails in the same manner and under the
5 same conditions as other departments and agencies of the
6 Federal Government.

7 (d) GIFTS.—The Commission may accept, use, and
8 dispose of gifts or donations of services or property.

9 SEC. 437. COMMISSION PERSONNEL MATTERS.

10 (a) Compensation of Members.—Except as provided in subsection (b), each member of the Commission who 11 is not an officer or employee of the Federal Government 12 13 shall serve without compensation. All members of the Commission who are officers or employees of the United States 14 15 shall serve without compensation in addition to that received for their services as officers or employees of the Unit-16 17 ed States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem
in lieu of subsistence, at rates authorized for employees of
agencies under subchapter I of chapter 57 of title 5, United
States Code, while away from their homes or regular places
of business in the performance of services for the Commission.

25 (c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Com mission may, without regard to the civil service laws
 and regulations, appoint and terminate an executive
 director and such other additional personnel as may
 be necessary to enable the Commission to perform its
 duties. The employment of an executive director shall
 be subject to confirmation by the Commission.

8 (2) COMPENSATION.—The Chairperson of the 9 Commission may fix the compensation of the execu-10 tive director and other personnel without regard to 11 the provisions of chapter 51 and subchapter III of 12 chapter 53 of title 5, United States Code, relating to 13 classification of positions and General Schedule pay 14 rates, except that the rate of pay for the executive di-15 rector and other personnel may not exceed the rate 16 payable for level V of the Executive Schedule under 17 section 5316 of such title.

18 (d) Detail of Government Employees.—Any Federal Government employee may be detailed to the Commis-19 20 sion without reimbursement, and such detail shall be with-21 out interruption or loss of civil service status or privilege. 22 (e) PROCUREMENT OF TEMPORARY AND INTERMIT-23 TENT SERVICES.—The Chairperson of the Commission may 24 procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individ-25

uals that do not exceed the daily equivalent of the annual
 rate of basic pay prescribed for level V of the Executive
 Schedule under section 5316 of such title.

4 SEC. 438. TERMINATION OF THE COMMISSION.

5 The Commission shall terminate on the date that is
6 90 days after the date on which the Commission submits
7 its report under section 435(b).

8 SEC. 439. AUTHORIZATION OF APPROPRIATIONS.

9 (a) IN GENERAL.—There are authorized to be appro10 priated such sums as may be necessary for fiscal year 1999
11 to the Commission to carry out the purposes of this subtitle.
12 (b) AVAILABILITY.—Any sums appropriated under the
13 authorization contained in this section shall remain avail14 able, without fiscal year limitation, until expended.

15 TITLE V—GENERAL PROVISIONS

16 SEC. 501. STATE UNIFIED PLANS.

(a) PURPOSE.—The purpose of this section is to permit
and encourage the submission of State unified plans, to assure coordination of and to avoid duplication between the
activities carried out through the one-stop customer service
systems.

22 (b) DEFINITIONS.—In this section:

(1) APPROPRIATE SECRETARY.—The term "appropriate Secretary" means the head of the Federal
agency with authority to carry out a system program.

1	(2) Appropriate state agency.—The term
2	"appropriate State agency"—
3	(A) used with respect to a system program
4	authorized under title I or II, means an eligible
5	agency; and
6	(B) used with respect to another system pro-
7	gram, means a State agency with authority to
8	carry out the system program, as specified by the
9	Governor of the State.
10	(3) System program.—The term "system pro-
11	gram" means a program of activities, carried out
12	through the one-stop customer service system, that
13	are—
14	(A) activities authorized under title I or II;
15	(B) workforce investment activities author-
16	ized under subtitle A of title III;
17	(C) other activities authorized under title
18	III;
19	(D) programs authorized under section $6(d)$
20	of the Food Stamp Act of 1977 (7 U.S.C.
21	2015(d));
22	(E) work programs authorized under section
23	6(0) of the Food Stamp Act of 1977 (7 U.S.C.
24	2015(0));

1	(F) activities authorized under chapter 2 of
2	title II of the Trade Act of 1974 (19 U.S.C. 2271
3	et seq.);
4	(G) programs authorized under the Wagner-
5	Peyser Act (29 U.S.C. 49 et seq.);
6	(H) activities carried out by the Bureau of
7	Apprenticeship and Training;
8	(I) programs authorized under title I of the
9	Rehabilitation Act of 1973 (29 U.S.C. 720 et
10	seq.);
11	(J) activities authorized under chapter 41
12	of title 38, United States Code;
13	(K) programs authorized under State unem-
14	ployment compensation laws and the Federal
15	unemployment insurance program under titles
16	III, IX, and XII of the Social Security Act (42
17	U.S.C. 501 et seq., 1101 et seq., and 1321 et
18	seq.);
19	(L) programs authorized under part A of
20	title IV of the Social Security Act (42 U.S.C.
21	601 et seq.);
22	(M) programs authorized under title V of
23	the Older Americans Act of 1965 (42 U.S.C.

24 3056 et seq.); or

1	(N) training activities carried out by the
2	Department of Housing and Urban Develop-
3	ment.
4	(c) STATE UNIFIED PLAN.—A State may develop and
5	submit to the appropriate Secretaries a State unified plan
6	for 2 or more of the system programs.
7	(d) Contents.—
8	(1) Planning provisions.—
9	(A) IN GENERAL.—In a State that elects to
10	develop a State unified plan, the plan shall con-
11	tain planning provisions, which shall be devel-
12	oped in a manner that substantially reflects the
13	planning requirements of the provisions of the
14	Federal statutes authorizing the system pro-
15	grams.
16	(B) Planning requirements.—In sub-
17	paragraph (A), the term "planning require-
18	ments", used with respect to a system program,
19	means such requirements as the appropriate Sec-
20	retary shall by regulation specify for the system
21	program.
22	(2) INFORMATION PROVISIONS.—In addition to
23	the planning provisions required to be included pur-
24	suant to paragraph (1), the plan shall include the fol-
25	lowing:

1	(A) A description of the process used for de-
2	veloping the State unified plan.
3	(B) A description of the process used to con-
4	sult the chief elected officials in the State about
5	the State unified plan.
6	(C) A description of the accountability sys-
7	tem of the State for activities carried out through
8	the one-stop customer service system.
9	(D) A description of how the one-stop cus-
10	tomer service system will provide the services
11	identified in the State unified plan through such
12	system.
13	(E) An assurance that the funds appro-
14	priated under Federal law to carry out the ac-
15	tivities identified in the State unified plan will
16	be used to supplement and not supplant other
17	Federal, State, and local public funds expended
18	to carry out the activities for eligible individ-
19	uals.
20	(e) Development.—
21	(1) PLANNING PROVISIONS.—The provisions of
22	the plan described in subsection $(d)(1)$ shall be devel-
23	oped by the statewide partnership. The portion of the
24	State unified plan relating to a system program may
25	be modified, as appropriate, with the agreement of the

1	Constant and the board of the anomalist. State
1	Governor and the head of the appropriate State agen-
2	cy with authority to carry out the system program.
3	The Governor and the head of the appropriate State
4	agency shall have the final authority to determine the
5	content of the portion of the State unified plan that
6	relates to the system program.
7	(2) INFORMATION PROVISIONS.—The provisions
8	of the plan described in subsection $(d)(2)$ shall be de-
9	veloped by the statewide partnership, which shall have
10	the final authority to determine the content of the
11	provisions.
12	(f) SUBMISSION.—After the heads of the appropriate
13	State agencies approve the portions of the State unified
14	plan that relate to their system programs, the State unified
15	plan shall be submitted to the appropriate Secretaries by—
16	(1) the Governor; and
17	(2) an eligible agency, in the case of a plan con-
18	taining a portion relating to the system program of
19	the eligible agency.
20	(g) Approval by the Appropriate Secretaries.—
21	(1) JURISDICTION.—Each of the appropriate
22	Secretaries shall have the authority to approve the
23	portion of the State unified plan relating to the sys-
24	tem program for which the Secretary has authority.
25	On the approval of the Secretary, the portion of the

plan relating to the system program shall be imple mented by the State pursuant to the State unified
 plan.

4 (2) APPROVAL.—A portion of a State unified 5 plan submitted to an appropriate Secretary under 6 this section shall be considered to be approved by the appropriate Secretary at the end of the 60-day period 7 8 beginning on the day the appropriate Secretary re-9 ceives the portion, unless the Secretary makes a writ-10 ten determination, during the 60-day period, that the 11 portion does not substantially reflect the planning re-12 quirements of the appropriate Federal statutes au-13 thorizing the system programs.

14 SEC. 502. TRANSITION PROVISIONS.

(a) IN GENERAL.—The Secretary of Education or the
Secretary of Labor, as appropriate, shall take such steps
as such Secretary determines to be appropriate to provide
for the orderly transition to the authority of this Act from
any authority under provisions of law to be repealed under
subtitle E of title I, subtitle B of title II, or subtitle E of
title III, or any related authority.

22 (b) EXTENDED TRANSITION PERIOD.—

(1) IN GENERAL.—If, on or before July 1, 1997,
a State has enacted a State statute that provides for
the establishment or conduct of 3 or more of the pro-

1	grams, projects, or activities described in subpara-
2	graphs (A) through (E) of paragraph (2), the State
3	shall not be required to comply with provisions of this
4	Act that conflict with the provisions of such State
5	statute relating to such programs, projects, or activi-
6	ties for the period ending 3 years after the effective
7	date specified in section 503(a). After such 3-year pe-
8	riod, the Secretary of Education or the Secretary of
9	Labor, as appropriate, shall allow a State to continue
10	operating under such State statute if the State is
11	meeting the State performance measures of the State.
12	(2) PROGRAMS, PROJECTS, AND ACTIVITIES DE-
13	SCRIBED.—The programs, projects, and activities de-
14	scribed in this paragraph are the following:
15	(A) Establishment of statewide partnerships
16	or substate partnerships, including local and re-
17	gional partnerships.
18	(B) Reorganization or consolidation of
19	State agencies with responsibility for workforce
20	investment activities.
21	(C) Reorganization or consolidation of
22	workforce investment activities.
23	(D) Restructuring of local delivery systems
24	for workforce investment activities.

(E) Development or restructuring of State
 accountability or oversight systems for workforce
 investment systems to focus on performance.
 SEC. 503. EFFECTIVE DATE.

5 (a) IN GENERAL.—Except as otherwise provided in
6 this Act, this Act takes effect on July 1, 1999.

7 (b) EARLY IMPLEMENTATION.—At the option of a
8 State, the Governor of the State and the chief official of
9 the eligible agencies in the State may use funds made avail10 able under a provision of law described in section 502(a),
11 or any related authority to implement this Act at any time
12 prior to July 1, 1999.

(c) EARLY IMPLEMENTATION AND TRANSITION PROVI14 SIONS.—Section 502 and this section take effect on the date
15 of enactment of this Act.

16 (d) TWENTY-FIRST CENTURY WORKFORCE COMMIS17 SION.—Subtitle C of title IV takes effect on the date of en18 actment of this Act.