provide for their families and to save for the future.

It is not fair that Washington continues to take such a large share of the family's earnings, and at the same time continues to increase the deficit at the same time. The people of the Third District of North Carolina sent me to Washington to look out for their interests. That is why I feel so strongly about the need to balance the budget.

The balanced budget plan assumes a gross tax relief of $135 billion over 5 years, which can provide families with a child tax credit and relief from burdensome taxes such as the death tax and capital gains tax.

The plan also helps parents who want to send their children to college. It has been 16 years, it has been 16 years since the American people have had tax relief.

Mr. Speaker, it is time for the Congress to pass a balanced budget for the people of America.

□ 0915

EMPLOYMENT, TRAINING, AND LITERACY ENHANCEMENT ACT OF 1997

Mr. MCINNIS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 150 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 150

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1385) to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce now printed in the bill. The committee amendment in the nature of a substitute shall be considered by division rather than by section. Each division shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with clause 5(a) of rule XXI are waived. Before consideration of any other amendment it shall be in order to consider the amendment numbered 1 pursuant to clause 6 of rule XXIII, if offered by Representative McKeon or his designee. That amendment shall be considered as read, may amend portions of the bill not yet read for amendment, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. If that amendment is adopted, the bill, as amended, shall be considered as the original bill for the purpose of further amendment. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. FOLEY). The gentleman from Colorado [Mr. MCINNIS] is recognized for 1 hour.

Mr. MCINNIS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. HALL] pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, this is a very simple resolution. The proposed rule is an open rule providing for 1 hour of general debate equally divided, controlled by the chairman and the ranking member of the Committee on Education and the Workforce. After general debate, the bill shall be considered for amendment under the 5-minute rule. Furthermore it shall be in order to consider as an original bill for the purpose of amendment under the 5-minute rule the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce now printed in the bill.

Additionally, Mr. Speaker, House Resolution 150 provides that the committee amendment in the nature of a substitute shall be considered by division rather than section. Moreover, points of order against the committee amendment in the nature of a substitute for failure to comply with clause 5(a) of rule XXI are waived.

Mr. Speaker, the rule also provides for consideration of a manager's amendment, if offered by the gentleman from California [Mr. MCKEON] or his designee, which shall be debatable for a period of 10 minutes. If this amendment is adopted, the amendment will be considered as part of the base text for further amendment purposes. Furthermore, this rule provides that the Chair may accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD.

Mr. Speaker, at the conclusion of consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Finally, Mr. Speaker, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, under the proposed rule each Member has an opportunity to have their concerns addressed, debated and ultimately voted up or down by this body. House Resolution 150 was passed out of the Committee on Rules by voice vote. I urge my colleagues to support the open rule.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

(Mr. HALL of Ohio asked and was given permission to revise and extend his remarks.)

Mr. HALL of Ohio. Mr. Speaker, I want to thank my colleague, the gentleman from Colorado [Mr. MCINNIS] for yielding me the time. House Resolution 150 is an open rule. It will allow for full and fair debate on H.R. 1385, which is the Employment Training and Literacy Enhancement Act of 1997.

This bill consolidates more than 60 existing employment training and literacy programs and establishes three block grants to States and localities. It is needed to improve Federal education and job training programs to meet more effectively the needs of States and local communities. These programs have provided valuable assistance to dislocated workers and disadvantaged adults and young people. The goal is to improve a system which has already demonstrated its importance to our Nation's work force.

As my colleague from Colorado described, this rule provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. Under this rule, amendments will be allowed under the 5-minute rule, the normal amending process in the House. All Members will have the opportunity to offer amendments.

It is my understanding that, before the Committee on Rules met last night, an agreement between the majority and minority had been reached on the manager's amendment to drop certain provisions dealing with special demonstrations. Subsequently the rule was approved unanimously by the Committee on Rules on a voice vote.

Mr. Speaker, I urge the adoption of this open rule and the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. McINNIS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 150 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1385.

The Chair designates the gentleman from Ohio [Mr. NEY] to preside over the Committee of the Whole, and requests the gentleman from Colorado [Mr. MCINNIS] to assume the chair temporarily.

□ 0923

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1385) to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States, and for other purposes, with Mr. MCINNIS (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. CLAY], each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Today, we are going to deal with legislation that is the culmination of 6, 7, 8 years of work, I would suppose, of a very dedicated staff and members of this committee as well as the Governors, State legislators, educators, local elected officials, State elected officials. It is a bipartisan effort to take what the General Accounting Office said are 160 job training programs from the Federal level, consolidate them into three block grants and get them back to State and local government so they can be much more effective.

As most Members know, only 25 percent of our population ever graduate with a 4-year degree. Hundreds of thousands of those, of that 25 percent, are either unemployed or underemployed. At the same time, we have spent very little time dealing with the 75 percent who do not receive a 4-year college degree and yet we had hundreds of thousands of high-technology jobs waiting for those who can be trained in order to take those jobs.

Unfortunately, there are those who mistakenly believe that this legislation increases the Federal role in the area of employment, training and literacy programs. There are those who say that this legislation is an intrusion into the American family. This could not be further from the truth. H.R. 1385 vastly reduces Federal involvement in these programs, transfers the vast majority of resources and authority to the States and local communities, and most importantly, sends authority and responsibility into the hands of actual individuals, giving people choices in the selection of occupation services and service providers so that they are empowered to succeed in today's society. So what happens if we do nothing today or if this bill gets bogged down in political debate?

I will tell my colleagues what happens. Most of these programs are permanently authorized and will continue to receive funding without any reform at all. Government control and bureaucracy will not be curtailed but will continue, and these programs will continue to be funded.

In fact, I just heard that the budget negotiators are now talking about adding $3 billion for employment and training assistance for welfare recipients. I sure hope that they are talking about that money going to this consolidated program, not something new from the Federal level.

So we cannot afford to lose this opportunity to reform the system so that States and local communities, and, most importantly, American citizens have the flexibility to develop employment, training and literacy programs that work.

Mr. Chairman, I reserve the balance of my time.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the ability of our Nation to provide education and training opportunities to our people is more important now than ever before. Our success in the increasingly competitive global economy will largely depend upon the skills and productivity of our workers. Education and job training programs provide workers with the opportunity to learn and to improve their skills.

It is our duty to make certain that those programs are effective and efficient. Many have criticized our current training system for being too duplicative and too sparse. The legislation we consider today will improve the coordination of services, provide quality assistance and foster efficiency.

I am especially grateful that this agreement addresses the unique needs of dislocated workers as well as providing for meaningful local decisionmaking. As Members may remember, these issues were among the highest priorities advocated by Democrats during last year's deliberations on the careers bill. With respect to the adult education provisions of this bill, I believe that we have made solid progress. We have made sure that the program remains a part of the Elementary and Secondary Education Act, that it will be administered by the State agency now in charge of adult education, that the program has a reasonable maintenance of effort standard, and that it will continue to serve a critically important role in the education of those who need its services.

I want to particularly compliment the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MCKEON] for their leadership and for their sincere efforts to make this a bipartisan effort on this bill. I appreciate their willingness to seek resolution of our differences on this issue. I also want to commend my Democratic colleague, the gentleman from Michigan [Mr. KILDEE], the ranking member of the Subcommittee on Postsecondary Education, Training and Life-Long Learning, for picking up where his predecessor, Pat Williams, left off by ensuring that any compromise adequately protects Democratic concerns.

□ 0930

Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. KILDEE], the ranking Democrat on the subcommittee, be given the authority to control the minority's time during general debate.

The CHAIRMAN pro tempore (Mr. MCINNIS). Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLAY. Mr. Chairman, I reserve the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. MCKEON], the subcommittee chairman, who worked long and hard on this issue.

Mr. MCKEON. Mr. Chairman, I thank the gentleman for yielding me this time. I rise in strong support of H.R. 1385, the Employment, Training, and Literacy Enhancement Act of 1997.

This bill is an important step in addressing the Nation's long-term work force preparation needs by helping States and local communities to make sense out of our current confusing array of employment, training and literacy programs.

The bill accomplishes long overdue reform, consolidating over 60 Federal programs through the establishment of three block grants to States and local communities for the provision of such services and through amendments to the Rehabilitation Act.

It accomplishes key reforms in this country's job training system by building on the three principles of individual choice, quality training for the 21st century, and the transfer of resources and authority for employment, training and literacy programs to States and local communities.

For youth, we amend the JTPA's current disadvantaged youth programs, increasing the focus of such programs on longer term academic and occupational training rather than short-term employment fixes, requiring that all employment experiences under these programs be tied to academic and occupational learning opportunities and prioritizing services for hard-to-serve disadvantaged youth, including school dropouts.

For adults we establish a single delivery system for adult employment and training that maximizes individual choice in the selection of occupations and training providers. The bill encourages an employment-first approach to job training that will greatly compliment our efforts in welfare reform, where individuals purchase training services through their use of vouchers when in need of skilled training.

Not only will this legislation result in improved services to dislocated

workers, but it will also result in enhanced services provided to welfare recipients who must make the transition from welfare to work.

Title V of the bill amends the current Adult Education Act, consolidating existing adult education and family literacy programs into flexible block grants to States. This portion of the bill includes important linkages to employment and training programs to ensure that individuals seeking employment and training services have the literacy skills they need in order to succeed.

With regard to vocational rehabilitation, the bill extends the authorization through the year 2000, allowing the 106th Congress to comprehensively review the Rehabilitation Act. It also streamlines the paperwork requirements of the title 1 vocational rehabilitation program, saving resources and increasing client choice.

This legislation will not only provide the flexibility that States and local communities need to vastly improve their employment and training efforts, but it will provide individuals that are in need of these services with the information, choice and resources that they need to become skilled and gainfully employed.

Unfortunately, there is a great deal of misunderstanding about this bill. This legislation is written to empower individuals, not the Federal Government, to make decisions about their own lives and their individual employment and training needs. The bill significantly reduces the involvement of the Federal Government in the design and operation of these programs.

Because Federal job training programs are permanently authorized, if we do nothing today, we will keep the status quo and programs will continue to be funded with no reform or reduction in Federal bureaucracy. In fact, it is likely that the budget will contain increased funding for employment and training for welfare recipients, another new program on top of many others.

We cannot afford to continue to operate in this fashion. We need the Employment, Training, and Literacy Enhancement Act that will allow local communities to make sense out of these programs. And if the budget does contain increased funding for services to welfare recipients, we must ensure that this system is fully utilized so that we do not add yet another program to our growing list of employment, training and literacy programs.

The skills of this Nation's work force are more important today than ever before. This legislation will go far to help States and local communities to reform employment, training and literacy programs that address the individual skill needs of their citizens, and it will go far to empower individuals to break the cycle of dependency that has plagued our country for far too long.

I want to take this opportunity to thank the Members of our committee for their contributions in the development of this legislation; in particular, the gentleman from Pennsylvania, Chairman GOODLING, for his insight and leadership over the years on this issue. He has been working on this for many years, and I am proud to see that it is coming to fruition.

I also want to thank the gentleman from Missouri [Mr. CLAY], and the gentleman from Michigan [Mr. KILDEE], who has worked so hard and worked closely with us to develop this legislation in a truly bipartisan fashion.

I would also like to thank the administration for working with us to make this effort one that is likely to be enacted this year.

Finally, I am pleased to announce that the National Governors' Association, the National Conference of State Legislatures, and the National Association of Counties have reached an important agreement with regard to this legislation that will be reflected in an en bloc package of amendments that I plan to offer later this morning.

And I would like to thank these organizations for all their efforts to help us in the development of this bill. In fact, all three of these organizations, in addition to the American Association of Community Colleges, the U.S. Chamber of Commerce, the Society for Human Resource Management, the Computing Technology Industry Association, and others have written in support of H.R. 1385.

This is a good bill that will help the country's workers gain the skills they need to succeed in today's work force. I urge my colleagues' support of this important legislation.

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

(Mr. KILDEE asked and was given permission to revise and extend his remarks.)

Mr. KILDEE. Mr. Chairman, I am pleased to rise to support H.R. 1385, the Employment, Training, and Literacy Enhancement Act of 1997. We have been talking for several years now about the need to create an integrated employment and training system that meets the challenge of preparing American workers for the jobs of the future.

Last year our efforts collapsed in conference, I believe largely due to problems in the Senate. This year, however, the gentleman from California [Mr. MCKEON], the subcommittee chairman, and the gentleman from Pennsylvania [Mr. GOODLING], the committee chairman, have approached this issue in a bipartisan manner, and I believe the bill before us today reflects the consensus approach they have taken to job training reform.

In particular, I certainly appreciate the fact that they have ensured that the Federal investment in dislocated workers is maintained. While it is important to streamline and integrate job training programs, it would have been short-sighted to have done so in a way that reduced our ability to provide services to workers in transition. The guarantee of a separate funding stream within the adult block grant in H.R. 1385 is a major improvement over last year's legislation.

I am also pleased to see the extent to which this bill builds upon what is already working in local communities.

The bill also strengthens accountability in the job training system. First, all job training providers will be accountable to customers through a requirement that they provide annual information that will serve as a consumer's report card that will help guide customers' choices about which institutions have the best record of helping to acquire the skills necessary to get jobs.

In addition, States and local areas will have to reach negotiated performance benchmarks that will serve to ensure that they are accountable for results. The accountability provisions are considerably stronger than last year's conference report, and I am particularly supportive of new safeguards which will ensure adults are not defrauded by unscrupulous or fly-by-night training providers.

The bill consolidates programs for at-risk economically disadvantaged youth, integrating classroom and work-based learning, providing learning opportunities at work sites, linking secondary learning and postsecondary learning, and fully involving the private sector.

The reintroduction of a substate formula for a portion of the funds in both adult and youth block grants will also be an important safeguard to ensure that local areas continue to get the resources to meet the needs of their population. I applaud the State and Local Coalition for reaching agreement to reinsert substate formulas as reflected in the Chairman's en bloc amendment.

I think there are some areas in this bill which could still use improvement, and I hope that as we move in the Senate and then in the conference the spirit of bipartisan cooperation will continue to prevail.

With respect to the Adult Education and Family Literacy Act provisions in this legislation, I am very pleased with what we have been able to accomplish and am especially gratified that we did our work in a spirit of true bipartisanship. In that regard, I want to pay special thanks again to both the chairman of the Committee on Education and the Workforce, my good friend, the gentleman from Pennsylvania [Mr. GOODLING], who has long been a champion of adult education and family literacy, and to the chairman of the subcommittee, the gentleman from California [Mr. MCKEON], who has been very willing to work out differences in a very amicable fashion.

This legislation keeps adult education as a part of the Elementary and Secondary Education Act. I believe this is critical in making it very clear that adult education is first and foremost an education program.

There are other adult education provisions of this legislation that are also

important; provisions such as the separate such sums authorization, continued funding for professional development, a more reasonable maintenance of effort standard, and the possibility of ongoing support for State literacy resource centers.

There are several areas, however, where it might be helpful to have greater clarity regarding legislative intent. First, I view the provisions regarding the eligible agency in charge of adult education programs to be the State agency currently in charge of those programs, and that the reference to State law means State statutory law that cannot be overridden by a Governor's executive order.

Second, the accountability provisions in this legislation certainly do not preclude the Secretary of Education from judging State plans on both quality and technical specifications. Quite to the contrary, I believe the Secretary has the clear authority to make such a judgment.

Third, English literacy programs most definitely include English as a second language instruction.

Fourth, when we go to conference, I believe we should fashion an agreement that will end the confusion of having to consult two different acts to obtain a full knowledge and understanding of the Federal adult education legislation. It is important that those at the State and local level be able to look at one act and get a full and complete understanding of Federal law in this area.

While not every provision I wanted has found its way into this legislation, I am on the whole very pleased with the adult education provisions we have been able to work out. I believe they will move adult education forward and they will contribute immensely to both strengthening and expanding the very crucial work done by adult education programs in community after community across this land.

I am also pleased to support the amendments to the Vocational Rehabilitation Act contained in H.R. 1385. Those amendments go a long way in streamlining and clarifying certain provisions of that act. Specifically, the revised individualized plan for employment will provide a greater opportunity for disabled persons to develop their own employment plans. The role and participation of program consumers in the individualized plan for employment will be strengthened as a result.

Under current law, the individual's plan is jointly developed and approved by the eligible individual and the vocational rehabilitation counselor. Under this bill, an eligible individual would be allowed the option to assume primary responsibility in the development and direction of that employment plan.

The bill also simplifies and clarifies existing requirements and eliminates burdensome process requirements without compromising consumer protections in order to streamline the process.

Mr. Chairman, the bill under consideration also provides for a greater consumer involvement based upon informed choice options. State agencies would be required to develop written policies and procedures related to informed choice, including procedures for informing individuals about the availability and scope of informed choice, and for assisting individuals to acquire information necessary to exercise that choice.

□ 0945

Finally, Mr. Chairman, H.R. 1385 requires that Federal agencies provide certification of compliance with electronic and information technology accessibility guidelines under section 508 of the Rehabilitation Act. In other words, Mr. Chairman, this bill ensures that the Federal Government monitors its own requirements to assist disabled persons with respect to the accessibility of electronic and information technology.

Mr. Chairman, I am pleased to support H.R. 1385 and am very grateful to the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MCKEON] for their very, very hard work, their very, very close cooperation and their willingness to compromise. We both compromised on this. Neither side is totally pleased, but this is, I think, a piece of work that we can support.

Mr. Chairman, there has been some concern expressed that this bill will set up a parallel apprenticeship and training certification procedure in competition with the process administered by the Department of Labor's Bureau of Apprenticeship and Training and State apprenticeship agencies approved by the BAT. I am satisfied, however, that designation by Local Workforce Boards, in consultation with the State's Governor and legislature, of training programs eligible to receive funds under this bill is not intended to certify such programs for Federal purposes in the same manner as certification by the BAT and State apprenticeship agencies, and should not be regarded as such. Moreover, I am aware of concern that funds authorized by this bill will be used to provide financial assistance to apprenticeship training programs in industries, such as construction, that have been traditionally financed exclusively by private funds. I am confident that the outstanding training currently provided in these areas will continue to be financed by the private sector so that the limited financial resources authorized by this bill can be earmarked for training in these areas that have been neglected or, for some other reason, must rely on Federal financial assistance. I intended to work with Members of the Senate to clarify further this policy in the final bill.

Mr. MCKEON. Mr. Chairman, I yield 2½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA], a member of the committee.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Chairman, I want to express my deep appreciation to the chairman of the full committee, the chairman of the subcommittee and certainly the ranking members who have worked so hard on this bipartisan effort so that both sides of the aisle have reached consensus, and I think we should be proud of that. This is a good bill, and I support it.

Certainly following on the heels of last year's efforts, we should look forward to great advancement. This is a great advancement and improvement over current law. It not only consolidates the programs of adult training, disadvantaged youth training and adult education, and literacy, but it also fortunately adopted the right course of action by removing the vocational education part from this legislation to ensure that voc ed would not be lost in the overall job training block grant. I think that was a success.

I would like to commend the committee for recognizing the importance of the supportive services, transportation and child care assistance. We incorporated that into this bill and that provision had its beginning in legislation that I, along with the gentleman from Texas [Mr. SMITH], the gentleman from Indiana [Mr. ROEMER], and the gentleman from North Carolina [Mr. WATT], had sponsored. We deeply appreciate the fact that that kind of training assistance has been incorporated in this bill. It will help hundreds of thousands of people take advantage of training possibilities.

Mr. Chairman, I think my colleagues know my strong support over time of the block grant approach and I must say that I continue to support block grants. But in this legislation I think we have struck the proper balance and given the appropriate safeguards to get the best advantage out of how States and the Federal Government work together in these training programs. The legislation I think has found the proper balancing point between State and local governments, and we will all have the advantage of this relationship.

I want to point out in specific terms that it is organizations like the ARC's in my district of Bergen and Passaic Counties and Warren and Sussex Counties that have the experience with servicing individuals with disabilities and have earned the respect of everyone. It is these kinds of community organizations that will work with the business community under this legislation to provide the job opportunities and the training that is necessary. I think it is very practical. It uses the strengths of all the private sector as well as the public sector, and we are in great debt to the organizations such as these that ensure that these individuals with disabilities will receive the best possible assistance and training.

Mr. Chairman, I rise today in support of this legislation. As a member of the Subcommittee on Post-Secondary, Training and Lifelong Learning, I am proud of the bipartisan effort that has brought Members on both sides of the aisle to consensus. We have here before us clear evidence that bipartisanship works and that Congress works when we are bipartisan.

Following on the heels of last year's failed attempt at reform, this bill represents a significant improvement over current law. It consolidates programs of adult training, disadvantaged youth training and adult education, and literacy. I would add that the committee adopted the right course by removing vocational education from this legislation to ensure that it would not be lost in the overall job training block grant.

In addition, I would like to commend the committee for recognizing the importance of supportive services, such as transportation and child care assistance, which will enable individuals to participate in the adult training services. This began as legislation introduced by myself and Representatives LAMAR SMITH of Texas, TIM ROEMER of Indiana, and MEL WATT of North Carolina. Our legislation was introduced to make it possible for adults who want to learn to read and receive training to follow that path. About 300,000 individuals who enroll in adult education programs have to withdraw because of the lack of support services. Access to transportation and child care makes it possible for those who want to make their lives better to take advantage of the adult education programs. We are pleased that our legislation was able to become a part of this bill before us today.

Mr. Chairman, as many of my colleagues know, I have been a longtime supporter of the block grant approach. However, I continue to insist that all block grants to the States come with effective and appropriate safeguards. Therefore, I am pleased that this legislation continues to require the States to work with the appropriate Secretary in determining these goals and benchmarks, while allowing the State to specify standards and indicators to focus on employment outcomes. The legislation also highlights certain core indicators, including placement in unsubsidized employment, retention in employment, increase in earnings, attainment of industry-recognized skills, reduction in welfare dependency and attainment of high school diploma or general equivalency diploma.

In addition, States are responsible for developing a State plan which would be submitted, reviewed, and approved by the Secretary for review.

This legislation also has found the proper balancing point between State and local governments. The States will be responsible for working on performance indicators, while the local work force development board will be responsible for the day-to-day oversight of job training and placement.

Mr. Chairman, I would also like to commend the committee on including the concerns of the disabled community in the composition of the work force development boards. Community-rehabilitation providers which serve individuals with disabilities have earned the respect of their local communities and the public sector.

In New Jersey, the ARC's of Bergen and Passaic Counties, and Warren County and Sussex County have all had experience with serving individuals with disabilities and have earned the respect of northern New Jersey. Their involvement with the business sector has provided the community-rehabilitation providers with a comprehensive knowledge of the job opportunities available to and training services needed by individuals with disabilities.

Organization such as these will ensure that individuals with disabilities will receive proper career development information which will maximize the board's ability to assist individuals with disabilities in gaining successful employment. Such a goal is an important part of the goals of this legislation.

And, Mr. Chairman, let take this opportunity to thank Mr. James Seath, executive director of the ARC of Bergen and Passaic Counties and Mr. Bob Pruznick, the executive director of Warren County ARC for their advice and counsel.

Mr. Chairman, I support this bipartisan legislation. It represents solid progress toward increasing job training and placement as our Nation faces the education and work place challenges of the new millennium.

Mr. KILDEE. Mr. Chairman, I would also like to thank the gentlewoman from New Jersey [Mrs. ROUKEMA] for all her work on the committee. She is indeed a great Member of Congress and has been very helpful on this bill.

Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Chairman, first of all I want to thank the gentleman from California [Mr. MCKEON] and the gentleman from Michigan [Mr. KILDEE] for their leadership on this bill. It is a good bill and it is truly a bipartisan effort, and it reflects also the good working relationship of the gentleman from Pennsylvania [Mr. GOODLING], the chairman, and the gentleman from Missouri [Mr. CLAY]. I thank them so much for letting us have something this positive to be talking about today. That is why it is such a good bill.

I am particularly pleased that my amendments concerning training for nontraditional occupations and studies on self-sufficiency standards were included in the bill. The requirements of the new welfare law make it more important than ever that women have a full range of job choices. This bill will make it easier for women to train for those high-wage jobs that actually pay a livable wage.

H.R. 1385 will also help to ensure that job training programs that receive taxpayers' funds do in fact train workers for jobs that pay a livable wage, a job they can afford to live on. The bill does this by allowing the Secretary of Education to conduct research to develop self-sufficiency standards.

A self-sufficiency standard measures local basic living costs, such as housing, transportation and child care. These costs determine whether a worker after training will earn enough in salary and benefits to make herself and her family truly self-sufficient, able to live independently off of public assistance. This is important, because it is a waste of taxpayers' funds to train workers for jobs that do not enable them to support themselves and their families and to keep them independent of assistance.

I am also pleased that this bill that we are considering today includes the amendments offered in committee by the gentleman from Colorado [Mr. BOB SCHAFFER] and myself to ensure that State legislators have a role in implementing job training funds as part of State-wide planning for their education and welfare programs.

Mr. Chairman, this is a good bill. It makes needed reforms to our system of job training programs, and I urge my colleagues to support it.

Mr. GOODLING. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. MCKEON] and I ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MCKEON. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. BARRETT], a member of the committee.

Mr. BARRETT of Nebraska. Mr. Chairman, I thank the gentleman for yielding me this time, and I congratulate him for his efforts in bringing the bill to this point, along with the assistance of the gentleman from Michigan [Mr. KILDEE], his ranking member, the gentleman from Pennsylvania [Mr. GOODLING], the committee chair, and the gentleman from Missouri [Mr. CLAY], the ranking member of the full committee.

Mr. Chairman, I do rise in strong support of H.R. 1385. As has been suggested, the bill already eliminates nearly 70 programs, directs more money to States and local communities, and it does enable individuals to make an informed decision on what types of job training they need.

The bill also includes my amendment that would make a change in current law that will have a positive effect on our disabled youth who are preparing to leave school and move into the State vocational rehabilitation system.

The Nebraska Vocational Rehabilitation Services agency operates a transition program that can allow the agency to participate in a disabled child's individualized education plan once that child reaches the age of 14. This participation has been welcomed by schools and parents as it does help them to understand the types of vocational rehabilitation services that may be available once the child leaves high school. The transition program is helping 2,000 children to prepare to enter the State's vocational rehabilitation system.

Yet, current Federal requirements are burdensome because State vocational rehabilitation agencies must have an individualized written rehabilitation plan, should the State make contact with an individual who may need their services. In the context of transition services for children, this requirement is unnecessary as the child's special education planning, which is mandated by IDEA, already takes into account the child's educational needs. My amendment merely removes the written requirement for children who are being served through an individualized educational plan.

I do encourage my colleagues to support H.R. 1385.

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Chairman, I found very interesting the remarks of the gentleman from Michigan [Mr. KILDEE], a true gentleman, and when it comes to education programs in Congress, we have probably seen more real spirit of working together than anywhere else.

I want to compliment the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. CLAY]. I think they have tried to help the American people and the gentleman from Michigan [Mr. KILDEE] and the gentleman from California [Mr. MCKEON] now joining forces with that, I want to compliment the gentlemen, and I thank them from an area that lost an awful lot of jobs.

With that, this bill combines three major programs. It is smart, it is intelligent what the gentlemen have done, but in order for me to effect my Buy American language, I have to offer three Buy American amendments to three different spots, and after all that I am not sure it is going to apply to every dollar in the bill so I want to make sure the legislative history in debate understands that after this is offered en bloc and hopefully accepted that all of the money in this act will be covered by the basic language that is exactly similar in all three amendments.

I would like to talk just for a minute about some developments that have occurred in our country in the loss of jobs. We are retraining workers and we are trying to do our best with dislocated workers. It is very important in my district. But I am actually trying to find out what jobs we are retraining them for. I think we are getting to the point where we have trained a lot of welders, a lot of burger flippers, but the occupational classifications of new jobs listed by the Department of Labor scares me I say to the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. CLAY]. As the chairman and ranking member, I want to just let the gentlemen hear a few: Belly builder; plate stacker; streetlight repairer helper; diaper machine tender; dog washer; dog food mixer; earmuff assembler; brassiere cup molder cutter; sweatband shaper; ball point pen cartridge tester; feather stitcher; ribbon winder; puzzle assembler; dope mixer. I really want to know what that is. Bosom presser; sanitary napkin folder; pantyhose crotch closer.

Let me say this. There is dignity in all work and I do not want to malign anybody's occupation, but when our Department of Labor has to try and make it look like there are jobs in this country by actually dotting every ''I'', crossing every ''T'' and trying to imagine every little simple task that might be covered under basic laboring types of provisions, then we have other things to do than to just retrain.

I am asking today from one of the best committees I have seen operate since I have been here, to the gentleman from Pennsylvania [Mr. GOODLING] and to the gentleman from Missouri [Mr. CLAY], to put their minds together and pull upon the resources of Congress and see what we can do to enhance reasonable job opportunities for those dislocated workers. My amendment will cover all the provisions and I want it to be understood it will cover all the money in the bill. I thank the gentleman for yielding me this time.

Mr. MCKEON. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. PETERSON], a new member of the committee who has been very active in working on this bill.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I too would like to rise to congratulate the chairmen of this committee and the subcommittee and the ranking members of the committee and the subcommittee because this is how it should be done. Those of my colleagues who think this bill will pass rather easily today without much trouble, that is true. But there has been a whole lot of hard work, a whole lot of compromise, a whole lot of commitment to getting to home plate and scoring the run. I congratulate those. I think a lot of other committees in this Congress could watch and observe and do better.

America will be challenged in my view in the years ahead to provide the workers with the opportunities to receive the technical education they need to meet tomorrow's jobs. As I view factories, and I try to tour at least one or two a week in my district, they are changing. If we are going to remain a strong manufacturing nation, and I think we must, I agree with the gentleman from Ohio, if we do not maintain manufacturing in this country, we will be a second-rate nation.

□ 1000

We have to have workers with a whole lot more skills than were needed just a few years ago. Today we are taking a step, not all the steps we need to take, but we are taking a major step. When we combine 60 programs into 3 block grants and allow the local folks, the States and the local community groups, to decide what is needed and how to do it, we will be much more successful.

Historically, as a State legislator and a State senator, I so often tried to help people fit into those Federal categories and get the training they needed, and so often we failed because even though there were 60-some programs, the Federal Government cannot design enough slots and enough types of programs to meet the needs that are out there, and we failed at it. Many people were trained for jobs that are not available, people were given skills that no longer are valuable, and that will have a chance to cease with this program.

Mr. Chairman, I want to also thank the gentleman for allowing my amendment which will allow incumbent workers to be trained, and I think that is important. So often we have skill centers sitting idle on weekends and nights, and they were not able to use them because of all the Federal hoops they had to jump through, and those should be on a fee-for-service basis, allowed to train local people, and the investments we made need to be utilized to train everybody we can train. And I just think this is a bill moving in the right direction, and I commend those who made it happen.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. ESHOO] who played a very crucial and essential role in perfecting section 508.

Ms. ESHOO. Mr. Chairman, I rise in support of H.R. 1385 and the en bloc amendment.

In particular, I would like to thank the gentleman from Pennsylvania [Mr. GOODLING], the gentleman from California [Mr. MCKEON], the gentleman from Missouri [Mr. CLAY], and certainly the gentleman from Michigan [Mr. KILDEE] for accepting the language I offered to strengthen section 508 of the Rehabilitation Act. I would also like to thank the gentleman from Massachusetts [Mr. TIERNEY] for his willingness to actively support this provision in full committee.

There are approximately 145,000 Federal employees with disabilities, and they comprise 7½ percent of the Federal work force. Most work in the Departments of Defense, Veterans' Affairs, and Agriculture.

Information technology has played a large role in opening up jobs in the Federal Government and elsewhere to people with disabilities. An estimated 43 percent of employed people who are blind or visually impaired use computers to write. However, information technology can also shut the door to people with disabilities if it is not accessible to them.

So it is imperative for Federal employees with disabilities to have Federal agencies purchase information technology that gives them a chance to do their jobs well. Section 508 of the Rehabilitation Act was designed to achieve this goal, but it was not working as it should have because it did not have teeth in it and terms of enforcement. It now does.

The en bloc amendment establishes a way to enforce agency compliance. It will require the OMB to develop uniform procedures for Federal agencies to use each year to certify whether or not they are in compliance with section 508, and the OMB also is given authority to review agency compliance statements and assist the agencies in making their information technology systems accessible to their employees with disabilities.

I urge my colleagues to support certainly this bill. I congratulate the leadership and all the members of the committee for the outstanding work that they have done. I certainly support H.R. 1385, and I am very proud to have this language included. I really think it is going to make a difference for the people that we employ, and the message will go out to the country that we, too, the Federal Government, are an enlightened employer in this country.

Mr. MCKEON. Mr. Chairman, I yield 2½ minutes to the gentleman from Montana [Mr. HILL].

Mr. HILL. Mr. Chairman, I would like to thank the gentleman from California [Mr. MCKEON] and the staff for their hard work on the vocational rehabilitation programs that are part of this bill. I also want to thank the gentleman for accepting my suggestions as part of his en bloc amendment to promote self-employment and small business ownership for people with disabilities.

Since 1998 the Rural Institute on Disabilities at the University of Montana has conducted research and development self-employment models for promoting self-employment for people with disabilities. I have been working with the University of Montana on these amendments, and I am pleased that they have been accepted.

Self-employment is part of the American dream. People are drawn to the notion of working for themselves in a way that they are not attracted to working for someone else. Americans think of self-employment as a way to control their own futures and to make work more fulfilling.

Although self-employment is part of the American dream, it is often overlooked as part of the vocational rehabilitation system, which typically focuses on placing people as employees, and while it is not appropriate for all people with disabilities, self-employment is a vital option for many.

For example, from 1988 through 1992 vocational rehabilitation has placed 5,000 people with disabilities in self-employment, which represents only 2.7 percent of those placements, and while 5,000 is a large number, the 1990 census stated that over 12 percent of working age people with disabilities are self-employed.

My amendment legitimize the use of self-employment for vocational rehabilitation and provides one more way for people with disabilities to become self-sufficient, and I urge the adoption of Mr. MCKEON's en bloc amendment.

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. SAWYER], a former and much missed member of this committee.

(Mr. SAWYER asked and was given permission to revise and extend his remarks.)

Mr. SAWYER. Mr. Chairman, I thank my friend, the gentleman from Michigan [Mr. KILDEE] for the opportunity to rejoin in this discussion today. I particularly want to thank him and the gentleman from Missouri [Mr. CLAY] and the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MCKEON] for the quality of work. It is an example of the kind of thing that can be accomplished when we work together, and I would like to thank and commend all of my colleagues from the Committee on Education and the Workforce for their real teamwork on this legislation.

Mr. Chairman, for several years we have known that our job training delivery system is sometimes duplicative, often confusing, and far too often ineffective. Programs are training people for jobs that sometimes no longer exist, and potential workers have to navigate a maze of different service delivery systems in order to get training. For our industries to succeed, our workers must be highly productive. They need the education and training necessary to keep them in tune with technological advances and innovations in real time.

In the last Congress, the committee began with common goals to consolidate programs, to increase flexibility, and to improve the delivery of services. In the last Congress it was known as the Careers Act. I was a member of the conference committee for that legislation. It seemed to be moving in the direction that Members on both sides of the aisle could support, but it also had some fairly basic flaws that were never resolved, and over time changes moved the Careers Act even further away from its original concept.

This legislation, H.R. 1385, is different. In fact, it incorporates almost every one of the concerns that were raised by Democrats in the last Congress. It also gives States and localities the flexibility to provide adults and youth with the literacy services or training necessary for the jobs that exist in their communities.

I support this bill, but I have to admit that I am a little bit saddened that it would repeal legislation that I offered which created important pieces of literacy and adult education infrastructure. The National Literacy Act of 1991, which was supported by both the gentleman from Michigan [Mr. GOODLING] and myself, was signed into law by former President Bush. But laws evolve as the economy evolves, and we need to understand that if we are going to be effective in delivery, that those structures need to evolve with them and to improve.

Mr. Chairman, I am pleased that many of the important elements, including the National Institute for Literacy, will remain in existence under the auspices of the Adult Education Act. I am also pleased that this legislation allows States to maintain their commitment to professional development for adult education and to the State and regional literacy networks.

The Ohio Literacy Resource Center in my district and others like it throughout the country have facilitated an exchange of information on literacy programs that is unprecedented. Their work allows church literacy programs on one coast to use materials and teaching materials that were developed on the other and everywhere in between. This maximizes scarce resources in fighting the problems of illiteracy.

I commend the committee for its work and all of its leaders in helping to guide it in achieving consensus on a broad and complicated area of policy, and I urge my colleagues to support this bill and to help ensure that scarce resources are being used in the most effective way to educate and train America's work force.

Mr. MCKEON. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. SMITH], who has been helpful in making the bill better.

(Mr. SMITH of Texas asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Chairman, I thank the chairman of the Subcommittee on Postsecondary Education, Training and Life-Long Learning, the gentleman from California [Mr. MCKEON], for yielding.

I rise today in support of H.R. 1385, the Employment, Training and Literacy Enhancement Act of 1997. I first would like to commend the distinguished chairman of the Committee on Education and the Workforce, the gentleman from Pennsylvania [Mr. GOODLING], and the chairman of the Subcommittee on Postsecondary Education, Training and Life-Long Learning, the gentleman from California [Mr. MCKEON], for their diligent work in bringing this important legislation to the floor and for their willingness to work with Members to address our concerns.

Special thanks also goes to subcommittee members, the gentlewoman from New Jersey [Mrs. ROUKEMA], and the gentleman from Indiana [Mr. ROEMER], and the gentleman from North Carolina [Mr. WATT], an original cosponsor of the legislation I introduced.

Increasing educational opportunities for millions of Americans is a shared goal. But many Americans' opportunities are limited by illiteracy. In fact, there are 46 million illiterate adults in our country. Only 9 percent of these adults are being served by programs provided by the current Adult Education Act.

This bill rightly addresses the problems of adult illiteracy. It allows States more flexibility to tackle the problem of adult illiteracy by funding support services such as transportation and child care. I thank the committee for including my legislative ideas that allow States for the first time ever to use a part of their funding to provide support services to participants in adult education classes.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TIERNEY].

(Mr. TIERNEY asked and was given permission to revise and extend his remarks.)

Mr. TIERNEY. Mr. Chairman, I rise to speak in favor of this legislation, the Employment, Training and Literacy Enhancement Act.

I want to also give my appreciation to the chairmen of the full committee and the subcommittee as well as the ranking member. It was, in fact, a notable example of people in this Chamber working together toward a common goal, which was, in fact, a goal that we all spoke about over the last campaign and have carried through for the first 3 or 4 months of this particular session. We have done this on the IDEA legislation, and we have now done it on this particular piece of legislation, and I applaud both the Democrats and Republicans on the committee.

I recently have had the opportunity in my district to have a round table strictly on the issue of literacy, adult basic education. From that round table, I heard from all of the folks within the Sixth District of Massachusetts who are intricately involved in adult basic education on a daily basis. They were able to speak to many of the issues that we, in fact, dealt with in this particular piece of legislation; and, by and large, this bill manages to positively address almost all of the concerns which they made known to us.

As surprising as it seems to people when I talk throughout the district, even the relatively affluent State of Massachusetts has 20 percent of its population that are adults that are functionally illiterate, and a million people have yet to get a high school equivalency in that State.

There are 15,000 people in Massachusetts awaiting the opportunity to have adult basic education literacy and numerary skills worked with them. This is something that we have to provide for. It is a disgrace, frankly, that our system has not been able to step up to the plate and acknowledge and deal with this situation.

I think with this act and some of the changes that have been made in it, we are going to be able to extend these programs and revise them so that they are, in fact, more effective. We are providing more resources so that those people will have the skill and ability to teach people and work with people and bring their levels up to what is needed to be able to get a job and to be able to, in fact, read to their children and grandchildren so that we will not have to repeat this cycle well on into the future.

I also want to make note of the fact that the job training program allows for a good deal of local participation.

Mr. McKEON. Mr. Chairman, I yield 3 minutes to the former Governor, the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I thank the gentleman from California [Mr. MCKEON] for yielding. But more than that, I thank the gentleman for his tremendous work on a very difficult piece of legislation. He and the gentleman from Pennsylvania [Mr. GOODLING], and the gentleman from Michigan [Mr. KILDEE], and the gentleman from Missouri [Mr. CLAY] have done an outstanding job.

I do rise in support of H.R. 1385. I have heard some of the speeches here, and I will not try to reiterate what has already been said. But this really is a good-faith bipartisan effort, in my judgment, to simplify and improve Federal employment training by consolidating and eliminating over 60 existing programs. It was needed, sorely needed. I think it took a tremendous effort to do it, and I congratulate everybody.

I do want to mention a couple areas that are of particular interest and concern to me in this bill. First of all, I worked to ensure that eligible activities under section 402 include single-purpose grants for training and technical assistance for housing and related facilities for migrant, seasonal farmworkers.

In Delaware this fund uniquely enables the National Council on Agricultural Life and Labor Research and other locally based nonprofits to provide technical assistance that improves housing conditions and develops new housing in their agricultural community.

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I also supported changing the bill in committee to ensure that groups like Goodwill and Kent Sussex Industries, two community rehabilitation providers in Delaware, are included in the redesign process and are included on the regional work force development boards.

Of particular concern to me is language that the committee adopted that would effectively preempt State law to give State legislatures unprecedented and sweeping authority over how Federal work force block grant funds are spent. The provision specifically requires that these Federal funds be subject to the State laws and procedures that apply to State funds. Delaware does not make specific authorizations for Federal funds now, and the JTPA and Private Industry Council continue to work very well, and have worked well in the past, including under my past administrations.

Now, under this legislation, the law would be changed to require that all moneys be passed through the legislature, and I am very concerned that funding decisions will become mired in politics. There will be no assurance that objective criteria will be used in selecting training providers, and the efficiency and effectiveness of the funding system could be seriously compromised.

The current system is more productive and provide Governors much-needed flexibility. There is no benefit to the Federal Government mandating that all States administer JTPA in exactly the same way, when we in Delaware have proven that a small State can make a big difference when given the power to choose our own way.

I understand this issue will try to be worked out to the satisfaction of all sides involved, and it is something I will be working on as well as we move to conference. Otherwise, this bill is a giant step forward to help train our workers in a comprehensive way so that we can continue to remain competitive in an increasingly globally competitive environment.

I congratulate the sponsors and ask everyone to support this legislation.

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman from Michigan [Mr. KILDEE], who does such an excellent job and I thank the subcommittee chair for his leadership as well.

Mr. Chairman, I rise in support of H.R. 1385. This bill is a good step in coordinating our Federal, State, and local employment and training programs. It provides incentive grants to States that demonstrate continuing progress in coordination and integration of these programs. This bipartisan bill builds an integrated work force development system. However, I do not think the bill goes far enough, and I would presume that some of its enthusiastic supporters perhaps feel the same. It does not go far enough in my opinion in terms of requiring the Federal Government to coordinate other service programs with these employment and training programs.

Mr. Chairman, I rise because I have introduced a bill, and I want to talk to the gentleman from Pennsylvania [Mr. GOODLING], the gentleman from California [Mr. MCKEON], the gentleman from Michigan [Mr. KILDEE], and others, the gentleman from Missouri [Mr. CLAY], about it, called the Family Services Improvement Act, H.R. 1480. It takes this bill I think a necessary step further to encourage agencywide coordination at the Federal level.

I would like to voice my strong support for the full service centers that this bill seeks to implement.

The Department of Labor currently funds 287 one-stop career centers in 24 States. In my district there are five one-stop service centers. These centers allow Americans to have easy access to reliable, up-to-date information on job searches and provides workers with ready access to training-related and supported services. It requires the implementation of full service, one-stop employment and training delivery centers, an excellent step.

I am pleased to see the Committee on Education and the Workforce come to a compromise on this bill. I support it. Its implementation of one-stop employment and training delivery centers will be a giant step forward, as the gentleman from Delaware [Mr. CASTLE] said.

Coordination of these job training programs which this bill requires will lead to a more effective and efficient use of our Federal dollars.

But let me suggest to the leaders, particularly the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. CLAY], of this critically important committee, that we can do more in terms of coordinating services. The gentleman from Indiana [Mr. JACKSON] talks about a mom going to a centrally located school, with her small child, and they go together. The child goes for education, whether it is pre-K, kindergarten, first, second, or whatever grade, and mom goes to get the job training services and information, GED, whatever she needs; and together, the Federal programs are coordinated at a single site accessible by the user for the purposes of giving that family full service support.

So my colleagues can see, it is no criticism to say this bill does not go as far as I would like to see it. It clearly takes a critically important step forward in the coordination of services, but I think we can do more, and I look forward to working with the leaders that I have mentioned, the gentleman from Pennsylvania [Mr. GOODLING], the gentleman from Missouri [Mr. CLAY], the gentleman from Michigan [Mr. KILDEE], the gentleman from California [Mr. MCKEON], and others on the committee, because I think we have a context in which we can make a dramatic step forward in the coordination of services at the Federal, State, and local levels.

Mr. Chairman, this is an important subject and I appreciate the ability to talk on it, and to support this very significant step.

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. ROEMER], along with his two sons, Matthew and Patrick.

Mr. ROEMER. Mr. Chairman, I thank the distinguished gentleman from Michigan, and I am not sure that I will yield time to my two sons.

I want to start off by saluting and commending and applauding the bipartisanship shown by the chairman and ranking members on both the Democratic and Republican side, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MCKEON], the gentleman from Michigan [Mr. KILDEE], and the gentleman from Missouri [Mr. CLAY]. This is the kind of cooperation and these are the kinds of bills that the people of Indiana, and I think in the Midwest and hopefully throughout the country, want us to work on.

I want to further say that this is the third bipartisan bill that our committee has reported out in a productive and civil fashion to do the people's work. We have worked on the IDEA legislation for the disabled community, we have worked on a higher education commission, and we are now working together on this important legislation for worker training and literacy. I think that this is some of the most important work that we have done in this Congress.

Mr. Chairman, I want to talk in terms of bipartisanship about some legislation that we have put in this bill in a bipartisan way. Several weeks ago the gentleman from Texas [Mr. SMITH], a Republican, and the gentlewoman from New Jersey [Mrs. ROUKEMA], and the gentleman from North Carolina [Mr. WATT], a Democrat, and myself joined together to put a support services bill together that will enhance the way that these programs deliver services in a more effective way with a heart, but they deliver the service and get the literacy programs to the people that need it. Forty-six million people in America lack basic literacy skills. Only 9 percent of those 46 million Americans are currently getting job training skills and literacy program exposure.

One of the things that we attached to this bill in a bipartisan way was to allow these programs to have support services and spend money on child care and transportation to get to the adult services programs and literacy programs at night. When we put these components in, we have found that participation in these programs oftentimes goes from 10 members to 40 members in these nighttime programs, where the people are sometimes single and have children. They need child care, they need transportation at night to get the literacy skills, to enhance their skills at work in the daytime.

The gentleman from California [Mr. MCKEON] and the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. CLAY] and the gentleman from Michigan [Mr. KILDEE] have worked on even making our legislation better, incorporating into this bill the kinds of caring components with transportation and child care that we have found that will help transform our welfare system. We found in welfare in the debate last year that welfare only works when we allow people to get care for their children. We do not want to have to have them pick between work and leaving children home alone.

This bill incorporates those things into making adult literacy programs more available for all people, and that saves us money in the long term, and productivity and enhancing our programs, delivery of efficient services, and helping people learn to read.

Again, I want to end on saying I am proud to be a member of the Committee on Education and the Workforce. It shows the American people that we work together in a bipartisan way to deliver good bills for the American people, and I hope this bill will become law.

Mr. MCKEON. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. PAUL], another new member of the committee.

Mr. PAUL. Mr. Chairman, I thank the gentleman for yielding me this time.

After 30 years of Federal Government involvement and two major legislative overhauls, there are now over 160 Federal programs dedicated to job training. The Federal Government has spent approximately $4.5 billion just on the Job Training and Partnership Act of 1997. However, the U.S. Congress cannot measure whether or not they are getting a good return on their investment since both Federal agencies do not even know if their programs are helping people find jobs.

The very idea that a government board can somehow determine what occupations will be in demand at any point in the future is an example of what Nobel Laureate Friedrich Hayek calls The Fatal Conceit. No central board, even one dominated by local officials and businessmen, can predict which jobs will be in demand in 5, 10, or 15 years. It is doubtful that a local work force board in Silicon Valley in 1978 would have tried to link job training services to personal computer markets. In fact, it is highly unlikely that Steve Jobs will be appointed to the work force development board. The very fact that the boards are compiled of already established leaders for business practically ensures that the entrepreneurs creating the jobs of the future will not be represented on the board.

In this high-technology information age where financial and, more importantly, intellectual capital can travel around the world in a matter of seconds, the jobs in demand in any area can change faster than any geographical local work force board could conceivably update the skills with which to link job training.

The private actions of individual citizens working together in a free market can best build a job training system that meets the needs of its citizens. Private individuals, local communities, and State governments are also more capable than the Federal Government of providing adequate help to those unable to provide training for themselves.

If the Federal Government returns to constitutional size and reduces the tax and regulatory burden on the American citizen, Federal job training programs of any sort furthers the destructive idea that the proper role of the Federal Government is to provide for all the needs of the citizens. The belief that Congress has a moral duty to administer to the health and welfare of the populace, both of America and the world, is directly responsible for the growth of the welfare state, which threatens to destroy America's economic prosperity and liberty itself.

☐ 1030

I am strongly opposed to this legislation, and believe freedom and free choices and the marketplace and the Constitution is a much better approach.

I. INTRODUCTION

Congress is once again attempting to repair the broken system of Federal job training. The major Federal role in job training dates back to 1962, with President Kennedy's Manpower Development and Training Act [MDA] and continuing through the Economic Opportunity Act

of 1964, passed as part of President Johnson's Great Society Consistent with the Great Society philosophy that the Federal Government had the solution to all problems, these bills centralized job training authority in Washington.

Soon, however, concerns arose that Federal job training programs were rife with waste and abuse. Congress, therefore, began trying to repair some of the inefficiencies in the job-training program. First, in 1973, Congress, with the support of the Nixon administration, passed the Comprehensive Employment and Training Act [CETA]. CETA was designed to decentralize Federal job training programs. Congress next addressed job training in 1982, with the passage of the Job Training and Partnership Act [JTPA], which promised to turn Federal job-training into a public-private partnership that would operate more efficiently than the three major job-training bills that had previously passed the Congress and failed to accomplish their stated goals.

After 30 years of Federal involvement and two major legislative overhauls, there are now over 160 Federal programs dedicated to job training. The Federal Government spent approximately $4.5 billion to just JPTA in 1997. However, the U.S. Congress cannot measure whether or not they are getting a good return on their investment since most Federal agencies do not even know if their programs are helping people find jobs.

Congress is once again attempting to repair the Federal job training systems. However, despite the abundant evidence of the failure of the centralized welfare state model of job-training programs, this Congress is planning to continue dictating to all 50 states the composition, content, function, and even the goals and benchmarks of job training programs. The Employment Training and Literacy Act of 1997, [H.R. 1385], tampers with the constitutional principle of federalism. H.R. 1385 redefines the very notion of federalism to mean that States, localities, and individual citizens are given limited flexibility and control over how they fulfill the Federal Government's mandates.

II. H.R. 1385 INTERFERES WITH STATE'S AUTONOMY AND FORCES TAXPAYERS TO SUBSIDIZE BENEFITS FOR SELECT BUSINESSES AND EMPLOYEES IN VIOLATION OF THE U.S. CONSTITUTION

Unlike the mandate federalism embodied in H.R. 1385, the federalism embodied in the U.S. Constitution allows for no Federal role in job training, or education generally. In fact, the tenth amendment, which reserves the authority for carrying out functions not explicitly granted to the Federal Government, to the States and the people, forbids Federal education programs. Yet, as demonstrated below, H.R. 1385 continues the unconstitutional centralization of education power for the benefit of certain members of society at the expense of the mass of American taxpayers.

Under H.R. 1385 States must provide a 3-year plan for adult job training and literacy programs in order to receive Federal job-training funds. These plans must satisfy federally specified content and must be approved by the Secretaries of both the Department of Education and the Department of Labor.

Additionally, States are required to establish local work force development boards whose functions and composition are dictated by the Federal law. Furthermore, the boards must meet benchmarks identified by the Governor in negotiation with the schools, the local boards do not even have the authority to determine how their performance should be measured. Rather progress under this bill is measured by predetermined Federal core indicators.

Under H.R. 1385, the local work force development boards would be dominated by representatives of the business community. Certainly the input of the business community is important for job training. However, a Federal mandate that representatives of business dominate the job-training boards may provide a means for business to socialize or externalize their training costs. Those businesses which will achieve a direct benefit from a more highly skilled work force should be the ones to finance such programs. Individuals who will benefit from improving their skills could also choose to ultimately pay at least some of the costs of their training. In no instance should the individual taxpayer be forced to subsidize the job training of another person.

Not satisfied with wealth transfers to prepare those without employment for business, this bill provides training for skills upgrading for incumbent workers—those already employed. Despite a budget billions of dollars out of balance, this bill creates a new entitlement for already-employed workers and their employers to receive more training courtesy of the American taxpayer.

Businesses are not the only institution showered with largess in this bill. Under the provisions of this bill, the Secretary of Labor is empowered to provide taxpayer dollars to labor unions to carry out research and demonstration projects as well as grants to public interest groups. Credible accusations have been made that these groups have often used Federal funds to advance their political agenda. At the very least, Congress should conduct a thorough investigation and take steps to prevent Federal funds from being used to pay for political activity before handing out more grant money.

III. H.R. 1385 INFRINGES ON FAMILY AND INDIVIDUAL AUTONOMY

In addition to continuing the practice of running job training programs from Washington, DC, this bill expands the State's reach into Americas' families by authorizing Federal funding for family literacy services. These services are to include training for parents on how to teach their children and interactive literacy activities between parents and their children.

This history of Federal involvement in family literacy raises questions regarding the effectiveness of government programs to teach anything regarding child raising. From 1963 to 1993, Federal spending on education increased from approximately $900,000 to over $10 billion, while scores on the Scholastic Aptitude Test [SAT's] dropped by an average of almost 60 points. Given the poor track record, it is doubtful whether increasing Federal involvement in family literacy is likely to do anything but ensure lower rates of family literacy.

Furthermore, Federal involvement in child rearing violates the very principles upon which this country was founded. In a free society, such as that bequeathed to America by the drafters of the Constitution, the family, not the Government, is responsible for the raising of children. State control of child raising is, in fact, one of the hallmarks of totalitarianism. Those of us concerned with expanding and preserving freedom must oppose all measures, including the legislation currently under consideration, which erode the autonomy of the family under the theory that government social workers are better able to address the needs of children than parents.

Along similar lines, the language for disadvantaged youth programs mandates the integration of academic, occupation, and work-based learning opportunities. This is also quite objectionable. This language seems to suggest those youth diagnosed as disadvantaged by the social workers and psychologists will be denied a traditional education, instead disadvantaged youth will be herded into State-run job training programs. Such a federally mandated plan is in no way consistent with the core American value of individualism.

IV. H.R. 1385 ESTABLISHES A SYSTEM INCAPABLE OF ACHIEVING ITS STATED PURPOSE

This bill reaches the height of hubris in its mandate that training services be linked to occupations for which there is a demand in the local work force development area. This provision is objectionable for two reasons.

First, because business-dominated work force development boards will determine which occupations are in demand, it is very likely that the business represented on the board will be the ones determined to be those for which there is a demand in the local work force.

Second, and more important, the very idea that a government board can somehow determine what occupations will be in demand at any point in the future is an example of what Nobel Laureate F.A. Hayek called the fatal conceit. No central board, even one dominated by local officials and businessmen, can predict which jobs will be in demand in 5, 10, or even 2 years. It is doubtful that a local work force board in Silicon Valley in 1978 would have to tried to link job training services to the personal computer market. In fact, it's highly unlikely that Steve Jobs—founder of Apple computers—would be appointed to the work force development board in Silicon Valley. The very fact that the boards are comprised of already established leaders for business practically assures that the entrepreneurs creating the jobs of the future will not be represented on this board. In this high-technology information age, where financial and, more important, intellectual capital, can travel around the world in a matter of seconds, the jobs in demand in any area can change faster than any geographical local work force board could conceivably update the skills with which the link job-training.

V. CONCLUSION

The argument is often made that State-financed job training is necessitated by the failure of the educational system to properly prepare students for the job market. Each of us can understand the frustration of employers unable to find employees capable of adapting to new technologies.

As a physician, I have employed many people in critical positions. I certainly understand the importance of having a readily available pool of skilled labor. I would question, however, whether the pool was better prior to the Federal Government's intrusion into education.

The private actions of individual citizens, working together in a free-market, can best build a job-training system that meets the needs of its citizens. Private individuals, local communities, and State governments are also

more capable than the Federal Government of providing adequate help to those unable to provide for training out of their own resources, if the Federal Government returns to constitutional size and reduces the tax burden on American citizens.

Federal job training programs, of any sort, furthers the destructive idea that the proper role of the Federal Government is to provide for all the needs of its citizens. The belief that Congress has a moral duty to minister to the health and welfare of the populace, both of America and the world, is directly responsible for the growth of the welfare-warfare state which threatens to destroy America's economic prosperity, and liberty itself. Job training should be provided, like all other goods and services, by the free-market and voluntary transactions.

Mr. MCKEON. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. KILDEE], ranking member of the subcommittee.

Mr. KILDEE. Mr. Chairman, bills like this could not be written without the staff. I want to thank certain members of the staff who played a major role directly in this bill. On the Democratic side, Brian Kennedy, Marshall Grigsby, David Evans, and Margo Huber.

On the Republican side, Mary Gardner-Clagett, D'Arcy Philps, Lynn Selmser, Vic Klatt, and Lauren Coberly. We thank you very much for your very, very hard work, day and night, on this bill.

Mr. MCKEON. Mr. Chairman, I want to thank the gentleman from Michigan [Mr. KILDEE] for his graciousness, and for thanking the members of the staff, and would like to add my thanks, also.

Mary Clagett has worked, what, 6 or 8 years on this. All of those who have worked so hard, we want to thank them. Many people see us standing up here, and we are the ones that finally get the final praise for what has been done. They are the ones that have done all of the work to pull us together to help make it possible, and we want to thank them greatly for this effort.

Mr. RIGGS. Mr. Chairman, I rise today in support of H.R. 1385, the Employment, Training, and Literacy Enhancement Act of 1997. This is a bill which will prepare adults for the 21st century work force. It consolidates and improves existing programs under the Job Training Partnership Act [JTPA], the Adult Education Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973. Overall, H.R. 1385 consolidates over 60 existing employment, training, and literacy programs into three block grants to States and localities. I would like to congratulate Chairmen GOODLING and MCKEON for their leadership on this issue, and for crafting a measure that has bipartisan support.

This bill will make a positive impact on adults as they prepare for the jobs of the future. It will help workers get the retraining necessary to compete in the current job market. We find ourselves in a unique economic situation in America today—we have low unemployment rates, but also have high rates of underemployment. We in Congress must take the lead and ensure adequate training is available to all Americans, in their communities.

This bill provides service delivery methods that maximize consumer choice in selecting training providers. I am particularly pleased that training services will be provided through the use of skill grants vouchers. These vouchers will be distributed through the full-service employment and training delivery system. This will enable adults to receive the training they need in their own community. When, for example, individuals want computer training, they can shop around for institutions that best meet their needs.

Some naysayers say this will encourage fly-by-night companies to deceive the hard-working public. But the bill includes protections in the form of requirements that providers must meet in order to receive funds. A provider must either:

First, be an accredited title IV eligible post-secondary educational program, or

Second, be recognized by a local work force development board, which will determine if the provider meets acceptable, locally established performance standards established at the State level. The provider must have a proven completion record for participants in their program, and demonstrate a success rate for job placement after program completion.

There are other provisions in this bill I want to highlight.

The disadvantaged youth employment and training opportunities grant will move the focus of current disadvantaged youth programs from short-term employment fixes to longer term academic and occupational training.

The adult employment and training grant takes a work first approach to training. Priority will be given in resource allocations to intensive training for welfare recipients and other individuals with multiple barriers to employment.

Finally, this bill will extend the Rehabilitation Act of 1973 which provides rehabilitation and employment training to adults with disabilities, for 3 years.

In summary, H.R. 1385 promotes individual responsibility through vouchers, promotes competition among training providers, and drives resources and authority out of Washington to States and localities. By decreasing the size and scope of the Federal Government's control, this is truly a work-first bill for adults. It will also help get economically disadvantaged youth back to school.

I urge support for H.R. 1385. By passing this bill, we will give many Americans new tools to prepare for the 21st century.

Mr. SNOWBARGER. Mr. Chairman, I rise to express my support for H.R. 1385 but I urge my colleagues to address several troubling provisions during conference.

The current job training programs are top heavy, duplicative, and micromanaged from Washington. H.R. 1385 consolidates over 60 programs, currently administered by 15 separate agencies, into 3 targeted block grants. This will reduce administrative costs significantly, which the bill would redirect to the grants. I would have preferred that the taxpayers benefit from at least some of the savings.

This bill gives States the authority to tailor job training programs to fit their individual needs. Furthermore, it ensures that business and education leaders, who have expertise in work force development, will play a crucial role in development of State implementation plans instead of Washington bureaucrats.

H.R. 1385 received bipartisan support and is widely supported by industry and education groups. In a letter dated May 16, 1997, the U.S. Chamber of Commerce stated, ''H.R. 1385 directly addresses this critical need—work force development—and better targets job training efforts at the State and local level.'' Additionally, the American Association of Community Colleges and Association of Community College Trustees, one of the primary providers of workforce training, wrote, ''We support the flexibility the bill gives states and localities to design their workforce delivery system to best suit the needs of their citizens.''

While I believe that H.R. 1385 is a step in the right direction, I do have these serious concerns about it:

The Job Corps Program continues to be championed by those who either will not or can not acknowledge the program's serious flaws. Even the President's own Labor Department study of the program says that it is difficult to defend. Why continue to force Governors to spend limited resources on this program if they can develop better ones? I would have preferred that the legislation passed today would have contained language to allow Governors to experiment with new, perhaps private, job training programs better suited to the particular needs of their local work force.

Why create new federally funded and managed adult literacy programs. On one hand Congress claims to want to end a Federal jobs bureaucracy. On the other hand, they create a new only slightly smaller version, with new programs devoted to adult literacy. This program amounts to nearly two and one half billion dollars of new spending on top of the 33 billion in job training dollars already allocated. Curiously, this bill grants authority over such literacy programs directly to the State Education Department, by passing the Governor's office all together. They will administer the federally designed and funded grant program.

I do think some of the other complaints are mistaken. The bill does not institute government control of where ordinary Americans will go to work, or restrict individual students' career choices. We must remember that these job training programs are set up for those people who need extra help to find an entry-level job, or change careers because their former job has disappeared. They do not involuntarily assign high school graduates to a particular job or employer, any more than the high school guidance counselor does.

The work force development boards advise the State training agencies on what kinds of jobs are likely to need more workers in the future. Obviously, they won't be perfect. But they would do a better job of predicting the needs of the local labor market than the wild guesses of bureaucrats. Finally, the bill was amended do explicitly ensure that the work force boards do not have the authority to change school curriculums or affect home-schoolers.

On balance, I must say that this bill is better than our current job training mess. For this reason, I am voting for the bill.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise to express my support for those portions of H.R. 1385, the Education, Training, and Literacy Enhancement Act which promote change which is beneficial and supportive of the goals of full literacy and accessible responsive job training programs throughout our country.

However, I do have concerns regarding the implementation of this legislation as it pertains to the control that will be given to States. I know that most would agree that local control of these programs is a desired goal, but I would add that local control must extend to the locality or jurisdiction where these important programs are implemented.

In the city of Houston, a successful Job Training Program called Houston Works has been successfully serving the needs of youth and adults for a number of years.

The total population of Houston, TX, is over 1.8 million with 26.7 percent African-Americans, 4 percent American Indian, 3.9 percent Asian, 26.8 percent Hispanic, and 42.2 percent white. Those residents of Houston who live in poverty number over 370,000 families.

This year Houston Works, one of several Job Training Partnership Act providers for the city of Houston, will receive $3 million in funding directly from the Department of Labor and has received letters of obligation from the State of Texas for an additional $24 million for a total of $27 million to carry out their job training goals for this fiscal year.

My concern with this legislation is with its implementation and administration. As job training moves to greater local control we must insure that control is, indeed, local.

Fortunately, in the case of Houston Works there is a long and successful history of working with the State to meet the needs of the Houston labor force. I would hope that this relationship will continue, but should it not, the grievance procedures listed under section 144 of this legislation must be more than adequate in its ability to address problems as they arise between Local Workforce Development Board and the State government. I would hope that as much attention is placed on this portion as the implementation of States receiving more control of these Federal funds.

Another concern of mine, and of the residents of the district that I serve, is regarding the subject and content of job training programs as we move toward the close of this century.

Computer literacy training must be a grater component of this legislation. Not just implied but expressed in the language in as many varied and focused ways as possible.

The need for strong computer job training and literacy based programs will be tremendous, as many communities in the country remain unable to access advanced networks or information. According to a 1995 study, only 20 to 25 percent of the Nation's hospitals and public libraries, and only 9 percent of our classrooms have access to the Internet or advanced information services.

Computer literacy and job skills are needed by millions of Americans who would not otherwise have access to them. This has a direct tie-in to economic development that will payoff by the year 2000 when 60 percent of the new jobs will require skills currently held by only 20 percent of the population.

On February 6 of this year, I introduced on the House floor a resolution to commend the work done by a national project called NetDay, which is responsible for the effort here in the city of Houston that wired 161 elementary, middle, and high school libraries for Internet access.

Because of the Houston Independent School District's NetDay96 and NetDay 2000 efforts, 138,980 students now have Internet access in the libraries of their elementary, junior, and high schools. This was accomplished with the assistance of 1,203 volunteers, who contributed their time to neighborhood schools. The generosity of sponsors, volunteers, students, teachers, and Houston Independent School District personnel saved Houstonians $58,080.

With 27.2 percent of the Houston Independent School District's student population considered at-risk, it was an important decision to hold NetDay96 connection projects on each Saturday in the month of October of last year. The Houston Independent School District methods ensured that every targeted school within minority and majority communities received an equal opportunity to have their neighborhood school library receive the necessary wiring for Internet access.

Distance learning could be a major component of all education instruction in our Nation by the close of this century if we look at the resources which are available to us today.

There are software packages which are designed to identify how an individual student learns reading, mathematics, science, geography. These software packages adopt themselves to that child's ability and pace of learning then instructs the child in a particular learning area on that information.

This technology should be available in every school in our Nation.

If we want to see the United States continue as a global economic and technological leader, we must today prepare the next generation to accomplish these objectives.

My other concern is that job training does not equal a job. I would hope that we continue to consider the impact of other laws which will impact on those citizens who depend on public assistance of some type. There has never been in our Nation's history 100 percent job placement. There will always be an imbalance in the number of jobs available and the number of people seeking positions.

According to the Statistical Abstract of the United States for 1996, there were 605,000 unemployed residents in the State of Texas.

In the 18th Congressional District in March of this year there were 3,936 people receiving unemployment insurance benefits. During that same month the Texas Workforce Commission recorded 13,167 applicants for jobs and only 1,031 job openings with a total of 304 job placements.

In the city of Houston 986,939 people are listed as members of the labor force. The employment totals are 921,636 with an unemployment rate of 65,303. The highest concentration of unemployment are African-American at 29,974, followed by Hispanic unemployment at 17,958, and white unemployment at 15,216.

Statewide the Texas Workforce Commission identified 127,295 people receiving unemployment insurance benefits in the month of March. During this same month 442,251 job applicants were received and 38,112 job openings were registered, with only 17,037 placements took place.

If we consider these facts then we may seek ways to create job opportunities which seek to provide creative and varied employment options which might encompass job sharing, seasonal, training for multiple job placement and others that would broaden the chance of placement after training has ended.

I would hope that my colleagues who will participate in the conference on this legislation will consider these important facts.

Mr. CUNNINGHAM. Mr. Chairman, I rise today in support of H.R. 1385, the Employment, Training and Literacy Enhancement Act.

Most Americans are not college graduates. Most Americans will face job or career changes during their lifetime. Many of our newest Americans want the opportunity to learn to read and write in English, the language of American opportunity. Americans on welfare are now seeking the skills they need to get work. All Americans want an opportunity to succeed and enjoy the American Dream.

Furthermore, American employers want to hire people with the skills they need. These skills change over time. Today's automobiles, to cite one example, have more onboard computing power than the Apollo spacecraft did, and the skills needed to repair them have grown to include computer sciences and electrical engineering.

The current system of job training and basic adult education, created with good intentions, has simply failed to help citizens get training they need to get jobs. Workers have to navigate a hornet's nest of redtape. And Federal micro management has created training for jobs that do not exist. So this legislation replaces a failed Washington-run system, with local control, local authority, and the local motivation to do the job right.

The Employment, Training and Literacy Enhancement Act replaces Federal micro management with local control and accountability. It replaces some 60 Federal job training programs with three flexible block grants that States and communities can use to provide education and job training that is responsive to local needs. In San Diego, our community colleges, regional occupational programs, private industry councils and others will have the opportunity to work together to meet local citizens' and employers' needs, without having to distort their services to meet the needless and conflicting paperwork guidelines of dozens of Federal programs. Most importantly, it gives individuals who need job training the flexibility, information and resources they need, so they can obtain the education and training they need, so they will have a fighting chance to achieve the American Dream.

In the 104th Congress, I was privileged to serve as chairman of the House Subcommittee on Early Childhood, Youth and Families. Along with Chairman GOODLING and KCKEON, and Ranking Member KILDEE, we worked very hard to consolidate and improved job training, adult education and literacy programs. Our measure was not enacted in the 104th Congress, owing to the late-session election year crush. And now I serve on the Appropriations Committee. But last year's and this year's bills both included some major improvements and focus on the area of literacy. And I would like to focus special attention on that area.

This measure consolidates several adult education and literacy programs into a single block grant to the States. This very basic education is made available for one reason: If a person cannot read and write, he or she cannot benefit from more advanced job skill training.

In 1995, my subcommittee held hearings in San Marcos, CA, on this subject. One of the witnesses, John Corcoran, was a teacher and a businessman, and author of the alarming book ''The Teacher that Couldn't Read.'' Throughout his own education, and through a teaching and real estate sales career, he had

developed a thousand coping mechanisms to get around his illiteracy. But when the real estate market failed, his inability to read kept him from being able to support his family. He got help. He learned to read. And now he's doing very well.

The fact is that there are more John Corcorans in America than we are willing to admit, and that most illiterate adults do not do as well as John did. The National Adult Literacy Survey showed that of Americans at the lowest of five literacy levels, 17 percent receive food stamps, 43 percent live in poverty, and a stunning 70 percent are unemployed and underemployed. Therefore, victory in our national battle against poverty and welfare dependency requires attention and devotion to improving literacy among adults.

This legislation encourages local community efforts to improve literacy, and provides resources for that type of basic adult education, such as English language courses. One of the most successful literacy initiatives is called ''family literacy.'' This program is based on the premise that adults will learn to read if they learn together with their children. In San Diego, the Lynch Foundation leverages Even Start family literacy funds into dozens and dozens of groups and courses for literacy training, in libraries and other settings, to offer people a chance to succeed. Bill Lynch and his team do a terrific job, and H.R. 1385 helps them do their job better.

I understand that this measure extends vocational rehabilitation programs until fiscal year 2000, leaving the reform of Federal vocational rehabilitation services to the 106th Congress. I believe this is unfortunate, because the people with disabilities involved in this program deserve much better than they are getting.

Despite congressional authorization of vocational rehabilitation several years ago, the U.S. Rehabilitation Services Administration failed to promulgate regulations on the law until last month. Thus, States have lacked sufficient guidance on how to improve vocational rehabilitation, and to comply with the law, for an unacceptable period of time, and persons with disabilities have suffered. Furthermore, a Region IX RSA comprehensive study of vocational rehabilitation in the State of California, due in December 1996 in hopes of informing further congressional action to improve the program, still has not been released in May 1997. I have not been satisfied with the RSA's justification for the delay, and will continue to follow this issue closely and vigorously. Persons with disabilities deserve a fighting chance at the American dream. Redtape, bureaucratic buck-passing, management failures, poor service to citizens, lack of accountability, and delays are simply inexcusable to me, particularly when one considers the billions—yes, billions of Federal dollars appropriated for vocational rehabilitation every year. Persons with disabilities deserve better.

Mr. Chairman, many citizens and families deserve recognition for their excellent work on this bill. In particular, Dr. George Boggs of Palomar Community College in my district, Dan Pegg and his staff at the San Diego Economic Development Commission, Gil Partida and the men and women of the San Diego Chamber of Commerce, and Scott Himelstein of the Lynch Foundation have all provided me excellent information on the importance of replacing Federal redtape with local control in this field. Several members of this body have served this cause with distinction, namely Chairman GOODLING, MCKEON, and RIGGS, Ranking Member DALE KILDEE, Governor Castle, Mr. GRAHAM of South Carolina, and many others. They have yielded a bill that means less government and more opportunity for Americans to succeed.

I urge support for the bill.

Mr. TIERNEY. Mr. Chairman, I am pleased to stand here before you today to voice my support for this legislation, the Employment, Training & Literacy Enhancement Act of 1997. The Committee on Education and the Workforce, on which I serve, has made considerable efforts to defuse partisan tensions and pass important legislation that will help our children and working families. It has done so on two occasions—most recently having passed the IDEA Bill for disability education and now by passing this legislation that is before us today for consideration.

I applaud all of my colleagues, Republican and Democrat, for the spirit of cooperation that has made this possible. This bill streamlines and integrates job training and employment programs, while increasing access to adult education and literacy services. It also strengthens the Vocational Rehabilitation Act.

I speak first and foremost of the effect this bill will have on adult basic education—a most vital and sorely neglected field in education today. I am pleased that adult education remains part of the Elementary and Secondary Act. I recently held a ''round table'' discussion in my district, the Sixth District of Massachusetts, with educators, businesses, State government officials, and community groups to talk about the problems surrounding adult basic education and training services within those programs. By and large, this bill positively address as most of the issues raised by that group.

Even in my home State of Massachusetts, which is relatively affluent when compared to other areas, 20 percent of the adults are functionally illiterate and a million people have not yet completed high school. Under these circumstances, it is simply unacceptable that 15,000 people wait for adult education classes.

Nationally, the statistics are even more daunting. More than 46 million Americans do not have a high school diploma.

Studies have shown that the strongest factor in determining the academic success and job prospects of a child is the education level of his or her parents. How can we expect children to learn to read if their parents cannot do so themselves?

Although the States, local governments, schools, and community groups do their best to address these needs, my constituents who are involved in adult education tell me that they are barely able to make a dent in this problem with the current resources at their disposal.

I am pleased that this bill will offer the people of the Sixth District of Massachusetts and elsewhere some of the needed resources to enhance adult education and literacy services.

This bill encourages cooperation among service providers. It increases the Federal commitment of support, and asks local governments to step up their contributions to the effort; it provides for more and better training of instructors, and for the resources to develop the most effective way of actually improving and delivering literacy assistance.

With respect to employment and training, this legislation provides a greater choice in securing job training through skill grants. With skill grants, recipients will be able to choose programs that are available at various centers or universities accessible to them. Information will be made available that will identify available job opportunities, site the skills and education needed for particular jobs, and match applicants to the programs providing the right kind of help. So an individual can work toward and get an real, existing job.

In addition, I welcome the concept of workforce development boards. Under these boards, different parts of the State will be able to determine what is best for their community. This is important in a State as diverse as mine. As a former president of my local Chamber of Commerce, I recognize the need for business and industry to join with other community groups and local governments to work to insure that those in search of a job can identify the skills necessary to obtain a job within their region, and that the programs devised for education and training for positions reflect the true needs of the local businesses.

I am concerned, however, that specific language was left out of the legislation which would have included specifically the representatives of working people as members of these boards. If local business and industry have a place at the table, then the people that work for such companies should also be included. We can recall that under the Job Training Partnership Act, the Private Industry Councils (PICs) were required to have representatives from business and industry as well as organized workers. It strongly encourages that our local communities use their available discretion to make sure that working people are truly represented on workforce development boards. Without that, I think the intent and meaning of that aspect of the legislation will be ignored and the program will not be as successful as it could possibly be.

Great effort has been made to work out a formula for distribution within States of the resources provided for in this legislation. It is of great concern that every person who needs these services will have access to them, and I believe the committee should continually review the actual implementation of this legislation to insure that a broad range of people within the State have input into the decisions that are made on this bill.

I am also pleased that the majority worked with us to include an amendment strengthening section 508 of the Vocational Rehabilitation Act. Section 508 calls on Federal agencies to follow Federal guidelines to insure that their information technology is accessible to employees with disabilities. The amendment asks the Office of Management and Budget to enforce existing law and to bring Agencies into compliance with accessibility guidelines. This will aid the 7.5 percent of the Federal work force who have a disability. I also wanted to thank Congresswoman ESHOO for her dedication and hard work on this issue, and Congressman GEORGE MILLER for his work and cooperation.

Again, I commend the spirit and the manner in which this and the IDEA legislation were brought to the floor and hope that it foretells further cooperation on the important matters that will come before the House.

The CHAIRMAN. All time for general debate has expired.

The committee amendment in the nature of a substitute printed in the bill shall be considered by division as an original bill for the purpose of amendment and, pursuant to the rule, each division is considered read.

Before consideration of any other amendment, it shall be in order to consider the amendment numbered 1 pursuant to clause 6 of rule XXIII, if offered by the gentleman from California [Mr. MCKEON] or his designee. That amendment shall be considered as read, may amend portions of the bill not yet read for amendment, shall be debatable for 10 minutes, equally divided and controlled by the proponent and the opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

If that amendment is adopted, the bill, as amended, shall be considered as an original bill for the purpose of further amendment.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

AMENDMENT NO. 1 OFFERED BY MR. MCKEON

Mr. MCKEON. Mr. Chairman, pursuant to the rule, I offer amendment No. 1 printed in the RECORD.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. MCKEON:

Page 9, line 18, strike ''15'' and insert ''20''.

Page 10, line 6, strike ''85'' and insert ''80''.

Page 23, line 21, after ''1996,'' insert ''the Community Services Block Grant Act, title V of the Older Americans Act of 1965, the National and Community Service Act of 1990,''.

Page 25, line 12, strike ''(9)'' and insert ''(9)(A)''.

Page 25, after line 21, insert the following:

''(B) An assurance that each local workforce development area will be allowed to determine the proportion of funds allocated to such area under section 204(b)(2) that will be used to provide summer employment opportunities and year-round disadvantaged youth activities, respectively.

Page 27, strike lines 10 through 15 and insert the following:

''(A) a description of the assessment that will be made to determine the adult education and family literacy needs of the State;

''(B) a description of the adult education and literacy activities that will be carried out with any funds received under such part, including activities carried out under section 314(a) of such Act;

Page 27, line 16, strike ''such activities'' and insert ''the adult education and literacy activities that will be carried out with any funds received under such part''.

Page 28, beginning on line 4, strike ''the Adult Education and Family Literacy Act;'' and insert ''such Act;''.

Page 29, line 3, strike ''determines'' and all that follows through line 5 and insert ''makes a written determination, within 90 days after receiving the plan, that the plan is inconsistent with the specific provisions of this Act.

Page 29, line 10, strike ''through (10)'' and insert ''through (9)(A), paragraph (10),''.

Page 30, line 2, strike ''entities:'' and insert the following: ''entities (who overall, represent diverse regions of the State, including urban, rural, and suburban areas):''.

Page 30, after line 3, insert the following:

''(2) representatives of the State legislature;''.

Page 30, line 4, strike ''(2)'' and insert ''(3)''.

Page 30, line 22, strike ''(3)'' and insert ''(4)''.

Page 31, line 14, strike ''(4)'' and insert ''(5)''.

Page 31, line 16, after ''designate;'' insert ''and''.

Page 31, strike line 17.

Page 33, strike line 22 and 23 and insert the following:

''(a) DESIGNATION OF AREAS.—

''(1) IN GENERAL.—Except as provided in subsection (b), and consistent with paragraph (2), a State that desires to receive a grant under title II

Page 34, line 8, strike ''(1)'' and insert ''(A)'' (and move such subparagraph 2 ems to the right).

Page 34, line 9, strike ''(2)'' and insert ''(B)'' (and move such subparagraph 2 ems to the right).

Page 34, line 12, strike ''(3)'' and insert ''(C)'' (and move such subparagraph 2 ems to the right).

Page 34, line 14, strike ''(4)'' and insert ''(D)'' (and move such subparagraph 2 ems to the right).

Page 34, line 19, strike ''(5)'' and insert ''(E)'' (and move such subparagraph 2 ems to the right).

Page 34, after line 20, insert the following:

''(2) AUTOMATIC DESIGNATION.—The Governor shall approve any request for designation as a workforce development area from any unit of general local government with a population of 500,000 or more.

Page 35, line 21, strike ''Such'' and insert ''(A) Such''.

Page 35, line 24, strike ''(A)'' and insert ''(i)''.

Page 36, line 8, strike ''(B)'' and insert ''(ii)''.

Page 36, line 19, add ''and'' at the end.

Page 36, line 20, strike ''(C)'' and insert ''(iii)''.

Page 37, beginning on line 6, strike ''entities;'' and all that follows through line 9 and insert ''entities.''.

Page 37, after line 6, insert the following:

''(B) In addition, the membership of each local board may consist of representatives of local welfare agencies, economic development agencies, and the local employment service system.

Page 41, line 8, after ''board'' insert '', in partnership with the chief local elected official,''.

Page 41, line 9, after ''Governor'' insert '', for approval,''

Page 45, strike line 10 and all that follows through line 9 on page 46.

Page 52, line 19, strike ''center''.

Page 52, line 19, strike ''and''.

Page 52, line 21, strike ''activities'' and insert ''activities, and upon request, minutes of formal meetings of the local board''.

Page 59, line 5, strike ''for'' and all that follows through line 20 and insert the following: ''for programs that are eligible to participate in title IV of the Higher Education Act of 1965.''.

Page 61, line 23, strike ''and''.

Page 61, line 25, strike ''program.'' and insert ''program; and''.

Page 61, after line 25, insert the following:

''(D) for literacy providers or providers of integrated education and training services, the success rate of the applicable program in raising the literacy levels of individuals in skill areas that are considered important for successful participation in training and employment.

Page 66, strike line 9 and all that follows through line 2 on page 67 and insert the following:

''(A) TERMINATION FOR NONPERFORMANCE.—If the designated State agency, or the local workforce development board working through the State agency, determines that an eligible provider under subsection (a) substantially fails to meet performance criteria established by the Governor, the agency, or the local board working through the State agency, may terminate the eligibility of such provider.

Page 83, line 20, strike ''NEGOTIATION'' and insert ''AGREEMENT''.

Page 83, beginning on line 25, strike ''is authorized to negotiate with each State'' and insert ''and each State shall reach agreement on''.

Page 84, beginning on line 8, strike ''negotiations'' and insert ''agreement''.

Page 84, line 24, strike ''carry out the negotiation'' and insert ''enter into the agreement''.

Page 85, beginning on line 5, strike ''carry out the negotiation'' and insert ''enter into the agreement''.

Page 89, strike line 15 and insert the following:

''(a) REPORT.—

''(1) IN GENERAL.—Each State that receives funds

Page 89, line 25, strike ''In'' and insert the following:

''(2) ADDITIONAL INFORMATION.— In''.

Page 90, line 1, strike ''include'' and insert ''include—''.

Page 90, line 1, strike ''information'' and insert the following:

''(A) information

Page 90, line 3, strike the period and insert ''; and''.

Page 90, after line 3, insert the following:

''(B) comments assessing the process used for reaching agreement on the State adjusted benchmarks pursuant to section 153(a) and may also include comments from local workforce development areas assessing the process for negotiating local benchmarks pursuant to section 153(b).

Page 92, line 20, strike ''upon request to the Secretary'' and insert ''or upon request by the Governor, the Secretary''.

Page 92, line 21, strike ''including'' and insert ''which may include''

Page 92, line 22, strike ''plan'' and insert ''plan, or the development of a modified local plan''.

Page 93, strike line 15 and all that follows through line 4 on page 94 and insert the following:

''(ii) APPEAL BY WORKFORCE DEVELOPMENT AREA.—

''(I) APPEAL TO GOVERNOR.—A workforce development area that is subject to a reorganization plan under clause (i) may, not later than 30 days after receiving notice thereof, appeal to the Governor to rescind or revise such plan. In such case, the Governor shall make a final decision not later then 30 days after the receipt of the appeal.

''(II) SUBSEQUENT ACTION.—A local workforce development area may, not later than 30 days after receiving a decision from the Governor pursuant to subclause (I), appeal such decision to the Secretary. In such case the Secretary shall make a final decision not later than 30 days after the receipt of the appeal.

''(iii) EFFECTIVE DATE.—The actions take by the Governor under subclause (I) shall become effective at the time the Governor issues a decision pursuant to such subclause. Such action shall remain effective unless the Secretary rescinds or revises such plan pursuant to subclause (II).''.

Page 103, strike line 14, and insert the following:

(2) by striking subsection (e) and inserting the following:

''(e) WAIVERS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Labor may waive—

''(A) any of the statutory or regulatory requirements of this title and titles II and III of this Act (except for requirements relating to wage and labor standards, worker rights, participation and protection, grievance procedures and judicial review, nondiscrimination, allocation of funds to local areas, eligibility, review and approval of plans, the establishment and functions of workforce development areas and workforce development boards, and the basic purposes of the Act); and

''(B) any of the statutory or regulatory requirements of sections 8 through 10 of the Wagner-Peyser Act (29 U.S.C. 49g through 49i) (except for requirements relating to the provision of services to unemployment insurance claimants and veterans and to universal access to basic labor exchange services without cost to job seekers), pursuant to a request submitted by a State which meets the requirements of paragraph (2).

''(2) REQUESTS.—A State requesting a waiver under paragraph (1) shall submit a plan to the Secretary to improve the workforce development system which—

''(A) identifies the statutory or regulatory requirements that are requested to be waived and the goals which the State or local workforce development areas intend to achieve;

''(B) describes the actions that the State or local workforce development areas have undertaken to remove State or local statutory or regulatory barriers;

''(C) describes the goals of the waiver and the expected programmatic outcomes if the request is granted;

''(D) describes the individuals impacted by the waiver; and

''(E) describes the process used to monitor the progress in implementing a waiver, and for which notice and an opportunity to comment on such request has been provided to the organizations identified in section 122 (e)(2) of this Act, if and only to the extent that the Secretary determines that such requirements impede the ability of the State to implement such plan to improve the workforce development system and the State has executed a memorandum of understanding with the Secretary requiring such State to meet agreed-upon outcomes and implement other appropriate measures to ensure accountability.

Page 104, strike line 6 and insert the following:

''(a) ADMINISTRATIVE COSTS.—

''(1) IN GENERAL.—The Secretary, after consultation

Page 104, after line 11, insert the following:

''(2) ADDITIONAL REQUIREMENT.—Notwithstanding any other provision of law, regulations issued by the Secretary under paragraph (1) shall provide procedures under which the Governor may approve a plan for the pooling of administrative funds, which are available in accordance with the limitation in subsection (b)(1), if the Governor determines that such plan would not jeopardize the administration of the activities from which such funds are to be transferred.

Page 114, line 21, after ''reserve'' insert ''not less than''.

Page 114, line 25, strike ''services''.

Page 115, strike line 2 and all that follows through line 5 and insert the following:

''(ii) agree to provide matching funds from sources other than those received under this subparagraph for such services in an amount equal to the Federal funds received under this subparagraph.

Page 116, line 18, after ''121,'' insert ''in accordance with paragraphs (2) and (3),''.

Page 116, strike line 21 and all that follows through line 11 on page 118 and insert the following:

''(2) ALLOCATION BY FORMULA.—

''(A) IN GENERAL.—Each State shall allocate not less than 70 percent of the remainder of funds described in paragraph (1) to workforce development areas within the State pursuant to the formula contained in subparagraph (B) for the provision of services for disadvantaged youth in accordance with section 206.

''(B) FORMULA.—Of the amounts described in subparagraph (A)—

''(i) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each workforce development area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

''(ii) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each workforce development area as compared to the total excess number of unemployed individuals in all workforce development areas in the State; and

''(iii) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged youth in each workforce development area as compared to the total number of disadvantaged youth in all workforce development areas in the State.

''(3) DISCRETIONARY ALLOCATION.—The State, through the collaborative process under section 102, is authorized to allocate not more than 30 percent of the remainder of funds described in paragraph (1) to workforce development areas for the provision of services for disadvantaged youth in accordance with section 206. Such funds shall be allocated to urban, rural, and suburban areas throughout the State and shall be allocated promptly in accordance with section 162(e).

Page 123, line 2, strike ''and'' at the end.

Page 123, line 3, strike the period and insert ''; and''.

Page 123, after line 3 insert the following:

''(H) provide summer employment opportunities that are directly linked to academic and occupational learning.''.

Page 124, strike line 4 and all that follows through line 10.

Page 124, strike lines 11 and 12 and insert the following:

(III) in subparagraph (G) by striking ''in public

Page 124, line 18, strike ''(V)'' and insert ''(IV)''.

Page 124, strike line 25 and insert the following: ''area; and';''.

Page 125, strike lines 1 and 2 and insert the following:

(V) by amending subparagraph (I) to read as follows:

''(I) summer employment opportunities that are directly linked to academic and occupational learning.''; and

(VI) by striking subparagraphs (J) through (L); and

Page 139, line 5, strike ''and''.

Page 139, line 6, after ''projects'' insert '', and the provision of employment and training services''.

Page 143, strike line 5 and all that follows through line 23 on page 145 and insert the following:

''(B) ADULT EMPLOYMENT AND TRAINING ALLOCATIONS.—

''(i) ADULT EMPLOYMENT AND TRAINING FORMULA ALLOCATIONS.—Each State shall allocate not less than 70 percent of the remainder of funds described in subsection (a)(1)(A) to workforce development areas within the State pursuant to the formula contained in clause (ii) for the provision of adult employment and training services in accordance with section 314.

''(ii) FORMULA.—Of the amounts described in clause (i)—

''(I) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each workforce development area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

''(II) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each workforce development area as compared to the total excess number of unemployed individuals in all workforce development areas in the State; and

''(III) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged adults in each workforce development area as compared to the total number of disadvantaged adults in all workforce development areas in the State.

''(iii) ADULT EMPLOYMENT AND TRAINING DISCRETIONARY ALLOCATION.—The State, through the collaborative process, is authorized to allocate not more than 30 percent of the remainder of funds described in subsection (a)(1)(A) to workforce development areas for the provision of adult employment and training services in accordance with section 314. Such funds shall be allocated to urban, rural, and suburban areas throughout the State and shall be allocated promptly in accordance with section 162(e).

''(C) DISLOCATED WORKER EMPLOYMENT AND TRAINING ALLOCATIONS.—

''(i) DISLOCATED WORKER EMPLOYMENT AND TRAINING FORMULA ALLOCATIONS.—Each State shall allocate not less than 70 percent of the remainder of funds described in subsection (a)(2)(A) to workforce development areas within the State pursuant to the formula contained in clause (ii) for the provision of employment and training services to dislocated workers in accordance with section 314.

''(ii) FORMULA.—Of the amounts described in clause (i)—

''(I) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each workforce development area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

''(II) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each workforce development area as compared to the total excess number of unemployed individuals in all workforce development areas in the State; and

''(III) 33⅓ percent shall be allocated on the basis of the relative number of individuals who have been unemployed for 15 weeks or more within each workforce development area of the State as compared to the total number of such individuals in all workforce development areas in the State.

''(iii) DISLOCATED WORKER EMPLOYMENT AND TRAINING DISCRETIONARY ALLOCATION.—The State, through the collaborative process, is authorized to allocate not more than 30 percent of the remainder of funds described in subsection (a)(2)(A) to workforce development areas for the provision employment and training services to dislocated workers in accordance with section 314. Such funds shall be allocated to urban, rural, and suburban areas throughout the State and shall be

allocated promptly in accordance with section 162(e).

Page 145, line 24, strike ''(4)'' and insert ''(3)''.

Page 158, line 17, add at the end closed quotation marks and a second period.

Page 158, strike line 18 and all that follows through line 24.

Page 170, line 19, strike the closed quotation marks and the second period.

Page 170, after line 19, insert the following:

''(e) Prior to the closure of any Job Corps center, the Secretary shall ensure that—

''(1) the proposed decision to close the center is announced in advance to the general public through publication in the Federal Register or other appropriate means;

''(2) the establishment of a reasonable comment period, not to exceed 30 days, for interested individuals to submit written comments to the Secretary;

''(3) the Members of Congress who represent districts affected by the proposed decision to close the center are notified within a reasonable period of time in advance of any final decision to close the center; and

''(4) the geographic location of alternative Job Corps centers is among the factors taken into account in the decision to close the center.

Page 174, line 15, strike ''skills'' and insert ''skill needs''.

Page 174, after line 15, insert the following:

''(B) projects that provide training to upgrade the skills of employed workers who reside and are employed in enterprise zones or empowerment communities;

Page 174, line 16, strike ''(B)'' and insert ''(C)''.

Page 174, line 20, strike ''(C)'' and insert ''(D)''.

Page 174, line 24, strike ''(D)'' and insert ''(E)''.

Page 175, line 4, strike ''(E)'' and insert ''(F)''.

Page 175, line 9, strike ''and''.

Page 175, after line 9, insert the following:

''(G) projects to assist public housing authorities that provide to public housing residents job training programs that demonstrate successful job skills upgrading and employment;

Page 175, line 10, strike ''(F)'' and insert ''(H)''.

Page 191, strike lines 15 through 25 and insert the following:

''(A) the degree to which the provider will establish measurable goals for client outcomes, including the core indicators of performance pertaining to adult education set forth in section 154 of the Employment, Training, and Literacy Enhancement Act, that are tied to challenging State performance standards for literacy proficiency;

''(B) the past effectiveness of a provider in improving the literacy skills of adults and families, and, after the 1-year period beginning with the adoption of a State's core indicators and benchmarks under the Employment, Training, and Literacy Enhancement Act, the success of a provider receiving funding under this Act in meeting or exceeding such benchmarks, especially with respect to those adults with the lowest levels of literacy;

Page 192, line 19, add ''and'' at the end;

Page 192, line 25, strike ''activities;'' and insert ''activities.''.

Page 193, strike lines 1 through 10.

Page 202, line 5, strike ''agencies;'' and insert ''agencies, such as the special literacy needs of individuals with learning disabilities;''

Page 226, strike the item relating to section 322.

Page 274, strike line 10 and all that follows through line 14 and insert the following:

(ii) in subsection (e)(1)(B)(iii), by striking ''Job Training Partnership Act (29 U.S.C. 1693)'' and inserting ''Employment, Training, and Literacy Enhancement Act''.

Page 276, line 9, strike ''The Secretary of Education'' and insert ''(a) IN GENERAL.—The Secretary of Education''.

Page 276, after line 14, insert the following:

(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 three or more of the programs, projects, or activities described in subparagraphs (A) through (E) or paragraph (2), the State shall not be required to comply with provisions of this Act that conflict with such State statute for the period ending three years after the date of enactment of this Act.

(2) PROGRAMS, PROJECTS, AND ACTIVITIES DESCRIBED.—The programs, projects, and activities described in this paragraph are the following:

(A) Establishment of human resource investment councils or substate councils.

(B) Reorganization or consolidation of State agencies with responsibility for State employment and training programs.

(C) Reorganization or consolidation of State employment and training programs.

(D) Restructuring of local delivery systems for State employment and training programs.

(E) Development or restructuring of State accountability or oversight systems to focus on performance.

The CHAIRMAN. Pursuant to the rule, the gentleman from California [Mr. MCKEON] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California [Mr. MCKEON].

Mr. MCKEON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am offering an en bloc package of amendments which focus on providing greater flexibility to States and localities as they work to carry out meaningful job training reform. These amendments reflect several months of effort by the National Governors' Association, the National Conference of State Legislatures, and the National Association of Counties in coming to a consensus with respect to several key parts of this legislation.

In working with the members of these organizations, we have not only been able to gain their support for this legislation but we have made substantial improvements to the bill. Specifically, the amendments included in this en bloc accomplish the following: Ensures that members of the State collaborative process used for design and implementation at the State level of programs under this act represent diverse regions of the State; increases flexibility with respect to membership of local work force development boards; increases the roll of chief local elected officials by authorizing them to develop local plans in partnership with local work force development boards; increases public accountability of local work force development boards; further clarifies the role of each State with respect to determining State expected levels of performance; and provides a process through which formal State and local comments on this process may be transmitted annually to Congress; expedites the process by which Governors may enforce performance accountability; provides States increased flexibility to initiate reforms by extending certain waivers of waiver provisions and providing a limited grandfather for States having passed comprehensive employment and training reform legislation; maintains existing State-passed formulas with respect to a majority of the funds under the block grants while providing increased discretion to States for the allocation of those funds not distributed under the formula; provides greater local discretion with respect to carrying out summer youth programs and clarifies that summer employment activities are an essential element of disadvantaged youth programs; requires that the Secretary must sign off on State plans unless they determine in writing within 90 days of receipt of the plan that it is inconsistent with the specific provisions of this act; and ensures the ability of any unit of local government with a population of 500,000 or more to be designated as a work force development area.

Finally, this package of amendments also makes several modifications to further streamline the adult education provisions of this act, and also includes several additional technical and conforming changes to the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. KILDEE. Mr. Chairman, I am not opposed to the amendment, but I ask unanimous consent that I may claim the time allowed under the rule.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. KILDEE] is recognized for 5 minutes.

Mr. KILDEE. Mr. Chairman, I would just say that these are clarifying and perfecting amendments which we agreed to. I would certainly support them, and urge their adoption.

Mr. Chairman, I yield back the balance of my time.

Mr. MCKEON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MCKEON].

The amendment was agreed to.

The CHAIRMAN. The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Employment, Training, and Literacy Enhancement Act of 1997''.

The CHAIRMAN. Are there any amendments to section 1?

The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into two divisions as follows:

(1) Division A—Employment, Training, and Literacy Programs.

(2) Division B—Vocational Rehabilitation Programs.

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

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.

DIVISION A—EMPLOYMENT, TRAINING, AND LITERACY PROGRAMS

TITLE I—AMENDMENTS TO GENERAL PROVISIONS AND PROGRAM REQUIREMENTS

Subtitle A—General Provisions

Sec. 101. Statement of purpose.
Sec. 102. Authorization of appropriations.
Sec. 103. Definitions.

Subtitle B—State and Local Administrative Provisions

Sec. 111. State administrative provisions.
Sec. 112. Local administrative provisions.

Subtitle C—Program and Fiscal Provisions

CHAPTER 1—GENERAL PROVISIONS

Sec. 121. General program requirements.
Sec. 122. Benefits.
Sec. 123. Labor standards.
Sec. 124. Grievance procedure.
Sec. 125. Identification of additional imposed requirements.
Sec. 126. Authority of State legislature.
Sec. 127. Interstate agreements.

CHAPTER 2—PERFORMANCE ACCOUNTABILITY PROVISIONS

Sec. 131. Performance accountability provisions.

CHAPTER 3—OTHER PROVISIONS

Sec. 141. Prompt allocation of funds.
Sec. 142. Fiscal controls; sanctions.
Sec. 143. Reports; recordkeeping; and investigations.
Sec. 144. Administrative adjudication.
Sec. 145. Nondiscrimination.
Sec. 146. Judicial review.
Sec. 147. Administrative provisions.
Sec. 148. Presidential awards for outstanding private sector involvement in job training programs.
Sec. 149. Construction.
Sec. 150. Limitation on certain costs.

Subtitle D—Miscellaneous Provisions

Sec. 161. Criminal provisions.
Sec. 162. Reference.
Sec. 163. Repealers.

TITLE II—AMENDMENTS TO EMPLOYMENT AND TRAINING PROGRAMS FOR DISADVANTAGED YOUTH

Sec. 201. Adult training program.
Sec. 202. Summer youth employment and training program.
Sec. 203. Disadvantaged youth employment and training opportunities grants.

TITLE III—AMENDMENTS TO EMPLOYMENT AND TRAINING PROGRAMS FOR ADULTS

Sec. 301. Adult employment and training opportunities grants.

TITLE IV—AMENDMENTS TO FEDERALLY ADMINISTERED PROGRAMS

SUBTITLE A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS

Sec. 401. Native American program.
Sec. 402. Migrant and seasonal farmworker program.

Subtitle B—Job Corps

Sec. 411. Statement of purpose.
Sec. 412. Individuals eligible for the Job Corps.
Sec. 413. Screening and selection of applicants; general provisions.
Sec. 414. Job Corps centers.
Sec. 415. Standards of conduct.
Sec. 416. Counseling and job placement.
Sec. 417. Experimental and developmental projects and coordination with other programs.

SUBTITLE C—NATIONAL ACTIVITIES

Sec. 421. Research, demonstration, evaluation, and capacity building.
Sec. 422. Nontraditional employment demonstration program.

SUBTITLE D—REPEALERS

Sec. 451. Repealers.

TITLE V—AMENDMENTS TO ADULT EDUCATION PROGRAMS

Sec. 501. Repeal of Jobs for Employable Dependent Individuals Incentive Bonus Program.
Sec. 502. Amendment to Adult Education Act.
Sec. 503. Repeal of National Literacy Act of 1991.
Sec. 504. Conforming amendments.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Repealers.
Sec. 602. Conforming amendments.

TITLE VII—AMENDMENTS TO STATE HUMAN RESOURCE INVESTMENT COUNCIL

Sec. 701. Amendments to Council.
Sec. 702. Transfer of Council.
Sec. 703. Conforming amendments.

TITLE VIII—AMENDMENTS TO WAGNER-PEYSER ACT

Sec. 801. Definitions.
Sec. 802. Functions.
Sec. 803. Designation of State agencies.
Sec. 804. Appropriations.
Sec. 805. Disposition of allotted funds.
Sec. 806. State plans.
Sec. 807. Federal advisory council.
Sec. 808. Regulations.
Sec. 809. Effective date.

TITLE IX—TECHNICAL AND CONFORMING AMENDMENTS

SUBTITLE A—AMENDMENTS TO THE JOB TRAINING PARTNERSHIP ACT

Sec. 901. Short title; table of contents.
Sec. 902. Definitions.
Sec. 903. Amendments to title I.
Sec. 904. Amendments to title IV.
Sec. 905. Amendments to title VI.
Sec. 906. Clarification.

SUBTITLE B—AMENDMENTS TO OTHER ACTS

Sec. 911. Amendments to other Acts.

TITLE X—EFFECTIVE DATE AND TRANSITION PROVISIONS

Sec. 1001. Effective date.
Sec. 1002. Transition provisions.

DIVISION B—VOCATIONAL REHABILITATION PROGRAMS

TITLE XXI—AMENDMENTS TO GENERAL PROVISIONS

Sec. 2101. Rehabilitation Services Administration.
Sec. 2102. Definitions.
Sec. 2103. Reports.

TITLE XXII—AMENDMENTS TO VOCATIONAL REHABILITATION SERVICES

Subtitle A—General Provisions

Sec. 2201. Declaration of policy; authorization of appropriations.
Sec. 2202. State plans.
Sec. 2203. Scope of vocational rehabilitation services.
Sec. 2204. State Rehabilitation Advisory Council.
Sec. 2205. Evaluation standards and performance indicators.
Sec. 2206. Monitoring and review.

Subtitle B—Basic Vocational Rehabilitation Services

Sec. 2211. State allotments.
Sec. 2212. Payments to States.
Sec. 2213. Client assistance program.

TITLE XXIII—AMENDMENTS TO RESEARCH AND TRAINING

Sec. 2221. Authorization of appropriations.
Sec. 2222. National Institute on Disability and Rehabilitation Research.

TITLE XXIV—AMENDMENTS TO TRAINING AND DEMONSTRATION PROJECTS

Subtitle A—Training Programs and Community Rehabilitation Programs

Sec. 2231. Training.
Sec. 2232. Repealers.
Sec. 2233. Authorization of appropriations.

Subtitle B—Special Projects and Supplementary Services

Sec. 2241. Special demonstration programs.
Sec. 2242. Migratory workers.
Sec. 2243. Repealers.
Sec. 2244. Special recreational programs.

TITLE XXV—AMENDMENTS TO NATIONAL COUNCIL ON DISABILITY

Sec. 2251. Authorization of appropriations.

TITLE XXVI—AMENDMENTS TO RIGHTS AND ADVOCACY

Sec. 2261. Employment of individuals with disabilities.
Sec. 2262. Architectural and Transportation Barriers Compliance Board.
Sec. 2263. Protection and advocacy of individual rights.

TITLE XXVII—AMENDMENTS TO EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES

Sec. 2271. Authorization of appropriations.
Sec. 2272. Repealers.

TITLE XXVIII—AMENDMENTS TO INDEPENDENT LIVING SERVICES AND CENTERS FOR INDEPENDENT LIVING

Sec. 2281. Authorization of appropriations.
Sec. 2282. Program authorization for centers for independent living.

TITLE XXIX—AMENDMENTS TO SPECIAL DEMONSTRATIONS AND TRAINING PROJECTS

Sec. 2291. Authorization of appropriations.
Sec. 2292. Demonstration activities.
Sec. 2293. Training activities.

TITLE XXX—AMENDMENTS TO THE HELEN KELLER NATIONAL CENTER ACT

Sec. 2295. Authorization of appropriations.

TITLE XXXI—EFFECTIVE DATE

Sec. 2297. Effective date.

The CHAIRMAN. Are there any amendments to section 2?

If not, the Clerk will designate division A.

The text of division A is as follows:

DIVISION A—EMPLOYMENT, TRAINING, AND LITERACY PROGRAMS

TITLE I—AMENDMENTS TO GENERAL PROVISIONS AND PROGRAM REQUIREMENTS

Subtitle A—General Provisions

SEC. 101. STATEMENT OF PURPOSE.

Section 2 of the Job Training Partnership Act (29 U.S.C. 1501) is amended to read as follows:

"SEC. 2. STATEMENT OF PURPOSE.

''The purpose of this Act is to transform the current array of Federal employment, training, and adult education and literacy programs from a collection of fragmented and duplicative categorical programs into high quality, coherent, and accountable State and local systems that are designed—

''(1) to provide high quality training for today and for the 21st century;

''(2) to empower individuals to choose occupations and training programs, based on

accurate and up-to-date information, that will develop more fully their academic, occupational, and literacy skills, leading to productive employment and economic self-sufficiency, and reduction in welfare dependency;

''(3) to provide resources and authority to States and local communities and increase ease of access to high quality employment, training, and literacy programs;

''(4) to provide adults with the adult education services they require to participate fully in society;

''(5) to meet the needs of employers in the United States to be competitive; and

''(6) to ensure an adequate return on the investment of funds in employment, training, and literacy programs through strong program accountability.''.

SEC. 102. AUTHORIZATION OF APPROPRIATIONS.

Section 3 of the Job Training Partnership Act (29 U.S.C. 1502) is amended to read as follows:

''SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated the following amounts for the following purposes (in addition to amounts otherwise available for such purposes):

''(1) TITLE II.—Such sums as may be necessary for each of the fiscal years 1999 through 2003 to carry out title II.

''(2) TITLE III.—(A) Such sums as may be necessary for each of the fiscal years 1999 through 2003 to carry out section 312(a)(1).

''(B) Such sums as may be necessary for each of the fiscal years 1999 through 2003 to carry out section 312(a)(2).

''(3) PARTS A, C, D, AND E OF TITLE IV.—Subject to subsection (b), such sums as may be necessary for each of the fiscal years 1999 through 2003 to carry out parts A, C, D, and E of title IV.

''(4) PART B OF TITLE IV.—Such sums as may be necessary for each of the fiscal years 1999 through 2003 to carry out part B of title IV.

''(b) RESERVATIONS.—Of the amount appropriated under subsection (a)(3) for a fiscal year—

''(1) not less than $70,000,000 shall be reserved for carrying out section 401;

''(2) not less than $70,000,000 shall be reserved for carrying out section 402; and

''(3) the remainder shall be reserved for carrying out parts C, D, and E of title IV.

''(c) REALLOTMENT.—

''(1) IN GENERAL.—The Secretary of Labor shall, in accordance with this subsection, reallot to eligible States amounts appropriated for programs authorized under titles II and title III of this Act that are available for reallotment.

''(2) AMOUNT.—The amount available for reallotment is equal to the amount by which the unobligated balance of the State allotment under title II or title III, respectively, at the end of the program year prior to the program year for which the determination under this paragraph is made exceeds 20 percent of such allotment for the prior program year.

''(3) REALLOTMENT.—In making reallotments to eligible States of amounts available pursuant to paragraph (2) for a program year, the Secretary shall allot to each eligible State an amount based on the relative amount allotted to such State under title II or title III, respectively, for the prior program year as compared to the total amount allotted to all eligible States under title II or title III, respectively, for such prior program year.

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State which has obligated at least 80 percent of its allotments under title II or title III, respectively, for the program year prior to the program year for which the determination under this subsection is made.

''(5) PROCEDURES.—The Governor of each State shall prescribe uniform procedures for the obligation of funds by workforce development areas within the State in order to avoid the requirement that funds be made available for reallotment under this subsection. The Governor shall further prescribe equitable procedures for making funds available from the State and workforce development areas in the event that a State is required to make funds available for reallotment under this paragraph.''.

SEC. 103. DEFINITIONS.

Section 4 of the Job Training Partnership Act (29 U.S.C. 1503) is amended—

(1) in paragraph (1) to read as follows:

''(1) ADULT EDUCATION AND LITERACY ACTIVITIES.—The term 'adult education and literacy activities' means the activities authorized under section 314 of the Adult Education and Family Literacy Act.'';

(2) by striking paragraph (2);

(3) by inserting after paragraph (1) the following:

''(2) APPROPRIATE SECRETARY.—The term 'appropriate Secretary' means—

''(A) the Secretary of Labor, with respect to programs authorized under titles II, III, and IV of this Act; and

''(B) the Secretary of Education, with respect to programs authorized under the Adult Education and Family Literacy Act.'';

(4) in paragraph (3), by striking ''under parts A and C of title II'' and inserting ''under title II and title III'';

(5) in paragraph (4) to read as follows:

''(4) CHIEF ELECTED OFFICIAL.—The term 'chief elected official' means the chief elected executive officer of a unit of general local government in a workforce development area.'';

(6) in paragraph (5) to read as follows:

''(5) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization that is representative of a community or a significant segment of a community and that has demonstrated the ability, or that can demonstrate a capacity, to effectively administer a program under this Act.'';

(7) by striking paragraph (6);

(8) by inserting after paragraph (5) the following:

''(6) DISLOCATED WORKER.—The term 'dislocated worker' means an individual who—

''(A)(i) has been terminated or laid off, or who has received a notice of termination or layoff, from employment;

''(ii) is eligible for or has exhausted entitlement to unemployment compensation; and

''(iii) is unlikely to return to a previous industry or occupation;

''(B) has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or and substantial layoff at, a plant, facility, or enterprise;

''(C) was self-employed (including a farmer and a rancher) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters;

''(D) is a displaced homemaker; or

''(E) has become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource.'';

(9) in paragraph (10) to read as follows:

''(10) INDIVIDUAL WITH A DISABILITY.—(A) The term 'individual with a disability' means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

''(B) The term 'individuals with disabilities' means more than one individual with a disability.'';

(10) by striking paragraph (11);

(11) in paragraph (14), by striking ''section 521(22) of the Carl D. Perkins Vocational Education Act'' and inserting ''section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)'';

(12) in paragraph (18), by striking all after ''institution of higher education'' and inserting ''(as such term is defined in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088)) that continues to meet the eligibility and certification requirements under title IV of such Act (20 U.S.C. 1070 et seq.).'';

(13) by striking paragraph (19);

(14) in paragraph (21) to read as follows:

''(21) SECRETARIES.—The term 'Secretaries' means the Secretary of Labor and the Secretary of Education.'';

(15) in paragraph (22) to read as follows:

''(22) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.'';

(16) in paragraph (24) to read as follows:

''(24) SUPPORTIVE SERVICES.—The term 'supportive services' means services such as transportation, child care, dependent care, and needs-based payments, that are necessary to enable an individual to participate in programs authorized under title II and title III of this Act, consistent with the provisions of such titles.'';

(17) in paragraph (27) to read as follows:

''(27) VETERAN.—The term 'veteran' has the meaning given such term in section 101(2) of title 38, United States Code.'';

(18) by striking paragraph (35);

(19) by striking paragraph (36);

(20) in paragraph (37), by striking ''post-termination services authorized under sections 204(c)(4) and 264(d)(5) and follow up services authorized under section 253(d)'' and inserting ''follow up services authorized under this Act''; and

(21) by adding at the end the following:

''(41) EMPLOYMENT, TRAINING AND LITERACY PROGRAMS.—The term 'employment, training and literacy programs' means programs authorized under titles II and III of this Act and the Adult Education and Family Literacy Act.

''(42) ENGLISH LITERACY PROGRAM.—The term 'English literacy program' means a program of instruction designed to help individuals of limited English proficiency achieve full competence in the English language.

''(43) FAMILY LITERACY SERVICES.—The term 'family literacy services' means services that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family and that integrate all of the following activities:

''(A) Interactive literacy activities between parents and their children.

''(B) Training for parents on how to be the primary teacher for their children and full partners in the education of their children.

''(C) Parent literacy training that leads to economic self-sufficiency.

''(D) An age-appropriate education to prepare children for success in school and life experiences.

''(44) FULL SERVICE ELIGIBLE PROVIDERS.—The term 'full service eligible provider' means a provider designated under section 123(c).

''(45) HUMAN RESOURCE PROGRAMS.—The term 'human resource programs' means programs identified under section 103.

''(46) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term 'individual of limited English proficiency' means an individual—

''(A) who has limited ability in speaking, reading, or writing the English language; and

''(B)(i) whose native language is a language other than English; or

''(ii) who lives in a family or community environment where a language other than English is the dominant language.

''(47) LITERACY.—The term 'literacy' used with respect to an individual, means the ability of the individual to speak, read, and write English, and compute and solve problems, at levels of proficiency necessary—

''(A) to function on the job, in the family of the individual, and in society;

''(B) to achieve the goals of the individual; and

''(C) to develop the knowledge potential of the individual.

''(48) LOCAL BENCHMARKS.—The term 'local benchmarks' means the expected level of performance of a local workforce development area established pursuant to section 153(b).

''(49) LOCAL BOARD.—The term 'local board' means a local workforce development board established under section 122.

''(50) LOCAL WORKFORCE DEVELOPMENT AREA.—The term 'local workforce development area' means an area designated under section 121(a).

''(51) ON-THE-JOB TRAINING.—The term 'on-the-job training' means training by an employer that is provided to a paid participant while engaged in productive work in a job that—

''(A) provides knowledge or skills essential to the full and adequate performance of the job;

''(B) provides reimbursement to employers of up to 50 percent of the wage rate of the participant, for the extraordinary costs of providing the training and additional supervision related to the training; and

''(C) is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate.

''(52) OUTLAYING AREA.—The term 'outlying area' means 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.

''(53) RAPID RESPONSE ASSISTANCE.—The term 'rapid response assistance' means assistance provided by a State, or by an entity designated by a State, with funds provided by the State under section 313(a)(2) in the case of permanent closure or mass layoff at a plant, facility or enterprise, or a natural or other disaster, that results in mass job dislocation, in order to assist dislocated workers in obtaining reemployment as soon as possible, with services including—

''(A) the establishment of onsite contact with employers and employee representative—

''(i) immediately after the State is notified of a current or projected permanent closure or mass layoff; or

''(ii) in the case of a disaster, immediately after the State is made aware of mass job dislocation as a result of such disaster;

''(B) the provision of information and access to available employment and training activities;

''(C) assistance in establishing voluntary labor management committees with the ability to devise and implement a strategy for assessing the employment and training needs of dislocated workers and obtaining services to meet those needs;

''(D) the provision of emergency assistance adapted to the particular closure, layoff, or disaster; and

''(E) the provision of assistance to the local community in developing a coordinated response and in obtaining access to State economic development assistance.

''(54) REPRESENTATIVES OF EMPLOYEES.—For purposes of section 122, the term 'representatives of employees' means—

''(A) individuals who have been elected by organizations, associations, or a network of similar institutions to represent the economic interests of employees at a significant segment of workplaces located in, or adjacent to, the local workforce development area; or

''(B) individuals from organizations, associations, or a network of similar institutions, with expertise to represent, or experience representing, the interests of employees with respect to the job training priorities in the local workforce development area.

''(55) SKILL GRANT.—The term 'skill grant' means a voucher or credit issued to a participant under section 314(c)(6)(A) for the purchase of training services from eligible providers of such services.

''(56) STATE ADJUSTED BENCHMARKS.—The term 'state adjusted benchmarks' means a state's expected levels of performance established pursuant to 153(a).

''(57) STATE BENCHMARK.—The term 'State benchmark' means the benchmarks established by the state pursuant to section 152(a).

''(58) STATEWIDE SYSTEM.—The term 'statewide system' means a statewide employment and training and literacy system that includes programs authorized under titles II and III of this Act and the Adult Education and Family Literacy Act.''.

Subtitle B—State and Local Administrative Provisions

SEC. 111. STATE ADMINISTRATIVE PROVISIONS.

Part A of title I of the Job Training Partnership Act (29 U.S.C. 1511 et seq.) is amended to read as follows:

''PART A—STATE ADMINISTRATIVE PROVISIONS

''SEC. 101. STATE PLAN.

''(a) IN GENERAL.—For a State to be eligible to receive an allotment under title II or III, the Adult Education and Family Literacy Act, or section 6 of the Wagner-Peyser Act (29 U.S.C. 49e), the Governor of the State shall submit to Secretaries, for consideration by the appropriate Secretary, a single comprehensive State plan that provides a 3-year strategy and policy guidance with respect to the Statewide system, and programs authorized under the Wagner-Peyser Act (29 U.S.C. 49 et. seq.), operated in the State. Such plan shall meet the requirements of this section and section 102.

''(b) CONTENTS.—The State plan shall include the following:

''(1) A description of the collaborative process described in section 102, including a description of the manner in which the individuals and entitles involved in such process collaborated in the development of the plan and will continue to collaborate in carrying out the functions described in section 102(c).

''(2) Information describing—

''(A) the needs of the State with regard to current and projected demands for workers, by occupation;

''(B) the skills and economic development needs of the State; and

''(C) the type and availability of employment and training services in the State.

''(3)(A) A description of the State long-term goals for the Statewide system.

''(B) An identification of the benchmarks that the State will use to measure its progress toward meeting the goals described in subparagraph (A) based on the core indicators of performance described in section 154.

''(C) A description of how the goals and benchmarks will ensure continuous improvement of the Statewide system and make such system relevant and responsive to labor market, skill, and literacy needs at the State and local levels.

''(4) An identification of local workforce development areas in the State, including a description of the process used for the designation of such areas.

''(5) An identification of criteria to be used by local chief elected officials for the appointment of members of local workforce development boards, consistent with the provisions of section 122.

''(6)(A) A description of measures that will be taken by the State to assure coordination and consistency and avoid duplication among employment, training, and literacy programs receiving assistance under this Act, and, at a minimum, programs carried out under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), the Rehabilitation Act of 1973 (20 U.S.C. 701 et seq.), title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the Community Services Block Grant Act, title V of the Older Americans Act of 1965, the National and Community Service Act of 1990, and programs carried out by the Veterans' Employment and Training Service with funds received under section 4103 of title 38, United States Code, including a description of common data collection and reporting processes.

''(B) Information identifying how any funds that a State receives through the allotments made under this Act will be leveraged with other private and public resources (including funds made available to the State under the Wagner-Peyser Act (29 U.S.C. 49 et seq.)) and other human resources programs to maximize the effectiveness of such resources, and expand the participation of business, industry, employees, and individuals in the Statewide system.

''(7) A description of the process used by the State to provide an opportunity for public comment, and input into development of the plan, prior to submission of the plan.

''(8) A description of the within-State allocation formulas development through the collaborative process pursuant to sections 204(b)(2) and 313(b), through which the State will distribute funds of local workforce development areas, including—

''(A) a description of how the individuals and entities involved in the collaborative process, including representatives of the State legislature, determined the factors for such formulas;

''(B) a description of how such individuals and entities consulted with chief elected officials in local workforce development areas throughout the State in determining such formulas; and

''(C) assurances that such formulas will result in funds being distributed equitably throughout the State, that no one factors in such formulas receive disproportionate weighting, and that such formulas protect local workforce development areas from significant shifts in funding from year to year.

''(9)(A) With respect to employment and training programs for disadvantaged youth authorized under title II, information describing the State's strategy for providing comprehensive services to disadvantaged youth, particularly those youth who are recognized as having significant barriers to employment, and a description of how the State intends to use its State reserve funds (described in section 204(a)) to serve areas in the State with high concentrations of disadvantaged youth.

''(B) An assurance that each local workforce development area will be allowed to determine the proportion of funds allocated to such area under section 204(b)(2) that will be used to provide summer employment opportunities and year-round disadvantaged youth activities, respectively.

''(10) With respect to employment and training programs for adults and dislocated workers authorized under title III, information—

''(A) describing the employment and training activities that will be carried out with

the funds received by the State through the allotments made under section 312, including a description of how the State will provide rapid response assistance to dislocated workers from funds reserved under section 313(a)(2);

''(B) describing the strategy of the State (including the timeframe for such strategy) for development of a fully operational statewide full service employment and training delivery system as described in section 123, including the steps that the State will take over the 3 years covered by the plan, working with local workforce development boards, to provide information to individuals through the full service employment and training delivery system on the quality of employment, training, and literacy services;

''(C) describing the procedures the State will use, working with local workforce development boards, to identify eligible providers of training services described in section 314(c), as required under section 124; and

''(D) describing how the State will serve the employment and training needs of dislocated workers (including displaced homemakers), economically disadvantaged individuals (including welfare recipients), individuals training for nontraditional equipment, and other individuals with multiple barriers to employment (including older workers and individuals with disabilities).

''(11) With respect to adult education and literacy activities authorized under part A of the Adult Education and Family Literacy Act—

(A) a description of the assessment that will be made to determine the adult education and family literacy needs of the State;

''(B) a description of the adult education and literacy activities that will be carried out with any funds received under such part, including activities carried out under section 314(a) of such Act;

''(C) a description of how the adult education and literacy activities that will be carried out with any funds received under such part will be integrated with other adult education, career development, and employment and training activities in the State or outlying area of the eligible agency;

''(D) a description of how the eligible agency annually will evaluate the effectiveness of the adult education and literacy activities that are carried out with any funds received under such part;

''(E) an assurance that any funds received under such part will not be expended for any purpose other than the activities described in sections 313 and 314 of such Act;

''(F) an assurance that the eligible agency will expend any funds received under such part only in a manner consistent with the fiscal requirements in section 315 of such Act;

''(G) an assurance that the eligible agency will award grants under such part to providers who offer flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities or other special needs to participate in adult education and literacy activities; and

''(H) a description of the steps the State will take to ensure direct and equitable access, as stipulated in section 313(c)(2) of the Adult Education and Family Literacy Act.

''(12) With respect to programs authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), the plan information required under section 8 of such Act.

''(c) PLAN SUBMISSION.—A State plan submitted to the Secretaries under this section shall be approved by the appropriate Secretary unless such Secretary makes a written determination, within 90 days after receiving the plan, that the plan is inconsistent with the specific provisions of this Act.

''(d) SPECIAL RULES.—

''(1) GOVERNOR.—The Governor of a State shall have final authority to determine the content of the portion of the State plan described in paragraphs (1) through (9)(A), paragraph (10), and paragraph (12) of subsection (b).

''(2) ELIGIBLE AGENCY.—The eligible agency for adult education and literacy in a State shall have final authority to determine the content of the portion of the State plan described in paragraph (11) of subsection (b).

''(e) MODIFICATIONS TO PLAN.—A State may submit modifications to a State plan in accordance with the requirements of this section and section 102 as necessary during the 3-year period covered by the plan.

''SEC. 102. COLLABORATIVE PROCESS.

''(a) IN GENERAL.—A State shall use a collaborative process in the development of the State plan described in section 101 and in carrying out the functions described under subsection (c). Such collaborative process shall be carried out by, at a minimum, the following individuals and entities (who overall, represent diverse regions of the State, including urban, rural, and suburban areas):

''(1) the Governor;

''(2) representatives of the State legislature;

''(3) representatives, appointed by the Governor, of—

''(A) business and industry;

''(B) local chief elected officials (representing both cities and counties, where appropriate);

''(C) local educational agencies (including adult education and literacy providers);

''(D) postsecondary institutions (including community and technical colleges);

''(E) organizations representing individuals served by programs authorized under this Act (including community-based organizations);

''(F) organizations serving individuals participating in programs authorized under this Act and the Adult Education and Family Literacy Act;

''(G) parents; and

''(H) employees (which may include labor);

''(4) the lead State agency official or officials for—

''(A) employment security;

''(B) job training;

''(C) the State educational agency;

''(D) the eligible agency for vocational education;

''(E) the eligible agency for adult education and literacy;

''(F) the State agency responsible for postsecondary education;

''(G) the State agency responsible for welfare; and

''(H) the State agency responsible for vocational rehabilitation, and where applicable, the State agency providing vocational rehabilitation program activities for the blind;

''(5) such other State agency officials, including officials responsible for economic development, as the Governor may designate; and

''(6) the representative of the Veterans' Employment and Training Service assigned to the State under section 4103 of title 38, United States Code.

''(b) CLARIFICATION.—For purposes of complying with subsection (a), a State may use any State collaborative process (including a council, board, State Human Resource Investment Council established under section 103, or a similar entity) that meets or is conformed to meet the requirements of such subsection.

''(c) ADDITIONAL FUNCTIONS OF THE COLLABORATIVE PROCESS.—In addition to development of the State plan, the individuals and entities described in subsection (a) shall collaborate in—

''(1) the designation of local workforce areas as required under section 121;

''(2) the development of allocation formulas for the distribution of funds to local workforce development areas for programs authorized under title II and title III;

''(3) the development of the State goals and benchmarks as required under part C of this title, including the continued updating of such goals and benchmarks;

''(4) the provision of management guidance and review for all programs in the State, including review of the operation of programs conducted in each local workforce development area, and the availability, responsiveness, and adequacy of State services, and make recommendations to the Governor, the State legislature, appropriate chief elected officials, local workforce development boards, and service providers throughout the State regarding the findings of such review;

''(5) the continued development of linkages between employment, training, literacy, and other human resource and workforce preparation programs in the State;

''(6) comment at least once annually on the measures taken pursuant to section 113(b)(14) of the Carl D. Perkins Vocational Education Act; and

''(7) review plans of all State agencies providing employment, training, literacy, and related services, and provide comments and recommendations to the Governor, the State legislature, the State agencies, and the appropriate federal agencies on the relevancy and effectiveness of employment, training, literacy, and related delivery systems in the State.''.

SEC. 112. LOCAL ADMINISTRATIVE PROVISIONS.

Part B of title I of the Job Training Partnership Act (29 U.S.C. 1531 et seq.) is amended by striking sections 121 through 123 and inserting the following:

''SEC. 121. LOCAL WORKFORCE DEVELOPMENT AREAS.

''(a) DESIGNATION OF AREAS.—

''(1) IN GENERAL.—Except as provided in subsection (b), and consistent with paragraph (2), a State that desires to receive a grant under title II or title III shall, through the collaborative process established under section 102 and after consultation with local chief elected officials, and after consideration of comments received through the public comment process as described in section 101(b)(7) of the State plan, designate local workforce development areas within the State that are consistent with labor market areas, or a substantial portion of a labor market area, and that take into consideration the following:

''(A) Units of general local government.

''(B) Geographic areas served by local educational agencies and intermediate educational agencies.

''(C) Geographic areas served by postsecondary institutions and area vocational education schools.

''(D) Service delivery areas established under section 101 of this Act (as such section was in effect on the day before the date of the enactment of the Employment, Training, and Literacy Enhancement Act of 1997).

''(E) The distance that individuals will need to travel to receive services.

''(2) AUTOMATIC DESIGNATION.—The Governor shall approve any request for designation as a workforce development area from any unit of general local government with a population of 500,000 or more.

''(b) SMALL STATES.—Any State determined to be eligible to receive a minimum allotment under section 203(b)(2)(D) or paragraph (1)(B)(iv) or paragraph (2)(B)(iv) of section 312(b) may designate itself, through the collaborative process established pursuant to section 102, and after consultation with local

chief elected officials, and consideration of comments received through the public comment process described in section 101(b)(7) of the State plan, as a single State workforce development area for purposes of this Act.

"SEC. 122. LOCAL WORKFORCE DEVELOPMENT BOARDS.

''(a) ESTABLISHMENT.—There shall be established in each local workforce development area of a State, and certified by the Governor of the State, a local workforce development board (hereinafter referred to as the 'local board'), reflecting business and community interests in employment, training, and other workforce preparation activities.

''(b) MEMBERSHIP.—

''(1) STATE CRITERIA.—The Governor of the State, through the collaborative process described in section 102, shall establish criteria for use by local chief elected officials in the local workforce development areas for appointment of members of the local boards in such local areas in accordance with the requirements of paragraph (2).

''(2) COMPOSITION.—(A) Such criteria shall require at a minimum, that the membership of each local board consist of—

''(i) a majority of members who are representatives of business and industry in the local workforce development area, who are owners of businesses, chief executives or chief operating officers of private business, and other business executives with optimum policymaking authority in local businesses, appointed from among individuals nominated by local business organizations and trade associations;

''(ii) representatives of local educational entities, including representatives of local educational agencies, local school boards, post-secondary educational institutions (including representatives of community colleges), and representatives of providers of adult education and literacy services, where such schools, institutions, educators, or providers, as appropriate, exist, selected from among individuals nominated by regional or local educational agencies, institutions, or organizations representing such individuals or entities; and

''(iii) representatives of community-based organizations (including, as appropriate, a community-based organization that provides direct job training and placement services to individuals with disabilities), employees (which may include labor), and other representatives of the public who may include program participants, parents, individuals with disabilities, older workers, veterans, or organizations serving such individuals, as nominated to the board by regional or local agencies, institutions, or organizations representing such individuals or entities.

''(B) In addition, the membership of each local board may consist of representatives of local welfare agencies, economic development agencies, and the local employment service system.

''(3) CHAIRPERSON.—The local board shall elect a chairperson from among the members of the board.

''(c) APPOINTMENT AND CERTIFICATION OF BOARD.—

''(1) APPOINTMENT OF BOARD MEMBERS AND ASSIGNMENT OF RESPONSIBILITIES.—

''(A) IN GENERAL.—The chief elected official in a local workforce development area is authorized to appoint the members of the local board for such area, in accordance with the State criteria established under subsection (b).

''(B) MULTIPLE UNITS OF LOCAL GOVERNMENT IN AREA.—

''(i) IN GENERAL.—In a case in which a local workforce development area includes more than 1 unit of general local government, the chief elected officials of such units may execute an agreement that specifies the respective roles of the individual chief elected officials.—

''(I) in the appointment of the members of the local board from the individuals nominated or recommended to be such members in accordance with the criteria established under subsection (b); and

''(II) in carrying out any other responsibilities assigned to such officials.

''(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 board from individuals so nominated or recommended.

''(2) CERTIFICATION.—

''(A) IN GENERAL.—The Governor is authorized to biennially certify 1 local board for each local workforce development area in the State.

''(B) CRITERIA.—Such certification shall be based on factors including the criteria established under subsection (b) and, for a second or subsequent certification, the extent to which the local board has ensured that employment and training activities and disadvantaged youth activities carried out in the local workforce development area have met expected levels of performance with respect to the local benchmarks negotiated pursuant to subsection (d)(6)(A).

''(C) FAILURE TO ACHIEVE CERTIFICATION.—Failure of a local board to achieve certification shall result in reappointment and certification of another local board for the local workforce development area pursuant to the process described in paragraph (1) and this paragraph.

''(3) DECERTIFICATION.—

''(A) FISCAL NONCOMPLIANCE.—Notwithstanding paragraph (2), the Governor may decertify a local board if it is determined as a result of financial and compliance audits that there is a substantial violation of a specific requirement under this Act and corrective action has not been taken, in accordance with section 164. If the Governor decertifies a local board for a local workforce development area under this subparagraph, the Governor may require that a new local board be appointed and certified for the local workforce development area pursuant to a reorganization plan developed by the Governor under section 164(b)(1) and in accordance with the criteria established under subsection (b).

''(B) NONPERFORMANCE.—Notwithstanding paragraph (2), the Governor may decertify a local board if a local workforce development area fails to meet the local benchmarks established pursuant to section 153(b) for such local area for two consecutive program years (in accordance with section 156(b)(2)). If the Governor decertifies a local board for a local workforce development area under this subparagraph, the Governor may require that a new local board be appointed and certified for the local area pursuant to a reorganization plan developed by the Governor under section 156(b)(2) and in accordance with the criteria established under subsection (b).

''(4) SINGLE STATE AREA.—Notwithstanding subsection (b) and paragraphs (1) and (2), if a State described in section 121(b) indicates in the State plan that the State will be treated as a local workforce development area for purposes of the application of this Act, the Governor may designate the individuals and entities involved in the collaborative process described in section 105 to carry out the functions described in subsection (d).

''(d) FUNCTIONS OF LOCAL BOARD.—The functions of the local board shall include the following:

''(1) LOCAL PLAN.—

''(A) IN GENERAL.—Each local board, in partnership with the chief local elected official, shall develop and submit to the Governor, for approval, a comprehensive 3-year strategic local plan. The local plan shall be consistent with the State goals and State plan described in section 101.

''(B) CONTENTS.—The local plan shall include—

''(i) an identification of the workforce development needs of local industries, job seekers, and workers;

''(ii) a description of the disadvantaged youth activities and the employment and training activities for adults and dislocated workers to be carried out in the local workforce development area as required under titles II and III, that, with activities authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), will contribute to the coherent delivery of employment, training and workforce preparation activities in the local area;

''(iii) a description of the local benchmarks negotiated with the Governor pursuant to paragraph (6)(A), to be used by the local board for measuring the performance of the local administrative entity (where appropriate), eligible providers of services authorized under titles II and III, and the performance of the full service employment and training delivery system in the local workforce development area;

''(iv) a description of the local full service employment and training delivery system to be established or designated in the local workforce development area, including—

''(I) a description of the process negotiated with the Governor pursuant to paragraph (6)(B) that the local board will use to designate or certify full service eligible providers in the local workforce development area, which ensures that the most effective and efficient providers will be chosen;

''(II) a description of how the local board will ensure the continuous improvement of such full service eligible providers and that such providers will continue to meet the labor market needs of local employers and participants; and

''(III) an identification of the roles of individual employment, training, and other human resources programs, as determined appropriate, including programs authorized by the Wagner-Peyser Act (20 U.S.C. 49 et seq.), in carrying out the functions of the full service employment and training delivery system, including a description of the funding sources to be used in the operation of the full service employment and training system;

''(v) an identification of the administrative entity designated by the local board in accordance with paragraph (5);

''(vi) a description of the steps the local board will take to work with local educational agencies, postsecondary educational institutions (including community colleges, where applicable), vocational educators, providers of adult education and literacy services, and other representatives of the educational community to address local employment, education, and training needs, including a description of linkages established with such individuals and entities to enhance the provision of services, including supportive services, and avoid duplication;

''(vii) a description of the process that will be used by the local board to fully involve representatives of the local community, including community-based organizations with experience in serving disadvantaged youth, the local education community (including vocational educators and teachers), parents, youth, local law enforcement agencies, and representatives of business and employees (which may include labor) in the development and implementation of disadvantaged youth programs in the local workforce development area, including a description of the process used (involving the individuals and

organizations described in this clause) to ensure that the most effective and efficient providers are chosen to carry out the activities authorized under title II; and

''(viii) such other information as the Governor may require.

''(2) SELECTION OF PROVIDERS.—

''(A) SELECTION OF FULL SERVICE PROVIDERS.—Consistent with section 123 and the agreement negotiated with the Governor under paragraph (6)(B)(i), the local board is authorized to designate or certify full service eligible providers, and to terminate for cause, the eligibility of such providers.

''(B) SELECTION OF DISADVANTAGED YOUTH PROVIDERS.—Consistent with section 207, the local board is authorized to award grants on a competitive basis to eligible providers of disadvantaged youth activities in the local workforce development area.

''(3) IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.—Consistent with section 124, the local board is authorized to work in partnership with the Governor concerning the identification of eligible providers of training services described in section 314(c) in the local workforce development area.

''(4) BUDGET AND PROGRAM OVERSIGHT.—

''(A) BUDGETING.—

''(i) IN GENERAL.—The local workforce development board shall develop a budget for the purpose of carrying out local programs established under titles II and III and section 123.

''(ii) APPROVAL OF BUDGET.—Such budget shall be subject to the approval of the chief elected official or officials in the local workforce development area.

''(B) PROGRAM OVERSIGHT.—The local workforce development board, in partnership with the chief elected official or officials in the local workforce development area, shall conduct oversight of the programs established under titles II and III and section 123.

''(5) ADMINISTRATION.—

''(A) DESIGNATION OF ADMINISTRATIVE ENTITY.—

''(i) IN GENERAL.—The local workforce development board may designate itself as the administrative entity for receipt and disbursement of funds made available for carrying out programs authorized under title II and title III of this Act, or the local board may designate an administrative entity (which may be the State through a mutual agreement between the local board and the State), for the purpose of receipt and disbursement of such funds.

''(ii) ADDITIONAL FISCAL RESPONSIBILITIES .—Each administrative entity shall be responsible for the distribution of funds and shall have responsibility to take action against its subcontractors, subgrantees, and other recipients to eliminate abuses in the programs being carried out in the local workforce development area and to prevent any misuse of funds by subcontractors, subgrantees, and other recipients.

''(B) STAFF; GRANTS AND OTHER CONTRIBUTIONS.—The local board may employ its own staff, independent of local programs and service providers, and may solicit or accept grants and contributions from sources other than from this Act.

''(C) PROHIBITION ON DIRECT PROVISION OF SERVICES.—

''(i) IN GENERAL.—Except as provided in clause (ii), a local board or employees of such board may not directly provide services under programs established under this Act.

''(ii) WAIVER.—The Governor of the State in which the local board is located may grant to the local board a written waiver of the prohibition under clause (i) where necessary to improve performance or to provide a full array of services in the local area as may be particularly necessary in rural areas.

''(D) CONFLICT OF INTEREST.—A member of a local board may not—

''(i) vote on a matter under consideration by the local board—

''(I) regarding the provision of services by such member (or by an organization that such member represents); or

''(II) that would provide direct financial benefit to such member or the immediate family of such member; or

''(ii) engage in any other activity determined by the Governor to constitute a conflict of interest.

''(6) NEGOTIATIONS.—

''(A) LOCAL BENCHMARKS.—The local board, the local chief elected official, and the Governor shall negotiate and reach agreement on local benchmarks designed to meet the State goals described in the State plan under section 101 for the local workforce development area. In determining such benchmarks, the Governor, the local chief elected official, and the local board shall take into account the State adjusted benchmarks described in section 153(a) with respect to programs authorized under titles II and III, and specific economic, demographic, and other characteristics of the populations to be served in the local workforce development area.

''(B) LOCAL DELIVERY OF SERVICES.—

''(i) IN GENERAL.—The local board, the local chief elected official, and the Governor shall negotiate and reach agreement on a process to be used by the local board that meets the requirements of subclauses (I) and (II) of paragraph (1)(B)(iv) for—

''(I) the designation or certification of full service eligible providers (as described in section 123(c)) in the local workforce development area, including, consistent with State statute, a determination of the role of providers of activities authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) in the full service delivery of services in the local workforce development area; and

''(II) the continued role of the local board and the local elected official in conducting oversight with respect to full service eligible providers that are providers of activities authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

''(ii) ESTABLISHED FULL SERVICE EMPLOYMENT AND TRAINING DELIVERY SYSTEM.—Notwithstanding this subsection and section 123(c), if a full service employment and training delivery system has been established in a local workforce development area prior to the date of enactment of this Act, or if approval has been obtained for a plan for a full service employment and training delivery system under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) prior to the date of enactment of this Act, the local board and the Governor involved may agree to certify such full service employment and training delivery system for purposes of this subparagraph.

''(e) SUNSHINE PROVISION.—

''(1) IN GENERAL.—The local board shall make available to the public, on a regular basis, information regarding the activities of the local board, including information regarding membership, the designation and certification of full service employment and training eligible providers, the award of grants to eligible providers of disadvantaged youth activities, and upon request, minutes of formal meetings of the local board.

''(2) LOCAL PLAN.—Prior to the submission of the local plan to the Governor, under subsection (d)(1)(D)(ii), the local board shall make such plan available for review and comment to—

''(A) appropriate community-based organizations and local educational and other public agencies in the local workforce development area;

''(B) local business organizations and representatives of employees in the local workforce development area; and

''(C) the general public through such means as public hearings and local news media.

''SEC. 123. FULL SERVICE EMPLOYMENT AND TRAINING DELIVERY SYSTEM.

''(a) IN GENERAL.—There shall be established in a State that receives an allotment under section 312, a full service employment and training delivery system that—

''(1) shall provide the core services described in subsection (d), including the information described in part E of title IV and labor exchange services authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

''(2) shall provide access to the activities carried out under subsection (e), if any; and

''(3) shall provide access to intensive and training services described in section 314, including serving as the point of distribution of skill grants for training services to participants in accordance with section 314(c)(6)(A).

''(b) ACCESS TO DELIVERY OF SERVICES.—

''(1) IN GENERAL.—The State's full service employment and training delivery system shall provide individuals and employers with access to the services described in subsection (a) through a network of eligible providers that assures participants that such services will be available, regardless of where the participants initially enter the system. At a minimum, such services shall be available—

''(A) through a network of full service employment and training delivery centers, established in all local workforce development areas in the State, that provide all of the services described in subsection (a); or

''(B) at not less than one full service employment and training delivery center in each local workforce development area in the State that provides all of the services described in subsection (a), supplemented with multiple affiliated sites that provide one or more of such services and are linked through electronic and technological access points.

''(2) SPECIALIZED CENTERS.—Of the full service employment and training delivery centers or affiliated sites described in paragraph (1), such centers or sites may have a specialization in addressing special needs, such as the needs of dislocated workers.

''(c) ELIGIBILITY FOR DESIGNATION.—Any entity or consortium of entities located in a local workforce development area may be designated or certified by the local workforce development board (in accordance with section 122(d)(2)(A)) through a competitive process, or through an agreement reached between the local board and a consortium of entities, to operate a full service employment and training delivery center or to participate as an affiliated site in the full service employment and training delivery system. Such entities shall be known as 'full service eligible providers' and may include—

''(1) institutions of higher education;

''(2) local employment service offices established under the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

''(3) private, nonprofit organizations (including community-based organizations);

''(4) private for-profit entities;

''(5) agencies of local government; and

''(6) other interested organizations and entities of demonstrated effectiveness, including local chambers of commerce and other business organizations, consistent with State criteria as described in the State plan under section 101.

''(d) CORE SERVICES.—Funds made available to local workforce development areas under section 313(b), in addition to funds made available under the Wagner-Peyser Act, part E of title IV, and other related programs, shall be used to provide core services, which shall be available to all individuals through the full service employment and training delivery system and shall, at a minimum, include—

''(1) outreach, intake (which may include worker profiling), and orientation to the information and other services available through the full service employment and training delivery system;

''(2) initial assessment of skill levels, aptitudes, abilities, and supportive service needs;

''(3) job search and placement assistance, and where appropriate, career counseling;

''(4) provision of accurate information relating to local, regional, and national labor markets, including—

''(A) job vacancy listings in such markets; and

''(B) information relating to local occupations in demand and the earnings and skill requirements for such occupations;

''(5) provision of accurate information relating to the quality and availability of employment, training, and literacy activities authorized under titles II and III of this Act and the Adult Education and Family Literacy Act, and of vocational rehabilitation program activities as appropriate, and referral to such activities;

''(6) provision of information relating to unemployment compensation, publicly funded employment and training programs (including registered apprenticeships), and forms of public financial assistance, such as student aid programs, that may be available in order to enable individuals to participate in employment, training, literacy, and other workforce preparation activities;

''(7) soliciting and accepting job orders submitted by employers in the local workforce development area, and screening and referring applicants in accordance with such orders;

''(8) dissemination of lists of eligible training providers and performance information regarding such providers in accordance with section 124; and

''(9) any additional performance information with respect to the full service employment and training delivery system in the local workforce development area.

''(e) PERMISSIBLE SERVICES.—Funds made available to local workforce development areas under section 313(b) may be used to contribute to, through the full service employment and training delivery system—

''(1) co-location of services related to employment, training, and literacy activities, such as unemployment insurance, vocational rehabilitation program activities, veterans' employment services, programs authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), employment-related services for welfare recipients, or other public assistance activities;

''(2) customized screening and referral of qualified participants to employment; and

''(3) customized employment-related services to employers on a fee-for-service basis.

''SEC. 124. IDENTIFICATION OF TRAINING PROVIDERS.

''(a) ELIGIBILITY REQUIREMENTS.—

''(1) IN GENERAL.—Except as provided in subsection (e), to be identified as an eligible provider of training services under title III and to receive funds made available for the provision of training services described in section 314(c) (referred to in this section as 'training services'), a provider of such services shall meet the requirements of this section.

''(2) POSTSECONDARY EDUCATIONAL INSTITUTION.—Subject to the provisions of this section, a postsecondary educational institution shall automatically be eligible to provide training services under title III for programs that are eligible to participate in title IV of the Higher Education Act of 1965.

''(A) a program that leads to an associate, baccalaureate, professional, or graduate degree;

''(B) a program that—

''(i) is at least 2 academic years in length; and

''(ii) is acceptable for academic credit toward a baccalaureate degree; or

''(C) a program that—

''(i) is at least 1 academic year in length;

''(ii) is a training program;

''(iii) leads to a certificate, degree, or other recognized educational credential; and

''(iv) prepares a student for gainful employment in a recognized occupation.

''(3) OTHER ELIGIBLE PROVIDERS.—

''(A) PROCEDURE.—

''(i) IN GENERAL.—The Governor shall establish a procedure for use by local workforce development boards in determining the eligibility of public and private providers not described in paragraph (2) (including eligibility of postsecondary educational institutions for programs not described in paragraph (2)) to receive such funds.

''(ii) FACTORS.—In developing such procedure, the Governor—

''(I) shall solicit and take into consideration the recommendations of local workforce development boards and providers of training services within the State; and

''(II) shall take into consideration—

''(aa) the specific economic, geographic, and demographic factors in the local areas in which eligible providers are located; and

''(bb) the characteristics of the populations served by the eligible providers, including the demonstrated difficulties in serving such populations, where applicable.

''(B) LEVELS OF PERFORMANCE.—At a minimum, the procedure described in subparagraph (A) shall require such a provider to meet minimum acceptable levels of performance based on verifiable program-specific performance information described in subsection (b) and submitted to the State agency designated under subsection (c), as required under paragraphs (2) and (3) of subsection (c).

''(b) PERFORMANCE INFORMATION.—

''(1) REQUIRED INFORMATION.—Pursuant to subsection (c)(2), to be eligible to provide training services under title III, a provider shall submit information on—

''(A) program completion rates for individuals in the applicable program conducted by the provider;

''(B) the percentage of individuals in the applicable program who obtain employment, which may also include information specifying the percentage of individuals who obtain employment in an occupation related to the program conducted;

''(C) the earnings at placement of individuals who complete the program; and

''(D) for literacy providers or providers of integrated education and training services, the success rate of the applicable program in raising the literacy levels of individuals in skill areas that are considered important for successful participation in training and employment.

''(2) ADDITIONAL INFORMATION.—Subject to paragraph (3), in addition to the performance information described in paragraph (1), the Governor may require that a provider described in this paragraph submit such other performance information as the Governor determines to be appropriate, which many include information relating to—

''(A) the retention in employment and the subsequent earnings of the individuals who complete the applicable program;

''(B) where appropriate, the rates of licensure or certification of individuals who complete the program;

''(C) the percentage of individuals who complete the program who attain industry-recognized occupational skills in the subject, occupation, or industry for which training is provided, where applicable; and

''(D) the adequacy of space, staff, equipment, instructional materials, and student support services offered by the provider through a program conducted by the provider.

''(3) CONDITIONS.—

''(A) IN GENERAL.—If the Governor requests additional information pursuant to paragraph (2) that imposes extraordinary costs in providers, the Governor shall provide access to cost-effective methods for the collection of such information or provide additional resources to assist providers in the collection of such information from funds made available under section 313(a).

''(B) TRANSITION PERIOD FOR PERFORMANCE-BASED INFORMATION.—For program years 1999 and 2000, the performance-based information to be submitted by a provider under this subsection shall only be required to be provided relating to the performance of participants assisted under title III in lieu of all; individuals participating in the program of the provider. Nothing in this subparagraph shall be construed to prohibit the submission of performance-based information for all individuals participating in the program of the provider as soon as is practicable prior to program year 2001 and each provider shall be encouraged to submit such information.

''(c) ADMINISTRATION.—

''(1) DESIGNATION.—The Governor shall designate a State agency to collect and disseminate the performance information described in subsection (b) and to carry out other duties described in this subsection.

''(2) SUBMISSION.—A provider described in subsection (a) shall submit the performance information described in subsection (b) annually to the designated State agency at such time and in such manner as the designated State agency may require. The designated State agency may accept program-specific performance information consistent with the requirements for eligibility under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) from such a provider for purposes of enabling the provider to fulfill the applicable requirements of this paragraph, if such information is substantially similar to the information required under subsection (b).

''(3) LIST OF ELIGIBLE PROVIDERS.—

''(A) IN GENERAL.—The designated State agency shall compile a list of eligible providers accompanied by the performance information described in subsection (b) consisting of—

''(i) providers determined to be automatically eligible subject to subsection (a)(2); and

''(ii) providers determined to be eligible by local workforce development boards, subject to subsection (a)(3).

''(B) AVAILABILITY.—The designated State agency shall disseminate such lists and information to the full service employment and training delivery system and to local boards. Such list and information shall be made widely available to participants in employment and training programs authorized under title III and others through the full service employment and training delivery system described in section 123.

''(d) ENFORCEMENT.—

''(1) ACCURACY OF INFORMATION.—If the designated State agency determines that a provider 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 funds described in subsection (a) for a period of time, but not less than 2 years, as prescribed in regulations issued by the Governor.

''(2) NONCOMPLIANCE.—If the designated State agency, or the local workforce development board working through the State agency, determines that an eligible provider under subsection (a) substantially violates any requirement under this Act, the agency,

or the local board through the State agency, may terminate the eligibility of such provider to receive funds described in subsection (a) for such program or take such other action as the agency or local board determines to be appropriate.

''(3) NONPERFORMANCE.—

''(A) TERMINATION FOR NONPERFORMANCE.—If the designated State agency, or the local workforce development board working through the State agency, determines that an eligible provider under subsection (a) substantially fails to meet performance criteria established by the Governor, the agency, or the local board working through the State agency, may terminate the eligibility of such provider.

''(B) FACTORS.—In establishing the performance criteria described under subparagraph (A)(i), the Governor shall—

''(i) solicit and take into consideration the recommendations of local workforce development boards and providers of training services within the State; and

''(ii) take into consideration—

''(I) the specific economic, geographic, and demographic factors in the local areas in which eligible providers are located; and

''(II) the characteristics of the populations served by the eligible providers, including the demonstrated difficulties in serving such populations, where applicable.

''(4) ELIGIBILITY UNDER THE HIGHER EDUCATION ACT OF 1965.—If the designated State agency determines that the eligibility of an eligible provider described in subsection (a)(2) under title IV of the Higher Education Act of 1965 has been terminated, the agency—

''(A) shall terminate the automatic eligibility of the provider under subsection (a)(2); and

''(B) shall require the provider to meet the requirements of subsection (a)(3) to be eligible to receive funds as described in subsection (a).

''(5) REPAYMENT.—A provider whose eligibility is terminated under paragraph (1) or (2) for a program shall be liable for repayment of all funds described in subsection (a) received for the program during any period of noncompliance described in such paragraph.

''(6) APPEAL.—The Governor shall establish a procedure for an eligible provider to appeal a determination by the local board or the designated state agency that results in the denial or termination of eligibility under this subsection. Such procedure shall provide an opportunity for a hearing and prescribe appropriate time limits to ensure prompt resolution of the appeal.

''(7) CONSTRUCTION.—This subsection shall be construed to supplement, but not supplant, other civil and criminal remedies and penalties.

''(e) ON-THE-JOB TRAINING EXCEPTION.—

''(1) IN GENERAL.—Providers of on-the-job training, and apprenticeship programs registered in accordance with the National Apprenticeship Act, shall not be subject to the requirements of subsection (a), (b), (c), or (d).

''(2) COLLECTION AND DISSEMINATION OF INFORMATION.—A full-service eligible provider in a local workforce development area shall collect such performance information from on-the-job training providers as the Governor may require, and disseminate such information through the delivery of core services described in section 123, as appropriate.''.

Subtitle C—Program and Fiscal Provisions

CHAPTER 1—GENERAL PROVISIONS

SEC. 121. GENERAL PROGRAM REQUIREMENTS.

(a) EMPLOYMENT AND TRAINING OPPORTUNITIES.—Section 141(a) of the Job Training Partnership Act (29 U.S.C. 1551(a)) is amended—

(1) by striking ''and shall make efforts'' and all that follows and inserting a period; and

(2) by adding at the end the following: ''In addition, efforts shall be made to develop programs which contribute to occupational development, upward mobility, development of new careers, and overcoming sex-stereotyping in occupations traditional for the other sex.''.

(b) RELOCATION.—Section 141(c) of such Act (29 U.S.C. 1551(c)) is amended to read as follows:

''(c) RELOCATION.—

''(1) PROHIBITION ON USE OF FUNDS TO ENCOURAGE OR INDUCE RELOCATION.—No funds provided under title II, III, or IV shall be used or proposed for use to encourage or induce the relocation, of a business or part of a business, that results in a loss of employment for any employee of such business at the original location, if such original location is within the United States.

''(2) PROHIBITION ON USE OF FUNDS FOR CUSTOMIZED OR SKILL TRAINING AND RELATED ACTIVITIES AFTER RELOCATION.—No funds provided under title II, III, or IV for an employment and training activity 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 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.

''(3) REPAYMENT.—If the Secretary of Labor determines that a violation of paragraph (1) or (2) has occurred, the Secretary shall require the State that has violat4ed such paragraph to repay to the United States an amount equal to the amount expended in violation of such paragraph.''.

(c) TRAINING FOR OCCUPATIONS IN DEMAND.—Subsection (d) of section 141 of such Act (29 U.S.C. 1551(d)) is hereby repealed.

(d) AGREEMENTS AMONG AREAS RELATING TO EDUCATION, TRAINING, AND EMPLOYMENT OF PARTICIPANTS.—Section 141(e) of such Act (29 U.S.C. 1551(e)) is amended—

(1) by striking paragraph (1); and

(2) in paragraph (2)—

(A) by striking ''(2)'';

(B) by striking ''service delivery area'' each place it appears and inserting ''local workforce development area''; and

(C) in the second sentence—

(i) by striking ''private industry council'' and inserting ''local workforce development board''; and

(ii) by striking ''section 104'' and inserting ''section 122(d)(1)''.

(e) PROHIBITION ON CERTAIN VOTES.—Subsection (f) of section 141 of such Act (29 U.S.C. 1551(f)) is hereby repealed.

(f) PAYMENTS TO EMPLOYERS FOR ON-THE-JOB-TRAINING.—Section 141(g) of such Act (29 U.S.C. 1551(g)) is amended—

(1) by striking paragraphs (1) through (3); and

(2) in paragraph (4)—

(A) by striking ''(4)'';

(B) by striking ''In accordance with regulations issued by the Secretary, on -the-job training contracts'' and inserting ''On-the-job training contracts''; and

(C) by striking ''with wages and employment benefits'' and all that follows and inserting a period.

(g) DUPLICATE FACILITIES OR SERVICES.—Section 141(h) of such Act (29 U.S.C. 1551(h)) is amended to read as follows:

''(h)(1) Upon the approval of the Governor, real property in which, as of July 1, 1998, equity has resulted from funds provided under title III of the Social Security Act, section 903(c) of such Act (commonly referred to as the 'Reed Act'), or the Wagner-Peyser Act (29 U.S.C. 49 et seq.) may be used for the purposes of a full service employment and training delivery center.

''(2) Unless otherwise provided in a plan approved pursuant to section 101, subsequent to the commencement of the use of the property described in paragraph (1) for the purposes of a full service employment and training delivery center, funds provided under the provisions of law described in paragraph (1) may only be used to acquire further equity in such property, or to pay operating and maintenance expenses relating to such property in proportion to the extent of the use of such property attributable to the activities authorized under such provisions of law.''.

(h) RESPONSIBILITIES OF ADMINISTRATIVE ENTITIES.—Section 141(i) of such Act (29 U.S.C. 1551(i)) is hereby repealed.

(i) PROHIBITION ON CERTAIN SUBSIDIZED EMPLOYMENT.—Section 141(k) of such Act (29 U.S.C. 1551(k)) is hereby repealed.

(j) CONSULTATION REQUIREMENTS.—Section 141(n) of such Act (29 U.S.C. 1551(n)) is amended—

(1) by striking ''private industry councils'' each place it appears and inserting ''local workforce development boards'';

(2) by striking ''councils'' and inserting ''boards'';

(3) by striking ''service delivery area'' each place it appears and inserting ''local workforce development area''; and

(4) by striking ''this Act'' each place it appears and inserting ''title II or title III''.

(k) PROHIBITION ON USE OF FUNDS FOR PUBLIC SERVICE EMPLOYMENT.—Section 141(p) of such Act (29 U.S.C. 1551(p)) is amended—

(1) by striking ''part B of this title or part A or C of title II'' and inserting ''this Act''; and

(2) by inserting at the end before the period the following: ''except as specifically authorized under this Act''.

(l) PROHIBITION ON USE OF FUNDS FOR CERTAIN ECONOMIC ACTIVITIES.—Section 141(q) of such Act (29 U.S.C. 1551(p)) is amended in the first sentence by inserting at the end before the period the following: ''which are not directly related to training or related services for eligible individuals under this Act''.

(m) PRIORITY FOR EXCESS PROPERTY OF THE DEPARTMENT OF DEFENSE.—Section 141(s) of such Act (29 U.S.C. 1551(s)) is hereby repealed.

(n) PROHIBITION ON ENTITLEMENT TO SERVICE.—Section 141 of such Act (29 U.S.C. 1551) is amended by adding at the end the following:

''(s) PROHIBITION ON ENTITLEMENT TO SERVICE.—Nothing in this Act shall be construed to provide an individual with an entitlement to a service under this Act.

''(t) FEE FOR SERVICE AUTHORITY.—Services, facilities, and equipment funded under titles II and III may be used, as appropriate, on a fee for service basis, by employers in a local workforce development area in order to provide employment and training services to incumbent workers—

''(1) when such services, facilities, or equipment are not in use for the provision of services for eligible program participants under title II or title III, respectively;

''(2) if such use would not have an adverse affect on the provision of services to eligible program participants under title II or title III, respectively; and

''(3) if the income derived from such fees is used to carry out the programs authorized under title II or title III, respectively.''.

SEC. 122. BENEFITS.

Section 142(a) of the Job Training Partnership Act (29 U.S.C. 1552(a)) is amended—

(1) by striking all that precedes paragraph (4) and inserting the following:

''(a) WAGES.—

''(1) IN GENERAL.—Individuals in on-the-job training or individuals employed in activities under this Act shall be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience and skills, and such rates shall be in accordance with applicable law, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable State or local minimum wage law.''; and

(2) by redesignating paragraph (4) as paragraph (2).

SEC. 123. LABOR STANDARDS.

Section 143 of the Job Training Partnership Act (29 U.S.C. 1553) is amended to read as follows:

''SEC. 143. LABOR STANDARDS.

''(a) LIMITATIONS ON ACTIVITIES THAT IMPACT WAGES OF EMPLOYEES.—No funds provided under this title shall be used to pay the wages of incumbent employees during their participation in economic development activities provided through the statewide system.

''(b) DISPLACEMENT.—

''(1) PROHIBITION.—A participant in an activity authorized under title II, III, or IV of this Act (referred to in this section as a 'specified activity') shall not displace (including a partial displacement, such as a reduction in the hours of nonovertime work, wages, or employment benefits) any currently employed employee (as of the date of the participation).

''(2) PROHIBITION ON IMPAIRMENT OF CONTRACTS.—A specified activity shall not impair an existing contract for services or collective bargaining agreement, and no such activity that would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

''(c) OTHER PROHIBITIONS.—A participant in a specified activity shall not be employed in a job—

''(1) when any other individual is on layoff from the same or any substantially equivalent job;

''(2) when the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant; or

''(3) which is created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals.

''(d) HEALTH AND SAFETY.—Health and safety standards established under Federal and State law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of participants engaged in specified activities. To the extent that a State workers' compensation law applies, workers' compensation shall be provided to participants on the same basis as the compensation is provided to other individuals in the State in similar employment.

''(e) EMPLOYMENT CONDITIONS.—Individuals in on-the-job training or individuals employed in activities under this Act, shall be provided benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work.

''(f) OPPORTUNITY TO SUBMIT COMMENTS.—Interested parties shall be provided an opportunity to submit comments with respect to training programs proposed to be funded under this Act.''.

SEC. 124. GRIEVANCE PROCEDURE.

Section 144 of the Job Training Partnership Act (29 U.S.C. 1554) is amended to read as follows:

''SEC. 144. GRIEVANCE PROCEDURE.

''(a) IN GENERAL.—Each State receiving an allotment under this Act shall establish and maintain a procedure for grievances or complaints alleging violations of the requirements of this Act from participants and other interested or affected parties. Such procedure shall include an opportunity for a hearing and be completed within 60 days of filing the complaint.

''(b) INVESTIGATION.—

''(1) IN GENERAL.—The Secretary shall investigate an allegation of a violation described in subsection (a) if—

''(A) a decision relating to such violation has not been reached within 60 days after the date of the grievance or complaint and either party appeals to the Secretary; or

''(B) a decision relating to such violation has been reached within such 60 days and the party to which such decision is adverse appeals such decision to the Secretary.

''(2) ADDITIONAL REQUIREMENT.—The Secretary shall make a final determination relating to an appeal made under paragraph (1) no later than 120 days after receiving such appeal.

''(c) REMEDIES.—Remedies shall be limited—

''(1) to suspension or termination of payments under this Act;

''(2) to prohibition of placement of a participant with an employer that has violated any requirements under this Act;

''(3) where applicable, to reinstatement of an employee, payment of lost wages and benefits, and reestablishment of other relevant terms, conditions and privileges of employment; and

''(4) where appropriate, to other equitable relief.''.

SEC. 125. IDENTIFICATION OF ADDITIONAL IMPOSED REQUIREMENTS.

Section 124 of the Job Training Partnership Act (29 U.S.C. 1534) is amended—

(1) by redesignating such section as section 146 of such Act; and

(2) by inserting such section after section 145 of such Act.

SEC. 126. AUTHORITY OF STATE LEGISLATURE.

Section 126 of the Job Training Partnership Act (29 U.S.C. 1536) is amended—

(1) by adding at the end ''Any funds received by a State under title II or III of this Act shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under this Act.'';

(2) by redesignating such section as section 147 of such Act; and

(3) by inserting such section after section 146 of such Act, as amended by this Act.

SEC. 127. INTERSTATE AGREEMENTS.

Section 127 of the Job Training Partnership Act (29 U.S.C. 1537) is amended—

(1) by redesignating such section as section 148 of such Act; and

(2) by inserting such section after section 147 of such Act, as amended by this Act.

CHAPTER 2—PERFORMANCE ACCOUNTABILITY PROVISIONS

SEC. 131. PERFORMANCE ACCOUNTABILITY PROVISIONS.

The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended by inserting after part C of title I of such Act the following:

''SEC. 151. PERFORMANCE ACCOUNTABILITY SYSTEM.

''In order to promote high levels of performance and to ensure an appropriate return on the Nation's investment in employment, training, and literacy programs, each State receiving funds under this Act or the Adult Education and Family Literacy Act shall implement a statewide performance accountability system that meets the requirements of this subpart.

''SEC. 152. INDICATORS OF PERFORMANCE.

''(a) STATE BENCHMARKS.—

''(1) IN GENERAL.—Each State receiving funds under this Act shall identify indicators and related levels of performance (hereinafter referred to as 'State benchmarks'), for each of the programs established under titles II, III, and V of this Act, to be used to measure the State's progress in meeting the State long-term goals described in the State plan under section 101. Such State benchmarks shall, at a minimum—

''(A) include the core indicators of performance described in section 154;

''(B) be expressed in an objective, quantifiable, and measurable form; and

''(C) show the progress of the State to continuously improve in performance over the 3-year period covered by the State plan.

''(2) CUSTOMER SATISFACTION.—Such State benchmarks may also include post-program surveys and other measures of customer satisfaction of both employers and program participants.

''(b) TECHNICAL DEFINITIONS OF CORE INDICATORS.—In order to ensure nationwide comparability of performance data, the Secretary of Labor and the Secretary of Education, in collaboration with the States, localities, representatives of business and industry, employees, employment and training service providers, State directors of adult education, providers of adult education and literacy services, individuals with expertise in serving the employment and training needs of disadvantaged youth, participants, parents and other interested parties with expertise in the provision of employment, training, literacy, and related services, shall promulgate definitions of each of the core indicators of performance described in section 154, with the exception of the indicators described under subsections (a)(6), (b)(1), (b)(5), (c)(1), and (c)(5) of such section, to be used under this Act in measuring performance.

''SEC. 153. STATE ADJUSTED BENCHMARKS.

''(a) AGREEMENT.—

''(1) IN GENERAL.—In order to ensure an adequate return on the investment of Federal funds in employment, training, and literacy programs authorized under this Act and the Adult Education and Family Literacy Act, the appropriate Secretary and each State shall reach agreement on the levels of performance expected to be achieved by such State based upon the State's benchmarks established pursuant to section 152(a)(1) (hereinafter referred to as the 'State adjusted benchmarks'), for the core indicators of performance described in section 154 (except for the indicators described under subsections (a)(6), (b)(1), (b)(5), (c)(1), and (c)(5) of such section). Such agreement shall take into account—

''(A) whether the levels will enable each State to attain the State goals;

''(B) how the levels compare with the levels established by other States, taking into consideration the specific circumstances, including economic circumstances, of each State;

''(C) how the levels compare with the model levels of performance identified pursuant to subsection (c); and

''(D) the extent to which such levels demonstrate continuous improvement in performance by such State and ensure an adequate return on the investment of Federal funds.

''(2) AUTHORITY OF GOVERNOR.—The Governor of a State is authorized to enter into

the agreement described in paragraph (1) for programs authorized under titles II and III.

''(3) AUTHORITY OF ELIGIBLE STATE AGENCY.—The eligible State agency for adult education and literacy programs is authorized to enter into the agreement described in paragraph (1) for programs authorized under the Adult Education and Family Literacy Act.

''(b) LOCAL BENCHMARKS FOR EMPLOYMENT AND TRAINING PROGRAMS.—Based on the expected levels of performance established pursuant to subsection (a), each State shall negotiate with the local workforce development board and the chief local elected official in each local workforce development area (consistent with section 122(d)(6)(A)) the levels of performance for each indicator that are expected for such local workforce development areas. Such levels of performance shall be known as 'local benchmarks'.

''(c) MODEL LEVELS OF PERFORMANCE.—In order to encourage high levels of performance and advance the Nation's competitiveness, the Secretary of Labor and the Secretary of Education, in collaboration with the States, localities, and with representatives of business and industry, employees, employment and training service providers, State directors of adult education, providers of adult education and literacy services, individuals with expertise in serving the employment and training needs of disadvantaged youth, participants, parents and other interested parties with expertise in the provision of employment, training, literacy, and related services, shall identify challenging model levels of performance (hereinafter referred to as 'model levels of performance') with respect to the core indicators of performance described in section 154, with the exception of the indicators described under subsections (a)(6), (b)(1), (b)(5), (c)(1), and (c)(5).

''SEC. 154. CORE INDICATORS OF PERFORMANCE.

''(a) CORE INDICATORS FOR ADULT EMPLOYMENT AND TRAINING PROGRAMS.—The common core indicators of performance for programs authorized under title III of this Act shall include measures of—

''(1) placement in unsubsidized employment;

''(2) retention in unsubsidized employment for not less than 6 months and for not less than 12 months, respectively;

''(3) increases in earnings or in earnings in combination with employer-assisted benefits;

''(4) reductions in welfare dependency;

''(5) attainment of industry-recognized occupational skills;

''(6) attainment of a high school diploma or a general equivalency diploma; and

''(7) such other measures of performance as the State may wish to collect.

''(b) CORE INDICATORS FOR ADULT EDUCATION AND LITERACY PROGRAMS.—The core indicators of performance for programs conducted under the Adult Education and Family Literacy Act shall include measures of—

''(1) achievement in the areas of reading, writing, English language acquisition, problem solving, numeracy, and other literacy skills;

''(2) receipt of a high school diploma or a general equivalency diploma;

''(3) entry into a postsecondary school, job retraining program, employment, or career advancement;

''(4) attainment of the literacy skills and knowledge individuals need to be productive and responsible citizens and to become more actively involved in the education of their children; and

''(5) such other measures of performance as the State may wish to collect.

''(c) CORE INDICATORS FOR DISADVANTAGED YOUTH.—The core indicators of performance for programs conducted under title II shall include measures of—

''(1) attainment of challenging State academic proficiencies;

''(2) attainment of secondary school diplomas or general equivalency diplomas;

''(3) attainment of industry-recognized work readiness and occupational skills;

''(4) placement in, retention in, and completion of postsecondary education or advanced training, or placement and retention in military service, employment, or qualified apprenticeships; and

''(5) such other measures of performance as the State may wish to collect.

''(d) POPULATION INDICATORS.—

''(1) ADULT EMPLOYMENT AND TRAINING PROGRAMS.—The core indicators of performance for programs conducted under title III, as provided under subsection (a), shall include measures of the success of individuals with multiple barriers to employment, including economically disadvantaged individuals (including welfare recipients), displaced homemakers, older workers, and other individuals as determined by the State.

''(2) ADULT EDUCATION AND LITERACY PROGRAMS.—The core indicators of performance for programs conducted under the Adult Education and Family Literacy Act, as provided under subsections (a) and (b), shall include measures of the success of economically disadvantaged individuals, individuals with limited literacy (as determined by the eligible agency), and other individuals as determined by the eligible agency.

''(3) DISADVANTAGED YOUTH PROGRAMS.—The core indicators of performance for programs conducted under title II, as provided under subsection (c), shall include measures of the success of hard to serve youth, including individuals who are school dropouts or whose educational attainment is one or more grade levels below the grade level appropriate to the age of the individual, and other individuals as determined by the State.

''SEC. 155. REPORT ON PERFORMANCE.

''(a) REPORT.—

''(1) IN GENERAL.—Each State that receives funds under titles II and III of this Act and the Adult Education and Family Literacy Act shall annually prepare and submit to the Secretary of Labor and the Secretary of Education (for consideration by the appropriate Secretary) a report on the levels of performance achieved by the State with respect to the State adjusted benchmarks identified pursuant to section 153(a), and by each local workforce development area with respect to the local benchmarks identified pursuant to section 153(b) for programs authorized under title II and title III for each program year.

''(2) ADDITIONAL INFORMATION.—In preparing such report, the State may include—

''(A) information on such additional benchmarks as the State may establish to meet the State goals; and

''(B) comments assessing the process used for reaching agreement on the State adjusted benchmarks pursuant to section 153(a) and may also include comments from local workforce development areas assessing the process for negotiating local benchmarks pursuant to section 153(b).

''(b) INFORMATION DISSEMINATION.—The Secretary of Labor and the Secretary of Education—

''(1) shall make the information contained in such reports available to the general public through publication and other appropriate methods;

''(2) shall disseminate State-by-State comparisons of the information; and

''(3) shall provide the appropriate congressional committees with copies of such reports.

''SEC. 156. INCENTIVE GRANTS AND SANCTIONS.

''(a) INCENTIVE GRANTS.—

''(1) AWARD OF GRANTS.—From amounts made available under section 452 and section 502 for any fiscal year, the appropriate Secretary may award incentive grants to States that—

''(A) exceed, during the most recent 12-month period for which data are available, the adjusted State benchmarks described under section 153(a);

''(B) demonstrate continuing progress toward exceeding, during the 3-year period covered by the State plan submitted under section 101, the adjusted State benchmarks described under section 153(a); or

''(C) demonstrate significant progress in the coordination and integration of employment, training, literacy, and other human resource and workforce preparation programs within the State, and demonstrate high performance in such programs.

''(2) TECHNICAL ASSISTANCE.—The Secretary, upon request, shall provide technical assistance to any State that does not qualify for receipt of an incentive grant under paragraph (1).

''(3) USE OF FUNDS.—A State that receives an incentive grant under paragraph (1) may use funds made available under such grant only to carry out employment, training, or literacy activities.

''(b) SANCTIONS.—

''(1) STATES.—

''(A) TECHNICAL ASSISTANCE.—If a State fails to meet expected levels of performance for a program for any program year as established pursuant to section 153(a), the Secretary of Labor for programs established under title II and title III, or the Secretary of Education for programs established under the Adult Education and Family Literacy Act, shall, upon request, provide technical assistance, including assistance in the development of a performance improvement plan.

''(B) REDUCTION IN AMOUNT OF GRANT.—If such failure continues for a second consecutive year, the appropriate Secretary may reduce by not more than 5 percent, the amount of the grant that would (in the absence of this paragraph) be payable to the State under such program for the immediately succeeding program year. Such penalty shall be based on the degree of failure to meet adjusted levels of performance.

''(2) LOCAL AREAS.—

''(A) TECHNICAL ASSISTANCE.—If a local workforce development area, or other applicable local administrative entity, fails to meet expected levels of performance for a program for any program year under section 153(b), the Governor, or upon request by the Governor, the Secretary, shall provide technical assistance, which may include the development of a performance plan, or the development of a modified local plan.

''(B) CORRECTIVE ACTIONS.—

''(i) IN GENERAL.—If such failure continues for a second consecutive year, the Governor shall take corrective actions, which may include development of a reorganization plan through which the Governor may require the appointment of a new local board (consistent with the criteria established under section 122(b)), prohibit the use of designated service providers, require the redesignation of a local administrative entity (in such case chosen jointly by the Governor and the chief elected official in the local workforce development area), or such other actions as the Governor determines are appropriate, consistent with State law, and the requirements of this subparagraph.

''(ii) APPEAL BY WORKFORCE DEVELOPMENT AREA.—

''(I) APPEAL TO GOVERNOR.—A workforce development area that is subject to a reorganization plan under clause (i) may, not later than 30 days after receiving notice thereof, appeal to the Governor to rescind or revise

such plan. In such case, the Governor shall make a final decision not later then 30 days after the receipt of the appeal.

''(II) SUBSEQUENT ACTION.—A local workforce development area may, not later than 30 days after receiving a decision from the Governor pursuant to subclause (I), appeal such decision to the Secretary. In such case the Secretary shall make a final decision not later than 30 days after the receipt of the appeal.

''(iii) EFFECTIVE DATE.—The actions taken by the Governor under subclause (I) shall become effective at the time the Governor issues a decision pursuant to such subclause. Such action shall remain effective unless the Secretary rescinds or revises such plan pursuant to subclause (II).''.

CHAPTER 3—OTHER PROVISIONS

SEC. 141. PROMPT ALLOCATION OF FUNDS.

Section 162 of the Job Training Partnership Act (29 U.S.C. 1572) is amended—

(1) in the second sentence of subsection (a), by striking ''1980 Census or later data'' and inserting ''the most recent satisfactory data from the Bureau of the Census''; and

(2) by striking subsection (f).

SEC. 142. FISCAL CONTROLS; SANCTIONS.

(a) ESTABLISHMENT OF FISCAL CONTROLS BY STATES.—Section 164(a) of the Job Training Partnership Act (29 U.S.C. 1574(a)) is amended—

(1) in paragraph (2)—

(A) in the first sentence of the matter preceding subparagraph (A), before the period at the end insert the following: '', consistent with appropriate circulars of the Office of Management and Budget''; and

(B) in subparagraph (C), by striking ''except as specifically provided by this Act'' and inserting '', and procurement transactions between workforce development boards and such governments shall be conducted only on a cost-reimbursable basis'';

(2) in paragraph (3)—

(A) by inserting before the second comma in the first sentence ''consistent with appropriate circulars of the Office of Management and Budget''; and

(B) by striking the second sentence and all that follows:

(3) in paragraph (4), by striking ''service delivery area and substate area'' and inserting ''workforce development area'';

(4) in paragraph (5), by striking ''service delivery area or substate area'' and inserting ''workforce development area'';

(5) in paragraph (6)(B), by striking ''substate areas and service delivery areas'' and inserting ''workforce development areas''; and

(6) by striking paragraph (8).

(b) SANCTIONS.—Section 164(b) of such Act (29 U.S.C. 1574(b)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''provision of'' and inserting ''requirement under''; and

(ii) by striking ''or the regulations under this Act'';

(B) in subparagraph (A), by inserting ''local'' before ''plan''; and

(C) in subparagraph (B)—

(i) in clause (i), by striking ''private industry council'' and inserting ''workforce development board'';

(ii) in clause (iii), by striking ''service delivery'' and inserting ''workforce development''; and

(iii) in clause (iv), by striking ''service delivery'' each place it appears and inserting ''workforce development''; and

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by striking ''paragraph (1)(A)'' and inserting ''subparagraphs (A) and (B) of paragraph (1)''; and

(II) by striking ''under the same terms and conditions as the disapproval of the plan''; and

(ii) in clause (i), by inserting ''the'' before ''appeal''; and

(B) in subparagraph (B)—

(i) by striking ''The actions'' and all that follows through '', who'' and inserting ''The Secretary''; and

(ii) by striking ''60'' and inserting ''45''.

(c) EVALUATION BY COMPTROLLER GENERAL OF THE UNITED STATES.—Subsection (c) of section 164 of such Act (29 U.S.C. 1574(c)) is hereby repealed.

(d) REPAYMENT OF MISEXPENDITURES TO THE UNITED STATES.—Subsection (d) of section 164 of such Act (29 U.S.C. 1574(d)) is amended to read as follows:

''(d) REPAYMENT OF CERTAIN AMOUNTS TO THE UNITED STATES.—

''(1) IN GENERAL.—Every recipient of funds under titles II and III of this Act shall repay to the United States amounts found not to have been expended in accordance with this Act.

''(2) OFFSET OF REPAYMENT.—If the Secretary determines that a State has expended funds made available under this Act in a manner contrary to the requirements of this Act, the Secretary may offset repayment of such expenditures against any other amount to which the State is or may be entitled, except 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 recipient or a subgrantee of such recipient in a local workforce development area of the State has expended funds contrary to the requirements of this Act, 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 workforce development area from funds reserved for the administrative costs of such local programs under title II or title III, as appropriate.

''(5) LIMITATIONS.—A deduction made by a State as described under paragraph (4) shall not be made until such time as the Governor has taken appropriate corrective action to ensure full compliance within such local workforce development area with regard to appropriate expenditures of funds under this Act.''.

(e) REPAYMENT OF CERTAIN AMOUNTS TO THE UNITED STATES.—Subsection (e) of section 164 of such Act (29 U.S.C. 1574(e)) is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by inserting ''by the Secretary'' after ''upon a determination'';

(ii) by striking ''or failure'' and inserting ''failure''; and

(iii) by inserting before the period at the end the following: '', or a pattern of failure with respect to paragraphs (2) and (3) of subsection (d)''; and

(B) in the second sentence—

(i) by inserting ''under this subsection or subsection (d)'' after ''shall be made''; and

(ii) by inserting before the period at the end the following: ''has been given to the recipient''; and

(2) in paragraph (3), by striking the second sentence.

(f) REMEDIES CONSTRUED AS EXCLUSIVE REMEDIES.—Subsection (h) of section 164 of such Act (29 U.S.C. 1574(h)) is hereby repealed.

SEC. 143. REPORTS; RECORDKEEPING; INVESTIGATIONS.

Section 165 of the Job Training Partnership Act (29 U.S.C. 1575) is amended—

(1) in subsection (d)(1)(C)—

(A) by striking the comma after ''occupations''; and

(B) by striking the semicolon at the end and inserting ''and placement for participants in nontraditional employment;''; and

(2) by striking subsection (h).

SEC. 144. ADMINISTRATIVE ADJUDICATION.

Section 166(a) of the Job Training Partnership Act (29 U.S.C. 1576(a)) is amended by striking the last sentence.

SEC. 145. NONDISCRIMINATION.

Section 167 of the Job Training Partnership Act (29 U.S.C. 1577) is amended to read as follows:

''SEC. 167. NONDISCRIMINATION.

''(a) IN GENERAL.—

''(1) FEDERAL FINANCIAL ASSISTANCE.—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 IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), or on the basis of 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 or otherwise financially assisted in whole or in part under this Act are considered to be programs and activities receiving Federal financial assistance.

''(2) NONDISCRIMINATION.—No individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program or activity because of race, color, religion, sex, national origin, age, political affiliation or belief, or status as a qualified individual with a disability or as a participant of such program or activity.

''(b) SECRETARIAL AUTHORITY.—Whenever the Secretary finds that a State or other recipient has failed to comply with a provision of this section, or with an applicable regulation prescribed to carry out this section, the Secretary shall notify such State or recipient and seek compliance through the processes of conciliation, mediation or persuasion, as appropriate. If within a reasonable time the State or recipient fails or refuses to comply, the Secretary may—

''(1) refer the matter to the Attorney General with a recommendation for appropriate action; or

''(2) take such other action as may be provided by law.

''(c) AUTHORITY OF ATTORNEY GENERAL.—When a matter is referred to the Attorney General pursuant to subsection (b)(1), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

''(d) JOB CORPS.—For the purposes of this section, Job Corps members shall be considered as the ultimate beneficiaries of Federal financial assistance.

''(e) REGULATIONS.—The Secretary shall issue regulations necessary to implement this section not later than one year after the date of the enactment of the Employment, Training, and Literacy Enhancement Act of 1997. Such regulations shall adopt standards for determining discrimination and procedures for enforcement that are consistent with the Acts referred to in a subsection (a)(1), as well as procedures to ensure that complaints filed under this section and such Acts are processed in a manner that avoids duplication of effort.''.

SEC. 146. JUDICIAL REVIEW.

Section 168 of the Job Training Partnership Act (29 U.S.C. 1578) is hereby repealed.

SEC. 147. ADMINISTRATIVE PROVISIONS.

Section 169 of the Job Training Partnership Act (29 U.S.C. 1579) is amended—

(1) in the first sentence of subsection (a), by striking ''such rules and regulations'' and all that follows and inserting ''rules and regulations only to the extent necessary to administer and ensure compliance with the specific requirements of this Act.''; and

(2) by striking subsection (e) and inserting the following:

''(e) WAIVERS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Labor may waive—

''(A) any of the statutory or regulatory requirements of this title and titles II and III of this Act (except for requirements relating to wage and labor standards, worker rights, participation and protection, grievance procedures and judicial review, nondiscrimination, allocation of funds to local areas, eligibility, review and approval of plans, the establishment and functions of workforce development areas and workforce development boards, and the basic purposes of the Act); and

''(B) any of the statutory or regulatory requirements of sections 8 through 10 of the Wagner-Peyser Act (29 U.S.C. 49g through 49i) (except for requirements relating to the provision of services to unemployment insurance claimants and veterans and to universal access to basic labor exchange services without cost to job seekers), pursuant to a request submitted by a State which meets the requirements of paragraph (2).

''(2) REQUESTS.—A State requesting a waiver under paragraph (1) shall submit a plan to the Secretary to improve the workforce development system which—

''(A) identifies the statutory or regulatory requirements that are requested to be waived and the goals which the State or local workforce development areas intend to achieve;

''(B) describes the actions that the State or local workforce development areas have undertaken to remove State or local statutory or regulatory barriers;

''(C) describes the goals of the waiver and the expected programmatic outcomes if the request is granted;

(D) describes the individuals impacted by the waiver; and

(E) describes the process used to monitor the progress in implementing a waiver, and for which notice and an opportunity to comment on such request has been provided to the organizations identified in section 122(e)(2) of this Act, if and only to the extent that the Secretary determines that such requirements impede the ability of the State to implement such plan to improve the workforce development system and the State has executed a memorandum of understanding with the Secretary requiring such State to meet agreed-upon outcomes and implement other appropriate measures to ensure accountability.''.

SEC. 148. PRESIDENTIAL AWARDS FOR OUTSTANDING PRIVATE SECTOR INVOLVEMENT IN JOB TRAINING PROGRAMS.

Section 172 of the Job Training Partnership Act (29 U.S.C. 1582) is hereby repealed.

SEC. 149. CONSTRUCTION.

Section 173 of the Job Training Partnership Act (29 U.S.C. 1583) is hereby repealed.

SEC. 150. LIMITATION ON CERTAIN COSTS.

Part D of title I of the Job Training Partnership Act (29 U.S.C. 1571 et seq.), as amended by this Act, is further amended by adding at the end the following:

''SEC. 172. LIMITATION ON CERTAIN COSTS.

''(a) ADMINISTRATIVE COSTS.—

''(1) IN GENERAL.—The Secretary, after consultation with the Inspector General of the Department of Labor and the Comptroller General of the United States, shall develop regulations that define 'administrative costs' for purposes of programs under titles II and III. Such definition shall reflect generally accepted accounting principles.

''(2) ADDITIONAL REQUIREMENT.—Notwithstanding any other provision of law, regulations issued by the Secretary under paragraph (1) shall provide procedures under which the Governor may approve a plan for the pooling of administrative funds, which are available in accordance with the limitation in subsection (b)(1), if the Governor determines that such plan would not jeopardize the administration of the activities from which such funds are to be transferred.

''(b) LIMITATION.—

''(1) IN GENERAL.—Of the amounts allocated to local workforce development areas for a program year under titles II and III, not more than 10 percent of such amounts may be expended for administrative costs.

''(2) DEFINITION.—For purposes of paragraph (1), the term 'allocated' means allocated for a program year, as adjusted for reallocations and reallotments and for transfers of funds in accordance with this Act.''.

Subtitle D—Miscellaneous Provisions

SEC. 161. CRIMINAL PROVISIONS.

(a) IN GENERAL.—Section 182 of the Job Training Partnership Act is hereby repealed.

(b) SAVINGS PROVISION.—The repeal of section 182 of such Act made by subsection (a) does not affect in any way the amendment made by such section 182.

SEC. 162. REFERENCE.

Section 183 of the Job Training Partnership Act (29 U.S.C. 1592) is amended to read as follows:

''SEC. 183. REFERENCE.

''Effective on the date of the enactment of the Employment, Training, and Literacy Enhancement Act of 1997, all references in any other provision of law (other than section 665 of title 18, United States Code) to the Comprehensive Employment and Training Act, or to the Job Training Partnership Act, as the case may be, shall be deemed to refer to Employment, Training, and Literacy Enhancement Act.''.

SEC. 163. REPEALERS.

(a) IN GENERAL.—Section 184 of the Job Training Partnership Act (29 U.S.C. 801 et seq.) is hereby repealed.

(b) SAVINGS PROVISION.—The repeal of section 184 of such Act made by subsection (a) does not affect in any way the repealers made by such section 184.

TITLE II—AMENDMENTS TO EMPLOYMENT AND TRAINING PROGRAMS FOR DISADVANTAGED YOUTH

SEC. 201. ADULT TRAINING PROGRAM.

Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.) is amended by striking part A of such title.

SEC. 202. SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM.

Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.) is amended by striking part B of such title.

SEC. 203. DISADVANTAGED YOUTH EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS.

(a) AUTHORIZATION.—Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.), as amended by this Act, is further amended—

(1) in the heading to read as follows:

''TITLE II—DISADVANTAGED YOUTH EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS'';

(2) by striking the heading for part C of such title;

(3) by redesignating section 261 as section 201; and

(4) by inserting after section 201 (as redesignated) the following:

''SEC. 202. AUTHORIZATION.

''(a) IN GENERAL.—In the case of each State that in accordance with the requirements of sections 101 and 102 submits to the Secretary of Labor (hereinafter in this title referred to as the 'Secretary') a State plan, the Secretary shall provide a grant to the State for the purpose of providing employment, job training, educational, and related assistance for disadvantaged youth in the State.

''(b) AMOUNT.—The grant shall consist of the allotment determined for the State under section 203.''.

(b) ALLOTMENT AND ALLOCATION AMONG STATES.—Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.), as amended by this Act, is further amended—

(1) by redesignating section 262 as section 203; and

(2) in section 203 (as redesignated)—

(A) in the heading to read as follows:

''SEC. 203. ALLOTMENT AND ALLOCATION AMONG STATES.'';

(B) by striking subsections (b) and (c);

(C) by redesignating subsections (a) and (d) as subsections (b) and (c), respectively;

(D) by inserting before subsection (b) (as redesignated) the following:

''(a) IN GENERAL.—Of the amount appropriated pursuant to section 3(a)(1) to carry out this title for a fiscal year, the Secretary shall allot such amount in accordance with subsection (b).'';

(E) in subsection (b) (as redesignated)—

(i) in the heading to read as follows:

''(b) ALLOTMENT AMONG STATES.—'';

(ii) in paragraph (1) to read as follows:

''(1) OUTLYING AREAS.—

''(A) IN GENERAL.—From the amount appropriated for any fiscal year to carry out this title, the Secretary shall reserve not more than one quarter of one percent to provide assistance to—

''(i) the outlying areas; and

''(ii) for each of the fiscal years 1998 through 2001, to carry out the competition described in subparagraph (B), except that the amount reserved to carry out such subparagraph for any such fiscal year shall not exceed the amount reserved for the freely associated states for fiscal year 1997, from amounts reserved under section 262(a)(1) of the Job Training Partnership Act (29 U.S.C. 1642(a)(1)) (as such section was in effect on the day before the date of the enactment of Employment, Training, and Literacy Enhancement Act of 1997).

''(B) LIMITATION FOR FREELY ASSOCIATED STATES.—

''(i) COMPETITIVE GRANTS.—The Secretary shall use funds described in subparagraph (A)(ii) to award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the freely associated states to carry out the purposes of this title.

''(ii) AWARD BASIS.—The Secretary shall award grants pursuant to clause (i) on a competitive basis and pursuant to the recommendations of experts in the field of employment and training, working through the Pacific Region Educational Laboratory in Honolulu, Hawaii.

''(iii) ASSISTANCE REQUIREMENTS.—Any freely associated state that desires to receive amounts under this title shall include in its application for assistance—

''(I) information demonstrating that it will meet all conditions that apply to States under this title;

''(II) an assurance that, notwithstanding any other provision of this title, it will use such amounts only for the direct provision of services; and

''(III) such other information and assurances as the Secretary may require.

''(iv) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the

freely associated states shall not receive any funds under this title for any program year that begins after September 30, 2001.

''(v) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the amount made available for grants under this subparagraph to pay the administrative costs of the Pacific Region Educational Laboratory in Honolulu, Hawaii, regarding activities assisted under this section.

''(C) ADDITIONAL REQUIREMENT.—The provisions of Public Law 95–134, permitting the consolidation of grants by the outlying areas, shall not apply to funds provided to those areas or to the freely associated states under this section.

''(D) DEFINITION.—For purposes of this paragraph, the term 'freely associated states' means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.''; and

(III) in paragraph (2)—

(I) by inserting after the heading the following:

''(A) IN GENERAL.—'';

(II) by striking ''82 percent of the remainder'' and all that follows and inserting the following: ''the remaining amount to the States pursuant to the formula contained in subparagraph (B).''; and

(III) by adding at the end the following:

''(B) FORMULA.—Subject to the provisions of subparagraphs (C) and (D) of the amounts allotted to States for this title for each fiscal year—

''(i) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment within each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all States;

''(ii) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all States; and

''(iii) 33⅓ percent shall be allotted on the basis of the relative number of economically disadvantaged youth within each State as compared to the total number of economically disadvantaged youth in all States.

''(C) MINIMUM ALLOTMENT.—

''(i) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

''(ii) MAXIMUM PERCENTAGE.—No State shall be allotted more than 130 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

''(D) SMALL STATE MINIMUM ALLOTMENT.—No State shall receive less than one-quarter of one percent of the amount available under this title for a fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.''; and

(F) in subsection (c)(1)(A) (as redesignated)—

(i) in the heading, by striking ''ECONOMICALLY DISADVANTAGED'' and inserting ''DISADVANTAGED''; AND

(ii) in the matter preceding clause (i), by striking ''economically''.

(c) ALLOCATION WITHIN STATES.—Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.), as amended by this Act, is further amended by inserting after section 203 the following:

''SEC. 204. ALLOCATION WITHIN STATES.

''(a) RESERVATION FOR STATE ACTIVITIES.—

''(1) IN GENERAL.—

''(A) RESERVATION.—The Governor of the State shall reserve not more than 25 percent of the amount allotted to the State under section 203(b) for a fiscal year to carry out the activities described in this subsection.

''(B) MATCHING FUNDS FOR OUT-OF-SCHOOL YOUTH PROGRAMS.—Of the amount reserved under subparagraph (A), the Governor shall reserve not less than 10 percent of the total amount alloted to the State under section 203(b) for any fiscal year to award grants in accordance with this title to programs for disadvantaged youth that—

''(i) serve only out-of-school youth; and

''(ii) agree to provide matching funds from sources other than those received under this subparagraph for such services in an amount equal to the Federal funds received under this subparagraph.

''(2) REQUIRED ACTIVITIES.—Activities described in paragraph (1)(A) shall include the provision of additional assistance to areas that have high concentrations of disadvantaged youth to carry out the activities described in section 206.

''(3) DISCRETIONARY ACTIVITIES.—Activities described in paragraph (1)(A) may include—

''(A) subject to paragraph (4), administration by the State of programs under this title;

''(B) capacity building and technical assistance to local workforce development areas and to providers of disadvantaged youth services as authorized under this title, including the development and training of staff, members of local workforce development boards, and employers and workplace mentors providing training through programs authorized under this title;

''(C) incentives for program coordination and integration, performance awards, and research and demonstrations;

''(D) implementation of innovative disadvantaged youth employment and training programs, pilot projects, and demonstration projects which further the purposes of this title; and

''(E) support for a common management information system across employment, training, literacy, and human resource programs as identified in section 103.

''(4) LIMITATION.—Of the amount reserved by the Governor under paragraph (1)(A), not more than 5 percent of the total amount allotted to the State under section 203(b) may be used for administration by the State of programs under this title.

''(b) WITHIN STATE ALLOCATION.—

''(1) IN GENERAL.—The Governor of the State shall allocate the remainder of the amount allotted to the State under section 203(b) to workforce development areas designated under section 121, in accordance with paragraphs (2) and (3), for the purpose of providing services for disadvantaged youth in accordance with section 206.

''(2) ALLOCATION BY FORMULA.—

''(A) IN GENERAL.—Each State shall allocate not less than 70 percent of the remainder of funds described in paragraph (1) to workforce development areas within the State pursuant to the formula contained in subparagraph (B) for the provision of services for disadvantaged youth in accordance with section 206.

''(B) FORMULA.—Of the amounts described in subparagraph (A)—

''(i) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each workforce development area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

''(ii) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each workforce development area as compared to the total excess number of unemployed individuals in all workforce development areas in the State; and

''(iii) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged youth in each workforce development area as compared to the total number of disadvantaged youth in all workforce development areas in the State.

''(3) DISCRETIONARY ALLOCATION.—The State, through the collaborative process under section 102, is authorized to allocate not more than 30 percent of the remainder of funds described in paragraph (1) to workforce development areas for the provision of services for disadvantaged youth in accordance with section 206. Such funds shall be allocated to urban, rural, and suburban areas throughout the State and shall be allocated promptly in accordance with section 162(e).''.

(d) ELIGIBILITY FOR SERVICES.—Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.), as amended by this Act, is further amended—

(1) by redesignating section 263 as section 205; and

(2) in section 205 (as redesignated)—

(A) in subsection (a)—

(i) in the heading to read as follows:

''(a) IN GENERAL.—'';

(ii) in the matter preceding paragraph (1)—

(I) by striking ''subsections (e) and (g)'' and inserting ''subsection (c)'';

(II) by striking ''who is in school''; and

(III) by striking ''part'' and inserting ''title''; and

(iii) in paragraph (1)(B) to read as follows:

''(B) if provided in the local plan developed pursuant to section 122(d)(1), is age 14 through 24; and'';

(B) in subsection (b)—

(i) by amending the heading to read as follows:

''(b) PRIORITY FOR SERVICE.—'';

(ii) by redesignating paragraphs (1) through (7) as subparagraphs (B) through (H), respectively, and moving the margin for each such subparagraph two ems to the right;

(iii) by inserting before subparagraph (B) (as redesignated) the following:

''(A) Individuals who are school dropouts.'';

(iv) in subparagraph (H) (as redesignated) to read as follows:

''(H) Other disadvantaged youth who face serious barriers to employment as identified by the local workforce development area.''; and

(v) by amending the matter preceding subparagraph (A) (as added by clause (iii)) to read as follows:

''(1) PRIORITY.—Of the disadvantaged youth described in subsection (a), priority for service shall be given to school dropouts and to other hard-to-serve youth.

''(2) DEFINITION.—For the purposes of this title, the term 'hard-to-serve youth' includes—'';

(C) by striking subsections (c), (d), (f), (g), and (h);

(D) by redesignating subsection (e) as subsection (c); and

(E) in subsection (c) (as redesignated)—

(i) by striking ''subsection (a)(2) or (c)(2)'' and inserting ''subsection (a)''; and

(ii) by striking ''of individuals who face'' and all that follows and inserting ''described in subparagraphs (A) through (G) of subsection (b)(2).''.

''(e) USE OF FUNDS.—Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.), as amended by this Act, is further amended—

(1) by redesignating section 264 as section 206; and

(2) in section 206 (as redesignated)—

(A) by striking subsection (a);

(B) by redesignating subsections (b), (c), and (d) as subsections, (a), (b), and (c), respectively;

(C) in subsection (a) (as redesignated)—

(i) in the heading to read as follows:

''(a) PROGRAM DESIGN.—'';

(ii) in paragraph (1)—

(I) in the heading to read as follows:

''(1) ESSENTIAL ELEMENTS.—'';

(II) in the matter preceding subparagraph (A)—

(aa) by striking ''part'' and inserting ''title''; and

(bb) by striking ''include'';

(III) in subparagraph (A)—

(aa) by inserting ''provide'' after ''(A)'';

(bb) by striking ''skill levels and service needs'' and inserting ''academic levels, skill levels, and service needs''; and

(cc) by striking ''and supportive service needs'' and inserting ''supportive service needs, and developmental needs of such participants'';

(IV) in subparagraph (B)—

(aa) by striking ''development of'' and inserting ''develop''; and

(bb) by inserting ''for each participant'' after ''service strategies''; and

(V) by amending subparagraphs (C) and (D) to read as follows:

''(C) integrate academic, occupational, and work-based learning opportunities;

''(D) provide comprehensive guidance and counseling;

''(E) provide postsecondary educational or training opportunities, where appropriate;

''(F) involve employers and parents in the design and implementation of programs;

''(G) provide adult mentoring; and

''(H) provide summer employment opportunities that are directly linked to academic and occupational learning.'';

(iii) in paragraph (2)—

(I) in subparagraph (A)—

(aa) in the matter preceding clause (i), by striking ''service delivery'' and inserting ''workforce development''; and

(bb) in clause (i), by striking ''service delivery'' and inserting ''workforce development''; and

(II) in subparagraph (B)—

(aa) in clause (i), by striking ''(i) SERVICE PROVIDERS.—''; and

(bb) by striking clause (ii);

(D) in subsection (b) (as redesignated)—

(i) in the matter preceding paragraph (1), by striking ''part'' and inserting ''title'';

(ii) in paragraph (1)—

(I) in subparagraph (A), by striking ''section 204(b)(1)'' and inserting ''section 314(c)(4)'';

(II) in subparagraph (C), by striking ''section 141(o)(1)'' and inserting ''section 141(11)(A)'';

(III) in subparagraph (G) by striking ''in public agencies, nonprofit agencies, and other appropriate agencies, institutions, and organizations'';

(IV) by amending subparagraph (H) to read as follows:

''(H) such other training and transition services that assist disadvantaged youth in making the transition to employment or to postsecondary education or training, as determined appropriate by the local workforce development area; and'';

(V) by amending subparagraph (I) to read as follows:

''(I) summer employment opportunities that are directly linked to academic and occupational learning.''; and

(VI) by striking subparagraphs (J) through (L); and

(iii) in paragraph (2)—

(I) in subparagraph (A) to read as follows:

''(A) assessment, outreach, staff development, job development, and job search assistance activities;'';

(II) in subparagraph (C), by striking ''and'' at the end;

(III) in subparagraph (D)—

(aa) by striking ''cash''; and

(bb) by striking the period at the end and inserting ''; and''; and

(IV) by adding at the end the following:

''(E) peer-centered activities encouraging responsibility and other positive social behaviors during non-school hours.'';

(E) in subsection (e) (as redesignated)—

(i) in paragraph (1)—

(I) by striking ''service delivery'' and inserting ''workforce development'';

(II) by striking ''private industry council'' and inserting ''local board''; and

(III) by striking ''section 453(c)'' and inserting ''part D of title IV'';

(ii) in clauses (i) through (iii) of paragraph (2)(B), by striking ''service delivery'' each place it occurs and inserting ''workforce development'';

(iii) in paragraph (3)—

(I) in subparagraph (A)—

(aa) in the heading to read as follows:

''(A) WORK-RELATED ACTIVITIES.—'';

(bb) in the first sentence, by inserting after ''work maturity skills training'' the following: '', summer employment, job search assistance, job club activities, and other work-related activities'';

(cc) in the first sentence, by striking ''part'' and inserting ''title'';

(dd) in the first sentence, by striking ''by either work experience or other additional services'' and inserting ''by occupational and academic learning opportunities'';

(ee) in the first sentence, by striking ''basic education or occupational skills'' and inserting ''basic education and occupational skills''; and

(ff) in the second sentence, by striking '', including the Job Corps'';

(II) by striking subparagraph (B);

(III) by redesignating subparagraph (C) as subparagraph (B); and

(IV) in subparagraph (B) (as redesignated)—

(aa) by striking clause (i);

(bb) by redesignating clause (ii) as clause (i);

(cc) in clause (i) (as redesignated), by striking ''part'' and inserting ''title''; and

(dd) by redesignating clause (iii) as clause (ii);

(iv) in paragraph (5)—

(I) in the heading, by striking ''COUNSELING'' and inserting ''FOLLOW-UP, COUNSELING'';

(II) by striking ''part'' and inserting ''title''; and

(III) by striking ''for a period of up to 1 year'';

(v) by striking paragraph (6);

(vi) in paragraph (7), by striking ''service delivery'' and inserting ''workforce development'' and

(vii) by redesignating paragraph (7) and paragraph (6).

(f) SELECTION OF SERVICE PROVIDERS.—Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.), as amended by this Act, is further amended by adding after section 206 (as redesignated), the following:

''SEC. 207. SELECTION OF SERVICE PROVIDERS.

''From funds made available under section 204(b) to a local workforce development area, the local board for such local area shall award grants, on a competitive basis, to eligible providers to carry out the disadvantaged youth programs described in section 206.''.

(g) EDUCATION LINKAGES.—Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.), as amended by this Act, is further amended—

(1) by redesignating section 265 as section 208; and

(2) in section 208 (as redesignated)—

(A) in subsection (a), by striking ''service delivery'' and inserting ''workforce development'';

(B) in subsection (b)—

(i) in the matter preceding paragraph (1), by striking ''service delivery'' and inserting ''workforce development''; and

(ii) in paragraph (6) to read as follows:

''(6) title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;'';

(C) in subsection (c)—

(i) in the first sentence, by striking ''service delivery'' and inserting ''workforce development''; and

(ii) in the second sentence, by striking '', including programs conducted under part A''; and

(D) by striking subsection (d).

(h) TRANSFER OF FUNDS.—Title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.), as amended by this Act, is further amended by striking section 266.

TITLE III—AMENDMENTS TO EMPLOYMENT AND TRAINING PROGRAMS FOR ADULTS

SEC. 301. ADULT EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS.

Title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.) is amended to read as follows:

''TITLE III—ADULT EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS

''SEC. 301. PURPOSE.

''The purpose of this title is to establish a high-quality, efficient system of employment, job training, and related assistance that—

''(1) provides individuals with choice in the selection of employment and training options that will facilitate the transition of such individuals into productive, high skills, private sector jobs;

''(2) provides quality training of such individuals for the 21st century; and

''(3) drives resources and authority to States and local communities for the design of job training programs.

''PART A—ADULT EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS

''SEC. 311. AUTHORIZATION.

''(a) IN GENERAL.—In the case of each State that in accordance with the requirements of sections 101 and 102 submits to the Secretary of Labor (hereinafter in this title referred to as the 'Secretary') a State plan, the Secretary shall provide funds to the State for the purpose of providing employment, job training, and related assistance for adults and dislocated workers in the State, in accordance with this title.

''(b) AMOUNT.—The funds described in subsection (a) shall consist of the allotments determined for the State under section 312.

''SEC. 312. ALLOTMENT AMONG STATES.

''(a) IN GENERAL.—Of the amount appropriated pursuant to section 3(a)(2) to carry out this title for a fiscal year, the Secretary—

''(1) shall allot the total amount appropriated pursuant to section 3(a)(2)(A) in accordance with subsection (b)(1); and

''(2)(A) shall allot 80 percent of the amount appropriated pursuant to section 3(a)(2)(B) in accordance with the subsection (b)(2); and

''(B) shall reserve the remainder of the amount appropriated pursuant to section 3(a)(2)(B) for use under part B.

''(b) ALLOTMENT AMONG STATES.—

''(1) ADULT EMPLOYMENT AND TRAINING.—

''(A) RESERVATION FOR OUTLYING AREAS.—

''(i) IN GENERAL.—Of the amount allotted under subsection (a)(1), the Secretary shall allot not more than one quarter of one percent among the outlying areas.

''(ii) APPLICABILITY OF ADDITIONAL REQUIREMENTS.—Of the amount allotted under clause (i), the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the freely associated states in accordance with the requirements of section 203(b)(1).

''(B) STATES.—

''(i) IN GENERAL.—After determining the amount to be allotted under subparagraph (A), the Secretary shall allot the remaining amount to the States pursuant to the formula contained in clause (ii).

''(ii) FORMULA.—Subject to the provisions of clause (iii), of the amounts allotted to States for adult employment and training under this title for each fiscal year—

''(I) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment within each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all States;

''(II) 33⅓ percent shall be allotted on the basis on the relative excess number of unemployed individuals within each State as compared to the total excess number of unemployed individuals in all States; and

''(III) 33⅓ percent shall be allotted on the basis of the relative number of economically disadvantaged adults within each State as compared to the total number of economically disadvantaged adults in all States.

''(iii) MINIMUM ALLOTMENT.—

''(I) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

''(II) MAXIMUM PERCENTAGE.—No State shall be allotted more than 130 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

''(iv) SMALL STATE MINIMUM ALLOTMENT.—No State shall receive less than one-quarter of one percent of the amount available under this subparagraph for a fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

''(2) DISLOCATED WORKERS.—

''(A) RESERVATION FOR OUTLYING AREAS.—

''(i) IN GENERAL.—Of the amount allotted under subsection (a)(2)(A), the Secretary shall allot not more than one quarter of one percent among the outlying areas.

''(ii) APPLICABILITY OF ADDITIONAL REQUIREMENTS.—Of the amount allotted under clause (i), the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the freely associated states in accordance with the requirements of section 203(b)(1).

''(B) STATES.—

''(i) IN GENERAL.—After determining the amount to be allotted under subparagraph (A), the Secretary shall allot the remaining amount to the States pursuant to the formula contained in clause (ii).

''(ii) FORMULA.—Subject to the provisions of clause (iii), of the amounts allotted to States for dislocated worker employment and training under this title for each fiscal year—

''(I) 33⅓ percent shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all the States;

''(II) 33⅓ percent shall be allotted among the States on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States (for purposes of this subclause, the term 'excess number' means the number which represents unemployed individuals in excess of 4.5 percent of the civilian labor force in the State); and

''(III) 33⅓ percent shall be allotted among the States on the basis of the relative number of individuals who have been unemployed for 15 weeks or more and who reside in each State as compared to the total number of such individuals in all the States.

''(iii) MINIMUM ALLOTMENT.—

''(I) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

''(II) MAXIMUM PERCENTAGE.—No State shall be allotted more than 130 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

''(iv) SMALL STATE MINIMUM ALLOTMENT.—No State shall receive less than one-quarter of one percent of the amount available under this subparagraph for a fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

''SEC. 313. ALLOCATION WITHIN STATES.

''(a) RESERVATIONS FOR STATE ACTIVITIES.—

''(1) ADULT EMPLOYMENT AND TRAINING.—

''(A) IN GENERAL.—The Governor of the State shall reserve not more than 15 percent of the total amount allotted to the State under section 312(b)(1) for a fiscal year for statewide activities for employment, job training, and related assistance for adults.

''(B) ALLOWABLE ACTIVITIES.—Such activities may include—

''(i) subject to subparagraph (C), administration by the State of programs under this title;

''(ii) capacity building and technical assistance to local workforce development areas, full service employment and training delivery systems, and service providers including the development and training of staff and the development of exemplary program activities;

''(iii) incentives for program coordination and integration, performance awards, and research and demonstrations;

''(iv) implementation of innovative incumbent worker training programs, which may include the establishment and implementation of an employer loan program to assist in skills upgrading, and the establishment and implementation of programs targeted to empowerment zones;

''(v) implementation of experimentation, model activities, pilot projects, demonstration projects, and the provision of employment and training services which further the goals and purposes of this Act;

''(vi) additional assistance for the development and implementation of the full service employment and training delivery system established in accordance with section 123;

''(vii) support for a common management information system across employment, training, literacy, and human resource programs as identified in section 103;

''(viii) support for the identification of eligible training providers as required under section 124; and

''(ix) implementation of innovative programs for displaced homemakers and programs to increase the number of individuals training and placed in nontraditional employment.

''(C) LIMITATION.—Of the amount reserved by the Governor under subparagraph (A) not more than 5 percent of the total amount allotted to the State under section 312(b)(1) for a fiscal year may be used for administration by the State of programs under this part.

''(2) DISLOCATED WORKERS EMPLOYMENT AND TRAINING.—

''(A) IN GENERAL.—The Governor of the State shall reserve not more than 30 percent of the total amount allotted to the State under section 312(b)(2) for a fiscal year for statewide activities for employment, job training, and related assistance for dislocated workers.

''(B) REQUIRED ACTIVITIES.—Such activities shall include—

''(i) rapid response activities carried out by a designated State dislocated worker unit, working in conjunction with the local workforce development board and the chief elected official in an affected local workforce development area; and

''(ii) additional assistance to areas that experience disasters, mass layoffs or plant closings, or other events that precipitate substantial increases in the number of unemployed workers, working in conjunction with the local workforce development board and the chief elected official in affected local workforce development areas.

''(C) DISCRETIONARY ACTIVITIES.—Such activities may include those activities described in paragraph (1)(B).

''(B) LIMITATION.—Of the amount reserved by the Governor under subparagraph (A) not more than 10 percent of the total amount allotted to the State under section 312(b)(2) for a fiscal year may be used for activities described in paragraph (1)(B) and of that amount not more than 5 percent of the total amount allotted to the State under section 312(b)92) for a fiscal year may be used for administration by the State of programs under this part.

''(b) WITHIN STATE ALLOCATION.—

''(1) ALLOCATION.—

''(A) IN GENERAL.—The Governor of the State shall allocate the remainder of the amounts allotted to the State under section 312 to workforce development areas designated under section 121 for the purpose of providing a single system of employment and training services for adults and dislocated workers in accordance with section 314.

''(B) ADDITIONAL REQUIREMENTS.—(i) Funds allocated under paragraph (2)(B), shall be used by a local workforce development area to contribute proportionately to the costs of the local full service employment and training delivery system, and to pay for services provided to adults, in the local area, consistent with section 314.

''(ii) Funds allocated under paragraph (2)(C), shall be used by a local workforce development area to contribute proportionately to the costs of the local full service employment and training delivery system, and to pay for services provided to dislocated workers, in the local area, consistent with section 314.

''(2) METHODS.—

''(A) IN GENERAL.—The Governor, through the collaborative process under section 102, and other consultation with local chief elected officials in the local workforce development areas, shall allocate the remainder of funds described in subsection (a)(1)(A) for adult employment and training in accordance with subparagraph (B), and the funds described in subsection (a)(2)(A) for dislocated workers in accordance with subparagraph (C).

''(B) ADULT EMPLOYMENT AND TRAINING ALLOCATIONS.—

''(i) ADULT EMPLOYMENT AND TRAINING FORMULA ALLOCATIONS.—Each State shall allocate not less than 70 percent of the remainder of funds described in subsection (a)(1)(A) to workforce development areas within the State pursuant to the formula contained in clause (ii) for the provision of adult employment and training services in accordance with section 314.

''(ii) FORMULA.—Of the amounts described in clause (i)—

''(I) 33⅓ percent shall be allocated on the basis of the relative number of unemployment individuals residing in areas of substantial unemployment in each workforce development area as compared to total number of such unemployed individuals in all such areas of substantial unemployment in the State;

''(II) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who resident in each workforce development area as compared to the total excess number of unemployed individuals in all workforce development areas in the State; and

''(III) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged adults in each workforce development area as compared to the total number of disadvantaged adults in all workforce development areas in the State.

''(iii) ADULT EMPLOYMENT AND TRAINING DISCRETIONARY ALLOCATION.—The State, through the collaborative process, is authorized to allocate not more than 30 percent of the remainder of funds described in subsection (a)(1)(A) to workforce development areas for the provision of adult employment and training services in accordance with section 314. Such funds shall be allocated to urban, rural, and suburban areas throughout the State and shall be allocated promptly in accordance with section 162(e).

''(C) DISLOCATED WORKER EMPLOYMENT AND TRAINING ALLOCATIONS.—

''(i) DISLOCATED WORKER EMPLOYMENT AND TRAINING FORMULA ALLOCATIONS.—Each State shall allocate not less than 70 percent of the remainder of funds described in subsection (a)(2)(A) to workforce development areas within the State pursuant to the formula contained in clause (ii) for the provision of employment and training services to dislocated workers in accordance with section 314.

''(ii) FORMULA.—Of the amounts described in clause (i)—

''(I) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each workforce development area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

''(II) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who resident in each workforce development area as compared to the total excess number of unemployed individuals in all workforce development areas in the State; and

''(III) 33⅓ percent shall be allocated on the basis of the relative number of individuals who have been unemployed for 15 weeks or more within each workforce development area of the State as compared to the total number of such individuals in all workforce development areas in the State.

''(iii) DISLOCATED WORKER EMPLOYMENT AND TRAINING DISCRETIONARY ALLOCATION.—The State, through the collaborative process, is authorized to allocate not more than 30 percent of the remainder of funds described in subsection (a)(2)(A) to workforce development areas for the provision employment and training services to dislocated workers in accordance with section 314. Such funds shall be allocated to urban, rural, and suburban areas throughout the State and shall be allocated promptly in accordance with section 162(e).

''(3) TRANSFER AUTHORITY.—A local workforce development area is authorized to transfer up to 20 percent of the funds received under this subsection between adult employment and training and dislocated worker allocations if such transfer is approved by the Governor.

''SEC. 314. USE OF AMOUNTS.

''(a) CORE SERVICES.—Amounts allocated for adults under section 313(b)(2)(B) and for dislocated workers under section 313(b)(2)(C) shall be used to provide core services described in section 123(d) to adults and dislocated workers, respectively, through a full service employment and training delivery system in accordance with such section.

''(b) INTENSIVE SERVICES.—

''(1) IN GENERAL.—Amounts allocated for adults under section 313(b)(2)(B) and for dislocated workers under section 313(b)(2)(C) shall be used to provide intensive services to adults and dislocated workers, respectively—

''(A)(i) who are unable to obtain employment through core services under subsection (a); and

''(ii) who have been determined to be in need of more intensive services in order to gain employment; or

''(B)(i) who are employed but are economically disadvantaged despite such employment; and

''(ii) who are determined to be in need of such intensive services in order to gain employment that allows for self-sufficiency.

''(2) DELIVERY OF SERVICES.—Such intensive services shall be provided—

''(A) directly through full service eligible providers identified pursuant to section 123(c); or

''(B) through contracts through full service employment and training delivery systems with service providers approved by the local workforce development board, which may include private, for-profit providers.

''(3) TYPES OF SERVICES.—Such intensive services may include the following:

''(A) Comprehensive and specialized assessments of the skill levels and service needs of adults, which may include—

''(i) diagnostic testing and other assessment tools; and

''(ii) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

''(B) Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and the appropriate combination of services for the participant to achieve the employment goal.

''(C) Group counseling.

''(D) Individual counseling and career planning.

''(E) Case management for participants receiving training services under subsection (c).

''(F) Follow-up services for participants placed in training or employment, for up to 1 year, to assist in retention or advancement in employment.

''(c) TRAINING SERVICES.—

''(1) IN GENERAL.—Amounts allocated for adults under section 313(b)(2)(B) and for dislocated workers under section 313(b)(2)(C) shall be used to provide training services to adults and dislocated workers, respectively—

''(A) who are unable to obtain employment through core services under subsection (a);

''(B) who are in need of training services in order to gain employment as a result of determinations made through—

''(i) initial assessments under subsection (a); or

''(ii) comprehensive and specialized assessments under subsection (b)(3)(A); or

''(C)(i) who are employed but are economically disadvantaged despite such employment; and

''(ii) who are determined to be in need of such training services in order to gain employment that allows for self-sufficiency.

''(2) PARTICIPANT QUALIFICATION.—

''(A) REQUIREMENTS.—Except as provided in subparagraph (B), provision of such training services shall be limited to participants who—

''(i) are unable to obtain other grant assistance for such services, including Federal Pell Grants established under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); or

''(ii) require assistance beyond the assistance made available under other grant assistance programs, including Federal Pell Grants.

''(B) REIMBURSEMENTS.—Training services may be provided under this subsection to an individual who otherwise meets the requirements of this subsection while an application for a Federal Pell Grant or other grant assistance is pending, except that if such individual is subsequently awarded a Federal Pell Grant or other grant assistance, appropriate reimbursement shall be made to the local workforce development area from such Federal Pell Grant or other grant assistance.

''(3) PROVIDER QUALIFICATION.—Such training services shall be provided through training providers identified under in accordance with section 124.

''(4) TYPES OF SERVICES.—Such training services may include the following:

''(A) Basic skills training, including remedial education, literacy training, and English literacy program instruction.

''(B) Occupational skills training, including training for nontraditional employment.

''(C) On-the-job training.

''(D) Programs that combine workplace training with related instruction, which may include cooperative education programs.

''(E) Training programs operated by the private sector.

''(F) Skill upgrading and retraining.

''(G) Entrepreneurial training.

''(H) Employability training to enhance basic workplace competencies.

''(I) Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

''(5) INDIVIDUAL CHOICE REQUIREMENTS.—

''(A) IN GENERAL.—All training services under this section shall be provided through service delivery methods that, to the extent practicable, maximize consumer choice in the selection of eligible providers of training services.

''(B) INFORMATION ON ELIGIBLE PROVIDERS.—Each local workforce development board, through the full service employment and training delivery system, shall make available—

''(i) the list of eligible providers of training services required under section 124, with a description of the training courses available from such providers and a list of the names of on-the-job training providers; and

''(ii) the performance information described in section 124 relating to such providers.

''(C) PURCHASE OF SERVICES.—An individual eligible for training services under this section may select an eligible provider of training services from the list of providers described in subparagraph (B)(i). Upon such selection, the full service eligible provider shall, to the extent practicable, refer such individual to the selected eligible provider of training services and arrange for payment for such services.

''(6) ADDITIONAL REQUIREMENTS.—

''(A) USE OF SKILL GRANTS.—

''(i) IN GENERAL.—Except as provided in clause (ii) and clause (iii), training services under this section shall be provided through the use of skill grants in accordance with this subsection, and shall be distributed to eligible individuals through full service eligible providers or affiliated sites as described in section 123.

''(ii) EXCEPTIONS.—Training services authorized under this title may be provided pursuant to a contract for services in lieu of a skill grant if the requirements of paragraph (5) are met and if—

''(I) such services are on-the-job training provided by an employer;

''(II) the local workforce development board determines there are an insufficient number of qualified providers of training services in the workforce development area to accomplish the purposes of a skill grant system;

''(III) the local workforce development board determines that the qualified providers of training services in the workforce development area are unable to provide effective services to special participant populations; or

''(IV) the local workforce development board decides to enter into a direct training contract with a community based organization.

''(iii) TRANSITION.—Each State shall, not later than three years after the date of the enactment of the Employment, Training, and Literacy Enhancement Act of 1997, fully implement the requirements of clause (i). Nothing in this Act shall prohibit a State from beginning such implementation at an earlier date.

''(B) LINKAGE TO OCCUPATIONS IN DEMAND.—Training services under this subsection shall be directly linked to occupations for which there is a demand in the local workforce development area, or in another area to which an adult receiving such services is willing to relocate, except that a local workforce development board may approve training in occupations determined by the local board to be in sectors of the economy which have a high potential for sustained demand or growth in the local workforce development area.

''(d) ADDITIONAL USES OF AMOUNTS.—

''(1) SUPPORTIVE SERVICES.—Amounts allocated for adults under section 313(b)(2)(B) and for dislocated workers under section 313(b)(2)(C) may be used to provide supportive services for adults and dislocated workers, respectively—

''(A) who are receiving assistance under any of subsection (a) through (c); and

''(B) who are unable to receive such services through other programs providing such services.

''(2) NEEDS-RELATED PAYMENTS.—

''(A) IN GENERAL.—Amounts allocated under section 313(b) may be used to provide needs-related payments to adults and dislocated workers who are unemployed and do not qualify for (or have ceased to qualify for) unemployment compensation for the purpose of enabling such individuals to participate in training programs under subsection (c).

''(B) ADDITIONAL ELIGIBILITY REQUIREMENTS.—In addition to the requirements contained in subparagraph (A), a dislocated worker who has exhausted unemployment insurance benefits may be eligible to receive needs-related payments under this paragraph only if such worker was enrolled in training by the end of the 13th week of the worker's most recent lay-off, or, if later, by the end of the 8th week after the worker is informed that a short-term layoff will in fact exceed 6 months.

''(e) PRIORITY.—From funds allocated to local workforce development areas for adult employment and training under section 313(b)(1)(B)(i), priority shall be given to welfare recipients and other economically disadvantaged individuals with multiple barriers to employment for receipt of intensive services and training services provided under subsections (b) and (c) of section 314, respectively.

''PART B—NATIONAL PROGRAMS

''SEC. 321. NATIONAL EMERGENCY GRANTS.

''(a) IN GENERAL.—From the amount reserved under section 312(a)(2), the Secretary of Labor is authorized to award national emergency grants in a timely manner—

''(1) to an entity described in subsection (b) to provide employment and training assistance to workers affected by major economic dislocations, such as plant closures, mass layoffs, or closures and realignments of military installations; and

''(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').

''(b) EMPLOYMENT AND TRAINING ASSISTANCE REQUIREMENTS.—

''(1) APPLICATION.—To be eligible to receive a grant under subsection (a)(1), an entity shall submit an application to the Secretary of Labor at such time, in such manner, and accompanied by such information, as the Secretary may reasonably require.

''(2) ELIGIBLE ENTITY.—For purposes of this section, the term 'entity' means a State, local workforce development board, employer or employer association, worker-management transition assistance committee or other employer-employee entity, representative of employees, community development corporation or community-based organization, or an industry consortia.

''(c) DISASTER RELIEF EMPLOYMENT ASSISTANCE REQUIREMENTS.—

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

''(A) shall be used exclusively to provide employment on projects that provide food, clothing, shelter, and other humanitarian assistance for disaster victims, and projects regarding demolition, cleaning, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area; and

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

''(2) ELIGIBILITY.—An individual shall be eligible to be offered disaster relief employment under this section if such individual is a dislocated worker or is temporarily or permanently laid off as a consequence of the disaster.

''(3) LIMITATIONS ON DISASTER RELIEF EMPLOYMENT.—No individual shall be employed under this part for more than 6 months for work related to recovery from a single natural disaster.''.

TITLE IV—AMENDMENTS TO FEDERALLY ADMINISTERED PROGRAMS

Subtitle A—Employment and Training Programs for Native Americans and Migrant and Seasonal Farmworkers

SEC. 401. NATIVE AMERICAN PROGRAM.

Section 401 of the Job Training Partnership Act (29 U.S.C. 1671) is amended to read as follows:

''SEC. 401. NATIVE AMERICAN PROGRAMS.

''(a) PURPOSE.—

''(1) IN GENERAL.—The purpose of this section is to support employment and training activities for Indian, Alaska Native, and Native Hawaiian individuals in order—

''(A) to develop more fully the academic, occupational, and literacy skills of such individuals;

''(B) to make such individuals more competitive in the workforce; and

''(C) to promote the economic and social development of Indian, Alaska Native, and Native Hawaiian communities in accordance with the goals and values of such communities.

''(2) INDIAN POLICY.—All programs assisted under this section shall be administered in a manner consistent with the principles of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and the government-to-government relationship between the Federal Government and Indian tribal governments.

''(b) DEFINITIONS.—As used in this section:

''(1) ALASKA NATIVE.—The term 'Alaska Native' means a Native as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)).

''(2) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—The terms 'Indian', 'Indian tribe', and 'tribal organization' have the meanings given such terms in subsections (d), (e), and (l), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(3) NATIVE HAWAIIAN AND NATIVE HAWAIIAN ORGANIZATION.—The terms 'Native Hawaiian' and 'Native Hawaiian organization' have the meanings given such terms in paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912).

''(c) PROGRAM AUTHORIZED.—The Secretary of Labor shall make grants to, or enter into contracts or cooperative agreements with, Indian tribes, tribal organizations, Alaska Native entities, Indian-controlled organizations serving Indians, or Native Hawaiian organizations to carry out the authorized activities described in subsection (d).

''(d) AUTHORIZED ACTIVITIES.—

''(1) IN GENERAL.—Funds made available under this section shall be used to carry out the activities described in paragraphs (2) and (3) that—

''(A) are consistent with this section; and

''(B) are necessary to meet the needs of Indians or Native Hawaiians preparing to enter, re-enter, or retain unsubsidized employment.

''(2) EMPLOYMENT AND TRAINING ACTIVITIES AND SUPPLEMENTAL SERVICES.—

''(A) IN GENERAL.—Funds made available under this section shall be used for—

''(i) comprehensive workforce and career development activities for Indians or Native Hawaiians; or

''(ii) supplemental services for Indian or Native Hawaiian youth on or near Indian reservations and in Oklahoma, Alaska, or Hawaii.

''(B) SPECIAL RULE.—Notwithstanding any other provision of this section, individuals who were eligible to participate in programs under section 401 of the Job Training Partnership Act (29 U.S.C. 1671) (as such section was in effect on the day before the date of enactment of this Act) shall be eligible to participate in an activity assisted under subparagraph (A)(i).

''(e) PROGRAM PLAN.—In order to receive a grant or enter into a contract or cooperative agreement under this section an entity described in subsection (c) shall submit to the Secretary of Labor a plan that describes a 2-year strategy for meeting the needs of Indian or Native Hawaiian individuals, as appropriate, in the area served by such entity. Such plan—

''(1) shall be consistent with the purposes of this section;

''(2) shall identify the population to be served;

''(3) shall identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the individuals served to obtain or retain unsubsidized employment;

''(4) shall describe the services to be provided and the manner in which such services are to be integrated with other appropriate services; and

''(5) shall describe the goals and benchmarks to be used to assess the performance

of entities in carrying out the activities assisted under this section.

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

''(g) NONDUPLICATIVE AND NONEXCLUSIVE SERVICES.—Nothing in this section shall be construed—

''(1) to limit the eligibility of any entity described in subsection (c) to participate in any activity offered by a State or local entity under this Act; or

''(2) to preclude or discourage any agreement, between any entity described in subsection (c) and any State or local entity, to facilitate the provision of services by such entity or to the population served by such entity.

''(h) ADMINISTRATIVE PROVISIONS.—

''(1) ORGANIZATIONAL UNIT ESTABLISHED.—The Secretary of Labor shall designate a single organizational unit that shall have as its primary responsibility the administration of the activities authorized under this section.

''(2) REGULATIONS.—The Secretary of Labor shall consult with the entities described in subsection (c)(1) in establishing regulations to carry out this section, including performance measures for entities receiving assistance under such subsection, taking into account the economic circumstances of such groups, and in developing a funding distribution plan that takes into consideration previous levels of funding.

''(3) TECHNICAL ASSISTANCE.—The Secretary of Labor, through the unit established under paragraph (1), are authorized to provide technical assistance to entities described in subsection (c) that receive assistance under this section to enable such entities to improve the workforce and career development activities provided by such entities.''.

SEC. 402. MIGRANT AND SEASONAL FARMWORKER PROGRAM.

Section 402 of the Job Training Partnership Act (29 U.S.C. 1672) is amended to read as follows:

''SEC. 402. MIGRANT AND SEASONAL FARMWORKERS PROGRAM.

''(a) IN GENERAL.—The Secretary of Labor shall make grants to, or enter into contracts with, eligible entities to carry out the activities described in subsection (d).

''(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant or enter into a contract under this section, an entity shall have an understanding of the problems of migrant farmworkers and seasonal farmworkers, a familiarity with the area to be served, and the ability to demonstrate a capacity to administer effectively a diversified program of workforce and career development activities for migrant farmworkers and seasonal farmworkers.

''(c) PROGRAM PLAN.—

''(1) IN GENERAL.—To be eligible to receive a grant or enter into a contract under this section, an entity described in subsection (b) shall submit to the Secretary of Labor a plan that describes a 2-year strategy for meeting the needs of migrant farmworkers and seasonal farmworkers and their dependents in the area to be served by such entity.

''(2) CONTENTS.—Such plan shall—

''(A) identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the eligible farmworkers and dependents to obtain or be retained in unsubsidized employment or stabilize their unsubsidized employment;

''(B) describe the related assistance and supportive services to be provided and the manner in which such services are to be integrated and coordinated with other appropriate services; and

''(C) describe the goals and benchmarks to be used to assess the performance of such entity in carrying out the activities assisted under this section.

''(d) AUTHORIZED ACTIVITIES.—Funds made available under this section shall be used to carry out comprehensive workforce and career development activities and related services for migrant farmworkers and seasonal farmworkers which may include employment, training, educational assistance, literacy assistance, an English literacy program, worker safety training, housing, supportive services, and the continuation of the case management database on participating migrant farmworkers and seasonal farmworkers.

''(e) CONSULTATION WITH GOVERNORS AND LOCAL BOARDS.—In making grants and entering into contracts under this section, the Secretary of Labor shall consult with the Governors and local boards of the States in which the eligible entities will carry out the activities described in subsection (d).

''(f) REGULATIONS.—The Secretaries shall consult with migrant and seasonal farmworker groups and States in establishing regulations to carry out this section, including performance measures for eligible entities which take into account the economic circumstances of migrant farmworkers and seasonal farmworkers.

''(g) DEFINITIONS.—As used in this section:

''(1) MIGRANT FARMWORKER.—The term 'migrant farmworker' means a seasonal farmworker whose farm work requires travel such that the worker is unable to return to a permanent place of residence within the same day.

''(2) SEASONAL FARMWORKER.—The term 'seasonal farmworker' means a person who during the eligibility determination period (12 consecutive months out of 24 months prior to application)—

''(A) has been primarily employed in farm work that is characterized by chronic unemployment or under employment; and

''(B) is economically disadvantaged at the time of application.''.

Subtitle B—Job Corps

SEC. 411. STATEMENT OF PURPOSE.

Section 421 of the Job Training Partnership Act (29 U.S.C. 1691) is amended in the first sentence by inserting after ''a distinct national program'' the following: ''carried out in collaboration with States and localities''.

SEC. 412. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

Section 423 of the Job Training Partnership Act (29 U.S.C. 1693) is amended—

(1) in paragraph (1), by striking ''14'' and inserting ''16'';

(2) in paragraph (2), by striking '', and who requires'' and all that follows and inserting a semicolon;

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(4) by inserting after paragraph (2) the following:

''(3) is an individual who—

''(A) is deficient in basic skills;

''(B) is a school dropout;

''(C) is homeless or a runaway;

''(D) is a single parent; or

''(E) requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular school work, qualify for other suitable training programs, or satisfy Armed Forces requirements;''.

SEC. 413. SCREENING AND SELECTION OF APPLICANTS; GENERAL PROVISIONS.

Section 424(a) of the Job Training Partnership Act (29 U.S.C. 1694(a)) is amended—

(1) in the first sentence, by adding at the end before the period the following: ''after considering input from State, local, and community groups and other interested parties'';

(2) in the second sentence—

(A) by inserting after ''public employment offices,'' the following: ''full service eligible providers,''; and

(B) by striking ''and agencies'' and inserting ''and entities''; and

(3) in the third sentence, by inserting after ''The rules shall'' the following: ''require Job Corps applicants to pass background checks, conducted in accordance with procedures established by the Secretary, and''.

SEC. 414. JOB CORPS CENTERS.

Section 427 of the Job Training Partnership Act (29 U.S.C. 1697) is amended—

(1) in subsection (a)(1), by adding at the end the following: ''In selecting any entity to serve as an operator or to provide services for a Job Corps center, the Secretary shall take into consideration the previous performance of the entity, if any, relating to operating or providing services for a Job Corps center.'';

(2) in subsection (c) to read as follows:

''(c) The Secretary may select an entity to operate a Civilian Conservation Center on a competitive basis if such a center fails to meet performance criteria established by the Secretary.''; and

(3) by adding at the end the following:

''(d) Notwithstanding any other provision of law, any proceeds from the sale of Job Corps center facilities shall be retained by the Secretary to carry out the Job Corps program.

''(e) Prior to the closure of any Job Corps center, the Secretary shall ensure that—

''(1) the proposed decision to close the center is announced in advance to the general public through publication in the Federal Register or other appropriate means;

''(2) the establishment of a reasonable comment period, not to exceed 30 days, for interested individuals to submit written comments to the Secretary;

''(3) the Members of Congress who represent districts affected by the proposed decision to close the center are notified within a reasonable period of time in advance of any final decision to close the center; and

''(4) the geographic location of alternative Job Corps centers is among the factors taken into account in the decision to close the center.''.

SEC. 415. STANDARDS OF CONDUCT.

Section 430(a) of the Job Training Partnership Act (29 U.S.C. 1700(a)) is amended—

(1) in the first sentence, by adding at the end before the period the following: '', including a policy of zero tolerance for violence and illegal drugs under which enrollees will receive mandatory terminations for specific actions in accordance with regulations issued by the Secretary'';

(2) by inserting after the first sentence the following: ''As part of the zero tolerance policy, drug testing of all students shall be required in accordance with procedures established by the Secretary.''; and

(3) in the third sentence, by inserting after ''If violations'' the following: ''of center standards other than those covered by the zero tolerance policy''.

SEC. 416. COUNSELING AND JOB PLACEMENT.

Section 432(b) of the Job Training Partnership Act (29 U.S.C. 1702(b)) is amended in the first sentence by inserting after ''determine their capabilities and'' the following: '', based on these capabilities,''.

SEC. 417. EXPERIMENTAL AND DEVELOPMENTAL PROJECTS AND COORDINATION WITH OTHER PROGRAMS.

Section 433(c)(1) of the Job Training Partnership Act (29 U.S.C. 1703(c)(1)) is amended

in the first sentence by striking ''disseminate information'' and inserting ''disseminate to Federal, State, and local workforce development programs information and best practices''.

SUBTITLE C—NATIONAL ACTIVITIES

SEC. 421. RESEARCH, DEMONSTRATION, EVALUATION, AND CAPACITY BUILDING.

Part D of the Job Training Partnership Act (29 U.S.C. 1731 et seq.) is amended by striking sections 451 through 454 and inserting the following:

''SEC. 451. RESEARCH, DEMONSTRATION, EVALUATION, AND CAPACITY BUILDING.

''(a) IN GENERAL.—The Secretary is authorized to establish and carry out research, demonstration, evaluation, and capacity building activities described in subsections (b) through (f).

''(b) NATIONAL PARTNERSHIP AND SPECIAL TRAINING.—The Secretary may award special grants to eligible entities to carry out programs that are most appropriately administered at the national level. Such activities may include—

''(1) partnership programs with national organizations with special expertise in developing, organizing, and administering employment and training services at the national, State, and local levels, such as industry and labor associations, public interest groups, community-based organizations representative of groups that encounter special difficulties in the labor market, and other organizations with special knowledge or capabilities in education and training; and

''(2) activities that—

''(A) address industry-wide skill shortages;

''(B) meet training needs that are best addressed on a multi-state basis;

''(C) further the goals of increasing the competitiveness of the United States labor force;

''(D) require technical expertise available at the national level to serve the needs of particular client groups that encounter significant barriers to employment and who the Secretary determines require special assistance; or

''(E) promote and experiment with model activities, pilot projects, and demonstration projects which further the goals and purposes of this Act.

''(c) RESEARCH.—The Secretary is authorized to conduct continuing research, which may include studies and other methods and techniques, that will aid in the solution of the employment and training problems of the United States. Such studies may include the extent to which individuals who participate in programs established under this title achieve self-sufficiency as a result of such participation, including the identification by States and localities, to the extent practicable, of indicators measuring such self-sufficiency.

''(d) PILOT AND DEMONSTRATION PROGRAMS.—

''(1) IN GENERAL.—The Secretary is authorized to conduct pilot and demonstration programs for the purpose of developing and improving techniques and demonstrating the effectiveness of specialized methods in addressing employment and training needs which may include—

''(A) the establishment of advanced manufacturing technology skill centers developed through local partnerships of industry, labor, education, community-based organizations, and economic development organizations to meet unmet, high-tech skill needs of local communities;

''(B) projects that provide training to upgrade the skills of employed workers who reside and are employed in enterprise zones or empowerment communities;

''(C) programs conducted jointly with the Department of Defense to develop training programs utilizing computer-based and other innovative learning technologies;

''(D) projects that promote the use of distance learning, enabling students to take courses through the use of media technology such as videos, teleconferencing computers, and the Internet;

''(E) projects that assist in providing comprehensive services to increase the employment rates of out-of-school youth residing in targeted high poverty areas within empowerment zones and enterprise communities;

''(F) the establishment of partnerships with national organizations with special expertise in developing, organizing, and administering employment and training services for persons with disabilities at the national, State, and local levels;

''(G) projects to assist public housing authorities that provide to public housing residents job training programs that demonstrate successful job skills upgrading and employment; and

''(H) projects that assist local workforce development areas to develop and implement local self-sufficiency standards to evaluate the degree to which program participants are achieving self-sufficiency.

''(2) GRANTS AND CONTRACTS.—The Secretary may award grants and enter into contracts with entities to carry out this subsection.

''(3) EVALUATION AND EFFECTIVENESS.—Demonstration programs assisted under this subsection shall include a formal, rigorous evaluation component. Pilot programs assisted under this subsection shall include an appropriate evaluation component.

''(4) SPECIAL RULE.—A demonstration program under this subsection may not be assisted under this subsection for a period of more than 7 years. A pilot program under this subsection may not be assisted under this subsection for a period of more than 3 years.

''(e) EVALUATION.—

''(1) ACTIVITIES.—

''(A) JOB TRAINING.—The Secretary shall provide for the continuing evaluation of programs conducted under this Act.

''(B) OTHER PROGRAMS.—The Secretary may conduct evaluations of federally-funded employment-related activities under other provisions of law.

''(2) TECHNIQUES.—

''(A) METHODS.—Evaluations conducted under paragraph (1) shall utilize sound statistical methods and techniques for the behavioral and social sciences, including the use of control groups chosen by scientific random assignment methodologies when feasible.

''(B) EFFECTIVENESS.—The Secretary shall evaluate the effectiveness of programs authorized under this Act with respect to—

''(i) the statutory goals; and

''(ii) the cost effectiveness and return-on-investment of such programs based on the extent to which the programs—

''(I) enhance the employment and earnings of participants;

''(II) reduce income support costs (including the receipt of welfare assistance);

''(III) improve the employment competencies of participants in comparison to comparable persons who did not participate in such programs; and

''(IV) to the extent feasible, increase the level of total employment over the level that would have existed in the absence of such programs.

''(f) TECHNICAL ASSISTANCE, DISSEMINATION, AND REPLICATION ACTIVITIES.—The Secretary shall provide, coordinate, and support the development of, appropriate training, technical assistance, staff development, and other activities, including assistance in replicating programs of demonstrated effectiveness, to States and localities.

''SEC. 452. INCENTIVE GRANTS.

''From amounts authorized to be appropriated pursuant to section 3(a)(3) to carry out this part for a fiscal year, the Secretary is authorized to award incentive grants to States consistent with the requirements of section 156(a).''.

SEC. 422. NONTRADITIONAL EMPLOYMENT DEMONSTRATION PROGRAM.

Section 456 of the Job Training Partnership Act (29 U.S.C. 1737) is hereby repealed.

Subtitle D—Repealers

SEC. 451. REPEALERS.

Parts F, G, H, I, and J of title IV of the Job Training Partnership Act (29 U.S.C. 1771 et seq.) are hereby repealed.

TITLE V—AMENDMENTS TO ADULT EDUCATION PROGRAMS

SEC. 501. REPEAL OF JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM.

Title V of the Job Training Partnership Act (29 U.S.C. 1791 et seq.) is repealed.

SEC. 502. AMENDMENT TO ADULT EDUCATION ACT.

The Adult Education Act (20 U.S.C. 1201 et seq.) is amended to read as follows:

''TITLE III—ADULT EDUCATION AND FAMILY LITERACY PROGRAMS

''SEC. 301. SHORT TITLE.

''This title may be cited as the 'Adult Education and Family Literacy Act'.

''SEC. 302. STATEMENT OF PURPOSE.

''It is the purpose of this title to assist States and outlying areas to provide—

''(1) to adults, the basic educational skills necessary for employment and self-sufficiency; and

''(2) to adults who are parents, the educational skills necessary to be full partners in the educational development of their children.

''SEC. 303. DEFINITION.

''For purposes of this title:

''(1) ADULT EDUCATION.—The term 'adult education' means services or instruction below the postsecondary level for individuals—

''(A) who have attained 16 years of age;

''(B) who are not enrolled or required to be enrolled in secondary school under State law; and

''(C) who—

''(i) lack sufficient mastery of basic educational skills to enable the individuals to function effectively in society;

''(ii) do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education; or

''(iii) are unable to speak, read, or write the English language.

''(2) ADULT EDUCATION AND LITERACY ACTIVITIES.—The term 'adult education and literacy activities' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(3) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(4) DIRECT AND EQUITABLE ACCESS.—The term 'direct and equitable access', when used with respect to the requirement in section 313(c)(2), means that—

''(A) all eligible providers are given the same opportunity to apply for and receive funds under part A; and

''(B) the same announcement and application process is used for all eligible providers.

''(5) ELIGIBLE AGENCY.—The term 'eligible agency' means—

''(A) the individual, entity, or agency in a State or an outlying area responsible for administering or setting policies for adult education and literacy services in such State or outlying area pursuant to the law of the State or outlying area; or

''(B) if no individual, entity, or agency is responsible for administering or setting such policies pursuant to the law of the State or outlying area, the individual, entity, or agency in a State or outlying area responsible for administering or setting policies for adult education and literacy services in such State or outlying area on the date of the enactment of the Employment, Training, and Literacy Enhancement Act of 1997.

''(6) ELIGIBLE PROVIDER.—The term 'eligible provider', used with respect to adult education and literacy activities described in section 314(b), means a provider determined to be eligible for assistance in accordance with section 313.

''(7) ENGLISH LITERACY PROGRAM.—The term 'English literacy program' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(8) FAMILY LITERACY SERVICES.—The term 'family literacy services' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(9) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term 'individual of limited English proficiency' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(10) INDIVIDUAL WITH A DISABILITY.—The terms 'individual with a disability' and 'individuals with disabilities' have the meaning given such terms in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(11) LITERACY.—The term 'literacy' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(12) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

''(13) OUTLYING AREA.—The term 'outlying area' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(14) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term 'postsecondary educational institution' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''(15) SECRETARY.—The term 'Secretary' means the Secretary of Education.

''(16) STATE.—The term 'State' has the meaning given such term in section 4 of the Employment, Training, and Literacy Enhancement Act.

''SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated to carry out this title such sums as may be necessary for fiscal years 1998 through 2003.

''(b) RESERVATION OF FUNDS FOR NATIONAL LEADERSHIP ACTIVITIES.—For any fiscal year, the Secretary shall reserve—

''(1) 1.5 percent of the amount appropriated under subsection (a) (but not more than $6,500,000) to carry out section 321; and

''(2) 1.5 percent of the amount appropriated under subsection (a) (but not more than $6,500,000) to establish and carry out the program of national leadership and evaluation activities described in section 322.

''PART A—GRANTS TO ELIGIBLE AGENCIES

''SEC. 311. AUTHORITY TO MAKE GRANTS.

''(a) IN GENERAL.—In the case of each eligible agency that in accordance with section 101 of the Employment, Training, and Literacy Enhancement Act submits to the Secretary a plan, the Secretary shall make a grant for each fiscal year for which such plan is in effect to the eligible agency for the purpose specified in subsection (b). The grant shall consist of the initial and additional allotments determined for the eligible agency under section 312.

''(b) PURPOSE OF GRANTS.—The Secretary may make a grant under subsection (a) only if the applicant involved agrees to expend the grant for adult education and literacy activities in accordance with the provisions of this part.

''SEC. 312. ALLOTMENTS.

''(a) INITIAL ALLOTMENTS.—From the sums available for the purpose of making grants under this part for any fiscal year, the Secretary shall allot to each eligible agency that in accordance with section 101 of the Employment, Training, and Literacy Enhancement Act submits to the Secretary a plan for the year an initial amount as follows:

''(1) $100,000, in the case of an eligible agency of 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.

''(2) $250,000, in the case of any other eligible agency.

''(b) ADDITIONAL ALLOTMENTS.—

''(1) IN GENERAL.—From the remainder available for the purpose of making grants under this part for any fiscal year after the application of subsection (a), the Secretary shall allot to each eligible agency that receives an initial allotment under such subsection an additional amount that bears the same relationship to such remainder as the number of qualifying adults in the State or outlying area of the agency bears to the number of such adults in all States and outlying areas.

''(2) QUALIFYING ADULT.—For purposes of this subsection, the term 'qualifying adult' means an adult who—

''(A) is at least 16 years of age, but less than 61 years of age;

''(B) is beyond the age of compulsory school attendance under the law of the State or outlying area;

''(C) does not have a certificate of graduation from a school providing secondary education and has not achieved an equivalent level of education; and

''(D) is not currently enrolled in secondary school.

''(c) SPECIAL RULE.—

''(1) IN GENERAL.—Using funds not to exceed the amount appropriated and reserved under the Adult Education Act for fiscal year 1997 for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, the Secretary shall award grants, from funds made available under subsections (a) and (b), to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau to carry out activities described in this part in accordance with the provisions of this part that the Secretary determines are not inconsistent with this subsection.

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

''(3) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not receive any funds under this part for any fiscal year that begins after September 30, 2001.

''(4) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the funds made available for grants under this subsection to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subsection.

''(d) HOLD-HARMLESS.—

''(1) IN GENERAL.—Notwithstanding subsection (a)—

''(A) for fiscal year 1998, no eligible agency shall receive an allotment that is less than 90 percent of the payments made to the State of the agency for fiscal year 1997 for programs for which funds were authorized to be appropriated under section 313 of the Adult Education Act (as such Act was in effect on the day before the date of the enactment of the Employment, Training, and Literacy Enhancement Act of 1997); and

''(B) for fiscal year 1999 and each succeeding fiscal year, no eligible agency shall receive an allotment that is less than 90 percent of the amount the agency received for the preceding fiscal year for programs under this Act.

''(2) RATABLE REDUCTION.—If for any fiscal year the amount available for allotment under this section is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

''(e) REALLOTMENT.—The portion of any eligible agency's allotment under subsection (a) or (b) for a fiscal year that the Secretary determines will not be required for the period such allotment is available for carrying out activities under this part, shall be available for reallotment from time to time, on such dates during such period as the Secretary shall fix, to other eligible agencies in proportion to the original allotments to such agencies under such subsection for such year.

''SEC. 313. USE OF FUNDS.

''(a) IN GENERAL.—Of the sum that is made available under this part to an eligible agency for any program year—

''(1) not less than 85 percent shall be made available to award grants in accordance with this section to carry out adult education and literacy activities; and

''(2) not more than 15 percent shall be made available to carry out activities described in section 314(a), of which not more than 5 percentage points, or $50,000, whichever is greater, shall be made available for administrative expenses at the State level (or the level of the outlying area).

''(b) GRANTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), from the amount made available to an eligible agency for adult education and literacy under subsection (a)(1) for a program year, such agency shall award grants, on a competitive basis, to local educational agencies, correctional education agencies, community-based organizations of demonstrated effectiveness, volunteer literacy organizations, libraries, public or private nonprofit agencies, postsecondary educational institutions, public housing authorities, and other nonprofit institutions, that have the ability to provide literacy services to adults and families, or consortia of agencies, organizations, or institutions described in this subsection, to enable such agencies, organizations, institutions, and consortia to carry out adult education and literacy activities.

''(2) CONSORTIA.—An eligible agency may award a grant under this section to a consortium that includes a provider described in paragraph (1) and a for-profit agency, organization, or institution, if such agency, organization, or institution—

''(A) can make a significant contribution to carrying out the objectives of this title; and

''(B) enters into a contract with such provider to carry out adult education and literacy activities.

''(c) GRANT REQUIREMENTS.—

''(1) REQUIRED LOCAL ACTIVITIES.—An eligible agency shall require that each provider receiving a grant under this section use the grant in accordance with section 314(b).

''(2) EQUITABLE ACCESS.—Each eligible agency awarding a grant under this section for adult education and literacy activities shall ensure that the providers described in subsection (b) will be provided direct and equitable access to all Federal funds provided under this section.

''(3) SPECIAL RULE.—Each eligible agency awarding a grant under this section shall not use any funds made available under this title for adult education and literacy activities for the purpose of supporting or providing programs, services, or activities for individuals who are not individuals described in subparagraphs (A) and (B) of section 303(1), except that such agency may use such funds for such purpose if such programs, services, or activities are related to family literacy services.

''(4) CONSIDERATIONS.—In awarding grants under this section, the eligible agency shall consider—

''(A) the degree to which the provider will establish measurable goals for client outcomes, including the core indicators of performance pertaining to adult education set forth in section 154 of the Employment, Training, and Literacy Enhancement Act, that are tied to challenging State performance standards for literacy proficiency;

''(B) the past effectiveness of a provider in improving the literacy skills of adults and families, and, after the 1-year period beginning with the adoption of a State's core indicators and benchmarks under the Employment, Training, and Literacy Enhancement Act, the success of a provider receiving funding under this Act in meeting or exceeding such benchmarks, especially with respect to those adults with the lowest levels of literacy;

''(C) the degree to which the program is staffed by well-trained instructors and administrators;

''(D) the degree to which the provider will coordinate with other available resources in the community, such as by establishing strong links with elementary and secondary schools, post-secondary educational institutions, full service employment and training delivery centers, job training programs, and other literacy and social service available in the community;

''(E) the commitment of the provider to serve individuals in the community who are most in need of literacy services, including individuals who are low income, who have minimal literacy skills, or both;

''(F) whether or not the program is of sufficient intensity and duration for participants to achieve substantial learning gains; and

''(G) the degree to which the provider will offer flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities or other special needs, to participate in adult education and literacy activities.

''(d) LOCAL ADMINISTRATIVE COST LIMITS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), of the funds provided under this section by an eligible agency to a provider described in subsection (b), not less than 95 percent shall be expended for provision of adult education and literacy activities. The remainder shall be used for planning, administration, personnel development, and interagency coordination.

''(2) SPECIAL RULE.—In cases where the cost limits described in paragraph (1) will be too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination supported under this section, the eligible agency shall negotiate with the provider described in subsection (b) in order to determine an adequate level of funds to be used for noninstructional purposes.

''SEC. 314. ADULT EDUCATION AND LITERACY ACTIVITIES.

''(a) PERMISSIBLE AGENCY ACTIVITIES.—An eligible agency may use funds made available to the eligible agency under section 313(a)(2) for activities that may include—

''(1) the establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under subsection (b), including instruction provided by volunteers or by personnel of a State or outlying area;

''(2) the provision of technical assistance to eligible providers of activities authorized under this section;

''(3) the provision of technology assistance, including staff training, to eligible providers of activities authorized under this section to enable the providers to improve the quality of such activities;

''(4) the support of State or regional networks of literacy resource centers;

''(5) the monitoring and evaluation of the quality of, and the improvement in, activities and services authorized under this section;

''(6) incentives for—

''(A) program coordination and integration; and

''(B) performance awards;

''(7) developing and disseminating curricula;

''(8) other activities of statewide significance that promote the purposes of this title; and

''(9) the provision of support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult education and literacy activities, to adults enrolled in such activities.

''(b) REQUIRED LOCAL ACTIVITIES.—The eligible agency shall require that each eligible provider receiving a grant under section 313 use the grant to establish or operate 1 or more programs that provide instruction or services in 1 or more of the following categories:

''(1) Adult education and literacy services, including services provided on the work site.

''(2) Family literacy services.

''(3) English literacy programs.

''(c) STATE-IMPOSED REQUIREMENTS.—Whenever a State implements any rule or policy relating to the administration or operation of a program authorized under this title that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State interpretation of a Federal statute, regulation, or guideline), it shall identify, to eligible providers, the rule or policy as being State-imposed.

''SEC. 315. FISCAL REQUIREMENTS AND RESTRICTIONS RELATED TO USE OF FUNDS.

''(a) SUPPLEMENT NOT SUPPLANT.—Funds made available under this part for adult education and literacy activities shall supplement, and may not supplant, other public funds expended to carry out activities described in section 314.

''(b) MAINTENANCE OF EFFORT.—

''(1) IN GENERAL.—

''(A) DETERMINATION.—An eligible agency may receive funds under this Act for any fiscal year if the Secretary finds that the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education and literacy, in the second preceding fiscal year, was not less than 90 percent of the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education and literacy, in the third preceding fiscal year.

''(B) PROPORTIONATE REDUCTION.—Subject to paragraphs (2), (3), and (4), for any program year with respect to which the Secretary determines under subparagraph (A) that the fiscal effort and the aggregate expenditures of an eligible agency for the preceding program year were less than such effort and expenditures for the second preceding program year, the Secretary—

''(i) shall determine the percentage decreases in such effort and in such expenditures; and

''(ii) shall decrease the payment made under this part for such program year to the agency for adult education and literacy activities by the lesser of such percentages.

''(2) COMPUTATION.—In computing the fiscal effort and aggregate expenditures under paragraph (1), the Secretary shall exclude capital expenditures and special one-time project costs.

''(3) DECREASE IN FEDERAL SUPPORT.—If the amount made available for adult education and literacy activities under this part for a fiscal year is less than the amount made available for adult education and literacy activities under this part for the preceding fiscal year, then the fiscal effort per student and the aggregate expenditures of an eligible agency required in order to avoid a reduction under paragraph (1)(B) shall be decreased by the same percentage as the percentage decrease in the amount so made available.

''(4) WAIVER.—The Secretary may waive the requirements of this subsection for 1 fiscal year only, if the Secretary determines that a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or an unforeseen and precipitous decline in the financial resources of the State of the eligible agency. If the Secretary grants a waiver under the preceding sentence for a fiscal year, the level of effort required under paragraph (1) shall not be reduced in the subsequent fiscal year because of the waiver.

''(c) EXPENDITURES OF NON-FEDERAL FUNDS FOR ADULT EDUCATION AND LITERACY ACTIVITIES.—For any program year for which a grant is made to an eligible agency under this part, the eligible agency shall expend, on programs and activities relating to adult education and literacy activities, an amount, derived from sources other than the Federal Government, equal to 25 percent of the amount made available to the eligible agency under this part for adult education and literacy activities.

''PART B—NATIONAL PROGRAMS

''SEC. 321. NATIONAL INSTITUTE FOR LITERACY.

''(a) PURPOSE.—The National Institute for Literacy shall—

''(1) provide national leadership with respect to literacy in the United States;

''(2) coordinate literacy services; and

''(3) serve as a national resource for adult education and family literacy by providing the best and most current information available and supporting the creation of new ways to offer services of proven effectiveness.

''(b) ESTABLISHMENT.—

''(1) IN GENERAL.—There is established the 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 of Education with the Secretary of Labor and the Secretary of Health and Human Services (in this section referred

to as the 'Interagency Group'). The Interagency Group may include in the Institute any research and development center, institute, or clearinghouse established within the Department of Education, the Department of Labor, or the Department of Health and Human Services whose purpose is determined by the Interagency Group to be related to the purpose of the Institute.

''(2) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education, the Department of Labor, and the Department of Health and Human Services.

''(3) BOARD RECOMMENDATIONS.—The Interagency Group shall consider the recommendations of the National Institute for Literacy Advisory Board (in this section referred to as the 'Board') established under subsection (d) in planning the goals of the Institute and in the implementation of any programs to achieve such goals.

''(4) DAILY OPERATIONS.—The daily operations of the Institute shall be carried out by the Director of the Institute appointed under subsection (g).

''(c) DUTIES.—

''(1) IN GENERAL.—In order to provide leadership for the improvement and expansion of the system for delivery of literacy services, the Institute is authorized—

''(A) to establish, and make accessible, a national electronic data base of information that disseminates information to the broadest possible audience within the literacy and basic skills field, and that includes—

''(i) effective practices in the provision of literacy and basic skills instruction, including the integration of such instruction with occupational skills training;

''(ii) public and private literacy and basic skills programs and Federal, State, and local policies affecting the provision of literacy services at the National, State, and local levels;

''(iii) opportunities for technical assistance, meetings, conferences, and other opportunities that lead to the improvement of literacy and basic skills services; and

''(iv) a communication network for literacy programs, providers, social service agencies, and students;

''(B) to coordinate support for the provision of literacy and basic skills services across Federal agencies and at the State and local levels;

''(C) to coordinate the support of research and development on literacy and basic skills in families and adults across Federal agencies, especially with the Office of Educational Research and Improvement in the Department of Education, and to carry out basic and applied research and development on topics that are not being investigated by other organizations or agencies, such as the special literacy needs of individuals with learning disabilities;

''(D) to collect and disseminate information on methods of advancing literacy that show great promise;

''(E) funding a network of State or regional adult literacy resource centers to assist State and local public and private nonprofit efforts to improve literacy by—

''(i) encouraging the coordination of literacy services;

''(ii) carrying out evaluations of the effectiveness of adult education and literacy activities;

''(iii) enhancing the capacity of State and local organizations to provide literacy services; and

''(iv) serving as a reciprocal link between the Institute and providers of adult education and literacy activities for the purpose of sharing information, data, research, expertise, and literacy resources;

''(F) to coordinate and share information with national organizations and associations that are interested in literacy and workforce development;

''(G) to inform the development of policy with respect to literacy and basic skills; and

''(H) to undertake other activities that lead to the improvement of the Nation's literacy delivery system and that complement other such efforts being undertaken by public and private agencies and organizations.

''(2) GRANTS, CONTRACTS, AND AGREEMENTS.—The Institute may make grants to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or consortia of such institutions, agencies, or organizations to carry out the activities of the Institute. Such grants, contracts, or agreements shall be subject to the laws and regulations that generally apply to grants, contracts, or agreements entered into by Federal agencies.

''(d) LITERACY LEADERSHIP.—

''(1) FELLOWSHIPS.—The Institute, in consultation with the Board, may award fellowships, with such stipends and allowances as the Director considers necessary, to outstanding individuals pursuing careers in adult education or literacy in the areas of instruction, management, research, or innovation.

''(2) USE OF FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education, training, technical assistance, or other activities to advance the field of adult education or literacy, including the training of volunteer literacy providers at the national, State, or local level.

''(3) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its mission. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

''(e) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

''(1) ESTABLISHMENT.—

''(A) IN GENERAL.—There is established a National Institute for Literacy Advisory Board. The Board shall consist of 10 individuals, appointed by the Interagency Group, from individuals who—

''(i) are not otherwise officers or employees of the Federal Government; and

''(ii) are representative of entities or groups described in subparagraph (B).

''(B) ENTITIES OR GROUPS DESCRIBED.—The entities or groups referred to in subparagraph (A) are—

''(i) literacy organizations and providers of literacy services, including—

''(I) nonprofit providers of literacy services;

''(II) providers of programs and services involving English language instruction; and

''(III) providers of services receiving assistance under this title;

''(ii) businesses that have demonstrated interest in literacy programs;

''(iii) literacy students;

''(iv) experts in the area of literacy research;

''(v) State and local governments;

''(vi) representatives of employees; and

''(vii) State directors of adult education.

''(2) DUTIES.—The Board—

''(A) shall make recommendations concerning the appointment of the Director and staff of the Institute;

''(B) shall provide independent advice on the operation of the Institute; and

''(C) shall receive reports from the Interagency Group and the Director.

''(3) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Board established by this subsection shall be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

''(4) TERMS.—

''(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which ⅓ of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

''(B) VACANCY APPOINTMENTS.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made. A vacancy in the Board shall not affect the powers of the Board.

''(5) QUORUM.—A majority of the members of the Board shall constitute a quorum but a lesser number may hold hearings. Any recommendation of the Board may be passed only by a majority of the Board's members present.

''(6) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

''(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

''(f) GIFTS, BEQUESTS, AND DEVISES.—The Institute may accept, administer, and use gifts or donations of services, money, or property, both real and personal.

''(g) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

''(h) DIRECTOR.—The Interagency Group, after considering recommendations made by the Board, shall appoint and fix the pay of a Director.

''(i) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum rate payable under section 5376 of title 5, United States Code.

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

''(k) REPORT.—The Institute shall submit a report biennially to the committees of the United States House of Representatives and the Senate having jurisdiction over this title. Each report submitted under this subsection shall include—

''(1) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in the field of literacy for the period covered by the report;

''(2) a description of how plans for the operation of the Institute for the succeeding two fiscal years will facilitate achievement of the goals of the Institute and the goals of the literacy programs within the Department of Education, the Department of Labor, and the Department of Health and Human Services; and

''(3) any additional minority, or dissenting views submitted by members of the Board.

''(l) FUNDING.—Any amounts appropriated to the Secretary of Education, the Secretary of Labor, or the Secretary of Health and Human Services for purposes that the Institute is authorized to perform under this section may be provided to the Institute for such purposes.

''SEC. 322. NATIONAL LEADERSHIP ACTIVITIES.

''The Secretary shall establish and carry out a program of national leadership activities to enhance the quality of adult education and family literacy programs nationwide. Such activities may include the following:

''(1) Providing technical assistance to recipients of assistance under part A in developing and using benchmarks and performance measures for improvement of adult education and literacy activities, including family literacy services.

''(2) Awarding grants, on a competitive basis, to a postsecondary educational institution, a public or private organization or agency, or a consortium of such institutions, organizations, or agencies to carry out research and technical assistance—

''(A) for the purpose of developing, improving, and identifying the most successful methods and techniques for addressing the education needs of adults; and

''(B) to increase the effectiveness of, and improve the quality of, adult education and literacy activities, including family literacy services.

''(3) Providing for the conduct of an independent evaluation and assessment of adult education and literacy activities, through studies and analyses conducted independently through grants and contracts awarded on a competitive basis. Such evaluation and assessment shall include descriptions of—

''(A) the effect of benchmarks, performance measures, and other measures of accountability on the delivery of adult education and literacy activities, including family literacy services;

''(B) the extent to which the adult education and literacy activities, including family literacy services, increase the literacy skills of adults (and of children, in the case of family literacy services), lead the participants in such activities to involvement in further education and training, enhance the employment and earnings of such participants, and, if applicable, lead to other positive outcomes, such as reductions in recidivism in the case of prison-based adult education and literacy services;

''(C) the extent to which the provision of support services to adults enrolled in adult education and family literacy programs increases the rates of enrollment in, and successful completion of, such programs; and

''(D) the extent to which eligible agencies have distributed funds under part A to meet the needs of adults through community-based organizations.

''(4) Carrying out demonstration programs, replicating model programs, disseminating best practices information, and providing technical assistance, for the purposes of developing, improving, and identifying the most successful methods and techniques for providing the activities assisted under part A.

''(5) Other activities designed to enhance the quality of adult education and literacy nationwide, such as providing incentive grants to States consistent with section 156 of the Employment, Training, and Literacy Enhancement Act.''.

SEC. 503. REPEAL OF NATIONAL LITERACY ACT OF 1991.

The National Literacy Act of 1991 (Public Law 102–73; 105 Stat. 333) is hereby repealed.

SEC. 504. CONFORMING AMENDMENTS.

(a) REFUGEE EDUCATION ASSISTANCE ACT.—Subsection (b) of section 402 of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is hereby repealed.

(b) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(1) SECTION 1206 OF ESEA.—Section 1206(a)(1)(A) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6366(a)(1)(A)) is amended by striking ''an adult basic education program'' and inserting ''adult education and literacy activities''.

(2) 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 303 of the Adult Education and Family Literacy Act;''.

(3) 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 303 of the Adult Education and Family Literacy Act.''.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. REPEALERS.

(a) AMENDMENTS TO THE WAGNER-PEYSER ACT.—Section 601 of the Job Training Partnership Act is hereby repealed.

(b) AMENDMENTS TO PART C OF TITLE IV OF THE SOCIAL SECURITY ACT.—Section 602 of the Job Training Partnership Act is hereby repealed.

(c) EARNINGS DISREGARD.—Section 603 of the Job Training Partnership Act is hereby repealed.

(d) SAVINGS PROVISION.—The repeals made by subsections (a), (b), and (c), of any provision of law described in any such subsection that amended or repealed another provision of law does not in any way affect that amendment or repeal.

SEC. 602. CONFORMING AMENDMENTS.

(a) ENFORCEMENT OF MILITARY SELECTIVE SERVICE ACT.—Section 604 of the Job Training Partnership Act (29 U.S.C. 1504) is amended—

(1) by redesignating such section as section 182 of such Act; and

(2) by inserting such section after section 181 of such Act.

(b) STATE JOB BANK SYSTEMS.—Section 605 of such Act (29 U.S.C. 1505) is amended—

(1) by striking subsection (a);

(2) in subsection (b), by striking ''shall make such'' and inserting ''may make'';

(3) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively;

(4) by redesignating such section as section 466 of such Act; and

(5) by adding such section after section 465 of such Act.

(c) STATE LABOR MARKET INFORMATION PROGRAMS.—Section 125 of such Act (29 U.S.C. 1535) is amended—

(1) by redesignating such section as section 467; and

(2) by inserting such section after section 466.

TITLE VII—AMENDMENTS TO STATE HUMAN RESOURCE INVESTMENT COUNCIL

SEC. 701. AMENDMENTS TO COUNCIL.

(a) ESTABLISHMENT AND FUNCTIONS.—Section 701 of the Job Training Partnership Act (29 U.S.C. 1792) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''shall review'' and inserting ''reviews''; and

(ii) by striking ''advise'' and inserting ''advises'';

(B) in paragraph (2), by striking ''shall advise'' and inserting ''advises'';

(C) in paragraph (3), by striking ''shall carry'' and inserting ''carries'';

(D) by striking paragraph (4);

(E) in paragraph (5), by striking ''may recommend'' and inserting ''recommends'';

(F) in paragraph (6), to read as follows:

''(6) prepares and recommends to the Governor a strategy to be included as part of the State plan under section 101 that would accomplish the goals developed pursuant to paragraph (4);'';

(G) in paragraph (7)—

(i) by striking ''may monitor'' and inserting ''monitors''; and

(ii) by striking the period at the end and inserting ''; and'';

(H) by adding at the end the following:

''(8) may serve as the collaborative process described in section 102.''; and

(I) by redesignating paragraphs (5) through (8) (as amended or added, as the case may be) as paragraphs (4) through (7), respectively; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking ''(A) Except as provided in subparagraph (B), for purposes'' and inserting ''For purposes''; and

(ii) by striking subparagraph (B); and

(B) in paragraph (2)—

(i) by striking ''applicable Federal human resource programs'' and all that follows through ''may include'' and inserting ''applicable Federal human resource programs may include'';

(ii) in clause (v), by striking the ''and'' at the end;

(iii) in clause (vii)—

(I) by adding at the end before the semicolon the following: ''and title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996''; and

(II) by redesignating such clause as clause (vi);

(iv) in subparagraph (B)—

(I) by striking ''may not include programs authorized under''; and

(II) by redesignating such subparagraph as clause (vii); and

(v) by redesignating clauses (i) through (vii) as subparagraphs (A) through (G), respectively, and moving the margin for each such subparagraph two ems to the left.

(b) COMPOSITION.—Section 702 of such Act (29 U.S.C. 1792a) is amended—

(1) by striking subsections (a), (b), and (c); and

(2) by inserting the following:

''Each State Council shall be composed of the individuals and entities described in section 102(a).''.

(c) ADMINISTRATION.—Section 703 of such Act (29 U.S.C. 1792b) is amended—

(1) in subsection (a)(2)—

(A) by inserting ''for State administrative expenses'' after ''funds otherwise available''; and

(B) by striking '', including funds available'' and all that follows through ''such Act'';

(2) by striking subsection (c); and

(3) by redesignating subsection (d) as subsection (c).

SEC. 702. TRANSFER OF COUNCIL.

Title VII of the Job Training Partnership Act (29 U.S.C. 1792 et seq.), as amended by section 701, is transferred to the end of part A of title I of such Act, as amended by section 111 of this Act.

SEC. 703. CONFORMING AMENDMENTS.

(a) IN GENERAL.—Title VII of the Job Training Partnership Act (29 U.S.C. 1792 et seq.), as transferred to the end of part A of title I of such Act by section 702, is amended—

(1) by amending the title heading to read as follows:

"SEC. 103. STATE HUMAN RESOURCE INVESTMENT COUNCIL.";

(2) by redesignating sections 701 through 703 as subsections (a) through (c), respectively, of section 103 (as redesignated by paragraph (1)) and conforming the subsection headings and margins accordingly;

(3) by redesignating each subsection, paragraph, and subparagraph of sections 701 through 703 (as such sections existed immediately prior to the amendments made by paragraph (2)) as a paragraph, subparagraph, and clause, respectively, of section 103 (as redesignated by paragraph (1)) and conforming the headings and margins accordingly; and

(4) in subsection (a)(2)(B) (as redesignated), by striking ''paragraph (1)'' and inserting ''subparagraph (A)''.

(b) ADDITIONAL AMENDMENT.—Section 103 of the Job Training Partnership Act, as redesignated by subsection (a)(2), is amended by striking ''title'' each place it appears (except in subsection (a)(2)(B)(vi) of such section) and inserting ''section''.

TITLE VIII—AMENDMENTS TO WAGNER-PEYSER ACT

SEC. 801. DEFINITIONS.

Section 2 of the Wagner-Peyser Act (29 U.S.C. 49a) is amended—

(1) in paragraph (1), by striking ''Job Training Partnership Act'' and inserting ''Employment, Training, and Literacy Enhancement Act'';

(2) by striking paragraphs (2) and (4);

(3) by redesignating paragraphs (3) and (5) as paragraphs (5) and (6), respectively;

(4) by inserting after paragraph (1) the following:

''(2) the term 'local workforce development area' means a local workforce development area designated under section 121 of the Employment, Training, and Literacy Enhancement Act;

''(3) the term 'local workforce development board' means a local workforce development board established under section 122 of the Employment, Training, and Literacy Enhancement Act;

''(4) the term 'full service employment and training delivery system' means a system established under section 123 of the Employment, Training, and Literacy Enhancement Act;''; and

(5) in paragraph (5) (as redesignated by paragraph (3)), by striking the semicolon and inserting ''; and''.

SEC. 802. FUNCTIONS.

(a) IN GENERAL.—Section 3(a) of the Wagner-Peyser Act (29 U.S.C. 49b(a)) is amended to read as follows:

''(a) The Secretary of Labor—

''(1) shall assist in the coordination and development of a nationwide system of labor exchange services for the general public, provided as part of the full service employment and training delivery systems of the States;

''(2) shall assist in the development of continuous improvement models for such nationwide system that ensure private sector satisfaction with the system and meet the demands of jobseekers relating to the system; and

''(3) shall ensure, for individuals otherwise eligible to receive unemployment compensation, the continuation of any activities in which the individuals are required to participate to receive the compensation.''.

(b) CONFORMING AMENDMENTS.—Section 508(b) of the Unemployment Compensation Amendments of 1976 (42 U.S.C. 603a) is amended—

(1) by striking ''the third sentence of section 3(a)'' and inserting ''section 3(b)''; and

(2) by striking ''49b(a)'' and inserting ''49b(b))''.

SEC. 803. DESIGNATION OF STATE AGENCIES.

Section 4 of the Wagner-Peyser Act (29 U.S.C. 49c) is amended—

(1) by striking '', through its legislature,'' and inserting ''pursuant to State statute'';

(2) by inserting after ''the provisions of this Act and'' the following: '', in accordance with such State statute, the Governor shall''; and

(3) by striking ''United States Employment Service'' and inserting ''Secretary''.

SEC. 804. APPROPRIATIONS.

Section 5(c) of the Wagner-Peyser Act (29 U.S.C. 49d(c)) is amended by striking paragraph (3).

SEC. 805. DISPOSITION OF ALLOTTED FUNDS.

Section 7 of the Wagner-Peyser Act (29 U.S.C. 49f) is amended—

(1) in subsection (b)(2), by striking ''private industry council'' and inserting ''local workforce development board'';

(2) in subsection (c)(2)(B), to read as follows:

''(B) Title III of the Employment, Training, and Literacy Enhancement Act.'';

(3) in subsection (d), by striking ''Job Training Partnership Act'' and inserting ''Employment, Training, and Literacy Enhancement Act''; and

(4) by adding at the end the following:

''(e) All job search, placement, recruitment, labor market information, and other labor exchange services authorized under subsections (a) and (b) shall be provided as part of the full service employment and training delivery system established by the State.''.

SEC. 806. STATE PLANS.

Section 8 of the Wagner-Peyser Act (29 U.S.C. 49g) is amended—

(1) in subsection (a) to read as follows:

''(a) Any State desiring to receive assistance under this Act shall submit to the Secretary, as part of the State plan submitted under section 101 of the Employment, Training, and Literacy Enhancement Act, detailed plans for carrying out the provisions of this Act within such State.'';

(2) by striking subsections (b), (c), and (e); and

(3) by redesignating subsection (d) as subsection (b).

SEC. 807. FEDERAL ADVISORY COUNCIL.

Section 11 of the Wagner-Peyser Act (29 U.S.C. 49j) is hereby repealed.

SEC. 808. REGULATIONS.

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 Secretary''.

SEC. 809. EFFECTIVE DATE.

The amendments made by this title shall take effect on July 1, 1998.

TITLE IX—TECHNICAL AND CONFORMING AMENDMENTS

Subtitle A—Amendments to the Job Training Partnership Act

SEC. 901. SHORT TITLE; TABLE OF CONTENTS.

Section 1 of the Job Training Partnership Act (29 U.S.C. 1501 note) is amended to read as follows:

"SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

''(a) SHORT TITLE.—This Act may be cited as the 'Employment, Training, and Literacy Enhancement Act'.

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

''Sec. 1. Short title; table of contents.
''Sec. 2. Statement of purpose.
''Sec. 3. Authorization of appropriations.
''Sec. 4. Definitions.

''TITLE I—STATE AND LOCAL ADMINISTRATIVE PROVISIONS

''PART A—STATE ADMINISTRATIVE PROVISIONS

''Sec. 101. State plan.
''Sec. 102. Collaborative process.
''Sec. 103. State Human Resource Investment Council.

''PART B—LOCAL ADMINISTRATIVE PROVISIONS

''Sec. 121. Local workforce development areas.
''Sec. 122. Local workforce development boards.
''Sec. 123. Full service employment and training delivery system.
''Sec. 124. Identification of training providers.

''PART C—PROGRAM AND FISCAL PROVISIONS

''SUBPART 1—GENERAL PROVISIONS

''Sec. 141. General program requirements.
''Sec. 142. Benefits.
''Sec. 143. Labor standards.
''Sec. 144. Grievance procedure.
''Sec. 145. Prohibition against Federal control of education.
''Sec. 146. Identification of additional imposed requirements.
''Sec. 147. Authority of State legislature.
''Sec. 148. Interstate agreements.

''SUBPART 2—PERFORMANCE ACCOUNTABILITY PROVISIONS

''Sec. 151. Performance accountability system.
''Sec. 152. Indicators of performance.
''Sec. 153. State adjusted benchmarks.
''Sec. 154. Core indicators of performance.
''Sec. 155. Report on performance.
''Sec. 156. Incentive grants and sanctions.

''SUBPART 3—OTHER PROVISIONS

''Sec. 161. Program year.
''Sec. 162. Prompt allocation of funds.
''Sec. 163. Monitoring.
''Sec. 164. Fiscal controls; sanctions.
''Sec. 165. Reports; recordkeeping; investigations.
''Sec. 166. Administrative Adjudication.
''Sec. 167. Nondiscrimination.
''Sec. 168. Administrative provisions.
''Sec. 169. Utilization of services and facilities.
''Sec. 170. Obligational authority.
''Sec. 171. Limitation on certain costs.
''Sec. 172. Buy-American requirements.

''PART D—MISCELLANEOUS PROVISIONS

''Sec. 181. Reference.
''Sec. 182. Enforcement of Military Selective Service Act.

''TITLE II—DISADVANTAGED YOUTH EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS

''Sec. 201. Statement of purpose.
''Sec. 202. Authorization.
''Sec. 203. Allotment and allocation among States.
''Sec. 204. Allocation within States.
''Sec. 205. Eligibility for services.
''Sec. 206. Use of funds.
''Sec. 207. Selection of service providers.
''Sec. 208. Linkages.

''TITLE III—ADULT EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS

''Sec. 301. Purpose.

''PART A—ADULT EMPLOYMENT AND TRAINING OPPORTUNITIES GRANTS

''Sec. 311. Authorization.
''Sec. 312. Allotment among States.
''Sec. 313. Allocation within States.

''Sec. 314. Use of amounts.

''PART B—NATIONAL PROGRAMS

''Sec. 321. National emergency grants.

''TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

''PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS

''Sec. 401. Native American programs.
''Sec. 402. Migrant and seasonal farmworker program.

''PART B—JOB CORPS

''Sec. 421. Statement of purpose.
''Sec. 422. Establishment of the Job Corps.
''Sec. 423. Individuals eligible for the Job Corps.
''Sec. 424. Screening and selection of applicants: general provisions.
''Sec. 425. Screening and selection: special limitations.
''Sec. 426. Enrollment and assignment.
''Sec. 427. Job Corps centers.
''Sec. 428. Program activities.
''Sec. 429. Allowances and support.
''Sec. 430. Standards of conduct.
''Sec. 431. Community participation.
''Sec. 432. Counseling and job placement.
''Sec. 433. Experimental and developmental projects and coordination with other programs.
''Sec. 433A. Job Corps centers for homeless families.
''Sec. 434. Advisory boards and committees.
''Sec. 435. Participation of the States.
''Sec. 436. Application of provisions of Federal law.
''Sec. 437. Special provisions.
''Sec. 438. General provisions.
''Sec. 439. Donations.

''PART C—VETERANS' EMPLOYMENT PROGRAMS

''Sec. 441. Authorization of programs.

''PART D—NATIONAL ACTIVITIES

''Sec. 451. Research, demonstration, evaluation, and capacity building.
''Sec. 452. Incentive grants.
''Sec. 453. Uniform reporting requirements.

''PART E—LABOR MARKET INFORMATION

''Sec. 461. Labor market information; availability of funds.
''Sec. 462. Cooperative labor market information program.
''Sec. 463. Special federal responsibilities.
''Sec. 464. National Occupational Information Coordinating Committee.
''Sec. 465. Job bank program.
''Sec. 466. State job bank systems.
''Sec. 467. State labor market information programs.''.

SEC. 902. DEFINITIONS.

Section 4 of such Act (29 U.S.C. 1503), as amended by section 103, is further amended, as follows:

(1) By striking the heading and the matter preceding paragraph (1) and inserting the following:

''SEC. 4. DEFINITIONS.

''As used in this Act, the following definitions apply:''.

(2) In paragraph (3), by striking ''The term'' and inserting ''AREA OF SUBSTANTIAL UNEMPLOYMENT.—The term''.

(3) In paragraph (7), by striking ''The term'' and inserting ''ECONOMIC DEVELOPMENT AGENCIES.—The term''.

(4) In paragraph (8), by striking ''The term'' and inserting ''ECONOMICALLY DISADVANTAGED.—The term''.

(5) In paragraph (9), by striking ''The term'' and inserting ''GOVERNOR.—The term''.

(6) In paragraph (12), by striking ''The term'' and inserting ''INSTITUTION OF HIGHER EDUCATION.—The term''.

(7) In paragraph (13), by striking ''The term'' and inserting ''LABOR MARKET AREA.—The term''.

(8) In paragraph (14), by striking ''The term'' and inserting ''LOCAL EDUCATIONAL AGENCY.—The term''.

(9) In paragraph (15), by striking ''The term'' and inserting ''LOW-INCOME LEVEL.—The term''.

(10) In paragraph (16), by striking ''The term'' and inserting ''LOWER LIVING STANDARD INCOME LEVEL.—The term''.

(11) In paragraph (17), by striking ''The term'' and inserting ''OFFENDER.—The term''.

(12) In paragraph (18), by striking ''The term'' and inserting ''POSTSECONDARY INSTITUTION.—The term''.

(13) In paragraph (20), by striking ''The term'' and inserting ''PUBLIC ASSISTANCE.—The term''.

(14) In paragraph (23), by striking ''The term'' and inserting ''STATE EDUCATIONAL AGENCY.—The term''.

(15) In paragraph (25), by striking ''The term'' and inserting ''UNEMPLOYED INDIVIDUALS.—The term''.

(16) In paragraph (26), by striking ''The term'' and inserting ''UNIT OF GENERAL LOCAL GOVERNMENT.—The term''.

(17) In paragraph (28), by striking ''The term'' and inserting ''VOCATIONAL EDUCATION.—The term''.

(18) In paragraph (29), by striking ''The term'' and inserting ''DISPLACED HOMEMAKER.—The term''.

(19) In paragraph (30), by striking ''The term'' and inserting ''NONTRADITIONAL EMPLOYMENT.—The term''.

(20) In paragraph (31), by striking ''The term'' and inserting ''BASIC SKILLS DEFICIENT.—The term''.

(21) In paragraph (32), by striking ''The term'' and inserting ''CASE MANAGEMENT.—The term''.

(22) In paragraph (33), by striking ''The term'' and inserting ''CITIZENSHIP SKILLS.—The term''.

(23) In paragraph (34), by striking ''The term'' and inserting ''FAMILY.—The term''.

(24) In paragraph (37), by striking ''The term'' and inserting ''PARTICIPANT.—The term''.

(25) In paragraph (38), by striking ''The term'' and inserting ''SCHOOL DROPOUT.—The term''.

(26) In paragraph (39), by striking ''The term'' and inserting ''TERMINATION.—The term''.

(27) In paragraph (40), by striking ''The term'' and inserting ''YOUTH CORPS PROGRAM.—The term''.

(28) By redesignating paragraphs (31), (32), (4), (33), (5), (6), (29), (7), (8), (41), (42), (34), (43), (44), (9), (45), (46), (10), (12), (13), (47), (48), (49), (14), (50), (15), (16), (30), (17), (51), (52), (37), (18), (20), (53), (54), (38), (21), (55), (22), (57), (56), (23), (58), (24), (39), (25), (26), (27), (28), and (40) as paragraphs (4) through (54), respectively.

SEC. 903. AMENDMENTS TO TITLE I.

(a) HEADING.—The heading of title I of the Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended to read as follows:

''TITLE I—STATE AND LOCAL ADMINISTRATIVE PROVISIONS''.

(b) PART B.—Part B of title I of such Act (29 U.S.C. 1531 et seq.), as amended by this Act, is further amended in the heading of such part to read as follows:

''PART B—LOCAL ADMINISTRATIVE PROVISIONS''.

(c) PART C.—

(1) HEADINGS.—Part C of title I of such Act (29 U.S.C. 1551 et seq.), as amended by this Act, is further amended—

(A) in the heading of such part to read as follows:

''PART C—PROGRAM AND FISCAL PROVISIONS'';

(B) by inserting after the heading for such part the following:

''SUBPART 1—GENERAL PROVISIONS'';

(C) by inserting after section 148, as amended by this Act, the following:

''SUBPART 2—PERFORMANCE ACCOUNTABILITY PROVISIONS'';

and

(D) by inserting after section 156 (as amended by this Act) the following:

''SUBPART 3—OTHER PROVISIONS''.

(2) SECTION 141.—Section 141 of such Act (29 U.S.C. 1551), as amended by this Act, is further amended—

(A) in the section heading to read as follows:

''SEC. 141. GENERAL PROGRAM REQUIREMENTS.'';

and

(B)(i) by redesignating subsections (a), (b), (c), (e), (g), (h), (j), and (l) through (t) as paragraphs (1) through (16), respectively, and moving the margin for each such paragraph two ems to the right; and

(ii) by redesignating each paragraph and subparagraph of such subsections (a), (b), (c), (e), (g), (h), (j), and (l) through (t) (as such subsections existed before the amendment made by clause (i)) as a subparagraph and clause, respectively.

(3) SECTION 142.—Section 142 of such Act (29 U.S.C. 1552), as amended by this Act, is further amended—

(A) in the section heading to read as follows:

''SEC. 142. BENEFITS.'';

(B) in subsection (a)(2) (as redesignated), by striking ''References'' and inserting ''REFERENCES.—References''; and

(C) in subsection (b), by striking ''Allowances'' and inserting ''ADDITIONAL REQUIREMENT.—Allowances''.

(4) SECTION 145.—Section 145 of such Act (29 U.S.C. 1555) is amended in the section heading to read as follows:

''SEC. 145. PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION.''.

(5) SECTION 146.—Section 146 of such Act (as redesignated) is amended—

(A) in the section heading to read as follows:

''SEC. 146. IDENTIFICATION OF ADDITIONAL IMPOSED REQUIREMENTS.'';

and

(B) by striking ''service delivery area'' each place it appears and inserting ''workforce development area''.

(6) SECTION 147.—Section 147 of such Act (as redesignated) is amended in the section heading to read as follows:

''SEC. 147. AUTHORITY OF STATE LEGISLATURE.''.

(7) SECTION 148.—Section 148 of such Act (as redesignated) is amended in the section heading to read as follows:

''SEC. 148. INTERSTATE AGREEMENTS.''.

(d) PART D.—

(1) HEADING.—Part D of title I of such Act is amended by striking the heading for such part.

(2) SECTION 161.—Section 161 of such Act (29 U.S.C. 1571), as amended by this Act, is further amended—

(A) in the section heading to read as follows:

''SEC. 161. PROGRAM YEAR.'';

(B) in subsection (a), by striking ''(a)'' and inserting the following:

''(a) PROGRAM YEAR.—''; and

(C) in subsection (b), by striking ''(b)'' and inserting the following:

''(b) AVAILABILITY.—''.

(3) SECTION 162.—Section 162 of such Act (29 U.S.C. 1572), as amended by this Act, is further amended—

(A) in the section heading to read as follows:

''SEC. 162. PROMPT ALLOCATION OF FUNDS.'';

(B) in subsection (a), by striking ''(a)'' and inserting ''(a) ALLOTMENTS AND ALLOCATIONS BASED ON LATEST AVAILABLE DATA.—'';

(C) in subsection (b), by striking ''(b)'' and inserting ''(b) PUBLICATION IN FEDERAL REGISTER RELATING TO MANDATORY FUNDS.—'';

(D) in subsection (c), by striking ''(c)'' and inserting ''(c) REQUIREMENT FOR FUNDS DISTRIBUTED BY FORMULA.—'';

(E) in subsection (d), by striking ''(d)'' and inserting ''(d) PUBLICATION IN FEDERAL REGISTER RELATING TO DISCRETIONARY FUNDS.—''; and

(F) in subsection (e)—

(i) by striking ''(e)'' and inserting ''(e) AVAILABILITY OF FUNDS.—''; and

(ii) by striking ''service delivery area'' and inserting ''local workforce development area''.

(4) SECTION 163.—Section 163 of such Act (29 U.S.C. 1573) is amended—

(A) in the section heading to read as follows:

''SEC. 163. MONITORING.'';

(B) in subsection (a), by striking ''(a)'' and inserting ''(a) IN GENERAL.—'';

(C) in subsection (b), by striking ''(b)'' and inserting ''(b) INVESTIGATIONS.—''; and

(D) in subsection (c), by striking ''(c)'' and inserting ''(c) ADDITIONAL REQUIREMENT.—''.

(5) SECTION 164.—Section 164 of such Act (29 U.S.C. 1574) is amended—

(A) in the section heading to read as follows:

''SEC. 164. FISCAL CONTROLS; SANCTIONS.'';

(B) in subsection (a)—

(i) by striking ''(a)(1)'' and inserting the following:

''(a) ESTABLISHMENT OF FISCAL CONTROLS BY STATES.—

''(1) IN GENERAL.—''; and

(ii) in paragraph (2), by striking ''(2)'' and inserting ''(2) REGULATIONS.—'' and moving such paragraph two ems to the right;

(C) in subsection (e)—

(i) by striking ''(e)(1)'' and inserting the following:

''(e) REPAYMENT OF AMOUNTS.—

''(1) IN GENERAL.—'';

(ii) in paragraph (2), by striking ''(2)'' and inserting ''(2) FACTORS IN IMPOSING SANCTIONS.—'' and moving such paragraph two ems to the right; and

(iii) in paragraph (3), by striking ''(3)'' and inserting ''(3) WAIVER.—'' and moving such paragraph two ems to the right;

(D) in subsection (f), by striking ''(f)'' and inserting ''(f) IMMEDIATE TERMINATION OR SUSPENSION OF ASSISTANCE IN EMERGENCY SITUATIONS.—'';

(E) in subsection (g), by striking ''(g)'' and inserting ''(g) DISCRIMINATION AGAINST PARTICIPANTS.—''; and

(F) by redesignating subsections (d), (e), (f), (g) as subsections (c), (d), (e), and (f), respectively.

(6) SECTION 165.—Section 165 of such Act (29 U.S.C. 1575) is amended—

(A) in the section heading to read as follows:

''SEC. 165. REPORTS; RECORDKEEPING; INVESTIGATIONS.'';

(B) in subsection (a)—

(i) by striking ''(a)(1)'' and inserting the following:

''(a) REPORTS.—

''(1) IN GENERAL.—'';

(ii) in paragraph (2), by striking ''(2)'' and inserting ''(2) SUBMISSION TO THE SECRETARY.—'' and moving such paragraph two ems to the right; and

(iii) in paragraph (3), by striking ''(3)'' and inserting ''(3) MAINTENANCE OF STANDARDIZED RECORDS.—'' and moving such paragraph two ems to the right; and

(iv) in paragraph (4)—

(I) by striking ''(4)(A)'' and inserting ''(4) AVAILABILITY TO THE PUBLIC.—(A)'' and moving such paragraph two ems to the right;

(II) in subparagraph (B), by striking ''(B)'' and inserting ''(B) EXCEPTION.—'' and moving such subparagraph two ems to the right; and

(III) in subparagraph (C), by striking ''(C)'' and inserting ''(C) FEES TO RECOVER COSTS.—'' and moving such subparagraph two ems to the right;

(C) in subsection (b)—

(i) by striking ''(b)(1)(A)'' and inserting the following:

''(b) INVESTIGATIONS OF USE OF FUNDS.—

''(1) IN GENERAL.—(A)'';

(ii) in subparagraph (B) of paragraph (1), by moving such subparagraph two ems to the right;

(iii) in paragraph (2), by striking ''(2)'' and inserting ''(2) PROHIBITION.—'' and moving such paragraph two ems to the right; and

(iv) in paragraph (3)—

(I) by striking ''(3)(A)'' and inserting the following:

''(3) AUDITS.—

''(A) IN GENERAL.—'';

(II) in subparagraph (B), by striking ''(B)'' and inserting ''(B) NOTIFICATION REQUIREMENT.—'' and moving such subparagraph two ems to the right;

(III) in subparagraph (C), by striking ''(C)'' and inserting ''(C) ADDITIONAL REQUIREMENT.—'' and moving such subparagraph two ems to the right; and

(IV) in subparagraph (D), by striking ''(D)'' and inserting ''(D) RULE OF CONSTRUCTION.—'' and moving such subparagraph two ems to the right;

(D) in subsection (c)—

(i) by striking ''(c)'' and inserting ''(c) ACCESSIBILITY OF REPORTS.—''; and

(ii) in paragraph (2), by striking ''service delivery area'' and inserting ''local workforce development area'';

(E) in subsection (d)—

(i) by striking ''(d)(1)'' and inserting the following;

''(d) INFORMATION TO BE INCLUDED IN REPORTS.—

''(1) IN GENERAL.—''; and

(ii) in paragraph (2), by striking ''(2)'' and inserting ''(2) ADDITIONAL REQUIREMENT.—'' and moving such paragraph two ems to the right;

(F) in subsection (e), by striking ''(e)'' and inserting ''(e) RETENTION OF RECORDS.—'';

(G) in subsection (f)—

(i) by striking ''(f)(1)'' and inserting the following:

''(f) QUARTERLY FINANCIAL REPORTS.—

''(1) IN GENERAL.—'';

(ii) by striking ''service delivery area'' and inserting ''local workforce development area''; and

(iii) in paragraph (2), by striking ''(2)'' and inserting ''(2) ADDITIONAL REQUIREMENT.—'' and moving such paragraph two ems to the right; and

(H) in subsection (g), by striking ''(g)'' and inserting ''(g) MAINTENANCE OF ADDITIONAL RECORDS.—''.

(7) SECTION 166.—Section 166 of such Act (29 U.S.C. 1576) is amended—

(A) in the section heading to read as follows:

''SEC. 166. ADMINISTRATIVE ADJUDICATION.'';

(B) in subsection (a), by striking ''(a)'' and inserting the following:

''(a) IN GENERAL.—'';

(C) in subsection (b), by striking ''(b)'' and inserting the following:

''(b) APPEAL.—'';

(D) in subsection (c), by striking ''(c)'' and inserting the following:

''(c) TIME LIMIT.—''; and

(E) in subsection (d), by striking ''(d)'' and inserting the following:

''(d) ADDITIONAL REQUIREMENT.—'';

(8) SECTION 169.—Section 169 of such Act (29 U.S.C. 1579) is amended—

(A) in the section heading to read as follows:

''SEC. 169. ADMINISTRATIVE PROVISIONS.'';

(B) in subsection (a), by striking ''(a)'' and inserting ''(a) IN GENERAL.—'';

(C) in subsection (b), by striking ''(b)'' and inserting ''(b) ACQUISITION OF CERTAIN PROPERTY AND SERVICES.—'';

(D) in subsection (c), by striking ''(c)'' and inserting ''(c) AUTHORITY TO ENTER INTO CERTAIN AGREEMENTS AND TO MAKE CERTAIN EXPENDITURES.—''; and

(E) in subsection (d), by striking ''(d)'' and inserting ''(d) ANNUAL REPORT.—''.

(9) SECTION 170.—Section 170 of such Act (29 U.S.C. 1580) is amended—

(A) in the section heading to read as follows:

''SEC. 170. UTILIZATION OF SERVICES AND FACILITIES.'';

and

(B) in the first sentence, by striking ''section 169(c)'' and inserting ''section 168(c)''.

(10) SECTION 171.—Section 171 of such Act (29 U.S.C. 1581) is amended in the section heading to read as follows:

''SEC. 171. OBLIGATIONAL AUTHORITY.''.

(11) REDESIGNATION.—Sections 169, 170, 171, 172, and 173 of the Job Training Partnership Act (29 U.S.C. 1579, 1580, and 1581), as amended or added by this Act, as the case may be, are further amended by redesignating such sections as sections 168, 169, 170, 171, and 172 of such Act, respectively.

(e) PART E.—

(1) HEADING.—The heading for part E of title I of such Act is amended by redesignating such heading as the heading for part D of title I of such Act (and conforming the typeface for such heading in a manner similar to the typeface for the heading for part C of title I of such Act (as amended by subsection (b)(1)(A)).

(2) SECTION 183.—Section 183 of such Act (29 U.S.C. 1592), as amended by this Act, is further amended by redesignating such section as section 181.

SEC. 904. AMENDMENTS TO TITLE IV.

(a) PART HEADINGS.—The following part headings of title IV of the Job Training Partnership Act (29 U.S.C. 1671 et seq.) are amended as follows:

(1) The heading for part A of title IV of such Act is amended to read as follows:

''PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS''.

(2) The heading for part B of title IV of such Act is amended to read as follows:

''PART B—JOB CORPS''.

(3) The heading for part C of title IV of such Act is amended to read as follows:

''PART C—VETERANS' EMPLOYMENT PROGRAMS''.

(4) The heading for part D of title IV of such Act is amended to read as follows:

''PART D—NATIONAL ACTIVITIES''.

(5) The heading for part E of title IV of such Act is amended to read as follows:

''PART E—LABOR MARKET INFORMATION''.

(b) SECTION 441.—Section 441 of such Act (29 U.S.C. 1721) is amended—

(1) in the section heading to read as follows:

"SEC. 441. AUTHORIZATION OF PROGRAMS.";

(2) in subsection (a)—

(A) by striking ''(a)(1)'' and inserting the following:

''(a) AUTHORIZATION.—

''(1) IN GENERAL.—'';

(B) in paragraph (2), by striking ''(2)'' and inserting ''(2) CONDUCT OF PROGRAMS.—'' and moving such paragraph two ems to the right; and

(C) in paragraph (3), by striking ''(3)'' and inserting ''(3) REQUIRED ACTIVITIES.—'' and moving such paragraph two ems to the right; and

(3) in subsection (b)—

(A) by striking ''(b)(1)'' and inserting the following:

''(b) ADMINISTRATION OF PROGRAMS.—

''(1) IN GENERAL.—''; and

(B) in paragraph (2), by striking ''(2)'' and inserting ''(2) ADDITIONAL RESPONSIBILITIES.—'' and moving such paragraph two ems to the right.

(c) SECTION 455.—Section 455 of such Act (29 U.S.C. 1735) is amended—

(1) in the section heading to read as follows:

"SEC. 455. UNIFORM REPORTING REQUIREMENTS.";

and

(2) by redesignating such section as section 453.

(d) SECTION 461.—Section 461 of such Act (29 U.S.C. 1751) is amended—

(1) in the section heading to read as follows:

"SEC. 461. LABOR MARKET INFORMATION; AVAILABILITY OF FUNDS.";

(2) in subsection (a), by striking ''(a)'' and inserting ''(a) SET-ASIDE OF FUNDS.—'';

(3) in subsection (b)—

(A) by striking ''(b)'' and inserting ''(b) AVAILABILITY FOR ADDITIONAL PURPOSE.—''; and

(B) by striking ''section 125'' and inserting ''section 467''; and

(4) in subsection (c), by striking ''(c)'' and inserting ''(c) AVAILABILITY OF OTHER FUNDS.—''.

(e) SECTION 462.—Section 462 of such Act (29 U.S.C. 1752) is amended—

(1) in the section heading to read as follows:

"SEC. 462. COOPERATIVE LABOR MARKET INFORMATION PROGRAM.";

(2) in subsection (a), by striking ''(a)'' and inserting ''(a) DATA ON CURRENT EMPLOYMENT.—'';

(3) in subsection (b), by striking ''(b)'' and inserting ''(b) MAINTENANCE OF DESCRIPTIONS OF JOB DUTIES AND RELATED INFORMATION.—'';

(4) in subsection (c), by striking ''(c)'' and inserting ''(c) ADDITIONAL REQUIREMENTS.—'';

(5) in subsection (d)—

(A) by striking ''(d)(1)'' and inserting the following:

''(d) DATA FOR ANNUAL STATISTICAL MEASURE OF LABOR MARKET RELATED ECONOMIC HARDSHIP.—

''(1) IN GENERAL.—'';

(B) in paragraph (2), by striking ''(2)'' and inserting ''(2) HOUSEHOLD BUDGET DATA.—'' and moving such paragraph two ems to the right; and

(C) in paragraph (3), by striking ''(3)'' and inserting ''(3) REPORT.—'' and moving such paragraph two ems to the right;

(6) in subsection (e), by striking ''(e)'' and inserting ''(e) STATISTICAL DATA RELATING TO PERMANENT LAY-OFFS AND PLANT CLOSINGS.—''

(7) in subsection (f)—

(A) by striking ''(f)(1)'' and inserting the following:

''(f) DATA RELATING TO PERMANENT DISLOCATION OF FARMERS AND RANCHERS.—

''(1) IN GENERAL.—'';

(B) in paragraph (1), by moving subparagraphs (A) through (E) two ems to the right; and

(C) in paragraph (2), by striking ''(2)'' and inserting ''(2) REPORT.—'' and moving such paragraph two ems to the right; and

(8) by striking subsection (g).

(f) SECTION 463.—Section 463 of such Act (29 U.S.C. 1753) is amended—

(1) in the section heading to read as follows:

"SEC. 463. SPECIAL FEDERAL RESPONSIBILITIES.";

(2) in subsection (a), by striking ''(a)'' and inserting ''(a) REVIEW AND APPLICATION OF LABOR MARKET INFORMATION.—'';

(3) in subsection (b), by striking ''(b)'' and inserting ''(b) INTEGRATED OCCUPATIONAL SUPPLY AND DEMAND INFORMATION SYSTEM.—''; and

(4) in subsection (c), by striking ''(c)'' and inserting ''(c) SUFFICIENT FUNDS FOR STAFFING.—''.

(g) SECTION 464.—Section 464 of such Act (29 U.S.C. 1754) is amended—

(1) in the section heading to read as follows:

"SEC. 464. NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE.";

(2) in subsection (a)—

(A) by striking ''(a)(1)'' and inserting the following:

''(a) RESERVATION.—

''(1) IN GENERAL.—'';

(B) in paragraph (2), by striking ''(2)'' and inserting ''(2) ADDITIONAL MEMBERS.—'' and moving such paragraph two ems to the right; and

(C) in paragraph (3), by striking ''(3)'' and inserting ''(3) ADDITIONAL REQUIREMENT.—'' and moving such paragraph two ems to the right;

(3) in subsection (b), by striking ''(b)'' and inserting ''(b) ADDITIONAL RESPONSIBILITIES.—''; and

(4) in subsection (c), by striking ''(c)'' and inserting ''(c) USE OF FUNDS.—''.

(h) SECTION 465.—Section 465 of such Act (29 U.S.C. 1755) is amended in the section heading to read as follows:

"SEC. 465. JOB BANK PROGRAM.".

(i) SECTION 466.—Section 466 of such Act (as redesignated) is amended—

(1) in the section heading to read as follows:

"SEC. 466. STATE JOB BANK SYSTEMS.";

(2) in subsection (a) (as redesignated), by striking ''(a)'' and inserting ''(a) IN GENERAL.—''; and

(3) in subsection (b) (as redesignated), by striking ''(b)'' and inserting ''(b) COMPUTERIZED DATA SYSTEMS.—''.

(j) SECTION 467.—Section 467 of such Act (as redesignated) is amended—

(1) in the section heading to read as follows:

"SEC. 467. STATE LABOR MARKET INFORMATION PROGRAMS.";

(2) in subsection (a), by striking ''(a)'' and inserting the following:

''(a) IN GENERAL.—'';

(3) in subsection (b), by striking ''(b)'' and inserting the following:

''(b) ADDITIONAL REQUIREMENTS.—'';

(4) in subsection (c), by striking ''(c)'' and inserting the following:

''(c) REIMBURSEMENTS.—''; and

(5) in subsection (d), by striking ''(d)'' and inserting the following:

''(d) COMBINATION OR CONSOLIDATION OF CERTAIN REPORTING REQUIREMENTS.—''.

SEC. 905. AMENDMENTS TO TITLE VI.

The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended by striking the heading for title VI of such Act.

SEC. 906. CLARIFICATION.

Nothing in this Act, the amendments made by this Act, or any law amended by this Act shall be construed to supplant or modify the requirements for registration of an apprenticeship program under the National Apprenticeship Act.

Subtitle B—Amendments to Other Acts

SEC. 911. AMENDMENTS TO OTHER ACTS.

The following Acts are amended as follows:

(1) TITLE 5, UNITED STATES CODE.—Section 3502(d) of title 5, United States Code, is amended—

(A) in paragraph (3)—

(i) in subparagraph (A)(i), by striking ''or units (referred to in section 311(b)(2) of the Job Training Partnership Act)'' and inserting ''referred to in section 313(a)(2)(B)(i) of the Employment, Training, and Literacy Enhancement Act''; and

(ii) in subparagraph (B)(iii), by striking ''Job Training Partnership Act'' and inserting ''Employment, Training, and Literacy Enhancement Act''; and

(B) in paragraph (4), in the second sentence, by striking ''Job Training Partnership Act'' and inserting ''Employment, Training, and Literacy Enhancement Act''.

(2) FOOD STAMP ACT OF 1977.—

(A) SECTION 5.—Section 5(l) of the Food Stamp Act of 1977 (7 U.S.C. 2014(l)) is amended by striking ''section 142(b) of the Job Training Partnership Act (29 U.S.C. 1552(b))'' and inserting ''title II, III, or IV of the Employment, Training, and Literacy Enhancement Act''.

(B) SECTION 6.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended—

(i) in subsection (d)(4)(M), by striking ''Job Training Partnership Act'' and inserting ''Employment, Training, and Literacy Enhancement Act''; and

(ii) in subsection (e)(3), by striking subparagraph (A) and inserting the following:

''(A) a program under title II, III, or IV of the Employment, Training, and Literacy Enhancement Act;''.

(C) SECTION 17.—The second sentence of section 17(b)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(2)) is amended—

(i) by striking ''to accept an offer of employment from a political subdivision or a prime sponsor pursuant to the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812),'' and inserting ''to accept an offer of employment from a service provider carrying out employment and training activities through a program carried out under title II, III, or IV of the Employment, Training, and Literacy Enhancement Act,''; and

(ii) by striking '': *Provided*, That all of the political subdivision's'' and all that follows and inserting '', if all of the jobs supported under the program have been made available to participants in the program before the service provider providing the jobs extends an offer of employment under this paragraph, and if the service provider, in employing the person, complies with the requirements of Federal law that relate to the program.''.

(3) IMMIGRATION AND NATIONALITY ACT.—Section 245A(h)(4)(F) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(F)) is amended by striking ''The Job Training Partnership Act.'' and inserting ''The Employment, Training, and Literacy Enhancement Act.''.

(4) REFUGEE EDUCATION ASSISTANCE ACT OF 1980.—Section 402(a)(4) of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is amended by striking ''the Comprehensive Employment and Training Act of 1973'' and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(5) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—

(A) SECTION 3161.—Section 3161(c)(6) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h(c)(6)) is amended by striking ''Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''title II, III, or IV of the Employment, Training, and Literacy Enhancement Act''.

(B) SECTION 4461.—Section 4461(1) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking ''The Job Training Partnership Act (29 U.S.C. 1501 et seq.).'' and inserting ''The Employment, Training, and Literacy Enhancement Act.''.

(C) SECTION 4471.—Section 4471 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 2501 note) is amended—

(i) in subsection (c)(2), by striking ''section 311(b)(2) of the Job Training Partnership Act (29 U.S.C. 1661(b)(2))'' and inserting ''313(a)(2)(B)(i) of the Employment, Training, and Literacy Enhancement Act'';

(ii) in subsection (d)—

(I) in the first sentence, by striking ''for training, adjustment assistance, and employment services'' and all that follows through ''except where'' and inserting ''to participate in employment and training activities carried out under the Employment, Training, and Literacy Enhancement Act, except in a case in which''; and

(II) by striking the second sentence; and

(iii) in subsection (e), by striking ''for training,'' and all that follows through ''beginning'' and inserting ''to participate in employment and training activities under the Employment, Training, and Literacy Enhancement Act beginning''.

(6) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991.—Section 4003(5)(C) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2391 note) is amended by inserting before the period the following: '', as in effect on the day before the date of the enactment of the Employment, Training, and Literacy Enhancement Act of 1997''.

(7) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994.—Section 1333(c)(2)(B) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2701 note) is amended by striking ''Private industry councils (as described in section 102 of the Job Training Partnership Act (29 U.S.C. 1512)).'' and inserting ''Local workforce development boards established under section 122 of the Employment, Training, and Literacy Enhancement Act.''.

(8) SMALL BUSINESS ACT.—The fourth sentence of section 7(j)(13)(E) of the Small Business Act (15 U.S.C. 636(j)(13)(E)) is amended by striking ''under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''under section 124 of the Employment, Training, and Literacy Enhancement Act''.

(9) EMPLOYMENT ACT OF 1946.—Section 4(f)(2)(B) of the Employment Act of 1946 (15 U.S.C. 1022a(f)(2)(B)) is amended by striking ''and include these in the annual Employment and Training Report of the President required under section 705(a) of the Comprehensive Employment and Training Act of 1973 (hereinafter in this Act referred to as 'CETA')'' and inserting ''and prepare and submit to the President an annual report containing the recommendations''.

(10) FULL EMPLOYMENT AND BALANCED GROWTH ACT OF 1978.—

(A) SECTION 206.—Section 206 of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3116) is amended—

(i) in subsection (b)—

(I) in the matter preceding paragraph (1), by striking ''CETA'' and inserting ''the Employment, Training, and Literacy Enhancement Act''; and

(II) in paragraph (1), by striking ''(including use of section 110 of CETA when necessary)''; and

(ii) in subsection (c)(1), by striking ''through the expansion of CETA and other''.

(B) SECTION 401.—Section 401(d) of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3151(d)) is amended by striking ''include, in the annual Employment and Training Report of the President provided under section 705(a) of CETA,'' and inserting ''include, in the annual report referred to in section 4(f)(2)(B) of the Employment Act of 1946 (15 U.S.C. 1022a(f)(2)(B)),''.

(11) TITLE 18, UNITED STATES CODE.—Subsections (a), (b), and (c) of section 665 of title 18, United States Code are amended by striking ''or the Job Training Partnership Act'' and inserting ''the Job Training Partnership Act, or the Employment, Training, and Literacy Enhancement Act''.

(12) TRADE ACT OF 1974.—Section 239(e) of the Trade Act of 1974 (19 U.S.C. 2311(e)) is amended by striking ''Job Training Partnership Act'' and inserting ''Employment, Training, and Literacy Enhancement Act''.

(13) HIGHER EDUCATION ACT OF 1965.—Section 480(b)(14) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(b)(14)) is amended by striking ''Job Training Partnership Act'' and inserting ''received through participation under title II, III, or IV of the Employment, Training, and Literacy Enhancement Act''.

(14) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Section 626 of the Individuals with Disabilities Education Act (20 U.S.C. 1425) is amended—

(A) in the first sentence of subsection (a), by striking ''(including the State job training coordinating councils and service delivery area administrative entities established under the Job Training Partnership Act)'' and inserting ''(including the State collaborative process under of section 102 of the Employment, Training, and Literacy Enhancement Act and local workforce development boards established under section 122 of such Act)'';

(B) in subsection (e)—

(i) in paragraph (3)(C), by striking ''local Private Industry Councils (PICS) authorized by the Job Training Partnership Act (JTPA),'' and inserting ''local workforce development boards established under section 122 of the Employment, Training, and Literacy Enhancement Act,'';

(ii) in paragraph (4)(A)(iii), by striking ''local Private Industry Councils (PICS) authorized by the JTPA,'' and inserting ''local workforce development boards established under section 122 of the Employment, Training, and Literacy Enhancement Act,''; and

(iii) in clauses (iii), (iv), (v), and (vii) of paragraph (4)(B), by striking ''PICS authorized by the JTPA'' and inserting ''local workforce development boards established under section 122 of the Employment, Training, and Literacy Enhancement Act''; and

(C) in subsection (g), by striking ''the Job Training Partnership Act (JTPA),'' and inserting ''the Employment, Training, and Literacy Enhancement Act,''.

(15) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Subsection (a) of section 302 of the Department of Education Organization Act (20 U.S.C. 3443(a)) (as redesignated in section 271(a)(2) of the Improving America's Schools Act of 1994) is amended by striking ''under section 303(c)(2) of the Comprehensive Employment and Training Act'' and inserting ''relating to such education''.

(16) NATIONAL SKILL STANDARDS ACT OF 1994.—

(A) SECTION 504.—Section 504(c)(3) of the National Skill Standards Act of 1994 (20 U.S.C. 5934(c)(3)) is amended by striking ''the Capacity Building and Information and Dissemination Network established under section 453(b) of the Job Training Partnership Act (29 U.S.C. 1733(b)) and''.

(B) SECTION 508.—Section 508(1) of the National Skill Standards Act of 1994 (20 U.S.C. 5938(1)) is amended to read as follows:

''(1) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization of demonstrated effectiveness that is representative of a community or a significant segment of a community and that provides workforce and career development activities, as defined in section 4 of the Employment, Training, and Literacy Enhancement Act.''.

(17) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) SECTION 1205.—Section 1205(8)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6365(8)(B)) is amended by striking '', the Adult Education Act, the Individuals with Disabilities Education Act, and the Job Training Partnership Act'' and inserting ''the Individuals with Disabilities Education Act, and the Employment, Training, and Literacy Enhancement Act''.

(B) SECTION 1414.—Section 1414(c)(8) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6434(c)(8)) is amended by striking ''programs under the Job Training Partnership Act,'' and inserting ''activities under the Employment, Training, and Literacy Enhancement Act,''.

(C) SECTION 1423.—Section 1423(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6453(9)) is amended by striking ''programs under the Job Training and Partnership Act'' and inserting ''activities under the Employment, Training, and Literacy Enhancement Act''.

(D) SECTION 1425.—Section 1425(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6455(9)) is amended by striking '', such as funds under the Job Training Partnership Act,'' and inserting '', such as funds made available under the Employment, Training, and Literacy Enhancement Act,''.

(18) FREEDOM SUPPORT ACT.—The last sentence of section 505 of the FREEDOM Support Act (22 U.S.C. 5855) is amended by striking '', through the Defense Conversion'' and all that follows through ''or through'' and inserting ''or through''.

(19) EMERGENCY JOBS AND UNEMPLOYMENT ASSISTANCE ACT OF 1974.—

(A) SECTION 204.—Section 204(b) of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended by striking ''designate as an area'' and all that follows and inserting ''designate as an area under this section an area that is a local workforce development area under the Employment, Training, and Literacy Enhancement Act.''.

(B) SECTION 223.—Section 223 of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended—

(i) in paragraph (3), by striking ''assistance provided'' and all that follows and inserting ''assistance provided under the Employment, Training, and Literacy Enhancement Act;''; and

(ii) in paragraph (4), by striking ''funds provided'' and all that follows and inserting ''funds provided under the Employment, Training, and Literacy Enhancement Act;''.

(20) JOB TRAINING REFORM AMENDMENTS OF 1992.—Section 701 of the Job Training Reform Amendments of 1992 (29 U.S.C. 1501 note) is repealed.

(21) PUBLIC LAW 98–524.—Section 7 of Public Law 98–524 (29 U.S.C. 1551 note) is repealed.

(22) VETERANS' BENEFITS AND PROGRAMS IMPROVEMENT ACT OF 1988.—Section 402 of the

Veterans' Benefits and Programs Improvement Act of 1988 (29 U.S.C. 1721 note) is amended—

(A) in subsection (a), by striking ''title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.)'' and inserting ''the Employment, Training, and Literacy Enhancement Act'';

(B) in subsection (c), by striking ''Training, in consultation with the office designated or created under section 322(b) of the Job Training Partnership Act,'' and inserting ''Training''; and

(C) in subsection (d)—

(i) in paragraph (1), by striking ''under—'' and all that follows through ''the Veterans'' and inserting ''under the Veterans'''; and

(ii) in paragraph (2), by striking ''Employment and training'' and all that follows and inserting ''Employment, training, and literacy activities under the Employment, Training, and Literacy Enhancement Act.''.

(23) VETERANS' JOB TRAINING ACT.—

(A) SECTION 13.—Section 13(b) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking ''assistance under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''assistance under the Employment, Training, and Literacy Enhancement Act''.

(B) SECTION 14.—Section 14(b)(3)(B)(i)(II) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking ''under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''under the Employment, Training, and Literacy Enhancement Act''.

(C) SECTION 15.—Section 15(c)(2) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended—

(i) in the second sentence, by striking ''part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''the Employment, Training, and Literacy Enhancement Act''; and

(ii) in the third sentence, by striking ''title III of''.

(24) WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT.—Section 3(a)(2) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102(a)(2)) is amended by striking ''title III of the Job Training Partnership Act'' and inserting ''title II, III, or IV of the Employment, Training, and Literacy Enhancement Act''.

(25) TITLE 31, UNITED STATES CODE.—Section 6703(a) of title 31, United States Code, is amended by striking paragraph (4) and inserting the following:

''(4) Programs under title III or IV of the Employment, Training, and Literacy Enhancement Act.''.

(26) VETERANS' REHABILITATION AND EDUCATION AMENDMENTS OF 1980.—Section 512 of the Veterans' Rehabilitation and Education Amendments of 1980 (38 U.S.C. 4101 note) is amended by striking ''the Comprehensive Employment and Training Act (29 U.S.C. et seq.),'' and inserting ''the Employment, Training, and Literacy Enhancement Act,''.

(27) TITLE 38, UNITED STATES CODE.—

(A) SECTION 4102A.—Section 4102A(d) of title 38, United States Code, is amended by striking ''the Job Training Partnership Act'' and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(B) SECTION 4103A.—Section 4103A(c)(4) of title 38, United States Code, is amended by striking ''Job Training Partnership Act (29 U.S.C. 1501 et seq.))'' and inserting ''Employment, Training, and Literacy Enhancement Act)''.

(C) SECTION 4213.—Section 4213 of title 38, United States Code, is amended by striking ''Job Training Partnership Act (29 U.S.C. 1501 et seq.),'' and inserting ''Employment, Training, and Literacy Enhancement Act,''.

(28) UNITED STATES HOUSING ACT OF 1937.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended—

(A) in subsection (b)(2)(A), by striking ''the Job Training'' and all that follows through ''or the'' and inserting ''the Employment, Training, and Literacy Enhancement Act or the'';

(B) in the first sentence of subsection (f)(2), by striking ''programs under the'' and all that follows through ''and the'' and inserting ''programs under title II, III, or IV of the Employment, Training, and Literacy Enhancement Act and the''; and

(C) in subsection (g)—

(i) in paragraph (2), by striking ''programs under the'' and all that follows through ''and the'' and inserting ''programs under title II, III, or IV of the Employment, Training, and Literacy Enhancement Act and the''; and

(ii) in paragraph (3)(H), by striking ''program under'' and all that follows through ''and any other'' and inserting ''program under title II, III, or IV of the Employment, Training, and Literacy Enhancement Act and any other''.

(29) HOUSING ACT OF 1949.—Section 504(c)(3) of the Housing Act of 1949 (42 U.S.C. 1474(c)(3)) is amended by striking ''pursuant to'' and all that follows through ''or the'' and inserting ''pursuant to the Employment, Training, and Literacy Enhancement Act or the''.

(30) OLDER AMERICANS ACT OF 1965.—

(A) SECTION 203.—Section 203 of the Older Americans Act of 1965 (42 U.S.C. 3013) is amended—

(i) in subsection (a)(2), by striking the last sentence and inserting the following: ''In particular, the Secretary of Labor and the Secretary of Education shall consult and cooperate with the Assistant Secretary in carrying out the Employment, Training, and Literacy Enhancement Act of 1997.''; and

(ii) in subsection (b), by striking paragraph (1) and inserting the following:

''(1) the Employment, Training, and Literacy Enhancement Act,''.

(B) SECTION 502.—Section 502 of the Older Americans Act of 1965 (42 U.S.C. 3056) is amended—

(i) in subsection (b)(1)(N)(i), by striking ''the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''the Employment, Training, and Literacy Enhancement Act''; and

(ii) in subsection (e)(2)(C), by striking ''programs carried out under section 124 of the Job Training Partnership Act (29 U.S.C. 1534)'' and inserting ''employment and training activities carried out under title III of the Employment, Training, and Literacy Enhancement Act''.

(C) SECTION 503.—Section 503(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3056a(b)(1)) is amended by striking ''the Job Training Partnership Act,'' each place it appears and inserting ''the Employment, Training, and Literacy Enhancement Act,''.

(31) OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968.—Section 1801(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796ee(b)(3)) is amended by striking ''Job Training Partnership Act (relating to Job Corps) (29 U.S.C. 1691 et seq.)'' and inserting ''Employment, Training, and Literacy Enhancement Act''.

(32) ENVIRONMENTAL PROGRAMS ASSISTANCE ACT OF 1984.—The second sentence of section 2(a) of the Environmental Programs Assistance Act of 1984 (42 U.S.C. 4368a(a)) is amended by striking ''Job Training Partnership Act'' and inserting ''Employment, Training, and Literacy Enhancement Act''.

(33) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—

(A) SECTION 103.—Section 103(d) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4953(d)) is amended in the second sentence to read as follows: ''Whenever feasible, such efforts shall be coordinated with a local workforce development board established under section 122 of the Employment, Training, and Literacy Enhancement Act.''.

(B) SECTION 109.—Subsections (c)(2) and (d)(2) of section 109 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4959) is amended by striking ''Job Training Partnership Act'' and inserting ''Employment, Training, and Literacy Enhancement Act''.

(34) AGE DISCRIMINATION ACT OF 1975.—Section 304(c)(1) of the Age Discrimination Act of 1975 (42 U.S.C. 6103(c)(1)) is amended by striking ''the Comprehensive Employment and Training Act of 1974 (29 U.S.C. 801, et seq.), as amended,'' and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(35) ENERGY CONSERVATION AND PRODUCTION ACT.—Section 414(b)(3) of the Energy Conservation and Production Act (42 U.S.C. 6864(b)(3)) is amended by striking ''the Comprehensive Employment and Training Act of 1973'' and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(36) NATIONAL ENERGY CONSERVATION POLICY ACT.—Section 233 of the National Energy Conservation Policy Act (42 U.S.C. 6873) is amended, in the matter preceding paragraph (1), by striking ''the Comprehensive Employment and Training Act of 1973'' and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(37) COMMUNITY ECONOMIC DEVELOPMENT ACT OF 1981.—Section 617(a)(3) of the Community Economic Development Act of 1981 (42 U.S.C. 9806(a)(3)) is amended by striking ''activities such as those described in the Comprehensive Employment and Training Act'' and inserting ''employment and training activities described in the Employment, Training, and Literacy Enhancement Act''.

(38) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Section 103(b)(2) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302(b)(2)) is amended by striking ''the Job Training Partnership Act'' and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(39) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(A) SECTION 177.—Section 177(d) of the National and Community Service Act of 1990 (42 U.S.C. 12637(d)) is amended by striking ''Job Training Partnership Act'' each place it appears and inserting ''Employment, Training, and Literacy Enhancement Act''.

(B) SECTION 198C.—Section 198C of the National and Community Service Act of 1990 (42 U.S.C. 12653c) is amended—

(i) in subsection (b)(1), by striking ''a military installation described in section 325(e)(1) of the Job Training Partnership Act (29 U.S.C. 1662d(e)(1)).'' and inserting ''a military installation being closed or realigned under—

''(A) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note); and

''(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).''; and

(ii) in subsection (e)(1)(B)(iii), by striking ''Job Training Partnership Act (29 U.S.C. 1693)'' and inserting ''Employment, Training, and Literacy Enhancement Act''.

(C) SECTION 199L.—Section 199L(a) of the National and Community Service Act of 1990 (42 U.S.C. 12655m(a)) is amended by striking ''the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(40) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—

(A) SECTION 454.—Subparagraphs (H) and (M) of subsection (c)(2), and subsection (d)(7), of section 454 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899c) are amended by striking ''the Job Training Partnership Act'' and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(B) SECTION 456.—The first sentence of section 456(e) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899e(e)) is amended by striking ''the Job Training Partnership Act'' each place it appears and inserting ''the Employment, Training, and Literacy Enhancement Act''.

(41) VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994.—Section 31113(a)(4)(C) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13823(a)(4)(C)) is amended by inserting after ''the Job Training Partnership Act (29 U.S.C. 1501 et seq.)'' the following: '', title II, III, or IV of the Employment, Training, and Literacy Enhancement Act,''.

(42) PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996.—Section 403(c)(2)(K) and section 423(d)(11) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)(K) and 1138a note) are amended by striking ''Job Training Partnership Act'' each place it appears and inserting ''Employment, Training, and Literacy Enhancement Act''.

TITLE X—EFFECTIVE DATE AND TRANSITION PROVISIONS

SEC. 1001. EFFECTIVE DATE.

This division and the amendments made by this division shall take effect on July 1, 1998.

SEC. 1002. TRANSITION PROVISIONS.

''(a) IN GENERAL.—The Secretary of Education and the Secretary of Labor, as appropriate, shall take such steps as such Secretaries determine to be appropriate to provide for the orderly transition from any authority under provisions of law amended or repealed by this division or any related authority under the provisions of this division.

(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 three or more of the programs, projects, or activities described in subparagraphs (A) through (E) or paragraph (2), the State shall not be required to comply with provisions of this Act that conflict with such State statute for the period ending three years after the date of enactment of this Act.

(2) PROGRAMS, PROJECTS, AND ACTIVITIES DESCRIBED.—The programs, projects, and activities described in this paragraph are the following:

(A) Establishment of human resource investment councils or substate councils.

(B) Reorganization or consolidation of State agencies with responsibility for State employment and training programs.

(C) Reorganization or consolidation of State employment and training programs.

(D) Restructuring of local delivery systems for State employment and training programs.

(E) Development or restructuring of State accountability or oversight systems to focus on performance.

AMENDMENT NO. 2 OFFERED BY MR. GRAHAM

Mr. GRAHAM. Mr. Chairman, I offer amendment No. 2, printed in the RECORD.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. GRAHAM:

Page 15, line 18, after ''services'' insert ''provided to participants on a voluntary basis''.

Page 15, line 20, after ''family'' insert ''(such as eliminating or reducing welfare dependency)''.

Page 16, strike lines 1 through 3 and insert the following:

''(B) Equipping parents to partner with their children in learning.''

Page 16, strike lines 6 through 8 and insert the following:

''(D) Appropriate instruction for children of parents receiving parent literacy services.''

Page 28, line 11, after ''award'' insert ''not less than 1''.

Page 28, line 11, strike ''grants'' and insert ''grant''.

Page 52, after line 12, add the following:

''(7) LIMITATION.—Nothing in this Act shall be construed to provide local workforce development boards with the authority to mandate curriculum for schools.''

Page 179, line 10, after ''adults,'' insert ''on a voluntary basis,''.

Page 179, line 12, after ''parents,'' insert ''on a voluntary basis,''.

Page 184, after line 5, insert the following:

''SEC. 305. HOME SCHOOLS.

''Nothing in this title shall be construed to affect home schools, nor to compel a parent engaged in home schooling to participate in an English literacy program, family literacy services, or adult education.''

Page 192, line 6, strike '', such as'' and all that follows through line 11 and insert a semicolon.

Page 192, line 19, strike ''gains;'' and insert ''gains and uses instructional practices, such as phonemic awareness and systematic phonics, that research has proven to be effective in teaching individuals to read,''.

Page 194, line 11, after ''including'' insert ''instruction incorporation phonemic awareness and systematic phonics and''.

Page 195, line 5, strike ''curricula;'' and insert ''curricula, including curricula incorporating phonemic awareness and systematic phonics;''.

Page 199, line 10, strike ''available'' and insert ''available, including the work of the National Institute of Child Health and Human Development in the area of phonemic awareness and systematic phonics,''.

Page 201, beginning on line 4, after ''including'' insert ''instruction'' in phonemic awareness and systematic phonics and''.

Page 201, line 5, strike ''such'' and insert ''literacy and basic skills''.

Page 201, line 22, before ''research'' insert ''reliable and replicable''.

Page 202, line 8, strike ''promise;'' and insert ''promise, including phonemic awareness and systematic phonics based on the work of the National Institute of Child Health and Human Development;''.

Page 204, line 3, before ''research'' insert ''reliable and replicable''.

Page 210, line 9, strike ''adults;'' and insert ''adults, including instructional practices using phonemic awareness and systematic phonics based on the work of the National Institute of Child Health and Human Development;''.

Page 211, line 24, strike ''A'' and insert ''A, and based on scientific evidence, where available.''.

Mr. GRAHAM. Mr. Chairman, to begin with, I, too, would like to thank Chairman GOODLING and Chairman MCKEON and the gentleman from Michigan, Mr. KILDEE, for putting together a bill that has been a very difficult task, but I think most of all for the good.

The committee has come together in a bipartisan fashion to address some problems long overdue to be addressed, and to rescind duplication and get local control for the 21st century, something I think most Americans agree with.

I have some amendments, I think, that are very appropriate, and I hope we can agree upon them. There are things about the bill that I would like to have changed that we cannot get an agreement upon.

Federal school-to-work, I would like that to cease now, because I believe that program, the school-to-work program, should be run at the local level. But under the program that we have today, Federal school-to-work will terminate in 2 years, and given our current situation, that is something that I will have to live with. On balance, the bill is very good.

The amendment that I offer today addresses concerns of family groups that I think are very legitimate, and to understand where people are coming from, a lot of folks are concerned that when we do things in Washington and when we do things at the State level, that does limit choices. Any time the government gets involved in an area, to me we need to do so as cautiously as possible, and allow people choices that are good for their community and their family.

One thing that we have done with this amendment is we have clearly stated that nothing in this bill should be construed to affect home schoolers, or compel a parent engaged in home schooling to participate in the literacy program, family literacy services, or adult education.

What we are trying to do here is to preserve the right to home school and make this program truly voluntary, and if a parent who is a home schooler does not want to participate, they certainly do not have to.

When we talk about teaching reading and how to bring about literacy, one of the things that is important to me is that we have a full menu, and that phonics, I think a tried and true method of teaching literacy, be included. This amendment ensures that phonics will have a systematic approach and a place in the literacy program, something I believe that is very necessary and very appropriate.

The last thing is that the gentleman from Texas [Mr. PAUL] talked about local work force development boards. If you had to pick between Washington and home, I pick home. The local work force development boards are going to be made up of local official business leaders, who I think have the best chance of telling us what the job market is like a lot better than we do here in Washington. We are going to allow them unprecedented flexibility and ability to shape a work force so people, when they get out of school, are ready to go to work, and hopefully we can reduce the welfare rolls early on by giving the people the skills they need to be competitive in the 21st century.

One thing we do not want to do is we do not want to mix job training with setting curriculum. Curriculum should be set by local educators and parents. I have offered an amendment that clearly says that the local work force development boards do not have any authority to mandate school curriculum. I think that is an amendment that clarifies and clearly limits and defines the roll of the work force development board, to make sure that parents and teachers control curriculum and not some other group we set up in the area of job training.

On balance, the bill moves the ball forward. I am very proud to have been a part of it. Any time we make major changes, we do not make everybody happy. That is democracy. I think we have brought some common sense to bear on programs that lack common sense, and local people are more empowered today to affect the job training and education of their children than they were before this bill began.

In my district we have lost 40 percent work force at the Savannah River site, the largest Department of Energy facility in the Nation. The reforms in this bill will allow more flexibility, more assets to be used in the local community to make sure that those people in my district and other districts who are losing their jobs have a chance to get retrained and go back into the work force.

On balance, I believe this is a good bill, and the amendments I offer I think will strengthen the bill.

Mr. MCKEON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from South Carolina [Mr. GRAHAM] serves as the vice chairman of the subcommittee, and has been very diligent in working to make this bill better. We would have no objection to this amendment.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we learned of this amendment late yesterday afternoon, and had only a brief opportunity to go over it. However, we were able to work to make some changes in it. I believe the amendment now is acceptable. I believe it is important, however, that we reserve the right to look at it again in conference with the Senate.

Mr. HILLEARY. Mr. Chairman, I rise in support of the amendment offered by my good friend Mr. GRAHAM because it makes some necessary improvements to H.R. 1385 in the areas of adult education and literacy.

First, this amendment makes clear that all participation in adult education and family literacy programs is strictly voluntary. It also stipulates that this legislation has no impact on homeschools, nor can it compel homeschooling parents to participate in these programs.

Second, the amendment clarifies that the intent of the programs is to strengthen the literacy skills of parents and their children. This will help equip parents to work with their children effectively in the learning process.

Most importantly, this amendment clarifies that local work force development boards do not have any authority to mandate school curriculum. Workforce development boards are only authorized to manage training programs, not usurp the authority of local elected officials and school administrators. I encourage my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. GRAHAM].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I have three amendments spread over this bill. They are all the same. But to cover the bill with the Buy-American Act, I ask unanimous consent to consider en bloc these three amendments.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. TRAFICANT:

Page 104, line 22, strike the closed quotation marks and the second period.

Page 104, after line 22, add the following:

"SEC. 173. BUY-AMERICAN REQUIREMENTS.

''(a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

''(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

''(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

''(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

''(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a 'Made in America' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.''.

Page 212, line 5, strike the closed quotation marks and the second period.

Page 212, after line 5, insert the following:

"SEC. 323. BUY-AMERICAN REQUIREMENTS.

''(a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

''(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

''(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

''(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

''(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a 'Made in America' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.''.

Page 225, after the item relating to section 171 add the following:

''Sec. 172. Buy-American requirements.

Page 243, line 3, strike ''and 172'' and insert ''172, and 173''.

Page 243, line 7, strike ''and 171'' and insert ''171, and 172''.

Page 279, after line 17, insert the following (and conform the table of contents of the bill accordingly):

SEC. 2104. BUY-AMERICAN REQUIREMENTS.

(a) IN GENERAL.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended by inserting after section 21 the following:

"SEC. 22. BUY-AMERICAN REQUIREMENTS.

''(a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

''(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

''(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

''(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

''(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a 'Made in America' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.''.

(b) CONFORMING AMENDMENT.—The table of contents of such Act (29 U.S.C. 701 note) is amended by inserting after the item relating to section 21 the following:

''Sec. 172. Buy-American requirements.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Chairman. Is there objection to the original request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, these are Buy American amendments. They simply say that all the money expended under this bill shall comply with the Buy American Act, and hopefully also a sense of the Congress that anyone expending these monies should, wherever possible, try and attempt to buy American-made goods and products; also, that there be a notice to recipients of grants or utilization money under this act that the Congress encourages them to, wherever possible, try and buy American-made goods.

Finally, it prohibits contracts to any person who in fact supplies supposedly made-in-America products that are not made in America.

The last provision is basically this. If someone who is doing business with one of our groups under this bill sells us supposedly made-in-America products, and we find it is a fraudulent, not made-in-America product, then they are prohibited from any more business covered under this act. That is the third provision.

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That explains the three provisions.

Mr. Chairman, I yield to the gentleman from California [Mr. MCKEON].

Mr. MCKEON. Mr. Chairman, we have no objection to the gentleman's amendment. We agree with what he is trying to do, and we will make sure we will work that out in accordance with his wishes.

Mr. TRAFICANT. Mr. Chairman, I appreciate the gentleman's good work and also the gentleman from Pennsylvania [Mr. GOODLING] for working with me on the issue.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, I certainly support the amendment and urge its adoption.

Mr. TRAFICANT. Mr. Chairman, I urge an ''aye'' vote.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendments were agreed to.

Mr. HINOJOSA. Mr. Chairman, I move to strike the last word. I do not wish to speak to the present amendment, Mr. Chairman.

I rise in support of H.R. 1385 and the manager's amendment. Had I been here earlier, I would have spoken to this, and this is what I wanted to get into the record. I am particularly gratified by the willingness of the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MCKEON] to work with Members from our side in producing a bipartisan bill that includes accountability. My thanks also go to the gentleman from Missouri [Mr. CLAY] and the gentleman from Michigan [Mr. KILDEE], the ranking members, for their leadership.

The addition of the provision that work force boards should make available to the public upon request the minutes of their meetings encourages me in the belief that the work force board process will be fair and open.

The CHAIRMAN. Are there further amendments to division A?

AMENDMENT NO. 4 OFFERED BY MR. OWENS

Mr. OWENS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. OWENS: Page 8, line 8, strike ''Such sums'' and insert ''(A) Except as provided in subparagraph (B), such sums''.

Page 8, after line 10, add the following:

''(B)(i) Such sums as may be necessary for each of the fiscal years 1999 through 2003 to provide amounts to local workforce development areas under title II to carry out summer youth employment programs under such title in accordance with this subparagraph.

''(ii) Such amounts—

''(I) shall be used in accordance with the requirements otherwise applicable to programs under title II, except that such amounts shall be allocated to local workforce development areas in accordance with the requirements described in section 262(b) of the Job Training Partnership Act (29 U.S.C. 1642(b)) (as such section was in effect on the day before the date of the enactment of the Employment, Training, and Literacy Enhancement Act of 1997); and

''(II) shall be used to provide summer youth employment opportunities suitably linked to academic, occupational, and work-based learning opportunities.

Page 124, strike line 4 and all that follows through line 10.

Page 124, line 11, strike ''(IV)'' and insert ''(III)''.

Page 124, line 18, strike ''(V)'' and insert ''(IV)''.

Page 125, line 1, strike ''(VI)'' and insert ''(V)''.

Mr. OWENS. Mr. Chairman, this is an amendment on the Summer Youth Employment Program. The committee's work has been repeatedly congratulated. I hope that it is as good as we think it is because, in this closing of this century, jobs and employment will become a No. 1 issue. With workfare and downsizing and various other activities under way, jobs are going to be critical for those who now have jobs. They will not have them, a lot of them in the future. And for those who are being driven from the welfare rolls, all of it is going to come together.

The way we handle our jobs will be critical. The fact that we are handing over this power primarily to the Governors of the States is applauded by many but I find it a bit alarming.

I wanted to talk about one aspect of the jobs program, that is the part that deals with disadvantaged youth. I have a chart in front of me which shows that programs for disadvantaged youth have been treated with great hostility over the last 4 or 5 years, certainly the last 3 years. Among the programs for youth, disadvantaged youth, the Summer Youth Employment Program has been zeroed out of the budget a couple of times, and we have had to fight like mad to get it back into the budget. We have to appeal to the voters out there, public opinion to come to our aid, because we seem to have no aid here on Capitol Hill anywhere. This is basically an appeal that I make to the common sense of the Members of Congress, and I am asking Members of Congress to listen to their constituencies, Summer Youth Employment Programs are very important. If we fold them into a category called disadvantaged youth programs and that is all there is, no mandate which drives the summer youth employment programming funding, then we are likely to have a fading away of the Summer Youth Employment Programs.

What is happening with overall disadvantaged youth programs is they have gone from $676 million in 1993 to $608 million in 1994, down to $126 million in 1995, and now we are proposing $126.7 million for programs for disadvantaged youth other than summer youth employment.

The essence of the amendment is to keep current language in the bill which first clearly delineates the Summer Youth Employment Program as a separate program and, second, applies the same formula that exists now which drives the allocation of the formula within the State. Within the State they must follow the criteria of the amount of unemployment, the amount of poverty. This drives it down to the areas where the greatest need exists. If we do not do that, we leave it to the discretion of the Governors. I think the proposal in the en bloc amendments is to give the Governors 30 percent off the top for their discretion, which means we are reducing the amount of money for summer youth employment by giving that discretion to the Governors. The Governors already have discretion in the handling of other funds in this particular bill.

I wanted to maintain the level of Summer Youth Employment Programs that we have now. I wanted to not only maintain the level of funding but maintain the application allocation of that funding to the poorest children in the urban areas which are not highly regarded usually by Governors in most States. That is what this amendment does.

It is important to understand the background is that hostilities toward youth programs is such that they have been drastically reduced. In this very bill, the one exception made in the consolidation process is dislocated workers. Programs for dislocated workers are given a separate line. If they can make that exception for dislocated

workers because those are most favored programs, for whatever reason, that is the program that has been increased the most in the last 3 years, they went from $571.6 million to $1.2 billion, so we know that there is a set of political policies operating here. We do not wait a minute to have disadvantaged youths in the cities in the summer to be the victims of their own politics. I urge that this amendment be adopted and save the Summer Youth Program.

Mr. Chairman, I rise in tacit support of this legislative effort to streamline the nation's Federal adult and youth job training system. The debate concerning H.R. 1385, the Employment, Training and Literacy Enhancement Act, is not nearly as contentious and radical as the debacle that characterizes last year's ''CAREERS'' legislation. In the spirit of bipartisanship, the Chair of both the Committee on Education and the Workforce and the Subcommittee on Post Secondary Education and Lifelong Learning have worked extremely hard with my colleague, Ranking Member DALE KILDEE, to move this bill in the right direction. In fact, as late as last night, efforts were being made to modify the bill to address some outstanding concerns of Members on both sides of the aisle, including myself. However, my colleagues in the Congressional Black Caucus, the progressive caucus, and the urban caucus have great reservations about the fate of the Summer Youth Employment Program—a highly successful program that has come to be relied upon by the nation's cities who welcome an opportunity to put disadvantaged young people to work. The Owens-Martinez amendment would address such concerns.

Job training funds must be distributed on the basis of economic need not political clout. As a result of the manager's en bloc amendment that was passed earlier, H.R. 1385 would grant the governors a good deal of discretion in determining the within-State formula which sets the amount that cities, that is, local work force development boards, receive. The Owens-Martinez amendment would maintain current law which ensures that those cities which are the poorest and have the highest unemployment rates receive the funds, rather than those cities that exert the most political clout. This amendment would not abdicate the Federal Government's prescribed within-state formula. Current law requires States to distribute funds to local areas based on a three-part formula: the number of unemployed, the number of excess unemployed, and the number of economically disadvantaged. This Federal formula ensures that funds get filtered down to those local areas that are the poorest, with the highest rates of unemployment. Thus, the Governor would not have the power to establish a formula that may have more to do with politics rather than economic need.

The manager's en bloc amendment would require that State distribute 70 percent of applicable funds to the localities according to the current formula. The other 30 percent would be distributed to localities according to a formula determined by the Governor. It is my understanding that this represents a compromise that was reached among the Nation's Governors, mayors, county executives and State legislatures. While this agreement is an accomplishment, it is not the best formula for those cities in dire economic straits. Congress should not be giving the Governor the authority to distribute 30 percent of the funds as he or she very well pleases.

The manager's en bloc amendment also included a clause that would make the Summer Youth Program a required activity, rather than an allowable activity as under the Committee-reported bill. This too, is a substantial improvement that could go further. The Owens-Martinez amendment would separate the Summer Youth Employment Program from its block grant and create a separate funding stream. Therefore, Congress would be required to pass an appropriation for the Summer Youth Employment Program, as in current law. Members would be able to ascertain exactly what money is being provided for the Summer Youth Employment Program. Under the bill, the Dislocated Workers Program is separated into a special category. Similar provisions must be made for the Summer Youth Employment Program.

Some of my colleagues may question the need for a separate appropriation and a federally driven within-State funding formula. History is the answer: repeatedly, the Summer Youth Employment Program has been a target of elimination by the majority.

In 1995, the House-passed Fiscal Year 1996 Labor-HHS-Appropriations Act (H.R. 2127) would have eliminated the program. $0 was appropriated for a program that is needed by 4 million young disadvantaged people, but only able to accommodate nearly 600,000. For this reason and various others, this bill was deadlocked in the Senate. Six months after the start of fiscal year 1996, after 2 Government shutdowns, and after more than 10 continuing resolutions, the Fiscal Year 1996 Omnibus Appropriations Act (H.R. 3019/PL104-) was enacted and provided $625 million to the summer program—thus supporting the same number of jobs as in 1995.

In 1996, the House-passed Fiscal Year 1997 Labor-HHS-Appropriations Act, would have frozen funding for the summer program at the 1995 level—thus supporting a record low of more than 440,000 youth, although nearly 800,000 youth were supported in the summer of 1992. Fortunately, the Fiscal Year 1997 Omnibus Appropriations Act (H.R. 3610/PL 104–208) was passed and enacted which granted an additional $246 million—for a total of $871 million—for the program—the same amount that the President requested.

The threat to the Summer Youth Employment Program continues—now to attack the program through the authorization process. The program must remain a Federal priority; this means from the intrastate funding formula to the interstate funding formula. Congress must reestablish its commitment to preserve the Summer Youth Employment Program and to target funds to those areas that are most in need. Fiscal constraints preclude 100 percent participation in the program; at the very least we ought to ensure that children in those areas that exhibit the greatest need are protected. The Ownes-Martinez amendment accomplishes just this. I urge my colleagues to vote for this amendment.

Mr. MCKEON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from New York [Mr. OWENS]. It would continue the Summer Youth Employment Program as a stand-alone program.

Our bill, H.R. 1385, consolidates the Summer Youth Employment Program and the year-round youth program under the Job Training Partnership Act. The bill continues to allow funds to be spent on summer employment activities. In fact, summer employment that is linked to academic and occupational learning opportunities is now an essential element of the disadvantaged youth block grant.

But this legislation does not continue it as a separate program. The main purpose of the bill pertaining to disadvantaged youth programs is that we should not require stand-alone summer employment programs anymore that do not target the hardest to serve youth at the expense of more comprehensive disadvantaged youth programs.

This bill assumes a consolidation of the summer and the year-round programs, and it assumes the consolidation of funding for these programs as well. It does not repeal the summer program. It just makes it part of a more comprehensive effort at serving our hardest-to-serve, disadvantaged youth.

The bill refocuses disadvantaged youth programs on providing academic and occupational learning opportunities, on getting kids back into school, in addition to providing employment experiences.

The bill leaves the decision to localities on how to provide services. This is the main purpose of the bill, is getting the authority down to the local governments where they are best suited to handle and make these decisions.

In the en bloc package of amendments we have added language clarifying that summer employment opportunities will be an essential element, that was part of our en bloc amendment earlier this morning, in disadvantaged youth programs. Local work force development areas have sole discretion on determining the proportion of funds that will go for summer employment and for year round disadvantaged youth services, from funds made available under the substate formula; and at a minimum, 70 percent of the funds going to local areas under the youth opportunity employment training grant be allocated within the State through the existing formula under JTPA.

As I said, this is part of the agreement that has been reached with the Governors, the counties, the local boards, the local people that will be making this decision.

Acceptance of the Owens amendment would totally undo consolidation in our bill for disadvantaged youth programs and would result in hurting the hardest-to-serve youth, particularly school dropouts who are in need of a comprehensive mix of services.

In addition, this amendment goes against this agreement that we made earlier with the Governors, the State

legislatures and the counties who supported this approach in the bill.

In summary, this amendment is the exact opposite of what we are all attempting to do here today. That is, consolidate the job training and employment programs, provide increased flexibility to States and localities in determining what programs work best for them.

I urge a ''no'' vote on this amendment.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. MCKEON. I yield to the gentleman from New York.

Mr. OWENS. Mr. Chairman, do the Governors get 30 percent off the top for administrative expenses?

Mr. MCKEON. Mr. Chairman, the Governors get 30 percent to use where they find the need is greatest throughout the State.

Mr. OWENS. Mr. Chairman, if the gentleman will continue to yield, which means that summer youth will be reduced from the amount that it was last year?

Mr. MCKEON. No, Mr. Chairman, they just have more flexibility at the State level to determine the use rather than we making the decision here in Washington.

Mr. OWENS. Mr. Chairman, when the gentleman uses State and local synonymously, the Governors have the discretion but the local levels will have——

Mr. MCKEON. Mr. Chairman, the States arrive at that formula through the collaborative process working with the State legislatures.

Mr. OWENS. In some states?

Mr. MCKEON. In all States, Mr. Chairman. It is required in the bill.

Mr. OWENS. Mr. Chairman, I thank the gentleman.

Mr. MARTINEZ. Mr. Chairman, I move to strike the requisite number of words.

It is interesting in the colloquy that just took place between the chairman and my friend, the gentleman from New York [Mr. OWENS], in that the point that the gentleman from New York [Mr. OWENS] was trying to make is that 30 percent right off the top, unlike today with the way the law is, goes to the Governor for his use whatever he deems to use it for.

The problem with block grants is that often many of the very important programs that were developed for specific reasons, the reason gets lost and the program gets lost, because at any particular time a Governor may have a different priority. Even local boards may have a different priority.

Let us go back to the beginning and remember why we created the summer youth program. Because in the summer, when it is hot, there is apt to be a lot more problems than there is in other times of the year. And when young people are out of school and they have a lot of free time on their hands, they are more apt to be involved in problems whether they want to or not.

The idea was that this was going to be a program that not necessarily created employment for a long period of time for young people but just for that short summer period, in which they would learn some marketable skills and learn the value of a job and develop some work ethic. That is the reason.

Now, the way the funding is now, it is driven to the areas of the greatest unemployment and the pockets of poverty. This is something that we have to realize in a program like this, designed the way this program really was, that the only way it would be able to fulfill its mission is to continue the way it is.

I am for the consolidation. In fact, whether this amendment passes or not, I will support the bill because I think it has been a good compromise.

Let me take a minute to commend the chairman and the ranking member, the gentleman from Missouri [Mr. CLAY] and the ranking member the gentleman from Michigan [Mr. KILDEE] for the good work that they have done with all the Members that had input. This is truly a bipartisan bill. But I really feel very firmly, like many of my friends do on that side of the aisle, that if we talk about local control, it means local control.

Local control may be to the Governor to the Federal Government local control. But when these programs come on, the local control is right in that community. And that is where the decision should be made.

I have heard Members on that side of the aisle continually say, the citizen knows best what to do with his dollars. Why do we reverse it in this particular situation?

This program here provides jobs to young people between the ages of 14 and 21, and often these young people may have never worked before. Many have parents who are unemployed. These low-income youth can bring home to that needy family anywhere from between $1,100 and $1,400 through that summer.

□ 1100

The other thing I mentioned earlier is that it does provide them with job skills and job experience, which is very important. They do perform challenging work in offices and parks and recreation facilities, hospitals, nursing homes, and day care centers.

During the 104th Congress, Members on the other side of the aisle finally came around to recognizing these values and the values of the summer youth employment program after initial efforts to eliminate it. They funded the program at the President's request of $871 million for the fiscal year.

Understand this, that that amount of money still only reaches about 15 percent of the 4 million eligible to be served. That means that this is very valuable money and it should be targeted because it does not fulfill the entire need, and we should make absolutely sure that it goes to the areas of greatest need, like I said before, in unemployment areas and in areas of poverty.

The reason that we ought to ensure this and support the Owens amendment is because these are limited funds and they need to be targeted where they can do the most good.

Like I said before, I applaud the bipartisan effort on this piece of legislation. As one of the speakers said earlier, this is the third piece of legislation that comes out of our committee in a bipartisan fashion, which proves that we can work together for the benefit of the people. And while I applaud that, I still would like to see the Owens amendment accepted because I believe that it is the way we should be conducting this program.

There are no guarantees in the bill that this program will continue at a local level, as presently written into law at its current level, or even continue at all if a higher priority is determined by the people making those decisions. The amendment that the gentleman from New York and I offer today provides for a separate stream of funding similar to that provided, and there is precedent for it, for dislocated workers in the adult employment, training, and opportunities block grant. We should not let these summer funds be subject to the whims of State politics, which often they are.

Therefore, I ask and urge the Members to support the Owens amendment.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

First, I want to make sure that everybody understands what we are doing here is a very delicately put together program with State legislators, local legislators, and Governors, and we have to be very, very careful that we do not mess up that agreement.

More importantly, the bill is written to make sure that the most disadvantaged are served. That is what the bill is about. We are not taking away summer youth programs at all. The 25 percent that the State has discretion over, 10 percent of that has to be used in incentive grants for dropouts. Again, most in need; those are the people we are trying to serve. And 75 percent goes local, 70 percent on a Federal formula with total local discretion.

We believe that if we can combine the youth programs we will better serve those most in need. But, again, it is put together in a very delicate fashion trying to deal with Governors, State legislators, and local government elected officials, and that is not easy to do.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I appreciate the delicate balance and the negotiations that may have taken place in order to put forth a very creative piece of legislation that the gentleman refers to.

Let me just simply inquire. That is a delicate balance between leaders of

government. In actuality, however, the need is on the local city government level where youngsters are, and it is extremely difficult to translate that delicate balance between the leaders of government, county and State legislators and the Governor's office, to prioritize summer youth jobs, which are constantly under attack, to be able to translate to where those needs are with our youth. That should have been the first priority.

Mr. GOODLING. Mr. Chairman, reclaiming my time, I believe we have considered that in the collaborative process on the State level which gets all of those people together. They have to agree. The collaborative process then on the local level, again, all of those must agree.

And the whole idea is to make sure that the local level has most to say about this whole program, because we believe that we have failed prior to that, and that is why we have written it in this fashion.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, just this last week, we, in this Congress, decided to prioritize our concerns about youth by passing the juvenile crime bill. Our solution to the youth of America was to incarcerate them at the age of 13 with adults. We were so prominent and so progressive in this decision that it was discussed on the very renowned show ''Politically Incorrect.''

This amendment by the gentleman from New York, MAJOR OWENS, is correct and it responds to the true sense of our respect for the future workers of America, the youth of this country, emphasizing the importance of dealing with youth.

Let me applaud the leadership of the Committee on Economic and Educational Opportunities for a creative piece of legislation. Let me thank the gentleman from New York [Mr. OWENS] and the gentleman from California [Mr. MARTINEZ] for understanding what education and training is all about.

I am a new Member, but for 2 years of my time here, every single year we had to fight for the saving and implementation of summer youth jobs moneys. Every year it was cut, every single year. What comfort do I get in this very delicate balance between the Governor, the State legislature, and the county government, all well intended, to be able to prioritize for very needed summer youth jobs?

As a member of the city council in the city of Houston, I know firsthand what summer youth jobs do for our community. I have gone to the intake centers when we have had thousands of youth standing around corners, blocks, with parents begging for employment. I know what it is when a youngster comes and says, ''I have gotten an opportunity to work in your office, but I am not coming because I have no clothes to wear.'' I know what it is in rural communities with unemployment where decisions are made where we will not have a summer youth program.

Governors would have 100 percent authority to distribute job training funds. This would be an allowable activity; it would not be a required activity. Who gets the last attention that we can give our youth?

As I look to convene the Congressional Children's Caucus, one of the things we wanted to say to America is that we believe in our children and we will do more than mild words and pass legislation that incarcerates young people with adults; we will prioritize funding activities for our youth.

Mr. MCKEON. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from California.

Mr. MCKEON. Mr. Chairman, maybe I misunderstood the gentlewoman, but I thought she said the Governors have 100 percent jurisdiction. They do not.

In this area, 70 percent passes through on existing formula. They have 30 percent that they are able to use through the collaborative process to reach severely disadvantaged youth.

Ms. JACKSON-LEE of Texas. Mr. Chairman, reclaiming my time, I appreciate the gentleman's clarification. However, I will stand with my comment, because what I am suggesting to the gentleman is that out of that combined authority, out of that combined authority, it is my position that the overall control over those dollars will not disseminate down to a summer youth job program. It will be a discretionary decision; it will not be mandatory.

Yes, they have the authority over percentages, but it is a total of 100 percent. And I disagree that it will come down to the summer youth program, because let me just humbly say to the gentleman, we have had a battle to preserve summer youth jobs in this Congress over the last two Congresses.

Let me now just say that the gentleman from New York is correct, that the formula is a vital formula that will no longer be used. Current law has been useful. It means that we go right into a community and we assess the relative unemployment, we assess the poverty level, and, therefore, we make the determination.

I would like it to be maintained as current law. And if the gentleman is going to say that current law is going to prevail, that is fine, but I want it to be a separate line item so that we can prioritize for our youth in a positive sense.

I hope we have seen what it does to a young person to get a summer job and be exposed to a business, a government office, for the first time in their life. I can tell my colleagues that when the choices are being made, somebody will say we better appeal to those dislocated workers because they vote. Children do not vote. We will have a clamoring in the Statehouses across this Nation taking moneys from our youth.

This is a good amendment if we believe that the Summer Youth Job Program creates the workers of the 21st century. The workers of the 21st century are our youth. Why should we not have the opportunity to provide summer youth employment rather than put it at a discretionary level?

So I would simply say that I would rather be known not as the Congress who passed a juvenile crime bill that locked up 13-year-olds with adults, I would rather be known as the Congress who focused on giving young people who will work in the future jobs and that we did not leave it to the discretion of a delicate balance between Governors and legislatures and counties.

And might I add, I did not hear ''cities.'' So I think it is appropriate that this amendment be passed, and I would certainly ask my colleagues to give it their consideration.

Mr. Chairman, I rise in support of my colleague from New York who is a tireless champion of our Nation's present and future labor force.

I am strongly committed to the Summer Youth Employment Program and would like to insure that it serves the needs of communities throughout our Nation.

Prior to my election to the U.S. House of Representatives, I worked to create the Summer Youth Employment Program in the city of Houston which is managed by Houston Works.

I know from personal experience that a summer job for those young people enrolled by the Job Training Partnership Act's Summer Youth Employment Program-sponsored projects around this country are more than just an opportunity to have money for the next school year, it is an opportunity to learn, live, and experience the work environment and culture which in many cases is outside of their limited life experiences.

In 1997, Houston Works Summer Youth Program served 6,500 young people ages 14–21.

This year Houston Works plans to serve 5,396 jobs to youth ages 14–21 years. The target population of disadvantaged youth is 43,000 potential applicants.

Those 39,604 youth who were turned away last summer are only a tiny fraction of the 4 million youth who would qualify for this summer jobs program if the funds were available.

Today, only about 600,000 youth can be served nationally.

This program has made a significant difference in the lives and fortunes of the young people who were fortunate enough to have their application accepted.

I would like to stress the need to look at summer youth employment as an extension of the learning experience.

This amendment would protect funding for summer youth employment by creating a separate funding stream for this significant program. The block grant approach is detrimental to summer youth employment.

The Owens' amendment for summer youth employment would restore the current formula allocations which direct Summer Youth Employment Program funds to those areas are

most in need according to a 100 percent federally driven interstate and intrastate formula.

I would like to thank my colleagues for their support of this program and I would ask that the program be further strengthened by supporting Mr. OWENS' amendment.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment of my friend and colleague, the gentleman from New York [Mr. OWENS].

First, I want to say, as I said in my opening statement in the debate, that that is a good bipartisan effort and one we should all be proud of. And I commend the gentleman from New York because I know his is a sincerely felt and sincerely discrete evaluation of the way these block grants have been put together.

I want to point out also to my colleagues that in my opening statement in the debate I said that these block grants give appropriate safeguards between the relationships between the States and the Federal Government, and I sincerely believe that block grants should not be open to anybody's discretion to use as they will.

But I think in this bill we have put those appropriate safeguards into place and it will bring us an efficient working relationship, a cooperative relationship between the Federal, State, and local governments. I believe that sincerely. I think we have done it better in this bill than we have done it in many cases.

Let me just relate that to some of the specifics in this bill, and then I will yield to the gentleman from New York.

As has already been stated by both the chairman and the chairman of the subcommittee, the language that was put in this morning in the amendment said that summer employment is an essential component of the block grant. I think that was quite carefully added.

Now, in my judgment, and again I suppose this is judgment, but I have to say I have looked at this quite carefully. In my judgment, the gentleman's amendment, I am afraid, would totally undo the important consolidation in the bill for the disadvantaged youth programs because it would result, in my opinion, in hurting the hardest-to-serve youths, particularly the school dropouts.

This is an issue that we have to look at, and I come down on the side of what the committee has done. And I am afraid that, inadvertently, the gentleman would be undermining that particular part of the program. I know the gentleman from Pennsylvania [Mr. GOODLING], addressed this with respect to a 10-percent component of that part of the bill, if I am correct. And I think that is very good. Again, it is a matter of judgment, but I think we have protected the hardest-to-serve youth, and those are the dropouts.

Finally, I would like to say that it is totally incorrect, in my opinion, to say that we are killing the summer youth employment program. I think that what we are doing here is providing discretion to local communities to provide summer youth employment opportunities that are directly linked, and this is important, to academic and occupational learning. I think that is important.

Mr. GOODLING. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from Pennsylvania, and then I will yield to the gentleman from New York.

Mr. GOODLING. Mr. Chairman, I thank the gentlewoman for yielding, and I would like to assure the gentlewoman from Texas that our committee also deals with juvenile justice and we deal with juvenile justice differently. The gentleman from California [Mr. RIGGS], is at the present time working with the gentleman from Virginia [Mr. SCOTT], to make sure that we deal with it properly.

But, again, I have to indicate that what we are doing here is giving that local community so much more discretion on how they use their youth money so that that gets to those most disadvantaged, and that is the attempt of the bill.

Mrs. ROUKEMA. Reclaiming my time, Mr. Chairman, let me ask the gentleman, am I not correct that it gives 100 percent discretion to that proportion of the funds that are devoted to the summer employment?

Mr. GOODLING. At the local community.

Mrs. ROUKEMA. Discretion for 100 percent at the local level.

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Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mrs. ROUKEMA. I yield to the gentleman from New York.

Mr. OWENS. The gentlewoman is a member of the committee so she is aware of the fact that this precious consolidation mode of operation has been dropped for the dislocated workers. We have a line which mandates funding for dislocated workers. What we ask is a mandate for summer youth employment.

Mrs. ROUKEMA. That is not my understanding.

Mr. OWENS. I hear language, and a central program is not the same as a mandate. We have tricks here of the trade which all of us who have been legislators understand very well. It leaves it wide open for the strangling. The summer youth program will not die in one summer. It will be strangled slowly because it is in there with other disadvantaged youth programs which have not been treated in any favorable manner. They will be transferring funds from the summer youth program into the other programs until there will be little left.

Mrs. ROUKEMA. That is not my interpretation of the funding streams.

The CHAIRMAN. The time of the gentlewoman from New Jersey [Mrs. ROUKEMA] has expired.

(By unanimous consent, Mrs. ROUKEMA was allowed to proceed for 1 additional minute.)

Mrs. ROUKEMA. Mr. Chairman, I yield to the gentleman from Pennsylvania, the chairman of the committee.

Mr. GOODLING. First of all we should not get dislocated workers into this discussion because they are protected in the legislation. We made very, very sure of that. Again I say the total discretion is left to that local community for the use of that fund better than they have ever had it before, because we usually tie the hands of local people because we have always had the idea that we know what works best from Washington, that one size fits all. We are saying that is a mistake. Let us let the local communities make those decisions and deal with those most in need. I thank the gentlewoman for yielding.

Mr. WATT of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York [Mr. OWENS]. But before I debate that, let me thank those people who were on the floor earlier giving praise to an amendment that had been incorporated or provisions in a bill that had been incorporated into this legislation that the gentleman from Texas [Mr. SMITH] and I supported, and others. It is so infrequent that I get any praise on this floor, I always stop to take the time to acknowledge that and to thank people on both sides of the aisle for issuing words of praise.

With regard to the bill in general, let me say to the chairman and the ranking member on both sides that I have followed this discussion and it is my intention to vote for this bill, although I have some serious reservations about the entire block granting process; reservations which are a product of historical realities in the South about how block grants have historically been used when they were in vogue at earlier times in our history; reservations about consolidation of programs, although I think it is a good idea; reservations about giving more and more control to State entities when a lot of these problems are in fact problems that are dealt with at the local level and should be dealt with at the local level; reservations which have to do with the fact that some of our State legislatures are still controlled by more rural interests, and those interests tend to get taken into account even in a collaborative process which the chairman of the subcommittee and the chairman of the committee have talked about, to the disadvantage of major urban communities and cities.

All of those leave me a little concerned about the block grant approach and lead me to say that this is an experiment of sorts, as I understand it. We are trying to move to a balance that restores control to more local and

State bases and moves it back away from the Federal Government. I am prepared as a general proposition to take that experiment and hope, like everybody else does, that it is going to work out.

With respect to the summer youth employment program, however, I do believe that we have got to protect it, even though this discussion really is a discussion about separating summer youth from the other disadvantaged youth block grant programs. In a sense we are kind of debating the possibility of pitting those two things against each other when both of them are needed. But understand that the disadvantaged youth block grant programs tend to address youth who have already dropped out of the system, who have already had adverse impacts, and in my estimation the summer youth employment programs, at least in the communities that I am familiar with, have often been used to address the front end of the process, to provide employment to some kids who may end up dropping out if we do not intervene with them earlier in the process.

The importance of having a summer youth program that is separate and distinct in funding from the general disadvantaged youth block grant program, it seems to me, still is important. It is for that reason, although I do not want to sound like I am trying to say anything negative about the disadvantaged youth block grant program, it is for that reason that I am rising in support of the Owens amendment and would encourage its adoption.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. WATT] has expired.

(By unanimous consent, Mr. WATT of North Carolina was allowed to proceed for 1 additional minute.)

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I just want to assure the gentleman that this is not revenue sharing, as those block grants he was talking about were. There is very specific language how these block grants must be used, including, for instance, the State collaborative process has to represent diverse regions of the State, including urban, rural and suburban areas. We spell out that we do not revenue share, and I made that clear to the governors from day one, that we are not interested in revenue sharing.

Mr. WATT of North Carolina. Reclaiming my time, I appreciate the gentleman's clarification on that. I was aware of the collaborative process. I still think even in that collaborative process in a number of States, rural interests tend to be overrepresented, and it is not something that I can scientifically prove to the gentleman. I can just tell the gentleman that in a number of Southern States, rural interests typically dominate over urban interests. I understand that the gentleman has worked hard to try to work out this balance, and I am going to vote for the bill regardless of whether this amendment passes or not, but I would feel more comfortable if we had this amendment passed.

Mr. MICA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if ever in the history of this Congress a program of this Federal Government that needs reform cried out for more reform, it is this whole area of job training and education, employment training and literacy enhancement.

First I want to salute the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MCKEON] for their work in crafting this proposal. Our purpose is really to help those without job and without opportunity, particularly those youth. I want to first speak about the bill itself and then oppose the Owens amendment that has been presented here today.

First of all, let me just give my colleagues an example from my State of Florida. This is an article that appeared a year ago in February and it talks about job training programs. It said, with all the job training programs in Florida, my State, that we spent $1 billion, Federal and local money. ''Job Training Programs Not Making the Grade'' is the headline of this article. We spent $1 billion and less than 20 percent of those who entered a program completed the program. Of that, 19 percent got a job and most of those, the majority of those, who got a job got a job at minimum or just above minimum wage. A total failure if we are trying to employ people in this country.

Then just a month ago in the Washington Post, the city spent $11 million it has received through Federal job training programs. They also raised $7.3 million in local tax dollars designated for job training programs without a single person being trained.

This is a program that cries out for reform. What would the Owens amendment do in the area of summer job employment? It would maintain the status quo, the record of failure.

The main purpose of this bill in the area of summer job employment is to refocus the programs on providing comprehensive academic and occupational learning opportunities for our disadvantaged youth. I am for getting kids back into school and in addition into providing employment opportunities. That is what this bill is all about. What are those who have had experience saying about this?

The National Governors Association, the Conference of State Legislatures, and the National Association of Counties support the agreement reached on this issue that is contained in this bill and oppose a separate stand-alone summer program. They have tried it. It does not work. This is the record of failure. When this Congress asks people on welfare or disadvantaged people to go to work, we want them to have the opportunity to find a job, to learn a skill, and the Federal Government should be helping with a program that works, not with a program that is a failure. This is a record of failure, and this record cannot continue.

I urge my colleagues to defeat the Owens amendment. It destroys the intent, the purpose and the experience that we have seen that is a record of failure, and then pass this bill and give our disadvantaged, give our youth, and give the people without a job in this country the opportunity to learn a skill and to earn a living wage and to have the Government be a helping hand rather than a partner that has failed.

Mr. RIGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me first address the comparison that some have made with the dedicated funding stream for dislocated adult workers to what the gentleman from New York [Mr. OWENS] is trying to do in his amendment. It is important, I think, to understand that yes, we do have a dedicated funding stream in the adult block grant for dislocated workers. That is certainly in keeping with the whole concept behind the Job Training Partnership Act that State and local communities be able to respond rapidly to a plant closure or to massive, large-scale type of layoffs. However, that is still part of one system, the overall adult block grant, the overall adult job training and reemployment system.

What the gentleman from New York [Mr. OWENS] is talking about doing here is creating a separate stand-alone program that is really contrary to the overall philosophy of the bill with respect to creating a single block grant for youth. What we are trying to do in the area of youth is to encourage young people, particularly those who are at risk of dropping out of school, so let us call them the dropout prone, we are trying to encourage them to stay in school or if they drop out from school to return to school. Therefore, with respect to emphasis on schooling, with the emphasis on academics, it is very important, in my view, to link summer youth employment to the school-based program for at-risk youth. That is why it is again all part of the same system.

□ 1130

The overall philosophy with respect to adults, and I will be happy to yield to my friend in just a moment, but the overall philosophy with adults of course is to take a work force or employment first approach, try to get those adults who can be readily reemployed in the work force back into that work force at the earliest possible date and then target intensified services to the hard to employ. Those are the folks who perhaps are welfare recipients, chronically unemployed or underemployed folks, and they are the ones who need intensive services.

So that is kind of the over arching philosophy behind our bill.

Second, let me address the concern that many of my colleagues and friends on the Democratic side of the aisle have expressed, and that is that this Congress is not going to take aggressive action in the area of juvenile crime prevention and delinquency prevention. Let me assure my colleagues that we are hard at work in our Subcommittee on Early Childhood, Youth and Families and trying to craft a bipartisan bill dealing with juvenile crime prevention, and in that regard I am working very closely with my good friend and colleague, the ranking member of the subcommittee, the gentleman from California [Mr. MARTINEZ] and the gentleman from Virginia [Mr. SCOTT] and others who have expressed a keen interest in this area, and we hope we can bring a bill that the House can favorably consider here to the floor in the next few weeks. That is going to be in tandem with our bill reauthorizing the Perkins Vocational Educational Act, and that, the Perkins Vocational Education Act, is going to be targeted at again those young people who are educationally disadvantaged or who are at risk of dropping out from school, and that bill is going to take an emphasis, take an approach, that combines an emphasis on strong academics with expanded vocation and technical educational opportunity for those young people.

The other point I want to make to my good friend, the gentleman from New York [Mr. OWENS] before yielding is that by putting all these funds in a block grant, driving them down locally, the local communities will have 100 percent discretion on the proportion of funds that are devoted to summer employment and to year-round services respectively, and that could result in those local communities spending even more, again at their sole discretion, on the Summer Youth Employment Program than they are currently spending.

So I wanted to make that point, and I am going to yield to the gentleman from New York [Mr. OWENS], my colleague and friend, and perhaps he could respond to the point I just made, which is again, if possible, under our bill for local communities to spend even more on summer youth employment than they are currently spending.

Mr. Chairman, I yield to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I want to ask the gentleman if he was aware of the fact that the CRS figures which show the funding pattern for the youth training programs other than summer youth, which we were talking about before, which was badly needed, and the gentleman said they were badly needed, and I agree. But they have been reduced by almost three-quarters, from 676.7 million in 1993 to the present proposed funding of 126.7 million. They have been reduced steadily.

At the same time, because we came on this floor and we fought for the Summer Youth Employment Program, even though people in government, State governments, did not consider it important, they have raised the amount of funding for some youth employment. So what we are going to have is the unpopularity of the summer youth training programs year-round, resulting in not having adequate funding. So they will take the funding away from summer youth. That is the simple problem we worried about, that they are going to drain the funds from the summer youth because the discretion is going to be in the hands of people. We do not care about summer youth in our cities; they will find somewhere else to spend them in the States.

Mr. RIGGS. Reclaiming my time, Mr. Chairman, I certainly care.

The CHAIRMAN. The time of the gentleman from California [Mr. RIGGS] has expired.

(By unanimous consent, Mr. RIGGS was allowed to proceed for 1 additional minute.)

Mr. RIGGS. Mr. Chairman, let me just point out to my colleagues, and I really in this regard extend a hand across the aisle; I personally believe we cannot afford to lose, as a country, another generation of urban school-aged children. So all of our efforts, I think, should be focused on those young people again who live in the most economically disadvantaged circumstances, who are surrounded many times by a sea of poverty and joblessness, and, as my colleagues know, the other symptoms of social decay.

So I want to work with the gentleman, but I would be happy to tell the gentleman from New York [Mr. OWENS] that we should go together to the appropriators and make the argument that they need to look at this particular block grant, the youth opportunity employment and training grant, that is created under our bill and make that a priority for funding as they deliberate the appropriations.

Mr. OWENS. I agree with the gentleman.

Mr. RIGGS. I do not believe that we should be creating a separate program. We have to provide discretion to local communities to provide summer employment opportunities that are directly linked to academic and occupational learning, as other speakers have mentioned, and local communities should be making these decisions, not the Federal Government.

Ms. VELÁZQUEZ. Mr. Chairman, I rise today to add my voice and the voice of thousands of young people from my district in support of the Owens amendment to safeguard the Summer Youth Employment Program.

For several weeks each summer, SYEP provides jobs to over 600,000 disadvantaged youth across the country, many of them in my district. Yet, H.R. 1385 jeopardizes this program and the future of our young people. Passage of the Owens amendment will provide hope to so many of our at-risk children.

I recently received a letter from Vashia Rhone, a young constituent of mine. Vashia's letter shows us the kind of impact programs like this have. She writes:

Growing up, I often felt trapped and like I had no place to go. However, something that helped me was, as I became older, I discovered places to go and things to do such as after-school programs and STEP. Believe it or not, it's true. If young people are working, they will be off the streets. If young people are working, their esteem level goes up. They begin to feel good about themselves, and they learn independence. Please consider this and represent the youth of New York City and protect their future.

My colleagues, this program does work. I urge all of you to support the Owens amendment and support SYEP. We owe it to our kids. We owe it to their future.

Ms. PELOSI. Mr. Chairman, I rise in strong support of the Owens-Martinez amendment to H.R. 1385 to separate the summer youth employment program from the disadvantaged youth block grant contained in this legislation.

Summer youth employment is a critical program in my district in San Francisco and in communities across the Nation. This program is often the first opportunity at-risk youth have to gain exposure to the ethic, the structure and the value of work. Currently, only 50 percent of the youth eligible for this program participate. If this program is included in the consolidated block grant, it is most likely less than that number would be reached by this successful program.

This is a program that works and that teaches. The welfare law makes it imperative for us to help people find and maintain work with a living wage. It is critical for young people to learn the skills necessary to be successfully employed. The Summer Youth Program reaches out to at-risk young people to teach them this and more.

For these reasons, it is essential that the Summer Youth Employment Program be maintained as a separate program, maintained as a required rather than allowable activity and receive a separate appropriation consistent with current funding.

I urge my colleagues to support the Owens-Martinez amendment and show your commitment to a successful job training opportunity for at-risk youth.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. OWENS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. OWENS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 168, noes 238, not voting 27, as follows:

[Roll No. 137]

AYES—168

Abercrombie	Brown (FL)	DeLauro
Allen	Capps	Dellums
Baldacci	Cardin	Deutsch
Barcia	Carson	Dicks
Barrett (WI)	Clay	Dingell
Becerra	Clayton	Dixon
Bentsen	Clement	Doggett
Berman	Clyburn	Dooley
Berry	Conyers	Doyle
Bishop	Costello	Edwards
Blagojevich	Coyne	Engel
Blumenauer	Cummings	Ensign
Bonior	Davis (FL)	Eshoo
Borski	Davis (IL)	Etheridge
Boswell	DeFazio	Evans
Brown (CA)	Delahunt	Farr

Fattah
Fazio
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gonzalez
Gordon
Green
Hall (OH)
Harman
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Jackson (IL)
Jackson-Lee (TX)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
LaTourette
Levin
Lewis (GA)
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Mink
Moakley
Mollohan
Moran (VA)
Nadler
Neal
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne
Pelosi
Pickett
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sanchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Skaggs
Slaughter
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tauscher
Thompson
Thurman
Tierney
Torres
Traficant
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOES—238

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Boucher
Boyd
Brady
Bryant
Bunning
Burr
Burton
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
Lofgren
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Minge
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Oxley
Packard
Pappas
Parker
Pascrell
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Radanovich
Ramstad
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Sabo
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Turner
Upton
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wolf
Young (AK)

NOT VOTING—27

Ackerman
Andrews
Ballenger
Boehlert
Brown (OH)
Buyer
DeGette
Flake
Gephardt
Gillmor
Gutierrez
Hefner
Jefferson
LoBiondo
Manton
Miller (CA)
Molinari
Murtha
Quinn
Schiff
Schumer
Skelton
Towns
Watkins
Watts (OK)
Wicker
Young (FL)

□ 1157

The Clerk announced the following pairs:

On this vote:

Mr. Quinn for, with Mr. Watts of Oklahoma against.

Mr. Towns for, with Mr. Wicker against.

Messrs. BOEHNER and BEREUTER changed their vote from ''aye'' to ''no.''

Ms. MCCARTHY of Missouri and Mr. HINCHEY changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

(Mr. SOLOMON asked and was given permission to speak out of order for 1 minute.)

PROCEDURE FOR CONSIDERATION OF AMENDMENTS TO CONCURRENT RESOLUTION ON THE BUDGET

Mr. SOLOMON. Mr. Chairman, I have asked to address the House for the purposes of making an announcement about next week's budget debate which concerns every Member of the House.

Mr. Chairman, the Committee on the Budget expects to order the budget resolution reported later today, and copies of that resolution approved by that committee will be available for review in the office of the Committee on the Budget.

The Committee on Rules is planning to meet on Monday, May 19, to grant a rule which will limit the kind of amendments offered to the concurrent resolution on the budget for fiscal year 1998. Members are advised, strongly advised to submit only amendments in the nature of a substitute which provide for a balanced budget no later than 2002. If they are not balanced, they will not be made in order on this floor.

Any Member who is contemplating an amendment to the budget resolution should file 55 copies and an explanation by noon on Monday, May 19, to the office of the Committee on Rules in room 312, up above. In addition, Members should also print their amendments in the amendment section of the CONGRESSIONAL RECORD on Monday, May 19.

I am informed that we will have pro forma sessions on both Saturday and Sunday so that the budget will be available to those of my colleagues that want to work on it over the weekend.

□ 1200

Mr. MOAKLEY. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Chairman, I thank the chairman of the Committee on Rules for yielding to me.

Mr. Chairman, I am very happy that the gentleman made the announcement. Am I clear that only amendments in the nature of a substitute will be honored by the Committee on Rules?

Mr. SOLOMON. That is correct. All of the amendments must be in the nature of a substitute, and they must be balanced by the year 2002.

Mr. MOAKLEY. Right. And I hope the chairman is going to give adequate time for these amendments in the nature of a substitute to be debated on the floor of the House.

Mr. SOLOMON. The gentleman is one of my closest advisers, and I will consult with him and we will work this out, I am sure.

Mr. MOAKLEY. Mr. Chairman, also, I would ask the gentleman, would the CBO be able to score all these amendments in the nature of a substitute in time?

Mr. SOLOMON. Yes, they would. The CBO is available, and they will be working overtime to assist the Members in making sure that their substitutes are scored by CBO.

Mr. MOAKLEY. Mr. Chairman, I thank the chairman of the Committee on Rules.

The CHAIRMAN. The Committee will rise informally.

The SPEAKER pro tempore (Mr. LATHAM) assumed the Chair.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its Clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1469. An act making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, including those in Bosnia, for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1469) ''An act making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, including those in Bosnia, for the