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113TH CONGRESS
1ST SESSION

S. 1356

To amend the Workforce Investment Act of 1998 to strengthen the United States workforce development system through innovation in, and alignment and improvement of, employment, training, and education programs in the United States, and to promote individual and national economic growth, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 24, 2013

Mrs. MURRAY (for herself, Mr. ISAKSON, Mr. HARKIN, and Mr. ALEXANDER) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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A BILL

To amend the Workforce Investment Act of 1998 to strengthen the United States workforce development system through innovation in, and alignment and improvement of, employment, training, and education programs in the United States, and to promote individual and national economic growth, and for other purposes.

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Workforce Investment Act of 2013".

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

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

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Sec. 101. Definitions.

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Sec. 112. Unified State plan.
Sec. 113. Combined State plan.

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Sec. 121. Qualifications for directors.
Sec. 122. Funding of State and local boards.

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Sec. 131. Performance accountability system.

Subtitle C—Workforce Innovation and Replication Grants

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CHAPTER 1—WORKFORCE INVESTMENT ACTIVITIES PROVIDERS

Sec. 221. Establishment of one-stop delivery systems.
Sec. 222. Identification of eligible providers of training services.
Sec. 223. Eligible providers of youth workforce investment activities.

CHAPTER 2—YOUTH WORKFORCE INVESTMENT ACTIVITIES

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Sec. 227. State allotments.
Sec. 228. Within State allocations.
Sec. 229. Use of funds for youth workforce investment activities.

CHAPTER 3—ADULT AND DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

Sec. 231. General authorization.
Sec. 232. State allotments.
Sec. 233. Within State allocations.
Sec. 234. Use of funds for employment and training activities.

CHAPTER 4—GENERAL WORKFORCE INVESTMENT PROVISIONS

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Subtitle C—Job Corps

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Sec. 242. Definitions.
Sec. 243. Establishment.
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Sec. 252. Standards of conduct.
Sec. 253. Community participation.
Sec. 254. Industry councils.
Sec. 255. Advisory committees.
Sec. 256. Experimental, research, and demonstration projects.
Sec. 257. Application of provisions of Federal law.
Sec. 258. Special provisions.
Sec. 259. Management information.
Sec. 260. General provisions.
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Subtitle D—National Programs

Sec. 266. Native American programs.
Sec. 267. Migrant and seasonal farmworker programs.
Sec. 268. Veterans' workforce investment programs.
Sec. 269. Technical assistance.
Sec. 270. Evaluations and research.
Sec. 271. National dislocated worker grants.
Sec. 272. YouthBuild program.
Sec. 274. Authorization of appropriations.

Subtitle E—Administration

Sec. 281. Requirements and restrictions.
Sec. 282. Prompt allocation of funds.
Sec. 283. Monitoring.
Sec. 284. Fiscal controls; sanctions.

Sec. 285. Reports; recordkeeping; investigations.
Sec. 286. Administrative adjudication.
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Sec. 611. Repeal of the Workforce Investment Act of 1998.
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Sec. 613. Workforce investment-related conforming amendments.
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SEC. 2. PURPOSES.

The purposes of this Act are the following:

(1) To increase, for individuals in the United States, particularly those individuals with barriers to employment, access to and opportunities for the employment, education, training, and support services they need to succeed in the labor market.

(2) To support the alignment of workforce investment, education, and economic development systems in support of a comprehensive, accessible, and high-quality workforce development system in the United States.

(3) To improve the quality and labor market relevance of workforce investment, education, and economic development efforts to provide America's workers with the skills and credentials necessary to secure and advance in employment with family-sustaining wages and to provide America's employers

with the skilled workers the employers need to succeed in a global economy.

(4) To promote improvement in the structure of and delivery of services through the United States workforce development system to better address the employment and skill needs of—

(A) workers and jobseekers; and

(B) employers.

(5) To increase the prosperity of workers and employers in the United States, the economic growth of communities, regions, and States, and the global competitiveness of the United States.

TITLE I—SYSTEM ALIGNMENT AND INNOVATION

SEC. 101. DEFINITIONS.

In this Act, and the core program provisions that are not in this Act, except as otherwise expressly provided:

(1) ADULT.—Except as otherwise specified in section 232, the term ''adult'' means an individual who is age 18 or older.

(2) ADULT EDUCATION; ADULT EDUCATION AND LITERACY ACTIVITIES.—The terms ''adult education'' and ''adult education and literacy activities'' have the meanings given the terms in section 303.

(3) AREA CAREER AND TECHNICAL EDUCATION SCHOOL.—The term ''area career and technical education school'' has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

(4) BASIC SKILLS DEFICIENT.—The term ''basic skills deficient'' means, with respect to an individual—

(A) who is a youth, that the individual has English reading, writing, or computing skills at or below the 8th grade level on a generally accepted standardized test; or

(B) who is a youth or adult, that the individual is unable to compute or solve problems, or read, write, or speak English at a level necessary to function on the job, in the individual's family, or in society.

(5) CAREER AND TECHNICAL EDUCATION.—The term ''career and technical education'' has the meaning given the term ''career and technical education'' in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

(6) CAREER PATHWAY.—

(A) IN GENERAL.—The term ''career pathway'' means a set of rigorous, engaging, and high-quality education, training, and other services to prepare individuals to meet a set of career-related objectives as referenced in subparagraph (C).

(B) SERVICES.—The services referred to in subparagraph (A) shall be—

(i) aligned with the skill needs of industries in the State or regional economy involved; and

(ii) designed to increase an individual's educational and skill attainment, and improve the individual's employment outcomes and ability to meet career-related objectives, by—

(I) preparing individuals for the full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the ''National Apprenticeship Act''; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to in-

dividually in this Act as an ''apprenticeship'', except in section 272);

(II) including counseling to support individuals in achieving their education and career goals;

(III) including, as appropriate for an individual, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster; and

(IV) organizing education, training, and other services to meet the particular needs of the individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(C) OBJECTIVES.—The objectives referred to in subparagraph (A) include—

(i) enabling a worker to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential; and

(ii) helping a worker enter or advance within a specific occupation or occupational cluster.

(7) CAREER PLANNING.—The term ''career planning'' means the provision of a client-centered approach in the delivery of services, designed—

(A) to prepare and coordinate comprehensive employment plans, such as service strategies, for participants to ensure access to necessary workforce investment activities and supportive services, using, where feasible, computer-based technologies; and

(B) to provide job, education, and career counseling, as appropriate during program participation and after job placement.

(8) CHIEF ELECTED OFFICIAL.—The term ''chief elected official'' means—

(A) the chief elected executive officer of a unit of general local government in a local area; and

(B) in a case in which a local area includes more than 1 unit of general local government, the individuals designated under the agreement described in section 117(c)(1)(B).

(9) COMMUNITY-BASED ORGANIZATION.—The term ''community-based organization'' means a private nonprofit organization (which may include a faith-based organization), that is representative of a community or a significant segment of a community and that has demonstrated expertise and effectiveness in the field of workforce development.

(10) COMPETITIVE INTEGRATED EMPLOYMENT.—The term ''competitive integrated employment'' has the meaning given the term in section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705), for individuals with disabilities.

(11) CORE PROGRAM.—The term ''core programs'' means a program authorized under a core program provision.

(12) CORE PROGRAM PROVISION.—The term ''core program provision'' means—

(A) chapter 2 and 3 of subtitle B of title II (relating to youth workforce investment activities and adult and dislocated worker employment and training activities);

(B) title III (relating to adult education and literacy activities);

(C) sections 1 through 13 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.) (relating to employment services); and

(D) title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741) (relating to vocational rehabilitation services).

(13) CUSTOMIZED TRAINING.—The term ''customized training'' means training—

(A) that is designed to meet the specific requirements of an employer (including a group of employers);

(B) that is conducted with a commitment by the employer to employ an individual upon successful completion of the training; and

(C) for which the employer pays—

(i) a significant portion of the cost of training, as determined by the local board involved, taking into account the size of the employer and such other factors as the local board determines to be appropriate, which may include the number of employees participating in training, wage and benefit levels of those employees (at

present and anticipated upon completion of the training), relation of the training to the competitiveness of a participant, and other employer-provided training and advancement opportunities; and

(ii) in the case of customized training (as defined in subparagraphs (A) and (B)) involving an employer located in multiple local areas in the State, a significant portion of the cost of the training, as determined by the Governor of the State, taking into account the size of the employer and such other factors as the Governor determines to be appropriate.

(14) 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)(I) is eligible for or has exhausted entitlement to unemployment compensation; or

(II) has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center referred to in section 221(e), attachment to the workforce, but is not

eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a State unemployment compensation law; and

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

(B)(i) 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 any substantial layoff at, a plant, facility, or enterprise;

(ii) is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or

(iii) for purposes of eligibility to receive services other than training services described in section 234(c)(4), intensive services described in section 234(c)(3), or supportive services, is employed at a facility at which the employer has made a general announcement that such facility will close;

(C) was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general eco-

nomic conditions in the community in which the individual resides or because of natural disasters;

(D) is a displaced homemaker; or

(E)(i) is the spouse of a member of the Armed Forces on active duty (as defined in section 101(d)(1) of title 10, United States Code), and who has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member; or

(ii) is the spouse of a member of the Armed Forces on active duty and who meets the criteria described in paragraph (15)(B).

(15) DISPLACED HOMEMAKER.—The term ''displaced homemaker'' means an individual who has been providing unpaid services to family members in the home and who—

(A)(i) has been dependent on the income of another family member but is no longer supported by that income;

(ii) is the dependent spouse of a member of the Armed Forces on active duty (as defined in section 101(d)(1) of title 10, United States Code) and whose family income is significantly

reduced because of a deployment (as defined in section 991(b) of title 10, United States Code, or pursuant to paragraph (4) of such section), a call or order to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, a permanent change of station, or the service-connected (as defined in section 101(16) of title 38, United States Code) death or disability of the member; or

(iii) is a parent whose youngest dependent child will become ineligible to receive assistance under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) not later than 2 years after the date on which the parent applies for assistance under such title; and

(B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(16) ECONOMIC DEVELOPMENT AGENCY.—The term ''economic development agency'' includes a local planning or zoning commission or board, a community development agency, and another local agency or institution responsible for regulating, promoting, or assisting in local economic development.

(17) ECONOMIC SELF-SUFFICIENCY.—The term ''economic self-sufficiency'' means economic self-sufficiency within the meaning of subsections (a)(3)(A)(xii) and (d)(1)(A)(xii) of section 234.

(18) ELIGIBLE YOUTH.—Except as provided in subtitles C and D of title II, the term ''eligible youth'' means an in-school or out-of-school youth.

(19) EMPLOYMENT AND TRAINING ACTIVITY.—The term ''employment and training activity'' means an activity described in section 234 that is carried out for an adult or dislocated worker.

(20) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term ''English language acquisition program'' has the meaning given the term in section 303.

(21) ENGLISH LANGUAGE LEARNER.—The term ''English language learner'' has the meaning given the term in section 303.

(22) GOVERNOR.—The term ''Governor'' means the chief executive of a State or an outlying area.

(23) IN-DEMAND INDUSTRY SECTOR OR OCCUPATION.—

(A) IN GENERAL.—The term ''in-demand industry sector or occupation'' means—

(i) an industry sector that has a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the State, regional, or local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors; or

(ii) an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the State, regional, or local economy, as appropriate.

(B) DETERMINATION.—The determination of whether an industry sector or occupation is in-demand under this paragraph shall be made by the State board or local board, as appropriate, using State and regional business and labor market projections, including the use of labor market information.

(24) INDIVIDUAL WITH A BARRIER TO EMPLOYMENT.—The term ''individual with a barrier to em-

ployment'' means a member of 1 or more of the following populations:

(A) Displaced homemakers.

(B) Low-income individuals.

(C) Indians, Alaska Natives, and Native Hawaiians as defined in section 266.

(D) Individuals with disabilities, including youth who are individuals with disabilities.

(E) Older individuals.

(F) Ex-offenders.

(G) Homeless individuals (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), except that clauses (i)(IV) and (iii) of subparagraph (B) of such section shall not apply), or homeless children and youths (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), except that subparagraph (B)(iv) of such section shall not apply).

(H) Youth who are in or have aged out of the foster care system.

(I) Individuals who are English language learners, individuals who have low levels of lit-

eracy, and individuals facing substantial cultural barriers.

(J) Eligible migrant and seasonal farmworkers, as defined in section 267(i).

(K) Individuals within 2 years of exhausting lifetime eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(L) Single parents (including single pregnant women).

(M) Such other groups as the Governor involved determines to have barriers to employment.

(25) INDIVIDUAL WITH A DISABILITY.—

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

(B) INDIVIDUALS WITH DISABILITIES.—The term ''individuals with disabilities'' means more than 1 individual with a disability.

(26) INDUSTRY OR SECTOR PARTNERSHIP.—The term ''industry or sector partnership'' means a workforce collaborative, convened by or acting in

partnership with a State board or local board, that—

(A) organizes key stakeholders in an industry cluster into a working group that focuses on the shared goals and human resources needs of the industry cluster and that includes, at the appropriate stage of development of the partnership—

(i) representatives of multiple businesses or other employers in the industry cluster, including small and medium-sized employers when practicable;

(ii) 1 or more representatives of a recognized State labor organization or central labor council, or another labor representative, as appropriate; and

(iii) 1 or more representatives of an institution of higher education with, or another provider of, education or training programs that support the industry cluster; and

(B) may include representatives of—

(i) State or local government;

(ii) State or local economic development agencies;

(iii) State boards or local boards, as appropriate;

(iv) a State workforce agency or other entity providing employment services;

(v) other State or local agencies;

(vi) business or trade associations;

(vii) economic development organizations;

(viii) nonprofit organizations, community-based organizations, or intermediaries;

(ix) philanthropic organizations;

(x) industry associations; and

(xi) other organizations, as determined to be necessary by the members comprising the industry or sector partnership.

(27) IN-SCHOOL YOUTH.—The term ''in-school youth'' means a youth described in section 229(a)(1)(C).

(28) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 101, and subparagraphs (A) and (B) of section 102(a)(1), of the Higher Education Act of 1965 (20 U.S.C. 1001, 1002(a)(1)).

(29) INTEGRATED EDUCATION AND TRAINING.—The term ''integrated education and training'' has the meaning given the term in section 303.

(30) LABOR MARKET AREA.—The term ''labor market area'' means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence. Such an area shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor.

(31) LITERACY.—The term ''literacy'' has the meaning given the term in section 303.

(32) LOCAL AREA.—The term ''local area'' means a local workforce investment area designated under section 116, subject to sections 116(c)(1)(A)(v), 117(c)(4)(B)(i), and 289(i).

(33) LOCAL BOARD.—The term ''local board'' means a local workforce development board established under section 117, subject to section 117(c)(4)(B)(i).

(34) LOCAL EDUCATIONAL AGENCY.—The term ''local educational agency'' has the meaning given

the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(35) LOCAL PLAN.—The term ''local plan'' means a plan submitted under section 118, subject to section 116(c)(1)(A)(v).

(36) LOW-INCOME INDIVIDUAL.—The term ''low-income individual'' means an individual who—

(A) receives, or in the past 6 months has received, or is a member of a family that is receiving or in the past 6 months has received, assistance through the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the program of block grants to States for temporary assistance for needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), or the supplemental security income program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or State or local income-based public assistance;

(B) is in a family with gross income below 150 percent of the poverty line;

(C) is a homeless individual (as defined in section 41403(6) of the Violence Against

Women Act of 1994 (42 U.S.C. 14043e–2(6)), except that clauses (i)(IV) and (iii) of subparagraph (B) of such section shall not apply), or a homeless child or youth (as defined under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), except that subparagraph (B)(iv) of such section shall not apply);

(D) receives or is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

(E) is a foster child on behalf of whom State or local government payments are made; or

(F) is an individual with a disability whose own income meets the income requirement of subparagraph (B), but who is a member of a family whose income does not meet this requirement.

(37) NONTRADITIONAL EMPLOYMENT.—The term ''nontraditional employment'' refers to occupations or fields of work, for which individuals from the gender involved comprise less than 25 percent of

the individuals employed in each such occupation or field of work.

(38) OFFENDER.—The term ''offender'' means an adult or juvenile—

(A) who is or has been subject to any stage of the criminal justice process, and for whom services under this Act may be beneficial; or

(B) who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

(39) OLDER INDIVIDUAL.—The term ''older individual'' means an individual age 55 or older.

(40) ONE-STOP CENTER.—The term ''one-stop center'' means a center described in section 221(e)(2).

(41) ONE-STOP OPERATOR.—The term ''one-stop operator'' means 1 or more entities designated or certified under section 221(d).

(42) ONE-STOP PARTNER.—The term ''one-stop partner'' means—

(A) an entity described in section 221(b)(1); and

(B) an entity described in section 221(b)(2) that is participating, with the approval of the local board and chief elected offi-

cial, in the operation of a one-stop delivery system.

(43) ONE-STOP PARTNER PROGRAM.—The term ''one-stop partner program'' means a program or activities described in section 221(b) of a one-stop partner.

(44) 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) is made available through a program that provides reimbursement to the employer of up to 50 percent of the wage rate of the participant, except as provided in section 234(c)(4)(H), 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.

(45) OUTLYING AREA.—The term ''outlying area'' means—

(A) American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands; and

(B) the Republic of Palau, except during any period for which the Secretary of Labor and the Secretary of Education determine that a Compact of Free Association is in effect and contains provisions for training and education assistance prohibiting the assistance provided under this Act.

(46) OUT-OF-SCHOOL YOUTH.—The term ''out-of-school youth'' means a youth described in section 229(a)(1)(B).

(47) PLANNING REGION.—The term ''planning region'' means a planning region as described in section 116(c)(1)(A)(ii)(II).

(48) POVERTY LINE.—The term ''poverty line'' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(49) PUBLIC ASSISTANCE.—The term ''public assistance'' means Federal, State, or local government cash payments for which eligibility is determined by a needs or income test.

(50) RAPID RESPONSE ACTIVITY.—The term ''rapid response activity'' means an activity provided by a State, or by an entity designated by a State, with funds provided by the State under section 234(a)(1)(A), in the case of a 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 representatives—

(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 on and access to available employment and training activities;

(C) assistance in establishing a labor-management committee, voluntarily agreed to by labor and management, with the ability to devise and implement a strategy for assessing the employment and training needs of dislocated workers and obtaining services to meet such 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.

(51) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term ''recognized postsecondary credential'' means a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the State involved or Federal Government, or an associate or baccalaureate degree.

(52) REGION.—The term ''region'', used without further description, means a region identified under section 116(c), subject to section 117(a)(4)(B)(i).

(53) SCHOOL DROPOUT.—The term ''school dropout'' means an individual who is no longer attending any school and who has not received a secondary school diploma or its recognized equivalent.

(54) SECONDARY SCHOOL.—The term ''secondary school'' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

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

(56) STATE BOARD.—The term ''State board'' means a State workforce development board established under section 111.

(57) STATE PLAN.—The term ''State plan'', used without further description, means a unified plan under section 112 or a combined plan under section 113.

(58) SUPPORTIVE SERVICES.—The term ''supportive services'' means services such as transportation, child care, dependent care, housing, and

needs-related payments, that are necessary to enable an individual to participate in activities authorized under this Act.

(59) TRAINING SERVICES.—The term ''training services'' means services described in section 234(c)(4).

(60) UNEMPLOYED INDIVIDUAL.—The term ''unemployed individual'' means an individual who is without a job and who wants and is available for work. The determination of whether an individual is without a job, for purposes of this paragraph, shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining individuals as unemployed.

(61) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ''unit of general local government'' means any general purpose political subdivision of a State that has the power to levy taxes and spend funds, as well as general corporate and police powers.

(62) VETERAN; RELATED DEFINITION.—

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

(B) RECENTLY SEPARATED VETERAN.—The term ''recently separated veteran'' means any veteran who applies for participation under this Act within 48 months after the discharge or release from active military, naval, or air service.

(63) VOCATIONAL REHABILITATION PROGRAM.—The term ''vocational rehabilitation program'' means a program authorized under a provision described in paragraph (12)(D).

(64) WORKFORCE DEVELOPMENT ACTIVITY.—The term ''workforce development activity'' means an activity carried out through a workforce development program.

(65) WORKFORCE DEVELOPMENT PROGRAM.—The term ''workforce development program'' means a program made available through a workforce development system.

(66) WORKFORCE DEVELOPMENT SYSTEM.—The term ''workforce development system'' means a system that makes available the core programs, the other one-stop partner programs, and any other programs providing employment and training services as identified by a State board or local board.

(67) WORKFORCE INVESTMENT ACTIVITY.—The term ''workforce investment activity'' means an employment and training activity, and a youth workforce investment activity.

(68) WORKFORCE PREPARATION ACTIVITIES.—The term ''workforce preparation activities'' has the meaning given the term in section 303.

(69) WORKPLACE LEARNING ADVISOR.—The term ''workplace learning advisor'' means an individual employed by an organization who has the knowledge and skills necessary to advise other employees of that organization about the education, skill development, job training, career counseling services, and credentials, including services provided through the workforce development system, required to progress toward career goals of such employees in order to meet employer requirements related to job openings and career advancements that support economic self-sufficiency.

(70) YOUTH WORKFORCE INVESTMENT ACTIVITY.—The term ''youth workforce investment activity'' means an activity described in section 229 that is carried out for eligible youth (or as described in section 229(a)(3)(A)).

Subtitle A—Workforce Boards and Plans

CHAPTER 1—STATE PROVISIONS

SEC. 111. STATE WORKFORCE DEVELOPMENT BOARDS.

(a) IN GENERAL.—The Governor of a State shall establish a State workforce development board to carry out the functions described in subsection (d).

(b) MEMBERSHIP.—

(1) IN GENERAL.—The State board shall include—

(A) the Governor;

(B) 2 members of each chamber of the State legislature (to the extent consistent with State law), appointed by the appropriate presiding officers of such chamber; and

(C) members appointed by the Governor, of which—

(i) a majority shall be representatives of businesses in the State, who—

(I) are owners of businesses, chief executives or operating officers of businesses, or other business executives or employers with optimum policymaking or hiring authority, and who, in addition, may be members of

a local board described in section 117(b)(2)(A)(i);

(II) represent businesses (including small businesses), or organizations representing businesses described in this subclause, that provide employment opportunities that, at a minimum, will provide clear and accessible career pathways, and include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the State; and

(III) are appointed from among individuals nominated by State business organizations and business trade associations;

(ii) not less than 20 percent shall be representatives of the workforce within the State, who—

(I) shall include representatives of labor organizations, who have been nominated by State labor federations;

(II) may include representatives of community-based organizations

that have demonstrated experience and expertise in addressing the employment, training, or education needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive, integrated employment for individuals with disabilities; and

(III) may include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training or education needs of eligible youth, including representatives of organizations that serve out-of-school youth; and

(iii) the balance—

(I) shall include representatives of government, who—

(aa) shall include the lead State officials with primary responsibility for the core programs; and

(bb) shall include chief elected officials (collectively representing both cities and counties, where appropriate);

(II) shall include a representative, either an employer, a member of a labor organization, or a staff director, from a joint labor-management apprenticeship program, or if no such joint program exists in the State, a representative of an apprenticeship program in the State; and

(III) may include such other representatives and officials as the Governor may designate, such as the State agency officials from agencies that are one-stop partners not specified in subclause (I) (including additional one-stop partners whose programs are covered by the State plan, if any), and State agency officials responsible for economic development or juvenile justice programs in the State, individuals who represent an Indian tribe or tribal organization, as such

terms are defined in section 266(b), and State agency officials responsible for education programs in the State, including chief executive officers of community colleges and other institutions of higher education.

(2) DIVERSE AND DISTINCT REPRESENTATION.—The members of the State board shall represent diverse geographic areas of the State, including urban, rural, and suburban areas.

(3) NO REPRESENTATION OF MULTIPLE CATEGORIES.—No person shall serve as a member for more than 1 of—

(A) the category described in paragraph (1)(C)(i); or

(B) 1 category described in a subclause of clause (ii) or (iii) of paragraph (1)(C).

(c) CHAIRPERSON.—The Governor shall select a chairperson for the State board from among the representatives described in subsection (b)(1)(C)(i).

(d) FUNCTIONS.—The State board shall assist the Governor in—

(1) the development, implementation, and modification of the State plan, including the periodic as-

sessment and development of recommendations regarding the implementation of the State plan;

(2) consistent with paragraph (1), the review of statewide policies and programs and development of recommendations on actions that should be taken by the State to align core programs and other programs in the State in a manner that supports a comprehensive State workforce development system that will result in meeting the workforce needs of the State, its regions, and its local areas;

(3) the review of and provision of comments on the State plans, if any, for activities and programs of one-stop partners that are not core programs, in order to provide strategic leadership and to align to the extent practicable such non-core programs with the core programs, and with the strategy described in the State plan under section 112 or 113;

(4) the development of guidance for the implementation and continuous improvement of a workforce development system within the State that includes guidance on—

(A) the identification of and means for removing barriers to coordination of, alignment of, and nonduplication among the programs and activities carried out through the system;

(B) the development of career pathways by using workforce development programs aligned for the purpose of providing individuals, including low-skilled adults and youth, with the employment, training, education, and supportive services the individuals need to attain the necessary credentials to secure and advance in employment;

(C) the development and expansion of strategies for meeting the needs of workers and jobseekers, and employers, including industry or sector partnership initiatives relating to in-demand industry sectors and occupations;

(D) coordinating planning between the local boards and State entities carrying out relevant State-administered programs;

(E) the identification of regions, including planning regions, for the purposes of section 116(c), after consultation with local boards and chief elected officials;

(F) the provision of technical assistance to local boards, one-stop partners, one-stop operators, and providers, as appropriate, in local areas concerning planning and delivering services;

(G) strategies to support staff training and awareness across programs supported under workforce development systems in local areas; and

(H) the design and implementation of intake and case management information systems (including common intake, case management, performance tracking, and reporting systems), and how local input will be incorporated into such design and implementation, to improve coordination of services across workforce development programs;

(5) the development and update of comprehensive State performance accountability measures, including State adjusted levels of performance, to assess the effectiveness of the core programs in the State as required under subtitle B;

(6) the identification and dissemination of information on best practices, including best practices for—

(A) the effective operation of one-stop centers, relating to the use of business outreach, partnerships, and service delivery strategies (including strategies for effectively serving individuals with barriers to employment), and other

practices relevant to workforce development; and

(B) the development of effective local boards, which may include information on those factors that contribute to enabling local boards to exceed negotiated levels of performance, sustain fiscal integrity, and achieve other measures of effectiveness;

(7) the development and review of statewide policies affecting the coordinated provision of services through the State's one-stop delivery system described in section 221(e), including—

(A) the development of objective criteria and procedures for use by local boards in assessing the effectiveness and continuous improvement of one-stop centers described in such section;

(B) the development of guidance for the allocation of one-stop center infrastructure funds under section 221(h);

(C) the development of—

(i) statewide policies relating to the appropriate roles and contributions of entities carrying out one-stop partner programs within the one-stop delivery system,

including approaches to facilitating equitable and efficient cost allocation in the one-stop delivery system;

(ii) strategies for providing effective outreach to and improved access for individuals and employers who could benefit from services provided through the one-stop delivery system;

(iii) strategies for technological improvements to facilitate access to, and improve the quality of, services provided through the one-stop delivery system (including access for individuals with disabilities and individuals residing in remote areas), which strategies may be utilized throughout the State; and

(iv) strategies for aligning technology and data systems across one-stop partner programs, to enhance service delivery and improve efficiencies in reporting on performance accountability measures; and

(D) the development of such other policies as may promote statewide objectives for, and enhance the performance of, the one-stop delivery system;

(8) the development of allocation formulas for the distribution of funds for employment and training activities for adults, and youth workforce investment activities, to local areas as permitted under sections 228(b)(3) and 233(b)(3);

(9) the preparation of the annual reports described in paragraphs (1) and (2) of section 131(d); and

(10) the development of the statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 49l–2(e)).

(e) ALTERNATIVE ENTITY.—

(1) IN GENERAL.—For the purposes of complying with subsections (a), (b), and (c), a State may use any State entity (including a State council, State workforce development board (within the meaning of the Workforce Investment Act of 1998), combination of regional workforce development boards, or similar entity) that—

(A) was in existence on the day before the date of enactment of the Workforce Investment Act of 1998;

(B) is substantially similar to the State board described in subsections (a) through (c); and

(C) includes representatives of business in the State and representatives of labor organizations in the State.

(2) REFERENCES.—A reference in this Act, or a core program provision that is not in this Act, to a State board shall be considered to include such an entity.

(f) CONFLICT OF INTEREST.—A member of a State board may not—

(1) vote on a matter under consideration by the State board—

(A) regarding the provision of services by such member (or by an entity that such member represents); or

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

(2) engage in any other activity determined by the Governor to constitute a conflict of interest as specified in the State plan.

(g) SUNSHINE PROVISION.—The State board shall make available to the public, on a regular basis through

open meetings, information regarding the activities of the State board, including information regarding the State plan, or a modification to the State plan, prior to submission of the plan or modification of the plan, respectively, information regarding membership, and, on request, minutes of formal meetings of the State board.

(h) AUTHORITY TO HIRE STAFF.—

(1) IN GENERAL.—The State board may hire a director and other staff to assist in carrying out the functions described in subsection (d) using funds available as described in section 229(b)(2) or 234(a)(3)(B)(i).

(2) LIMITATION ON RATE.—The director and staff described in paragraph (1) shall be subject to the limitations on the payment of salary and bonuses described in section 294(15).

SEC. 112. UNIFIED STATE PLAN.

(a) PLAN.—For a State to be eligible to receive allotments for the core programs, the Governor shall submit to the Secretary of Labor and the Secretary of Education for consideration by the Secretaries, a unified State plan. The unified State plan shall outline a 4-year strategy for the core programs of the State and meet the requirements of this section.

(b) CONTENTS.—

(1) STRATEGIC PLANNING ELEMENTS.—The unified State plan shall include strategic planning elements consisting of—

(A) an analysis of the economic conditions in the State, including—

(i) existing and emerging in-demand industry sectors and occupations; and

(ii) the employment needs of employers in those industries and occupations;

(B) an analysis of the knowledge and skills needed to meet the employment needs of the employers in the State, including employment needs in in-demand industry sectors and occupations;

(C) an analysis of the workforce in the State, including current labor force employment and unemployment data, and information on labor market trends, and the educational and skill levels of the workforce, including individuals with barriers to employment (including individuals with disabilities);

(D) an analysis of the workforce development activities (including education and training) in the State, including an analysis of the strengths and weaknesses of such services, and

the capacity of State entities to provide such services, in order to address the identified education and skill needs of the workforce and the employment needs of employers in the State;

(E) a description of the State's strategic vision and goals for preparing an educated and skilled workforce (including preparing youth and individuals with barriers to employment) and for meeting the skilled workforce needs of employers, including goals relating to performance accountability measures based on primary indicators of performance described in section 131(b)(2)(A), in order to support economic growth and economic self-sufficiency; and

(F) taking into account analyses described in subparagraphs (A) through (D), a strategy for aligning the core programs, as well as other resources available to the State, to achieve the strategic vision and goals described in subparagraph (E).

(2) OPERATIONAL PLANNING ELEMENTS.—

(A) IN GENERAL.—The unified State plan shall include the operational planning elements contained in this paragraph, which shall support the strategy described in paragraph (1)(F).

(B) IMPLEMENTATION OF STATE STRATEGY.—The unified State plan shall describe how the lead State agency with responsibility for the administration of a core program will implement the strategy described in paragraph (1)(F), including a description of—

(i) the activities that will be funded by the entities carrying out the respective programs to implement the strategy and how such activities will be aligned across the programs and among the entities administering the programs;

(ii) how the activities described in clause (i) will be aligned with activities provided under employment, training, education, including career and technical education, and human services programs not covered by the plan, as appropriate, to assist in implementing the strategy, including coordinating intake, eligibility determinations, and assessment activities;

(iii)(I) how the entities carrying out the respective core programs will coordinate activities to provide comprehensive, high-quality services to individuals, includ-

ing using co-enrollment and other strategies;

(II) how the entities carrying out the programs under title II or under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) will provide employment-related services or training-related services to individuals receiving education services under title III or vocational rehabilitation services under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741), and how the entities carrying out adult education and literacy activities under title III or programs of such vocational rehabilitation services will provide education services or vocational rehabilitation services to individuals receiving employment-related services or training-related services under title II or under the Wagner-Peyser Act; and

(III) how the entities carrying out programs serving youth under title II will carry out the programs in collaboration with entities carrying out activities under

title III and entities carrying out programs of such vocational rehabilitation services;

(iv) how the entities carrying out the respective programs will develop and implement career pathways and education (offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster), including how such pathways and education will be made available to individuals with disabilities;

(v) how the State's strategy will engage the State's community colleges and area career and technical education schools as partners in the workforce development system and enable the State to leverage other Federal, State, and local investments that have enhanced capacity and access to workforce development programs at those institutions;

(vi) how the entities carrying out the respective programs will strengthen the provision of support services through coordination of activities with Federal, State, and local providers of such services, in

order to facilitate increased participation and persistence of individuals in employment, education, and training programs;

(vii) how technology will be used, through distance education and other methods, by entities carrying out the respective programs to provide education and training activities, activities to enhance digital literacy skills (as defined in section 202 of the Museum and Library Services Act (20 U.S.C. 9101); referred to in this Act as ''digital literacy skills'') and accelerate the acquisition of skills and recognized postsecondary credentials by participants, and activities to strengthen the professional development of providers and workforce professionals, and how the entities will ensure such technology is accessible to individuals with disabilities;

(viii) the methods used for joint planning and coordination of the core programs;

(ix) how the State will assess the overall effectiveness of the workforce investment system in the State; and

(x) how the activities described in clause (i) will be coordinated with economic development strategies and activities in the State.

(C) STATE OPERATING SYSTEMS AND POLICIES.—The unified State plan shall describe the State operating systems and policies that will support the implementation of the strategy described in paragraph (1)(F), including a description of—

(i) State actions to assist local boards, one-stop partners, and one-stop operators, as appropriate, in local areas, in developing, refining, changing, or otherwise implementing the one-stop delivery system in those areas, including assisting with training and establishing qualifications for one-stop delivery system staff and members of local boards, and how such actions will ensure effective delivery of services to workers, jobseekers, and employers;

(ii) the State board, including the activities conducted to train and develop members of the State board and the staff of such board to carry out the functions of

the State board effectively (but funds for such activities may not be used for long-distance travel expenses for training or development activities available locally or regionally);

(iii) the common data collection and reporting processes used for the one-stop partner programs in the system;

(iv)(I) how the respective core programs will be assessed each year, including an assessment of the quality, effectiveness, and improvement of programs (analyzed by local area, or by provider), based on State performance accountability measures described in section 131(b); and

(II) how other one-stop partner programs will be assessed each year;

(v) the results of an assessment of the effectiveness of the core programs and other one-stop partner programs during the preceding 2-year period;

(vi) the methods and factors the State will use in distributing funds under the core programs, in accordance with the provisions authorizing such distributions;

(vii)(I) how the lead State agencies with responsibility for the administration of the core programs will align and integrate available workforce and education data on core programs, unemployment insurance programs, and education through postsecondary education;

(II) how such agencies will use the system to assess the progress of participants that are exiting core programs in entering, persisting in, and completing postsecondary education, or entering or remaining in employment; and

(III) the privacy safeguards incorporated in such system, including safeguards required by section 444 of the General Education Provisions Act (20 U.S.C. 1232g) and other applicable Federal laws;

(viii) how the entity carrying out a core program will carry out the activities to provide outreach to populations, including youth, and individuals with barriers to employment (including youth with disabilities and other individuals with disabil-

ities), who can benefit from one-stop partner programs;

(ix) how the State will implement the priority of service provisions for veterans in accordance with the requirements of section 4215 of title 38, United States Code;

(x) how the one-stop delivery system, including one-stop operators and the one-stop partners, will comply with section 288 and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) regarding the physical and programmatic accessibility of facilities, programs, services, technology, and materials, for individuals with disabilities, including complying through providing staff training and support for addressing the needs of individuals with disabilities;

(xi) how the State will assist local boards, one-stop partners, and one-stop operators in implementing and transitioning to an integrated, technology-enabled intake and case management information system for programs carried out under the Act and programs carried out by one-stop part-

ners, that includes common intake information and procedures for sharing participant demographic and contact information in order to prevent duplication of data collection and promote access to the array of services for which participants are eligible; and

(xii) such other operational planning elements as the Secretary of Labor and Secretary of Education determine to be necessary for effective State operating systems and policies.

(D) PROGRAM-SPECIFIC REQUIREMENTS.—The unified State plan shall include—

(i) with respect to activities carried out under title II, a description of—

(I) State policies or guidance, for the statewide workforce development system;

(II) the State's policies and strategies for use of State funds for workforce investment activities;

(III) the local areas designated in the State, including the process used for designating local areas, and the

process used for identifying any planning regions under section 116(c), including a description of how the State consulted with the local boards and chief elected officials in determining the planning regions;

(IV) the appeals process referred to in section 116(a)(4) relating to designation of local areas;

(V) the appeal process referred to in section 221(h)(2)(E), relating to determinations for infrastructure funding; and

(VI) with respect to youth workforce investment activities authorized in section 229, information identifying the criteria to be used by local boards in awarding grants for youth workforce investment activities, including criteria that the Governor and local boards will use to identify effective and ineffective youth workforce investment activities and providers of such activities;

(ii) with respect to activities carried out under title III, a description of—

(I) how the eligible agency will, if applicable, align content standards for adult education with State adopted standards for college and career readiness;

(II) how the State will fund local activities using considerations specified in section 331(e) for—

(aa) activities under section 331(b);

(bb) programs for corrections education under section 325;

(cc) programs for integrated English literacy and civics education under section 343; and

(dd) integrated education and training;

(III) how the State will use the funds to carry out activities under section 323;

(IV) how the eligible agency will provide technical assistance and use

1 incentives and sanctions to improve el-
2 igible provider performance; and
3 (V) how the eligible agency will
4 assess the quality of providers of adult
5 education and literacy activities under
6 title III and take actions to improve
7 such quality, including providing the
8 activities described in section
9 323(a)(1)(B);
10 (iii) with respect to programs carried
11 out under title I of the Rehabilitation Act
12 of 1973 (29 U.S.C. 720 et seq.), other
13 than section 112 or part C of that title (29
14 U.S.C. 732, 741), the information de-
15 scribed in section 101(a) of that Act (29
16 U.S.C. 721(a)); and
17 (iv) information on such additional
18 specific requirements for a program ref-
19 erenced in any of clauses (i) through (iii)
20 or the Wagner-Peyser Act (29 U.S.C. 49
21 et seq.) as the Secretary of Labor and the
22 Secretary of Education determine are nec-
23 essary to administer that program but can-
24 not reasonably be applied across all such
25 programs.

(E) ASSURANCES.—The unified State plan shall include assurances—

(i) that the State has established a policy identifying circumstances that may present a conflict of interest for a State board or local board member, or the entity or class of officials that the member represents, and procedures to resolve such conflicts;

(ii) that the State has established a policy to provide to the public (including individuals with disabilities) access to meetings of State boards and local boards, and information regarding activities of State boards and local boards, such as data on board membership and minutes;

(iii)(I) that the lead State agencies with responsibility for the administration of core programs reviewed and commented on the appropriate operational planning elements of the unified State plan, and approved the elements as serving the needs of the populations served by such programs; and

(II) that the State obtained input into the development of the unified State plan and provided an opportunity for comment on the plan by representatives of local boards and chief elected officials, businesses, labor organizations, institutions of higher education, other primary stakeholders, and the general public and that the unified State plan is available and accessible to the general public;

(iv) that the State has established, in accordance with section 131(i), fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through allotments made for adult, dislocated worker, and youth programs to carry out workforce investment activities under chapters 2 and 3 of subtitle B of title II;

(v) that the State will annually monitor local areas to ensure compliance with the uniform administrative requirements under section 284(a)(3);

(vi) that the State has taken appropriate action to secure compliance with uniform administrative requirements in this Act;

(vii) that the State has taken the appropriate actions to be in compliance with section 288;

(viii) that the Federal funds received to carry out a core program will not be expended for any purpose other than for activities authorized with respect to such funds under that core program;

(ix) that the eligible agency under title III will—

(I) expend the funds appropriated to carry out that title only in a manner consistent with fiscal requirements under section 341(a) (regarding supplement and not supplant provisions); and

(II) ensure that there is at least 1 eligible provider serving each local area;

(x) that the State will pay an appropriate share (as defined by the State

board) of the costs of carrying out subtitle B, from funds made available through each of the core programs; and

(xi) regarding such other matters as the Secretary of Labor and the Secretary of Education determine to be necessary for the administration of the core programs.

(c) PLAN SUBMISSION AND APPROVAL.—

(1) SUBMISSION.—

(A) INITIAL PLAN.—The initial unified State plan under this section (after the date of enactment of this Act) shall be submitted not later than 120 days prior to the commencement of the second full program year after the date of enactment of that Act.

(B) SUBSEQUENT PLANS.—Except as provided in subparagraph (A), a unified State plan shall be submitted not later than 120 days prior to the end of the 4-year period covered by the preceding unified State plan.

(2) APPROVAL.—A unified State plan shall be subject to the approval of both the Secretary of Labor and the Secretary of Education, after approval of the Commissioner of the Rehabilitation Services Administration for the portion of the plan

described in subsection (b)(2)(D)(iii). The unified State plan shall be considered to be approved at the end of the 90-day period beginning on the day the plan is submitted, unless the Secretary of Labor or the Secretary of Education makes a written determination, during the 90-day period, that the plan is inconsistent with the provisions of this section or the provisions authorizing the core programs, as appropriate.

(3) MODIFICATIONS.—

(A) MODIFICATIONS.—At the end of the first 2-year period of any 4-year unified State plan, the State board shall review the unified State plan, and the Governor shall submit modifications to the plan to reflect changes in labor market and economic conditions or in other factors affecting the implementation of the unified State plan.

(B) APPROVAL.—A modified unified State plan submitted for the review required under subparagraph (A) shall be subject to the approval requirements described in paragraph (2). A Governor may submit a modified unified State plan at such other times as the Governor determines to be appropriate, and such modi-

fied unified State plan shall also be subject to the approval requirements described in paragraph (2).

(4) EARLY IMPLEMENTERS.—The Secretary of Labor and the Secretary of Education shall establish a process for approving and may approve unified State plans that meet the requirements of this section and are submitted to cover periods commencing prior to the second full program year described in paragraph (1).

SEC. 113. COMBINED STATE PLAN.

(a) IN GENERAL.—

(1) AUTHORITY TO SUBMIT PLAN.—A State may develop and submit to the appropriate Secretaries a combined State plan for the core programs and 1 or more of the programs and activities described in paragraph (2) in lieu of submitting 2 or more plans, for the programs and activities and the core programs.

(2) PROGRAMS.—The programs and activities referred to in paragraph (1) are as follows:

(A) Career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.).

(B) Programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(C) Programs authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)).

(D) Work programs authorized under section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)).

(E) Activities authorized under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.).

(F) Activities authorized under chapter 41 of title 38, United States Code.

(G) Programs authorized under State unemployment compensation laws (in accordance with applicable Federal law).

(H) Programs authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(I) Employment and training activities carried out by the Department of Housing and Urban Development.

(J) Employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

(K) Programs authorized under section 212 of the Second Chance Act of 2007 (42 U.S.C. 17532).

(b) REQUIREMENTS.—

(1) IN GENERAL.—The portion of a combined plan covering the core programs shall be subject to the requirements of section 112 (including section 112(c)(3)). The portion of such plan covering a program or activity described in subsection (a)(2) shall be subject to the requirements, if any, applicable to a plan or application for assistance for that program or activity, under the Federal law authorizing the program or activity. At the election of the State, section 112(c)(3) may apply to that portion.

(2) ADDITIONAL SUBMISSION NOT REQUIRED.—A State that submits a combined plan that is approved under subsection (c) shall not be required to submit any other plan or application in order to receive Federal funds to carry out the core programs or the program or activities described in subsection (a)(2) that are covered by the combined plan.

(3) COORDINATION.—A combined plan shall include—

(A) a description of the methods used for joint planning and coordination of the core programs and the other programs and activities covered by the combined plan; and

(B) an assurance that the methods included an opportunity for the entities responsible for planning or administering the core programs and the other programs and activities to review and comment on all portions of the combined plan.

(c) APPROVAL BY THE APPROPRIATE SECRETARIES.—

(1) JURISDICTION.—The appropriate Secretary shall have the authority to approve the corresponding portion of a combined plan as described in subsection (d). On the approval of the appropriate Secretary, that portion of the combined plan, relating to a program or activity, shall be implemented by the State pursuant to that portion of the combined plan, and the Federal law authorizing the program or activity.

(2) APPROVAL OF CORE PROGRAMS.—No portion of the plan relating to a core program shall be

implemented until the appropriate Secretary approves the corresponding portions of the plan for all core programs.

(3) TIMING OF APPROVAL.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), a portion of the combined State plan covering the core programs or a program or activity described in subsection (a)(2) shall be considered to be approved by the appropriate Secretary at the end of the 90-day period beginning on the day the plan is submitted.

(B) PLAN APPROVED BY 3 OR MORE APPROPRIATE SECRETARIES.—If an appropriate Secretary other than the Secretary of Labor or the Secretary of Education has authority to approve a portion of a combined plan, that portion of the combined plan shall be considered to be approved by the appropriate Secretary at the end of the 120-day period beginning on the day the plan is submitted.

(C) DISAPPROVAL.—The portion shall not be considered to be approved if the appropriate Secretary makes a written determination, during the 90-day period (or the 120-day period,

for an appropriate Secretary covered by subparagraph (B)), that the portion is not consistent with the requirements of the Federal law authorizing or applicable to the program or activity involved, including the criteria for approval of a plan or application, if any, under such law, or the plan is not consistent with the requirements of this section.

(4) SPECIAL RULE.—In paragraph (3), the term ''criteria for approval of a plan or application'', with respect to a State and a core program or a program under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), includes a requirement for agreement between the State and the appropriate Secretaries regarding State performance accountability measures or State performance measures, as the case may be, including levels of performance.

(d) APPROPRIATE SECRETARY.—In this section, the term ''appropriate Secretary'' means—

(1) with respect to the portion of a combined plan relating to any of the core programs (including a description, and an assurance concerning that program, specified in subsection (b)(3)), the Secretary of Labor and the Secretary of Education; and

(2) with respect to the portion of a combined plan relating to a program or activity described in subsection (a)(2) (including a description, and an assurance concerning that program or activity, specified in subsection (b)(3)), the head of the Federal agency who exercises plan or application approval authority for the program or activity under the Federal law authorizing the program or activity, or, if there are no planning or application requirements for such program or activity, exercises administrative authority over the program or activity under that Federal law.

CHAPTER 2—LOCAL PROVISIONS

SEC. 116. LOCAL WORKFORCE DEVELOPMENT AREAS.

(a) DESIGNATION OF AREAS.—

(1) IN GENERAL.—

(A) PROCESS.—Except as provided in subsection (b), and consistent with paragraphs (2) and (3), in order for a State to receive an allotment under section 227 or 232, the Governor of the State shall designate local workforce development areas within the State—

(i) through consultation with the State board; and

(ii) after consultation with chief elected officials and affected local boards, and after consideration of comments received through the public comment process as described in section 112(b)(2)(E)(iii)(II).

(B) CRITERIA.—The Governor shall designate local areas (except for those local areas described in paragraphs (2) and (3)), based on criteria consisting of—

(i) the extent to which the areas are consistent with labor market areas in the State;

(ii) the extent to which the areas are consistent with regional economic development areas in the State; and

(iii) whether the areas have available the Federal and non-Federal resources necessary to effectively administer activities under title II and other applicable provisions of this Act, including whether the areas have the appropriate education and training providers, such as institutions of higher education and area career and technical education schools.

(C) RULE OF CONSTRUCTION.—For purposes of subparagraph (B)(ii), the definition of the term ''region'' in section 101 shall not be applicable.

(2) AUTOMATIC DESIGNATION.—

(A) INITIAL PERIOD.—For the second full program year that commences after the date of enactment of this Act, any area that was designated as a local area under section 116 of the Workforce Investment Act of 1998, as in effect on the day before the date of enactment of this Act, and was so designated for the 2-year period preceding that day, shall be designated as a local area by the Governor under this subparagraph—

(i) if such area so requests; and

(ii) if such local area—

(I) performed successfully; and

(II) sustained fiscal integrity.

(B) SUBSEQUENT DESIGNATION.—For the third full program year that commences after the date of enactment of this Act and thereafter, the Governor shall designate as a local area under this subparagraph any area that

was designated as a local area under subparagraph (A)—

(i) if such local area so requests;

(ii) if such local area—

(I) performed successfully; and

(II) sustained fiscal integrity; and

(iii) in the case of a local area that is part of a consortium of local areas in a planning region under subsection (c), if such local area met each of the following implementation conditions:

(I) Participated in preparing a regional plan under subsection (c)(1)(A)(iv) and in implementing the plan.

(II) Developed and implemented regional service strategies and activities, such as industry and sector-based strategies (including establishment of industry partnerships), in accordance with the regional plan.

(C) DEFINITIONS.—For purposes of this paragraph:

(i) PERFORMED SUCCESSFULLY.—The term ''performed successfully'', used with respect to a local area, means the local area met or exceeded the adjusted levels of performance for primary indicators of performance described in section 131(b)(2)(A) (or, if applicable, core indicators of performance described in section 136(b)(2)(A) of the Workforce Investment Act of 1998, as in effect the day before the date of enactment of this Act) for each of the last 2 consecutive years for which data are available preceding the determination of performance under this clause.

(ii) SUSTAINED FISCAL INTEGRITY.—The term ''sustained fiscal integrity'', used with respect to a local area, means that the Secretary has not made a formal determination, during either of the last 2 consecutive years preceding the determination regarding such integrity, that either the grant recipient or the administrative entity of the area misexpended funds provided under title II (or, if applicable, title I of the Workforce Investment Act of 1998 as

in effect prior to the effective date of such title II) due to willful disregard of the requirements of the title involved, gross negligence, or failure to comply with accepted standards of administration.

(3) DESIGNATION ON RECOMMENDATION OF STATE BOARD.—The Governor may approve a request from any unit of general local government (including a combination of such units) for designation as a local area if the State board determines, based on the factors described in paragraph (1)(B), and recommends to the Governor, that such area should be so designated.

(4) APPEALS.—A unit of general local government (including a combination of such units) or grant recipient that requests but is not granted designation of an area as a local area under paragraph (2) may submit an appeal to the State board under an appeal process established in the State plan. If the appeal does not result in such a designation, the Secretary of Labor, after receiving a request for review from the unit or grant recipient and on determining that the unit or grant recipient was not accorded procedural rights under the appeal process described in the State plan, as specified in section

112(b)(2)(D)(i), or that the area meets the requirements of paragraph (2), may require that the area be designated as a local area under such paragraph.

(b) SINGLE STATE LOCAL AREAS.—

(1) CONTINUATION OF PREVIOUS DESIGNATION.—The Governor of any State that was a single State local area for purposes of title I of the Workforce Investment Act of 1998, as in effect on July 1, 2011, may designate the State as a single State local area for purposes of this title and title II if the Governor identifies the State as a local area in the State plan.

(2) REDESIGNATION.—The Governor of a State not described in paragraph (1) may designate the State as a single local area if, prior to the submission of the State plan or modification to such plan so designating the State, no local area meeting the requirements for automatic designation under subsection (a)(2) requests such designation as a separate local area.

(3) COMPOSITION OF STATE BOARD.—

(A) CONTINUATION OF PREVIOUS DESIGNATION.—For a State that is designated as a single State local area under paragraph (1), the composition of the State board shall—

(i) be consistent with the composition of the State board for such State for purposes of title I of the Workforce Investment Act of 1998, as in effect on the day before the date of enactment of this Act; or

(ii)(I) include the members described in subparagraphs (A) and (B) of section 111(b)(1);

(II) include, as a majority of the members, the representatives described in section 111(b)(1)(C)(i);

(III) include, as members other than the members described in subparagraphs (A), (B), and (C)(i) of section 111(b)(1), an equal number of—

(aa) representatives described in subparagraph (C)(ii) of that section; and

(bb) representatives described in subparagraph (C)(iii) of that section; and

(IV) include as chairperson an individual elected from among the members described in section 111(b)(1)(C)(i).

(B) REDESIGNATION.—For a State that is designated as a single State local area under paragraph (2), the composition of the State board shall be consistent with the requirements described in subparagraph (A)(ii).

(4) EFFECT ON LOCAL PLAN AND LOCAL FUNCTIONS.—In any case in which a State is designated as a local area pursuant to this subsection, the local plan prepared under section 118 for the area shall be submitted for approval as part of the State plan. In such a State, the State board shall carry out the functions of a local board, as specified in this Act or the provisions authorizing a core program, but the State shall not be required to meet and report on a set of local performance accountability measures.

(c) REGIONAL PLANNING AND SERVICE DELIVERY.—

(1) IN GENERAL.—

(A) PLANNING.—

(i) IDENTIFICATION.—Before the first day of the second full program year that commences after the date of enactment of this Act, as part of the process for developing the State plan, a State shall identify

regions in the State. The State shall identify regions after consultation with the local boards and chief elected officials in the affected local areas and consistent with the criteria described in subsection (a)(1)(B).

(ii) TYPES OF REGIONS.—For purposes of this Act, the State shall identify—

(I) which regions are comprised of 1 local area that is aligned with the region; and

(II) which regions are comprised of 2 or more local areas that are (collectively) aligned with the region.

(iii) PLANNING FOR COOPERATIVE INITIATIVES AND ARRANGEMENTS.—In the regions comprised of 2 or more local areas, the State shall require regional planning, including planning for regional service delivery, by local boards in those regions. The State shall require the local boards in a planning region to participate in a regional planning process for cooperative initiatives and arrangements that result in—

(I) the establishment of regional service strategies and activities, including service delivery cooperative arrangements and regional approaches to address the employment and training needs of individuals with barriers to employment;

(II) as appropriate, the development and implementation of initiatives involving in-demand industry sectors or occupations;

(III) the collection and analysis of regional labor market data (in conjunction with the State); and

(IV) the establishment of administrative cost arrangements, as appropriate.

(iv) REGIONAL PLANS.—The State, after consultation with the local boards and chief elected officials for the planning region, shall require the local boards and officials to collaborate in order to prepare, submit, and obtain approval of a single regional plan. Such plan shall include a description of the cooperative initiatives and

arrangements developed pursuant to clause (iii) and incorporate local plans for each of the local areas in the planning region (as required under section 118), which shall contain strategies that are consistent and aligned with each other.

(v) REFERENCES.—In this Act, and the core program provisions that are not in this Act:

(I) LOCAL AREA.—Except as provided in section 111(d)(8), this section, paragraph (1)(B) or (4) of section 117(c), or section 117(d)(12)(B), or in any text that provides an accompanying provision specifically for a planning region, the term ''local area'' in a provision includes a reference to a planning region for purposes of implementation of that provision by the corresponding local areas in the region.

(II) LOCAL PLAN.—Except as provided in subsection (b)(4) or this subsection, the term ''local plan'' includes a reference to the portion of a

regional plan developed with respect to the corresponding local area within the region, and any regionwide provision of that plan that impacts or relates to the local area.

(B) ASSISTANCE FOR LOCAL AREAS.—

(i) IN GENERAL.—The State shall provide technical assistance and labor market information to local boards in planning regions to assist such local boards with regional planning and subsequent service delivery efforts, and with the alignment of programs consistent with the alignment envisioned in the State and local plans.

(ii) REDESIGNATION ASSISTANCE.—On the request of all of the local areas in a planning region, the State shall provide funding from funds made available under sections 228(a) and 233(a)(1) to assist the local areas in carrying out activities to facilitate the redesignation of the local areas as a single local area.

(2) INFORMATION SHARING.—The State shall require the local boards for a planning region to share, consistent with State law, employment statis-

tics, information about employment opportunities and trends, information about the skill requirements of existing and emerging in-demand industry sectors and occupations, information on the skills and workforce development activities, and any skill or services gaps, in the planning region, and other types of information that would assist in improving the performance of all local areas in the planning region on the performance accountability measures established under section 131(c).

(3) COORDINATION OF SERVICES.—The State shall require the local boards for a planning region to coordinate—

(A) the provision of workforce investment activities with the activities of the other one-stop partner programs, including the provision of transportation and other supportive services, so that services provided through such programs may be provided across the boundaries of local areas within the planning region; and

(B) the provision of such activities with regional economic development services and strategies.

(4) INTERSTATE REGIONS.—Two or more States that contain an interstate region that is a

labor market area, economic development region, or other appropriate contiguous subarea of the States may designate the area as a planning region for purposes of this subsection, and jointly exercise the State functions described in this Act (including paragraphs (1) through (3)).

SEC. 117. LOCAL WORKFORCE DEVELOPMENT BOARDS.

(a) ESTABLISHMENT.—Except as provided in subsection (c)(2)(A), there shall be established, and certified by the Governor of the State, a local workforce development board in each local area of a State to carry out the functions described in subsection (d) (and any functions specified for the local board under this Act or the provisions establishing a core program) for such area.

(b) MEMBERSHIP.—

(1) STATE CRITERIA.—The Governor, in partnership with the State board, shall establish criteria for use by chief elected officials in the local areas for appointment of members of the local boards in such local areas in accordance with the requirements of paragraph (2).

(2) COMPOSITION.—Such criteria shall require that, at a minimum—

(A) a majority of the members of each local board shall be representatives of business in the local area, who—

(i) are owners of businesses, chief executives or operating officers of businesses, or other business executives or employers with optimum policymaking or hiring authority;

(ii) represent businesses, including small businesses, or organizations representing businesses described in this clause, that provide employment opportunities that, at a minimum, will provide clear and accessible career pathways, and include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the local area; and

(iii) are appointed from among individuals nominated by local business organizations and business trade associations;

(B) not less than 20 percent of the members of each local board shall be representatives of the workforce within the local area, who—

(i) shall include representatives of labor organizations (for a local area in which employees are represented by labor organizations), who have been nominated by local labor federations, or (for a local area in which no employees are represented by such organizations) other representatives of employees;

(ii) may include representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive, integrated employment for individuals with disabilities; and

(iii) may include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth;

(C) each local board shall include representatives of entities administering education and training activities in the local area, who—

(i) shall include a representative of eligible providers administering adult education and literacy activities under title III;

(ii) shall include a representative of institutions of higher education providing workforce investment activities (including community colleges);

(iii) shall include a representative, either an employer, a member of a labor organization, or a staff director, from a joint labor-management apprenticeship program, or if no such joint program exists in the area, a representative of an apprenticeship program in the area; and

(iv) may include representatives of local educational agencies, and of community-based organizations with demonstrated experience and expertise in addressing the education or training needs of individuals with barriers to employment;

(D) each local board shall include representatives of governmental and economic and community development entities serving the local area, who—

(i) shall include 1 or more representatives of economic and community development entities;

(ii) shall include an appropriate representative from the State employment service office under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) serving the local area;

(iii) shall include an appropriate representative of the programs carried out under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741), serving the local area;

(iv) may include representatives of agencies or entities administering programs serving the local area relating to transportation, housing, and public assistance; and

(v) may include representatives of philanthropic organizations serving the local area; and

(E) each local board may include such other individuals or representatives of entities as the chief elected official in the local area may determine to be appropriate.

(3) CHAIRPERSON.—The members of the local board shall elect a chairperson for the local board from among the representatives described in paragraph (2)(A).

(4) STANDING COMMITTEES.—

(A) IN GENERAL.—The local board shall designate and direct the activities of standing committees to provide information and to assist the local board in carrying out activities under this section. Such standing committees shall be chaired by a member of the local board, may include other members of the local board, and shall include other individuals appointed by the local board who are not members of the local board and who the local board determines have appropriate experience and expertise. At a minimum, the local board shall designate each of the following:

(i) A standing committee, which shall provide information and assist with operational and other issues relating to the one-stop delivery system, and which may include as members representatives of the one-stop partners.

(ii) A standing committee to provide information and to assist with planning, operational, and other issues relating to the provision of services to youth, which shall include community-based organizations with a demonstrated record of success in serving eligible youth.

(iii) A standing committee to provide information and to assist with operational and other issues relating to the provision of services to individuals with disabilities, including issues relating to compliance with section 288 and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) regarding providing programmatic and physical access to the services, programs, and activities of the one-stop delivery system, as well as appropriate training for staff on pro-

viding supports for or accommodations to, and finding employment opportunities for, individuals with disabilities.

(B) ADDITIONAL COMMITTEES.—The local board may designate standing committees in addition to the standing committees specified in subparagraph (A).

(C) DESIGNATION OF ENTITY.—Nothing in this paragraph shall be construed to prohibit the designation of an existing (as of the date of enactment of this Act) entity, such as an effective youth council, to fulfill the requirements of this paragraph as long as the entity meets the requirements of this paragraph.

(5) AUTHORITY OF BOARD MEMBERS.—Members of the board that represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority within the organizations, agencies, or entities. The members of the board shall represent diverse geographic areas within the local area.

(6) SPECIAL RULE.—If there are multiple eligible providers serving the local area by administering adult education and literacy activities under title III, or multiple institutions of higher education serving

the local area by providing workforce investment activities, each representative on the local board described in clause (i) or (ii) of paragraph (2)(C), respectively, shall be appointed from among individuals nominated by local providers representing such providers or institutions, respectively.

(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 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 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 under this title or subtitle A of title II.

(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.

(C) CONCENTRATED EMPLOYMENT PROGRAMS.—In the case of an area that was designated as a local area in accordance with section 116(a)(2)(B) of the Workforce Investment Act of 1998 (as in effect on the day before the date of enactment of this Act), and that remains a local area on that date, the governing body of the concentrated employment program involved shall act in consultation with the chief elected official in the local area to appoint

members of the local board, in accordance with the State criteria established under subsection (b), and to carry out any other responsibility relating to workforce investment activities assigned to such official under this Act.

(2) CERTIFICATION.—

(A) IN GENERAL.—The Governor shall, once every 2 years, certify 1 local board for each local area in the State.

(B) CRITERIA.—Such certification shall be based on criteria established under subsection (b), and for a second or subsequent certification, the extent to which the local board has ensured that workforce investment activities carried out in the local area have enabled the local area to meet the corresponding performance accountability measures and achieve sustained fiscal integrity, as defined in section 116(a)(2)(C).

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

(3) DECERTIFICATION.—

(A) FRAUD, ABUSE, FAILURE TO CARRY OUT FUNCTIONS.—Notwithstanding paragraph (2), the Governor shall have the authority to decertify a local board at any time after providing notice and an opportunity for comment, for—

(i) fraud or abuse; or

(ii) failure to carry out the functions specified for the local board in subsection (d).

(B) NONPERFORMANCE.—Notwithstanding paragraph (2), the Governor may decertify a local board if a local area fails to meet the local performance accountability measures for such local area in accordance with section 131(c) for 2 consecutive program years.

(C) REORGANIZATION PLAN.—If the Governor decertifies a local board for a local area under subparagraph (A) or (B), 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, in consultation with the chief elected offi-

cial in the local area and in accordance with the criteria established under subsection (b).

(4) SINGLE STATE LOCAL AREA.—

(A) STATE BOARD.—Notwithstanding subsection (b) and paragraphs (1) and (2), if a State described in section 116(b) indicates in the State plan that the State will be treated as a single State local area, for purposes of the application of this Act or the provisions authorizing a core program, the State board shall carry out any of the functions of a local board under this Act or the provisions authorizing a core program, including the functions described in subsection (d).

(B) REFERENCES.—

(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), with respect to such a State, a reference in this Act or a core program provision to a local board shall be considered to be a reference to the State board, and a reference in the Act or provision to a local area or region shall be considered to be a reference to the State.

(ii) PLANS.—The State board shall prepare a local plan under section 118 for

the State, and submit the plan for approval as part of the State plan.

(iii) PERFORMANCE ACCOUNTABILITY MEASURES.—The State shall not be required to meet and report on a set of local performance accountability measures.

(d) FUNCTIONS OF LOCAL BOARD.—Consistent with section 118, the functions of the local board shall include the following:

(1) LOCAL PLAN.—The local board, in partnership with the chief elected official for the local area involved, shall develop and submit a local plan to the Governor that meets the requirements in section 118. If the local area is part of a planning region that includes other local areas, the local board shall collaborate with the other local boards and chief elected officials from such other local areas in the development and submission of the local plan as described in section 116(c)(1)(A).

(2) WORKFORCE RESEARCH AND REGIONAL LABOR MARKET ANALYSIS.—In order to assist in the development and implementation of the local plan, the local board shall—

(A) carry out analyses of the economic conditions in the region, the needed knowledge

and skills for the region, the workforce in the region, and workforce development activities (including education and training) in the region described in section 118(b)(1)(D), and regularly update such information;

(B) assist the Governor in developing the statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 49l–2(e)), specifically in the collection, analysis, and utilization of workforce and labor market information for the region; and

(C) conduct such other research, data collection, and analysis related to the workforce needs of the regional economy as the board, after receiving input from a wide array of stakeholders, determines to be necessary to carry out its functions.

(3) CONVENING, BROKERING, LEVERAGING.—The local board shall convene local workforce development system stakeholders to assist in the development of the local plan under section 118 and in identifying non-Federal expertise and resources to leverage support for workforce development activities. The local board, including standing committees,

may engage such stakeholders in carrying out the functions described in this subsection.

(4) EMPLOYER ENGAGEMENT.—The local board shall lead efforts to engage with a diverse range of employers and with entities in the region involved—

(A) to promote business representation (particularly representatives with optimal policymaking or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region) on the local board;

(B) to develop effective linkages (including the use of intermediaries) with employers in the region to support employer utilization of the local workforce development system and to support local workforce investment activities;

(C) to ensure that workforce investment activities meet the needs of employers and support economic growth in the region, by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and

(D) to develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers

(such as the establishment of industry and sector partnerships), that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in in-demand industry sectors or occupations.

(5) CAREER PATHWAYS DEVELOPMENT.—The local board, with representatives of secondary and postsecondary education programs, shall lead efforts in the local area to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment.

(6) PROVEN AND PROMISING PRACTICES.—The local board shall lead efforts in the local area to—

(A) identify and promote proven and promising strategies and initiatives for meeting the needs of employers, and workers and jobseekers (including individuals with barriers to employment) in the local workforce development system, including providing physical and programmatic accessibility, in accordance with section 288 and applicable provisions of the Ameri-

cans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), to the one-stop delivery system; and

(B) identify and disseminate information on proven and promising practices carried out in other local areas for meeting such needs.

(7) TECHNOLOGY.—The local board shall develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and jobseekers, by—

(A) facilitating connections among the intake and case management information systems of the one-stop partner programs to support a comprehensive workforce development system in the local area;

(B) facilitating access to services provided through the one-stop delivery system involved, including facilitating the access in remote areas;

(C) identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the one-stop deliv-

ery system, such as improving digital literacy skills; and

(D) leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.

(8) PROGRAM OVERSIGHT.—The local board, in partnership with the chief elected official for the local area, shall—

(A)(i) conduct oversight for local youth workforce investment activities authorized under section 229, local employment and training activities authorized under section 234, and the one-stop delivery system in the local area; and

(ii) ensure the appropriate use and management of the funds provided under this title and title II for the activities and system described in clause (i); and

(B) for workforce development activities, ensure the appropriate use, management of, and investment of funds to maximize performance outcomes under section 131.

(9) NEGOTIATION OF LOCAL PERFORMANCE ACCOUNTABILITY MEASURES.—The local board, the

chief elected official, and the Governor shall negotiate and reach agreement on local performance accountability measures as described in section 131(c).

(10) SELECTION OF OPERATORS AND PROVIDERS.—

(A) SELECTION OF ONE-STOP OPERATORS.—Consistent with section 221(d), the local board, with the agreement of the chief elected official for the local area—

(i) shall designate or certify one-stop operators as described in section 221(d)(2)(A); and

(ii) may terminate for cause the eligibility of such operators.

(B) SELECTION OF YOUTH PROVIDERS.—Consistent with section 223, the local board—

(i) shall identify eligible providers of youth workforce investment activities in the local area by awarding grants or contracts on a competitive basis (except as provided in section 223(b)), based on the recommendations of the youth standing committee established under section 117(b)(4); and

(ii) may terminate for cause the eligibility of such providers.

(C) IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.—Consistent with section 222, the local board shall identify eligible providers of training services in the local area.

(D) IDENTIFICATION OF ELIGIBLE PROVIDERS OF INTENSIVE SERVICES.—If the one-stop operator does not provide intensive services in a local area, the local board shall identify eligible providers of intensive services described in section 234(c)(3) in the local area by awarding contracts.

(E) CONSUMER CHOICE REQUIREMENTS.—Consistent with section 222 and paragraphs (3) and (4) of section 234(c), the local board shall work with the State to ensure there are sufficient numbers and types of providers of intensive services and training services (including eligible providers with expertise in assisting individuals with disabilities and eligible providers with expertise in assisting adults in need of adult education and literacy activities) serving the local area and providing the services in-

volved in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive, integrated employment for individuals with disabilities.

(11) COORDINATION WITH EDUCATION PROVIDERS.—

(A) IN GENERAL.—The local board shall coordinate activities with education and training providers in the local area, including providers of workforce investment activities, providers of adult education and literacy activities under title III, providers of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302)) and local agencies administering plans under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741).

(B) APPLICATIONS AND AGREEMENTS.—The coordination described in subparagraph (A) shall include—

(i) consistent with section 332—

(I) reviewing the applications to provide adult education and literacy

activities under title III for the local area, submitted under such section to the eligible agency by eligible providers, to determine whether such applications are consistent with the local plan; and

(II) making recommendations to the eligible agency to promote alignment with such plan; and

(ii) replicating cooperative agreements in accordance with subparagraph (B) of section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)), and implementing cooperative agreements in accordance with that section with the local agencies administering plans under title I of that Act (29 U.S.C. 720 et seq.) (other than section 112 or part C of that title (29 U.S.C. 732, 741) and subject to section 221(f)), with respect to efforts that will enhance the provision of services to individuals with disabilities and other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and

other efforts at cooperation, collaboration, and coordination.

(C) COOPERATIVE AGREEMENT.—In this paragraph, the term ''cooperative agreement'' means an agreement entered into by a State designated agency or State designated unit under subparagraph (A) of section 101(a)(11) of the Rehabilitation Act of 1973.

(12) BUDGET AND ADMINISTRATION.—

(A) BUDGET.—The local board shall develop a budget for the activities of the local board in the local area, consistent with the local plan and the duties of the local board under this section, subject to the approval of the chief elected official.

(B) ADMINISTRATION.—

(i) GRANT RECIPIENT.—

(I) IN GENERAL.—The chief elected official in a local area shall serve as the local grant recipient for, and shall be liable for any misuse of, the grant funds allocated to the local area under sections 228 and 233, unless the chief elected official reaches an agreement with the Governor for

the Governor to act as the local grant recipient and bear such liability.

(II) DESIGNATION.—In order to assist in administration of the grant funds, the chief elected official or the Governor, where the Governor serves as the local grant recipient for a local area, may designate an entity to serve as a local grant subrecipient for such funds or as a local fiscal agent. Such designation shall not relieve the chief elected official or the Governor of the liability for any misuse of grant funds as described in subclause (I).

(III) DISBURSAL.—The local grant recipient or an entity designated under subclause (II) shall disburse the grant funds for workforce investment activities at the direction of the local board, pursuant to the requirements of this title and title II. The local grant recipient or entity designated under subclause (II) shall disburse the funds immediately on receiving such direction from the local board.

(ii) GRANTS AND DONATIONS.—The local board may solicit and accept grants and donations from sources other than Federal funds made available under this Act.

(iii) TAX-EXEMPT STATUS.—For purposes of carrying out duties under this Act, local boards may incorporate, and may operate as entities described in section 501(c)(3) of the Internal Revenue Code of 1986 that are exempt from taxation under section 501(a) of such Code.

(13) ACCESSIBILITY FOR INDIVIDUALS WITH DISABILITIES.—The local board shall annually assess the physical and programmatic accessibility, in accordance with section 288 and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), of all one-stop centers in the local area.

(e) SUNSHINE PROVISION.—The local board shall make available to the public, on a regular basis through electronic means and open meetings, information regarding the activities of the local board, including information regarding the local plan prior to submission of the plan, and regarding membership, the designation and certifi-

cation of one-stop operators, and the award of grants or contracts to eligible providers of youth workforce investment activities, and on request, minutes of formal meetings of the local board.

(f) STAFF.—

(1) IN GENERAL.—The local board may hire a director and other staff.

(2) LIMITATION ON RATE.—The director and staff described in paragraph (1) shall be subject to the limitations on the payment of salaries and bonuses described in section 294(15).

(g) LIMITATIONS.—

(1) TRAINING SERVICES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no local board may provide training services.

(B) WAIVERS OF TRAINING PROHIBITION.—The Governor of the State in which a local board is located may, pursuant to a request from the local board, grant a written waiver of the prohibition set forth in subparagraph (A) (relating to the provision of training services) for a program of training services, if the local board—

(i) submits to the Governor a proposed request for the waiver that includes—

(I) satisfactory evidence that there is an insufficient number of eligible providers of such a program of training services to meet local demand in the local area;

(II) information demonstrating that the board meets the requirements for an eligible provider of training services under section 222; and

(III) information demonstrating that the program of training services prepares participants for an industry sector or occupation that is in demand in the local area;

(ii) makes the proposed request available to eligible providers of training services and other interested members of the public for a public comment period of not less than 30 days; and

(iii) includes, in the final request for the waiver, the evidence and information

described in clause (i) and the comments received pursuant to clause (ii).

(C) DURATION.—A waiver granted to a local board under subparagraph (B) shall apply for a period that shall not exceed the duration of the local plan. The waiver may be renewed for additional periods under subsequent local plans, not to exceed the durations of such subsequent plans, pursuant to requests from the local board, if the board meets the requirements of subparagraph (B) in making the requests.

(D) REVOCATION.—The Governor shall have the authority to revoke the waiver during the appropriate period described in subparagraph (C) if the Governor determines the waiver is no longer needed or that the local board involved has engaged in a pattern of inappropriate referrals to training services operated by the local board.

(2) CORE SERVICES; INTENSIVE SERVICES; DESIGNATION OR CERTIFICATION AS ONE-STOP OPERATORS.—A local board may provide core services described in section 234(c)(2) or intensive services described in section 234(c)(3) through a one-stop delivery system or be designated or certified as a one-

stop operator only with the agreement of the chief elected official in the local area and the Governor.

(3) LIMITATION ON AUTHORITY.—Nothing in this Act shall be construed to provide a local board with the authority to mandate curricula for schools.

(h) CONFLICT OF INTEREST.—A member of a local board, or a member of a standing committee, may not—

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

(A) regarding the provision of services by such member (or by an entity that such member represents); or

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

(2) engage in any other activity determined by the Governor to constitute a conflict of interest as specified in the State plan.

(i) ALTERNATIVE ENTITY.—

(1) IN GENERAL.—For purposes of complying with subsections (a), (b), and (c), a State may use any local entity (including a local council, regional workforce development board, or similar entity) that—

(A) is established to serve the local area (or the service delivery area that most closely corresponds to the local area);

(B) was in existence on August 7, 1998, pursuant to State law; and

(C) includes—

(i) representatives of business in the local area; and

(ii)(I) representatives of labor organizations (for a local area in which employees are represented by labor organizations), nominated by local labor federations; or

(II) other representatives of employees in the local area (for a local area in which no employees are represented by such organizations).

(2) REFERENCES.—A reference in this Act or a core program provision to a local board, shall include a reference to such an entity.

SEC. 118. LOCAL PLAN.

(a) IN GENERAL.—Each local board shall develop and submit to the Governor a comprehensive 4-year local plan, in partnership with the chief elected official. The local plan shall support the strategy described in the State

plan in accordance with section 112(b)(1)(F), and otherwise be consistent with the State plan. If the local area is part of a planning region, the local board shall comply with section 116(c)(1)(A) in the preparation and submission of a regional plan. At the end of the first 2-year period of the 4-year local plan, each local board shall review the local plan and the local board, in partnership with the chief elected official, shall prepare and submit modifications to the local plan to reflect changes in labor market and economic conditions or in other factors affecting the implementation of the local plan.

(b) CONTENTS.—The local plan shall include—

(1) a description of the strategic planning elements consisting of—

(A) an analysis of the regional economic conditions including—

(i) existing and emerging in-demand industry sectors and occupations; and

(ii) the employment needs of employers in those industry sectors and occupations;

(B) an analysis of the knowledge and skills needed to meet the employment needs of the employers in the region, including employment

needs in in-demand industry sectors and occupations;

(C) an analysis of the workforce in the region, including current labor force employment (and unemployment) data, and information on labor market trends, and the educational and skill levels of the workforce in the region, including individuals with barriers to employment;

(D) an analysis of the workforce development activities (including education and training) in the region, including an analysis of the strengths and weaknesses of such services, and the capacity to provide such services, to address the identified education and skill needs of the workforce and the employment needs of employers in the region;

(E) a description of the local board's strategic vision and goals for preparing an educated and skilled workforce (including youth and individuals with barriers to employment), including goals relating to the performance accountability measures based on primary indicators of performance described in section 131(b)(2)(A) in order to support regional economic growth and economic self-sufficiency; and

(F) taking into account analyses described in subparagraphs (A) through (D), a strategy to work with the entities that carry out the core programs to align resources available to the local area, to achieve the strategic vision and goals described in subparagraph (E);

(2) a description of the workforce development system in the local area that identifies the programs that are included in that system and how the local board will work with the entities carrying out core programs and other workforce development programs to support alignment to provide services, including programs of study authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), that support the strategy identified in the State plan under paragraph (1)(F);

(3) a description of how the local board, working with the entities carrying out core programs, will expand access to employment, training, education, and supportive services for eligible individuals, particularly eligible individuals with barriers to employment, including how the local board will facilitate the development of career pathways and co-enrollment, as appropriate, in core programs;

(4) a description of the strategies and services that will be used in the local area—

(A) in order to—

(i) facilitate engagement of employers, including small employers and employers in in-demand industry sectors and occupations, in workforce development programs;

(ii) support a local workforce development system that meets the needs of businesses in the local area;

(iii) better coordinate workforce development programs and economic development; and

(iv) strengthen linkages between the one-stop delivery system and unemployment insurance programs; and

(B) that may include the implementation of initiatives such as incumbent worker training programs, on-the-job training programs, customized training programs, industry and sector strategies, career pathways initiatives, utilization of effective business intermediaries, and other business services and strategies, designed to meet the needs of employers in the cor-

responding region in support of the strategy described in paragraph (1)(F);

(5) a description of how the local board will coordinate workforce investment activities carried out in the local area with economic development activities carried out in the region in which the local area is located (or planning region), and promote entrepreneurial skills training and microenterprise services;

(6) a description of the one-stop delivery system in the local area, including—

(A) a description of how the local board will ensure the continuous improvement of eligible providers of services through the system and ensure that such providers meet the employment needs of local employers, and workers and jobseekers;

(B) a description of how the local board will facilitate access to services provided through the one-stop delivery system, including in remote areas, through the use of technology and through other means;

(C) a description of how entities within the one-stop delivery system, including one-stop operators and the one-stop partners, will comply

with section 288 and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) regarding the physical and programmatic accessibility of facilities, programs and services, technology, and materials for individuals with disabilities, including providing staff training and support for addressing the needs of individuals with disabilities; and

(D) a description of the roles and resource contributions of the one-stop partners;

(7) a description and assessment of the type and availability of adult and dislocated worker employment and training activities in the local area;

(8) a description of how the local board will coordinate workforce investment activities carried out in the local area with statewide rapid response activities, as defined in section 201, as appropriate;

(9) a description and assessment of the type and availability of youth workforce investment activities in the local area, including activities for youth who are individuals with disabilities, which description and assessment shall include an identification of successful models of such youth workforce investment activities;

(10) a description of how the local board will coordinate education and workforce investment activities carried out in the local area with relevant secondary and postsecondary education programs and activities to coordinate strategies, enhance services, and avoid duplication of services;

(11) a description of how the local board will coordinate workforce investment activities carried out under this title or title II in the local area with the provision of transportation, including public transportation, and other appropriate supportive services in the local area;

(12) a description of plans and strategies for, and assurances concerning, maximizing coordination of services provided by the State employment service under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) and services provided in the local area through the one-stop delivery system, to improve service delivery and avoid duplication of services;

(13) a description of how the local board will coordinate workforce investment activities carried out under this title or title II in the local area with the provision of adult education and literacy activities under title III in the local area, including a description of how the local board will carry out, con-

sistent with subparagraphs (A) and (B)(i) of sections 117(d)(11) and section 332, the review of local applications submitted under title III;

(14) a description of the replicated cooperative agreements (as defined in section 117(d)(11)) between the local board or other local entities described in section 101(a)(11)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)(B)) and the local office of a designated State agency or designated State unit administering programs carried out under title I of such Act (29 U.S.C. 720 et seq.) (other than section 112 or part C of that title (29 U.S.C. 732, 741) and subject to section 221(f)) in accordance with section 101(a)(11) of such Act (29 U.S.C. 721(a)(11)) with respect to efforts that will enhance the provision of services to individuals with disabilities and to other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination;

(15) an identification of the entity responsible for the disbursal of grant funds described in section 117(d)(12)(B)(i)(III), as determined by the chief

elected official or the Governor under section 117(d)(12)(B)(i);

(16) a description of the competitive process to be used to award the subgrants and contracts in the local area for activities carried out under title I or title II;

(17) a description of the local levels of performance negotiated with the Governor and chief elected official pursuant to section 131(c), to be used to measure the performance of the local area and to be used by the local board for measuring the performance of the local fiscal agent (where appropriate), eligible providers under title II, and the one-stop delivery system, in the local area;

(18) a description of the actions the local board will take toward becoming or remaining a high-performing board, consistent with the factors developed by the State board pursuant to section 111(d)(6);

(19) a description of how training services under chapter 3 of subtitle B of title II will be provided in accordance with section 234(c)(4)(G), including, if contracts for the training services will be used, how the use of such contracts will be coordinated with the use of individual training accounts under that chapter and how the local board will en-

sure informed customer choice in the selection of training programs regardless of how the training services are to be provided;

(20) a description of the process used by the local board, consistent with subsection (c), to provide an opportunity for public comment, including comment by representatives of businesses and comment by representatives of labor organizations, and input into the development of the local plan, prior to submission of the plan;

(21) a description of how one-stop centers are implementing and transitioning to an integrated, technology-enabled intake and case management information system for programs carried out under the Act and programs carried out by one-stop partners; and

(22) such other information as the Governor may require.

(c) PROCESS.—Prior to the date on which the local board submits a local plan under this section, the local board shall—

(1) make available copies of a proposed local plan to the public through electronic and other means, such as public hearings and local news media;

(2) allow members of the public, including representatives of business, representatives of labor organizations, and representatives of education to submit to the local board comments on the proposed local plan, not later than the end of the 30-day period beginning on the date on which the proposed local plan is made available; and

(3) include with the local plan submitted to the Governor under this section any such comments that represent disagreement with the plan.

(d) PLAN SUBMISSION AND APPROVAL.—A local plan submitted to the Governor under this section (including a modification to such a local plan) shall be considered to be approved by the Governor at the end of the 90-day period beginning on the day the Governor receives the plan (including such a modification), unless the Governor makes a written determination during the 90-day period that—

(1) deficiencies in activities carried out under this title or subtitle A of title II have been identified, through audits conducted under section 284 or otherwise, and the local area has not made acceptable progress in implementing corrective measures to address the deficiencies;

(2) the plan does not comply with the applicable provisions of this Act; or

(3) the plan does not align with the State plan, including failing to provide for alignment of the core programs to support the strategy identified in the State plan in accordance with section 112(b)(1)(F).

CHAPTER 3—GENERAL PROVISIONS

SEC. 121. QUALIFICATIONS FOR DIRECTORS.

(a) DEVELOPMENT OF GUIDELINES.—

(1) DEVELOPMENT.—Not later than 3 months after the date of enactment of this Act, the Secretary of Labor, in consultation with the Secretary of Education, shall initiate a process to develop guidelines for qualifications for the position of director (which may be known as an executive director or chief executive officer, or by a similar title) of State boards and local boards.

(2) CONSULTATION.—The Secretary shall solicit and consider advice from a diverse set of parties, drawn from each of the following groups:

(A) Representatives of Federal, State, regional, and local officials responsible for the administration of one-stop partner programs, as well as other workforce development programs the Secretary determines are appropriate.

(B) Representatives of State boards and local boards, including representatives of the directors of such boards.

(C) Individuals with relevant expertise in workforce development representing entities such as national associations and organizations, academic and research organizations, labor organizations, businesses and business organizations, economic development entities, institutions of higher education, community-based organizations and intermediaries, and philanthropic organizations.

(3) QUALIFICATIONS.—In developing guidelines for qualifications for the directors of State boards and local boards under this section, the Secretary shall analyze and determine the requisite knowledge, skills, and abilities necessary to assist the boards in carrying out the functions described in, as appropriate, sections 111(d) and 117(d) and necessary for understanding and leadership of workforce development systems.

(b) IDENTIFICATION OF GUIDELINES.—Not later than 15 months after the date of enactment of this Act, the Secretary of Labor, in consultation with the Secretary of Education, shall identify the guidelines for qualifica-

tions the Secretary of Labor determines are appropriate for the directors of State boards and local boards and shall disseminate such guidelines to the public, Governors, and chief elected officials, and to State boards and local boards for their consideration and use in hiring such directors. The Secretary of Labor may provide technical assistance to State boards and local boards relating to the use of such guidelines.

(c) PERIODIC REVIEW.—The Secretary of Labor, in consultation with the Secretary of Education, shall periodically review the guideline identified under this section for qualifications for the directors of State boards and local boards and, after consultation with the individuals referenced in subsection (a)(2), may issue such revised guidelines, in accordance with this section, as the Secretary determines to be appropriate.

SEC. 122. FUNDING OF STATE AND LOCAL BOARDS.

(a) STATE BOARDS.—In funding a State board under this subtitle, a State—

(1) shall use funds available as described in section 229(b)(2) or 234(a)(3)(B); or

(2) may use non-Federal funds available to the State that the State determines are appropriate and available for that use.

(b) LOCAL BOARDS.—In funding a local board under this subtitle, the chief elected official and local board for the local area—

(1) shall use funds available as described in section 228(b)(4); or

(2) may use non-Federal funds available to the local area that the chief elected official and local board determine are appropriate and available for that use.

Subtitle B—Workforce Development Performance Accountability System

SEC. 131. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) PURPOSE.—The purpose of this section is to establish performance accountability measures that apply—

(1) across the core programs to assess the effectiveness of States in achieving positive outcomes for individuals served by those programs; and

(2) across the title II core programs to assess the effectiveness of local areas in achieving positive outcomes for individuals served by those programs.

(b) STATE PERFORMANCE ACCOUNTABILITY MEASURES.—

(1) IN GENERAL.—For each State, the performance accountability measures for the core programs shall consist of—

(A)(i) the primary indicators of performance described in paragraph (2)(A); and

(ii) the additional indicators of performance (if any) identified by the State under paragraph (2)(B); and

(B) a State adjusted level of performance for each indicator described in subparagraph (A).

(2) INDICATORS OF PERFORMANCE.—

(A) PRIMARY INDICATORS OF PERFORMANCE.—

(i) IN GENERAL.—The State primary indicators of performance for activities provided under the adult and dislocated worker programs authorized under chapter 3 of subtitle B of title II, the program of adult education and literacy activities authorized under title III, the employment services program authorized under sections 1 through 13 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.) (except that subclauses (IV) and (V) shall not apply to

1 such program), and the program author-
2 ized under title I of the Rehabilitation Act
3 of 1973 (29 U.S.C. 720 et seq.), other
4 than section 112 or part C of that title (29
5 U.S.C. 732, 741), shall consist of—
6 (I) the percentage of program
7 participants who are employed during
8 the second quarter after exit from the
9 program;
10 (II) the percentage of program
11 participants who are employed during
12 the fourth quarter after exit from the
13 program;
14 (III) the median earnings of pro-
15 gram participants who are employed
16 during the second quarter after exit
17 from the program;
18 (IV) the percentage of program
19 participants who obtain a recognized
20 postsecondary credential, or a sec-
21 ondary school diploma or its recog-
22 nized equivalent (subject to clause
23 (iii)), during participation in or within
24 1 year after exit from the program;

(V) the percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and

(VI) the indicators of effectiveness in serving employers established pursuant to clause (iv).

(ii) PRIMARY INDICATORS FOR ELIGIBLE YOUTH.—The primary indicators of performance for the youth program authorized under chapter 2 of subtitle B of title II shall consist of—

(I) the percentage of program participants who are in education or training activities, or employed, during the second quarter after exit from the program;

(II) the percentage of program participants who are in education or training activities, or employed, dur-

ing the fourth quarter after exit from the program;

(III) the median earnings of program participants who are employed during the second quarter after exit from the program;

(IV) the percentage of program participants who obtain a recognized postsecondary credential described in clause (i)(IV), or a secondary school diploma or its recognized equivalent subject to clause (iii), during participation in or within 1 year after exit from the program;

(V) the percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and

(VI) the indicators of effectiveness in serving employers established pursuant to clause (iv).

(iii) INDICATOR RELATING TO CREDENTIAL.—For purposes of clause (i)(IV) or (ii)(IV), program participants who obtain a secondary school diploma or its recognized equivalent shall be included in the percentage counted as meeting the criterion under such clause only if such participants, in addition to obtaining such diploma or its recognized equivalent, have obtained or retained employment or are in an education or training program leading to a recognized postsecondary credential described in clause (i)(IV) within 1 year after exit from the program.

(iv) INDICATOR FOR SERVICES TO EMPLOYERS.—Prior to the commencement of the second full program year after the date of enactment of this Act, for purposes of clauses (i)(VI) and (ii)(VI), the Secretary of Labor and the Secretary of Education, after consultation with the representatives described in subsection (h)(2), shall jointly develop and establish, for purposes of this subparagraph, 1 or more primary indicators of performance that indicate the effec-

tiveness of the core programs in serving employers.

(B) ADDITIONAL INDICATORS.—A State may identify in the State plan additional performance accountability indicators.

(3) LEVELS OF PERFORMANCE.—

(A) STATE ADJUSTED LEVELS OF PERFORMANCE FOR PRIMARY INDICATORS.—

(i) IN GENERAL.—For each State submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the corresponding primary indicators of performance described in paragraph (2) for each of the programs described in clause (ii).

(ii) INCLUDED PROGRAMS.—The programs included under clause (i) are—

(I) the youth program authorized under chapter 2 of subtitle B of title II;

(II) the adult program authorized under chapter 3 of subtitle B of title II;

(III) the dislocated worker authorized under chapter 3 of subtitle B of title II;

(IV) the program of adult education and literacy activities authorized under title III;

(V) the employment services program authorized under sections 1 through 13 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.); and

(VI) the program authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741).

(iii) IDENTIFICATION IN STATE PLAN.—Each State shall identify, in the State plan, expected levels of performance for each of the corresponding primary indicators of performance for each of the programs described in clause (ii) for the first 2 program years covered by the State plan.

(iv) AGREEMENT ON STATE ADJUSTED LEVELS OF PERFORMANCE.—

(I) FIRST 2 YEARS.—The State shall reach agreement with the Secretary of Labor and the Secretary of Education on levels of performance for each indicator described in clause (iii) for each of the programs described in clause (ii) for each of the first 2 program years covered by the State plan. In reaching the agreement, the State and Secretaries shall take into account the levels identified in the State plan under clause (iii) and the factors described in clause (v). The levels agreed to shall be considered to be the State adjusted levels of performance for the State for such program years and shall be incorporated into the State plan prior to the approval of such plan.

(II) THIRD AND FOURTH YEAR.—The State and the Secretaries shall reach agreement, prior to the third program year covered by the State plan, on levels of performance for each indicator described in clause

(iii) for each of the programs described in clause (ii) for each of the third and fourth program years covered by the State plan. In reaching the agreement, the State and Secretaries shall take into account the factors described in clause (v). The levels agreed to shall be considered to be the State adjusted levels of performance for the State for such program years and shall be incorporated into the State plan as a modification to the plan.

(v) FACTORS.—In reaching the agreements described in clause (iv), the State and Secretaries shall—

(I) take into account how the levels involved compare with the State adjusted levels of performance established for other States;

(II) ensure that the levels involved are adjusted, using the objective statistical model established by the Secretaries pursuant to clause (viii), based on—

(aa) the differences among States in actual economic conditions (including differences in unemployment rates and job losses or gains in particular industries); and

(bb) the characteristics of participants when the participants entered the program involved, including indicators of poor work history, lack of work experience, lack of educational or occupational skills attainment, dislocation from high-wage and high-benefit employment, low levels of literacy or English proficiency, disability status, homelessness, ex-offender status, and welfare dependency);

(III) take into account the extent to which the levels involved promote continuous improvement in performance accountability on the performance accountability measures by such

State and ensure optimal return on the investment of Federal funds; and

(IV) take into account the extent to which the levels involved will assist the State in meeting the goals described in clause (vi).

(vi) GOALS.—In order to promote enhanced performance outcomes and to facilitate the process of reaching agreements with the States under clause (iv), the Secretary of Labor and the Secretary of Education shall establish performance goals for the core programs, in accordance with the Government Performance and Results Act of 1993 and in consultation with States and other appropriate parties. Such goals shall be long-term goals for the adjusted levels of performance to be achieved by each of the programs described in clause (ii) regarding the corresponding primary indicators of performance described in paragraph (2)(A).

(vii) REVISIONS BASED ON ECONOMIC CONDITIONS AND INDIVIDUALS SERVED DURING THE PROGRAM YEAR.—The Sec-

retary of Labor and the Secretary of Education shall, in accordance with the objective statistical model developed pursuant to clause (viii), revise the State adjusted levels of performance applicable for each of the programs described in clause (ii), for a program year and a State, to reflect the actual economic conditions and characteristics of participants (as described in clause (v)(II)) in that program during such program year in such State.

(viii) STATISTICAL ADJUSTMENT MODEL.—The Secretary of Labor and the Secretary of Education, after consultation with the representatives described in subsection (h)(2), shall develop and disseminate an objective statistical model that will be used to make the adjustments in the State adjusted levels of performance for actual economic conditions and characteristics of participants under clauses (v) and (vii).

(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—The State may identify, in the State plan, State levels of performance

for each of the additional indicators identified under paragraph (2)(B). Such levels shall be considered to be State adjusted levels of performance for purposes of this section.

(c) LOCAL PERFORMANCE ACCOUNTABILITY MEASURES FOR TITLE II.—

(1) IN GENERAL.—For each local area in a State designated under section 116, the local performance accountability measures for each of the programs described in subclauses (I) through (III) of subsection (b)(3)(A)(ii) shall consist of—

(A)(i) the primary indicators of performance described in subsection (b)(2)(A) that are applicable to such programs; and

(ii) additional indicators of performance, if any, identified by the State for such programs under subsection (b)(2)(B); and

(B) the local level of performance for each indicator described in subparagraph (A).

(2) LOCAL LEVEL OF PERFORMANCE.—The local board, the chief elected official, and the Governor shall negotiate and reach agreement on local levels of performance based on the State adjusted levels of performance established under subsection (b)(3)(A).

(3) ADJUSTMENT FACTORS.—In negotiating the local levels of performance, the local board, the chief elected official, and the Governor shall make adjustments for the expected economic conditions and the expected characteristics of participants to be served in the local area, using the statistical adjustment model developed pursuant to subsection (b)(3)(A)(viii). In addition, the negotiated local levels of performance applicable to a program year shall be revised to reflect the actual economic conditions experienced and the characteristics of the populations served in the local area during such program year using the statistical adjustment model.

(d) PERFORMANCE REPORTS.—

(1) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Secretary of Labor and the Secretary of Education shall jointly develop a template for performance reports that shall be used by States, local boards, and eligible providers of training services under section 222 to report on outcomes achieved by the core programs. In developing such templates, the Secretary of Labor and the Secretary of Education will take into account the need to maximize the value of the templates for workers, jobseekers, employers, local

elected officials, State officials, Federal policymakers, and other key stakeholders.

(2) CONTENTS OF STATE PERFORMANCE REPORTS.—The performance report for a State shall include, subject to paragraph (5)(C)—

(A) information specifying the levels of performance achieved with respect to the primary indicators of performance described in subsection (b)(2)(A) for each of the programs described in subsection (b)(3)(A)(ii) and the State adjusted levels of performance with respect to such indicators for each program;

(B) information specifying the levels of performance achieved with respect to the primary indicators of performance described in subsection (b)(2)(A) for each of the programs described in subsection (b)(3)(A)(ii) with respect to individuals with barriers to employment, disaggregated by each subpopulation of such individuals, and by race, ethnicity, sex, and age;

(C) the total number of participants served by each of the programs described in subsection (b)(3)(A)(ii), and the types of services provided;

(D) the number of individuals with barriers to employment served by each of the programs described in subsection (b)(3)(A)(ii), disaggregated by each subpopulation of such individuals;

(E) the number of participants who are enrolled in more than 1 of the programs described in subsection (b)(3)(A)(ii); and

(F) other information that facilitates comparisons of programs with programs in other States.

(3) CONTENTS OF LOCAL AREA PERFORMANCE REPORTS.—The performance reports for a local area shall include, subject to paragraph (5)(C)—

(A) information specifying the levels of performance achieved with respect to the primary indicators of performance described in subsection (b)(2)(A) for each of the programs described in subclauses (I) through (III) of subsection (b)(3)(A)(ii), and the local adjusted levels of performance with respect to such indicators for each program;

(B) information specifying the levels of performance achieved with respect to the primary indicators of performance described in

subsection (b)(2)(A) for each of the programs described in subclauses (I) through (III) of subsection (b)(3)(A)(ii) with respect to individuals with barriers to employment, disaggregated by each subpopulation of such individuals, and by race, ethnicity, sex, and age;

(C) the total number of participants served by each of the programs described in subclauses (I) through (III) of subsection (b)(3)(A)(ii), and the types of services provided;

(D) the number of individuals with barriers to employment served by each of the programs described in subclauses (I) through (III) of subsection (b)(3)(A)(ii), disaggregated by each subpopulation of such individuals;

(E) the number of participants who are enrolled in any of the programs described in subclauses (I) through (III) of subsection (b)(3)(A)(ii) who are enrolled in more than 1 program described in subsection (b)(3)(A)(ii); and

(F) other information that facilitates comparisons of programs with programs in other local areas (or planning regions, as appropriate).

(4) CONTENTS OF ELIGIBLE TRAINING PROVIDERS PERFORMANCE REPORTS.—The performance report for an eligible provider of training services under section 222 shall include, subject to paragraph (5)(C), with respect to each program of study (or the equivalent) of such provider—

(A) information specifying the levels of performance achieved with respect to the primary indicators of performance described in subclauses (I) through (IV) of subsection (b)(2)(A)(i) with respect to all individuals engaging in the program of study (or the equivalent);

(B) the total number of individuals engaging in the program of study (or the equivalent);

(C) the total number of participants served by each of the adult program and the dislocated worker program authorized under chapter 3 of subtitle B of title II; and

(D) the number of individuals with barriers to employment served by each of the adult program and the dislocated worker program authorized under chapter 3 of subtitle B of title II, disaggregated by each subpopulation of such individuals, and by race, ethnicity, sex, and age.

(5) PUBLICATION.—

(A) STATE PERFORMANCE REPORTS.—The Secretary of Labor and the Secretary of Education shall annually make available (including by electronic means), in an easily understandable format, the performance reports for States containing the information described in paragraph (2).

(B) LOCAL AREA AND ELIGIBLE TRAINING PROVIDER PERFORMANCE REPORTS.—The State shall make available (including by electronic means), in an easily understandable format, the performance reports for the local areas containing the information described in paragraph (3) and the performance reports for eligible providers of training services containing the information described in paragraph (4).

(C) RULES FOR REPORTING OF DATA.—The disaggregation of data under this subsection shall not be required when the number of participants in a category is insufficient to yield statistically reliable information or when the results would reveal personally identifiable information about an individual participant.

(D) DISSEMINATION TO CONGRESS.—The Secretary of Labor and the Secretary of Education shall make available (including by electronic means) a summary of the reports, and the reports, required under this subsection to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

(e) EVALUATION OF STATE PROGRAMS.—

(1) IN GENERAL.—Using funds authorized under a core program and made available to carry out this section, the State, in coordination with local boards in the State and the State agencies responsible for the administration of the core programs, shall conduct ongoing evaluations of activities carried out in the State under such programs. The State, local boards, and State agencies shall conduct the evaluations in order to promote, establish, implement, and utilize methods for continuously improving core program activities in order to achieve high-level performance within, and high-level outcomes from, the workforce development system. The State shall coordinate the evaluations with the evaluations provided for by the Secretary of Labor and the Sec-

retary of Education under section 172, section 342(c)(3)(E), section 10(b) of the Wagner-Peyser Act (29 U.S.C. 49i(b)), and sections 12(a)(5), 14, and 107 of the Rehabilitation Act of 1973 (29 U.S.C. 709(a)(5), 711, 727) (applied with respect to programs carried out under title I of that Act (29 U.S.C. 720 et seq.)).

(2) DESIGN.—The evaluations conducted under this subsection shall be designed in conjunction with the State board, State agencies responsible for the administration of the core programs, and local boards and shall include analysis of customer feedback and outcome and process measures in the statewide workforce development system. The evaluations shall use designs that employ the most rigorous analytical and statistical methods that are reasonably feasible, such as the use of control groups.

(3) RESULTS.—The State shall annually prepare, submit to the State board and local boards in the State, and make available to the public (including by electronic means), reports containing the results of evaluations conducted under this subsection, to promote the efficiency and effectiveness of the workforce development system.

(4) COOPERATION WITH FEDERAL EVALUATIONS.—The State shall cooperate in the conduct of evaluations (including related research projects) provided for by the Secretary of Labor or the Secretary of Education under the provisions of Federal law identified in paragraph (1). Such cooperation shall include the provision of data (in accordance with appropriate privacy protections established by the Secretary of Labor), the provision of responses to surveys, and allowing site visits in a timely manner, for the Secretaries or their agents.

(f) SANCTIONS FOR STATE FAILURE TO MEET STATE PERFORMANCE ACCOUNTABILITY MEASURES.—

(1) STATES.—

(A) TECHNICAL ASSISTANCE.—If a State fails to meet the State adjusted levels of performance relating to indicators described in subsection (b)(2)(A) for a program for any program year, the Secretary of Labor and the Secretary of Education shall 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, or if a State fails to submit a report

under subsection (d) for any program year, the Secretary of Labor or the Secretary of Education, as appropriate, may reduce by not more than 5 percent, the amount of the allotment 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 State adjusted levels of performance.

(2) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Secretary of Labor or the Secretary of Education, as appropriate, shall use any amount retained, as a result of a reduction in an allotment to a State made under paragraph (1)(B), to provide technical assistance to the States the Secretaries determine to be appropriate to improve the performance of their core programs.

(g) SANCTIONS FOR LOCAL AREA FAILURE TO MEET LOCAL PERFORMANCE ACCOUNTABILITY MEASURES.—

(1) TECHNICAL ASSISTANCE.—If a local area fails to meet local performance accountability measures established under subsection (c) for the youth, adult, or dislocated worker program authorized under chapter 2 or 3 of subtitle B of title II for a program described in subsection (d)(2)(A) for any

program year, the Governor, or upon request by the Governor, the Secretary of Labor, shall provide technical assistance, which may include assistance in the development of a performance improvement plan, or the development of a modified local plan (or regional plan).

(2) CORRECTIVE ACTIONS.—

(A) IN GENERAL.—If such failure continues for a second consecutive year, the Governor shall take corrective actions, which shall include development of a reorganization plan through which the Governor may—

(i) require the appointment and certification of a new local board, consistent with the criteria established under section 117(b)(1);

(ii) prohibit the use of eligible providers and one-stop partners identified as achieving a poor level of performance;

(iii) redesignate the local area in accordance with section 116; or

(iv) take such other actions as the Governor determines are appropriate.

(B) APPEAL BY LOCAL AREA.—

(i) APPEAL TO GOVERNOR.—The local board and chief elected official for a local area that is subject to a reorganization plan under subparagraph (A) may, not later than 30 days after receiving notice of the reorganization plan, appeal to the Governor to rescind or revise such plan. In such case, the Governor shall make a final decision not later than 30 days after the receipt of the appeal.

(ii) SUBSEQUENT ACTION.—The local board and chief elected official for a local area may, not later than 30 days after receiving a decision from the Governor pursuant to clause (i), appeal such decision to the Secretary of Labor. In such case, the Secretary shall make a final decision not later than 30 days after the receipt of the appeal.

(C) EFFECTIVE DATE.—The decision made by the Governor under subparagraph (B)(i) shall become effective at the time the Governor issues the decision pursuant to such clause. Such decision shall remain effective unless the

Secretary of Labor rescinds or revises such plan pursuant to subparagraph (B)(ii).

(h) DEFINITIONS OF INDICATORS OF PERFORMANCE.—

(1) IN GENERAL.—In order to ensure nationwide comparability of performance data, the Secretary of Labor and the Secretary of Education, after consultation with representatives described in paragraph (2), shall issue definitions for the indicators described in subsection (b)(2).

(2) REPRESENTATIVES.—The representatives referred to in paragraph (1) are representatives of States and political subdivisions, business and industry, employees, eligible providers of activities carried out through the core programs, educators, researchers, participants, the lead State agency officials with responsibility for the programs carried out through the core programs, individuals with expertise in serving individuals with barriers to employment, and other interested parties.

(i) FISCAL AND MANAGEMENT ACCOUNTABILITY INFORMATION SYSTEMS.—

(1) IN GENERAL.—Using funds authorized under a core program and made available to carry out this subtitle, the Governor, in coordination with

the State board, the State agencies administering the core programs, local boards, and chief elected officials in the State, shall establish and operate a fiscal and management accountability information system based on guidelines established by the Secretary of Labor and the Secretary of Education after consultation with the Governors of States, chief elected officials, and one-stop partners. Such guidelines shall promote efficient collection and use of fiscal and management information for reporting and monitoring the use of funds authorized under the core programs and for preparing the annual report described in subsection (d).

(2) WAGE RECORDS.—In measuring the progress of the State on State and local performance accountability measures, a State shall utilize quarterly wage records, consistent with State law. The Secretary of Labor shall make arrangements, consistent with State law, to ensure that the wage records of any State are available to any other State to the extent that such wage records are required by the State in carrying out the State plan of the State or completing the annual report described in subsection (d).

(3) CONFIDENTIALITY.—In carrying out the requirements of this Act, the State shall comply with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

Subtitle C—Workforce Innovation and Replication Grants

SEC. 141. PURPOSES.

The purposes of this subtitle are—

(1) to promote the development of comprehensive workforce development systems at the State, regional, and local levels that reflect the alignment of strategies and activities across the core programs and, where appropriate, across other workforce development, education, economic development, and human services programs, to provide effective, high quality, and client-centered services to job seekers and workers, youth, and employers;

(2) to promote innovation and to improve, replicate, and expand models and service delivery strategies—

(A) that are of demonstrated effectiveness in meeting the education, training, and employment needs of job seekers and workers, and youth, including such individuals with barriers to employment, and employers; and

(B) that may include—

(i) industry and sector strategies, career pathway models, and other examples of models and strategies involving integrated partnerships;

(ii) models or strategies that utilize pay for performance, prior learning, or retention grants; or

(iii) models or strategies that address areas of high poverty or individuals who are long-term unemployed, and that lead to economic self-sufficiency; and

(3) to establish and improve programs for youth that engage, recover, and connect youth by providing access to career pathways that include the attainment of a recognized postsecondary credential and employment that leads to economic self-sufficiency.

SEC. 142. WORKFORCE INNOVATION AND REPLICATION GRANTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2014 through 2018.

1 (b) WORKFORCE INNOVATION AND REPLICATION
2 GRANTS TO ELIGIBLE ENTITIES.—
3 (1) IN GENERAL.—From funds described in
4 subsection (a), the Secretary of Labor and the Sec-
5 retary of Education shall award workforce innova-
6 tion and replication grants on a competitive basis to
7 eligible entities.
8 (2) USE OF FUNDS.—The grants awarded
9 under this subsection shall be used to support inno-
10 vative new strategies and activities, which may in-
11 clude strategies and activities with proven effective-
12 ness in 2 or more noncontiguous areas, or the rep-
13 lication and expansion of effective evidence-based
14 strategies and activities, such as on-the-job training,
15 that are designed to align programs and strengthen
16 the workforce development system in a State or re-
17 gion, consistent with the workforce development
18 plans under this Act for such State or region, in
19 order to substantially improve the education and em-
20 ployment outcomes for adults and youth served by
21 such system and the services provided to employers
22 under such system.
23 (3) ELIGIBLE ENTITIES.—
24 (A) IN GENERAL.—To be eligible to receive
25 a grant under this subsection, a State partner-

ship or regional entity shall meet the requirements of this paragraph and submit an application in accordance with paragraph (4).

(B) STATE PARTNERSHIP.—For a State partnership to be eligible for funding under this subsection, a Governor of a State shall—

(i) submit the application in partnership with the State board and with 1 or more regional entities in the State described in subparagraph (C); and

(ii) demonstrate that the State has—

(I) aligned the core programs;

(II) made significant progress towards aligning the core programs with other workforce development programs; and

(III) achieved the alignments described in subclauses (I) and (II) consistent with the State plan.

(C) REGIONAL ENTITIES.—To be identified as a regional entity and to be eligible for funding under this subsection, a local board for a local area that is aligned with a region, or all of the local boards for local areas that comprise

a planning region under section 116(c), shall demonstrate that—

(i) the application has been developed in consultation with the State and is not duplicative of other applications under this subsection submitted by a State partnership; and

(ii) the local board, or all of the local boards for the planning region, has—

(I) worked with the core programs to achieve alignment of such programs in the region;

(II) made significant progress towards aligning the core programs with other workforce development programs in the region; and

(III) achieved the alignments described in subclauses (I) and (II) consistent with the State plan.

(4) APPLICATION.—An eligible entity seeking to receive a grant under this subsection shall submit to the Secretary of Labor and the Secretary of Education an application at such time, in such manner, and containing such information, consistent with this paragraph, as the Secretaries may require. Each

1 such application shall describe the innovation and
2 replication strategies and activities, and any waivers,
3 in accordance with appropriate authorizing statutes,
4 necessary to implement such strategies and activi-
5 ties, that the eligible entity will carry out to
6 strengthen the workforce development system in the
7 State or region in order to substantially improve the
8 education and employment outcomes for individuals
9 served by such system and the services provided to
10 employers under such system, including—

11 (A) a description of the region in the State
12 or the State, as appropriate, that will be the
13 focus of grant activities, including analyses of
14 economic conditions, skill needs, the workforce,
15 and the workforce development services (includ-
16 ing the strengths and weaknesses of such serv-
17 ices and the capacity to provide such services)
18 that are relevant to the proposed strategies and
19 activities that would be carried out under the
20 grant;

21 (B) a description of the populations to be
22 served, including individuals with barriers to
23 employment, and the skill needs of those popu-
24 lations;

(C) a description of the promising strategies and activities the eligible entity is proposing to demonstrate, or the evidence-based strategies and activities that the eligible entity is proposing to expand or replicate;

(D) a description of how, in carrying out such strategies and activities, the entity will—

(i) collaborate to leverage resources among strategic partners to achieve the purposes of the grant, and to provide the matching share described in paragraph (5)(B); and

(ii) ensure the sustainability of the programs and activities supported by the grant after grant funds are no longer available;

(E) a description of how the strategies and activities will be aligned with the State plan and the local plans in the region of the State that will be the focus of grant activities;

(F) a description of the outcomes, including outcomes for the performance accountability measures based on indicators described in section 131(b)(2)(A)(i), to be achieved by the proposed strategies and activities; and

(G) a description of how the eligible entity will—

(i) use technology;

(ii) collect data;

(iii) make data publicly available; and

(iv) use technology and data to improve program delivery, activities, and administration.

(5) MATCHING REQUIREMENTS; SUPPLEMENT, NOT SUPPLANT.—

(A) INNOVATION FUND SHARE.—The amount of the share of the funds provided under paragraph (1) shall be not greater than 50 percent of the cost of the programs and activities that are carried out under the grant.

(B) MATCHING SHARE.—

(i) IN GENERAL.—

(I) AMOUNT.—The amount of the matching share under this subsection for a program year may not be less than 50 percent of the costs of the programs and activities that are carried out under the grant.

(II) IN CASH OR IN KIND.—The matching share may be in cash or in kind (fairly evaluated).

(III) SOURCES OF MATCHING SHARE.—

(aa) IN GENERAL.—Not more than 50 percent of the matching share required under this subsection may be provided from Federal resources, of which not less than 50 percent shall be provided from Federal resources from the partner programs identified in the application other than resources provided under the core programs.

(bb) NON-FEDERAL SOURCES.—Non-Federal sources for the matching share may include State resources, local resources, contributions from private organizations, or a combination of such resources and contributions.

(ii) FINANCIAL HARDSHIP WAIVER.—The Secretary of Labor and the Secretary of Education may waive or reduce the matching share of an eligible entity that has submitted an application under this subsection if such entity demonstrates a need for such waiver or reduction due to extreme financial hardship as jointly defined by the Secretary of Labor and the Secretary of Education.

(C) SUPPLEMENT, NOT SUPPLANT.—The Federal and matching share required by this subsection shall be used to supplement and not supplant other Federal and State funds used to carry out activities described in this subsection.

(6) GRANT PERIOD.—Grants awarded under this subsection shall be awarded for periods of not more than 3 years in duration and may not be renewed.

(7) GEOGRAPHIC DIVERSITY.—In awarding grants under this subsection, the Secretary of Labor and the Secretary of Education shall take into consideration the geographic diversity, and diversity with respect to population density, of the areas in which projects will be carried out under this section.

(8) REPORTING.—The Secretary of Labor and the Secretary of Education are authorized to establish appropriate reporting requirements for grantees under this subsection.

(9) TECHNICAL ASSISTANCE AND EVALUATION.—For each program year for which funds are available to carry out this section, the Secretary of Labor and the Secretary of Education may reserve not more than 5 percent of the amount available to carry out this subsection to provide technical assistance to applicants and grantees under this subsection, and to evaluate projects carried out under this subsection. The Secretaries shall ensure that the results of the evaluations are publicly available (including by electronic means).

SEC. 143. YOUTH INNOVATION AND REPLICATION GRANTS.

(a) PROGRAM AUTHORIZED.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2014 through 2018.

(b) YOUTH INNOVATION AND REPLICATION GRANTS TO ELIGIBLE ENTITIES.—

(1) IN GENERAL.—From funds described in subsection (a), the Secretary of Labor and the Secretary of Education shall award youth innovation

and replication grants on a competitive basis to eligible entities.

(2) USE OF FUNDS.—The grants awarded under this subsection shall be used to support the demonstration of innovative new strategies and activities, or the replication and expansion of effective evidence-based strategies and activities, that are designed to substantially improve education and employment outcomes for eligible youth. Such strategies and activities shall include—

(A) establishing career pathways in in-demand industry sectors and occupations for eligible youth, in collaboration with other Federal, State, and local programs, such as career and technical education programs as defined in section 101, and public and private entities;

(B) developing and implementing a comprehensive strategy, for an area of high poverty, that provides education and training programs, resources, and other activities that prepare youth for postsecondary education and training and for employment that leads to economic self-sufficiency;

(C) developing and implementing strategies and activities that provide opportunities for

youth with disabilities to receive education, training, and employment services that lead to a recognized postsecondary credential or integrated, competitive employment;

(D) developing and implementing evidence-based strategies and activities, such as—

(i) education offered concurrently and contextually with workforce preparation and training for a specific occupation or occupational cluster;

(ii) career academies;

(iii) dropout prevention and recovery strategies;

(iv) paid or unpaid work experience, including summer employment opportunities and employment opportunities available throughout the school year, combined with academic learning leading to a recognized postsecondary credential; or

(v) innovative programs for youth facing multiple barriers to employment that arrange for the provision of or provide supportive services combined with education, training, or employment activities; or

(E) other evidence-based strategies or activities designed to improve the education and employment outcomes for youth.

(3) ELIGIBLE ENTITIES.—

(A) IN GENERAL.—To be eligible to receive a grant under this subsection, an eligible entity shall—

(i) meet the requirements of this paragraph; and

(ii) submit an application in accordance with paragraph (4).

(B) ELIGIBLE ENTITY DEFINED.—An eligible entity shall include—

(i)(I) the Governor of a State in coordination with the State board and with a local board for a local area that is aligned with a region, or with all local boards for local areas that comprise a planning region, under section 116(c), in consultation with the standing committee on youth associated with the local board; or

(II) a local board for a local area that is aligned with a region, or all local boards for local areas that comprise a planning region, under section 116(c), in consultation

with the standing committee on youth associated with the local board; and

(ii) one or more of the following:

(I) A State educational agency.

(II) A local educational agency.

(III) A nonprofit organization with expertise serving eligible youth, including a community-based organization or an intermediary.

(IV) An institution of higher education, including a community college.

(V) A joint labor-management partnership.

(4) APPLICATION.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary of Labor and the Secretary of Education at such time, in such manner, and containing such information, consistent with this paragraph, as the Secretaries may require. Each such application shall describe the innovation and replication strategies and activities that the eligible entity will carry out to strengthen the workforce development system in the State or region in order to substantially improve education and employment outcomes for youth, such as youth with

disabilities, served by such system, and shall include—

(A) a description of the region in the State or the State, as applicable, that will be the focus of grant activities, including analyses of economic conditions, skill needs, the workforce, and the workforce development services (including the strengths and weaknesses of such services and the capacity to provide such services) that are relevant to the proposed strategies and activities that would be carried out under the grant;

(B) a description of the youth populations to be served, including individuals with barriers to employment who are youth, and the skill needs of those populations;

(C) a description of the promising strategies and activities the eligible entity is proposing to demonstrate, or the evidence-based strategies and activities that the eligible entity is proposing to expand or replicate;

(D) a description of how the eligible entity will meaningfully involve youth in the design and implementation of the proposed strategies and activities;

(E) a description of how, in carrying out such strategies and activities, the eligible entity will—

(i) collaborate to leverage resources among strategic partners to achieve the purposes of the grant, and to provide the matching share described in paragraph (5)(B); and

(ii) ensure the sustainability of the programs and activities supported by the grant after grant funds are no longer available;

(F) a description of how the strategies and activities will be aligned with the State plan and the local plans in the region of the State that will be the focus of grant activities;

(G) a description of the outcomes, including outcomes for the performance accountability measures based on indicators of performance described in section 131(b)(2)(A)(ii), to be achieved by the proposed strategies and activities; and

(H) a description of how the eligible entity will—

(i) use technology;

(ii) collect data;

(iii) make data publicly available; and

(iv) use technology and data to improve program delivery, activities, and administration.

(5) MATCHING REQUIREMENTS; SUPPLEMENT, NOT SUPPLANT.—

(A) INNOVATION FUND SHARE.—The amount of the share of the funds provided under paragraph (1) shall be not greater than 50 percent of the cost of the programs and activities that are carried out under the grant.

(B) MATCHING SHARE.—

(i) IN GENERAL.—

(I) AMOUNT.—The amount of the matching share under this subsection for a program year may not be less than 50 percent of the costs of the programs and activities that are carried out under the grant.

(II) IN CASH OR IN KIND.—The matching share may be in cash or in kind (fairly evaluated).

(III) SOURCES OF MATCHING SHARE.—

(aa) IN GENERAL.—Not more than 50 percent of the matching share required under this subsection may be provided from Federal resources, of which not less than 50 percent shall be provided from Federal resources from the partner programs identified in the application other than resources provided under the core programs.

(bb) NON-FEDERAL SOURCES.—Non-Federal sources for the matching share may include State resources, local resources, contributions from private organizations, or a combination of such resources and contributions.

(ii) FINANCIAL HARDSHIP WAIVER.—The Secretary of Labor and the Secretary of Education may waive or reduce the matching share of an eligible entity that has submitted an application under this subsection if such entity demonstrates a

need for such waiver or reduction due to extreme financial hardship as defined by the Secretary of Labor and the Secretary of Education.

(C) SUPPLEMENT, NOT SUPPLANT.—The Federal and matching share required by this subsection shall be used to supplement and not supplant other Federal and State funds used to carry out activities described in this subsection.

(6) GRANT PERIOD.—Grants awarded under this subsection shall be awarded for periods of not more than 3 years in duration and may not be renewed.

(7) GEOGRAPHIC DIVERSITY.—In awarding grants under this subsection, the Secretary of Labor and the Secretary of Education shall take into consideration the geographic diversity, and diversity with respect to population density, of the areas in which projects will be carried out under this section.

(8) REPORTING.—The Secretary of Labor and the Secretary of Education are authorized to establish appropriate reporting requirements for grantees under this subsection.

(9) TECHNICAL ASSISTANCE AND EVALUATION.—For each program year for which funds are

available to carry out this section, the Secretary of Labor and the Secretary of Education may reserve not more than 5 percent of the amount available to carry out this subsection to provide technical assistance to applicants and grantees under this subsection, and to evaluate projects carried out under this subsection. The Secretaries shall ensure that the results of the evaluations are publicly available (including by electronic means).

SEC. 144. INTERAGENCY AGREEMENT.

(a) INTERAGENCY AGREEMENT.—The Secretary of Education and the Secretary of Labor shall jointly develop policies for the administration of this subtitle in accordance with such terms as the Secretaries shall set forth in an interagency agreement. Such interagency agreement, at a minimum, shall include a description of the respective roles and responsibilities of the Secretaries in carrying out this subtitle (both jointly and separately), including how—

(1) the funds available under this subtitle will be obligated and disbursed and compliance with applicable laws (including regulations) will be ensured, as well as how the grantees will be selected and monitored, and a peer review process for selection of grantees that includes program practitioners and national experts will be carried out;

(2) evaluations and research will be conducted on the effectiveness of grants awarded under this subtitle in addressing the education and employment needs of job seekers and workers, youth, and employers;

(3) technical assistance will be provided to applicants and grant recipients;

(4) information will be disseminated (including by electronic means) on best practices and effective strategies and service delivery models for activities carried out under this subtitle; and

(5) policies and processes critical to the successful achievement of the education, training, and employment goals of this subtitle will be established.

(b) TRANSFER AUTHORITY.—The Secretary of Labor and the Secretary of Education shall have the authority to transfer funds between the Department of Labor and the Department of Education to carry out this subtitle in accordance with the agreement described in subsection (a).

(c) REPORTS.—The Secretary of Labor and the Secretary of Education shall jointly develop and submit a biennial report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives, describing—

(1) actions the Departments have taken to—

(A) assess the effectiveness of the projects carried out under this subtitle; and

(B) facilitate the coordination of the programs carried out through the grants awarded with other education, employment, and training programs;

(2) barriers that impede effectiveness of projects carried out under this subtitle;

(3) the best practices and effective strategies and service delivery models that the Departments have identified pursuant to this subtitle and actions the Departments have taken to promptly disseminate information (including by electronic means) on such best practices and effective strategies and service delivery models; and

(4) the actions the Departments have taken to leverage resources provided under Federal law other than this subtitle and non-Federal resources, to improve the workforce development system nationwide, including in States, regions, and local areas that have not received funds under this subtitle.

TITLE II—WORKFORCE INVESTMENT AND RELATED ACTIVITIES

Subtitle A—Definition

SEC. 201. DEFINITION.

In this title, the term ''Secretary'', used without further description, means the Secretary of Labor.

Subtitle B—Workforce Investment Activities and Providers

SEC. 211. PURPOSE.

The purpose of this subtitle is to provide workforce investment activities, through statewide and local workforce development systems, that increase the employment, retention, economic self-sufficiency, and earnings of participants, and increase attainment of recognized postsecondary credentials by participants, and as a result, improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency, meet the skill requirements of employers, and enhance the productivity and competitiveness of the Nation.

CHAPTER 1—WORKFORCE INVESTMENT ACTIVITIES PROVIDERS

SEC. 221. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

(a) IN GENERAL.—Consistent with an approved State plan, the local board for a local area, with the agreement of the chief elected official for the local area, shall—

(1) develop and enter into the memorandum of understanding described in subsection (c) with one-stop partners;

(2) designate or certify one-stop operators under subsection (d); and

(3) conduct oversight with respect to the one-stop delivery system in the local area.

(b) ONE-STOP PARTNERS.—

(1) REQUIRED PARTNERS.—

(A) ROLES AND RESPONSIBILITIES OF ONE-STOP PARTNERS.—Each entity that carries out a program or activities described in subparagraph (B) in a local area shall—

(i) provide access through the one-stop delivery system to such program or activities carried out by the entity, including making the core services described in section 234(c)(2) that are applicable to the

program or activities available at the one-stop centers (in addition to any other appropriate locations);

(ii) use a portion of the funds available for the program and activities to maintain the one-stop delivery system, including payment of the infrastructure costs of one-stop centers in accordance with subsection (h);

(iii) enter into a local memorandum of understanding with the local board, relating to the operation of the one-stop system, that meets the requirements of subsection (c);

(iv) participate in the operation of the one-stop system consistent with the terms of the memorandum of understanding, the requirements of this title, and the requirements of the Federal laws authorizing the program or activities; and

(v) provide representation on the State board to the extent provided under section 111.

(B) PROGRAMS AND ACTIVITIES.—The programs and activities referred to in subparagraph (A) consist of—

(i) programs authorized under this title;

(ii) programs authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

(iii) adult education and literacy activities authorized under title III;

(iv) programs authorized under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) (other than section 112 or part C of title I of such Act (29 U.S.C. 732, 741));

(v) activities authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.);

(vi) career and technical education programs at the postsecondary level authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.);

(vii) activities authorized under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.);

(viii) activities authorized under chapter 41 of title 38, United States Code;

(ix) employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.);

(x) employment and training activities carried out by the Department of Housing and Urban Development;

(xi) programs authorized under State unemployment compensation laws (in accordance with applicable Federal law);

(xii) programs authorized under section 212 of the Second Chance Act of 2007 (42 U.S.C. 17532); and

(xiii) programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), subject to subparagraph (C).

(C) DETERMINATION BY THE GOVERNOR.—

(i) IN GENERAL.—An entity that carries out a program referred to in subparagraph (B)(xiii) shall be included in the one-stop partners for the local area, as a

required partner, for purposes of this Act and the other core program provisions that are not part of this Act, unless the Governor provides the notification described in clause (ii).

(ii) NOTIFICATION.—The notification referred to in clause (i) is a notification that—

(I) is made in writing of a determination by the Governor not to include such entity in the one-stop partners described in clause (i); and

(II) is provided to the Secretary and the Secretary of Health and Human Services.

(2) ADDITIONAL PARTNERS.—

(A) IN GENERAL.—With the approval of the local board and chief elected official, in addition to the entities described in paragraph (1), other entities that carry out workforce development programs described in subparagraph (B) may be one-stop partners for the local area and carry out the responsibilities described in paragraph (1)(A).

(B) PROGRAMS.—The programs referred to in subparagraph (A) may include—

(i) employment and training programs administered by the Social Security Administration, including the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act (42 U.S.C. 1320b–19);

(ii) employment and training programs carried out by the Small Business Administration;

(iii) programs authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4));

(iv) work programs authorized under section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o));

(v) programs carried out under section 112 of the Rehabilitation Act of 1973 (29 U.S.C. 732);

(vi) programs authorized under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.); and

(vii) other appropriate Federal, State, or local programs, including employment,

education, and training programs provided by public libraries or in the private sector.

(c) MEMORANDUM OF UNDERSTANDING.—

(1) DEVELOPMENT.—The local board, with the agreement of the chief elected official, shall develop and enter into a memorandum of understanding (between the local board and the one-stop partners), consistent with paragraph (2), concerning the operation of the one-stop delivery system in the local area.

(2) CONTENTS.—Each memorandum of understanding shall contain—

(A) provisions describing—

(i) the services to be provided through the one-stop delivery system consistent with the requirements of this section, including the manner in which the services will be coordinated and delivered through such system;

(ii) how the costs of such services and the operating costs of such system will be funded, including—

(I) funding through cash and in-kind contributions (fairly evaluated), which contributions may include fund-

ing from philanthropic organizations or other private entities, or through other alternative financing options, to provide a stable and equitable funding stream for ongoing one-stop delivery system operations; and

(II) funding of the infrastructure costs of one-stop centers in accordance with subsection (h);

(iii) methods of referral of individuals between the one-stop operator and the one-stop partners for appropriate services and activities;

(iv) methods to ensure the needs of workers and youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in the provision of necessary and appropriate access to services, including access to technology and materials, made available through the one-stop delivery system; and

(v) the duration of the memorandum of understanding and the procedures for amending the memorandum during the duration of the memorandum, and assurances

that such memorandum shall be reviewed not less than once every 2-year period to ensure appropriate funding and delivery of services; and

(B) such other provisions, consistent with the requirements of this title, as the parties to the agreement determine to be appropriate.

(d) ONE-STOP OPERATORS.—

(1) DESIGNATION AND CERTIFICATION.—Consistent with paragraphs (2) and (3), the local board, with the agreement of the chief elected official, is authorized to designate or certify one-stop operators and to terminate for cause the eligibility of such operators.

(2) ELIGIBILITY.—To be eligible to receive funds made available under this subtitle to operate a one-stop center referred to in subsection (e), an entity (which may be a consortium of entities)—

(A) shall be designated or certified as a one-stop operator—

(i) through a competitive process; or

(ii) in accordance with an agreement reached between the local board and a consortium of entities that, at a minimum, in-

cludes 3 or more of the one-stop partners described in subsection (b)(1); and

(B) shall be an entity (public or private), or consortium of entities, of demonstrated effectiveness, located in the local area, which may include—

(i) an institution of higher education;

(ii) an employment service State agency established under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), on behalf of the local office of the agency;

(iii) a community-based organization, nonprofit organization, or intermediary;

(iv) a private for-profit entity;

(v) a government agency; and

(vi) another interested organization or entity, which may include a local chamber of commerce or other business organization, or a labor organization.

(3) EXCEPTION.—Elementary schools and secondary schools shall not be eligible for designation or certification as one-stop operators, except that nontraditional public secondary schools and area career and technical education schools may be eligible for such designation or certification.

(4) ADDITIONAL REQUIREMENTS.—The State and local boards shall ensure that in carrying out activities under this title, one-stop operators—

(A) disclose any potential conflicts of interest arising from the relationships of the operators with particular training service providers or other service providers;

(B) do not establish practices that create disincentives to providing services to individuals with barriers to employment who may require longer-term services, such as intensive employment, training, and education services; and

(C) comply with Federal regulations, and procurement policies, relating to the calculation and use of profits.

(e) ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEM.—

(1) IN GENERAL.—There shall be established in each local area in a State that receives an allotment under section 232(b) a one-stop delivery system, which—

(A) shall provide the core services described in section 234(c)(2);

(B) shall provide access to intensive services and training services as described in para-

graphs (3) and (4) of section 234(c), including serving as the point of access to training services for participants in accordance with section 234(c)(4)(G);

(C) shall provide access to the employment and training activities carried out under section 234(d), if any;

(D) shall provide access to programs and activities carried out by one-stop partners described in subsection (b); and

(E) shall provide access to the data, information, and analysis described in section 15(a) of the Wagner-Peyser Act (29 U.S.C. 49l–2(a)) and all job search, placement, recruitment, and other labor exchange services authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(2) ONE-STOP DELIVERY.—The one-stop delivery system—

(A) at a minimum, shall make each of the programs, services, and activities described in paragraph (1) accessible at not less than 1 physical center in each local area of the State; and

(B) may also make programs, services, and activities described in paragraph (1) available—

(i) through a network of affiliated sites that can provide 1 or more of the programs, services, and activities to individuals; and

(ii) through a network of eligible one-stop partners—

(I) in which each partner provides 1 or more of the programs, services, and activities to such individuals and is accessible at an affiliated site that consists of a physical location or an electronically or technologically linked access point; and

(II) that assures individuals that information on the availability of the core services will be available regardless of where the individuals initially enter the statewide workforce development system, including information made available through an access point described in subclause (I);

(C) may have specialized centers to address special needs, such as the needs of dislocated workers, youth, or key industry sectors or clusters; and

(D) as applicable and practicable, shall make programs, services, and activities accessible to individuals through electronic means in a manner that improves efficiency, coordination, and quality in the delivery of one-stop partner services.

(3) COLOCATION OF WAGNER-PEYSER SERVICES.—Consistent with section 3(d) of the Wagner-Peyser Act (29 U.S.C. 49b(d)), and in order to improve service delivery, avoid duplication of services, and enhance coordination of services, including location of staff to ensure access to services in underserved areas, the employment service offices in each State shall be colocated with one-stop centers established under this title.

(4) USE OF COMMON ONE-STOP DELIVERY SYSTEM IDENTIFIER.—In addition to using any State or locally developed identifier, each one-stop delivery system shall include in the identification of products, programs, activities, services, facilities, and related property and materials, a common one-stop delivery system identifier. The identifier shall be developed by the Secretary, in consultation with heads of other appropriate departments and agencies, and representatives of State boards and local boards and of

other stakeholders in the one-stop delivery system, not later than the beginning of the second full program year after the date of enactment of this Act. Such common identifier may consist of a logo, phrase, or other identifier that informs users of the one-stop delivery system that such products, programs, activities, services, facilities, property, or materials are being provided through such system. Nothing in this paragraph shall be construed to prohibit one-stop partners, States, or local areas from having additional identifiers.

(f) APPLICATION TO CERTAIN VOCATIONAL REHABILITATION PROGRAMS.—

(1) LIMITATION.—Nothing in this section shall be construed to apply to part C of title I of the Rehabilitation Act of 1973 (29 U.S.C. 741).

(2) CLIENT ASSISTANCE.—Nothing in this Act shall be construed to require that any entity carrying out a client assistance program authorized under section 112 of the Rehabilitation Act of 1973 (29 U.S.C. 732)—

(A) be included as a mandatory one-stop partner under subsection (b)(1); or

(B) if the entity is included as an additional one-stop partner under subsection (b)(2)—

(i) violate the requirement of section 112(c)(1)(A) of that Act (29 U.S.C. 732(c)(1)(A)) that the entity be independent of any agency that provides treatment, services, or rehabilitation to individuals under that Act; or

(ii) carry out any activity not authorized under section 112 of that Act (including appropriate Federal regulations).

(g) CONTINUOUS IMPROVEMENT OF ONE-STOP CENTERS.—

(1) IN GENERAL.—The State board, in consultation with chief elected officials and local boards, shall establish objective criteria and procedures for use by local boards in periodically assessing the effectiveness, physical and programmatic accessibility in accordance with section 288 and the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), and continuous improvement of one-stop centers and the one-stop delivery system, consistent with the requirements of section 111(d)(7).

(2) CRITERIA.—The criteria and procedures developed under this subsection shall include standards relating to service coordination achieved by the one-stop delivery system with respect to the programs administered by the one-stop partners at the one-stop centers. Such criteria and procedures shall—

(A) be developed in a manner that is consistent with the guidelines, guidance, and policies provided by the Governor and by the State board, in consultation with the chief elected officials and local boards, for such partners' participation under subsections (h)(1) and (i); and

(B) include such factors relating to the effectiveness, accessibility, and improvement of the one-stop delivery system as the State board determines to be appropriate.

(3) LOCAL CRITERIA.—Consistent with the criteria developed under paragraph (1) by the State, a local board in the State may develop additional criteria (or higher levels of service coordination than required for the State-developed criteria) relating to service coordination achieved by the one-stop delivery system, for purposes of assessments described in paragraph (1), in order to respond to labor market,

economic, and demographic, conditions and trends in the region.

(4) REVIEW AND UPDATE.—The criteria and procedures established under this subsection shall be reviewed and updated by the State board or the local board, as the case may be, as part of the biennial process for review and modification of State and local plans described in sections 112(c) and 118(a).

(h) FUNDING OF ONE-STOP INFRASTRUCTURE.—

(1) IN GENERAL.—

(A) OPTIONS FOR INFRASTRUCTURE FUNDING.—

(i) LOCAL OPTIONS.—The local board, chief elected officials, and one-stop partners described in subsection (b)(1) in a local area may fund the costs of infrastructure of one-stop centers in the local area through—

(I) methods agreed on by the local board, chief elected officials, and one-stop partners (described in the memorandum of understanding described in subsection (c)); or

(II) the State infrastructure funding mechanism described in paragraph (2).

(ii) FAILURE TO REACH CONSENSUS AGREEMENT ON FUNDING METHODS.—Beginning July 1, 2015, if the local board, chief elected officials, and one-stop partners described in subsection (b)(1) in a local area fail to reach consensus agreement on methods of sufficiently funding the costs of infrastructure of one-stop centers for a program year, the State infrastructure funding mechanism described in paragraph (2) shall be applicable to such local area for that program year and for each subsequent program year for which those entities and individuals fail to reach such agreement.

(B) GUIDANCE FOR INFRASTRUCTURE FUNDING.—In addition to carrying out the requirements relating to the State infrastructure funding mechanism described in paragraph (2), the Governor, after consultation with chief elected officials, local boards, and the State board, and consistent with the guidance and

policies provided by the State board under subparagraphs (B) and (C)(i) of section 111(d)(7), shall provide, for the use of local areas under subparagraph (A)(i)(I)—

(i) guidelines for State-administered one-stop partner programs, for determining such programs' contributions to a one-stop delivery system, based on such programs' proportionate use of such system consistent with chapter II of title 2, Code of Federal Regulations (or any corresponding similar regulation or ruling), including determining funding for the costs of infrastructure, which contributions shall be negotiated pursuant to the memorandum of understanding under subsection (c); and

(ii) guidance to assist local boards, chief elected officials, and one-stop partners in local areas in determining equitable and stable methods of funding the costs of infrastructure of one-stop centers in such areas.

(2) STATE ONE-STOP INFRASTRUCTURE FUNDING.—

(A) DEFINITION.—In this paragraph, the term ''covered portion'', used with respect to funding for a fiscal year for a program described in subsection (b)(1), means a portion determined under subparagraph (C) of the Federal funds provided to a State (including local areas within the State) under the Federal law authorizing that program described in subsection (b)(1) for the fiscal year (taking into account the availability of funding for purposes related to infrastructure from philanthropic organizations, private entities, or other alternative financing options).

(B) PARTNER CONTRIBUTIONS.—Subject to subparagraph (D), for local areas in a State that are not covered by paragraph (1)(A)(i)(I), the covered portions of funding for a fiscal year shall be provided to the Governor from the programs described in subsection (b)(1), to assist in paying the costs of infrastructure of one-stop centers in those local areas of the State not adequately funded under the option described in paragraph (1)(A)(i)(I).

(C) DETERMINATION OF GOVERNOR.—

(i) IN GENERAL.—Subject to clause (ii) and subparagraph (D), the Governor, after consultation with chief elected officials, local boards, and the State board, shall determine the portion of funds to be provided under subparagraph (B) by each one-stop partner from each program described in subparagraph (B). In making such determination for the purpose of determining funding contributions, for funding pursuant to clause (i)(II) or (ii) of paragraph (1)(A) by each partner, the Governor shall calculate amounts for the proportionate use of the one-stop centers in the State, consistent with chapter II of title 2, Code of Federal Regulations (or any corresponding similar regulation or ruling), taking into account the costs of administration of the one-stop delivery system for purposes not related to one-stop centers, for each partner. The Governor shall exclude from such determination of funds the amounts for proportionate use of one-stop centers attributable to the programs of one-stop partners for those local

areas of the State where the costs of infrastructure of one-stop centers are funded under the option described in paragraph (1)(A)(i)(I).

(ii) SPECIAL RULE.—In a State in which the State constitution or a State statute places policymaking authority that is independent of the authority of the Governor in an entity or official with respect to the funds provided for adult education and literacy activities authorized under title III, postsecondary career and technical education activities authorized under the Carl D. Perkins Career and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.), or vocational rehabilitation services offered under a provision covered by section 101(12)(D), the determination described in clause (i) with respect to the programs authorized under that title, Act, and provision shall be made by the chief officer of the entity, or the official, with such authority in consultation with the Governor.

(D) LIMITATIONS.—

(i) PROVISION FROM ADMINISTRATIVE FUNDS.—

(I) IN GENERAL.—Subject to subclause (II), the funds provided under this paragraph by each one-stop partner shall be provided only from funds available for the costs of administration under the program administered by such partner, and shall be subject to the program's limitations with respect to the portion of funds under such program that may be used for administration.

(II) EXCEPTIONS.—Nothing in this clause shall be construed to apply to the programs carried out under this title, or under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(ii) CAP ON REQUIRED CONTRIBUTIONS.—For local areas in a State that are not covered by paragraph (1)(A)(i)(I), the following rules shall apply:

(I) WIA FORMULA PROGRAMS AND EMPLOYMENT SERVICE.—The

1 portion of funds required to be con-
2 tributed under this paragraph from a
3 program authorized under chapter 2
4 or 3, or the Wagner-Peyser Act (29
5 U.S.C. 49 et seq.) shall not exceed 3
6 percent of the amount of Federal
7 funds provided to carry out that pro-
8 gram in the State for a fiscal year.

9 (II) OTHER ONE-STOP PART-
10 NERS.—The portion of funds required
11 to be contributed under this para-
12 graph from a program described in
13 subsection (b)(1) other than the pro-
14 grams described in clause (i) shall not
15 exceed 1.5 percent of the amount of
16 Federal funds provided to carry out
17 that program in the State for a fiscal
18 year.

19 (III) VOCATIONAL REHABILITA-
20 TION.—Notwithstanding subclauses
21 (I) and (II), an entity administering a
22 program described in subsection
23 (b)(1)(B)(iv) shall not be required to
24 provide from that program, under this
25 paragraph, a portion that exceeds—

(aa) 0.75 percent of the amount of Federal funds provided to carry out such program in the State for the second full program year that begins after the date of enactment of this Act;

(bb) 1.0 percent of the amount provided to carry out such program in the State for the third full program year that begins after such date;

(cc) 1.25 percent of the amount provided to carry out such program in the State for the fourth full program year that begins after such date; and

(dd) 1.5 percent of the amount provided to carry out such program in the State for the fifth and each succeeding full program year that begins after such date.

(iii) FEDERAL DIRECT SPENDING PROGRAMS.—For local areas in a State that

are not covered by paragraph (1)(A)(i)(I), an entity administering a program funded with direct spending as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985, as in effect on August 2, 2011 (2 U.S.C. 900(c)(8)) shall not be required to provide, for purposes of this paragraph, an amount in excess of the amount determined under subparagraph (C)(i) to be equivalent to the cost of the proportionate use of the one-stop centers for the one-stop partner for such program in the State.

(iv) NATIVE AMERICAN PROGRAMS.—One-stop partners for Native American programs established under section 266 shall not be subject to the provisions of this subsection (other than this clause) or subsection (i). For purposes of subsection (c)(2)(A)(ii)(II), the method for determining the appropriate portion of funds to be provided by such partners to pay for the costs of infrastructure of a one-stop center shall be determined as part of the development of the memorandum of under-

standing under subsection (c) for the one-stop center and shall be stated in the memorandum.

(E) APPEAL BY ONE-STOP PARTNERS.—The Governor shall establish a process, described under section 112(b)(2)(D)(i)(V), for a one-stop partner administering a program described in subsection (b)(1) to appeal a determination regarding the portion of funds to be provided under this paragraph. Such a determination may be appealed under the process on the basis that such determination is inconsistent with the requirements of this paragraph. Such process shall ensure prompt resolution of the appeal in order to ensure the funds are distributed in a timely manner, consistent with the requirements of section 282(e).

(3) ALLOCATION BY GOVERNOR.—

(A) IN GENERAL.—From the funds provided under paragraph (1), the Governor shall allocate the funds to local areas described in subparagraph (B) in accordance with the formula established under subparagraph (B) for the purposes of assisting in paying the costs of infrastructure of one-stop centers.

(B) ALLOCATION FORMULA.—The State board shall develop a formula to be used by the Governor to allocate the funds provided under paragraph (1) to local areas not funding costs of infrastructure under the option described in paragraph (1)(A)(i)(I). The formula shall be based on factors including the number of one-stop centers in a local area, the population served by such centers, the services provided by such centers, and other factors relating to the performance of such centers that the State board determines are appropriate.

(4) COSTS OF INFRASTRUCTURE.—In this subsection, the term ''costs of infrastructure'', used with respect to a one-stop center, means the nonpersonnel costs that are necessary for the general operation of the one-stop center, including the rental costs of the facilities, the costs of utilities and maintenance, equipment (including assessment-related products and assistive technology for individuals with disabilities), and technology to facilitate access to the one-stop center, including the center's planning and outreach activities.

(i) OTHER FUNDS.—

1 (1) IN GENERAL.—Subject to the memorandum
2 of understanding described in subsection (c) for the
3 one-stop delivery system involved, in addition to the
4 funds provided to carry out subsection (h), a portion
5 of funds made available under Federal law author-
6 izing the programs described in subsection (b) and
7 administered by one-stop partners, or the noncash
8 resources available under such programs, shall be
9 used to pay the additional costs relating to the oper-
10 ation of the one-stop delivery system that are not
11 paid from the funds provided under subsection (h),
12 as determined in accordance with paragraph (3), to
13 the extent not inconsistent with the Federal law in-
14 volved. Such costs shall include the costs of the pro-
15 vision of core services described in section 234(c)(2)
16 applicable to each program and may include common
17 costs that are not paid from the funds provided
18 under subsection (h).
19 (2) SHARED SERVICES.—The costs described
20 under paragraph (1) may include costs of services
21 that are authorized for and may be commonly pro-
22 vided through the one-stop partner programs to any
23 individual, such as initial intake, assessment of
24 needs, appraisal of basic skills, identification of ap-

propriate services to meet such needs, referrals to other one-stop partners, and other similar services.

(3) DETERMINATION AND GUIDANCE.—The method for determining the appropriate portion of funds and noncash resources to be provided by the one-stop partner for each program under paragraph (1) for a one-stop center shall be determined as part of the development of the memorandum of understanding under subsection (c) for the one-stop center and shall be stated in the memorandum. The State board shall provide guidance to facilitate the determination, for purposes of the memorandum of understanding, of an appropriate allocation of the funds and noncash resources in local areas, consistent with the requirements of section 111(d)(7)(C)(i).

SEC. 222. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

(a) ELIGIBILITY.—

(1) IN GENERAL.—Except as provided in subsection (h), the Governor, after consultation with the State board, shall establish criteria, information requirements, and procedures regarding the eligibility of providers of training services to receive funds pro-

vided under section 233(b) for the provision of training services in local areas in the State.

(2) PROVIDERS.—Subject to the provisions of this section, to be eligible to receive those funds for the provision of training services, the provider shall be—

(A) an institution of higher education that provides a program that leads to a recognized postsecondary credential;

(B) an entity that carries out programs registered under the Act of August 16, 1937 (commonly known as the ''National Apprenticeship Act''; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.); or

(C) another public or private provider of a program of training services, which may include joint labor-management organizations, and eligible providers of adult education and literacy activities under title III if such activities are provided in combination with occupational skills training.

(3) INCLUSION IN LIST OF ELIGIBLE PROVIDERS.—A provider described in subparagraph (A) or (C) of paragraph (2) shall comply with the criteria, information requirements, and procedures es-

tablished under this section to be included on the list of eligible providers of training services described in subsection (d). A provider described in paragraph (2)(B) shall be included and maintained on the list of eligible providers of training services described in subsection (d) for so long as the corresponding program of the provider remains registered as described in paragraph (2)(B).

(b) CRITERIA AND INFORMATION REQUIREMENTS.—

(1) STATE CRITERIA.—In establishing criteria pursuant to subsection (a), the Governor shall take into account each of the following:

(A) The performance of providers of training services with respect to—

(i) the performance accountability measures and other matters for which information is required under paragraph (2); and

(ii) other appropriate measures of performance outcomes determined by the Governor for those participants receiving training services under this subtitle (taking into consideration the characteristics of the population served and relevant economic conditions), and the outcomes of the pro-

gram through which those training services were provided for students in general with respect to employment and earnings as defined under section 131(b)(2).

(B) The need to ensure access to training services throughout the State, including through the use of technology.

(C) Information reported to State agencies with respect to Federal and State programs involving training services (other than the program carried out under this subtitle), including one-stop partner programs.

(D) The requirements for State licensing of providers of training services, and the licensing status of providers of training services if applicable.

(E) Ways in which the criteria can encourage, to the extent practicable, the providers to use industry-recognized certificates or certifications.

(F) The ability of the providers to offer programs that lead to recognized postsecondary credentials.

(G) The quality of a program of training services, including a program of training serv-

ices that leads to a recognized postsecondary credential.

(H) The ability of the providers to provide training services to individuals who are employed and individuals with barriers to employment.

(I) Such other factors as the Governor determines are appropriate to ensure—

(i) the accountability of the providers;

(ii) that the one-stop centers in the State will ensure that such providers meet the needs of local employers and participants;

(iii) the informed choice of participants among training services providers; and

(iv) that the collection of information required to demonstrate compliance with the criteria is not unduly burdensome or costly to providers.

(2) STATE INFORMATION REQUIREMENTS.—The information requirements established by the Governor shall require that a provider of training services submit appropriate, accurate, and timely information to the State, to enable the State to carry

1 out subsection (d), with respect to participants re-
2 ceiving training services under this subtitle in the
3 applicable program, including—
4 (A) information on the performance of the
5 provider with respect to the performance ac-
6 countability measures described in section 131
7 for such participants (taking into consideration
8 the characteristics of the population served and
9 relevant economic conditions), and information
10 specifying the percentage of such participants
11 who entered unsubsidized employment in an oc-
12 cupation related to the program, to the extent
13 practicable;
14 (B) information on recognized postsec-
15 ondary credentials received by such partici-
16 pants;
17 (C) information on program costs (such as
18 costs of tuition and fees) for participants in the
19 program;
20 (D) information on the program comple-
21 tion rate for such participants; and
22 (E) information on the criteria described
23 in paragraph (1).
24 (3) LOCAL CRITERIA AND INFORMATION RE-
25 QUIREMENTS.—A local board in the State may es-

tablish criteria and information requirements in addition to the criteria and information requirements established by the Governor, or may require higher levels of performance than required for the criteria established by the Governor, for purposes of determining the eligibility of providers of training services to receive funds described in subsection (a) for the provision of training services in the local area involved.

(4) CRITERIA AND INFORMATION REQUIREMENTS TO ESTABLISH INITIAL ELIGIBILITY.—

(A) PURPOSE.—The purpose of this paragraph is to enable the providers of programs carried out under chapter 3 to offer the highest quality training services and be responsive to in-demand and emerging industries by providing training services for those industries.

(B) INITIAL ELIGIBILITY.—Providers may seek initial eligibility under this paragraph as providers of training services. The criteria and information requirements established by the Governor under this paragraph shall require that a provider who has not previously been an eligible provider of training services under this section (or section 122 of the Workforce Invest-

ment Act of 1998, as in effect on the day before the date of enactment of this Act) provide the information described in subparagraph (C).

(C) INFORMATION.—The provider shall provide verifiable program-specific performance information based on criteria established by the State as described in subparagraph (D) that supports the provider's ability to serve participants under this subtitle.

(D) CRITERIA.—The criteria described in subparagraph (C) shall include at least—

(i) a factor related to indicators described in section 131;

(ii) a factor concerning whether the provider is in a partnership with business;

(iii) other factors that indicate high-quality training services; and

(iv) a factor concerning alignment of the training services with industries projected to have potential for employment opportunities, to the extent practicable.

(E) PROVISION.—The provider shall provide the information described in subparagraph (C) to the Governor and the local board in a manner that will permit the Governor and the

local board to make a decision on inclusion of the provider on the list of eligible providers described in subsection (d).

(c) PROCEDURES.—

(1) APPLICATION PROCEDURES.—The procedures established under subsection (a) shall identify the application process for a provider of training services to become eligible to receive funds provided under section 233(b) for the provision of training services. The procedures shall identify the respective roles of the State and local areas in receiving and reviewing the applications and in making determinations of such eligibility based on the criteria, information, and procedures established under this section. The procedures shall also establish a process for a provider of training services to appeal a denial or termination of eligibility under this section that includes an opportunity for a hearing and prescribes appropriate time limits to ensure prompt resolution of the appeal.

(2) RENEWAL PROCEDURES.—The procedures established by the Governor shall also provide for biennial review and renewal of eligibility under this section for providers of training services.

(d) LIST AND INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.—

(1) IN GENERAL.—In order to facilitate and assist participants in choosing employment and training activities and in choosing providers of training services, the Governor shall ensure that an appropriate list of providers determined to be eligible under this section to offer a program in the State (and, as appropriate, in a local area), accompanied by information identifying the recognized postsecondary credential offered by the provider and other appropriate information, is provided to the one-stop delivery system in the State.

(2) ACCOMPANYING INFORMATION.—The accompanying information shall—

(A) with respect to providers described in subparagraphs (A) and (C) of subsection (a)(2), consist of information provided by such providers, disaggregated by local areas served, as applicable, in accordance with subsection (b);

(B) with respect to providers described in subsection (b)(4), consist of information provided by such providers in accordance with subsection (b)(4); and

(C) such other information as the Governor determines to be appropriate.

(3) AVAILABILITY.—The list and the accompanying information shall be made available to such participants and to members of the public through the one-stop delivery system in the State, in a manner that does not reveal personally identifiable information about an individual participant.

(e) OPPORTUNITY TO SUBMIT COMMENTS.—In establishing, under this section, criteria, information requirements, procedures, and the list of eligible providers described in subsection (d), the Governor shall provide an opportunity for interested members of the public to make recommendations and submit comments regarding such criteria, information requirements, procedures, and list.

(f) ENFORCEMENT.—

(1) IN GENERAL.—The procedures established under this section shall provide the following:

(A) INTENTIONALLY SUPPLYING INACCURATE INFORMATION.—Upon a determination, by an individual or entity specified in the procedures, that a provider of training services, or individual providing information on behalf of the provider, violated this section (or section 122 of the Workforce Investment Act of 1998,

as in effect on the day before the date of enactment of this Act) by intentionally supplying inaccurate information under this section, the eligibility of such provider to receive funds under chapter 3 shall be terminated for a period of time that is not less than 2 years.

(B) SUBSTANTIAL VIOLATIONS.—Upon a determination, by an individual or entity specified in the procedures, that a provider of training services substantially violated any requirement under this title (or title I of the Workforce Investment Act of 1998, as in effect on the day before such date of enactment), the eligibility of such provider to receive funds under chapter 3 for the program involved may be terminated, or other appropriate action may be taken.

(C) REPAYMENT.—A provider of training services whose eligibility is terminated under subparagraph (A) or (B) shall be liable for the repayment of funds received under chapter 5 of subtitle B of title I of the Workforce Investment Act of 1998, as in effect on the day before such date of enactment, or chapter 3 of this

subtitle during a period of violation described in such subparagraph.

(2) CONSTRUCTION.—Paragraph (1) shall be construed to provide remedies and penalties that supplement, but shall not supplant, civil and criminal remedies and penalties specified in other provisions of law.

(g) AGREEMENTS WITH OTHER STATES.—States may enter into agreements, on a reciprocal basis, to permit eligible providers of training services to accept individual training accounts provided in another State.

(h) ON-THE-JOB TRAINING, CUSTOMIZED TRAINING, INCUMBENT WORKER TRAINING, AND OTHER TRAINING EXCEPTIONS.—

(1) IN GENERAL.—Providers of on-the-job training, customized training, incumbent worker training, internships, and paid or unpaid work experience opportunities, or transitional employment shall not be subject to the requirements of subsections (a) through (g).

(2) COLLECTION AND DISSEMINATION OF INFORMATION.—A one-stop operator in a local area shall collect such performance information from providers of on-the-job training, customized training, incumbent worker training, internships, paid or un-

paid work experience opportunities, and transitional employment as the Governor may require, and use the information to determine whether the providers meet such performance criteria as the Governor may require. The one-stop operator shall disseminate information identifying such providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible providers of training services.

(i) TRANSITION PERIOD FOR IMPLEMENTATION.—The Governor and local boards shall implement the requirements of this section not later than 12 months after the date of enactment of this Act. In order to facilitate early implementation of this section, the Governor may establish transition procedures under which providers eligible to provide training services under chapter 5 of subtitle B of title I of the Workforce Investment Act of 1998, as such chapter was in effect on the day before the date of enactment of this Act, may continue to be eligible to provide such services until December 31, 2015, or until such earlier date as the Governor determines to be appropriate.

SEC. 223. ELIGIBLE PROVIDERS OF YOUTH WORKFORCE INVESTMENT ACTIVITIES.

(a) IN GENERAL.—From the funds allocated under section 228(b) to a local area, the local board for such area shall award grants or contracts on a competitive basis to providers of youth workforce investment activities identified based on the criteria in the State plan, as described in section 112(b)(2)(D)(i)(VI) and shall conduct oversight with respect to such providers.

(b) EXCEPTIONS.—A local board may award grants or contracts on a sole-source basis if such board determines there is an insufficient number of eligible providers of youth workforce investment activities in the local area involved (such as a rural area) for grants and contracts to be awarded on a competitive basis under subsection (a).

CHAPTER 2—YOUTH WORKFORCE INVESTMENT ACTIVITIES

SEC. 226. GENERAL AUTHORIZATION.

The Secretary shall make an allotment under section 227(b)(1)(C) to each State that meets the requirements of section 112 or 113 and a grant under section 227(b)(1)(B) to each outlying area that complies with the requirements of this title, to assist the State or outlying area, and to enable the State or outlying area to assist local areas, for the purpose of providing workforce invest-

ment activities for eligible youth in the State or outlying area and in the local areas.

SEC. 227. STATE ALLOTMENTS.

(a) IN GENERAL.—The Secretary shall—

(1) for each fiscal year for which the amount appropriated under section 236(a) exceeds $1,000,000,000, reserve a portion (but not more than $10,000,000) of the amount appropriated under section 236(a) to provide youth workforce investment activities under section 267 (relating to migrant and seasonal farmworkers); and

(2) use the remainder of the amount appropriated under section 236(a) for a fiscal year to make allotments and grants in accordance with subsection (b).

(b) ALLOTMENT AMONG STATES.—

(1) YOUTH WORKFORCE INVESTMENT ACTIVITIES.—

(A) NATIVE AMERICANS.—From the amount appropriated under section 236(a) for a fiscal year that is not reserved under subsection (a)(1), the Secretary shall reserve not more than 1½ percent of such amount to provide youth workforce investment activities under section 266 (relating to Native Americans).

(B) OUTLYING AREAS.—

(i) IN GENERAL.—From the amount appropriated under section 236(a) for each fiscal year that is not reserved under subsection (a)(1) and subparagraph (A), the Secretary shall reserve not more than ¼ of 1 percent of such amount to provide assistance to the outlying areas to carry out youth workforce investment activities and statewide workforce investment activities.

(ii) LIMITATION FOR OUTLYING AREAS.—

(I) COMPETITIVE GRANTS.—The Secretary shall use funds reserved under clause (i) to award grants to outlying areas to carry out youth workforce investment activities and statewide workforce investment activities.

(II) AWARD BASIS.—The Secretary shall award grants pursuant to subclause (I) on a competitive basis and pursuant to the recommendations of experts in the field of employment and training, working through the Pa-

cific Region Educational Laboratory in Honolulu, Hawaii.

(III) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the funds made available for grants under subclause (I) to pay the administrative costs of the Pacific Region Educational Laboratory in Honolulu, Hawaii, regarding activities assisted under this clause.

(iii) ADDITIONAL REQUIREMENT.—The provisions of section 501 of Public Law 95–134 (48 U.S.C. 1469a), permitting the consolidation of grants by the outlying areas, shall not apply to assistance provided to those areas, including Palau, under this subparagraph.

(C) STATES.—

(i) IN GENERAL.—From the remainder of the amount appropriated under section 236(a) for a fiscal year that exists after the Secretary determines the amounts to be reserved under subsection (a)(1) and subparagraphs (A) and (B), the

Secretary shall make allotments to the States in accordance with clause (ii).

(ii) FORMULA.—Subject to clauses (iii) and (iv), of the amount described in clause (i), the Secretary shall allot—

(I) 33⅓ percent on the basis of the relative number of individuals in the civilian labor force who are ages 16 through 21 in each State, compared to the total number of individuals in the civilian labor force who are ages 16 through 21 in all States;

(II) 33⅓ percent on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States; and

(III) 33⅓ percent on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each State, compared to the total number of disadvantaged youth who are ages 16 through 21 in all States.

(iii) MINIMUM AND MAXIMUM PERCENTAGES.—

(I) MINIMUM PERCENTAGE.—The Secretary shall ensure that no State shall receive an allotment percentage under this subparagraph for a fiscal year that is less than 90 percent of the allotment percentage of the State for the preceding fiscal year.

(II) MAXIMUM PERCENTAGE.—Subject to subclause (I), the Secretary shall ensure that no State shall receive an allotment percentage under this subparagraph for a fiscal year that is more than 130 percent of the allotment percentage of the State for the preceding fiscal year.

(iv) SMALL STATE MINIMUM ALLOTMENT.—Subject to clause (iii), the Secretary shall ensure that no State shall receive an allotment under this subparagraph that is less than the total of—

(I) 3/10 of 1 percent of $1,000,000,000, from the remainder described in clause (i) for the fiscal year; and

(II) if the remainder described in clause (i) for the fiscal year exceeds $1,000,000,000, 2/5 of 1 percent of the excess.

(2) DEFINITIONS.—In paragraph (1):

(A) ALLOTMENT PERCENTAGE.—The term ''allotment percentage'', used with respect to fiscal year 2014 or a subsequent fiscal year, means a percentage of the remainder described in paragraph (1)(C)(i) that is received by the State involved through an allotment made under this subsection for the fiscal year. The term, used with respect to fiscal year 2013, means the percentage of the amount allotted to States under chapter 4 of subtitle B of title I of the Workforce Investment Act of 1998 (as in effect on the day before the date of enactment of this Act) that is received by the State involved for fiscal year 2013.

(B) DISADVANTAGED YOUTH.—Subject to paragraph (3), the term ''disadvantaged youth'' means an individual who—

(i) is age 16 through 21; and

(ii) received an income, or is a member of a family that received a total family

income, that, in relation to family size, does not exceed 150 percent of the poverty line.

(3) SPECIAL RULE.—For purposes of the formula specified in paragraph (1)(C)(ii), the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged youth.

(c) REALLOTMENT.—

(1) IN GENERAL.—The Secretary shall, in accordance with this subsection, reallot to eligible States amounts that are made available to States from allotments made under this section or a corresponding provision of the Workforce Investment Act of 1998 for youth workforce investment activities and statewide workforce investment activities (referred to individually in this subsection as a ''State allotment'') and that are available for reallotment.

(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unobligated balance from State allotments to the State at the end of the program year prior to the program year for which the determina-

tion is made, exceeds 10 percent of the total amount of funds available to the State for that prior program year, consisting of the State allotment to the State for such prior program year (and amounts from State allotments to the State, for all program years before that prior program year, that remained available).

(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 of the State allotment for the program year for which the determination is made, as compared to the total amount of the State allotments for all eligible States for such program year.

(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that does not have an amount available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.

(5) PROCEDURES.—The Governor shall prescribe uniform procedures for the obligation of funds by local areas within the State in order to avoid the requirement that funds be made available for reallotment under this subsection. The Governor shall fur-

ther prescribe equitable procedures for making funds available from the State and local areas in the event that a State is required to make funds available for reallotment under this subsection.

SEC. 228. WITHIN STATE ALLOCATIONS.

(a) RESERVATIONS FOR STATEWIDE ACTIVITIES.—

(1) IN GENERAL.—The Governor shall reserve not more than 15 percent of each of the amounts allotted to the State under section 227(b)(1)(C) and paragraphs (1)(B) and (2)(B) of section 232(b) for a fiscal year for statewide workforce investment activities.

(2) USE OF FUNDS.—Regardless of whether the reserved amounts were allotted under section 227(b)(1)(C), or under paragraph (1)(B) or (2)(B) of section 232(b), the Governor may use the reserved amounts to carry out statewide activities under section 229(b) or statewide employment and training activities, for adults or dislocated workers, under section 234(a).

(b) WITHIN STATE ALLOCATIONS.—

(1) IN GENERAL.—Of the amount allotted to the State under section 227(b)(1)(C) and not reserved under subsection (a)(1)—

(A) a portion equal to not less than 80 percent of such amount shall be allocated by the Governor to local areas in accordance with paragraph (2); and

(B) a portion equal to not more than 20 percent of such amount may be allocated by the Governor to local areas in accordance with paragraph (3).

(2) ESTABLISHED FORMULA.—

(A) IN GENERAL.—Subject to subparagraph (B), of the portion described in paragraph (1)(A), the Governor shall allocate—

(i) 33⅓ percent on the basis of the relative number of individuals in the civilian labor force who are ages 16 through 21 in each local area, compared to the total number of individuals in the civilian labor force who are ages 16 through 21 in all local areas in the State;

(ii) 33⅓ percent on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State; and

(iii) 33⅓ percent on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each local area, compared to the total number of disadvantaged youth who are ages 16 through 21 in all local areas in the State.

(B) MINIMUM AND MAXIMUM PERCENTAGES.—

(i) MINIMUM PERCENTAGE.—The Governor shall ensure that no local area shall receive an allocation percentage under this paragraph for a fiscal year that is less than 90 percent of the allocation percentage of the local area for the preceding fiscal year.

(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the Governor shall ensure that no local area shall receive an allocation percentage under this paragraph for a fiscal year that is more than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

(C) DEFINITIONS.—In this paragraph:

(i) ALLOCATION PERCENTAGE.—The term ''allocation percentage'', used with re-

spect to fiscal year 2014 or a subsequent fiscal year, means a percentage of the portion described in paragraph (1)(A) that is received by the local area involved through an allocation made under this paragraph for the fiscal year. The term, used with respect to fiscal year 2013, means the percentage of the amount allocated to local areas under chapter 4 of subtitle B of title I of the Workforce Investment Act of 1998 (as in effect on the day before the date of enactment of this Act) that is received by the local area involved for fiscal year 2013.

(ii) DISADVANTAGED YOUTH.—Subject to subparagraph (D), the term ''disadvantaged youth'' means an individual who—

(I) is age 16 through 21; and

(II) received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed 150 percent of the poverty line.

(D) SPECIAL RULE.—For purposes of the formula specified in subparagraph (A), the Gov-

ernor shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged youth.

(3) YOUTH DISCRETIONARY ALLOCATION.—The Governor may allocate the portion described in paragraph (1)(B) to local areas where there are a significant number of eligible youth, after consultation with the State board and local boards.

(4) LOCAL ADMINISTRATIVE COST LIMIT.—

(A) IN GENERAL.—Of the amount allocated to a local area under this subsection and section 233(b) for a fiscal year, not more than 10 percent of the amount may be used by the local board involved for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 3.

(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 3, regardless of whether the funds were allocated under this subsection or section 233(b).

(c) REALLOCATION AMONG LOCAL AREAS.—

(1) IN GENERAL.—The Governor may, in accordance with this subsection and after consultation with the State Board, reallocate to eligible local areas within the State amounts that are made available to local areas from allocations made under this section or a corresponding provision of the Workforce Investment Act of 1998 for youth workforce investment activities (referred to individually in this subsection as a ''local allocation'') and that are available for reallocation.

(2) AMOUNT.—

(A) IN GENERAL.—The amount available for reallocation for a program year is equal to the amount by which the balance that is unobligated and unencumbered for training services at the end of the program year prior to the program year for which the determination is made, exceeds 10 percent of the total amount of funds available to the local area for that prior program year, consisting of the local allocation to the local area for such prior program year (and amounts from local allocations to the local area, for all program years before that prior program year, that remained available).

(B) BALANCE OF FUNDS.—For purposes of this paragraph, the balance that is unobligated and unencumbered for training services is the amount that is the difference between—

(i) the total amount of funds available to the local area under this section for that prior program year, consisting of the local allocation to the local area for such prior program year (and amounts from local allocations to the local area, for all program years before that prior program year, that remained available); and

(ii) the amount, from that total amount of available funds, that is obligated or encumbered (in accordance with generally accepted accounting principles) for training services during such prior program year, except that for purposes of this paragraph the amount included as encumbered for training services shall not exceed 10 percent of the total amount of available funds described in clause (i).

(3) REALLOCATION.—In making reallocations to eligible local areas of amounts available pursuant to paragraph (2) for a program year, the Governor

shall allocate to each eligible local area within the State an amount based on the relative amount of the local allocation for the program year for which the determination is made, as compared to the total amount of the local allocations for all eligible local areas for such program year.

(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area that does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.

(5) GUIDANCE AND TECHNICAL ASSISTANCE.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue guidance for implementing this subsection, and guidance for implementing section 233(c), including for calculating the amount of funds that are unobligated and the amount of funds that are unencumbered for training services. The Secretary shall also provide technical assistance to local areas regarding the implementation of this subsection.

SEC. 229. USE OF FUNDS FOR YOUTH WORKFORCE INVESTMENT ACTIVITIES.

(a) YOUTH PARTICIPANT ELIGIBILITY.—

(1) ELIGIBILITY.—

(A) IN GENERAL.—To be eligible to participate in activities carried out under this chapter during any program year an individual shall, at the time the eligibility determination is made, be an out-of-school youth or an in-school youth.

(B) OUT-OF-SCHOOL YOUTH.—In this title, the term ''out-of-school youth'' means an individual who is—

(i) not attending any school (as defined under State law);

(ii) not younger than age 16 or older than age 24; and

(iii) one or more of the following:

(I) A school dropout.

(II) A youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter.

(III) A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual and is—

(aa) basic skills deficient; or

(bb) an English language learner.

(IV) An individual who is subject to the juvenile or adult justice system.

(V) A homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), except that clauses (i)(IV) and (iii) of subparagraph (B) of such section shall not apply), a homeless child or youth (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), except that subparagraph (B)(iv) of such section shall not apply), a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677), or in an out-of-home placement.

(VI) An individual who is pregnant or parenting.

(VII) A youth who is an individual with a disability.

(VIII) A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.

(C) IN-SCHOOL YOUTH.—In this section, the term ''in-school youth'' means an individual who is—

(i) attending school (as defined by State law);

(ii) not younger than age 14 or (unless an individual with a disability who is attending school under State law) older than age 21;

(iii) a low-income individual; and

(iv) one or more of the following:

(I) Basic skills deficient.

(II) An English language learner.

(III) An offender.

(IV) A homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), except that clauses (i)(IV) and (iii) of subparagraph (B) of such section shall not

apply), a homeless child or youth (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), except that subparagraph (B)(iv) of such section shall not apply), a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677), or in an out-of-home placement.

(V) Pregnant or parenting.

(VI) A youth who is an individual with a disability.

(VII) An individual who requires additional assistance to complete an educational program or to secure or hold employment.

(2) SPECIAL RULE.—For the purpose of this subsection, the term ''low-income'', used with respect to an individual, also includes a youth living in a high-poverty area.

(3) EXCEPTION AND LIMITATION.—

(A) EXCEPTION FOR PERSONS WHO ARE NOT LOW-INCOME INDIVIDUALS.—

(i) DEFINITION.—In this subparagraph, the term ''covered individual'' means an in-school youth, or an out-of-school youth who is described in subclause (III) or (VIII) of paragraph (1)(B)(iii).

(ii) EXCEPTION.—In each local area, not more than 5 percent of the individuals assisted under this section may be persons who would be covered individuals, except that the persons are not low-income individuals.

(B) LIMITATION.—In each local area, not more than 5 percent of the in-school youth assisted under this section may be eligible under paragraph (1) because the youth are in-school youth described in paragraph (1)(C)(iv)(VII).

(4) OUT-OF-SCHOOL PRIORITY.—

(A) IN GENERAL.—For any program year, not less than 75 percent of the funds available for statewide activities under subsection (b), and not less than 75 percent of funds available to local areas under subsection (c), shall be used to provide youth workforce investment activities for out-of-school youth.

(B) EXCEPTION.—A State that receives a minimum allotment under section 227(b)(1) in accordance with section 227(b)(1)(C)(iv) or under section 232(b)(1) in accordance with section 232(b)(1)(B)(v) may decrease the percentage described in subparagraph (A) for a local area in the State, if—

(i) after an analysis of the in-school youth and out-of-school youth populations in the local area, the State determines that the local area will be unable to use at least 75 percent of the funds available for activities under subsection (c) to serve out-of-school youth due to a low number of out-of-school youth; and

(ii)(I) the State submits to the Secretary, for the local area, a request including a proposed decreased percentage for purposes of subparagraph (A), and a summary of the analysis described in clause (i); and

(II) the request is approved by the Secretary.

(5) CONSISTENCY WITH COMPULSORY SCHOOL ATTENDANCE LAWS.—In providing assistance under

this section to an individual who is required to attend school under applicable State compulsory school attendance laws, the priority in providing such assistance shall be for the individual to attend school regularly.

(b) STATEWIDE ACTIVITIES.—

(1) IN GENERAL.—Funds reserved by a Governor as described in sections 228(a) and 233(a)(1) shall be used, regardless of whether the funds were allotted to the State under section 227(b)(1)(C) or under paragraph (1)(B) or (2)(B) of section 232(b) for statewide activities, which may include—

(A) conducting—

(i) evaluations under section 131(e) of activities authorized under this chapter and chapter 3 in coordination with evaluations carried out by the Secretary under section 270(a);

(ii) research related to meeting the education and employment needs of youth; and

(iii) demonstration projects related to meeting the education and employment needs of youth;

(B) providing assistance to local areas as described in clauses (i) and (ii) of section 116(c)(1)(B), for local coordination of activities carried out under this title;

(C) in order to build capacity, providing technical assistance to, as appropriate, local boards, chief elected officials, one-stop operators, one-stop partners, and eligible providers, in local areas, which provision of technical assistance shall include the development and training of staff, the development of exemplary program activities, the provision of technical assistance to local areas that fail to meet local performance accountability measures described in section 131(c), and the provision of technology to facilitate remote access to services provided through the one-stop delivery system in the State;

(D) operating a fiscal and management accountability information system under section 131(i);

(E) carrying out monitoring and oversight of activities carried out under this chapter and chapter 3, which may include a review com-

paring the services provided to male and female youth;

(F) providing additional assistance to local areas that have high concentrations of eligible youth;

(G) supporting the development of alternative programs and other activities that enhance the choices available to eligible youth and encourage such youth to reenter and complete secondary education, enroll in postsecondary education and advanced training, progress through a career pathway, and enter employment that leads to economic self-sufficiency;

(H) supporting the provision of core services described in section 234(c)(2) in the one-stop delivery system in the State; and

(I) supporting financial literacy, including—

(i) supporting the ability of participants to create household budgets, initiate savings plans, and make informed financial decisions about education, retirement, home ownership, wealth building, or other savings goals;

(ii) supporting the ability to manage spending, credit, and debt, including credit card debt, effectively;

(iii) increasing awareness of the availability and significance of credit reports and credit scores in obtaining credit, including determining their accuracy (and how to correct inaccuracies in the reports and scores), and their effect on credit terms;

(iv) supporting the ability to understand, evaluate, and compare financial products, services, and opportunities; and

(v) supporting activities that address the particular financial literacy needs of non-English speakers, including providing the support through the development and distribution of multilingual financial literacy and education materials.

(2) LIMITATION.—Not more than 5 percent of the funds allotted to a State under section 227(b)(1)(C) shall be used by the State for administrative activities carried out under this subsection or section 234(a).

(c) LOCAL ELEMENTS AND REQUIREMENTS.—

(1) PROGRAM DESIGN.—Funds allocated to a local area for eligible youth under section 228(b) shall be used to carry out, for eligible youth, programs that—

(A) provide an objective assessment of the academic levels, skill levels, and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), supportive service needs, and developmental needs of such participant, for the purpose of identifying appropriate services and career pathways for participants, except that a new assessment of a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program;

(B) develop service strategies for each participant that are directly linked to 1 or more of the indicators of performance described in section 131(b)(2)(A)(ii), and that shall identify career pathways that include education and em-

ployment goals (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for the participant taking into account the assessment conducted pursuant to subparagraph (A), except that a new service strategy for a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program; and

(C) provide—

(i) activities leading to the attainment of a secondary school diploma or its recognized equivalent, or a recognized postsecondary credential;

(ii) preparation for postsecondary educational and training opportunities;

(iii) strong linkages between academic instruction (based on State academic content and student academic achievement standards established under section 1111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311)) and occupational education that lead to the at-

tainment of recognized postsecondary credentials;

(iv) preparation for unsubsidized employment opportunities, in appropriate cases; and

(v) effective connections to employers, including small employers, in in-demand industry sectors and occupations of the local and regional labor markets.

(2) PROGRAM ELEMENTS.—In order to support the attainment of a secondary school diploma or its recognized equivalent, entry into postsecondary education, and career readiness for participants, the programs described in paragraph (1) shall provide elements consisting of—

(A) tutoring, study skills training, instruction, and dropout prevention strategies that lead to completion of the requirements for a secondary school diploma or its recognized equivalent (including a recognized certificate of attendance or similar document for individuals with disabilities) or for a recognized postsecondary credential;

(B) alternative secondary school services, as appropriate;

(C) paid and unpaid work experiences that have as a component academic and occupational education, which may include—

(i) summer employment opportunities and other employment opportunities available throughout the school year;

(ii) pre-apprenticeship programs;

(iii) internships and job shadowing; and

(iv) on-the-job training opportunities;

(D) occupational skill training;

(E) education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;

(F) leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social and civic behaviors, as appropriate;

(G) supportive services;

(H) adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months;

(I) followup services for not less than 12 months after the completion of participation, as appropriate;

(J) comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate;

(K) financial literacy education;

(L) entrepreneurial skills training;

(M) services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services; and

(N) activities that help youth prepare for and transition to postsecondary education and training.

(3) ADDITIONAL REQUIREMENTS.—

(A) INFORMATION AND REFERRALS.—Each local board shall ensure that each participant shall be provided—

(i) information on the full array of applicable or appropriate services that are available through the local board or other eligible providers or one-stop partners, in-

cluding those providers or partners receiving funds under this subtitle; and

(ii) referral to appropriate training and educational programs that have the capacity to serve the participant either on a sequential or concurrent basis.

(B) APPLICANTS NOT MEETING ENROLLMENT REQUIREMENTS.—Each eligible provider of a program of youth workforce investment activities shall ensure that an eligible applicant who does not meet the enrollment requirements of the particular program or who cannot be served shall be referred for further assessment, as necessary, and referred to appropriate programs in accordance with subparagraph (A) to meet the basic skills and training needs of the applicant.

(C) INVOLVEMENT IN DESIGN AND IMPLEMENTATION.—The local board shall ensure that parents, participants, and other members of the community with experience relating to programs for youth are involved in the design and implementation of the programs described in paragraph (1).

(4) PRIORITY.—Not less than 20 percent of the funds allocated to the local area as described in paragraph (1) shall be used to provide in-school youth and out-of-school youth with activities under paragraph (2)(C).

(5) RULE OF CONSTRUCTION.—Nothing in this chapter shall be construed to require that each of the elements described in subparagraphs of paragraph (2) be offered by each provider of youth services.

(6) PROHIBITIONS.—

(A) PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION.—No provision of this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution, school, or school system.

(B) NONINTERFERENCE AND NONREPLACEMENT OF REGULAR ACADEMIC RE-

QUIREMENTS.—No funds described in paragraph (1) shall be used to provide an activity for eligible youth who are not school dropouts if participation in the activity would interfere with or replace the regular academic requirements of the youth.

(7) LINKAGES.—In coordinating the programs authorized under this section, local boards shall establish linkages with local educational agencies responsible for services to participants as appropriate.

(8) VOLUNTEERS.—The local board shall make opportunities available for individuals who have successfully participated in programs carried out under this section to volunteer assistance to participants in the form of mentoring, tutoring, and other activities.

CHAPTER 3—ADULT AND DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES

SEC. 231. GENERAL AUTHORIZATION.

The Secretary shall make allotments under paragraphs (1)(B) and (2)(B) of section 232(b) to each State that meets the requirements of section 112 or 113 and grants under paragraphs (1)(A) and (2)(A) of section 232(b) to each outlying area that complies with the requirements of this title, to assist the State or outlying

area, and to enable the State or outlying area to assist local areas, for the purpose of providing workforce investment activities for adults, and dislocated workers, in the State or outlying area and in the local areas.

SEC. 232. STATE ALLOTMENTS.

(a) IN GENERAL.—The Secretary shall—

(1) make allotments and grants from the amount appropriated under section 236(b) for a fiscal year in accordance with subsection (b)(1); and

(2)(A) reserve 20 percent of the amount appropriated under section 236(c) for the fiscal year for use under subsection (b)(2)(A), and under sections 269(b) (relating to dislocated worker technical assistance), 270(c) (relating to dislocated worker projects), and 271 (relating to national dislocated worker grants) other than subsections (b)(1)(E), (e), and (f) of that section; and

(B) make allotments from 80 percent of the amount appropriated under section 236(c) for the fiscal year in accordance with subsection (b)(2)(B).

(b) ALLOTMENT AMONG STATES.—

(1) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) RESERVATION FOR OUTLYING AREAS.—

(i) IN GENERAL.—From the amount made available under subsection (a)(1) for a fiscal year, the Secretary shall reserve not more than ¼ of 1 percent of such amount to provide assistance to the outlying areas.

(ii) APPLICABILITY OF ADDITIONAL REQUIREMENTS.—From the amount reserved under clause (i), the Secretary shall provide assistance to the outlying areas for adult employment and training activities and statewide workforce investment activities in accordance with the requirements of section 227(b)(1)(B).

(B) STATES.—

(i) IN GENERAL.—After determining the amount to be reserved under subparagraph (A), the Secretary shall allot the amount made available under subsection (a)(1) for that fiscal year to the States pursuant to clause (ii) for adult employment and training activities and statewide workforce investment activities.

(ii) FORMULA.—Subject to clauses (iii), (iv), and (v), of the remainder, the Secretary shall allot—

(I) 40 percent on the basis of the relative number of unemployed individuals in areas of substantial unemployment in each State, compared to the total number of unemployed individuals in areas of substantial unemployment in all States;

(II) 25 percent on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of such individuals in all States; and

(III) 35 percent on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States, except as described in clause (iii).

(iii) CALCULATION.—In determining an allotment under clause (ii)(III) for any State in which there is a local area whose governing body is the governing body of a

concentrated employment program described in section 117(c)(1)(C), the allotment shall be calculated by counting, for that local area, the higher of—

(I) the number of adults in families with an income below 150 percent of the poverty line in such area; or

(II) the number of disadvantaged adults in such area.

(iv) MINIMUM AND MAXIMUM PERCENTAGES AND MINIMUM ALLOTMENTS.—In making allotments under this subparagraph, the Secretary shall ensure the following:

(I) MINIMUM PERCENTAGE AND ALLOTMENT.—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than an amount based on 90 percent of the allotment percentage of the State for the preceding fiscal year.

(II) MAXIMUM PERCENTAGE.—Subject to subclause (I), the Secretary shall ensure that no State shall receive an allotment percentage for a

fiscal year that is more than 130 percent of the allotment percentage of the State for the preceding fiscal year.

(v) SMALL STATE MINIMUM ALLOTMENT.—Subject to clause (iii), the Secretary shall ensure that no State shall receive an allotment under this subparagraph that is less than the total of—

(I) 3/10 of 1 percent of $960,000,000, from the remainder described in clause (i) for the fiscal year; and

(II) if the remainder described in clause (i) for the fiscal year exceeds $960,000,000, 2/5 of 1 percent of the excess.

(C) DEFINITIONS.—In this paragraph:

(i) ADULT.—The term ''adult'' means an individual who is not less than age 22 and not more than age 72.

(ii) ALLOTMENT PERCENTAGE.—The term ''allotment percentage'', used with respect to fiscal year 2014 or a subsequent fiscal year, means a percentage of the remainder described in subparagraph (B)(i)

that is received by the State involved through an allotment made under this paragraph for the fiscal year. The term, used with respect to fiscal year 2013, means the percentage of the amount allotted to States under section 132(b)(1)(B) of the Workforce Investment Act of 1998 (as in effect on the day before the date of enactment of this Act) that is received by the State involved for fiscal year 2013.

(iii) AREA OF SUBSTANTIAL UNEMPLOYMENT.—The term ''area of substantial unemployment'' means any area that is of sufficient size and scope to sustain a program of workforce investment activities carried out under this subtitle and that has an average rate of unemployment of at least 6.5 percent for the most recent 12 months, as determined by the Secretary. For purposes of this clause, determinations of areas of substantial unemployment shall be made once each fiscal year.

(iv) DISADVANTAGED ADULT.—Subject to subparagraph (D), the term ''disadvantaged adult'' means an adult who re-

ceived an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed 150 percent of the poverty line.

(D) DISADVANTAGED ADULT SPECIAL RULE.—For purposes of the formula specified in clauses (ii) and (iii) of subparagraph (B), the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged adults.

(2) DISLOCATED WORKER EMPLOYMENT AND TRAINING.—

(A) RESERVATION FOR OUTLYING AREAS.—

(i) IN GENERAL.—From the amount made available under subsection (a)(2)(A) for a fiscal year, the Secretary shall reserve not more than ¼ of 1 percent of the amount appropriated under section 236(c) for the fiscal year to provide assistance to the outlying areas.

(ii) APPLICABILITY OF ADDITIONAL REQUIREMENTS.—From the amount re-

served under clause (i), the Secretary shall provide assistance to the outlying areas for dislocated worker employment and training activities and statewide workforce investment activities in accordance with the requirements of section 227(b)(1)(B).

(B) STATES.—

(i) IN GENERAL.—The Secretary shall allot the amount made available under subsection (a)(2)(B) for that fiscal year to the States pursuant to clause (ii) for dislocated worker employment and training activities and statewide workforce investment activities.

(ii) FORMULA.—Subject to clause (iii), of such amount, the Secretary shall allot—

(I) 33⅓ percent on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States;

(II) 33⅓ percent on the basis of the relative excess number of unemployed individuals in each State, com-

pared to the total excess number of unemployed individuals in all States; and

(III) 33⅓ percent on the basis of the relative number of individuals in each State who have been unemployed for 15 weeks or more, compared to the total number of individuals in all States who have been unemployed for 15 weeks or more.

(iii) MINIMUM AND MAXIMUM PERCENTAGES AND MINIMUM ALLOTMENTS.—In making allotments under this subparagraph, the Secretary shall ensure the following:

(I) MINIMUM PERCENTAGE AND ALLOTMENT.—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than an amount based on 90 percent of the allotment percentage of the State for the preceding fiscal year.

(II) MAXIMUM PERCENTAGE.—Subject to subclause (I), the Secretary shall ensure that no State shall re-

ceive an allotment percentage for a fiscal year that is more than 130 percent of the allotment percentage of the State for the preceding fiscal year.

(C) DEFINITIONS.—In this paragraph:

(i) EXCESS NUMBER.—The term ''excess number'' means, used with respect to the excess number of unemployed individuals within a State, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State.

(ii) ALLOTMENT PERCENTAGE.—The term ''allotment percentage'', used with respect to fiscal year 2014 or a subsequent fiscal year, means a percentage of the amount described in subparagraph (B)(i) that is received by the State involved through an allotment made under this paragraph for the fiscal year. The term, used with respect to fiscal year 2013, means the percentage of the amount allotted to States under section 132(b)(2)(B) of the Workforce Investment Act of 1998 (as in effect on the day before the date of

enactment of this Act) that is received by the State involved for fiscal year 2013.

(c) REALLOTMENT.—

(1) IN GENERAL.—The Secretary shall, in accordance with this subsection, reallot to eligible States amounts that are made available to States from allotments made under this section or a corresponding provision of the Workforce Investment Act of 1998 for employment and training activities and statewide workforce investment activities (referred to individually in this subsection as a ''State allotment'') and that are available for reallotment.

(2) AMOUNT.—The amount available for reallotment for a program year for programs funded under subsection (b)(1)(B) (relating to adult employment and training) or for programs funded under subsection (b)(2)(B) (relating to dislocated worker employment and training) is equal to the amount by which the unobligated balance from State allotments to the State for adult employment and training activities or dislocated worker employment and training activities, respectively, at the end of the program year prior to the program year for which the determination is made, exceeds 10 percent of the total amount of funds available to the State for that

prior program year, consisting of the State allotment to the State for such prior program year (and amounts from State allotments to the State, for all program years before that prior program year, for adult employment and training activities or dislocated worker employment and training activities, respectively, that remained available).

(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 of the State allotment under paragraph (1)(B) or (2)(B), respectively, of subsection (b) for the program year for which the determination is made, as compared to the total amount of the State allotments under paragraph (1)(B) or (2)(B), respectively, of subsection (b) for such program year.

(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means—

(A) with respect to funds allotted through a State allotment for adult employment and training activities, a State that does not have an amount of such funds available for reallotment under paragraph (2) for the program year

for which the determination under paragraph (2) is made; and

(B) with respect to funds allotted through a State allotment for dislocated worker employment and training activities, a State that does not have an amount of such funds available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.

(5) PROCEDURES.—The Governor shall prescribe uniform procedures for the obligation of funds by local 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 local areas in the event that a State is required to make funds available for reallotment under this subsection.

SEC. 233. WITHIN STATE ALLOCATIONS.

(a) RESERVATIONS FOR STATE ACTIVITIES.—

(1) STATEWIDE WORKFORCE INVESTMENT ACTIVITIES.—The Governor shall make the reservation required under section 228(a).

(2) STATEWIDE RAPID RESPONSE ACTIVITIES.—The Governor shall reserve not more than 25

percent of the total amount allotted to the State under section 232(b)(2)(B) for a fiscal year for statewide rapid response activities described in section 234(a)(2)(A).

(b) WITHIN STATE ALLOCATION.—

(1) METHODS.—The Governor, acting in accordance with the State plan, and after consulting with chief elected officials and local boards in the local areas, shall allocate—

(A) the funds that are allotted to the State for adult employment and training activities and statewide workforce investment activities under section 232(b)(1)(B) and are not reserved under subsection (a)(1), in accordance with paragraph (2) or (3); and

(B) the funds that are allotted to the State for dislocated worker employment and training activities and statewide workforce investment activities under section 232(b)(2)(B) and are not reserved under paragraph (1) or (2) of subsection (a), in accordance with paragraph (2).

(2) FORMULA ALLOCATIONS.—

(A) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

(i) ALLOCATION.—In allocating the funds described in paragraph (1)(A) to local areas, a State may allocate—

(I) 40 percent of the funds on the basis described in section 232(b)(1)(B)(ii)(I);

(II) 25 percent of the funds on the basis described in section 232(b)(1)(B)(ii)(II); and

(III) 35 percent of the funds on the basis described in clauses (ii)(III) and (iii) of section 232(b)(1)(B).

(ii) MINIMUM PERCENTAGE.—Effective at the end of the second full fiscal year after the date on which a local area is designated under section 116, the local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal years. Amounts necessary for increasing such allocations to local areas to comply with the preceding sentence shall be obtained by ratably reducing the allocations

to be made to other local areas under this subparagraph.

(iii) DEFINITION.—In this subparagraph, the term ''allocation percentage''—

(I) used with respect to fiscal year 2012 or 2013, means a percentage of the amount allocated to local areas under paragraphs (2)(A) and (3) of section 133(b) of the Workforce Investment Act of 1998 (as in effect on the day before the date of enactment of this Act) that is received by the local area involved for fiscal year 2012 or 2013, respectively; and

(II) used with respect to fiscal year 2014 or a subsequent fiscal year, means a percentage of the funds referred to in clause (i) that is received by the local area involved through an allocation made under this subparagraph for the fiscal year.

(B) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—

(i) FORMULA.—In allocating the funds described in paragraph (1)(B) to

local areas, a State shall allocate the funds based on an allocation formula prescribed by the Governor of the State. Such formula may be amended by the Governor not more than once for each program year. Such formula shall utilize the most appropriate information available to the Governor to distribute amounts to address the State's worker readjustment assistance needs.

(ii) INFORMATION.—The information described in clause (i) shall include insured unemployment data, unemployment concentrations, plant closing and mass layoff data, declining industries data, farmer-rancher economic hardship data, and long-term unemployment data.

(iii) MINIMUM PERCENTAGE.—Effective at the end of the second full fiscal year after the date on which a local area is designated under section 116, the local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal

years. Amounts necessary for increasing such allocations to local areas to comply with the preceding sentence shall be obtained by ratably reducing the allocations to be made to other local areas under this subparagraph.

(iv) DEFINITION.—In this subparagraph, the term ''allocation percentage''—

(I) used with respect to fiscal year 2012 or 2013, means a percentage of the amount allocated to local areas under section 133(b)(2)(B) of the Workforce Investment Act of 1998 (as in effect on the day before the date of enactment of this Act) that is received by the local area involved for fiscal year 2012 or 2013, respectively; and

(II) used with respect to fiscal year 2014 or a subsequent fiscal year, means a percentage of the funds referred to in clause (i), received through an allocation made under this subparagraph, for the fiscal year.

(C) APPLICATION.—For purposes of carrying out subparagraph (A)—

(i) references in clauses (ii) and (iii) of section 232(b)(1)(B) to a State shall be deemed to be references to a local area; and

(ii) references in clauses (ii) and (iii) of section 232(b)(1)(B) to all States shall be deemed to be references to all local areas in the State involved.

(3) ADULT EMPLOYMENT AND TRAINING DISCRETIONARY ALLOCATIONS.—In lieu of making the allocation described in paragraph (2)(A), in allocating the funds described in paragraph (1)(A) to local areas, a State may distribute—

(A) a portion equal to not less than 70 percent of the funds in accordance with paragraph (2)(A); and

(B) the remaining portion of the funds on the basis of a formula that—

(i) incorporates additional factors (other than the factors described in paragraph (2)(A)) relating to—

(I) excess poverty in urban, rural, and suburban local areas; and

(II) excess unemployment above the State average in urban, rural, and suburban local areas; and

(ii) was developed by the State board and approved by the Secretary as part of the State plan.

(4) TRANSFER AUTHORITY.—A local board may transfer, if such a transfer is approved by the Governor, up to and including 100 percent of the funds allocated to the local area under paragraph (2)(A) or (3), and up to and including 100 percent of the funds allocated to the local area under paragraph (2)(B), for a fiscal year between—

(A) adult employment and training activities; and

(B) dislocated worker employment and training activities.

(5) ALLOCATION.—

(A) IN GENERAL.—The Governor shall allocate the funds described in paragraph (1) to local areas under paragraphs (2) and (3) for the purpose of providing a single system of employment and training activities for adults and dislocated workers in accordance with subsections (c) and (d) of section 234.

(B) ADDITIONAL REQUIREMENTS.—

(i) ADULTS.—Funds allocated under paragraph (2)(A) or (3) shall be used by a local area to contribute to the costs of the one-stop delivery system described in section 221(e) as determined under subsections (h) and (i) of section 221 and to pay for employment and training activities provided to adults in the local area, consistent with section 234.

(ii) DISLOCATED WORKERS.—Funds allocated under paragraph (2)(B) shall be used by a local area to contribute to the costs of the one-stop delivery system described in section 221(e) as determined under subsections (h) and (i) of section 221 and to pay for employment and training activities provided to dislocated workers in the local area, consistent with section 234.

(c) REALLOCATION AMONG LOCAL AREAS.—

(1) IN GENERAL.—The Governor may, in accordance with this subsection, reallocate to eligible local areas within the State amounts that are made available to local areas from allocations made under

paragraph (2)(A) or (3) of subsection (b) or a corresponding provision of the Workforce Investment Act of 1998 for adult employment and training activities, or under subsection (b)(2)(B) or a corresponding provision of the Workforce Investment Act of 1998 for dislocated worker employment and training activities (referred to individually in this subsection as a ''local allocation'') and that are available for reallocation.

(2) AMOUNT.—

(A) IN GENERAL.—The amount available for reallocation for a program year for programs funded under paragraphs (2)(A) and (3) of subsection (b) (relating to adult employment and training) or for programs funded under subsection (b)(2)(B) (relating to dislocated worker employment and training) is equal to the amount by which the balance that is unobligated and unencumbered for training services at the end of the program year prior to the program year for which the determination is made, exceeds 10 percent of the total amount of funds available to the local area for that prior program year, consisting of the local allocation to the local area for such prior program year (and

amounts from local allocations to the local area, for all program years before that prior program year, for adult employment and training activities or dislocated worker employment and training services, respectively, that remained available).

(B) BALANCE OF FUNDS.—For purposes of this paragraph, the balance that is unobligated and unencumbered for training services is the amount that is the difference between—

(i) the total amount of funds available to the local area under paragraphs (2)(A) and (3) of subsection (b), or subsection (b)(2)(B), respectively, for that prior program year, consisting of the local allocation to the local area for such prior program year (and amounts from local allocations to the local area, for all program years before that prior program year, for adult employment and training activities or dislocated worker employment and training activities, respectively, that remained available); and

(ii) the amount, from that total amount of available funds, that is obligated

or encumbered (in accordance with generally accepted accounting principles) for training services for adults or dislocated workers, respectively, during such prior program year, except that for purposes of this paragraph the amount included as encumbered for training services shall not exceed 10 percent of the total amount of available funds described in subparagraph (A) for adult employment and training activities or dislocated worker employment and training activities, respectively.

(3) REALLOCATION.—In making reallocations to eligible local areas of amounts available pursuant to paragraph (2) for a program year, the Governor shall allocate to each eligible local area within the State—

(A) with respect to such available amounts that were allocated under paragraph (2)(A) or (3) of subsection (b), an amount based on the relative amount of the local allocation under paragraph (2)(A) or (3) of subsection (b), as appropriate, for the program year for which the determination is made, as compared to the total amount of the local allocations under paragraph

(2)(A) or (3) of subsection (b), as appropriate, for such program year; and

(B) with respect to such available amounts that were allocated under subsection (b)(2)(B), an amount based on the relative amount of the local allocation under subsection (b)(2)(B) for the program year for which the determination is made, as compared to the total amount of the local allocations under subsection (b)(2)(B) for such program year.

(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means—

(A) with respect to funds allocated through a local allocation for adult employment and training activities, a local area that does not have an amount of such funds available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made; and

(B) with respect to funds allocated through a local allocation for dislocated worker employment and training activities, a local area that does not have an amount of such funds available for reallocation under paragraph (2) for

the program year for which the determination under paragraph (2) is made.

SEC. 234. USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.

(a) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) IN GENERAL.—Funds reserved by a Governor—

(A) as described in section 233(a)(2) shall be used to carry out the statewide rapid response activities described in paragraph (2)(A); and

(B) as described in sections 228(a) and 233(a)(1)—

(i) shall be used to carry out the statewide employment and training activities described in paragraph (2)(B); and

(ii) may be used to carry out any of the statewide employment and training activities described in paragraph (3),

regardless of whether the funds were allotted to the State under section 227(b)(1) or under paragraph (1) or (2) of section 232(b).

(2) REQUIRED STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) STATEWIDE RAPID RESPONSE ACTIVITIES.—

(i) IN GENERAL.—A State shall carry out statewide rapid response activities using funds reserved by the Governor for the State under section 233(a)(2), which activities shall include—

(I) provision of rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials for the local areas; and

(II) provision of additional assistance to local areas that experience disasters, mass layoffs, or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals, carried out in local areas by the State, working in conjunction with the local boards and the chief elected officials for the local areas.

(ii) USE OF UNOBLIGATED FUNDS.—Funds reserved by a Governor under section 233(a)(2), and section 133(a)(2) of the Workforce Investment Act of 1998 (as in effect on the day before the date of enactment of this Act), to carry out this subparagraph that remain unobligated after the first program year for which such funds were allotted may be used by the Governor to carry out statewide activities authorized under subparagraph (B) or paragraph (3)(A), in addition to activities under this subparagraph.

(B) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—Funds reserved by a Governor under sections 228(a)(1) and 233(a)(1) and not used under paragraph (1)(A) (regardless of whether the funds were allotted to the States under section 227(b)(1)(C) or paragraph (1)(B) or (2)(B) of section 232(b)) shall be used for statewide employment and training activities, including—

(i) building capacity by providing assistance to—

(I) State entities and agencies, local areas, and one-stop partners in carrying out the activities described in the State plan, including the coordination and alignment of data systems used to carry out the requirements of this Act;

(II) local areas for carrying out the regional planning and service delivery activities required under section 116(c); and

(III) local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, which may include the development and training of staff to provide opportunities for individuals with barriers to employment to enter in-demand industry sectors or occupations and nontraditional occupations, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance ac-

countability measures described in section 131(c);

(ii) providing assistance to local areas, in accordance with section 116(c)(1)(B);

(iii) operating a fiscal and management accountability information system in accordance with section 131(i);

(iv) carrying out monitoring and oversight of activities carried out under this chapter and chapter 2;

(v) disseminating—

(I) the State list of eligible providers of training services, including eligible providers of nontraditional training services and eligible providers of apprenticeship programs described in section 222(a)(2)(B);

(II) information identifying eligible providers of on-the-job training, customized training, incumbent worker training, internships, paid or unpaid work experience opportunities, or transitional jobs;

(III) information on effective outreach to, partnerships with, and services for, business;

(IV) information on effective service delivery strategies to serve workers and job seekers;

(V) performance information and information on program costs (such as tuition and fees) for participants in applicable programs, as described in subsections (d) and (h) of section 222; and

(VI) information on physical and programmatic accessibility, in accordance with section 288 and the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), for individuals with disabilities;

(vi) conducting evaluations under section 131(e) of activities authorized under this chapter and chapter 2 in coordination with evaluations carried out by the Secretary under section 270(a); and

(vii) developing strategies for ensuring that activities carried out under this sec-

tion are placing men and women in jobs, education, and training that lead to comparable pay for men and women, including strategies to increase women's participation in high-wage, high-demand occupations in which women are underrepresented in the State's workforce.

(3) ALLOWABLE STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) IN GENERAL.—Funds reserved by a Governor under sections 228(a)(1) and 233(a)(1) and not used under paragraph (1)(A) or (2)(B) (regardless of whether the funds were allotted to the State under section 227(b)(1)(C) or paragraph (1)(B) or (2)(B) of section 232(b)) may be used to carry out additional statewide employment and training activities, which may include—

(i) implementing innovative programs and strategies designed to meet the needs of businesses in the State, including small businesses, which may include—

(I) providing incumbent worker training;

(II) providing customized training;

(III) developing and implementing industry sector strategies (including strategies involving industry partnerships, regional skills alliances, industry skill panels, and sectoral skills partnerships) in which representatives of multiple employers for a specific industry sector or group of related occupations—

(aa) collaborate to address common workforce needs with suppliers, labor organizations, economic development agencies, eligible providers of training services described in section 222, and other entities that can provide needed supportive services tailored to the needs of workers in that sector or group for a local area or region;

(bb) identify current and expected gaps between the demand for and supply of labor and skills

in that sector or group for that area or region; and

(cc) develop a strategic plan and training efforts to address skill gaps, advance industry growth and competitiveness, and improve worker productivity, retention, advancement, and competitiveness;

(IV) providing career ladder and career pathway programs;

(V) providing microenterprise and entrepreneurial training and support programs;

(VI) utilizing effective business intermediaries;

(VII) using layoff aversion strategies in collaboration with appropriate economic development entities, which strategies may include early identification of firms at risk of layoffs, use of feasibility studies to assess the needs of and options for at-risk firms, and the delivery of employment and training activities to address risk factors;

(VIII) providing activities to improve linkages between the one-stop delivery systems in the State and employers (including small employers) in the State; and

(IX) providing other business services and strategies that better engage employers in workforce investment activities and make the workforce development system more relevant to meeting the needs of State and local businesses, consistent with the objectives of this title;

(ii) developing strategies for effectively serving individuals with barriers to employment and for coordinating programs and services among one-stop partners;

(iii) implementing programs for displaced homemakers, which for purposes of this clause may include an individual who is receiving public assistance and is within 2 years of exhausting lifetime eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(iv) implementing programs to increase the number of individuals training for and placed in nontraditional employment;

(v) carrying out activities to facilitate remote access to services, including training services described in subsection (c)(4), provided through a one-stop delivery system, including facilitating access through the use of technology;

(vi) supporting the provision of core services described in subsection (c)(2) in the one-stop delivery systems in the State;

(vii) coordinating activities with the child welfare system to facilitate provision of services for children in foster care and children who are eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677);

(viii) activities—

(I) to improve coordination of workforce investment activities, and economic development activities, carried out within the State involved and

to promote entrepreneurial skills training and microenterprise services;

(II) to improve coordination of employment and training activities, child support services, and assistance provided by State and local agencies carrying out part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.);

(III) to improve coordination of employment and training activities and cooperative extension programs carried out by the Department of Agriculture;

(IV) to improve coordination of employment and training activities and programs carried out in local areas for individuals with disabilities, including programs carried out by State agencies relating to intellectual disabilities and developmental disabilities, activities carried out by Statewide Independent Living Councils established under section 705 of the Rehabilitation Act of 1973 (29 U.S.C.

796d), programs funded under part B of chapter 1 of title VII of such Act (29 U.S.C. 796e et seq.), and activities carried out by centers for independent living, as defined in section 702 of such Act (29 U.S.C. 796a);

(V) to develop and disseminate workforce and labor market information;

(VI) to improve coordination of employment and training activities, and adult education and literacy activities, provided by public libraries;

(VII) to improve coordination of activities with the corrections system to facilitate provision of training services and employment opportunities that will assist ex-offenders in reentering the workforce; and

(VIII) to promote financial literacy, including carrying out activities described in section 229(b)(1)(I);

(ix) conducting—

(I) research related to meeting the employment and education needs of adult and dislocated workers; and

(II) demonstration projects related to meeting the employment and education needs of adult and dislocated workers;

(x) implementing promising services for workers and businesses, which may include providing support for education, training, skill upgrading, and statewide networking for employees to become workplace learning advisors and maintain proficiency in carrying out the activities associated with such advising;

(xi) providing incentive grants to local areas for performance by the local areas on local performance accountability measures described in section 131(b);

(xii) adopting, calculating, or commissioning for approval an economic self-sufficiency standard for the State that specifies the income needs of families, by family size, the number and ages of children in

the family, and substate geographical considerations; and

(xiii) developing and disseminating common intake procedures and related items, including registration processes, materials, or software.

(B) LIMITATION.—

(i) IN GENERAL.—Of the funds allotted to a State under sections 227(b) and 232(b) and reserved as described in sections 228(a) and 233(a)(1) for a fiscal year—

(I) not more than 5 percent of the amount allotted under section 227(b)(1);

(II) not more than 5 percent of the amount allotted under section 232(b)(1); and

(III) not more than 5 percent of the amount allotted under section 232(b)(2),

may be used by the State for the administration of statewide youth workforce investment activities carried out under section 229 and statewide employment and

training activities carried out under this section.

(ii) USE OF FUNDS.—Funds made available for administrative costs under clause (i) may be used for the administrative cost of any of the statewide youth workforce investment activities or statewide employment and training activities, regardless of whether the funds were allotted to the State under section 227(b)(1) or paragraph (1) or (2) of section 232(b).

(b) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 233(b), and funds allocated to a local area for dislocated workers under section 233(b)(2)(B)—

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

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

(c) REQUIRED LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) IN GENERAL.—

(A) ALLOCATED FUNDS.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 233(b), and funds allocated to the local area for dislocated workers under section 233(b)(2)(B), shall be used—

(i) to establish a one-stop delivery system described in section 221(e);

(ii) to provide the core services described in paragraph (2) to adults and dislocated workers, respectively, through the one-stop delivery system in accordance with such paragraph;

(iii) to provide the intensive services described in paragraph (3) to adults and dislocated workers, respectively, described in such paragraph;

(iv) to provide training services described in paragraph (4) to adults and dislocated workers, respectively, described in such paragraph; and

(v) to designate a dedicated business liaison in the local area (whose activities may be funded with funds provided under this title or from other sources) to estab-

lish and develop relationships and networks with large and small employers and their intermediaries.

(B) OTHER FUNDS.—Consistent with subsections (h) and (i) of section 221, a portion of the funds made available under Federal law authorizing the programs and activities described in section 221(b)(1)(B), including the Wagner-Peyser Act (29 U.S.C. 49 et seq.), shall be used as described in clauses (i) and (ii) of subparagraph (A), to the extent not inconsistent with the Federal law involved.

(2) CORE SERVICES.—Funds described in paragraph (1) shall be used to provide core services, which shall be available to individuals who are adults or dislocated workers through the one-stop delivery system and shall, at a minimum, include—

(A) determinations of whether the individuals are eligible to receive assistance under this subtitle;

(B) outreach, intake (which may include worker profiling), and orientation to the information and other services available through the one-stop delivery system;

(C) initial assessment of skill levels (including literacy, numeracy, and English language proficiency), aptitudes, abilities (including skills gaps), and supportive service needs;

(D) labor exchange services, including—

(i) job search and placement assistance and, in appropriate cases, career counseling, including—

(I) provision of information on in-demand industry sectors and occupations; and

(II) provision of information on nontraditional employment; and

(ii) appropriate recruitment and other business services on behalf of employers, including small employers, in the local area, which services may include services described in this subsection, such as providing information and referral to specialized business services not traditionally offered through the one-stop delivery system;

(E) provision of referrals to and coordination of activities with other programs and services, including programs and services within the

one-stop delivery system and, in appropriate cases, other workforce development programs;

(F) provision of workforce and labor market employment statistics information, including the provision of accurate information relating to local, regional, and national labor market areas, including—

(i) job vacancy listings in such labor market areas;

(ii) information on job skills necessary to obtain the jobs described in clause (i); and

(iii) information relating to local occupations in demand and the earnings, skill requirements, and opportunities for advancement for such occupations;

(G) provision of performance information and program cost information on eligible providers of training services as described in section 222, provided by program, and eligible providers of youth workforce investment activities described in section 223, providers of adult education described in title III, providers of career and technical education activities at the postsecondary level, and career and technical edu-

cation activities available to school dropouts, under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), and providers of vocational rehabilitation services described in title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.);

(H) provision of information, in formats that are usable by and understandable to one-stop center customers, regarding how the local area is performing on the local performance accountability measures described in section 131(c) and any additional performance information with respect to the one-stop delivery system in the local area;

(I)(i) provision of information, in formats that are usable by and understandable to one-stop center customers, relating to the availability of supportive services or assistance, including child care, child support, medical or child health assistance under title XIX or XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.), benefits under the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), assistance

through the earned income tax credit under section 32 of the Internal Revenue Code of 1986, and assistance under a State program for temporary assistance for needy families funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and other supportive services and transportation provided through funds made available under such part, available in the local area; and

(ii) referral to the services or assistance described in clause (i), as appropriate;

(J) provision of information and assistance regarding filing claims for unemployment compensation;

(K) assistance in establishing eligibility for programs of financial aid assistance for training and education programs that are not funded under this Act; and

(L) followup services, including counseling regarding the workplace, for participants in workforce investment activities authorized under this subtitle who are placed in unsubsidized employment, for not less than 12 months after the first day of the employment, as appropriate.

(3) INTENSIVE SERVICES.—

(A) IN GENERAL.—

(i) ELIGIBILITY.—Except as provided in clause (ii), funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 233(b), and funds allocated to the local area for dislocated workers under section 233(b)(2)(B), shall be used to provide intensive services to adults and dislocated workers, respectively—

(I) who are unemployed and who, after an interview, evaluation, or assessment, have been determined by a one-stop operator or one-stop partner as appropriate, to be—

(aa) unlikely or unable to obtain employment, that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment, through core services described in paragraph (2); and

(bb) in need of intensive services to obtain employment

that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment; or

(II) who are employed, but who, after an interview, evaluation, or assessment are determined by a one-stop operator or one-stop partner to be in need of such intensive services to obtain or retain employment that leads to economic self-sufficiency.

(ii) USE OF PREVIOUS ASSESSMENTS.—A one-stop operator or one-stop partner shall not be required to conduct a new interview, evaluation, or assessment of a participant under clause (i) if the one-stop operator or one-stop partner determines that it is appropriate to use a recent interview, evaluation, or assessment of the participant conducted pursuant to another education or training program.

(iii) RULE OF CONSTRUCTION.—Nothing in this subparagraph shall be construed to mean that an individual is required to

1 receive core services prior to receiving in-
2 tensive services.
3 (B) DELIVERY OF SERVICES.—Such inten-
4 sive services shall be provided through the one-
5 stop delivery system—
6 (i) directly through one-stop operators
7 identified pursuant to section 221(d); or
8 (ii) through contracts with service
9 providers, which may include contracts
10 with public, private for-profit, and private
11 nonprofit service providers, approved by
12 the local board.
13 (C) TYPES OF SERVICES.—Such intensive
14 services may include the following:
15 (i) Comprehensive and specialized as-
16 sessments of the skill levels and service
17 needs of adults and dislocated workers,
18 which may include—
19 (I) diagnostic testing and use of
20 other assessment tools; and
21 (II) in-depth interviewing and
22 evaluation to identify employment bar-
23 riers and appropriate employment
24 goals.

(ii) Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve the employment goals, including providing information on eligible providers of training services pursuant to paragraph (4)(F)(ii), and career pathways to attain career objectives.

(iii) Group counseling.

(iv) Individual counseling.

(v) Career planning.

(vi) Short-term prevocational services, including development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct, to prepare individuals for unsubsidized employment or training.

(vii) Internships and work experiences that are linked to careers.

(viii) Workforce preparation activities.

(ix) Financial literacy services, such as activities described in section 229(b)(1)(I).

(x) Out-of-area job search assistance and relocation assistance.

(xi) English language acquisition and integrated education and training programs.

(4) TRAINING SERVICES.—

(A) IN GENERAL.—

(i) ELIGIBILITY.—Except as provided in clause (ii), funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 233(b), and funds allocated to the local area for dislocated workers under section 233(b)(2)(B), shall be used to provide training services to adults and dislocated workers, respectively—

(I) who, after an interview, evaluation, or assessment, and career planning, have been determined by a one-stop operator or one-stop partner, as appropriate, to—

(aa) be unlikely or unable to obtain or retain employment, that leads to economic self-sufficiency or wages comparable to or

higher than wages from previous employment, through the intensive services described in paragraph (3);

(bb) be in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment; and

(cc) have the skills and qualifications to successfully participate in the selected program of training services;

(II) who select programs of training services that are directly linked to the employment opportunities in the local area or region involved or in another area to which the adults or dislocated workers are willing to commute or relocate;

(III) who meet the requirements of subparagraph (B); and

(IV) who are determined to be eligible in accordance with the priority

system in effect under subparagraph (E).

(ii) USE OF PREVIOUS ASSESSMENTS.—A one-stop operator or one-stop partner shall not be required to conduct a new interview, evaluation, or assessment of a participant under clause (i) if the one-stop operator or one-stop partner determines that it is appropriate to use a recent interview, evaluation, or assessment of the participant conducted pursuant to another education or training program.

(iii) RULE OF CONSTRUCTION.—Nothing in this subparagraph shall be construed to mean an individual is required to receive core or intensive services prior to receiving training services.

(B) QUALIFICATION.—

(i) REQUIREMENT.—Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except as provided in clause (ii), provision of such training services shall be limited to individuals who—

(I) are unable to obtain other grant assistance for such services, including Federal Pell Grants established under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.); or

(II) require assistance beyond the assistance made available under other grant assistance programs, including Federal Pell Grants.

(ii) REIMBURSEMENTS.—Training services may be provided under this paragraph to an individual who otherwise meets the requirements of this paragraph while an application for a Federal Pell Grant is pending, except that if such individual is subsequently awarded a Federal Pell Grant, appropriate reimbursement shall be made to the local area from such Federal Pell Grant.

(iii) CONSIDERATION.—In determining whether an individual requires assistance under clause (i)(II), a one-stop operator (or one-stop partner, where appropriate) may take into consideration the full

cost of participating in training services, including the costs of dependent care and transportation, and other appropriate costs.

(C) PROVIDER QUALIFICATION.—Training services shall be provided through providers identified in accordance with section 222.

(D) TRAINING SERVICES.—Training services may include—

(i) occupational skills training, including training for nontraditional employment;

(ii) on-the-job training;

(iii) incumbent worker training in accordance with subsection (d)(4);

(iv) programs that combine workplace training with related instruction, which may include cooperative education programs;

(v) training programs operated by the private sector;

(vi) skill upgrading and retraining;

(vii) entrepreneurial training;

(viii) transitional jobs in accordance with subsection (d)(5);

(ix) job readiness training provided in combination with services described in any of clauses (i) through (viii);

(x) adult education and literacy activities, including activities of English language acquisition and integrated education and training programs, provided concurrently or in combination with services described in any of clauses (i) through (vii); and

(xi) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

(E) PRIORITY.—With respect to funds allocated to a local area for adult employment and training activities under paragraph (2)(A) or (3) of section 233(b), priority shall be given to recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient for receipt of intensive services and training services. The appropriate local board and the Governor shall direct the one-stop operators in the local area with regard to making determinations related to such priority.

(F) CONSUMER CHOICE REQUIREMENTS.—

(i) IN GENERAL.—Training services provided under this paragraph shall be provided in a manner that maximizes consumer choice in the selection of an eligible provider of such services.

(ii) ELIGIBLE PROVIDERS.—Each local board, through one-stop centers, shall make available the list of eligible providers of training services described in section 222(d), and accompanying information, in accordance with section 222(d).

(iii) INDIVIDUAL TRAINING ACCOUNTS.—An individual who seeks training services and who is eligible pursuant to subparagraph (A), may, in consultation with a career planner, select an eligible provider of training services from the list of providers described in clause (ii). Upon such selection, the one-stop operator involved shall, to the extent practicable, refer such individual to the eligible provider of training services, and arrange for payment for such services through an individual training account.

(iv) COORDINATION.—Each local board may, through one-stop centers, coordinate funding for individual training accounts with funding from other Federal, State, local, or private job training programs or sources to assist the individual in obtaining training services.

(G) USE OF INDIVIDUAL TRAINING ACCOUNTS.—

(i) IN GENERAL.—Except as provided in clause (ii), training services provided under this paragraph shall be provided through the use of individual training accounts in accordance with this paragraph, and shall be provided to eligible individuals through the one-stop delivery system.

(ii) TRAINING CONTRACTS.—Training services authorized under this paragraph may be provided pursuant to a contract for services in lieu of an individual training account if—

(I) the requirements of subparagraph (F) are met;

(II) such services are on-the-job training, customized training, incum-

bent worker training, or transitional employment;

(III) the local board determines there are an insufficient number of eligible providers of training services in the local area involved (such as in a rural area) to accomplish the purposes of a system of individual training accounts;

(IV) the local board determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization or another private organization to serve individuals with barriers to employment; or

(V) the local board determines that—

(aa) it would be most appropriate to award a contract to an institution of higher education or other eligible provider of training services in order to facilitate the training of multiple individuals in

in-demand industry sectors or occupations; and

(bb) such contract does not limit customer choice.

(iii) LINKAGE TO OCCUPATIONS IN DEMAND.—Training services provided under this paragraph shall be directly linked to an in-demand industry sector or occupation in the local area or region, or in another area to which an adult or dislocated worker receiving such services is willing to relocate, except that a local board may approve training services for occupations determined by the local board to be in sectors of the economy that have a high potential for sustained demand or growth in the local area.

(iv) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to preclude the combined use of individual training accounts and contracts in the provision of training services, including arrangements that allow individuals receiving individual training accounts to obtain

training services that are contracted for under clause (ii).

(H) REIMBURSEMENT FOR ON-THE-JOB TRAINING.—

(i) REIMBURSEMENT LEVEL.—For purposes of the provision of on-the-job training under this paragraph, the Governor or local board involved may increase the amount of the reimbursement described in section 101(44) to an amount of up to 75 percent of the wage rate of a participant for a program carried out under chapter 2 or this chapter, if, respectively—

(I) the Governor approves the increase with respect to a program carried out with funds reserved by the State under that chapter, taking into account the factors described in clause (ii); or

(II) the local board approves the increase with respect to a program carried out with funds allocated to a local area under such chapter, taking into account those factors.

(ii) FACTORS.—For purposes of clause (i), the Governor or local board, respectively, shall take into account factors consisting of—

(I) the characteristics of the participants;

(II) the size of the employer;

(III) the quality of employer-provided training and advancement opportunities; and

(IV) such other factors as the Governor or local board, respectively, may determine to be appropriate, which may include the number of employees participating in the training, wage and benefit levels of those employees (at present and anticipated upon completion of the training), and relation of the training to the competitiveness of a participant.

(d) PERMISSIBLE LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) IN GENERAL.—

(A) ACTIVITIES.—Funds allocated to a local area for adults under paragraph (2)(A) or

(3), as appropriate, of section 233(b), and funds allocated to the local area for dislocated workers under section 233(b)(2)(B), may be used to provide, through the one-stop delivery system involved (and through collaboration with the local board, for the purpose of the activities described in clauses (ix) and (xi))—

(i) customized screening and referral of qualified participants in training services described in subsection (c)(4) to employers;

(ii) customized employment-related services to employers, employer associations, or other such organizations on a fee-for-service basis;

(iii) customer support to enable individuals with barriers to employment (including individuals with disabilities) and veterans, to navigate among multiple services and activities for such populations;

(iv) technical assistance and capacity building for one-stop operators, one-stop partners, and eligible providers of training services, regarding the provision of services to individuals with disabilities in local

areas, including the development and training of staff, the provision of outreach, intake, assessments, and service delivery, the coordination of services across providers and programs, and the development of performance accountability measures;

(v) employment and training activities provided in coordination with child support enforcement activities of the State and local agencies carrying out part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.);

(vi) activities to improve coordination of employment and training activities, child support services, and assistance, provided by State and local agencies carrying out part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.);

(vii) activities to improve coordination between employment and training activities and cooperative extension programs carried out by the Department of Agriculture;

(viii) activities to facilitate remote access to services provided through a one-

stop delivery system, including facilitating access through the use of technology;

(ix) activities—

(I) to improve coordination between workforce investment activities and economic development activities carried out within the local area involved, and to promote entrepreneurial skills training and microenterprise services;

(II) to improve services and linkages between the local workforce investment system (including the local one-stop delivery system) and employers, including small employers, in the local area, through services described in this section; and

(III) to strengthen linkages between the one-stop delivery system and unemployment insurance programs;

(x) training programs for displaced homemakers and for individuals training for nontraditional occupations, in conjunc-

tion with programs operated in the local area;

(xi) activities to provide business services and strategies that meet the workforce investment needs of area employers, as determined by the local board, consistent with the local plan under section 118, which services—

(I) may be provided through effective business intermediaries working in conjunction with the local board, and may also be provided on a fee-for-service basis or through the leveraging of economic development, philanthropic, and other public and private resources in a manner determined appropriate by the local board; and

(II) may include—

(aa) identifying and disseminating to business, educators, and job seekers, information related to the workforce, economic and community development

needs, and opportunities presented by the local economy;

(bb) developing and implementing industry sector strategies (including strategies involving industry partnerships, regional skills alliances, industry skill panels, and sectoral skills partnerships) in which representatives of multiple employers for a specific industry sector or group of related occupations—

(AA) collaborate to address common workforce needs with suppliers, labor organizations, economic development agencies, eligible providers of training services described in section 222, and other entities that can provide needed supportive services tailored to the needs of workers in that sector or group for a local area or region;

(BB) identify current and expected gaps between the demand for and supply of labor and skills in that sector or group for that area or region; and

(CC) develop a strategic plan and training efforts to address skill gaps, advance industry growth and competitiveness, and improve worker productivity, retention, advancement, and competitiveness;

(cc) developing and delivering innovative workforce investment services and strategies for area employers, which may include career ladder, skills upgrading, skill standard development and certification for recognized postsecondary credential or other employer use, apprenticeship, and other effective initiatives for meeting the workforce

investment needs of area employers and workers;

(dd) participation, of appropriate personnel of area employers, in seminars and classes offered in partnership with relevant organizations focusing on the workforce-related needs of area employers and job seekers;

(ee) training, consulting, needs analysis, and brokering services for area employers, including the organization and aggregation of training for individual employers and coalitions of employers with similar interests, products, or workforce needs, except that services described in this item may be paid for with funds other than those provided under this title;

(ff) assistance to area employers in managing reductions in force in coordination with rapid response activities provided

under subsection (a)(2)(A) and with strategies for the aversion of layoffs, which strategies may include early identification of firms at risk of layoffs, use of feasibility studies to assess the needs of and options for at-risk firms, and the delivery of employment and training activities to address risk factors;

(gg) the marketing of business services offered under this title, to appropriate area employers, including small and mid-sized employers;

(hh) information referral on concerns affecting local employers; and

(ii) other business services and strategies that better engage employers in workforce investment activities and make the workforce investment system more relevant to meeting the needs of local businesses, as de-

termined by the local board to be consistent with the objectives of this title;

(xii) activities to adjust the economic self-sufficiency standards referred to in subsection (a)(3)(A)(xii) for local factors, or activities to adopt, calculate, or commission for approval, economic self-sufficiency standards for the local areas that specify the income needs of families, by family size, the number and ages of children in the family, and substate geographical considerations;

(xiii) improved coordination between employment and training activities and programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to intellectual disabilities and developmental disabilities, activities carried out by Statewide Independent Living Councils established under section 705 of the Rehabilitation Act of 1973 (29 U.S.C. 796d), programs funded under part B of chapter 1 of title VII of such Act (29 U.S.C. 796e

et seq.), and activities carried out by centers for independent living, as defined in section 702 of such Act (29 U.S.C. 796a); and

(xiv) implementation of promising services to workers and businesses, which may include support for education, training, skill upgrading, and statewide networking for employees to become workplace learning advisors and maintain proficiency in carrying out the activities associated with such advising.

(B) WORK SUPPORT ACTIVITIES FOR LOW-WAGE WORKERS.—

(i) IN GENERAL.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 233(b), and funds allocated to the local area for dislocated workers under section 233(b)(2)(B), may be used to provide, through the one-stop delivery system involved, work support activities designed to assist low-wage workers in retaining and enhancing employment. The one-stop partners of the system shall coordinate the ap-

propriate programs and resources of the partners with the activities and resources provided under this subparagraph.

(ii) ACTIVITIES.—The work support activities described in clause (i) may include the provision of activities described in this section through the one-stop delivery system in a manner that enhances the opportunities of such workers to participate in the activities, such as the provision of activities described in this section during nontraditional hours and the provision of onsite child care while such activities are being provided.

(2) SUPPORTIVE SERVICES.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 233(b), and funds allocated to the local area for dislocated workers under section 233(b)(2)(B), may be used to provide supportive services to adults and dislocated workers, respectively—

(A) who are participating in programs with activities authorized in any of paragraphs (2), (3), or (4) of subsection (c); and

(B) who are unable to obtain such supportive services through other programs providing such services.

(3) NEEDS-RELATED PAYMENTS.—

(A) IN GENERAL.—Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 233(b), and funds allocated to the local area for dislocated workers under section 233(b)(2)(B), may be used to provide needs-related payments to adults and dislocated workers, respectively, 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 programs of training services under subsection (c)(4).

(B) ADDITIONAL ELIGIBILITY REQUIREMENTS.—In addition to the requirements contained in subparagraph (A), a dislocated worker who has ceased to qualify for unemployment compensation may be eligible to receive needs-related payments under this paragraph only if such worker was enrolled in the training services—

(i) by the end of the 13th week after the most recent layoff that resulted in a determination of the worker's eligibility for employment and training activities for dislocated workers under this subtitle; or

(ii) if later, by the end of the 8th week after the worker is informed that a short-term layoff will exceed 6 months.

(C) LEVEL OF PAYMENTS.—The level of a needs-related payment made to a dislocated worker under this paragraph shall not exceed the greater of—

(i) the applicable level of unemployment compensation; or

(ii) if such worker did not qualify for unemployment compensation, an amount equal to the poverty line, for an equivalent period, which amount shall be adjusted to reflect changes in total family income.

(4) INCUMBENT WORKER TRAINING PROGRAMS.—

(A) IN GENERAL.—

(i) STANDARD RESERVATION OF FUNDS.—Except as provided in clause (ii), the local board may reserve and use not

more than 15 percent of the funds allocated to the local area involved under section 233(b) to pay for the Federal share of the cost of providing training through a training program for incumbent workers, carried out in accordance with this paragraph.

(ii) INCREASED RESERVATION OF FUNDS.—If the local board determines that there is sufficient evidence that use of the funds reserved under clause (i) led to employee retention by and contributed to creation of new jobs with employers that participated in incumbent worker training programs, the local board may reserve and use not more than a total of 20 percent of such funds to pay for the Federal share of such cost.

(iii) DETERMINATION OF ELIGIBILITY.—For the purpose of determining the eligibility of an employer to receive funding under clause (i), the local board shall take into account factors consisting of—

(I) the characteristics of the participants in the program;

(II) the relationship of the training to the competitiveness of a participant and the employer; and

(III) such other factors as the local board may determine to be appropriate, which may include the number of employees participating in the training, the wage and benefit levels of those employees (at present and anticipated upon completion of the training), and the existence of other training and advancement opportunities provided by the employer.

(iv) STATEWIDE IMPACT.—The Governor or State board involved may make recommendations to the local board for providing incumbent worker training that has statewide impact.

(B) TRAINING ACTIVITIES.—The training program for incumbent workers carried out under this paragraph shall be carried out by the local board in conjunction with the employers or groups of employers of such workers (which

may include employers in partnership with other entities for the purposes of delivering training) for the purpose of assisting such workers in obtaining the skills necessary to retain employment or avert layoffs.

(C) EMPLOYER PAYMENT OF NON-FEDERAL SHARE.—Employers participating in the program carried out under this paragraph shall be required to pay for the non-Federal share of the cost of providing the training to incumbent workers of the employers.

(D) NON-FEDERAL SHARE.—

(i) FACTORS.—Subject to clause (ii), the local board shall establish the non-Federal share of such cost (taking into consideration such other factors as the number of employees participating in the training), the wage and benefit levels of the employees (at the beginning and anticipated upon completion of the training), the relationship of the training to the competitiveness of the employer and employees, and the availability of other employer-provided training and advancement opportunities.

(ii) LIMITS.—The non-Federal share shall not be less than—

(I) 10 percent of the cost, for employers with not more than 50 employees;

(II) 25 percent of the cost, for employers with more than 50 employees but not more than 100 employees; and

(III) 50 percent of the cost, for employers with more than 100 employees.

(iii) CALCULATION OF EMPLOYER SHARE.—The non-Federal share provided by an employer participating in the program may include the amount of the wages paid by the employer to a worker while the worker is attending a training program under this paragraph. The employer may provide the share in cash or in kind, fairly evaluated.

(5) TRANSITIONAL JOBS.—The local board may use not more than 10 percent of the funds allocated to the local area involved under section 233(b) to

provide transitional jobs under subsection (c)(4) that—

(A) are time-limited work experiences that are subsidized and are in the public, private, or nonprofit sectors for individuals with barriers to employment who are chronically unemployed or have an inconsistent work history;

(B) are combined with comprehensive employment and supportive services; and

(C) are designed to assist the individuals described in subparagraph (A) to establish a work history, demonstrate success in the workplace, and develop the skills that lead to entry into and retention in unsubsidized employment.

CHAPTER 4—GENERAL WORKFORCE INVESTMENT PROVISIONS

SEC. 236. AUTHORIZATION OF APPROPRIATIONS.

(a) YOUTH WORKFORCE INVESTMENT ACTIVITIES.—There are authorized to be appropriated to carry out the activities described in section 227(a), such sums as may be necessary for each of fiscal years 2014 through 2018.

(b) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—There are authorized to be appropriated to carry out the activities described in section 232(a)(1), such

sums as may be necessary for each of fiscal years 2014 through 2018.

(c) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—There are authorized to be appropriated to carry out the activities described in section 232(a)(2), such sums as may be necessary for each of fiscal years 2014 through 2018.

Subtitle C—Job Corps

SEC. 241. PURPOSES.

The purposes of this subtitle are—

(1) to maintain a national Job Corps program, carried out in partnership with States and communities, to—

(A) assist eligible youth to connect to the labor force by providing them with intensive social, academic, career and technical education, and service-learning opportunities, in primarily residential centers, in order for such youth to obtain secondary school diplomas or recognized postsecondary credentials leading to—

(i) successful careers, in in-demand industry sectors or occupations or the Armed Forces, that will result in economic self-sufficiency and opportunities for advancement; or

(ii) enrollment in postsecondary education, including an apprenticeship program; and

(B) support responsible citizenship;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of Job Corps centers in which enrollees will participate in intensive programs of activities described in this subtitle; and

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

SEC. 242. DEFINITIONS.

In this subtitle:

(1) APPLICABLE LOCAL BOARD.—The term ''applicable local board'' means a local board—

(A) that provides information for a Job Corps center on local employment opportunities and the job skills needed to obtain the opportunities; and

(B) that serves communities in which the graduates of the Job Corps center seek employment.

(2) APPLICABLE ONE-STOP CENTER.—The term ''applicable one-stop center'' means a one-stop center that provides services, such as referral, assessment, recruitment, and placement, to support the purposes of the Job Corps.

(3) ENROLLEE.—The term ''enrollee'' means an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program, and remains with the program, but has not yet become a graduate.

(4) FORMER ENROLLEE.—The term ''former enrollee'' means an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program, but left the program prior to becoming a graduate.

(5) GRADUATE.—The term ''graduate'' means an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program and who, as a result of participation in the Job Corps program, has received a secondary school diploma or recognized equivalent, or completed the requirements of a career and technical education and training program that prepares individuals for employment leading to economic self-sufficiency or entrance into postsecondary education or training.

(6) JOB CORPS.—The term ''Job Corps'' means the Job Corps described in section 243.

(7) JOB CORPS CENTER.—The term ''Job Corps center'' means a center described in section 247.

(8) OPERATOR.—The term ''operator'' means an entity selected under this subtitle to operate a Job Corps center.

(9) REGION.—The term ''region'' means an area defined by the Secretary.

(10) SERVICE PROVIDER.—The term ''service provider'' means an entity selected under this subtitle to provide services described in this subtitle to a Job Corps center.

SEC. 243. ESTABLISHMENT.

There shall be within the Department of Labor a ''Job Corps''.

SEC. 244. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

(a) IN GENERAL.—To be eligible to become an enrollee, an individual shall be—

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

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

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

(2) a low-income individual; and

(3) an individual who is one or more of the following:

(A) Basic skills deficient.

(B) A school dropout.

(C) A homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), except that clauses (i)(IV) and (iii) of subparagraph (B) of such section shall not apply), a homeless child or youth (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), except that subparagraph (B)(iv) of such section shall not apply), a runaway, an individual in foster care, or an individual who was in foster care and has aged out of the foster care system.

(D) A parent.

(E) An individual who requires additional education, career and technical education or training, or workforce preparation skills to be

able to obtain and retain employment that leads to economic self-sufficiency.

(b) SPECIAL RULE FOR VETERANS.—Notwithstanding the requirement of subsection (a)(2), a veteran of the Armed Forces shall be eligible to become an enrollee under subsection (a) if the individual—

(1) meets the requirements of paragraphs (1) and (3) of such subsection; and

(2) does not meet the requirement of subsection (a)(2) because the military income earned by such individual within the 6-month period prior to the individual's application for Job Corps prevents the individual from meeting such requirement.

SEC. 245. RECRUITMENT, SCREENING, SELECTION, AND ASSIGNMENT OF ENROLLEES.

(a) STANDARDS AND PROCEDURES.—

(1) IN GENERAL.—The Secretary shall prescribe specific standards and procedures for the recruitment, screening, and selection of eligible applicants for the Job Corps, after considering recommendations from Governors of States, local boards, and other interested parties.

(2) METHODS.—In prescribing standards and procedures under paragraph (1), the Secretary, at a minimum, shall—

(A) prescribe procedures for informing enrollees that drug tests will be administered to the enrollees and the results received within 45 days after the enrollees enroll in the Job Corps;

(B) establish standards for recruitment of Job Corps applicants;

(C) establish standards and procedures for—

(i) determining, for each applicant, whether the educational and career and technical education and training needs of the applicant can best be met through the Job Corps program or an alternative program in the community in which the applicant resides; and

(ii) obtaining from each applicant pertinent data relating to background, needs, and interests for determining eligibility and potential assignment;

(D) where appropriate, take measures to improve the professional capability of the individuals conducting screening of the applicants; and

(E) assure appropriate representation of enrollees from urban areas and from rural areas.

(3) IMPLEMENTATION.—To the extent practicable, the standards and procedures shall be implemented through arrangements with—

(A) applicable one-stop centers;

(B) community action agencies, business organizations, and labor organizations;

(C) agencies and individuals that have contact with youth over substantial periods of time and are able to offer reliable information about the needs and problems of youth; and

(D) child welfare agencies that are responsible for children in foster care and children eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677).

(4) CONSULTATION.—The standards and procedures shall provide for necessary consultation with individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers.

(5) REIMBURSEMENT.—The Secretary is authorized to enter into contracts with and make payments to individuals and organizations for the cost

of conducting recruitment, screening, and selection of eligible applicants for the Job Corps, as provided for in this section. The Secretary shall make no payment to any individual or organization solely as compensation for referring the names of applicants for the Job Corps.

(b) SPECIAL LIMITATIONS ON SELECTION.—

(1) IN GENERAL.—No individual shall be selected as an enrollee unless the individual or organization implementing the standards and procedures described in subsection (a) determines that—

(A) there is a reasonable expectation that the individual considered for selection can participate successfully in group situations and activities, and is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the Job Corps program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the Job Corps center to which the individual might be assigned and communities surrounding the Job Corps center;

(B) the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences

of failure to observe the rules, and agrees to comply with such rules; and

(C) the individual has passed a background check conducted in accordance with procedures established by the Secretary.

(2) INDIVIDUALS ON PROBATION, PAROLE, OR SUPERVISED RELEASE.—An individual on probation, parole, or supervised release may be selected as an enrollee only if release from the supervision of the probation or parole official involved is satisfactory to the official and the Secretary and does not violate applicable laws (including regulations). No individual shall be denied a position in the Job Corps solely on the basis of individual contact with the criminal justice system.

(c) ASSIGNMENT PLAN.—

(1) IN GENERAL.—Every 2 years, the Secretary shall develop and implement a plan for assigning enrollees to Job Corps centers. In developing the plan, the Secretary shall, based on the analysis described in paragraph (2), establish targets, applicable to each Job Corps center, for—

(A) the maximum attainable percentage of enrollees at the Job Corps center that reside in the State in which the center is located; and

(B) the maximum attainable percentage of enrollees at the Job Corps center that reside in the region in which the center is located, and in surrounding regions.

(2) ANALYSIS.—In order to develop the plan described in paragraph (1), every 2 years the Secretary, in consultation with operators of Job Corps centers, shall analyze relevant factors relating to each Job Corps center, including—

(A) the size of the population of individuals eligible to participate in Job Corps in the State and region in which the Job Corps center is located, and in surrounding regions;

(B) the relative demand for participation in the Job Corps in the State and region, and in surrounding regions;

(C) the capacity and utilization of the Job Corps center, including the education, training, and supportive services provided through the center; and

(D) the performance of the Job Corps center relating to the expected levels of performance for the indicators described in section 259(c)(1), and whether any actions have been

taken with respect to such center pursuant to paragraphs (2) and (3) of section 259(f).

(d) ASSIGNMENT OF INDIVIDUAL ENROLLEES.—

(1) IN GENERAL.—After an individual has been selected for the Job Corps in accordance with the standards and procedures of the Secretary under subsection (a), the enrollee shall be assigned to the Job Corps center that offers the type of career and technical education and training selected by the individual and, among the centers that offer such education and training, is closest to the home of the individual. The Secretary may waive this requirement if—

(A) the enrollee would be unduly delayed in participating in the Job Corps program because the closest center is operating at full capacity; or

(B) the parent or guardian of the enrollee requests assignment of the enrollee to another Job Corps center due to circumstances in the community of the enrollee that would impair prospects for successful participation in the Job Corps program.

(2) ENROLLEES WHO ARE YOUNGER THAN 18.—An enrollee who is younger than 18 shall not

be assigned to a Job Corps center other than the center closest to the home that offers the career and technical education and training desired by the enrollee pursuant to paragraph (1) if the parent or guardian of the enrollee objects to the assignment.

SEC. 246. ENROLLMENT.

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

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

(1) in a case in which completion of an advanced career training program under section 248(c) would require an individual to participate in the Job Corps for not more than one additional year;

(2) in the case of an individual with a disability who would reasonably be expected to meet the standards for a Job Corps graduate, as defined under section 242(5), if allowed to participate in the Job Corps for not more than 1 additional year;

(3) in the case of an individual who participates in national service, as authorized by a Civilian Con-

servation Center program, who would be granted an enrollment extension in the Job Corps for the amount of time equal to the period of national service; or

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

SEC. 247. JOB CORPS CENTERS.

(a) OPERATORS AND SERVICE PROVIDERS.—

(1) ELIGIBLE ENTITIES.—

(A) OPERATORS.—The Secretary shall enter into an agreement with a Federal, State, or local agency, an area career and technical education school, a residential career and technical education school, or a private organization, for the operation of each Job Corps center.

(B) PROVIDERS.—The Secretary may enter into an agreement with a local entity, or other entity with the necessary capacity, to provide activities described in this subtitle to a Job Corps center.

(2) SELECTION PROCESS.—

(A) COMPETITIVE BASIS.—Except as provided in subsections (a) and (b) of section 3304 of title 41, United States Code, the Secretary

shall select on a competitive basis an entity to operate a Job Corps center and entities to provide activities described in this subtitle to the Job Corps center. In developing a solicitation for an operator or service provider, the Secretary shall consult with the Governor of the State in which the center is located, the industry council for the Job Corps center (if established), and the applicable local board regarding the contents of such solicitation, including elements that will promote the consistency of the activities carried out through the center with the objectives set forth in the State plan or in a local plan.

(B) RECOMMENDATIONS AND CONSIDERATIONS.—

(i) OPERATORS.—In selecting an entity to operate a Job Corps center, the Secretary shall consider—

(I) the ability of the entity to coordinate the activities carried out through the Job Corps center with activities carried out under the appropriate State plan and local plans;

(II) the degree to which the career and technical education and training that the entity proposes for the center reflects employment opportunities in the local areas in which enrollees at the center intend to seek employment;

(III) the degree to which the entity demonstrates relationships with the surrounding communities, employers, labor organizations, workforce boards, applicable one-stop centers, and State and region in which the center is located; and

(IV) the performance of the entity, if any, relating to operating or providing activities described in this subtitle to a Job Corps center, including the entity's demonstrated effectiveness in assisting individuals in achieving the primary indicators of performance for eligible youth described in section 131(b)(2)(A)(ii).

(ii) PROVIDERS.—In selecting a service provider for a Job Corps center, the

Secretary shall consider the factors described in subclauses (I) through (IV) of clause (i), as appropriate.

(b) CHARACTER AND ACTIVITIES.—Job Corps centers may be residential or nonresidential in character, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with access to activities described in this subtitle. In any year, no more than 20 percent of the individuals enrolled in the Job Corps may be nonresidential participants in the Job Corps.

(c) CIVILIAN CONSERVATION CENTERS.—

(1) IN GENERAL.—The Job Corps centers may include Civilian Conservation Centers, operated under an agreement between the Secretary of Labor and the Secretary of Agriculture, that are located primarily in rural areas. Such centers shall provide, in addition to academics, career and technical education and training, and workforce preparation skills training, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

(2) ASSISTANCE DURING DISASTERS.—Enrollees in Civilian Conservation Centers may provide assistance in addressing national, State, and local dis-

asters, consistent with current child labor laws and regulations. The Secretary of Agriculture shall ensure that with respect to the provision of such assistance the enrollees are properly trained, equipped, supervised, and dispatched consistent with standards for the conservation and rehabilitation of wildlife established under the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.).

(3) NATIONAL LIAISON.—The Secretary of Agriculture shall designate a Job Corps National Liaison to support the agreement under this section between the Departments of Labor and Agriculture.

(d) INDIAN TRIBES.—

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

(2) DEFINITIONS.—In this subsection, the terms ''Indian'' and ''Indian tribe'' have the meanings given such terms in subsections (d) and (e), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

SEC. 248. PROGRAM ACTIVITIES.

(a) ACTIVITIES PROVIDED BY JOB CORPS CENTERS.—

(1) IN GENERAL.—Each Job Corps center shall provide enrollees with an intensive, well organized, and fully supervised program of education, including English language acquisition programs, career and technical education and training, work experience, work-based learning, recreational activities, physical rehabilitation and development, driver's education, and counseling, which may include information about financial literacy. Each Job Corps center shall provide enrollees assigned to the center with access to core services described in section 234(c)(2) and the intensive services described in section 234(c)(3).

(2) RELATIONSHIP TO OPPORTUNITIES.—The activities provided under this subsection shall be targeted to helping enrollees, on completion of their enrollment—

(A) secure and maintain meaningful unsubsidized employment;

(B) enroll in and complete secondary education or postsecondary education or training programs, including other suitable career and technical education and training, and apprenticeship programs; or

(C) satisfy Armed Forces requirements.

(3) LINK TO EMPLOYMENT OPPORTUNITIES.—The career and technical education and training provided shall be linked to the employment opportunities in the local area in which the enrollee intends to seek employment after graduation.

(b) ACADEMIC AND CAREER AND TECHNICAL EDUCATION AND TRAINING.—The Secretary may arrange for career and technical education and training of enrollees through local public or private educational agencies, career and technical educational institutions, technical institutes, or national service providers, whenever such entities provide education and training substantially equivalent in cost and quality to that which the Secretary could provide through other means.

(c) ADVANCED CAREER TRAINING PROGRAMS.—

(1) IN GENERAL.—The Secretary may arrange for programs of advanced career training for selected enrollees in which the enrollees may continue to participate for a period of not to exceed 1 year in addition to the period of participation to which the enrollees would otherwise be limited. The advanced career training may be provided through the eligible providers of training services identified under section 222.

(2) BENEFITS.—During the period of participation in an advanced career training program, an enrollee shall be eligible for full Job Corps benefits, or a monthly stipend equal to the average value of the residential support, food, allowances, and other benefits provided to enrollees assigned to residential Job Corps centers.

(3) DEMONSTRATION.—The Secretary shall develop standards by which any operator seeking to enroll additional enrollees in an advanced career training program shall demonstrate that participants in such program have achieved a satisfactory rate of completion and placement in training-related jobs before the operator may carry out such additional enrollment.

(d) GRADUATE SERVICES.—In order to promote the retention of graduates in employment or postsecondary education, the Secretary shall arrange for the provision of job placement and support services to graduates for up to 12 months after the date of graduation. Multiple resources, including one-stop partners, may support the provision of these services, including services from the State vocational rehabilitation agency to supplement job placement and job development efforts for Job Corps graduates who are individuals with disabilities.

(e) CHILD CARE.—The Secretary shall, to the extent practicable, provide child care at or near Job Corps centers, for individuals who require child care for their children in order to participate in the Job Corps.

SEC. 249. COUNSELING AND JOB PLACEMENT.

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

(b) PLACEMENT.—The Secretary shall arrange for assessment and counseling for enrollees prior to their scheduled graduations to determine their capabilities and, based on their capabilities, shall make every effort to arrange to place the enrollees in employment leading to economic self-sufficiency for which the enrollees are trained or to assist the enrollees in participating in further activities described in this subtitle. In arranging for the placement of graduates in jobs, the Secretary shall utilize the one-stop delivery system to the maximum extent practicable.

(c) STATUS AND PROGRESS.—The Secretary shall determine the status and progress of enrollees scheduled for graduation and make every effort to assure that their

needs for further activities described in this subtitle are met.

(d) SERVICES TO FORMER ENROLLEES.—The Secretary may provide such services as the Secretary determines to be appropriate under this subtitle to former enrollees.

SEC. 250. SUPPORT.

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

(b) TRANSITION ALLOWANCES.—The Secretary shall arrange for a transition allowance to be paid to graduates. The transition allowance shall be incentive-based to reflect a graduate's completion of academic, career and technical education or training, and attainment of recognized postsecondary credentials.

(c) TRANSITION SUPPORT.—The Secretary may arrange for the provision of 3 months of employment services for former enrollees.

SEC. 251. OPERATING PLAN.

(a) IN GENERAL.—The provisions of the contract between the Secretary and an entity selected to operate a

Job Corps center shall, at a minimum, serve as an operating plan for the Job Corps center.

(b) ADDITIONAL INFORMATION.—The Secretary may require the operator, in order to remain eligible to operate the Job Corps center, to submit such additional information as the Secretary may require, which shall be considered part of the operating plan.

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

SEC. 252. STANDARDS OF CONDUCT.

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

(b) DISCIPLINARY MEASURES.—

(1) IN GENERAL.—To promote the proper behavioral standards in the Job Corps, the directors of Job Corps centers shall have the authority to take appropriate disciplinary measures against enrollees if such a director determines that an enrollee has committed a violation of the standards of conduct. The director shall dismiss the enrollee from the Job Corps if the director determines that the retention

of the enrollee in the Job Corps will jeopardize the enforcement of such standards, threaten the safety of staff, students, or the local community, or diminish the opportunities of other enrollees.

(2) ZERO TOLERANCE POLICY AND DRUG TESTING.—

(A) GUIDELINES.—The Secretary shall adopt guidelines establishing a zero tolerance policy for an act of violence, for use, sale, or possession of a controlled substance, for abuse of alcohol, or for other illegal or disruptive activity.

(B) DRUG TESTING.—The Secretary shall require drug testing of all enrollees for controlled substances in accordance with procedures prescribed by the Secretary under section 245(a).

(C) DEFINITIONS.—In this paragraph:

(i) CONTROLLED SUBSTANCE.—The term ''controlled substance'' has the meaning given the term in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(ii) ZERO TOLERANCE POLICY.—The term ''zero tolerance policy'' means a pol-

icy under which an enrollee shall be automatically dismissed from the Job Corps after a determination by the director that the enrollee has carried out an action described in subparagraph (A).

(c) APPEAL.—A disciplinary measure taken by a director under this section shall be subject to expeditious appeal in accordance with procedures established by the Secretary.

SEC. 253. COMMUNITY PARTICIPATION.

(a) BUSINESS AND COMMUNITY PARTICIPATION.—The director of each Job Corps center shall ensure the establishment and development of the business and community networks described in subsection (b) in order to enhance the effectiveness of such centers.

(b) NETWORKS.—The activities carried out by each Job Corps center under this section shall include—

(1) establishing and developing relationships and networks with—

(A) local and distant employers, to the extent practicable, in coordination with other Federal and non-Federal programs that conduct similar outreach to employers;

(B) applicable one-stop centers and applicable local boards, for the purpose of providing—

(i) information to, and referral of, potential enrollees; and

(ii) job opportunities for Job Corps graduates; and

(C)(i) relevant apprenticeship programs and youth programs;

(ii) labor-management organizations and local labor organizations;

(iii) employers and contractors that support national training contractor programs; and

(iv) community-based organizations, nonprofit organizations, and intermediaries providing workforce development-related services; and

(2) establishing and developing relationships with members of the community in which the Job Corps center is located, informing members of the community about the projects of the Job Corps center and changes in the rules, procedures, or activities of the center that may affect the community, and planning events of mutual interest to the community and the Job Corps center.

(c) NEW CENTERS.—The director of a Job Corps center that is not yet operating shall ensure the establishment and development of the relationships and networks described in subsection (b) at least 3 months prior to the date on which the center accepts the first enrollee at the center.

SEC. 254. INDUSTRY COUNCILS.

(a) IN GENERAL.—Each Job Corps center shall have an industry council, appointed by the director of the center, in accordance with procedures established by the Secretary.

(b) INDUSTRY COUNCIL COMPOSITION.—

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

(A) a majority of members who shall be owners of business concerns, chief executives or chief operating officers of nongovernmental employers, or other private sector employers, who—

(i) have substantial management, hiring, or policy responsibility; and

(ii) represent businesses with employment opportunities that reflect the employment opportunities of the applicable local

areas in which enrollees will be seeking employment;

(B) representatives of labor organizations (where present) and representatives of employees; and

(C) enrollees and graduates of the Job Corps.

(2) LOCAL BOARD.—The industry council may include members of the applicable local boards who meet the requirements described in paragraph (1).

(3) EMPLOYERS OUTSIDE OF LOCAL AREA.—The industry council for a Job Corps center may include, or otherwise provide for consultation with, employers from outside the local area who are likely to hire a significant number of enrollees from the Job Corps center.

(4) SPECIAL RULE FOR SINGLE STATE LOCAL AREAS.—In the case of a single State local area designated under section 116(b), the industry council shall include a representative of the State Board.

(c) RESPONSIBILITIES.—The responsibilities of the industry council shall be—

(1) to work closely with all applicable local boards in order to determine, and recommend to the

Secretary, appropriate career and technical education and training for the center;

(2) to review all the relevant labor market information to—

(A) determine the employment opportunities in the local areas in which the enrollees intend to seek employment after graduation;

(B) determine the skills and education that are necessary to obtain the employment opportunities; and

(C) recommend to the Secretary the type of career and technical education and training that should be implemented at the center to enable the enrollees to obtain the employment opportunities; and

(3) to meet at least once every 6 months to re-evaluate the labor market information, and other relevant information, to determine, and recommend to the Secretary, any necessary changes in the career and technical education and training provided at the center.

(d) NEW CENTERS.—The industry council for a Job Corps center that is not yet operating shall carry out the responsibilities described in subsection (c) at least 3

months prior to the date on which the center accepts the first enrollee at the center.

SEC. 255. ADVISORY COMMITTEES.

The Secretary may establish and use advisory committees in connection with the operation of the Job Corps program, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.

SEC. 256. EXPERIMENTAL, RESEARCH, AND DEMONSTRATION PROJECTS.

The Secretary may carry out experimental, research, or demonstration projects relating to carrying out the Job Corps program. The Secretary may waive any provisions of this subtitle that the Secretary finds would prevent the Secretary from carrying out the projects if the Secretary informs the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives, in writing, not less than 90 days in advance of issuing such waiver.

SEC. 257. APPLICATION OF PROVISIONS OF FEDERAL LAW.

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

(1) IN GENERAL.—Except as otherwise provided in this subsection and in section 8143(a) of title 5, United States Code, enrollees shall not be considered to be Federal employees and shall not be subject to the provisions of law relating to Federal employment, including such provisions regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(2) PROVISIONS RELATING TO TAXES AND SOCIAL SECURITY BENEFITS.—For purposes of the Internal Revenue Code of 1986 and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed to be employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(3) PROVISIONS RELATING TO COMPENSATION TO FEDERAL EMPLOYEES FOR WORK INJURIES.—For purposes of subchapter I of chapter 81 of title 5, United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed to be civil employees of the Government

of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of such subchapter shall apply as specified in section 8143(a) of title 5, United States Code.

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

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

(c) PERSONNEL OF THE UNIFORMED SERVICES.—Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Job Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade in such services.

SEC. 258. SPECIAL PROVISIONS.

(a) ENROLLMENT.—The Secretary shall ensure that women and men have an equal opportunity to participate in the Job Corps program, consistent with section 245.

(b) STUDIES, EVALUATIONS, PROPOSALS, AND DATA.—The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of carrying out the Job Corps program shall become the property of the United States.

(c) TRANSFER OF PROPERTY.—

(1) IN GENERAL.—Notwithstanding chapter 5 of title 40, United States Code, and any other provision of law, the Secretary and the Secretary of Education shall receive priority by the Secretary of Defense for the direct transfer, on a nonreimbursable basis, of the property described in paragraph (2) for use in carrying out programs under this Act or under any other Act.

(2) PROPERTY.—The property described in this paragraph is real and personal property under the control of the Department of Defense that is not used by such Department, including property that the Secretary of Defense determines is in excess of current and projected requirements of such Department.

(d) GROSS RECEIPTS.—Transactions conducted by a private for-profit or nonprofit entity that is an operator or service provider for a Job Corps center shall not be considered to be generating gross receipts. Such an operator or service provider shall not be liable, directly or indirectly, to any State or subdivision of a State (nor to any person acting on behalf of such a State or subdivision) for any gross receipts taxes, business privilege taxes measured by gross receipts, or any similar taxes imposed on, or measured by, gross receipts in connection with any payments made to or by such entity for operating or providing services to a Job Corps center. Such an operator or service provider shall not be liable to any State or subdivision of a State to collect or pay any sales, excise, use, or similar tax imposed on the sale to or use by such operator or service provider of any property, service, or other item in connection with the operation of or provision of services to a Job Corps center.

(e) MANAGEMENT FEE.—The Secretary shall provide each operator and (in an appropriate case, as determined by the Secretary) service provider with an equitable and negotiated management fee of not less than 1 percent of the amount of the funding provided under the appropriate agreement specified in section 247.

(f) DONATIONS.—The Secretary may accept on behalf of the Job Corps or individual Job Corps centers charitable donations of cash or other assistance, including equipment and materials, if such donations are available for appropriate use for the purposes set forth in this subtitle.

(g) SALE OF PROPERTY.—Notwithstanding any other provision of law, if the Administrator of General Services sells a Job Corps center facility, the Administrator shall transfer the proceeds from the sale to the Secretary, who shall use the proceeds to carry out the Job Corps program.

SEC. 259. MANAGEMENT INFORMATION.

(a) FINANCIAL MANAGEMENT INFORMATION SYSTEM.—

(1) IN GENERAL.—The Secretary shall establish procedures to ensure that each operator, and each service provider, maintains a financial management information system that will provide—

(A) accurate, complete, and current disclosures of the costs of Job Corps operations; and

(B) sufficient data for the effective evaluation of activities carried out through the Job Corps program.

(2) ACCOUNTS.—Each operator and service provider shall maintain funds received under this

subtitle in accounts in a manner that ensures timely and accurate reporting as required by the Secretary.

(3) FISCAL RESPONSIBILITY.—Operators shall remain fiscally responsible and control costs, regardless of whether the funds made available for Job Corps centers are incrementally increased or decreased between fiscal years.

(b) AUDIT.—

(1) ACCESS.—The Secretary, the Inspector General of the Department of Labor, the Comptroller General of the United States, and any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the operators and service providers described in subsection (a) that are pertinent to the Job Corps program, for purposes of conducting surveys, audits, and evaluations of the operators and service providers.

(2) SURVEYS, AUDITS, AND EVALUATIONS.—The Secretary shall survey, audit, or evaluate, or arrange for the survey, audit, or evaluation of, the operators and service providers, using Federal auditors or independent public accountants. The Secretary shall conduct such surveys, audits, or evaluations not less often than once every 3 years.

(c) INFORMATION ON INDICATORS OF PERFORMANCE.—

(1) LEVELS OF PERFORMANCE AND INDICATORS.—The Secretary shall annually establish expected levels of performance for Job Corps centers and the Job Corps program relating to each of the primary indicators of performance for eligible youth activities described in section 131(b)(2)(A)(ii).

(2) PERFORMANCE OF RECRUITERS.—The Secretary shall also establish performance indicators, and expected performance levels on the performance indicators, for recruitment service providers serving the Job Corps program. The performance indicators shall relate to the number of enrollees recruited, compared to the established goals for such recruitment, and the number of enrollees who remain committed to the program for 90 days after enrollment.

(3) REPORT.—The Secretary shall collect, and annually submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives, a report containing—

(A) information on the performance of each Job Corps center, and the Job Corps program, on the performance indicators described

in paragraph (1), as compared to the expected level of performance established under such paragraph for each performance accountability measure; and

(B) information on the performance of the service providers described in paragraph (2) on the performance indicators established under such paragraph, as compared to the expected performance levels for the performance indicators.

(d) ADDITIONAL INFORMATION.—

(1) IN GENERAL.—The Secretary shall also collect, and submit in the report described in subsection (c), information on the performance of each Job Corps center, and the Job Corps program, regarding—

(A) the number of enrollees served;

(B) demographic information on the enrollees served, including age, race, gender, and education and income level;

(C) the number of graduates who entered the Armed Forces;

(D) the number of graduates who entered apprenticeship programs;

(E) the number of graduates who entered unsubsidized employment related to the career and technical education and training received through the Job Corps program and the number who entered unsubsidized employment not related to the education and training received;

(F) the number and percentage of former enrollees, including the number dismissed under the zero tolerance policy described in section 252(b); and

(G) any additional information required by the Secretary.

(2) RULES FOR REPORTING OF DATA.—The disaggregation of data under this subsection shall not be required when the number of individuals in a category is insufficient to yield statistically reliable information or when the results would reveal personally identifiable information about an individual.

(e) METHODS.—The Secretary shall collect the information described in subsections (c) and (d), using methods described in section 131(i)(2) and consistent with State law, by entering into agreements with the States to access such data for Job Corps enrollees, former enrollees, and graduates.

(f) PERFORMANCE ASSESSMENTS AND IMPROVEMENTS.—

(1) ASSESSMENTS.—The Secretary shall conduct an annual assessment of the performance of each Job Corps center. Based on the assessment, the Secretary shall take measures to continuously improve the performance of the Job Corps program.

(2) PERFORMANCE IMPROVEMENT.—With respect to a Job Corps center that fails to meet the expected levels of performance relating to the primary indicators of performance specified in subsection (c)(1), the Secretary shall develop and implement a performance improvement plan. Such a plan shall require action to be taken during a one-year period, including—

(A) providing technical assistance to the center;

(B) changing the career and technical education and training offered at the center;

(C) changing the management staff of the center;

(D) replacing the operator of the center;

(E) reducing the capacity of the center;

(F) relocating the center; or

(G) closing the center.

(3) ADDITIONAL PERFORMANCE IMPROVEMENT.—In addition to the performance improvement plans required under paragraph (2), the Secretary may develop and implement additional performance improvement plans. Such a plan shall require improvements, including the actions described in such paragraph, for a Job Corps center that fails to meet criteria established by the Secretary other than the expected levels of performance described in such paragraph.

(4) CIVILIAN CONSERVATION CENTERS.—With respect to a Civilian Conservation Center that fails to meet the expected levels of performance relating to the primary indicators of performance specified in subsection (c)(1), or fails to improve performance as described in paragraph (2), the Secretary, in consultation with the Secretary of Agriculture, may select an entity to operate a Civilian Conservation Center on a competitive basis, in accordance with the requirements of section 247(a)(2)(B).

(g) PARTICIPANT HEALTH AND SAFETY.—The Secretary shall require that an entity that has entered into a contract with a Job Corps operator to provide work-based learning activities for any Job Corps enrollee under this subtitle shall comply with the Occupational Safety

and Health Act of 1970 (29 U.S.C. 651 et seq.) or, as appropriate, under the corresponding State Occupational Safety and Health Act of 1970 requirements in the State in which such activities occur.

(h) BUILDINGS AND FACILITIES.—The Secretary shall collect, and submit in the report described in subsection (c), information regarding the state of Job Corps buildings and facilities. Such report shall include—

(1) a review of requested construction, rehabilitation, and acquisition projects, by each Job Corps center; and

(2) a review of new facilities under construction.

(i) NATIONAL AND COMMUNITY SERVICE.—The Secretary shall include in the report described in subsection (c) available information regarding the national and community service activities of enrollees, particularly those enrollees at Civilian Conservation Centers.

(j) CLOSURE OF JOB CORPS CENTER.—Prior to the closure of any Job Corps center, the Secretary shall ensure—

(1) that 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; and

(3) that the Member of Congress who represents the district in which such center is located is notified within a reasonable period of time in advance of any final decision to close the center.

SEC. 260. GENERAL PROVISIONS.

The Secretary is authorized to—

(1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall determine to be appropriate, to public agencies, private organizations, and the general public;

(2) subject to section 257(b), collect or compromise all obligations to or held by the Secretary and exercise all legal or equitable rights accruing to the Secretary in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection; and

(3) expend funds made available for purposes of this subtitle—

(A) for printing and binding, in accordance with applicable law (including regulation); and

(B) without regard to any other law (including regulation), for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the Secretary, except that the Secretary shall not expend funds under the authority of this subparagraph—

(i) except when necessary to obtain an item, service, or facility, that is required in the proper administration of this subtitle, and that otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which the item, service, or facility is needed; and

(ii) prior to having given written notification to the Administrator of General Services (if the expenditure would affect an activity that otherwise would be under the jurisdiction of the General Services Administration) of the intention of the Secretary to make the expenditure, and the reasons and justifications for the expenditure.

SEC. 261. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle such sums as may be necessary for each of the fiscal years 2014 through 2018.

Subtitle D—National Programs

SEC. 266. 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 to equip them with the entrepreneurial skills necessary for successful self-employment; 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 section 7207 of the Native Hawaiian Education Act (20 U.S.C. 7517).

(c) PROGRAM AUTHORIZED.—Every 4 years, the Secretary shall, on a competitive basis, 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

1 Hawaiian organizations to carry out the authorized activi-
2 ties described in subsection (d).
3 (d) AUTHORIZED ACTIVITIES.—
4 (1) IN GENERAL.—Funds made available under
5 subsection (c) shall be used to carry out the activi-
6 ties described in paragraph (2) that—
7 (A) are consistent with this section; and
8 (B) are necessary to meet the needs of In-
9 dians, Alaska Natives, or Native Hawaiians
10 preparing to enter, reenter, or retain employ-
11 ment leading to self-sufficiency.
12 (2) WORKFORCE INVESTMENT ACTIVITIES AND
13 SUPPLEMENTAL SERVICES.—
14 (A) IN GENERAL.—Funds made available
15 under subsection (c) shall be used for—
16 (i) comprehensive workforce develop-
17 ment activities for Indians, Alaska Natives,
18 or Native Hawaiians, including training on
19 entrepreneurial skills; or
20 (ii) supplemental services for Indian,
21 Alaska Native, or Native Hawaiian youth
22 on or near Indian reservations and in
23 Oklahoma, Alaska, or Hawaii.
24 (B) SPECIAL RULE.—Notwithstanding any
25 other provision of this section, individuals who

were eligible to participate in programs under section 401 of the Job Training Partnership Act (as such section was in effect on the day before the date of enactment of the Workforce Investment Act of 1998) shall be eligible to participate in an activity assisted under this section.

(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 a program plan that describes a 4-year strategy for meeting the needs of Indian, Alaska Native, or Native Hawaiian individuals, as appropriate, in the area served by such entity. Such plan shall—

(1) be consistent with the purpose of this section;

(2) identify the population to be served;

(3) identify the education and employment needs of the population to be served and the manner in which the activities to be provided will strengthen the ability of the individuals served to obtain or retain employment leading to self-sufficiency;

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

(5) describe, after the entity submitting the plan consults with the Secretary, the performance accountability measures to be used to assess the performance of entities in carrying out the activities assisted under this section, which shall include the primary indicators of performance described in section 131(b)(2)(A) and expected levels of performance for such indicators, in accordance with subsection (h).

(f) CONSOLIDATION OF FUNDS.—Each entity receiving assistance under subsection (c) 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) PERFORMANCE ACCOUNTABILITY MEASURES.—

(1) ADDITIONAL PERFORMANCE INDICATORS AND STANDARDS.—

(A) DEVELOPMENT OF INDICATORS AND STANDARDS.—The Secretary, in consultation with the Native American Employment and Training Council, shall develop a set of performance indicators and standards that is in addition to the primary indicators of performance described in section 131(b)(2)(A) and that shall be applicable to programs under this section.

(B) SPECIAL CONSIDERATIONS.—Such performance indicators and standards shall take into account—

(i) the purpose of this section as described in subsection (a)(1);

(ii) the needs of the groups served by this section, including the differences in needs among such groups in various geographic service areas; and

(iii) the economic circumstances of the communities served, including differences in circumstances among various geographic service areas.

(2) AGREEMENT ON ADJUSTED LEVELS OF PERFORMANCE.—The Secretary and the entity described in subsection (c) shall reach agreement on the levels of performance for each of the primary indicators of performance described in section 131(b)(2)(A), taking into account economic conditions, characteristics of the individuals served, and other appropriate factors and using, to the extent practicable, the statistical adjustment model under section 131(b)(3)(A)(viii). The levels agreed to shall be the adjusted levels of performance and shall be incorporated in the program plan.

(i) ADMINISTRATIVE PROVISIONS.—

(1) ORGANIZATIONAL UNIT ESTABLISHED.—The Secretary shall designate a single organizational unit within the Department of Labor that shall have primary responsibility for the administration of the activities authorized under this section.

(2) REGULATIONS.—The Secretary shall consult with the entities described in subsection (c) in—

(A) establishing regulations to carry out this section, including regulations relating to the performance accountability measures for entities receiving assistance under this section; and

(B) developing a funding distribution plan that takes into consideration previous levels of funding (prior to the date of enactment of this Act) to such entities.

(3) WAIVERS.—

(A) IN GENERAL.—With respect to an entity described in subsection (c), the Secretary, notwithstanding any other provision of law, may, pursuant to a request submitted by such entity that meets the requirements established under subparagraph (B), waive any of the statutory or regulatory requirements of this title or title I that are inconsistent with the specific needs of the entities described in such subsection, except that the Secretary may not waive requirements relating to wage and labor standards, worker rights, participation and protection of workers and participants, grievance procedures, and judicial review.

(B) REQUEST AND APPROVAL.—An entity described in subsection (c) that requests a waiver under subparagraph (A) shall submit a plan to the Secretary to improve the program of workforce investment activities carried out by the entity, which plan shall meet the require-

ments established by the Secretary and shall be generally consistent with the requirements of section 289(i)(2).

(4) ADVISORY COUNCIL.—

(A) IN GENERAL.—Using funds made available to carry out this section, the Secretary shall establish a Native American Employment and Training Council to facilitate the consultation described in paragraph (2) and to provide the advice described in subparagraph (C).

(B) COMPOSITION.—The Council shall be composed of individuals, appointed by the Secretary, who are representatives of the entities described in subsection (c).

(C) DUTIES.—The Council shall advise the Secretary on the operation and administration of the programs assisted under this section, including the selection of the individual appointed as head of the unit established under paragraph (1).

(D) PERSONNEL MATTERS.—

(i) COMPENSATION OF MEMBERS.—Members of the Council shall serve without compensation.

(ii) TRAVEL EXPENSES.—The members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Council.

(iii) ADMINISTRATIVE SUPPORT.—The Secretary shall provide the Council with such administrative support as may be necessary to perform the functions of the Council.

(E) CHAIRPERSON.—The Council shall select a chairperson from among its members.

(F) MEETINGS.—The Council shall meet not less than twice each year.

(G) APPLICATION.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Council.

(5) TECHNICAL ASSISTANCE.—The Secretary, acting through the unit established under paragraph (1), is authorized to provide technical assistance to entities described in subsection (c) that receive as-

1 sistance under such subsection to enable such enti-
2 ties to improve the activities authorized under this
3 section that are provided by such entities.

4 (6) AGREEMENT FOR CERTAIN FEDERALLY
5 RECOGNIZED INDIAN TRIBES TO TRANSFER FUNDS
6 TO THE PROGRAM.—A federally recognized Indian
7 tribe that administers funds provided under this sec-
8 tion and funds provided by more than one State
9 under other sections of this title may enter into an
10 agreement with the Secretary and the Governors of
11 the affected States to transfer the funds provided by
12 the States to the program administered by the tribe
13 under this section.

14 (j) COMPLIANCE WITH SINGLE AUDIT REQUIRE-
15 MENTS; RELATED REQUIREMENT.—Grants, contracts,
16 and cooperative agreements entered into under this section
17 shall be subject to the requirements of chapter 75 of sub-
18 title V of title 31, United States Code, and charging of
19 costs under this section shall be subject to appropriate cir-
20 culars issued by the Office of Management and Budget.

21 (k) ASSISTANCE TO UNIQUE POPULATIONS IN ALAS-
22 KA AND HAWAII.—

23 (1) IN GENERAL.—Notwithstanding any other
24 provision of law, the Secretary is authorized to pro-
25 vide assistance to the Cook Inlet Tribal Council, In-

corporated, and the University of Hawaii at Maui, for the unique populations who reside in Alaska or Hawaii, respectively, to improve job training and workforce investment activities.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for each of fiscal years 2014 through 2018.

SEC. 267. MIGRANT AND SEASONAL FARMWORKER PROGRAMS.

(a) IN GENERAL.—Every 4 years, the Secretary shall, on a competitive basis, 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 eligible migrant and seasonal farmworkers (including dependents), a familiarity with the area to be served, and the ability to demonstrate a capacity to administer and deliver effectively a diversified program of workforce investment activities (including youth workforce investment activities) and related assistance for eligible migrant 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 a plan that describes a 4-year strategy for meeting the needs of eligible migrant and seasonal farmworkers in the area to be served by such entity.

(2) CONTENTS.—Such plan shall—

(A) describe the population to be served and 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 migrant and seasonal farmworkers and dependents to obtain or retain unsubsidized employment, or stabilize their unsubsidized employment, including upgraded employment in agriculture;

(B) describe the related assistance and supportive services to be provided and the manner in which such assistance and services are to be integrated and coordinated with other appropriate services;

(C) describe the performance accountability measures to be used to assess the performance of such entity in carrying out the activities assisted under this section, which shall

include the expected levels of performance for the primary indicators of performance described in section 131(b)(2)(A);

(D) describe the availability and accessibility of local resources such as supportive services, services provided through one-stop delivery systems, and education and training services, and how the resources can be made available to the population to be served; and

(E) describe the plan for providing services under this section, including strategies and systems for outreach, career planning, assessment, and delivery through one-stop delivery systems.

(3) AGREEMENT ON ADJUSTED LEVELS OF PERFORMANCE.—The Secretary and the entity described in subsection (b) shall reach agreement on the levels of performance for each of the primary indicators of performance described in section 131(b)(2)(A), taking into account economic conditions, characteristics of the individuals served, and other appropriate factors, and using, to the extent practicable the statistical adjustment model under section 131(b)(3)(A)(viii). The levels agreed to shall be the adjusted levels of performance and shall be incorporated in the program plan.

(4) ADMINISTRATION.—Grants and contracts awarded under this section shall be centrally administered by the Department of Labor and competitively awarded by the Secretary using procedures consistent with standard Federal Government competitive procurement policies.

(d) AUTHORIZED ACTIVITIES.—Funds made available under this section and section 227 shall be used to carry out workforce investment activities (including youth workforce investment activities) and provide related assistance for eligible migrant and seasonal farmworkers, which may include—

(1) outreach, employment, training, educational assistance, literacy assistance, English language and literacy instruction, pesticide and worker safety training, housing (including permanent housing), supportive services, and school dropout prevention activities;

(2) followup services for those individuals placed in employment;

(3) self-employment and related business or micro-enterprise development or education as needed by eligible individuals as identified pursuant to the plan required by subsection (c);

(4) customized career and technical education in occupations that will lead to higher wages, enhanced benefits, and long-term employment in agriculture or another area; and

(5) technical assistance to improve coordination of services and implement best practices relating to service delivery through one-stop delivery systems.

(e) CONSULTATION WITH GOVERNORS AND LOCAL BOARDS.—In making grants and entering into contracts under this section, the Secretary 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 Secretary shall consult with eligible migrant and seasonal farmworkers groups and States in establishing regulations to carry out this section, including regulations relating to how economic and demographic barriers to employment of eligible migrant and seasonal farmworkers should be considered and included in the negotiations leading to the adjusted levels of performance described in subsection (c).

(g) COMPLIANCE WITH SINGLE AUDIT REQUIREMENTS; RELATED REQUIREMENT.—Grants and contracts entered into under this section shall be subject to the requirements of chapter 75 of subtitle V of title 31, United

States Code and charging of costs under this section shall be subject to appropriate circulars issued by the Office of Management and Budget.

(h) FUNDING ALLOCATION.—From the funds appropriated and made available to carry out this section, the Secretary shall reserve not more than 1 percent for discretionary purposes, such as providing technical assistance to eligible entities.

(i) DEFINITIONS.—In this section:

(1) DEPENDENT.—The term ''dependent'', used with respect to an eligible migrant or seasonal farmworker, means an individual who—

(A) was claimed as a dependent on the farmworker's Federal income tax return for the previous year;

(B) is the spouse of the farmworker; or

(C) is able to establish—

(i) a relationship as the farmworker's—

(I) biological or legally adopted child, grandchild, or great-grandchild;

(II) foster child;

(III) stepchild;

(IV) brother, sister, half-brother, half-sister, stepbrother, or stepsister;

(V) parent, grandparent, or other direct ancestor (but not foster parent);

(VI) stepfather or stepmother;

(VII) uncle or aunt;

(VIII) niece or nephew; or

(IX) father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; and

(ii) the receipt of over half of the individual's total support from the farmworker's family during the eligibility determination period described in paragraph (4)(A) for the farmworker.

(2) ELIGIBLE MIGRANT AND SEASONAL FARMWORKERS.—The term ''eligible migrant and seasonal farmworkers'' means individuals who are eligible migrant farmworkers or are eligible seasonal farmworkers.

(3) ELIGIBLE MIGRANT FARMWORKER.—The term ''eligible migrant farmworker'' means—

(A) an eligible seasonal farmworker described in paragraph (4)(A) whose agricultural labor requires travel to a job site such that the

farmworker is unable to return to a permanent place of residence within the same day; and

(B) a dependent of the farmworker described in subparagraph (A).

(4) ELIGIBLE SEASONAL FARMWORKER.—The term ''eligible seasonal farmworker'' means—

(A) a low-income individual who—

(i) for 12 consecutive months out of the 24 months prior to application for the program involved, has been primarily employed in agricultural or fish farming labor that is characterized by chronic unemployment or underemployment; and

(ii) faces multiple barriers to economic self-sufficiency; and

(B) a dependent of the person described in subparagraph (A).

SEC. 268. VETERANS' WORKFORCE INVESTMENT PROGRAMS.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The Secretary shall conduct, directly or through grants or contracts, programs to meet the needs for workforce investment activities of veterans with service-connected disabilities, veterans who have significant barriers to employment, vet-

erans who served on active duty in the armed forces during a war or in a campaign or expedition for which a campaign badge has been authorized, and recently separated veterans.

(2) CONDUCT OF PROGRAMS.—Programs supported under this section may be conducted through grants and contracts with public agencies and private nonprofit organizations, including recipients of Federal assistance under other provisions of this title, that the Secretary determines have an understanding of the unemployment problems of veterans described in paragraph (1), familiarity with the area to be served, and the capability to administer effectively a program of workforce investment activities for such veterans.

(3) REQUIRED ACTIVITIES.—Programs supported under this section shall include—

(A) activities to enhance services provided to veterans by other providers of workforce investment activities funded by Federal, State, or local government, including services provided by one-stop operators and one-stop partners;

(B) activities to provide workforce investment activities to such veterans that are not

adequately provided by other public providers of workforce investment activities; and

(C) outreach and public information activities to develop and promote maximum job and job training opportunities for such veterans and to inform such veterans about employment, job training, on-the-job training, and educational opportunities under this title, under title 38, United States Code, and under other provisions of law, which activities shall be coordinated with activities provided through the one-stop centers described in section 221(e).

(b) ADMINISTRATION OF PROGRAMS.—

(1) IN GENERAL.—The Secretary shall administer programs supported under this section through the Assistant Secretary for Veterans' Employment and Training.

(2) ADDITIONAL RESPONSIBILITIES.—In carrying out responsibilities under this section, the Assistant Secretary for Veterans' Employment and Training shall—

(A) be responsible for the awarding of grants and contracts and the distribution of funds under this section and for the establishment of appropriate fiscal controls, account-

ability, and program performance accountability measures for recipients of grants and contracts under this section; and

(B) consult with the Secretary of Veterans Affairs and take steps to ensure that programs supported under this section are coordinated, to the maximum extent feasible, with related programs and activities conducted under title 38, United States Code, including programs and activities conducted under chapter 63 of such title, any of chapters 30 through 34 of such title, and sections 1712A, 1720A, 3687, and 4103A of such title.

(3) PERFORMANCE ACCOUNTABILITY MEASURES.—In carrying out the responsibilities relating to performance accountability measures described in paragraph (2)(A), the Assistant Secretary for Veterans' Employment and Training shall, for each grant or contract under this section providing education, training, or employment services to veterans, include among such measures the primary indicators of performance described in section 131(b)(2)(A)(i) and adjusted levels of performance for each such indicator that are agreed to by the Assistant Secretary and the recipient of the grant or contract.

SEC. 269. TECHNICAL ASSISTANCE.

(a) GENERAL TECHNICAL ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall provide, coordinate, and support the development of, appropriate training, technical assistance, staff development, and other activities, including—

(A) assistance in replicating programs of demonstrated effectiveness, to States and localities;

(B) the training of staff providing rapid response services;

(C) the training of other staff of recipients of funds under this title, including the staff of local boards and State boards;

(D) the training of members of State boards and local boards;

(E) assistance in the development and implementation of integrated, technology-enabled intake and case management information systems for programs carried out under this Act and programs carried out by one-stop partners, such as standard sets of technical requirements for the systems, offering interfaces that States could use in conjunction with their current (as of the first date of implementation of the systems) intake and case management information

systems that would facilitate shared registration across programs;

(F) peer review activities under this title; and

(G) in particular, assistance to States in making transitions to implement the provisions of this Act.

(2) SUFFICIENT CAPACITY.—The Secretary shall ensure that the Department has sufficient capacity to carry out, and carries out, directly or in accordance with paragraph (3), the activities described in paragraph (1) for all States and recipients of financial assistance under any of sections 266 through 268.

(3) FORM OF ASSISTANCE.—

(A) IN GENERAL.—In order to carry out paragraph (1) on behalf of a State or recipient of financial assistance under any of sections 266 through 268, the Secretary, after consultation with the State or grant recipient, may award grants or enter into contracts or cooperative agreements.

(B) LIMITATION.—Grants or contracts awarded under paragraph (1) to entities other than States or local units of government that

are for amounts in excess of $100,000 shall only be awarded on a competitive basis.

(b) DISLOCATED WORKER TECHNICAL ASSISTANCE.—

(1) AUTHORITY.—Of the amounts available pursuant to section 232(a)(2)(A), the Secretary shall reserve not more than 5 percent of such amounts to provide technical assistance to States that do not meet the State performance accountability measures described in section 131(b)(2)(A)(i) with respect to employment and training activities for dislocated workers. Using such reserved funds, the Secretary may provide such assistance to other States, local areas, and other entities involved in providing assistance to dislocated workers, to promote the continuous improvement of assistance provided to dislocated workers, under this title.

(2) TRAINING.—Amounts reserved under this subsection may be used to provide for the training of staff, including specialists, who provide rapid response services. Such training shall include instruction in proven methods of promoting, establishing, and assisting labor-management committees. Such projects shall be administered through the Employ-

ment and Training Administration of the Department.

(c) PROMISING AND PROVEN PRACTICES COORDINATION.—Consistent with the identification and dissemination of promising and proven practices under subtitle C of title I, the Secretary shall—

(1) establish a system through which States may share information regarding promising and proven practices with regard to the operation of workforce investment activities under this Act;

(2) evaluate and disseminate information regarding such promising and proven practices and identify knowledge gaps; and

(3) commission research under section 270(b) to address knowledge gaps identified under paragraph (2).

SEC. 270. EVALUATIONS AND RESEARCH.

(a) EVALUATIONS.—

(1) EVALUATIONS OF PROGRAMS AND ACTIVITIES CARRIED OUT UNDER THIS TITLE AND TITLE I.—For the purpose of improving the management and effectiveness of programs and activities carried out under this title and title I, the Secretary shall provide for the continuing evaluation of the programs and activities, including those programs and

activities carried out under this section. Each such evaluation shall address—

(A) the general effectiveness of such programs and activities in relation to their cost, including the extent to which the programs and activities—

(i) improve the employment competencies of participants in comparison to comparably situated individuals who did not participate in such programs and activities; and

(ii) to the extent feasible, increase the level of total employment over the level that would have existed in the absence of such programs and activities;

(B) the effectiveness of the performance accountability measures relating to such programs and activities;

(C) the effectiveness of the structure and mechanisms for delivery of services through such programs and activities, including the coordination and integration of services through such programs and activities;

(D) the impact of such programs and activities on the community and participants involved;

(E) the impact of such programs and activities on related programs and activities;

(F) the extent to which such programs and activities meet the needs of various demographic groups; and

(G) such other factors as may be appropriate.

(2) EVALUATIONS OF OTHER PROGRAMS AND ACTIVITIES.—The Secretary may conduct evaluations of other federally funded employment-related programs and activities under other provisions of law.

(3) TECHNIQUES.—Evaluations conducted under this subsection shall utilize appropriate methodology and research designs, including the use of control groups chosen by scientific random assignment methodologies. The Secretary shall conduct at least 1 multisite control group evaluation under this subsection by the end of fiscal year 2018.

(4) REPORTS.—The entity carrying out an evaluation described in paragraph (1) or (2) shall prepare and submit to the Secretary a draft report and

a final report containing the results of the evaluation.

(5) REPORTS TO CONGRESS.—Not later than 30 days after the completion of a draft report under paragraph (4), the Secretary shall transmit the draft report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate. Not later than 60 days after the completion of a final report under such paragraph, the Secretary shall transmit the final report to such committees of the Congress.

(6) PUBLICATION OF REPORTS.—If an entity that enters into a contract or other arrangement with the Secretary to conduct an evaluation of a program or activity under this subsection requests permission from the Secretary to publish a report resulting from the evaluation, such entity may publish the report unless the Secretary denies the request during the 90-day period beginning on the date the Secretary receives such request.

(7) COORDINATION.—The Secretary shall ensure the coordination of evaluations carried out by States pursuant to section 131(e) with the evaluations carried out under this subsection.

1 (b) RESEARCH, STUDIES, AND MULTISTATE
2 PROJECTS.—
3 (1) IN GENERAL.—After consultation with
4 States, localities, and other interested parties, the
5 Secretary shall, every 2 years, publish in the Federal
6 Register, a plan that describes the research, studies,
7 and multistate project priorities of the Department
8 of Labor concerning employment and training for
9 the 5-year period following the submission of the
10 plan. The plan shall be consistent with the purposes
11 of this title and title I, including the purpose of
12 aligning and coordinating core programs with other
13 one-stop partner programs. Copies of the plan shall
14 be transmitted to the Committee on Education and
15 the Workforce of the House of Representatives, the
16 Committee on Health, Education, Labor, and Pen-
17 sions of the Senate, the Department of Education,
18 and other relevant Federal agencies.
19 (2) FACTORS.—The plan published under para-
20 graph (1) shall contain strategies to address national
21 employment and training problems and take into ac-
22 count factors such as—
23 (A) the availability of existing research (as
24 of the date of the publication);

(B) the need to ensure results that have interstate validity;

(C) the benefits of economies of scale and the efficiency of proposed projects; and

(D) the likelihood that the results of the projects will be useful to policymakers and stakeholders in addressing employment and training problems.

(3) RESEARCH PROJECTS.—The Secretary shall, through grants or contracts, carry out research projects that will contribute to the solution of employment and training problems in the United States and that are consistent with the priorities specified in the plan published under subsection (a).

(4) STUDIES AND REPORTS.—

(A) NET IMPACT STUDIES AND REPORTS.—

(i) IN GENERAL.—The Secretary of Labor, in coordination with the Secretary of Education and other relevant Federal agencies, may conduct studies to determine the net impact and best practices of programs, services, and activities carried out under this Act.

(ii) REPORTS.—The Secretary shall prepare and disseminate to the public, including through electronic means, reports containing the results of the studies conducted under clause (i).

(B) STUDY ON RESOURCES AVAILABLE TO ASSIST DISCONNECTED YOUTH.—The Secretary of Labor, in coordination with the Secretary of Education, may conduct a study examining—

(i) the characteristics of eligible youth that result in such youth being significantly disconnected from education and workforce participation;

(ii) the ways in which such youth could have greater opportunities for education attainment and obtaining employment; and

(iii) the resources available at the Federal, State, and local levels to assist such youth in obtaining the skills (including skills acquired through workforce preparation activities), credentials, and work experience necessary to become economically self-sufficient.

(C) STUDY OF EFFECTIVENESS OF WORKFORCE DEVELOPMENT SYSTEM IN MEETING BUSINESS NEEDS.—

(i) IN GENERAL.—Using funds available to carry out this subsection jointly with funds available to the Secretary of Commerce, the Administrator of the Small Business Administration, and the Secretary of Education, the Secretary of Labor, in coordination with the Secretary of Commerce, the Administrator of the Small Business Administration, and the Secretary of Education, may conduct a study of the effectiveness of the workforce development system in meeting the needs of business, with particular attention to the needs of small business, including in assisting workers to obtain the skills needed to utilize emerging technologies. The study may examine issues such as—

(I) methods for identifying the workforce needs of businesses and how the requirements of small businesses may differ from larger establishments;

(II) business satisfaction with the workforce development system, with particular emphasis on the satisfaction of small businesses;

(III) the extent to which business is engaged as a collaborative partner in the workforce development system, including—

(aa) the number and percentage of members of State boards and local boards who are representatives of businesses; and

(bb) the extent to which State boards, local boards, and one-stop centers established under section 221(e) effectively collaborate with business and industry leaders in developing workforce development strategies, including strategies to identify high-growth employment opportunities;

(IV) ways in which the workforce development system addresses the changing skill needs of business that

result from changes in technology and work processes;

(V) promising practices for serving small businesses;

(VI) the extent and manner in which the workforce development system uses technology to serve business and individual needs, and how uses of technology could enhance the efficiency and effectiveness of the system in providing services; and

(VII) the extent to which various segments of the labor force have access to and utilize technology to locate job openings and apply for jobs, and characteristics of individuals utilizing such technology (such as age, gender, race or ethnicity, industry sector, and occupational group).

(ii) REPORT TO CONGRESS.—If the Secretary conducts a study under clause (i), the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education,

Labor, and Pensions of the Senate a report containing the results of the study. Such report shall include any recommendations the Secretary determines are appropriate to include in such report, including ways to enhance the effectiveness of the workforce development system in meeting the needs of business for skilled workers.

(D) STUDY ON PARTICIPANTS ENTERING NONTRADITIONAL OCCUPATIONS.—The Secretary of Labor, in coordination with the Secretary of Education, may conduct a study examining—

(i) the number and percentage of individuals who receive employment and training activities and who enter nontraditional occupations;

(ii) successful strategies through which State boards and local boards can place and support the retention of individuals in nontraditional employment, such as by providing post-placement assistance to participants in the form of exit interviews, mentoring, networking, and leadership development; and

(iii) the degree to which recipients of employment and training activities are informed of the possibility of, or directed to begin, training or education needed for entrance into nontraditional occupations.

(E) STUDY ON PERFORMANCE INDICATORS.—

(i) IN GENERAL.—The Secretary of Labor, in coordination with the Secretary of Education, may conduct studies to determine the feasibility of, and potential means to replicate, measuring the compensation, including the wages, benefits, and other incentives provided by an employer, received by program participants by using data other than or in addition to data available through wage records, for potential use as a performance indicator.

(ii) REPORT.—The Secretary shall prepare and disseminate to the public, including through electronic means, a report containing the results of any study conducted under this subparagraph.

(F) STUDY ON JOB TRAINING FOR RECIPIENTS OF PUBLIC HOUSING ASSISTANCE.—

(i) IN GENERAL.—The Secretary of Labor, in coordination with the Secretary of Housing and Urban Development, may conduct studies to assist public housing authorities to provide, to recipients of public housing assistance, job training programs that successfully upgrade job skills and employment in, and access to, jobs with opportunity for advancement and economic self-sufficiency for such recipients.

(ii) REPORT.—The Secretary shall prepare and disseminate to the public, including through electronic means, a report containing the results of any study conducted under this subparagraph.

(G) STUDY ON IMPROVING EMPLOYMENT PROSPECTS FOR OLDER INDIVIDUALS.—

(i) IN GENERAL.—The Secretary of Labor, in coordination with the Secretary of Education and the Secretary of Health and Human Services, may conduct studies that lead to better design and implementation of, in conjunction with employers, local boards or State boards, community colleges or area career and technical edu-

cation schools, and other organizations, effective evidence-based strategies to provide services to workers who are low-income, low-skilled older individuals that increase the workers' skills and employment prospects.

(ii) REPORT.—The Secretary shall prepare and disseminate to the public, including through electronic means, a report containing the results of any study conducted under this subparagraph.

(H) STUDY ON PRIOR LEARNING.—

(i) IN GENERAL.—The Secretary of Labor, in coordination with other Secretaries, as appropriate, may conduct studies that, through the convening stakeholders from the fields of education, workforce, business, labor, defense, and veterans services, and experts in such fields, develop guidelines for assessing, accounting for, and utilizing the prior learning of individuals, including dislocated workers and veterans, in order to provide the individuals with postsecondary educational credit for such prior learning that leads to the at-

tainment of a recognized postsecondary credential and employment.

(ii) REPORT.—The Secretary shall prepare and disseminate to the public, including through electronic means, reports containing the results of the studies conducted.

(5) MULTISTATE PROJECTS.—

(A) AUTHORITY.—The Secretary may, through grants or contracts, carry out multistate projects that require demonstrated expertise that is available at the national level to effectively disseminate best practices and models for implementing employment and training services, address the specialized employment and training needs of particular service populations, or address industry-wide skill shortages, to the extent such projects are consistent with the priorities specified in the plan published under paragraph (1).

(B) DESIGN OF GRANTS.—Grants or contracts awarded under this paragraph shall be designed to obtain information relating to the provision of services under different economic conditions or to various demographic groups in

order to provide guidance at the national and State levels about how best to administer specific employment and training services.

(6) LIMITATIONS.—

(A) COMPETITIVE AWARDS.—A grant or contract awarded for carrying out projects under this subsection in an amount that exceeds $100,000 shall be awarded only on a competitive basis, except that a noncompetitive award may be made in the case of a project that is funded jointly with other public or private sector entities that provide a substantial portion of assistance under the grant or contract for the project.

(B) TIME LIMITS.—A grant or contract shall not be awarded under this subsection to the same organization for more than 3 consecutive years unless such grant or contract is competitively reevaluated within such period.

(C) PEER REVIEW.—

(i) IN GENERAL.—The Secretary shall utilize a peer review process—

(I) to review and evaluate all applications for grants in amounts that

exceed $500,000 that are submitted under this section; and

(II) to review and designate exemplary and promising programs under this section.

(ii) AVAILABILITY OF FUNDS.—The Secretary is authorized to use funds provided under this section to carry out peer review activities under this subparagraph.

(D) PRIORITY.—In awarding grants or contracts under this subsection, priority shall be provided to entities with recognized expertise in the methods, techniques, and knowledge of workforce investment activities and shall include appropriate time limits, established by the Secretary, for the duration of such projects.

(c) DISLOCATED WORKER PROJECTS.—Of the amount made available pursuant to section 232(a)(2)(A) for any program year, the Secretary shall use not more than 10 percent of such amount to carry out demonstration and pilot projects, multiservice projects, and multistate projects relating to the employment and training needs of dislocated workers. Of the requirements of this section, such projects shall be subject only to the provisions relating to review and evaluation of applications

under subsection (c)(6)(C). Such projects may include demonstration and pilot projects relating to promoting self-employment, promoting job creation, averting dislocations, assisting dislocated farmers, assisting dislocated fishermen, and promoting public works. Such projects shall be administered by the Secretary, acting through the Assistant Secretary of Employment and Training Administration.

(d) ENERGY EFFICIENCY AND RENEWABLE ENERGY WORKER TRAINING PROGRAM.—

(1) GRANT PROGRAM.—

(A) IN GENERAL.—Not later than 6 months after the date of enactment of the Green Jobs Act of 2007, the Secretary of Labor, in consultation with the Secretary of Energy, shall establish an energy efficiency and renewable energy worker training program under which the Secretary of Labor shall carry out the activities described in paragraph (2) to achieve the purposes of this subsection.

(B) ELIGIBILITY.—For purposes of providing assistance and services under the program established under this subsection—

(i) target populations of eligible individuals to be given priority for training and other services shall include—

(I) workers impacted by national energy and environmental policy;

(II) individuals in need of updated training related to the energy efficiency and renewable energy industries;

(III) veterans, or past and present members of reserve components of the Armed Forces;

(IV) unemployed individuals;

(V) individuals, including at-risk youth, seeking employment pathways out of poverty and into economic self-sufficiency; and

(VI) formerly incarcerated, adjudicated, nonviolent offenders; and

(ii) energy efficiency and renewable energy industries eligible to participate in a program under this subsection include—

(I) the energy-efficient building, construction, and retrofits industries;

(II) the renewable electric power industry;

(III) the energy efficient and advanced drive train vehicle industry;

(IV) the biofuels industry;

(V) the materials use industry;

(VI) the energy efficiency assessment industry serving the residential, commercial, or industrial sectors; and

(VII) manufacturers that produce sustainable products using environmentally sustainable processes and materials.

(2) ACTIVITIES.—

(A) NATIONAL RESEARCH PROGRAM.—Under the program established under paragraph (1), the Secretary, acting through the Bureau of Labor Statistics, where appropriate, shall collect and analyze labor market data to track workforce trends resulting from energy-related initiatives carried out under this subsection. Activities carried out under this subparagraph shall include—

(i) tracking and documentation of academic and occupational competencies as

well as future skill needs with respect to renewable energy and energy efficiency technology;

(ii) tracking and documentation of occupational information and workforce training data with respect to renewable energy and energy efficiency technology;

(iii) collaborating with State agencies, workforce investment boards, industry, organized labor, and community and nonprofit organizations to disseminate information on successful strategies for labor market services and worker training with respect to renewable energy and energy efficiency technology;

(iv) serving as a clearinghouse for best practices in workforce development, job placement, and collaborative training partnerships;

(v) encouraging the establishment of workforce training initiatives with respect to renewable energy and energy efficiency technologies;

(vi) linking research and development in renewable energy and energy efficiency

technology with the development of standards and curricula for current and future jobs;

(vii) assessing new employment and work practices including career ladder and upgrade training as well as high performance work systems; and

(viii) providing technical assistance and capacity building to national and State energy partnerships, including industry and labor representatives.

(B) NATIONAL ENERGY TRAINING PARTNERSHIP GRANTS.—

(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award National Energy Training Partnerships Grants on a competitive basis to eligible entities to enable such entities to carry out training that leads to economic self-sufficiency and to develop an energy efficiency and renewable energy industries workforce. Grants shall be awarded under this subparagraph so as to ensure geographic diversity with at least 2 grants awarded to entities located in each of the

Petroleum Administration for Defense Districts with no subdistricts, and at least 1 grant awarded to an entity located in each of the subdistricts of the Petroleum Administration for Defense District with subdistricts.

(ii) ELIGIBILITY.—To be eligible to receive a grant under clause (i), an entity shall be a nonprofit partnership that—

(I) includes the equal participation of industry, including public or private employers, and labor organizations, including joint labor-management training programs, and may include workforce investment boards, community-based organizations, qualified service and conservation corps, educational institutions, small businesses, cooperatives, State and local veterans agencies, and veterans service organizations; and

(II) demonstrates—

(aa) experience in implementing and operating worker

skills training and education programs;

(bb) the ability to identify and involve in training programs carried out under this grant, target populations of individuals who would benefit from training and be actively involved in activities related to energy efficiency and renewable energy industries; and

(cc) the ability to help individuals achieve economic self-sufficiency.

(iii) PRIORITY.—Priority shall be given to partnerships which leverage additional public and private resources to fund training programs, including cash or in-kind matches from participating employers.

(C) STATE LABOR MARKET RESEARCH, INFORMATION, AND LABOR EXCHANGE RESEARCH PROGRAM.—

(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants to

States to enable such States to administer labor market and labor exchange information programs that include the implementation of the activities described in clause (ii), in coordination with the one-stop delivery system.

(ii) ACTIVITIES.—A State shall use amounts awarded under a grant under this subparagraph to provide funding to the State agency that administers the Wagner-Peyser Act (29 U.S.C. 49 et seq.) and State unemployment compensation programs to carry out the following activities using State agency merit staff:

(I) The identification of job openings in the renewable energy and energy efficiency sector.

(II) The administration of skill and aptitude testing and assessment for workers.

(III) The counseling, career planning, and referral of qualified job seekers to openings and training programs, including energy efficiency and renewable energy training programs.

(D) STATE ENERGY TRAINING PARTNERSHIP PROGRAM.—

(i) IN GENERAL.—Under the program established under paragraph (1), the Secretary shall award competitive grants to States to enable such States to administer renewable energy and energy efficiency workforce development programs that include the implementation of the activities described in clause (ii).

(ii) PARTNERSHIPS.—A State shall use amounts awarded under a grant under this subparagraph to award competitive grants to eligible State Energy Sector Partnerships to enable such Partnerships to coordinate with existing apprenticeship and labor management training programs and implement training programs that lead to the economic self-sufficiency of trainees.

(iii) ELIGIBILITY.—To be eligible to receive a grant under this subparagraph, a State Energy Sector Partnership shall—

(I) consist of nonprofit organizations that include equal participation from industry, including public or pri-

vate nonprofit employers, and labor organizations, including joint labor-management training programs, and may include representatives from local governments, the workforce development system (including one-stop centers), community-based organizations, qualified service and conservation corps, community colleges and other institutions of higher education, small businesses, cooperatives, State and local veterans agencies, and veterans service organizations;

(II) demonstrate experience in implementing and operating worker skills training and education programs; and

(III) demonstrate the ability to identify and involve in training programs, target populations of workers who would benefit from training and be actively involved in activities related to energy efficiency and renewable energy industries.

(iv) PRIORITY.—In awarding grants under this subparagraph, the Secretary shall give priority to States that demonstrate that activities under the grant—

(I) meet national energy policies associated with energy efficiency, renewable energy, and the reduction of emissions of greenhouse gases;

(II) meet State energy policies associated with energy efficiency, renewable energy, and the reduction of emissions of greenhouse gases; and

(III) leverage additional public and private resources to fund training programs, including cash or in-kind matches from participating employers.

(v) COORDINATION.—A grantee under this subparagraph shall coordinate activities carried out under the grant with existing other appropriate training programs, including apprenticeship and labor management training programs and activities (including such activities referenced in paragraph (3)(A)), and implement training

1 programs that lead to the economic self-
2 sufficiency of trainees.
3 (E) PATHWAYS OUT OF POVERTY DEM-
4 ONSTRATION PROGRAM.—
5 (i) IN GENERAL.—Under the program
6 established under paragraph (1), the Sec-
7 retary shall award competitive grants of
8 sufficient size to eligible entities to enable
9 such entities to carry out training that
10 leads to economic self-sufficiency. The Sec-
11 retary shall give priority to entities that
12 serve individuals in families with income of
13 less than 200 percent of the economic self-
14 sufficiency standard for the local areas
15 where the training is conducted that speci-
16 fies, as defined by the State, or where such
17 standard is not established, the income
18 needs of families, by family size, the num-
19 ber and ages of children in the family, and
20 sub-State geographical considerations.
21 Grants shall be awarded to ensure geo-
22 graphic diversity.
23 (ii) ELIGIBLE ENTITIES.—To be eligi-
24 ble to receive a grant under this subpara-

graph, an entity shall be a partnership that—

(I) includes—

(aa) a State board or local board;

(bb) community-based non-profit organizations;

(cc) educational institutions with expertise in serving low-income adults or youth;

(dd) public or private employers from the industry sectors described in paragraph (1)(B)(ii); and

(ee) labor organizations representing workers in such industry sectors;

(II) demonstrates a record of successful experience in implementing and operating worker skills training and education programs;

(III) coordinates activities, where appropriate, with the workforce development system; and

(IV) demonstrates the ability to recruit individuals for training and to support such individuals to successful completion in training programs carried out under this grant, targeting populations of workers who are or will be engaged in activities related to energy efficiency and renewable energy industries.

(iii) PRIORITIES.—In awarding grants under this subparagraph, the Secretary shall give priority to applicants that—

(I) target programs to benefit low-income workers, unemployed youth and adults, school dropouts, or other underserved sectors of the workforce within areas of high poverty;

(II) ensure that supportive services are integrated with education and training, and delivered by organizations with direct access to and experience with targeted populations;

(III) leverage additional public and private resources to fund training

programs, including cash or in-kind matches from participating employers;

(IV) involve employers and labor organizations in the determination of relevant skills and competencies and ensure that the certificates or credentials that result from the training are recognized postsecondary credentials;

(V) deliver courses at alternative times (such as evening and weekend programs) and locations most convenient and accessible to participants and link adult remedial education with occupational skills training; and

(VI) demonstrate substantial experience in administering Federal, State, local, municipal, foundation, or private entity grants.

(iv) DATA COLLECTION.—A grantee under this subparagraph shall collect and report the following information with respect to the program carried out under the grant:

(I) The number of participants.

(II) The demographic characteristics of participants, including race, gender, age, parenting status, participation in other Federal programs, education and literacy level at entry, and other characteristics that are significant barriers to employment (such as being an English language learner or having a criminal record, addiction or mental health problem requiring treatment, or intellectual disability).

(III) The services received by participants, including training, education, and supportive services.

(IV) The amount of program spending per participant.

(V) Program completion rates.

(VI) Factors determined as significantly interfering with program participation or completion.

(VII) The rate of job placement and the rate of employment retention after 1 year.

(VIII) The average wage at placement, including any benefits, and

the rate of average wage increase after 1 year.

(IX) Any post-employment supportive services provided.

The Secretary shall assist grantees in the collection of data under this clause by making available, where practicable, low-cost means of tracking the labor market outcomes of participants, and by providing standardized reporting forms, where appropriate.

(3) ACTIVITIES.—

(A) IN GENERAL.—Activities to be carried out under a program authorized by subparagraph (B), (D), or (E) of paragraph (2) shall be coordinated with existing systems or providers, as appropriate. Such activities may include—

(i) occupational skills training, including curriculum development, on-the-job training, and classroom training;

(ii) safety and health training;

(iii) the provision of—

(I) adult education and literary activities, English as a second lan-

guage instruction, or job readiness training; or

(II) training leading to the attainment of the recognized equivalent of a secondary school diploma;

(iv) individual referral and tuition assistance for a community college training program, or any training program leading to an industry-recognized certificate;

(v) internship programs in fields related to energy efficiency and renewable energy;

(vi) customized training in conjunction with an existing apprenticeship program or labor-management partnership;

(vii) incumbent worker and career ladder training and skill upgrading and retraining;

(viii) the implementation of transitional jobs strategies; and

(ix) the provision of supportive services.

(B) OUTREACH ACTIVITIES.—In addition to the activities authorized under subparagraph (A), activities authorized for programs under

subparagraph (E) of paragraph (2) may include the provision of outreach, recruitment, career guidance, and career planning services.

(4) WORKER PROTECTIONS AND NON-DISCRIMINATION REQUIREMENTS.—

(A) APPLICATION OF WIA.—The provisions of sections 281 and 288 shall apply to all programs carried out with assistance under this subsection.

(B) CONSULTATION WITH LABOR ORGANIZATIONS.—If a labor organization represents a substantial number of workers who are engaged in similar work or training in an area that is the same as the area that is proposed to be funded under this subsection the labor organization shall be provided an opportunity to be consulted and to submit comments in regard to such a proposal.

(5) PERFORMANCE ACCOUNTABILITY MEASURES.—

(A) IN GENERAL.—The Secretary shall negotiate and reach agreement with the eligible entities that receive grants and assistance under this subsection on performance accountability measures that will be used to evaluate

the performance of the eligible entity in carrying out the activities described in paragraph (2). Such performance accountability measures shall consist of indicators of performance (including the primary indicators of performance described in section 131(b)(2)(A)), and an expected level of performance described in subparagraph (B) for each indicator of performance.

(B) LEVELS OF PERFORMANCE.—The Secretary shall negotiate and reach agreement with the eligible entity regarding the levels of performance expected to be achieved by the eligible entity on the indicators of performance.

(6) REPORT.—

(A) STATUS REPORT.—Not later than 18 months after the date of enactment of the Green Jobs Act of 2007, the Secretary shall transmit a report to the Committee on Education and the Workforce and the Committee on Energy and Commerce of the House of Representatives, and the Committee on Energy and Natural Resources and the Committee on Health, Education, Labor, and Pensions of the Senate, on the training program established

under this subsection. The report shall include a description of the entities receiving funding and the activities carried out by such entities.

(B) EVALUATION.—Not later than 3 years after the date of enactment of such Act, the Secretary shall transmit to the Committee on Education and the Workforce and the Committee on Energy and Commerce of the House of Representatives, and the Committee on Energy and Natural Resources and the Committee on Health, Education, Labor, and Pensions of the Senate, an assessment of such program and an evaluation of the activities carried out by entities receiving funding from such program.

(7) DEFINITION.—As used in this subsection, the term ''renewable energy'' has the meaning given such term in section 203(b)(2) of the Energy Policy Act of 2005 (42 U.S.C. 15852).

(8) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection, $125,000,000 for each fiscal year, of which—

(A) not to exceed 20 percent of the amount appropriated in each such fiscal year shall be made available for, and shall be equally divided

between, national labor market research and information under paragraph (2)(A) and State labor market information and labor exchange research under paragraph (2)(C), and not more than 2 percent of such amount shall be for the evaluation and report required under paragraph (6);

(B) 20 percent shall be dedicated to Pathways Out of Poverty Demonstration Programs under paragraph (2)(E); and

(C) the remainder shall be divided equally between National Energy Partnership Training Grants under paragraph (2)(B) and State energy training partnership grants under paragraph (2)(D).

(e) INTEGRATED WORKFORCE TRAINING PROGRAMS FOR ADULTS WHO ARE ENGLISH LANGUAGE LEARNERS.—

(1) DEFINITIONS.—In this subsection:

(A) INTEGRATED WORKFORCE TRAINING.—The term ''integrated workforce training'' means training that integrates occupational skills training with English language acquisition.

(B) SECRETARY.—The term ''Secretary'' means the Secretary of Labor, in consultation with the Secretary of Education.

(2) DEMONSTRATION PROJECT.—From funds appropriated pursuant to paragraph (11), the Secretary shall establish and implement a national demonstration project that is designed to both analyze and provide data on workforce training programs that integrate English language acquisition and occupational training.

(3) GRANTS.—

(A) IN GENERAL.—In carrying out the demonstration project under this subsection, the Secretary shall make not less than 10 grants, on a competitive basis, to eligible entities to provide the integrated workforce training programs. In awarding grants under this subsection, the Secretary shall take into consideration awarding grants to eligible entities from diverse geographic areas, including rural areas.

(B) PERIODS.—The Secretary shall award a grant under this subsection for a period of not less than 24 months and not more than 48 months.

(4) ELIGIBLE ENTITIES.—

(A) IN GENERAL.—To be eligible to receive a grant under this subsection, an eligible entity shall work in partnership with a local board and shall include as a principal participant 1 or more of the following:

(i) An employer or employer association.

(ii) A nonprofit provider of English language instruction.

(iii) A provider of occupational or skills training.

(iv) A community-based organization.

(v) An institution of higher education, including a 2-year or 4-year degree-granting institution of higher education, or a postsecondary vocational institution, as defined in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c)).

(vi) A labor organization.

(B) EXPERTISE.—To be eligible to receive a grant under this subsection, an eligible entity shall have proven expertise in—

(i) serving individuals who are English language learners, including individuals

with lower levels of oral and written English; and

(ii) providing workforce programs with training and English language instruction.

(5) APPLICATIONS.—

(A) IN GENERAL.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(B) CONTENTS.—Each application submitted under subparagraph (A) shall—

(i) contain information, including capability statements, that demonstrates that the eligible entity has the expertise described in paragraph (4)(B); and

(ii) include an assurance that the program to be assisted will—

(I) establish a generalized adult bilingual workforce training and education model that integrates English language acquisition and occupational training, and incorporates the unique

linguistic and cultural factors of the participants;

(II) establish a framework by which the employer, employee, and relevant members of the eligible entity can create a career development and training plan that assists both the employer and the employee to meet their long-term needs;

(III) ensure that the framework established under subclause (II) takes into consideration the knowledge, skills, and abilities of the employee with respect to both the current economic conditions of the employer and the future labor market conditions relevant to the local area; and

(IV) establish identifiable performance accountability measures that include the primary indicators of performance described in section 131(b)(2)(A)(i), so that the progress of the employee and employer and the relative efficacy of the program can be

evaluated and best practices identified.

(6) CRITERIA.—The Secretary shall establish criteria for awarding grants under this subsection.

(7) INTEGRATED WORKFORCE TRAINING PROGRAMS.—

(A) PROGRAM COMPONENTS.—

(i) REQUIRED COMPONENTS.—Each program that receives funding under this subsection shall—

(I) test an individual's English language proficiency levels to assess oral and literacy gains from entry into the program and throughout program enrollment;

(II) combine training specific to a particular occupation or occupational cluster with—

(aa) English language instruction, such as instruction through an English as a Second Language program or an English for Speakers of Other Languages program;

(bb) basic skills instruction; and

(cc) supportive services;

(III) effectively integrate public and private sector entities, including the local workforce development system and its functions, to achieve the goals of the program; and

(IV) provide from private or nonprofit sources a matching amount, in cash or in-kind, to carry out the activities supported by the grant.

(ii) PERMISSIBLE COMPONENTS.—The program may offer other services as necessary to promote successful participation and completion of the program, including work-based learning, substance abuse treatment, and mental health services.

(B) GOAL.—Each program that receives funding under this subsection shall be designed to prepare adults who are English language learners for, and place such adults in, employment in growing industries with identifiable career pathways that lead to economic self-sufficiency.

(C) PROGRAM TYPES.—In selecting programs to receive funding under this subsection, the Secretary shall select programs that meet the requirements of 1 or more of the following clauses:

(i) A program—

(I) that serves unemployed English language learners with significant work experience or substantial education whose previous employment provided persistently low wages; and

(II) that aims to prepare such individuals for, and place such individuals in, higher-paying employment defined for purposes of this subparagraph as employment that provides at least 75 percent of the median wage in the local area.

(ii) A program—

(I) that serves English language learners with lower levels of oral and written fluency, who are working at persistently low wages; and

(II) that aims to prepare such individuals for, and place such individ-

uals in, higher paying employment through services provided at the worksite, or at a location central to several worksites, during work hours.

(iii) A program—

(I) that serves unemployed English language learners with lower levels of oral and written fluency, who have little or no work experience; and

(II) that aims to prepare such individuals for, and place such individuals in, employment through services that include subsidized employment, in addition to the components required under subparagraph (A)(i).

(D) PROGRAM APPROACHES.—

(i) IN GENERAL.—In selecting programs to receive funding under this subsection, the Secretary shall select programs with different approaches to integrated workforce training and that are provided in different contexts, in order to—

(I) obtain comparative data on multiple approaches to integrated

workforce training and English language instruction;

(II) ensure programs are tailored to characteristics of individuals with varying skill levels; and

(III) assess how different curricula work for English language learner populations.

(ii) TYPES OF APPROACHES.—The different types of approaches described in clause (i) may include—

(I) bilingual programs in which the workplace language component and the training are conducted in a combination of an individual's native language and English;

(II) integrated workforce training programs that combine basic skills, language instruction, and job specific skills training; or

(III) sequential programs that provide a progression of skills, language, and training to ensure success upon an individual's completion of the program.

(8) EVALUATION BY ELIGIBLE ENTITY.—Each eligible entity that receives a grant under this subsection shall carry out a continuous evaluation of the program funded under the grant and an evaluation specific to the last phase of the program operations.

(9) EVALUATION BY SECRETARY.—

(A) IN GENERAL.—The Secretary shall conduct an evaluation of program impacts of the programs funded under the demonstration project, using an impact study with a random assignment experimental design at each worksite at which such a program is carried out.

(B) DATA COLLECTION AND ANALYSIS.—The Secretary shall collect and analyze the data from the demonstration project under this subsection to determine the effectiveness of the project, including project participants' gains in language proficiency, acquisition of skills, and job advancement.

(C) REPORT.—The Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate and make available to the public, a report on the dem-

onstration projects supported under this subsection, including the results of the evaluation.

(10) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to recipients of grants under this subsection throughout the grant period.

(f) COMMUNITY-BASED JOB TRAINING.—

(1) DEFINITIONS.—In this subsection:

(A) COMMUNITY COLLEGE.—The term ''community college'' means—

(i) an institution of higher education, as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001), that provides a 2-year degree that is acceptable for full credit toward a baccalaureate degree; or

(ii) a tribally controlled college or university, as defined in section 2 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801).

(B) ELIGIBLE ENTITY.—The term ''eligible entity'' means a partnership between a local board and a community college, a consortium of community colleges, or a consortium composed of a community college and 1 or more institu-

tions of higher education, that is working with—

(i) a business or consortium of businesses in the in-demand industry sector, as identified in the application of the entity, or an industry association in the in-demand industry sector; and

(ii) an economic development entity with expertise relevant to the qualified industry.

(C) INSTITUTION OF HIGHER EDUCATION.—Except as otherwise provided in subparagraph (A)(i), the term ''institution of higher education'' has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001) and the meaning given the term ''postsecondary vocational institution'' in section 102(c) of such Act (20 U.S.C. 1002(c)).

(2) DEMONSTRATION PROJECT.—In addition to the demonstration projects authorized under subsection (c), the Secretary, in collaboration with the Secretary of Education, may establish and implement a national demonstration project designed—

(A) to develop local innovative solutions to the workforce challenges facing in-demand industry sectors with labor shortages; and

(B) to increase employment opportunities for workers by establishing partnerships among education entities, State workforce development systems, and businesses in in-demand industry sectors.

(3) GRANTS.—

(A) GRANTS AUTHORIZED.—In carrying out the national demonstration project authorized under this subsection, the Secretary shall award grants, on a competitive basis, to eligible entities to enable the eligible entities to carry out activities described in paragraph (6).

(B) REQUIREMENTS.—Grants awarded under this subsection shall be for a period of 2, 3, or 4 years and shall be awarded in accordance with generally applicable Federal requirements.

(4) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

(A) a description of the entity that will offer training under the grant;

(B) a justification of the need for funding under the grant to create a program to carry out the activities described in paragraph (6);

(C) an economic analysis of the local labor market to identify—

(i) in-demand industry sectors and occupations;

(ii) the workforce issues faced by such industries; and

(iii) potential participants in programs funded under this subsection;

(D) a description of the in-demand industry sector for which the training will occur, the availability of competencies on which the training will be based, and how the grant will help workers acquire the competencies and skills necessary for employment in the industry;

(E) a description of the involvement of the local board and businesses (including small businesses) in the geographic area where the proposed activities under the grant will be implemented;

(F) performance accountability measures for the activities funded under the grant that include the primary indicators of performance described in section 131(b)(2)(A)(i), and other appropriate indicators, including indicators relating to the impact of business partners;

(G) a description of how the activities funded by the grant will be coordinated with activities provided through the one-stop center in the local area; and

(H) a description of the local or private resources that will—

(i) support the activities carried out under this subsection; and

(ii) enable the entity to carry out and expand such activities after the end of the grant.

(5) FACTORS FOR AWARD OF GRANT.—

(A) IN GENERAL.—In awarding grants under this subsection, the Secretary shall consider—

(i) the extent to which the activities to be carried out under the grant and the grant application align with the local plan for the area to be served;

(ii) the extent of public and private collaboration evidenced in the application, including existing partnerships as of the time of the application among the in-demand industry sectors, the eligible entity, and the public workforce development system;

(iii) the extent to which the grant will provide job seekers with high-quality training for employment in in-demand occupations;

(iv) the extent to which the grant will expand the eligible entity and the capacity of the local one-stop center established under section 221(e) to be demand-driven and responsive to local economic needs;

(v) the extent to which local businesses commit to hire, retain, or advance individuals who receive training through the grant; and

(vi) the extent to which the eligible entity commits to make any newly developed products, such as skill standards, assessments, or industry-recognized training

curricula, available for dissemination nationally.

(B) LEVERAGING OF RESOURCES.—In awarding grants under this subsection, the Secretary shall also consider—

(i) the extent to which local or private resources will be made available to support the activities carried out under this subsection, taking into account the resources of the eligible entity and the entity's partners; and

(ii) the ability of an eligible entity to continue to carry out and expand such activities after the end of the grant.

(C) DISTRIBUTION OF GRANTS.—In awarding grants under this subsection, the Secretary shall ensure an equitable distribution of such grants across diverse industries and geographic areas.

(6) USE OF FUNDS.—

(A) MANDATORY USES OF FUNDS.—An eligible entity that receives a grant under this subsection shall use the grant funds for all of the following:

(i) The development of rigorous training and education programs leading to a recognized postsecondary credential and employment in the in-demand industry sector, including programs that are work-based and incorporate other earn-and-learn strategies. The community college that is a part of the eligible entity shall develop such programs, in collaboration with other partners identified in the application, and if applicable, other representatives of qualified industries.

(ii) Training adults, incumbent workers, dislocated workers, or out-of-school youth in the skills and competencies needed to obtain or upgrade employment in an in-demand industry sector identified in the eligible entity's application.

(B) OPTIONAL USES OF FUNDS.—An eligible entity that receives a grant under this subsection may use the grant funds for—

(i) disseminating information on training available for in-demand occupations in in-demand industry sectors, including training available through the

grant through the one-stop delivery system to prospective participants, businesses, business intermediaries, and community-based organizations in the region;

(ii) referring individuals trained under the grant for employment in in-demand industry sectors;

(iii) enhancing the integration of community colleges, training and education with businesses, and the one-stop delivery system in the local area to meet the training needs of in-demand industry sectors for new and incumbent workers;

(iv) providing training and relevant job skills to small business owners or operators to facilitate small business development in in-demand industry sectors; or

(v) expanding or creating programs for distance, evening, weekend, modular, or compressed learning opportunities that provide training and relevant job skills for high-growth, in-demand occupations.

(7) AUTHORITY TO REQUIRE NON-FEDERAL SHARE.—The Secretary may require that recipients of grants under this subsection provide a non-Fed-

eral share, from either cash or in-kind resources (fairly evaluated), of the costs of activities carried out under the grant.

(8) PERFORMANCE ACCOUNTABILITY AND EVALUATION.—

(A) PERFORMANCE ACCOUNTABILITY.—The Secretary shall require an eligible entity that receives a grant under this subsection to submit interim and final reports to the Secretary on the performance outcomes for the project, using the performance accountability measures identified in the eligible entity's grant application.

(B) EVALUATION.—The Secretary shall require that an eligible entity that receives a grant under this subsection participate in an evaluation of activities carried out under this subsection, including an evaluation using the techniques described in subsection (a)(3).

(g) CAREER PATHWAYS FOR NURSING CARE PROVIDERS AND PROVIDERS OF EARLY EDUCATION AND CHILD CARE.—The Secretary of Labor, in coordination with the Secretary of Education and the Secretary of Health and Human Services, may conduct projects that focus on career advancement for nursing care providers

or providers of early education and child care, including faculty education and distance education programs. The Secretary shall prepare and disseminate to the public, including through electronic means, reports containing the results of the projects conducted, and recommendations on how to replicate effective practices.

SEC. 271. NATIONAL DISLOCATED WORKER GRANTS.

(a) DEFINITIONS.—In this section:

(1) EMERGENCY OR DISASTER.—The term ''emergency or disaster'' means—

(A) 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)); or

(B) an emergency or disaster situation of national significance that could result in a potentially large loss of employment, as declared or otherwise recognized by the chief official of a Federal agency with authority for or jurisdiction over the Federal response to the emergency or disaster situation.

(2) DISASTER AREA.—In this subsection, the term ''disaster area'' means an area that has suf-

fered or in which has occurred an emergency or disaster.

(b) IN GENERAL.—

(1) GRANTS.—The Secretary is authorized to award national dislocated worker grants—

(A) to an entity described in subsection (c)(1)(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;

(B) to provide assistance to—

(i) the Governor of any State within the boundaries of which is a disaster area, to provide disaster relief employment in the disaster area; or

(ii) the Governor of any State to which a substantial number of workers from an area in which an emergency or disaster has been declared or otherwise recognized have relocated;

(C) to provide additional assistance to a State board or local board for eligible dislocated workers in a case in which the State board or local board has expended the funds provided

under this section to carry out activities described in subparagraphs (A) and (B) and can demonstrate the need for additional funds to provide appropriate services for such workers, in accordance with requirements prescribed by the Secretary; and

(D) to provide additional assistance to a State board or local board serving an area where—

(i) a higher-than-average demand for employment and training activities for dislocated members of the Armed Forces, spouses described in section 101(14)(E), or members of the Armed Forces described in subsection (c)(2)(A)(iv), exceeds State and local resources for providing such activities; and

(ii) such activities are to be carried out in partnership with the Department of Defense and Department of Veterans Affairs transition assistance programs.

(2) DECISIONS AND OBLIGATIONS.—The Secretary shall issue a final decision on an application for a national dislocated worker grant under this subsection not later than 45 calendar days after re-

ceipt of the application. The Secretary shall issue a notice of obligation for such grant not later than 10 days after the award of such grant.

(c) EMPLOYMENT AND TRAINING ASSISTANCE REQUIREMENTS.—

(1) GRANT RECIPIENT ELIGIBILITY.—

(A) APPLICATION.—To be eligible to receive a grant under subsection (b)(1)(A), an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(B) ELIGIBLE ENTITY.—In this paragraph, the term ''entity'' means a State, a local board, an entity described in section 266(c), an entity determined to be eligible by the Governor of the State involved, and any other entity that demonstrates to the Secretary the capability to effectively respond to the circumstances relating to particular dislocations.

(2) PARTICIPANT ELIGIBILITY.—

(A) IN GENERAL.—In order to be eligible to receive employment and training assistance under a national dislocated worker grant awarded pursuant to subsection (b)(1)(A), an individual shall be—

(i) a dislocated worker;

(ii) a civilian employee of the Department of Defense or the Department of Energy employed at a military installation that is being closed, or that will undergo realignment, within the next 24 months after the date of the determination of eligibility;

(iii) an individual who is employed in a nonmanagerial position with a Department of Defense contractor, who is determined by the Secretary of Defense to be at risk of termination from employment as a result of reductions in defense expenditures, and whose employer is converting operations from defense to nondefense applications in order to prevent worker layoffs; or

(iv) a member of the Armed Forces who—

(I) was on active duty or full-time National Guard duty;

(II)(aa) is involuntarily separated (as defined in section 1141 of title 10,

United States Code) from active duty or full-time National Guard duty; or

(bb) is separated from active duty or full-time National Guard duty pursuant to a special separation benefits program under section 1174a of title 10, United States Code, or the voluntary separation incentive program under section 1175 of that title;

(III) is not entitled to retired or retained pay incident to the separation described in subclause (II); and

(IV) applies for such employment and training assistance before the end of the 180-day period beginning on the date of that separation.

(B) RETRAINING ASSISTANCE.—The individuals described in subparagraph (A)(iii) shall be eligible for retraining assistance to upgrade skills by obtaining marketable skills needed to support the conversion described in subparagraph (A)(iii).

(C) ADDITIONAL REQUIREMENTS.—The Secretary shall establish and publish additional requirements related to eligibility for employ-

ment and training assistance under the national dislocated worker grants to ensure effective use of the funds available for this purpose.

(D) DEFINITIONS.—In this paragraph, the terms ''military installation'' and ''realignment'' have the meanings given the terms in section 2910 of the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510; 10 U.S.C. 2687 note).

(d) DISASTER RELIEF EMPLOYMENT ASSISTANCE REQUIREMENTS.—

(1) IN GENERAL.—Funds made available under subsection (b)(1)(B)—

(A) shall be used, in coordination with the Administrator of the Federal Emergency Management Agency, as applicable, to provide disaster relief 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 in offshore areas related to the emergency or disaster;

(B) may be expended through public and private agencies and organizations engaged in such projects; and

(C) may be expended to provide employment and training activities.

(2) ELIGIBILITY.—An individual shall be eligible to be offered disaster relief employment under subsection (b)(1)(B) if such individual—

(A) is a dislocated worker;

(B) is a long-term unemployed individual;

(C) is temporarily or permanently laid off as a consequence of the emergency or disaster; or

(D) in the case of an individual who is self-employed, becomes unemployed or significantly underemployed as a result of the emergency or disaster.

(3) LIMITATIONS ON DISASTER RELIEF EMPLOYMENT.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no individual shall be employed under subsection (b)(1)(B) for more than 12 months for work related to recovery from a single emergency or disaster.

(B) EXTENSION.—At the request of a State, the Secretary may extend such employment, related to recovery from a single emergency or disaster involving the State, for not more than an additional 12 months.

(4) USE OF AVAILABLE FUNDS.—Funds made available under subsection (b)(1)(B) shall be available to assist workers described in paragraph (2) who are affected by an emergency or disaster, including workers who have relocated from an area in which an emergency or disaster has been declared or otherwise recognized, as appropriate. Under conditions determined by the Secretary and following notification to the Secretary, a State may use such funds, that are appropriated for any fiscal year and available for expenditure under any grant awarded to the State under this section, to provide any assistance authorized under this subsection. Funds used pursuant to the authority provided under this paragraph shall be subject to the liability and reimbursement requirements described in paragraph (5).

(5) LIABILITY AND REIMBURSEMENT.—Nothing in this Act shall be construed to relieve liability, by a responsible party that is liable under Federal law, for any costs incurred by the United States under

subsection (b)(1)(B) or this subsection, including the responsibility to provide reimbursement for such costs to the United States.

SEC. 272. YOUTHBUILD PROGRAM.

(a) STATEMENT OF PURPOSE.—The purposes of this section are—

(1) to enable disadvantaged youth to obtain the education and employment skills necessary to achieve economic self-sufficiency in occupations in demand and postsecondary education and training opportunities;

(2) to provide disadvantaged youth with opportunities for meaningful work and service to their communities;

(3) to foster the development of employment and leadership skills and commitment to community development among youth in low-income communities;

(4) to expand the supply of permanent affordable housing for homeless individuals and low-income families by utilizing the energies and talents of disadvantaged youth; and

(5) to improve the quality and energy efficiency of community and other nonprofit and public facili-

ties, including those facilities that are used to serve homeless and low-income families.

(b) DEFINITIONS.—In this section:

(1) ADJUSTED INCOME.—The term ''adjusted income'' has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

(2) APPLICANT.—The term ''applicant'' means an eligible entity that has submitted an application under subsection (c).

(3) ELIGIBLE ENTITY.—The term ''eligible entity'' means a public or private nonprofit agency or organization (including a consortium of such agencies or organizations), including—

(A) a community-based organization;

(B) a faith-based organization;

(C) an entity carrying out activities under this title, such as a local board;

(D) a community action agency;

(E) a State or local housing development agency;

(F) an Indian tribe or other agency primarily serving Indians;

(G) a community development corporation;

(H) a State or local youth service or conservation corps; and

(I) any other entity eligible to provide education or employment training under a Federal program (other than the program carried out under this section).

(4) HOMELESS INDIVIDUAL.—The term ''homeless individual'' means a homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), except that clauses (i)(IV) and (iii) of subparagraph (B) of such section shall not apply) or a homeless child or youth (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), except that subparagraph (B)(iv) of such section shall not apply).

(5) HOUSING DEVELOPMENT AGENCY.—The term ''housing development agency'' means any agency of a State or local government, or any private nonprofit organization, that is engaged in providing housing for homeless individuals or low-income families.

(6) INCOME.—The term ''income'' has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

(7) INDIAN; INDIAN TRIBE.—The terms ''Indian'' and ''Indian tribe'' have the meanings given such terms in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(8) LOW-INCOME FAMILY.—The term ''low-income family'' means a family described in section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).

(9) QUALIFIED NATIONAL NONPROFIT AGENCY.—The term ''qualified national nonprofit agency'' means a nonprofit agency that—

(A) has significant national experience providing services consisting of training, information, technical assistance, and data management to YouthBuild programs or similar projects; and

(B) has the capacity to provide those services.

(10) REGISTERED APPRENTICESHIP PROGRAM.—The term ''registered apprenticeship program'' means an apprenticeship program—

(A) registered under the Act of August 16, 1937 (commonly known as the ''National Ap-

prenticeship Act''; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.); and

(B) that meets such other criteria as may be established by the Secretary under this section.

(11) TRANSITIONAL HOUSING.—The term ''transitional housing'' has the meaning given the term in section 401(29) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(29)).

(12) YOUTHBUILD PROGRAM.—The term ''YouthBuild program'' means any program that receives assistance under this section and provides disadvantaged youth with opportunities for employment, education, leadership development, and training through the rehabilitation, construction, or energy efficiency enhancement of housing for homeless individuals and low-income families, and of public facilities.

(c) YOUTHBUILD GRANTS.—

(1) AMOUNTS OF GRANTS.—The Secretary is authorized to make grants to applicants for the purpose of carrying out YouthBuild programs approved under this section.

(2) ELIGIBLE ACTIVITIES.—An entity that receives a grant under this subsection shall use the

1 funds made available through the grant to carry out
2 a YouthBuild program, which may include the fol-
3 lowing activities:
4 (A) Education and workforce investment
5 activities including—
6 (i) work experience and skills training
7 (coordinated, to the maximum extent fea-
8 sible, with preapprenticeship and registered
9 apprenticeship programs) in the rehabilita-
10 tion, construction, or energy efficiency en-
11 hancement activities described in subpara-
12 graphs (B) and (C);
13 (ii) occupational skills training;
14 (iii) other paid and unpaid work expe-
15 riences, including internships and job shad-
16 owing;
17 (iv) services and activities designed to
18 meet the educational needs of participants,
19 including—
20 (I) basic skills instruction and re-
21 medial education;
22 (II) language instruction edu-
23 cational programs for participants
24 who are English language learners;

(III) secondary education services and activities, including tutoring, study skills training, and dropout prevention activities, designed to lead to the attainment of a secondary school diploma or its recognized equivalent (including recognized certificates of attendance or similar documents for individuals with disabilities);

(IV) counseling and assistance in obtaining postsecondary education and required financial aid; and

(V) alternative secondary school services;

(v) counseling services and related activities, such as comprehensive guidance and counseling on drug and alcohol abuse and referral;

(vi) activities designed to develop employment and leadership skills, which may include community service and peer-centered activities encouraging responsibility and other positive social behaviors, and activities related to youth policy committees

that participate in decision-making related to the program;

(vii) supportive services and provision of need-based stipends necessary to enable individuals to participate in the program and to assist individuals, for a period not to exceed 12 months after the completion of training, in obtaining or retaining employment, or applying for and transitioning to postsecondary education or training; and

(viii) job search and assistance.

(B) Supervision and training for participants in the rehabilitation, construction, or energy efficiency enhancement of housing, including residential housing for homeless individuals or low-income families, or transitional housing for homeless individuals.

(C) Supervision and training for participants in the rehabilitation, construction, or energy efficiency enhancement of community and other public facilities, except that not more than 15 percent of funds appropriated to carry out this section may be used for such supervision and training.

(D) Payment of administrative costs of the applicant, including recruitment and selection of participants, except that not more than 15 percent of the amount of assistance provided under this subsection to the grant recipient may be used for such costs.

(E) Adult mentoring.

(F) Provision of wages, stipends, or benefits to participants in the program.

(G) Ongoing training and technical assistance that are related to developing and carrying out the program.

(H) Follow-up services.

(3) APPLICATION.—

(A) FORM AND PROCEDURE.—To be qualified to receive a grant under this subsection, an eligible entity shall submit an application at such time, in such manner, and containing such information as the Secretary may require.

(B) MINIMUM REQUIREMENTS.—The Secretary shall require that the application contain, at a minimum—

(i) labor market information for the labor market area where the proposed program will be implemented, including both

current data (as of the date of submission of the application) and projections on career opportunities in construction and growing industries;

(ii) a request for the grant, specifying the amount of the grant requested and its proposed uses;

(iii) a description of the applicant and a statement of its qualifications, including a description of the applicant's relationship with local boards, one-stop operators, local unions, entities carrying out registered apprenticeship programs, other community groups, and employers, and the applicant's past experience, if any, with rehabilitation, construction, or energy efficiency enhancement of housing or public facilities, and with youth education and employment training programs;

(iv) a description of the proposed site for the proposed program;

(v) a description of the educational and job training activities, work opportunities, postsecondary education and training opportunities, and other services that will

be provided to participants, and how those activities, opportunities, and services will prepare youth for employment in occupations in demand in the labor market area described in clause (i);

(vi) a description of the proposed rehabilitation, construction, or energy efficiency enhancement activities to be undertaken under the grant and the anticipated schedule for carrying out such activities;

(vii) a description of the manner in which eligible youth will be recruited and selected as participants, including a description of arrangements that will be made with local boards, one-stop operators, community- and faith-based organizations, State educational agencies or local educational agencies (including agencies of Indian tribes), public assistance agencies, the courts of jurisdiction, agencies operating shelters for homeless individuals and other agencies that serve youth who are homeless individuals, foster care agencies, and other appropriate public and private agencies;

(viii) a description of the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children) as participants;

(ix) a description of the specific role of employers in the proposed program, such as their role in developing the proposed program and assisting in service provision and in placement activities;

(x) a description of how the proposed program will be coordinated with other Federal, State, and local activities and activities conducted by Indian tribes, such as local workforce investment activities, career and technical education and training programs, adult and language instruction educational programs, activities conducted by public schools, activities conducted by community colleges, national service programs, and other job training provided with funds available under this title;

(xi) assurances that there will be a sufficient number of adequately trained su-

pervisory personnel in the proposed program;

(xii) a description of levels to be achieved with respect to the primary indicators of performance for eligible youth described in section 131(b)(2)(A)(ii);

(xiii) a description of the applicant's relationship with local building trade unions regarding their involvement in training to be provided through the proposed program, the relationship of the proposed program to established registered apprenticeship programs and employers, the ability of the applicant to grant an industry-recognized certificate or certification through the program, and the quality of the program leading to the certificate or certification;

(xiv) a description of activities that will be undertaken to develop the leadership skills of participants;

(xv) a detailed budget and a description of the system of fiscal controls, and auditing and accountability procedures,

that will be used to ensure fiscal soundness for the proposed program;

(xvi) a description of the commitments for any additional resources (in addition to the funds made available through the grant) to be made available to the proposed program from—

(I) the applicant;

(II) recipients of other Federal, State or local housing and community development assistance that will sponsor any part of the rehabilitation, construction, energy efficiency enhancement, operation and maintenance, or other housing and community development activities undertaken as part of the proposed program; or

(III) entities carrying out other Federal, State, or local activities or activities conducted by Indian tribes, including career and technical education and training programs, adult and language instruction educational programs, and job training provided with funds available under this title;

(xvii) information identifying, and a description of, the financing proposed for any—

(I) rehabilitation or energy efficient enhancement of the property involved;

(II) acquisition of the property; or

(III) construction of the property;

(xviii) information identifying, and a description of, the entity that will operate and manage the property;

(xix) information identifying, and a description of, the data collection systems to be used;

(xx) a certification, by a public official responsible for the housing strategy for the State or unit of general local government within which the proposed program is located, that the proposed program is consistent with the housing strategy; and

(xxi) a certification that the applicant will comply with the requirements of the

Fair Housing Act (42 U.S.C. 3601 et seq.) and will affirmatively further fair housing.

(4) SELECTION CRITERIA.—For an applicant to be eligible to receive a grant under this subsection, the applicant and the applicant's proposed program shall meet such selection criteria as the Secretary shall establish under this section, which shall include criteria relating to—

(A) the qualifications or potential capabilities of an applicant;

(B) an applicant's potential for developing a successful YouthBuild program;

(C) the need for an applicant's proposed program, as determined by the degree of economic distress of the community from which participants would be recruited (measured by indicators such as poverty, youth unemployment, and the number of individuals who have dropped out of secondary school) and of the community in which the housing and community and public facilities proposed to be rehabilitated, constructed, or provided energy efficiency enhancements is located (measured by indicators such as incidence of homelessness, shortage of affordable housing, and poverty);

(D) the commitment of an applicant to providing skills training, leadership development, and education to participants;

(E) the focus of a proposed program on preparing youth for occupations in demand or postsecondary education and training opportunities;

(F) the extent of an applicant's coordination of activities to be carried out through the proposed program with local boards, one-stop operators, and one-stop partners participating in the operation of the one-stop delivery system involved, or the extent of the applicant's good faith efforts in achieving such coordination;

(G) the extent of the applicant's coordination of activities with public education, criminal justice, housing and community development, national service, or postsecondary education or other systems that relate to the goals of the proposed program;

(H) the extent of an applicant's coordination of activities with employers in the local area involved;

(I) the extent to which a proposed program provides for inclusion of tenants who were pre-

viously homeless individuals in the rental housing provided through the program;

(J) the commitment of additional resources (in addition to the funds made available through the grant) to a proposed program by—

(i) an applicant;

(ii) recipients of other Federal, State, or local housing and community development assistance who will sponsor any part of the rehabilitation, construction, energy efficiency enhancement, operation and maintenance, or other housing and community development activities undertaken as part of the proposed program; or

(iii) entities carrying out other Federal, State, or local activities or activities conducted by Indian tribes, including career and technical education and training programs, adult and language instruction educational programs, and job training provided with funds available under this title;

(K) the applicant's potential to serve different regions, including rural areas and States

that have not previously received grants for YouthBuild programs; and

(L) such other factors as the Secretary determines to be appropriate for purposes of carrying out the proposed program in an effective and efficient manner.

(5) APPROVAL.—To the extent practicable, the Secretary shall notify each applicant, not later than 5 months after the date of receipt of the application by the Secretary, whether the application is approved or not approved.

(d) USE OF HOUSING UNITS.—Residential housing units rehabilitated, constructed, or provided energy efficiency improvements using funds made available under subsection (c), shall be available solely—

(1) for rental by, or sale to, homeless individuals or low-income families; or

(2) for use as transitional or permanent housing, for the purpose of assisting in the movement of homeless individuals to independent living.

(e) ADDITIONAL PROGRAM REQUIREMENTS.—

(1) ELIGIBLE PARTICIPANTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), an individual may partici-

pate in a YouthBuild program only if such individual is—

(i) not less than age 16 and not more than age 24, on the date of enrollment;

(ii) a member of a low-income family, a youth in foster care (including youth aging out of foster care), a youth offender, a youth who is an individual with a disability, a child of incarcerated parents, or a migrant youth; and

(iii) a school dropout, or an individual who was a school dropout and has subsequently reenrolled.

(B) EXCEPTION FOR INDIVIDUALS NOT MEETING INCOME OR EDUCATIONAL NEED REQUIREMENTS.—Not more than 25 percent of the participants in such program may be individuals who do not meet the requirements of clause (ii) or (iii) of subparagraph (A), but who—

(i) are basic skills deficient, despite attainment of a secondary school diploma or its recognized equivalent (including recognized certificates of attendance or simi-

lar documents for individuals with disabilities); or

(ii) have been referred by a local secondary school for participation in a YouthBuild program leading to the attainment of a secondary school diploma.

(2) PARTICIPATION LIMITATION.—An eligible individual selected for participation in a YouthBuild program shall be offered full-time participation in the program for a period of not less than 6 months and not more than 24 months.

(3) MINIMUM TIME DEVOTED TO EDUCATIONAL SERVICES AND ACTIVITIES.—A YouthBuild program receiving assistance under subsection (c) shall be structured so that participants in the program are offered—

(A) education and related services and activities designed to meet educational needs, such as those specified in clauses (iv) through (vii) of subsection (c)(2)(A), during at least 50 percent of the time during which the participants participate in the program; and

(B) work and skill development activities such as those specified in clauses (i), (ii), (iii), and (viii) of subsection (c)(2)(A), during at

least 40 percent of the time during which the participants participate in the program.

(4) AUTHORITY RESTRICTION.—No provision of this section may be construed to authorize any agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution (including a school) or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

(5) STATE AND LOCAL STANDARDS.—All educational programs and activities supported with funds provided under subsection (c) shall be consistent with applicable State and local educational standards. Standards and procedures for the programs and activities that relate to awarding academic credit for and certifying educational attainment in such programs and activities shall be consistent with applicable State and local educational standards.

(f) LEVELS OF PERFORMANCE AND INDICATORS.—

(1) IN GENERAL.—The Secretary shall annually establish expected levels of performance for

YouthBuild programs relating to each of the primary indicators of performance for eligible youth activities described in section 131(b)(2)(A)(ii).

(2) ADDITIONAL INDICATORS.—The Secretary may establish expected levels of performance for additional indicators for YouthBuild programs, as the Secretary determines appropriate.

(g) MANAGEMENT AND TECHNICAL ASSISTANCE.—

(1) SECRETARY ASSISTANCE.—The Secretary may enter into contracts with 1 or more entities to provide assistance to the Secretary in the management, supervision, and coordination of the program carried out under this section.

(2) TECHNICAL ASSISTANCE.—

(A) CONTRACTS AND GRANTS.—The Secretary shall enter into contracts with or make grants to 1 or more qualified national nonprofit agencies, in order to provide training, information, technical assistance, and data management to recipients of grants under subsection (c) or to support pilot and demonstration projects or program evaluations with recipients of grants under subsection (c) as directed by the Secretary.

(B) RESERVATION OF FUNDS.—Of the amounts available under subsection (i) to carry out this section for a fiscal year, the Secretary shall reserve 5 percent to carry out subparagraph (A).

(3) CAPACITY BUILDING GRANTS.—

(A) IN GENERAL.—In each fiscal year, the Secretary may use not more than 3 percent of the amounts available under subsection (i) to award grants to 1 or more qualified national nonprofit agencies to pay for the Federal share of the cost of capacity building activities.

(B) FEDERAL SHARE.—The Federal share of the cost described in subparagraph (A) shall be 25 percent. The non-Federal share shall be provided from private sources.

(h) SUBGRANTS AND CONTRACTS.—Each recipient of a grant under subsection (c) to carry out a YouthBuild program shall provide the services and activities described in this section directly or through subgrants, contracts, or other arrangements with local educational agencies, institutions of higher education, State or local housing development agencies, other public agencies, including agencies of Indian tribes, or private organizations.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2014 through 2018 such sums as may be necessary to carry out this section.

SEC. 274. AUTHORIZATION OF APPROPRIATIONS.

(a) NATIVE AMERICAN PROGRAMS; MIGRANT AND SEASONAL FARMWORKER PROGRAMS; VETERANS' WORKFORCE INVESTMENT PROGRAMS.—

(1) IN GENERAL.—Subject to paragraph (2), there are authorized to be appropriated to carry out sections 266 through 268 such sums as may be necessary for each of the fiscal years 2014 through 2018.

(2) RESERVATIONS.—Of the amount appropriated pursuant to the authorization of appropriations under paragraph (1) for a fiscal year, the Secretary shall—

(A) reserve not less than $55,000,000 for carrying out section 266;

(B) reserve not less than $70,000,000 for carrying out section 267; and

(C) reserve not less than $7,300,000 for carrying out section 268.

(b) TECHNICAL ASSISTANCE; EVALUATIONS AND RESEARCH.—There are authorized to be appropriated to

carry out sections 269 and 270 such sums as may be necessary for each of the fiscal years 2014 through 2018.

(c) ASSISTANCE FOR ELIGIBLE WORKERS.—If, as of the date of enactment of this Act, any unobligated funds appropriated to carry out subsections (f) and (g) of section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918), as in effect on the day before the date of enactment of this Act, remain available, the Secretary of Labor shall continue to use such funds to carry out such subsections until all of such funds are expended.

Subtitle E—Administration

SEC. 281. REQUIREMENTS AND RESTRICTIONS.

(a) BENEFITS.—

(1) WAGES.—

(A) IN GENERAL.—Individuals in on-the-job training or individuals employed in activities under this title or subtitle C of title I 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.

(B) RULE OF CONSTRUCTION.—The reference in subparagraph (A) to section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) shall not be applicable for individuals in territorial jurisdictions in which section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) does not apply.

(2) TREATMENT OF ALLOWANCES, EARNINGS, AND PAYMENTS.—Allowances, earnings, and payments to individuals participating in programs under this title or subtitle C of title I shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).

(b) LABOR STANDARDS.—

(1) LIMITATIONS ON ACTIVITIES THAT IMPACT WAGES OF EMPLOYEES.—No funds provided under this title or subtitle C of title I shall be used to pay the wages of incumbent employees during their participation in economic development activities pro-

vided through a statewide workforce development system.

(2) DISPLACEMENT.—

(A) PROHIBITION.—A participant in a program or activity authorized under this title or subtitle C of title I (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).

(B) 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.

(3) OTHER PROHIBITIONS.—A participant in a specified activity shall not be employed in a job if—

(A) any other individual is on layoff from the same or any substantially equivalent job;

(B) 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

(C) the job is created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals (as of the date of the participation).

(4) 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.

(5) EMPLOYMENT CONDITIONS.—Individuals in on-the-job training or individuals employed in programs and activities under this title or subtitle C of title I 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.

(6) OPPORTUNITY TO SUBMIT COMMENTS.—Interested members of the public, including representatives of businesses and of labor organizations, shall be provided an opportunity to submit comments to the Secretary with respect to programs and activities proposed to be funded under subtitle B.

(7) NO IMPACT ON UNION ORGANIZING.—Each recipient of funds under this title or subtitle C of title I shall provide to the Secretary assurances that none of such funds will be used to assist, promote, or deter union organizing.

(c) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—Each State and local area receiving an allotment or allocation under this title or a grant under subtitle C of title I shall establish and maintain a procedure for grievances or complaints alleging violations of the requirements of this title or subtitle C of title I from participants and other interested or affected parties. Such procedure shall include an opportunity for a hearing and be completed within 60 days after the filing of the grievance or complaint.

(2) INVESTIGATION.—

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

(i) a decision relating to such violation has not been reached within 60 days after the date of the filing of the grievance or complaint and either party appeals to the Secretary; or

(ii) 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.

(B) ADDITIONAL REQUIREMENT.—The Secretary shall make a final determination relating to an appeal made under subparagraph (A) no later than 120 days after receiving such appeal.

(3) REMEDIES.—Remedies that may be imposed under this section for a violation of any requirement of this title or subtitle C of title I shall be limited—

(A) to suspension or termination of payments under this title or subtitle C of title I;

(B) to prohibition of placement of a participant with an employer that has violated any requirement under this title or subtitle C of title I;

(C) 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

(D) where appropriate, to other equitable relief.

(4) RULE OF CONSTRUCTION.—Nothing in paragraph (3) shall be construed to prohibit a grievant or complainant from pursuing a remedy authorized under another Federal, State, or local law for a violation of this title or subtitle C of title I.

(d) RELOCATION.—

(1) PROHIBITION ON USE OF FUNDS TO ENCOURAGE OR INDUCE RELOCATION.—No funds provided under this title or subtitle C of title I shall be used, or proposed for use, to encourage or induce the relocation of a business or part of a business if such relocation would result in a loss of employment for any employee of such business at the original lo-

cation and such original location is within the United States.

(2) PROHIBITION ON USE OF FUNDS AFTER RELOCATION.—No funds provided under this title or subtitle C of title I for an employment or training activity shall be used for customized or skill training, on-the-job training, incumbent worker training, transitional employment, or company-specific assessments of job applicants or employees, for any business or part of a business that has relocated, until the date that is 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business results in a loss of employment for any employee of such business at the original location and such original location is within the United States.

(3) REPAYMENT.—If the Secretary determines that a violation of paragraph (1) or (2) has occurred, the Secretary shall require the State that has violated such paragraph (or that has provided funding to an entity that has violated such paragraph) to repay to the United States an amount equal to the amount expended in violation of such paragraph.

(e) LIMITATION ON USE OF FUNDS.—No funds available to carry out an activity under this title or subtitle C of title I shall be used for employment generating activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, economic development activities, or similar activities, that are not directly related to training for eligible individuals under this title or subtitle C of title I. No funds received to carry out an activity under subtitle B of this title or under subtitle C of title I shall be used for foreign travel.

(f) TESTING AND SANCTIONING FOR USE OF CONTROLLED SUBSTANCES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a State shall not be prohibited by the Federal Government from—

(A) testing participants in programs under subtitle B of this title or under subtitle C of title I for the use of controlled substances; and

(B) sanctioning such participants who test positive for the use of such controlled substances.

(2) ADDITIONAL REQUIREMENTS.—

(A) PERIOD OF SANCTION.—In sanctioning participants in a program under subtitle B of

this title or under subtitle C of title I who test positive for the use of controlled substances—

(i) with respect to the first occurrence for which a participant tests positive, a State may exclude the participant from the program for a period not to exceed 6 months; and

(ii) with respect to the second occurrence and each subsequent occurrence for which a participant tests positive, a State may exclude the participant from the program for a period not to exceed 2 years.

(B) APPEAL.—The testing of participants and the imposition of sanctions under this subsection shall be subject to expeditious appeal in accordance with due process procedures established by the State.

(C) PRIVACY.—A State shall establish procedures for testing participants for the use of controlled substances that ensure a maximum degree of privacy for the participants.

(3) FUNDING REQUIREMENT.—In testing and sanctioning of participants for the use of controlled substances in accordance with this subsection, the only Federal funds that a State may use are the

amounts made available for the administration of statewide workforce investment activities under section 234(a)(3)(B).

(g) SUBGRANT AUTHORITY.—A recipient of grant funds under this title shall have the authority to enter into subgrants in order to carry out the grant, subject to such conditions as the Secretary may establish.

SEC. 282. PROMPT ALLOCATION OF FUNDS.

(a) ALLOTMENTS BASED ON LATEST AVAILABLE DATA.—All allotments to States and grants to outlying areas under this title shall be based on the latest available data and estimates satisfactory to the Secretary. All data relating to disadvantaged adults and disadvantaged youth shall be based on the most recent satisfactory data from the Bureau of the Census.

(b) PUBLICATION IN FEDERAL REGISTER RELATING TO FORMULA FUNDS.—Whenever the Secretary allots funds required to be allotted under this title, the Secretary shall publish in a timely fashion in the Federal Register the amount proposed to be distributed to each recipient of the funds.

(c) REQUIREMENT FOR FUNDS DISTRIBUTED BY FORMULA.—All funds required to be allotted under section 227 or 232 shall be allotted within 45 days after the date of enactment of the Act appropriating the funds, ex-

cept that, if such funds are appropriated in advance as authorized by section 289(g), such funds shall be allotted or allocated not later than the March 31 preceding the program year for which such funds are to be available for obligation.

(d) PUBLICATION IN FEDERAL REGISTER RELATING TO DISCRETIONARY FUNDS.—Whenever the Secretary utilizes a formula to allot or allocate funds made available for distribution at the Secretary's discretion under this title, the Secretary shall, not later than 30 days prior to such allotment or allocation, publish for comment in the Federal Register the formula, the rationale for the formula, and the proposed amounts to be distributed to each State and local area. After consideration of any comments received, the Secretary shall publish final allotments and allocations in the Federal Register.

(e) AVAILABILITY OF FUNDS.—Funds shall be made available under section 228, and funds shall be made available under section 233, for a local area not later than 30 days after the date the funds are made available to the Governor involved, under section 227 or 232 (as the case may be), or 7 days after the date the local plan for the area is approved, whichever is later.

SEC. 283. MONITORING.

(a) IN GENERAL.—The Secretary is authorized to monitor all recipients of financial assistance under this title to determine whether the recipients are complying with the provisions of this title and subtitles A and B of title I, including the regulations issued under this title and such subtitles.

(b) INVESTIGATIONS.—The Secretary may investigate any matter the Secretary determines to be necessary to determine the compliance of the recipients with this title and subtitles A and B of title I, including the regulations issued under this title and such subtitles. The investigations authorized by this subsection may include examining records (including making certified copies of the records), questioning employees, and entering any premises or onto any site in which any part of a program or activity of such a recipient is conducted or in which any of the records of the recipient are kept.

(c) ADDITIONAL REQUIREMENT.—For the purpose of any investigation or hearing conducted under this title by the Secretary, the provisions of section 9 of the Federal Trade Commission Act (15 U.S.C. 49) (relating to the attendance of witnesses and the production of documents) apply to the Secretary, in the same manner and to the same extent as the provisions apply to the Federal Trade Commission.

SEC. 284. FISCAL CONTROLS; SANCTIONS.

(a) ESTABLISHMENT OF FISCAL CONTROLS BY STATES.—

(1) IN GENERAL.—Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds allocated to local areas under subtitle B. Such procedures shall ensure that all financial transactions carried out under subtitle B are conducted and records maintained in accordance with generally accepted accounting principles applicable in each State.

(2) COST PRINCIPLES.—

(A) IN GENERAL.—Each State (including the Governor of the State), local area (including the chief elected official for the area), and provider receiving funds under this title shall comply with the applicable uniform cost principles included in appropriate circulars or rules of the Office of Management and Budget for the type of entity receiving the funds.

(B) EXCEPTION.—The funds made available to a State for administration of statewide workforce investment activities in accordance with section 234(a)(3)(B) shall be allocable to the overall administration of workforce invest-

ment activities, but need not be specifically allocable to—

(i) the administration of adult employment and training activities;

(ii) the administration of dislocated worker employment and training activities; or

(iii) administration of youth workforce investment activities.

(3) UNIFORM ADMINISTRATIVE REQUIREMENTS.—

(A) IN GENERAL.—Each State (including the Governor of the State), local area (including the chief elected official for the area), and provider receiving funds under this title shall comply with the appropriate uniform administrative requirements for grants and agreements applicable for the type of entity receiving the funds, as promulgated in circulars or rules of the Office of Management and Budget.

(B) ADDITIONAL REQUIREMENT.—Procurement transactions under this title between local boards and units of State or local governments shall be conducted only on a cost-reimbursable basis.

(4) MONITORING.—Each Governor of a State shall conduct on an annual basis onsite monitoring of each local area within the State to ensure compliance with the uniform administrative requirements referred to in paragraph (3).

(5) ACTION BY GOVERNOR.—If the Governor determines that a local area is not in compliance with the uniform administrative requirements referred to in paragraph (3), the Governor shall—

(A) require corrective action to secure prompt compliance with the requirements; and

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

(6) CERTIFICATION.—The Governor shall, every 2 years, certify to the Secretary that—

(A) the State has implemented the uniform administrative requirements referred to in paragraph (3);

(B) the State has monitored local areas to ensure compliance with the uniform administrative requirements as required under paragraph (4); and

(C) the State has taken appropriate action to secure compliance with the requirements pursuant to paragraph (5).

(7) ACTION BY THE SECRETARY.—If the Secretary determines that the Governor has not fulfilled the requirements of this subsection, the Secretary shall—

(A) require corrective action to secure prompt compliance with the requirements of this subsection; and

(B) impose the sanctions provided under subsection (e) in the event of failure of the Governor to take the required appropriate action to secure compliance with the requirements.

(b) SUBSTANTIAL VIOLATION.—

(1) ACTION BY GOVERNOR.—If, as a result of financial and compliance audits or otherwise, the Governor determines that there is a substantial violation of a specific provision of this title or subtitle A or B of title I that relates to the administration of programs or activities funded under this title or under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), and corrective action has not been taken, the Governor shall—

(A) issue a notice of intent to revoke approval of all or part of the local plan affected; or

(B) impose a reorganization plan, which may include—

(i) decertifying the local board involved;

(ii) prohibiting the use of eligible providers;

(iii) selecting an alternative entity to administer the program for the local area involved;

(iv) merging the local area into one or more other local areas; or

(v) making such other changes as the Secretary or Governor determines to be necessary to secure compliance with the provision.

(2) APPEAL.—

(A) IN GENERAL.—The actions taken by the Governor pursuant to subparagraphs (A) and (B) of paragraph (1) may be appealed to the Secretary and shall not become effective until—

(i) the time for appeal has expired; or

(ii) the Secretary has issued a decision.

(B) ADDITIONAL REQUIREMENT.—The Secretary shall make a final decision under subparagraph (A) not later than 45 days after the receipt of the appeal.

(3) ACTION BY THE SECRETARY.—If the Governor fails to take promptly an action required under paragraph (1), the Secretary shall take such action.

(c) REPAYMENT OF CERTAIN AMOUNTS TO THE UNITED STATES.—

(1) IN GENERAL.—Every recipient of funds under this title shall repay to the United States amounts found not to have been expended in accordance with this title and subtitles A and B of title I.

(2) OFFSET OF REPAYMENT AMOUNT.—If the Secretary determines that a State has expended funds received under this title in a manner contrary to the requirements of this title or subtitle A or B of title I, the Secretary may require repayment by offsetting the amount of such expenditures against any other amount to which the State is or may be entitled under this title, except as provided under subsection (d)(1).

(3) REPAYMENT FROM DEDUCTION BY STATE.—If the Secretary requires a State to repay funds as a result of a determination that a local area of the State has expended funds in a manner contrary to the requirements of this title or subtitle A or B of title I, the Governor of the State may use an amount deducted under paragraph (4) to repay the funds, except as provided under subsection (e).

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

(5) LIMITATIONS.—A deduction made by a State as described in paragraph (4) shall not be made until such time as the Governor has taken appropriate corrective action to ensure full compliance with this title and subtitles A and B of title I within such local area with regard to appropriate expenditures of funds under this title.

(d) REPAYMENT OF AMOUNTS.—

(1) IN GENERAL.—Each recipient of funds under this title shall be liable to repay the amounts

described in subsection (c)(1), from funds other than funds received under this title, upon a determination by the Secretary that the misexpenditure of the amounts was due to willful disregard of the requirements of this title or subtitle A or B of title I, gross negligence, failure to observe accepted standards of administration, or a pattern of misexpenditure described in subsection (c)(1). No such determination shall be made under this subsection or subsection (c) until notice and opportunity for a fair hearing have been given to the recipient.

(2) FACTORS IN IMPOSING SANCTIONS.—In determining whether to impose any sanction authorized by this section against a recipient of funds under this title for violations of title I or subtitle A or B or title I (including applicable regulations) by a subgrantee or contractor of such recipient, the Secretary shall first determine whether such recipient has adequately demonstrated that the recipient has—

(A) established and adhered to an appropriate system, for entering into and monitoring subgrant agreements and contracts with subgrantees and contractors, that contains acceptable standards for ensuring accountability;

(B) entered into a written subgrant agreement or contract with such a subgrantee or contractor that established clear goals and obligations in unambiguous terms;

(C) acted with due diligence to monitor the implementation of the subgrant agreement or contract, including carrying out the appropriate monitoring activities (including audits) at reasonable intervals; and

(D) taken prompt and appropriate corrective action upon becoming aware of any evidence of a violation of this title or subtitle A or B of title I, including regulations issued under this title or such subtitle, by such subgrantee or contractor.

(3) WAIVER.—If the Secretary determines that the recipient has demonstrated substantial compliance with the requirements of paragraph (2), the Secretary may waive the imposition of sanctions authorized by this section upon such recipient. The Secretary is authorized to impose any sanction consistent with the provisions of this title and subtitles A and B of title I and with any applicable Federal or State law directly against any subgrantee or contractor for violation of this title or subtitle A or B

of title I, including regulations issued under this title or such subtitle.

(e) IMMEDIATE TERMINATION OR SUSPENSION OF ASSISTANCE IN EMERGENCY SITUATIONS.—In emergency situations, if the Secretary determines it is necessary to protect the integrity of the funds or ensure the proper operation of the program or activity involved, the Secretary may immediately terminate or suspend financial assistance, in whole or in part, to the recipient if the recipient is given prompt notice and the opportunity for a subsequent hearing within 30 days after such termination or suspension. The Secretary shall not delegate any of the functions or authority specified in this subsection, other than to an officer whose appointment is required to be made by and with the advice and consent of the Senate.

(f) DISCRIMINATION AGAINST PARTICIPANTS.—If the Secretary determines that any recipient under this title has discharged or in any other manner discriminated against a participant or against any individual in connection with the administration of the program involved, or against any individual because such individual has filed any complaint or instituted or caused to be instituted any proceeding under or related to this title, or has testified or is about to testify in any such proceeding or an investigation under or related to this title, or otherwise unlaw-

fully denied to any individual a benefit to which that individual is entitled under the provisions of this title, including regulations issued under this title, the Secretary shall, within 30 days, take such action or order such corrective measures, as necessary, with respect to the recipient or the aggrieved individual, or both.

(g) REMEDIES.—The remedies described in this section shall not be considered to be the exclusive remedies available for violations described in this section.

SEC. 285. REPORTS; RECORDKEEPING; INVESTIGATIONS.

(a) RECIPIENT RECORDKEEPING AND REPORTS.—

(1) IN GENERAL.—Recipients of funds under this title shall keep records that are sufficient to permit the preparation of reports required by this title or subtitle A or B of title I and to permit the tracing of funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully.

(2) RECORDS AND REPORTS REGARDING GENERAL PERFORMANCE.—Every such recipient shall maintain such records and submit such reports, in such form and containing such information, as the Secretary may require regarding the performance of programs and activities carried out under this title. Such records and reports shall be submitted to the

Secretary but shall not be required to be submitted more than once each quarter unless specifically requested by Congress or a committee of Congress, in which case an estimate regarding such information may be provided.

(3) MAINTENANCE OF STANDARDIZED RECORDS.—In order to allow for the preparation of the reports required under subsection (c), such recipients shall maintain standardized records for all individual participants and provide to the Secretary a sufficient number of such records to provide for an adequate analysis of the records.

(4) AVAILABILITY TO THE PUBLIC.—

(A) IN GENERAL.—Except as provided in subparagraph (B), records maintained by such recipients pursuant to this subsection shall be made available to the public upon request.

(B) EXCEPTION.—Subparagraph (A) shall not apply to—

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

(ii) trade secrets, or commercial or financial information, that is—

(I) obtained from a person; and

(II) privileged or confidential.

(C) FEES TO RECOVER COSTS.—Such recipients may charge fees sufficient to recover costs applicable to the processing of requests for records under subparagraph (A).

(b) INVESTIGATIONS OF USE OF FUNDS.—

(1) IN GENERAL.—

(A) SECRETARY.—In order to evaluate compliance with the provisions of this title and subtitles A and B of title I, the Secretary shall conduct, in several States, in each fiscal year, investigations of the use of funds received by recipients under this title.

(B) COMPTROLLER GENERAL OF THE UNITED STATES.—In order to ensure compliance with the provisions of this title and subtitles A and B of title I, the Comptroller General of the United States may conduct investigations of the use of funds received under this title by any recipient.

(2) PROHIBITION.—In conducting any investigation under this title, the Secretary or the Comptroller General of the United States may not request the compilation of any information that the recipient

is not otherwise required to compile and that is not readily available to such recipient.

(3) AUDITS.—

(A) IN GENERAL.—In carrying out any audit under this title (other than any initial audit survey or any audit investigating possible criminal or fraudulent conduct), either directly or through grant or contract, the Secretary, the Inspector General of the Department of Labor, or the Comptroller General of the United States shall furnish to the State, recipient, or other entity to be audited, advance notification of the overall objectives and purposes of the audit, and any extensive recordkeeping or data requirements to be met, not later than 14 days (or as soon as practicable), prior to the commencement of the audit.

(B) NOTIFICATION REQUIREMENT.—If the scope, objectives, or purposes of the audit change substantially during the course of the audit, the entity being audited shall be notified of the change as soon as practicable.

(C) ADDITIONAL REQUIREMENT.—The reports on the results of such audits shall cite the

law, regulation, policy, or other criteria applicable to any finding contained in the reports.

(D) RULE OF CONSTRUCTION.—Nothing contained in this title shall be construed so as to be inconsistent with the Inspector General Act of 1978 (5 U.S.C. App.) or government auditing standards issued by the Comptroller General of the United States.

(c) GRANTEE INFORMATION RESPONSIBILITIES.—Each State, each local board, and each recipient (other than a subrecipient, subgrantee, or contractor of a recipient) receiving funds under this title—

(1) shall make readily accessible such reports concerning its operations and expenditures as shall be prescribed by the Secretary;

(2) shall prescribe and maintain comparable management information systems, in accordance with guidelines that shall be prescribed by the Secretary, designed to facilitate the uniform compilation, cross tabulation, and analysis of programmatic, participant, and financial data, on statewide, local area, and other appropriate bases, necessary for reporting, monitoring, and evaluating purposes, including data necessary to comply with section 288;

(3) shall monitor the performance of providers in complying with the terms of grants, contracts, or other agreements made pursuant to this title; and

(4) shall, to the extent practicable, submit or make available (including through electronic means) any reports, records, plans, or any other data that are required to be submitted or made available, respectively, under this title or subtitle A or B of title I.

(d) INFORMATION TO BE INCLUDED IN REPORTS.—

(1) IN GENERAL.—The reports required in subsection (c) shall include information regarding programs and activities carried out under this title pertaining to—

(A) the relevant demographic characteristics (including race, ethnicity, sex, and age) and other related information regarding participants;

(B) the programs and activities in which participants are enrolled, and the length of time that participants are engaged in such programs and activities;

(C) outcomes of the programs and activities for participants, including the occupations

of participants, and placement for participants in nontraditional employment;

(D) specified costs of the programs and activities; and

(E) information necessary to prepare reports to comply with section 288.

(2) ADDITIONAL REQUIREMENT.—The Secretary shall ensure that all elements of the information required for the reports described in paragraph (1) are defined and that the information is reported uniformly.

(e) QUARTERLY FINANCIAL REPORTS.—

(1) IN GENERAL.—Each local board in a State shall submit quarterly financial reports to the Governor with respect to programs and activities carried out under this title. Such reports shall include information identifying all program and activity costs by cost category in accordance with generally accepted accounting principles and by year of the appropriation involved.

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

(f) MAINTENANCE OF ADDITIONAL RECORDS.—Each State and local board shall maintain records with respect to programs and activities carried out under this title that identify—

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

(2) any costs incurred (such as stand-in costs) that are otherwise allowable except for funding limitations.

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

SEC. 286. ADMINISTRATIVE ADJUDICATION.

(a) IN GENERAL.—Whenever any applicant for financial assistance under this title is dissatisfied because the Secretary has made a determination not to award financial assistance in whole or in part to such applicant, the applicant may request a hearing before an administrative law judge of the Department of Labor. A similar hearing may also be requested by any recipient for whom a corrective action has been required or a sanction has been imposed by the Secretary under section 284.

(b) APPEAL.—The decision of the administrative law judge shall constitute final action by the Secretary unless,

1 within 20 days after receipt of the decision of the adminis-
2 trative law judge, a party dissatisfied with the decision or
3 any part of the decision has filed exceptions with the Sec-
4 retary specifically identifying the procedure, fact, law, or
5 policy to which exception is taken. Any exception not spe-
6 cifically urged during the 20-day period shall be deemed
7 to have been waived. After the 20-day period the decision
8 of the administrative law judge shall become the final deci-
9 sion of the Secretary unless the Secretary, within 30 days
10 after such filing, notifies the parties that the case involved
11 has been accepted for review.

12 (c) TIME LIMIT.—Any case accepted for review by
13 the Secretary under subsection (b) shall be decided within
14 180 days after such acceptance. If the case is not decided
15 within the 180-day period, the decision of the administra-
16 tive law judge shall become the final decision of the Sec-
17 retary at the end of the 180-day period.

18 (d) ADDITIONAL REQUIREMENT.—The provisions of
19 section 287 shall apply to any final action of the Secretary
20 under this section.

21 **SEC. 287. JUDICIAL REVIEW.**

22 (a) REVIEW.—

23 (1) PETITION.—With respect to any final order
24 by the Secretary under section 286 by which the
25 Secretary awards, declines to award, or only condi-

tionally awards, financial assistance under this title, or any final order of the Secretary under section 286 with respect to a corrective action or sanction imposed under section 284, any party to a proceeding that resulted in such final order may obtain review of such final order in the United States Court of Appeals having jurisdiction over the applicant for or recipient of the funds involved, by filing a review petition within 30 days after the date of issuance of such final order.

(2) ACTION ON PETITION.—The clerk of the court shall transmit a copy of the review petition to the Secretary, who shall file the record on which the final order was entered as provided in section 2112 of title 28, United States Code. The filing of a review petition shall not stay the order of the Secretary, unless the court orders a stay. Petitions filed under this subsection shall be heard expeditiously, if possible within 10 days after the date of filing of a reply to the petition.

(3) STANDARD AND SCOPE OF REVIEW.—No objection to the order of the Secretary shall be considered by the court unless the objection was specifically urged, in a timely manner, before the Secretary. The review shall be limited to questions of

law and the findings of fact of the Secretary shall be conclusive if supported by substantial evidence.

(b) JUDGMENT.—The court shall have jurisdiction to make and enter a decree affirming, modifying, or setting aside the order of the Secretary in whole or in part. The judgment of the court regarding the order shall be final, subject to certiorari review by the Supreme Court as provided in section 1254(1) of title 28, United States Code.

SEC. 288. 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) PROHIBITION OF DISCRIMINATION REGARDING PARTICIPATION, BENEFITS, AND EMPLOYMENT.—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 (except as otherwise permitted under title IX of the Education Amendments of 1972), national origin, age, disability, or political affiliation or belief.

(3) PROHIBITION ON ASSISTANCE FOR FACILITIES FOR SECTARIAN INSTRUCTION OR RELIGIOUS WORSHIP.—Participants shall not be employed under this title or subtitle C of title I to carry out the construction, operation, or maintenance of any part of any facility that is used or to be used for sectarian instruction or as a place for religious worship (except with respect to the maintenance of a facility that is not primarily or inherently devoted to sectarian instruction or religious worship, in a case in which the organization operating the facility is part of a program or activity providing services to participants).

(4) PROHIBITION ON DISCRIMINATION ON BASIS OF PARTICIPANT STATUS.—No person may discrimi-

nate against an individual who is a participant in a program or activity that receives funds under this title or subtitle C of title I, with respect to the terms and conditions affecting, or rights provided to, the individual, solely because of the status of the individual as a participant.

(5) PROHIBITION ON DISCRIMINATION AGAINST CERTAIN NONCITIZENS.—Participation in programs and activities or receiving funds under this title shall be available to citizens and nationals of the United States, lawfully admitted permanent resident aliens, refugees, asylees, and parolees, and other immigrants authorized by the Attorney General to work in the United States.

(b) ACTION OF SECRETARY.—Whenever the Secretary finds that a State or other recipient of funds under this title has failed to comply with a provision of law referred to in subsection (a)(1), or with paragraph (2), (3), (4), or (5) of subsection (a), including an applicable regulation prescribed to carry out such provision or paragraph, the Secretary shall notify such State or recipient and shall request that the State or recipient comply. If within a reasonable period of time, not to exceed 60 days, the State or recipient fails or refuses to comply, the Secretary may—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; or

(2) take such other action as may be provided by law.

(c) ACTION OF ATTORNEY GENERAL.—When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever the Attorney General has reason to believe that a State or other recipient of funds under this title is engaged in a pattern or practice of discrimination in violation of a provision of law referred to in subsection (a)(1) or in violation of paragraph (2), (3), (4), or (5) of subsection (a), the Attorney General may bring a civil 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 to be the ultimate beneficiaries of Federal financial assistance.

(e) REGULATIONS.—The Secretary shall issue regulations necessary to implement this section not later than 1 year after the date of enactment of the Workforce Investment Act of 1998. Such regulations shall adopt standards for determining discrimination and procedures for enforcement that are consistent with the Acts referred to in

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. 289. SECRETARIAL ADMINISTRATIVE AUTHORITIES AND RESPONSIBILITIES.

(a) IN GENERAL.—In accordance with chapter 5 of title 5, United States Code, the Secretary may prescribe rules and regulations to carry out this title and appropriate provisions of subtitles A and B of title I, only to the extent necessary to administer and ensure compliance with the requirements of this title and such subtitles. Such rules and regulations may include provisions making adjustments authorized by section 6504 of title 31, United States Code. All such rules and regulations shall be published in the Federal Register at least 30 days prior to their effective dates. Copies of each such rule or regulation shall be transmitted to the appropriate committees of Congress on the date of such publication and shall contain, with respect to each material provision of such rule or regulation, a citation to the particular substantive section of law that is the basis for the provision.

(b) ACQUISITION OF CERTAIN PROPERTY AND SERVICES.—The Secretary is authorized, in carrying out this title, to accept, purchase, or lease in the name of the Department of Labor, and employ or dispose of in further-

ance of the purposes of this title, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise, and to accept voluntary and uncompensated services notwithstanding the provisions of section 1342 of title 31, United States Code.

(c) AUTHORITY TO ENTER INTO CERTAIN AGREEMENTS AND TO MAKE CERTAIN EXPENDITURES.—The Secretary may make such grants, enter into such contracts or agreements, establish such procedures, and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend such funds under this title, as may be necessary to carry out this title, including making expenditures for construction, repairs, and capital improvements, and including making necessary adjustments in payments on account of overpayments or underpayments.

(d) ANNUAL REPORT.—The Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate an annual report regarding the programs and activities funded under this title. The Secretary shall include in such report—

(1) a summary of the achievements, failures, and challenges of the programs and activities in meeting the objectives of this title and title I;

(2) a summary of major findings from research, evaluations, pilot projects, and experiments conducted under this title in the fiscal year prior to the submission of the report;

(3) recommendations for modifications in the programs and activities based on analysis of such findings; and

(4) such other recommendations for legislative or administrative action as the Secretary determines to be appropriate.

(e) UTILIZATION OF SERVICES AND FACILITIES.—The Secretary is authorized, in carrying out this title and subtitles A and B of title I, under the same procedures as are applicable under subsection (c) or to the extent permitted by law other than this title and such subtitles, to accept and use the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized, in carrying out this title and such subtitles, to accept and use the services and facilities of the agencies of any State or political subdivision of a State, with the consent of the State or political subdivision.

(f) OBLIGATIONAL AUTHORITY.—Notwithstanding any other provision of this title, the Secretary shall have no authority to enter into contracts, grant agreements, or other financial assistance agreements under this title, except to such extent and in such amounts as are provided in advance in appropriations Acts.

(g) PROGRAM YEAR.—

(1) IN GENERAL.—

(A) PROGRAM YEAR.—Except as provided in subparagraph (B) and section 272, appropriations for any fiscal year for programs and activities funded under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(B) YOUTH WORKFORCE INVESTMENT ACTIVITIES.—The Secretary may make available for obligation, beginning April 1 of any fiscal year, funds appropriated for such fiscal year to carry out youth workforce investment activities under subtitle B.

(2) AVAILABILITY.—

(A) IN GENERAL.—Funds obligated for any program year for a program or activity

1 funded under subtitle B may be expended by
2 each State receiving such funds during that
3 program year and the 2 succeeding program
4 years. Funds received by local areas from
5 States under subtitle B during a program year
6 may be expended during that program year and
7 the succeeding program year.

8 (B) CERTAIN NATIONAL ACTIVITIES.—

9 (i) IN GENERAL.—Funds obligated for
10 any program year for any program or ac-
11 tivity carried out under section 270 shall
12 remain available until expended.

13 (ii) INCREMENTAL FUNDING BASIS.—
14 A contract or arrangement entered into
15 under the authority of subsection (a) or (b)
16 of section 270 (relating to evaluations, re-
17 search projects, studies and reports, and
18 multistate projects), including a long-term,
19 nonseverable services contract, may be
20 funded on an incremental basis with an-
21 nual appropriations or other available
22 funds.

23 (C) SPECIAL RULE.—No amount of the
24 funds obligated for a program year for a pro-
25 gram or activity funded under this title shall be

deobligated on account of a rate of expenditure that is consistent with a State plan, an operating plan described in section 251, or a plan, grant agreement, contract, application, or other agreement described in subtitle D, as appropriate.

(h) ENFORCEMENT OF MILITARY SELECTIVE SERVICE ACT.—The Secretary shall ensure that each individual participating in any program or activity established under this title, or receiving any assistance or benefit under this title, has not violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting and submitting to registration as required pursuant to such section. The Director of the Selective Service System shall cooperate with the Secretary to enable the Secretary to carry out this subsection.

(i) WAIVER.—

(1) SPECIAL RULE REGARDING DESIGNATED AREAS.—A State that has enacted, not later than December 31, 1997, a State law providing for the designation of service delivery areas for the delivery of workforce investment activities, may use such areas as local areas under this title and title I, notwithstanding section 116.

(2) SPECIAL RULE REGARDING SANCTIONS.—A State that enacts, not later than December 31, 1997, a State law providing for the sanctioning of such service delivery areas for failure to meet performance measures for workforce investment activities, may use the State law to sanction local areas for failure to meet State performance accountability measures under title I.

(3) GENERAL WAIVERS OF STATUTORY OR REGULATORY REQUIREMENTS.—

(A) GENERAL AUTHORITY.—Notwithstanding any other provision of law, the Secretary may waive for a State, or a local area in a State, pursuant to a request submitted by the Governor of the State (in consultation with appropriate local elected officials) with a plan that meets the requirements of subparagraph (B)—

(i) any of the statutory or regulatory requirements of subtitle A or B of title I that relate to the administration of programs or activities funded under this title or the Wagner-Peyser Act (29 U.S.C. 49 et seq.), subtitle B of this title, section 272, or this subtitle (except for requirements relating to wage and labor stand-

1 ards, including nondisplacement protec-
2 tions, worker rights, participation and pro-
3 tection of workers and participants, griev-
4 ance procedures and judicial review, non-
5 discrimination, allocation of funds to local
6 areas, eligibility of providers or partici-
7 pants, the establishment and functions of
8 local areas and local boards, the funding of
9 infrastructure costs for one-stop centers,
10 and procedures for review and approval of
11 plans, and other requirements relating to
12 the basic purposes of this title and title I);
13 and
14 (ii) any of the statutory or regulatory
15 requirements of sections 8 through 10 of
16 the Wagner-Peyser Act (29 U.S.C. 49g
17 through 49i) (excluding requirements relat-
18 ing to the provision of services to unem-
19 ployment insurance claimants and vet-
20 erans, and requirements relating to uni-
21 versal access to basic labor exchange serv-
22 ices without cost to jobseekers).
23 (B) REQUESTS.—A Governor requesting a
24 waiver under subparagraph (A) shall submit a

plan to the Secretary to improve the statewide workforce development system that—

(i) identifies the statutory or regulatory requirements that are requested to be waived and the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver;

(ii) describes the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers;

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

(iv) describes the individuals impacted by the waiver; and

(v) describes the process used to monitor the progress in implementing such a waiver, and the process by which notice and, in the case of a waiver for a local area, an opportunity to comment on such request has been provided to the local board for the local area for which the waiver is requested.

(C) CONDITIONS.—Not later than 90 days after the date of the original submission of a request for a waiver under subparagraph (A), the Secretary shall provide a waiver under this subsection if and only to the extent that—

(i) the Secretary determines that the requirements requested to be waived impede the ability of the State or local area, as appropriate, to implement the plan described in subparagraph (B); and

(ii) the State has executed a memorandum of understanding with the Secretary requiring such State to meet, or ensure that the local area for which the waiver is requested meets, agreed-upon outcomes and to implement other appropriate measures to ensure accountability.

(D) EXPEDITED DETERMINATION REGARDING PROVISION OF WAIVERS.—If the Secretary has approved a waiver of statutory or regulatory requirements for a State or local area pursuant to this subsection, the Secretary shall expedite the determination regarding the provision of that waiver, for another State or local

area if such waiver is in accordance with the approved State or local plan, as appropriate.

SEC. 290. WORKFORCE FLEXIBILITY PLANS.

(a) PLANS.—A State may submit to the Secretary, and the Secretary may approve, a workforce flexibility plan under which the State is authorized to waive, in accordance with the plan—

(1) any of the statutory or regulatory requirements applicable under this title and subtitles A and B of title I to local areas, pursuant to applications for such waivers from the local areas, except for requirements relating to the basic purposes of this title and title I, wage and labor standards, grievance procedures and judicial review, nondiscrimination, eligibility of participants, allocation of funds to local areas, establishment and functions of local areas and local boards, procedures for review and approval of local plans, and worker rights, participation, and protection;

(2) any of the statutory or regulatory requirements applicable under sections 8 through 10 of the Wagner-Peyser Act (29 U.S.C. 49g through 49i) to the State (excluding requirements relating to the provision of services to unemployment insurance claimants and veterans, and requirements relating to

universal access to basic labor exchange services without cost to jobseekers); and

(3) any of the statutory or regulatory requirements applicable under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) to State agencies on aging with respect to activities carried out using funds allotted under section 506(b) of such Act (42 U.S.C. 3056d(b)), except for requirements relating to the basic purposes of such Act, wage and labor standards, eligibility of participants in the activities, and standards for grant agreements.

(b) CONTENT OF PLANS.—A workforce flexibility plan implemented by a State under subsection (a) shall include descriptions of—

(1)(A) the process by which local areas in the State may submit and obtain approval by the State of applications for waivers of requirements applicable under this title or subtitle A or B of title I; and

(B) the requirements described in subparagraph (A) that are likely to be waived by the State under the plan;

(2) the requirements applicable under sections 8 through 10 of the Wagner-Peyser Act that are proposed to be waived, if any;

(3) the requirements applicable under the Older Americans Act of 1965 that are proposed to be waived, if any;

(4) the outcomes to be achieved by the waivers described in paragraphs (1) through (3); and

(5) other measures to be taken to ensure appropriate accountability for Federal funds in connection with the waivers.

(c) PERIODS.—The Secretary may approve a workforce flexibility plan for a period of not more than 5 years.

(d) OPPORTUNITY FOR PUBLIC COMMENTS.—Prior to submitting a workforce flexibility plan to the Secretary for approval, the State shall provide to all interested parties and to the general public adequate notice of and a reasonable opportunity for comment on the waiver requests proposed to be implemented pursuant to such plan.

SEC. 291. STATE LEGISLATIVE AUTHORITY.

(a) AUTHORITY OF STATE LEGISLATURE.—Nothing in this title or subtitle A or B of title I shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with the provisions of this title and subtitles A and B of title I, of the activities assisted under this title or subtitle A or B of title I. Any funds received by a State under this title shall be subject to appropriation by the State legislature, consistent with

the terms and conditions required under this title and such subtitles.

(b) INTERSTATE COMPACTS AND COOPERATIVE AGREEMENTS.—In the event that compliance with provisions of this title or title I would be enhanced by compacts and cooperative agreements between States, the consent of Congress is given to States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

SEC. 292. TRANSFER OF FEDERAL EQUITY IN STATE EMPLOYMENT SECURITY AGENCY REAL PROPERTY TO THE STATES.

(a) TRANSFER OF FEDERAL EQUITY.—Notwithstanding any other provision of law, any Federal equity acquired in real property through grants to States awarded under title III of the Social Security Act (42 U.S.C. 501 et seq.) or under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) is transferred to the States that used the grants for the acquisition of such equity. The portion of any real property that is attributable to the Federal equity transferred under this section shall be used to carry out activities authorized under this Act, title III of the Social Security Act, or the Wagner-Peyser Act. Any disposition of such real property shall be carried out in accordance with the procedures prescribed by the Secretary and the

portion of the proceeds from the disposition of such real property that is attributable to the Federal equity transferred under this section shall be used to carry out activities authorized under this Act, title III of the Social Security Act, or the Wagner-Peyser Act.

(b) LIMITATION ON USE.—A State shall not use funds awarded under this Act, title III of the Social Security Act, or the Wagner-Peyser Act to amortize the costs of real property that is purchased by any State on or after the date of enactment of the Revised Continuing Appropriations Resolution, 2007.

SEC. 293. CONTINUATION OF STATE ACTIVITIES AND POLICIES.

(a) IN GENERAL.—Notwithstanding any other provision of this title, or subtitle A of title I, the Secretary may not deny approval of a State plan for a covered State, or an application of a covered State for financial assistance, under this title or subtitle A of title I, or find a covered State (including a State board or Governor), or a local area (including a local board or chief elected official) in a covered State, in violation of a provision of this title or subtitle A of title I, on the basis that—

(1)(A) the State proposes to allocate or disburse, allocates, or disburses, within the State, funds made available to the State under section 227 or

232 in accordance with the allocation formula for the type of activities involved, or in accordance with a disbursal procedure or process, used by the State under prior consistent State laws; or

(B) a local board in the State proposes to disburse, or disburses, within the local area, funds made available to the State under section 227 or 232 in accordance with a disbursal procedure or process used by a private industry council under prior consistent State law;

(2) the State proposes to carry out or carries out a State procedure through which local areas use, as fiscal agents for funds made available to the State under section 227 or 232 and allocated within the State, fiscal agents selected in accordance with a process established under prior consistent State laws;

(3) the State proposes to carry out or carries out a State procedure through which the local boards in the State (or the local boards, the chief elected officials in the State, and the Governor) designate or select the one-stop partners and one-stop operators of the statewide system in the State under prior consistent State laws, in lieu of making the designation or certification described in section 221

(regardless of the date the one-stop delivery systems involved have been established);

(4) the State proposes to carry out or carries out a State procedure through which the persons responsible for selecting eligible providers for purposes of subtitle B are permitted to determine that a provider shall not be selected to provide both intake services under section 234(c)(2) and training services under section 234(c)(4), under prior consistent State laws;

(5) the State proposes to designate or designates a State board, or proposes to assign or assigns functions and roles of the State board (including determining the time periods for development and submission of a State plan required under section 212 or 213), for purposes of subtitle A of title I in accordance with prior consistent State laws; or

(6) a local board in the State proposes to use or carry out, uses, or carries out a local plan (including assigning functions and roles of the local board) for purposes of subtitle A of title I in accordance with the authorities and requirements applicable to local plans and private industry councils under prior consistent State laws.

(b) DEFINITION.—In this section:

(1) COVERED STATE.—The term ''covered State'' means a State that enacted State laws described in paragraph (2).

(2) PRIOR CONSISTENT STATE LAWS.—The term ''prior consistent State laws'' means State laws, not inconsistent with the Job Training Partnership Act or any other applicable Federal law, that took effect on September 1, 1993, September 1, 1995, and September 1, 1997.

SEC. 294. GENERAL PROGRAM REQUIREMENTS.

Except as otherwise provided in this title or title I, the following conditions apply to all programs under this title or title I, as applicable:

(1) Each program under this title or title I shall provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities. In addition, the recipients of Federal funding for programs under this title or title I shall make efforts to develop programs that contribute to occupational development, upward mobility, development of new careers, and opportunities for nontraditional employment.

(2) Funds provided under this title shall only be used for activities that are in addition to activities

that would otherwise be available in the local area in the absence of such funds.

(3)(A) Any local area may enter into an agreement with another local area (including a local area that is a city or county within the same labor market) to pay or share the cost of educating, training, or placing individuals participating in programs assisted under this title, including the provision of supportive services.

(B) Such agreement shall be approved by each local board for a local area entering into the agreement and shall be described in the local plan under section 118.

(4) On-the-job training contracts under this title or subtitle C of title I, shall not be entered into with employers who have received payments under previous contracts under this Act or the Workforce Investment Act of 1998 and have exhibited a pattern of failing to provide on-the-job training participants with continued long-term employment as regular employees with wages and employment benefits (including health benefits) and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(5) No person or organization may charge an individual a fee for the placement or referral of the individual in or to a workforce investment activity under this title.

(6) The Secretary shall not provide financial assistance for any program under this title or subtitle C of title I that involves political activities.

(7)(A) Income under any program administered by a public or private nonprofit entity may be retained by such entity only if such income is used to continue to carry out the program.

(B) Income subject to the requirements of subparagraph (A) shall include—

(i) receipts from goods or services (including conferences) provided as a result of activities funded under this title;

(ii) funds provided to a service provider under this title that are in excess of the costs associated with the services provided; and

(iii) interest income earned on funds received under this title.

(C) For purposes of this paragraph, each entity receiving financial assistance under this title shall maintain records sufficient to determine the amount

of such income received and the purposes for which such income is expended.

(8)(A) The Secretary shall notify the Governor and the appropriate local board and chief elected official of, and consult with the Governor and such board and official concerning, any activity to be funded by the Secretary under this title within the corresponding State or local area.

(B) The Governor shall notify the appropriate local board and chief elected official of, and consult with such board and official concerning, any activity to be funded by the Governor under this title within the corresponding local area.

(9)(A) All education programs for youth supported with funds provided under chapter 2 of subtitle B shall be consistent with applicable State and local educational standards.

(B) Standards and procedures with respect to awarding academic credit and certifying educational attainment in programs conducted under such chapter shall be consistent with the requirements of applicable State and local law, including regulation.

(10) No funds available under this title or title I may be used for public service employment except as specifically authorized under this title or title I.

(11) The Federal requirements governing the title, use, and disposition of real property, equipment, and supplies purchased with funds provided under this title or subtitle C of title I shall be the corresponding Federal requirements generally applicable to such items purchased through Federal grants to States and local governments.

(12) Nothing in this title or subtitle C of title I shall be construed to provide an individual with an entitlement to a service under this title or subtitle C of title I.

(13) Services, facilities, or equipment funded under this title may be used, as appropriate, on a fee-for-service basis, by employers in a local area in order to provide employment and training activities to incumbent workers—

(A) when such services, facilities, or equipment are not in use for the provision of services for eligible participants under this title;

(B) if such use for incumbent workers would not have an adverse affect on the provision of services to eligible participants under this title; and

(C) if the income derived from such fees is used to carry out the programs authorized under this title.

(14) Funds provided under this title shall not be used to establish or operate a stand-alone fee-for-service enterprise in a situation in which a private sector employment agency (as defined in section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e)) is providing full access to similar or related services in such a manner as to fully meet the identified need. For purposes of this paragraph, such an enterprise does not include a one-stop delivery system described in section 221(e).

(15)(A) None of the funds available under this title shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of the annual rate of basic pay prescribed for level II of the Executive Schedule under section 5313 of title 5, United States Code.

(B) The limitation described in subparagraph (A) shall not apply to vendors providing goods and services as defined in Office of Management and Budget Circular A–133. In a case in which a State is a recipient of such funds, the State may establish

a lower limit than is provided in subparagraph (A) for salaries and bonuses of those receiving salaries and bonuses from a subrecipient of such funds, taking into account factors including the relative cost of living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administer the Federal programs involved.

TITLE III—ADULT EDUCATION AND LITERACY

SEC. 301. SHORT TITLE.

This title may be cited as the ''Adult Education and Family Literacy Act''.

SEC. 302. PURPOSE.

It is the purpose of this title to create a partnership among the Federal Government, States, and localities to provide, on a voluntary basis, adult education and literacy activities, in order to—

(1) assist adults to become literate and obtain the knowledge and skills necessary for employment and economic self-sufficiency;

(2) assist adults who are parents or family members to obtain the education and skills that—

(A) are necessary to becoming full partners in the educational development of their children; and

(B) lead to sustainable improvements in the economic opportunities for their family;

(3) assist adults in attaining a secondary school diploma and in the transition to postsecondary education and training, through career pathways; and

(4) assist immigrants and other individuals who are English language learners in—

(A) improving their—

(i) reading, writing, speaking, and comprehension skills in English; and

(ii) mathematics skills; and

(B) acquiring an understanding of the American system of Government, individual freedom, and the responsibilities of citizenship.

SEC. 303. DEFINITIONS.

In this title:

(1) ADULT EDUCATION.—The term ''adult education'' means academic instruction and education services below the postsecondary level that increase an individual's ability to—

(A) read, write, and speak in English and perform mathematics or other activities nec-

essary for the attainment of a secondary school diploma or its recognized equivalent;

(B) transition to postsecondary education and training; and

(C) obtain employment.

(2) ADULT EDUCATION AND LITERACY ACTIVITIES.—The term ''adult education and literacy activities'' means programs, activities, and services that include adult education, literacy, workplace adult education and literacy activities, family literacy activities, English language acquisition activities, integrated English literacy and civics education, workforce preparation activities, or integrated education and training.

(3) ELIGIBLE AGENCY.—The term ''eligible agency'' means the sole entity or agency in a State or an outlying area responsible for administering or supervising policy for adult education and literacy activities in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively.

(4) ELIGIBLE INDIVIDUAL.—The term ''eligible individual'' means an individual—

(A) who has attained 16 years of age;

(B) who is not enrolled or required to be enrolled in secondary school under State law; and

(C) who—

(i) is basic skills deficient, as defined in section 101;

(ii) does not have a secondary school diploma or its recognized equivalent, and has not achieved an equivalent level of education; or

(iii) is an English language learner.

(5) ELIGIBLE PROVIDER.—The term ''eligible provider'' means an organization that has demonstrated effectiveness in providing adult education and literacy activities that may include—

(A) a local educational agency;

(B) a community-based organization;

(C) a volunteer literacy organization;

(D) an institution of higher education;

(E) a public or private nonprofit agency;

(F) a library;

(G) a public housing authority;

(H) a nonprofit institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult edu-

cation and literacy activities to eligible individuals;

(I) a consortium or coalition of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H); and

(J) a partnership between an employer and an entity described in any of subparagraphs (A) through (I).

(6) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term ''English language acquisition program'' means a program of instruction—

(A) designed to help eligible individuals who are English language learners achieve competence in reading, writing, speaking, and comprehension of the English language; and

(B) that leads to—

(i)(I) attainment of a secondary school diploma or its recognized equivalent; and

(II) transition to postsecondary education and training; or

(ii) employment.

(7) ENGLISH LANGUAGE LEARNER.—The term ''English language learner'' when used with respect

to an eligible individual, means an eligible individual who has limited ability in reading, writing, speaking, or comprehending the English language, and—

(A) whose native language is a language other than English; or

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

(8) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term ''essential components of reading instruction'' has the meaning given the term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

(9) FAMILY LITERACY ACTIVITIES.—The term ''family literacy activities'' means activities that are of sufficient intensity and quality, to make sustainable improvements in the economic prospects for a family and that better enable parents or family members to support their children's learning needs, and that integrate all of the following activities:

(A) Parent or family adult education and literacy activities that lead to readiness for postsecondary education or training, career advancement, and economic self-sufficiency.

(B) Interactive literacy activities between parents or family members and their children.

(C) Training for parents or family members regarding how to be the primary teacher for their children and full partners in the education of their children.

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

(10) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(11) INTEGRATED EDUCATION AND TRAINING.—The term ''integrated education and training'' means a service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement.

(12) INTEGRATED ENGLISH LITERACY AND CIVICS EDUCATION.—The term ''integrated English literacy and civics education'' means education services provided to English language learners who are

adults, including professionals with degrees and credentials in their native countries, that enables such adults to achieve competency in the English language and acquire the basic and more advanced skills needed to function effectively as parents, workers, and citizens in the United States. Such services shall include instruction in literacy and English language acquisition and instruction on the rights and responsibilities of citizenship and civic participation, and may include workforce training.

(13) LITERACY.—The term ''literacy'' means an individual's ability to read, write, and speak in English, compute, and solve problems, at levels of proficiency necessary to function on the job, in the family of the individual, and in society.

(14) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term ''postsecondary educational institution'' means—

(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor's degree;

(B) a tribally controlled community college; or

(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

(15) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(16) WORKPLACE ADULT EDUCATION AND LITERACY ACTIVITIES.—The term ''workplace adult education and literacy activities'' means adult education and literacy activities offered by an eligible provider in collaboration with an employer or employee organization at a workplace or an off-site location that is designed to improve the productivity of the workforce.

(17) WORKFORCE PREPARATION ACTIVITIES.—The term ''workforce preparation activities'' means activities, programs, or services designed to help an individual acquire a combination of basic academic skills, critical thinking skills, digital literacy skills, and self-management skills, including competencies in utilizing resources, using information, working with others, understanding systems, and skills necessary for successful transition into and completion of postsecondary education or training, or employment.

SEC. 304. HOME SCHOOLS.

Nothing in this title shall be construed to affect home schools, whether a home school is treated as a home school or a private school under State law, or to compel a parent or family member engaged in home schooling to participate in adult education and literacy activities.

SEC. 305. RULE OF CONSTRUCTION REGARDING POSTSECONDARY TRANSITION AND CONCURRENT ENROLLMENT ACTIVITIES.

Nothing in this title shall be construed to prohibit or discourage the use of funds provided under this title for adult education and literacy activities that help eligible individuals transition to postsecondary education and training or employment, or for concurrent enrollment activities.

SEC. 306. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title such sums as may be necessary for each of the fiscal years 2014 through 2018.

Subtitle A—Federal Provisions

SEC. 311. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

(a) RESERVATION OF FUNDS.—From the sum appropriated under section 306 for a fiscal year, the Secretary—

(1) shall reserve 2 percent to carry out section 342 and subsection (g), except that the amount so reserved shall not exceed $15,000,000; and

(2) shall reserve 12 percent of the amount that remains after reserving funds under paragraph (1) to carry out section 343.

(b) GRANTS TO ELIGIBLE AGENCIES.—

(1) IN GENERAL.—From the sum appropriated under section 306 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a unified State plan approved under section 112 or a combined State plan approved under section 113 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year, subject to subsections (f) and (h), to enable the eligible agency to carry out the activities assisted under this title.

(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible entity involved agrees to expend the grant for adult education and literacy activities in accordance with the provisions of this title.

(c) ALLOTMENTS.—

(1) INITIAL ALLOTMENTS.—From the sum appropriated under section 306 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a unified State plan approved under section 112 or a combined State plan approved under section 113—

(A) $100,000, in the case of an eligible agency serving an outlying area, except as provided in subsection (e); and

(B) $250,000, in the case of any other eligible agency.

(2) ADDITIONAL ALLOTMENTS.—From the sum appropriated under section 306, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sum as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term ''qualifying adult'' means an adult who—

(1) is at least 16 years of age;

(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;

(3) does not have a secondary school diploma or its recognized equivalent; and

(4) is not enrolled in secondary school.

(e) SPECIAL RULE FOR THE REPUBLIC OF PALAU.—

(1) IN GENERAL.—Notwithstanding subsection (c)(1)(A), from the sum appropriated under section 306 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to the Republic of Palau, except during the period described in section 101(45), an amount based on the recommendations of the Pacific Region Educational Laboratory under paragraph (2).

(2) AWARD BASIS TO PALAU.—For each fiscal year, the Pacific Region Educational Laboratory in Honolulu, Hawaii shall make recommendations to the Secretary concerning a grant amount to the Republic of Palau based on the number of qualifying adults (as defined in subsection (d)) in the population of the Republic of Palau.

(3) 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.

(f) HOLD-HARMLESS PROVISIONS.—

(1) IN GENERAL.—Notwithstanding subsection (c) and subject to paragraph (2), for fiscal year 2014 and each succeeding fiscal year, no eligible agency shall receive an allotment under this section that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this section.

(2) 100 PERCENT ALLOTMENT.—Notwithstanding paragraphs (1) and (2) of subsection (e), for a fiscal year for which an eligible agency receives only an initial allotment under subsection (c)(1) (and no additional allotment under subsection (c)(2)) the eligible agency shall receive an allotment under this section that is equal to 100 percent of the initial allotment under subsection (c)(1).

(3) RATABLE REDUCTION.—If for any fiscal year the amount available for allotment under this title is insufficient to satisfy the provisions of paragraphs (1) and (2), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

(g) ADDITIONAL ASSISTANCE.—

(1) IN GENERAL.—From amounts reserved under subsection (a)(1), the Secretary shall make grants to eligible agencies described in paragraph (2) to enable such agencies to provide activities authorized under subtitle B.

(2) ELIGIBILITY.—An eligible agency is eligible to receive a grant under this subsection for a fiscal year if the amount of the allotment such agency receives under this section for the fiscal year is less than the amount such agency would have received for the fiscal year if the allotment formula under this section as in effect on September 30, 2003, were in effect for such year.

(3) AMOUNT OF GRANT.—The amount of a grant made to an eligible agency under this subsection for a fiscal year shall be the difference between—

(A) the amount of the allotment such agency would have received for the fiscal year if the allotment formula under this section as in effect on September 30, 2003, were in effect for such year; and

(B) the amount of the allotment such agency receives under this section for the fiscal year.

(h) REALLOTMENT.—The portion of any eligible agency's allotment under this title 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 title, 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 this title for such year.

(i) STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study concerning the formula described in this section and, in conducting the study, shall, at a minimum—

(A) examine whether the formula results in a distribution of funds that sufficiently serves the entire population of individuals eligible for adult education and literacy activities under this title;

(B) examine whether the data used to count qualified adults, for purposes of the for-

mula, accurately measure the population of individuals eligible for the activities; and

(C) develop recommendations for improving the formula so that the formula results in a distribution of funds that better serves that population and the data used to count qualified adults accurately measure that population.

(2) REPORT.—Not later than 3 years after the date of enactment of the Workforce Investment Act of 2013, the Comptroller General shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives a report containing the results of the study described in paragraph (1).

SEC. 312. PERFORMANCE ACCOUNTABILITY SYSTEM.

Programs and activities authorized in this title are subject to the performance accountability provisions described in section 131.

Subtitle B—State Provisions

SEC. 321. STATE ADMINISTRATION.

Each eligible agency shall be responsible for the State or outlying area administration of activities under this title, including—

(1) the development, implementation, and monitoring of the relevant components of the unified State plan in section 112 or the combined State plan in section 113;

(2) consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this title; and

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

SEC. 322. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.

(a) STATE DISTRIBUTION OF FUNDS.—Each eligible agency receiving a grant under section 311(b) for a fiscal year—

(1) shall use not less than 80 percent of the grant funds to award grants and contracts under section 331 and to carry out section 325, of which not more than 25 percent of such amount shall be available to carry out section 325;

(2) shall use not more than 15 percent of the grant funds to carry out State leadership activities under section 323; and

(3) shall use not more than 5 percent of the grant funds, or $85,000, whichever is greater, for the administrative expenses of the eligible agency.

(b) MATCHING REQUIREMENT.—

(1) IN GENERAL.—In order to receive a grant from the Secretary under section 311(b) each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult education and literacy activities for which the grant is awarded, a non-Federal contribution in an amount that is not less than—

(A) in the case of an eligible agency serving an outlying area, 12 percent of the total amount of funds expended for adult education and literacy activities in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

(B) in the case of an eligible agency serving a State, 25 percent of the total amount of funds expended for adult education and literacy activities in the State.

(2) NON-FEDERAL CONTRIBUTION.—An eligible agency's non-Federal contribution required under paragraph (1) may be provided in cash or in kind,

fairly evaluated, and shall include only non-Federal funds that are used for adult education and literacy activities in a manner that is consistent with the purpose of this title.

SEC. 323. STATE LEADERSHIP ACTIVITIES.

(a) ACTIVITIES.—

(1) REQUIRED.—Each eligible agency shall use funds made available under section 322(a)(2) for the following adult education and literacy activities to develop or enhance the adult education system of the State or outlying area:

(A) The alignment of adult education and literacy activities with other core programs and one-stop partners, including eligible providers, to implement the strategy identified in the unified State plan under section 112 or the combined State plan under section 113, including the development of career pathways to provide access to employment and training services for individuals in adult education and literacy activities.

(B) The establishment or operation of high quality professional development programs to improve the instruction provided pursuant to local activities required under section 331(b),

including instruction incorporating the essential components of reading instruction as such components relate to adults, instruction related to the specific needs of adult learners, instruction provided by volunteers or by personnel of a State or outlying area, and dissemination of information about models and promising practices related to such programs.

(C) The provision of technical assistance to eligible providers of adult education and literacy activities receiving funds under this title, including—

(i) the development and dissemination of instructional and programmatic practices based on the most rigorous or scientifically valid research available and appropriate, in reading, writing, speaking, mathematics, English language acquisition programs, distance education, and staff training;

(ii) the role of eligible providers as a one-stop partner to provide access to employment, education, and training services; and

(iii) assistance in the use of technology, including for staff training, to eligible providers, especially the use of technology to improve system efficiencies.

(D) The monitoring and evaluation of the quality of, and the improvement in, adult education and literacy activities and the dissemination of information about models and proven or promising practices within the State.

(2) PERMISSIBLE ACTIVITIES.—Each eligible agency may use funds made available under section 322(a)(2) for 1 or more of the following adult education and literacy activities:

(A) The support of State or regional networks of literacy resource centers.

(B) The development and implementation of technology applications, translation technology, or distance education, including professional development to support the use of instructional technology.

(C) Developing and disseminating curricula, including curricula incorporating the essential components of reading instruction as such components relate to adults.

(D) The provision of technical assistance to eligible providers to support the purpose of this title.

(E) Developing content and models for integrated education and training and career pathways, including the provision of technical assistance to eligible providers in the State administering such programs.

(F) The provision of assistance to eligible providers in developing and implementing programs that achieve the objectives of this title and in measuring the progress of those programs in achieving such objectives, including meeting the State adjusted levels of performance described in section 131(b)(3).

(G) The development and implementation of a system to assist in the transition from adult education to postsecondary education, including linkages with postsecondary educational institutions or institutions of higher education.

(H) Integration of literacy and English language instruction with occupational skill training, including promoting linkages with employers.

(I) Activities to promote workplace adult education and literacy activities.

(J) Activities to promote and complement local outreach initiatives described in section 342(b)(3)(G).

(K) Identifying curriculum frameworks and aligning rigorous content standards that—

(i) specify what adult learners should know and be able to do in the areas of reading and language arts, mathematics, and English language acquisition; and

(ii) take into consideration the following:

(I) State adopted academic standards.

(II) The current adult skills and literacy assessments used in the State or outlying area.

(III) The primary indicators of performance described in section 131.

(IV) Standards and academic requirements for enrollment in non-remedial, for-credit courses in postsecondary educational institutions or in-

stitutions of higher education supported by the State or outlying area.

(V) Where appropriate, the content of occupational and industry skill standards widely used by business and industry in the State or outlying area.

(L) In cooperation with efforts funded under section 342, development and piloting of—

(i) new and promising assessment tools and strategies that—

(I) are based on scientifically valid research, where available and appropriate; and

(II) identify the needs and capture the gains of students at all levels, with particular emphasis on—

(aa) students at the lowest achievement level;

(bb) students who are English language learners; and

(cc) adults with learning disabilities;

(ii) options for improving teacher quality and retention; and

(iii) assistance in converting scientifically valid research into practice.

(M) The development and implementation of programs and services to meet the needs of adult learners with learning disabilities who are English language learners.

(N) Support for recruitment and outreach for instructors, students, and employers.

(O) Other activities of statewide significance that promote the purpose of this title.

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

(c) STATE-IMPOSED REQUIREMENTS.—Whenever a State or outlying area 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 or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

SEC. 324. STATE PLAN.

Each State desiring to receive funds under this title for any fiscal year shall submit and have approved by the Secretary and the Secretary of Labor a unified State plan in accordance with section 112 or a combined State plan in accordance with section 113.

SEC. 325. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.

(a) PROGRAM AUTHORIZED.—From funds made available under section 322(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.

(b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for—

(1) adult education and literacy activities;

(2) special education, as determined by the eligible agency;

(3) secondary school credit;

(4) integrated education and training;

(5) career pathways;

(6) concurrent enrollment;

(7) peer tutoring; and

(8) transition to re-entry initiatives and other postrelease services with the goal of reducing recidivism.

(c) PRIORITY.—Each eligible agency that is using assistance provided under this section to carry out a program for criminal offenders within a correctional institution shall give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program.

(d) REPORT.—In addition to any report required under section 131, each eligible agency that receives assistance provided under this section shall annually prepare and submit to the Secretary a report on the progress, as described in section 131, of the eligible agency with respect to the programs and activities carried out under this section, including the relative rate of recidivism for the criminal offenders served.

(e) DEFINITIONS.—In this section:

(1) CORRECTIONAL INSTITUTION.—The term ''correctional institution'' means any—

(A) prison;

(B) jail;

(C) reformatory;

(D) work farm;

(E) detention center; or

(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

(2) CRIMINAL OFFENDER.—The term ''criminal offender'' means any individual who is charged with or convicted of any criminal offense.

Subtitle C—Local Provisions

SEC. 331. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.

(a) GRANTS AND CONTRACTS.—From grant funds made available under section 322(a)(1), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area to enable the eligible providers to develop, implement, and improve adult education and literacy activities within the State.

(b) REQUIRED LOCAL ACTIVITIES.—The eligible agency shall require that each eligible provider receiving a grant or contract under subsection (a) use the grant or contract to establish or operate programs that provide adult education and literacy activities, including programs that provide such activities concurrently.

(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—

(1) IN GENERAL.—Each eligible agency receiving funds under this title shall ensure that—

(A) all eligible providers have direct and equitable access to apply and compete for grants or contracts under this section; and

(B) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.

(2) GAO STUDY.—Not later than the second program year following the date of enactment of the Workforce Investment Act of 2013, the Comptroller General shall conduct a study to determine how the provisions of paragraph (1) have been implemented and whether such provisions accomplished the purposes of such paragraph.

(d) SPECIAL RULE.—Each eligible agency awarding a grant or contract 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(4), except that such agency may use such funds for such purpose if such programs, services, or activities are related to family literacy activities. In pro-

viding family literacy activities under this title, an eligible provider shall attempt to coordinate with programs and services that are not assisted under this title prior to using funds for adult education and literacy activities under this title for activities other than activities for eligible individuals.

(e) CONSIDERATIONS.—In awarding grants or contracts under this section, the eligible agency shall consider—

(1) the degree to which the eligible provider would be responsive to—

(A) regional needs as identified in the local plan under section 118; and

(B) serving individuals in the community who were identified in such plan as most in need of adult education and literacy activities, including individuals—

(i) who have low levels of literacy skills;

(ii) who have learning disabilities; or

(iii) who are English language learners;

(2) capacity, including past effectiveness in improving the literacy of eligible individuals of the eligible provider, to meet State-adjusted levels of per-

formance for the primary indicators of performance described in section 131 for eligible individuals, especially with respect to eligible individuals who have low levels of literacy;

(3) the extent to which the eligible provider demonstrates alignment between proposed activities and services and the strategy and goals of the local plan under section 118, as well as the activities and services of the one-stop partners;

(4) whether the eligible provider's program—

(A) is of sufficient intensity and quality, and based on the most rigorous research available so that participants achieve substantial learning gains; and

(B) uses instructional practices that include the essential components of reading instruction;

(5) whether the eligible provider's activities are built on a strong foundation of the most rigorous research available, including scientifically valid research, and effective educational practice;

(6) whether the eligible provider's activities effectively employ advances in technology and delivery systems, including distance education;

(7) whether the eligible provider's activities provide learning in context, including through integrated education and training, so that an individual acquires the skills needed to transition to and complete postsecondary education and training programs, obtain and advance in employment leading to economic self-sufficiency, and to exercise the rights and responsibilities of citizenship;

(8) whether the eligible provider's activities are delivered by well-trained instructors, counselors, and administrators who meet any minimum qualifications established by the State, where applicable, and who have access to high quality professional development, including through electronic means;

(9) whether the eligible provider's activities coordinate with other available education, training, and social service resources in the community, such as by establishing strong links with elementary schools and secondary schools, postsecondary educational institutions, institutions of higher education, local workforce investment boards, one-stop centers, job training programs, and social service agencies, business, industry, labor organizations, community-based organizations, nonprofit organizations, and

intermediaries, for the development of career pathways;

(10) whether the eligible provider's activities offer flexible schedules and coordination with Federal, State, and local support services (such as child care, transportation, mental health services, and career planning) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;

(11) the capacity of the eligible provider to provide integrated education and training;

(12) whether the eligible provider maintains a high-quality information management system that has the capacity to report measurable participant outcomes (consistent with section 131) and to monitor program performance;

(13) whether the local areas in which the eligible provider is located have a demonstrated need for additional English language acquisition programs and civics education programs;

(14) whether reading, writing, speaking, mathematics, and English language acquisition instruction delivered by the eligible provider is based on the best practices derived from the most rigorous research

available and appropriate, including scientifically valid research that is available and appropriate;

(15) whether the eligible provider's applications of technology and services to be provided are sufficient to increase the amount and quality of learning and how such technology and services lead to improved performance; and

(16) the capacity of the eligible provider to serve eligible individuals with disabilities, including individuals with learning disabilities.

SEC. 332. LOCAL APPLICATION.

Each eligible provider desiring a grant or contract from an eligible agency shall submit an application to the eligible agency containing such information and assurances as the eligible agency may require, including—

(1) a description of how funds awarded under this title will be spent consistent with the requirements of this title;

(2) a description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations for the delivery of adult education and literacy activities;

(3) a description of how the eligible provider will provide services in alignment with the local plan under section 118, including how such provider will

promote concurrent enrollment in programs and activities under title II, as appropriate, to assist eligible individuals in accessing education and job training services;

(4) a description of how the eligible provider will meet the State adjusted levels of performance described in section 131(b)(3), including how such provider will collect data to report on such performance indicators;

(5) a description of how the eligible provider will fulfill one-stop partner responsibilities as described in section 221(b)(1)(A), as appropriate;

(6) a description of how the eligible provider will provide services in a manner that meets the needs of eligible individuals; and

(7) information that addresses the considerations described under section 331(e), as applicable.

SEC. 333. LOCAL ADMINISTRATIVE COST LIMITS.

(a) IN GENERAL.—Subject to subsection (b), of the amount that is made available under this title to an eligible provider—

(1) not less than 95 percent shall be expended for carrying out adult education and literacy activities; and

(2) the remaining amount, not to exceed 5 percent, shall be used for planning, administration (including carrying out the requirements of section 131), professional development, and the activities described in paragraphs (3) and (5) of section 332.

(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for the activities described in subsection (a)(2), the eligible provider shall negotiate with the eligible agency in order to determine an adequate level of funds to be used for noninstructional purposes.

Subtitle D—General Provisions

SEC. 341. ADMINISTRATIVE PROVISIONS.

(a) SUPPLEMENT NOT SUPPLANT.—Funds made available for adult education and literacy activities under this title shall supplement and not supplant other State or local public funds expended for adult education and literacy activities.

(b) MAINTENANCE OF EFFORT.—

(1) IN GENERAL.—

(A) DETERMINATION.—An eligible agency may receive funds under this title for any fiscal year if the Secretary finds that the fiscal effort per student or the aggregate expenditures of such eligible agency for activities under this

1 title, in the second preceding fiscal year, were
2 not less than 90 percent of the fiscal effort per
3 student or the aggregate expenditures of such
4 eligible agency for adult education and literacy
5 activities in the third preceding fiscal year.
6 (B) PROPORTIONATE REDUCTION.—Sub-
7 ject to paragraphs (2), (3), and (4), for any fis-
8 cal year with respect to which the Secretary de-
9 termines under subparagraph (A) that the fiscal
10 effort or the aggregate expenditures of an eligi-
11 ble agency for the preceding program year were
12 less than such effort or expenditures for the
13 second preceding program year, the Secretary—
14 (i) shall determine the percentage de-
15 creases in such effort or in such expendi-
16 tures; and
17 (ii) shall decrease the payment made
18 under this title for such program year to
19 the agency for adult education and literacy
20 activities by the lesser of such percentages.
21 (2) COMPUTATION.—In computing the fiscal ef-
22 fort and aggregate expenditures under paragraph
23 (1), the Secretary shall exclude capital expenditures
24 and special one-time project costs.

(3) DECREASE IN FEDERAL SUPPORT.—If the amount made available for adult education and literacy activities under this title for a fiscal year is less than the amount made available for adult education and literacy activities under this title 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 not more than 1 fiscal year, 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 or outlying area 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.

SEC. 342. NATIONAL LEADERSHIP ACTIVITIES.

(a) IN GENERAL.—The Secretary shall establish and carry out a program of national leadership activities to enhance the quality and outcomes of adult education and literacy activities and programs nationwide.

(b) REQUIRED ACTIVITIES.—The national leadership activities described in subsection (a) shall include technical assistance, including—

(1) assistance to help States meet the requirements of section 131;

(2) upon request by a State, assistance provided to eligible providers in using performance accountability measures based on indicators described in section 131, and data systems for the improvement of adult education and literacy activities; and

(3) carrying out rigorous research and evaluation on effective adult education and literacy activities, as well as estimating the number of adults functioning at the lowest levels of literacy proficiency, which may be coordinated across relevant Federal agencies.

(c) ALLOWABLE ACTIVITIES.—The national leadership activities described in subsection (a) may include the following:

(1) Technical assistance, including—

(A) assistance related to professional development activities, and assistance for the purposes of developing, improving, identifying, and disseminating the most successful methods and techniques for providing adult education and literacy activities, based on scientifically valid research where available;

(B) assistance in distance education and promoting and improving the use of technology in the classroom, including through the use of instructional models that blend in-person and online instruction; and

(C) assistance in the development and dissemination of proven models for addressing the digital literacy needs of adults, including older adults.

(2) A program of grants, contracts, or cooperative agreements awarded on a competitive basis to national, regional, or local networks of private nonprofit organizations, public libraries, or institutions of higher education to build the capacity of such networks' members to—

(A) meet the performance requirements, described in section 131, of eligible providers under this title; and

(B) involve eligible individuals in program improvement.

(3) Funding national leadership activities that are not described in paragraph (1), either directly or through grants, contracts, or cooperative agreements awarded on a competitive basis to or with postsecondary educational institutions, institutions of higher education, public or private organizations or agencies, or consortia of such institutions, organizations, or agencies, such as—

(A) developing, improving, and identifying the most successful methods and techniques for addressing the education needs of adults, including instructional practices using the essential components of reading instruction based on the work of the National Institute of Child Health and Human Development;

(B) increasing the effectiveness of, and improving the quality of, adult education and literacy activities;

(C) carrying out rigorous research, including scientifically valid research where appropriate, on national literacy basic skill acquisition for adult learning, including estimating the

number of adults functioning at the lowest levels of literacy proficiency;

(D)(i) carrying out demonstration programs, which may include programs that—

(I) accelerate learning outcomes for eligible individuals with the lowest literacy levels;

(II) develop and promote career pathways for eligible individuals;

(III) promote concurrent enrollment programs in adult education and credit bearing postsecondary coursework; and

(IV) develop high-quality professional development activities for eligible providers;

(ii) disseminating best practices information, including information regarding promising practices resulting from federally funded demonstration programs; and

(iii) developing and replicating best practices and innovative programs, such as—

(I) programs for skill certification;

(II) the identification of effective strategies for working with adults with

learning disabilities and with adults who are English language learners;

(III) integrated education and training programs;

(IV) programs providing adult education and literacy activities coordinated with employment services; and

(V) postsecondary education and training transition programs;

(E) providing for the conduct of an independent evaluation and assessment of adult education and literacy activities through grants and contracts awarded on a competitive basis, which evaluation and assessment shall include descriptions of—

(i) the effect of performance accountability measures and other measures of accountability on the delivery of adult education and literacy activities;

(ii) the extent to which the adult education and literacy activities increase the literacy skills of eligible individuals, lead to involvement in education and training, enhance the employment and earnings of such participants, and, if applicable, lead

to other positive outcomes, such as success in re-entry and reductions in recidivism in the case of prison-based adult education and literacy activities;

(iii) the extent to which the provision of support services to eligible individuals enrolled in adult education and literacy activities increase the rate of enrollment in, and successful completion of, such programs; and

(iv) the extent to which different types of providers measurably improve the skills of eligible individuals in adult education and literacy activities;

(F) carrying out rigorous research on the relationship between instructional quality, including education levels, certification status, and experience of instructors, and the performance outcomes of eligible providers consistent with section 131;

(G) supporting efforts aimed at capacity building of programs at the State and local levels such as technical assistance in program planning, assessment, evaluation, and monitoring of activities carried out under this title;

(H) collecting data, such as data regarding the improvement of both local and State data systems, through technical assistance and development of model performance data collection systems;

(I) supporting the development of an entity that would produce and distribute technology-based programs and materials for adult education and literacy activities using an interconnection system (as defined in section 397 of the Communications Act of 1934 (47 U.S.C. 397)) and expand the effective outreach and use of such programs and materials to eligible providers;

(J) determining how participation in adult education and literacy activities prepares eligible individuals for entry into postsecondary education and employment and, in the case of programs carried out in correctional institutions, has an effect on recidivism; and

(K) other activities designed to enhance the quality of adult education and literacy activities nationwide.

SEC. 343. INTEGRATED ENGLISH LITERACY AND CIVICS EDUCATION.

(a) IN GENERAL.—From funds made available under section 311(a)(2) for each fiscal year, the Secretary shall award grants to States, from allotments under subsection (b), for integrated English literacy and civics education.

(b) ALLOTMENT.—

(1) IN GENERAL.—Subject to paragraph (2), from amounts made available under section 311(a)(2) for a fiscal year, the Secretary shall allocate—

(A) 65 percent to the States on the basis of a State's need for integrated English literacy and civics education, as determined by calculating each State's share of a 10-year average of the data of the Office of Immigration Statistics of the Department of Homeland Security for immigrants admitted for legal permanent residence for the 10 most recent years; and

(B) 35 percent to the States on the basis of whether the State experienced growth, as measured by the average of the 3 most recent years for which the data of the Office of Immigration Statistics of the Department of Homeland Security for immigrants admitted for legal permanent residence are available.

(2) MINIMUM.—No State shall receive an allotment under paragraph (1) in an amount that is less than $60,000.

TITLE IV—AMENDMENTS TO THE WAGNER-PEYSER ACT

SEC. 401. EMPLOYMENT SERVICE OFFICES.

Section 1 of the Wagner-Peyser Act (29 U.S.C. 49) is amended by inserting ''service'' before ''offices''.

SEC. 402. DEFINITIONS.

Section 2 of the Wagner-Peyser Act (29 U.S.C. 49a) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) the terms 'chief elected official', 'institution of higher education', 'one-stop center', 'one-stop partner', 'training services', 'workforce development activity', and 'workplace learning advisor', have the meaning given the terms in section 101 of the Workforce Investment Act of 2013;'';

(2) in paragraph (2)—

(A) by striking ''investment board'' each place it appears and inserting ''development board''; and

(B) by striking ''of 1998'' and inserting ''of 2013'';

(3) in paragraph (3)—

(A) by striking ''134(c)'' and inserting ''221(e)''; and

(B) by striking ''1998'' and inserting ''2013'';

(4) in paragraph (4), by striking ''and'' at the end;

(5) in paragraph (5), by striking the period and inserting ''; and''; and

(6) by adding at the end the following:

''(6) the term 'employment service office' means a local office of a State agency; and

''(7) except in section 15, the term 'State agency', used without further description, means an agency designated or authorized under section 4.''.

SEC. 403. FEDERAL AND STATE EMPLOYMENT SERVICE OFFICES.

(a) COORDINATION.—Section 3(a) of the Wagner-Peyser Act (29 U.S.C. 49b(a)) is amended by striking ''services'' and inserting ''service offices''.

(b) PUBLIC LABOR EXCHANGE SERVICES SYSTEM.—Section 3(c)(2) of the Wagner-Peyser Act (29 U.S.C. 49b(c)(2)) is amended by inserting '', and identify and disseminate information on best practices for such system'' before the semicolon.

(c) ONE-STOP CENTERS.—Section 3 of the Wagner-Peyser Act (29 U.S.C. 49b) is amended by inserting after subsection (c) the following:

''(d) In order to improve service delivery, avoid duplication of services, and enhance coordination of services, including location of staff to ensure access to services under section 7(a) statewide in underserved areas, employment service offices in each State shall be colocated with one-stop centers.

''(e) The Secretary, in consultation with States, is authorized to assist the States in the development of national electronic tools that may be used to improve access to workforce information for individuals through—

''(1) the one-stop delivery systems established as described in section 221(e) of the Workforce Investment Act of 2013; and

''(2) such other delivery systems as the Secretary determines to be appropriate.''.

SEC. 404. ALLOTMENT OF SUMS.

Section 6 of the Wagner-Peyser Act (29 U.S.C. 49e) is amended—

(1) in subsection (a), by striking ''amounts appropriated pursuant to section 5'' and inserting ''funds appropriated and (except for Guam) certified

under section 5 and made available for allotments under this section''; and

(2) in subsection (b)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting before ''the Secretary'' the following ''after making the allotments required by subsection (a),''; and

(ii) by striking ''sums'' and all that follows through ''this Act'' and inserting ''funds described in subsection (a)'';

(B) in each of subparagraphs (A) and (B), by striking ''sums'' and inserting ''remainder''; and

(C) by adding at the end the following: ''For purposes of this paragraph, the term 'State' does not include Guam or the Virgin Islands.''.

SEC. 405. USE OF SUMS.

(a) IMPROVED COORDINATION.—Section 7(a)(1) of the Wagner-Peyser Act (29 U.S.C. 49f(a)(1)) is amended by inserting '', including unemployment insurance claimants,'' after ''seekers''.

(b) RESOURCES FOR UNEMPLOYMENT INSURANCE CLAIMANTS.—Section 7(a)(3) of the Wagner-Peyser Act (29 U.S.C. 49f(a)(3)) is amended—

(1) by striking ''and'' at the end of subparagraph (E);

(2) in subparagraph (F)—

(A) by inserting '', including making eligibility assessments,'' after ''system''; and

(B) by striking the period at the end and inserting ''; and''; and

(3) by inserting after subparagraph (F) the following:

''(G) providing unemployment insurance claimants with referrals to, and application assistance for, training and education resources and programs, including Federal Pell Grants under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.), educational assistance under chapter 30 of title 38, United States Code (commonly referred to as the Montgomery GI Bill), and chapter 33 of that title (Post-9/11 Veterans Educational Assistance), student assistance under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), State

student higher education assistance, and training and education programs provided under titles II and III of the Workforce Investment Act of 2013, and title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).''.

(c) STATE ACTIVITIES.—Section 7(b) of the Wagner-Peyser Act (29 U.S.C. 49f(b)) is amended—

(1) in paragraph (1), by striking ''performance standards established by the Secretary'' and inserting ''the performance accountability measures that are based on indicators described in section 131(b)(2)(A)(i) of the Workforce Investment Act of 2013''; and

(2) in paragraph (2), by inserting ''offices'' after ''employment service''.

(d) PROVIDING ADDITIONAL FUNDS.—Section 7(c)(2) of the Wagner-Peyser Act (29 U.S.C. 49f(c)(2)) is amended by striking ''1998'' and inserting ''2013''.

(e) OTHER SERVICES AND ACTIVITIES.—Section 7(d) of the Wagner-Peyser Act (29 U.S.C. 49f(d)) is amended by striking ''1998'' and inserting ''2013''.

(f) CONFORMING AMENDMENT.—Section 7(e) of the Wagner-Peyser Act (29 U.S.C. 49f(e)) is amended by striking ''labor employment statistics'' and inserting ''workforce and labor market information''.

SEC. 406. STATE PLAN.

Section 8 of the Wagner-Peyser Act (29 U.S.C. 49g) is amended to read as follows:

''SEC. 8. Any State desiring to receive assistance under section 6 shall prepare and submit to, and have approved by, the Secretary and the Secretary of Education, a State plan in accordance with section 112 or 113 of the Workforce Investment Act of 2013.''.

SEC. 407. PERFORMANCE MEASURES.

Section 13(a) of the Wagner-Peyser Act (29 U.S.C. 49l(a)) is amended to read as follows:

''(a) The activities carried out pursuant to section 7 shall be subject to the performance accountability measures that are based on indicators described in section 131(b)(2)(A)(i) of the Workforce Investment Act of 2013.''.

SEC. 408. PILOT PROJECTS.

The Wagner-Peyser Act is amended by inserting after section 13 (29 U.S.C. 49l) the following:

''SEC. 13A. PILOT PROJECTS.

''(a) GRANTS.—From funds appropriated under subsection (f), the Secretary, in consultation with the Secretary of Education, shall establish and carry out a pilot program. In carrying out the program, the Secretary shall annually make not more than 5 grants, on a competitive basis, to State agencies to cooperate in the administration

of this Act by carrying out pilot projects that enhance the professional development and provision of services by the staff of such State agencies.

"(b) USE OF FUNDS.—Funds made available under this section may be used to enable a State agency to—

"(1) make available a broad range of career guidance services, including career planning, aptitude and interest assessments, and provision of workforce and labor market information, and evaluate the outcomes for recipients of such services;

"(2) strengthen the capacity of the State agency to identify job openings through the use of technology, and through intensive outreach to small and medium size employers while using and enhancing the business and employer services authorized under this Act;

"(3) provide professional development and career advancement opportunities for staff of a State agency in order to upgrade their skills and competencies in the provision of career development activities, employer outreach, and other services authorized under this Act, including upgrading those skills and competencies through the training of such staff to improve their knowledge of, and ability to effectively interact with, staff and programs of one-

stop partners and other entities administering workforce development programs;

"(4) in cooperation with professional organizations and institutions of higher education, demonstrate the efficacy and value of professional credentialing for counselors of the State agency to cooperate in the administration of this Act;

"(5) identify and implement strategies for State agency staff to provide technical assistance and training to assist other providers of workforce development activities, including workplace learning advisors, in providing counseling and employment-related services to workers and job seekers, and employers; and

"(6) identify and implement new strategies for integrating counseling and technology to enhance the provision of employment-related services under this Act.

"(c) APPLICATIONS.—A State agency that seeks a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(d) PRIORITY.—In awarding grants under this section, the Secretary, in consultation with the Secretary of Education, shall—

"(1) give priority to a State agency that—

"(A) demonstrates participation by employees of the agency in the planning of the proposed pilot project;

"(B) demonstrates participation by the employees, or provides an assurance that the employees will participate, in the implementation of the pilot project; and

"(C) demonstrates that the State agency has established a partnership, or provides an assurance that the agency will establish a partnership, with a relevant professional organization, or with an institution of higher education; and

"(2) ensure geographic diversity and diversity with respect to the population density of the States in which projects under this section will be carried out.

"(e) REPORTS.—The Secretary shall annually prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, a report assessing the projects carried out under this section and containing such recommendations for improvements in the provision of counseling and other employ-

ment-related services under this Act as the Secretary determines to be appropriate.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2014 through 2018.".

SEC. 409. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.

(a) HEADING.—The section heading for section 15 of the Wagner-Peyser Act (29 U.S.C. 49l–2) is amended by striking "**EMPLOYMENT STATISTICS**" and inserting "**WORKFORCE AND LABOR MARKET INFORMATION SYSTEM**".

(b) NAME OF SYSTEM.—Section 15(a)(1) of the Wagner-Peyser Act (29 U.S.C. 49l–2(a)(1)) is amended by striking "employment statistics system of employment statistics" and inserting "workforce and labor market information system".

(c) SYSTEM RESPONSIBILITIES.—Section 15(b) of the Wagner-Peyser Act (29 U.S.C. 49l–2(b)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—

"(A) STRUCTURE.—The workforce and labor market information system described in subsection (a) shall be evaluated and improved by the Secretary, in consultation with the Workforce Information Advisory Council established in subsection (d).

"(B) GRANTS AND RESPONSIBILITIES.—

"(i) IN GENERAL.—The Secretary shall carry out the provisions of this section in a timely manner, through grants to or agreements with States.

"(ii) DISTRIBUTION OF FUNDS.—Using amounts appropriated under subsection (g), the Secretary shall provide funds through those grants and agreements. In distributing the funds (relating to workforce and labor market information funding) for fiscal years 2014 through 2018, the Secretary shall continue to distribute the funds to States in the manner in which the Secretary distributed funds to the States under this section for fiscal years 2004 through 2008."; and

(2) by striking paragraph (2) and inserting the following:

1 "(2) DUTIES.—The Secretary, with respect to
2 data collection, analysis, and dissemination of work-
3 force and labor market information for the system,
4 shall carry out the following duties:
5 "(A) Assign responsibilities within the De-
6 partment of Labor for elements of the work-
7 force and labor market information system de-
8 scribed in subsection (a) to ensure that the sta-
9 tistical and administrative data collected is con-
10 sistent with appropriate Bureau of Labor Sta-
11 tistics standards and definitions, and that the
12 information is accessible and understandable to
13 users of such data.
14 "(B) Actively seek the cooperation of heads
15 of other Federal agencies to establish and main-
16 tain mechanisms for ensuring complementarity
17 and nonduplication in the development and op-
18 eration of statistical and administrative data
19 collection activities.
20 "(C) Solicit, receive, and evaluate the rec-
21 ommendations from the Workforce Information
22 Advisory Council established in subsection (d)
23 concerning the evaluation and improvement of
24 the workforce and labor market information
25 system described in subsection (a) and respond

in writing to the Council regarding the recommendations.

"(D) Eliminate gaps and duplication in statistical undertakings.

"(E) Through the Bureau of Labor Statistics and the Employment and Training Administration, and in collaboration with States, develop and maintain the elements of the workforce and labor market information system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

"(F) Establish procedures for the system to ensure that—

"(i) such data and information are timely; and

"(ii) paperwork and reporting for the system are reduced to a minimum.".

(d) TWO-YEAR PLAN.—Section 15 of the Wagner-Peyser Act (29 U.S.C. 49l–2) is amended by striking subsection (c) and inserting the following:

"(c) TWO-YEAR PLAN.—The Secretary, acting through the Commissioner of Labor Statistics and the As-

1 sistant Secretary for Employment and Training, and in
2 consultation with the Workforce Information Advisory
3 Council described in subsection (d) and heads of other ap-
4 propriate Federal agencies, shall prepare a 2-year plan for
5 the workforce and labor market information system. The
6 plan shall be developed and implemented in a manner that
7 takes into account the activities described in State plans
8 submitted by States under section 112 or 113 of the
9 Workforce Investment Act of 2013 and shall be submitted
10 to the Committee on Education and the Workforce of the
11 House of Representatives and the Committee on Health,
12 Education, Labor, and Pensions of the Senate. The plan
13 shall include—

14 ''(1) a description of how the Secretary will
15 work with the States to manage the nationwide
16 workforce and labor market information system de-
17 scribed in subsection (a) and the statewide work-
18 force and labor market information systems that
19 comprise the nationwide system;

20 ''(2) a description of the steps to be taken in
21 the following 2 years to carry out the duties de-
22 scribed in subsection (b)(2);

23 ''(3) an evaluation of the performance of the
24 system, with particular attention to the improve-
25 ments needed at the State and local levels;

"(4) a description of the involvement of States in the development of the plan, through consultation by the Secretary with the Workforce Information Advisory Council in accordance with subsection (d); and

"(5) a description of the written recommendations received from the Workforce Information Advisory Council established under subsection (d), and the extent to which those recommendations were incorporated into the plan.".

(e) WORKFORCE INFORMATION ADVISORY COUNCIL.—Section 15 of the Wagner-Peyser Act (29 U.S.C. 49l–2) is amended by striking subsection (d) and inserting the following:

"(d) WORKFORCE INFORMATION ADVISORY COUNCIL.—

"(1) IN GENERAL.—The Secretary, through the Commissioner of Labor Statistics and the Assistant Secretary of Labor for Employment and Training, shall formally consult at least twice annually with the Workforce Information Advisory Council established in accordance with paragraph (2). Such consultations shall address the evaluation and improvement of the nationwide workforce and labor market information system described in subsection (a) and

the statewide workforce and labor market information systems that comprise the nationwide system and how the Department of Labor and the States will cooperate in the management of such systems. The Council shall provide written recommendations to the Secretary concerning the evaluation and improvement of the nationwide system, including any recommendations regarding the 2-year plan described in subsection (c).

"(2) ESTABLISHMENT OF COUNCIL.—

"(A) ESTABLISHMENT.—The Secretary shall establish an advisory council that shall be known as the Workforce Information Advisory Council (referred to in this section as the 'Council') to participate in the consultations and provide the recommendations described in paragraph (1).

"(B) MEMBERSHIP.—The Secretary shall appoint the members of the Council, which shall consist of—

"(i) 4 members who are representatives of lead State agencies with responsibility for workforce investment activities, or State agencies described in section 4, who have been nominated by such agencies

or by a national organization that represents such agencies;

"(ii) 4 members who are representatives of the State workforce and labor market information directors affiliated with the State agencies that perform the duties described in subsection (e)(2), who have been nominated by the directors;

"(iii) 1 member who is a representative of providers of training services under section 222 of the Workforce Investment Act of 2013;

"(iv) 1 member who is a representative of economic development entities;

"(v) 1 member who is a representative of businesses, who has been nominated by national business organizations or trade associations;

"(vi) 1 member who is a representative of labor organizations, who has been nominated by a national labor federation;

"(vii) 1 member who is a representative of local workforce development boards, who has been nominated by a national organization representing such boards; and

"(viii) 1 member who is a representative of research entities that utilize workforce and labor market information.

"(C) GEOGRAPHIC DIVERSITY.—The Secretary shall ensure that the membership of the Council is geographically diverse and that no 2 of the members appointed under clauses (i), (ii), and (vii) represent the same State.

"(D) PERIOD OF APPOINTMENT; VACANCIES.—

"(i) IN GENERAL.—Each member of the Council 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 one-third of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

"(ii) VACANCIES.—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 expi-

ration of that member's term until a successor has taken office.

"(E) TRAVEL EXPENSES.—The members of the Council shall not receive compensation for the performance of services for the Council, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Council. Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept the voluntary and uncompensated services of members of the Council.

"(F) PERMANENT COUNCIL.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Council.".

(f) STATE RESPONSIBILITIES.—Section 15(e) of the Wagner-Peyser Act (29 U.S.C. 49l–2(e)) is amended—

(1) by striking "employment statistics" each place it appears and inserting "workforce and labor market information";

(2) in paragraph (1)(A) by striking ''annual plan'' and inserting ''plan described in subsection (c)''; and

(3) in paragraph (2)—

(A) in subparagraph (G), by inserting ''and'' at the end;

(B) by striking subparagraph (H);

(C) in subparagraph (I), by striking ''section 136(f)(2) of the Workforce Investment Act of 1998'' and inserting ''section 131(i)(2) of the Workforce Investment Act of 2013''; and

(D) by redesignating subparagraph (I) as subparagraph (H).

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 15(g) of the Wagner-Peyser Act (29 U.S.C. 49l–2(g)) is amended by striking ''1999 through 2004'' and inserting ''2014 through 2018''.

TITLE V—AMENDMENTS TO THE REHABILITATION ACT OF 1973

Subtitle A—Introductory Provisions

SEC. 501. REFERENCES.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a provision, the amend-

ment or repeal shall be considered to be made to a provision of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

SEC. 502. FINDINGS, PURPOSE, POLICY.

(a) FINDINGS.—Section 2(a) (29 U.S.C. 701(a)) is amended—

(1) in paragraph (4), by striking ''workforce investment systems under title I of the Workforce Investment Act of 1998'' and inserting ''workforce development systems defined in section 101 of the Workforce Investment Act of 2013'';

(2) in paragraph (5), by striking ''and'' at the end;

(3) in paragraph (6), by striking the period and inserting ''; and''; and

(4) by adding at the end the following:

''(7)(A) a high proportion of students with disabilities is leaving secondary education without being employed in competitive integrated employment, or being enrolled in postsecondary education; and

''(B) there is a substantial need to support such students as they transition from school to postsecondary life.''.

(b) PURPOSE.—Section 2(b) (29 U.S.C. 701(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''workforce investment systems implemented in accordance with title I of the Workforce Investment Act of 1998'' and inserting ''workforce development systems defined in section 101 of the Workforce Investment Act of 2013''; and

(B) at the end of subparagraph (F), by striking ''and'';

(2) by redesignating paragraph (2) as paragraph (3);

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

''(2) to maximize opportunities for individuals with disabilities, including individuals with significant disabilities, for competitive integrated employment;'';

(4) in paragraph (3), as redesignated by paragraph (2), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

''(4) to increase employment opportunities and employment outcomes for individuals with disabilities, including through encouraging meaningful input by employers and vocational rehabilitation

service providers on successful and prospective employment and placement strategies; and

''(5) to ensure, to the greatest extent possible, that youth with disabilities and students with disabilities who are transitioning from receipt of special education services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) and receipt of services under section 504 of this Act are either continuing their education or employed in competitive integrated employment.''.

SEC. 503. DISABILITY EMPLOYMENT SERVICES AND SUPPORTS ADMINISTRATION.

Section 3 (29 U.S.C. 702) is amended—

(1) by striking subsection (a) and inserting the following:

''(a)(1) There is established in the Department of Labor, in the Office of Disability Employment Policy, Services, and Supports, a Disability Employment Services and Supports Administration. The Administration shall be headed by a Commissioner (referred to in this Act as the 'Commissioner'), appointed by the President by and with the advice and consent of the Senate. Such Administration shall be the principal agency, and the Commissioner shall be the principal officer, of the Department of Labor for carrying out titles I, III, and VI.

"(2) The Commissioner shall be an individual with substantial experience in programs that increase employment opportunities for individuals with disabilities in competitive integrated employment, including through the provision of employment services, education, training, and supports.

"(3) In performing the functions of the office, the Commissioner shall be directly responsible to the Assistant Secretary of Disability Employment Policy, Services, and Supports. The functions of the Commissioner shall not be delegated to any other officer unless the officer is directly responsible to the Assistant Secretary of Disability Employment Policy, Services, and Supports.";

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following:

"(b) The Secretary of Labor shall ensure that—

"(1) the Disability Employment Services and Supports Administration provides effective oversight of, conducts monitoring of, and provides technical assistance to, the designated State agencies funded under this Act; and

"(2) the staff providing such oversight, monitoring, and technical assistance includes individuals

who have training in and experience with the programs administered by the Administration.''; and

(4) in subsection (c), as redesignated by paragraph (2), by inserting ''of Labor'' after ''Secretary''.

SEC. 504. DEFINITIONS.

Section 7 (29 U.S.C. 705) is amended—

(1) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by inserting after ''means'' the following: ''an assessment that presumes a goal of an employment outcome for all individuals with disabilities (including individuals with significant disabilities and individuals with the most significant disabilities), and that relies on''; and

(B) in subparagraph (B)—

(i) in clause (iii), by striking ''and'' at the end;

(ii) in clause (iv), by striking the semicolon and inserting ''; and''; and

(iii) by adding at the end the following—

''(v) to the maximum extent possible, relies on information obtained from experiences in integrated employment settings in

the community, and other integrated community settings;'';

(2) by striking paragraphs (3) and (4) and inserting the following:

''(3) ASSISTIVE TECHNOLOGY TERMS.—

''(A) ASSISTIVE TECHNOLOGY.—The term 'assistive technology' has the meaning given such term in section 3 of the Assistive Technology Act of 1998 (29 U.S.C. 3002).

''(B) ASSISTIVE TECHNOLOGY DEVICE.—The term 'assistive technology device' has the meaning given such term in section 3 of the Assistive Technology Act of 1998, except that the reference in such section to the term 'individuals with disabilities' shall be deemed to mean more than 1 individual with a disability as defined in paragraph (20)(A)).

''(C) ASSISTIVE TECHNOLOGY SERVICE.—The term 'assistive technology service' has the meaning given such term in section 3 of the Assistive Technology Act of 1998, except that the reference in such section—

''(i) to the term 'individual with a disability' shall be deemed to mean an indi-

vidual with a disability, as defined in paragraph (20)(A); and

"(ii) to the term 'individuals with disabilities' shall be deemed to mean more than 1 such individual.";

(3) by redesignating paragraph (5) as paragraph (4);

(4) in paragraph (4), as redesignated by paragraph (3)—

(A) by redesignating subparagraphs (O) through (Q) as subparagraphs (P) through (R);

(B) by inserting after subparagraph (N) the following:

"(O) customized employment services;"; and

(C) in subparagraph (R), as redesignated by subparagraph (A) of this paragraph, by striking "(P)" and inserting "(Q)";

(5) by inserting before paragraph (6) the following:

"(5) COMPETITIVE INTEGRATED EMPLOYMENT.—

"(A) IN GENERAL.—The term 'competitive integrated employment' means work, including

self-employment, performed by an employee who is an individual with a disability—

"(i) that is compensated—

"(I) at a rate that—

"(aa) is the same rate as the rate for other employees who are not individuals with disabilities, and who are similarly situated in similar occupations by the same employer and who have similar training, experience, and skills; and

"(bb) shall be in accordance with the 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; or

"(II) in the case of an individual who is self-employed, at an income that is comparable to the income received by other individuals who are not individuals with disabilities, and

who are self-employed in similar occupations or on similar tasks and who have similar training, experience, and skills;

''(ii) due to which the employee is eligible for the same employment benefits as are provided to other employees;

''(iii) that is at a location where the employee has the opportunity to interact with other employees who are not individuals with disabilities (not including supervisory personnel); and

''(iv) that presents opportunities for advancement that are equivalent to those for other employees who are not individuals with disabilities and who have comparable positions.

''(B) INCLUSION OF CUSTOMIZED OR SUPPORTED EMPLOYMENT.—The term 'competitive integrated employment' includes integrated employment resulting from the provision of customized employment strategies or supported employment services, as long as the work involved satisfies the criteria described in subparagraph (A).'';

(6) in paragraph (6)(B), by striking ''includes'' and all that follows through ''fees'' and inserting ''includes architects' fees'';

(7) by inserting after paragraph (6) the following:

''(7) CUSTOMIZED EMPLOYMENT.—The term 'customized employment' means competitive integrated employment, for an individual with a significant disability, that is based on an individualized determination of the strengths, needs, and interests of the individual with a significant disability, is designed to meet the specific abilities of the individual with a significant disability and the business needs of the employer, and is carried out through flexible strategies, such as—

''(A) job exploration by the individual; and

''(B) working with an employer to facilitate placement, including—

''(i) customizing a job description based on current employer needs or on previously unidentified and unmet employer needs;

''(ii) developing a set of job duties, a work schedule and job arrangement, and specifics of supervision (including perform-

ance evaluation and review), and determining a job location;

"(iii) representation by a professional chosen by the individual, or self-representation of the individual, in working with an employer to facilitate placement; and

"(iv) providing services and supports at the job location.";

(8) in paragraph (9)(B), by striking "14," and inserting "14, 14A,";

(9) in paragraph (11)—

(A) in subparagraph (A), by striking "competitive" and all that follows and inserting "competitive integrated employment;"; and

(B) in subparagraph (C)—

(i) by inserting "of Labor" after "Secretary"; and

(ii) by inserting "customized employment," before "self-employment,";

(10) in paragraph (12), by inserting "of Labor" after "Secretary" each place it appears;

(11) in paragraph (14)(C), by inserting "of Labor" after "Secretary";

(12) in paragraph (17)—

(A) by striking the ''and'' at the end of subparagraph (C);

(B) in subparagraph (D), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

''(E) services that—

''(i) facilitate the transition of individuals with significant disabilities from nursing homes and other institutions to home and community-based residences, with the requisite supports and services;

''(ii) provide assistance to individuals with significant disabilities who are at risk of entering institutions so that the individuals may remain in the community; and

''(iii) facilitate the transition of youth (including students) who are individuals with significant disabilities, who were eligible for individualized education programs under section 614(d) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)), and who have completed their secondary education or otherwise left

school, to postsecondary life, including employment; and

"(F) services to promote full access to community life.";

(13) in paragraph (18), by striking "term" and all that follows through "includes—" and inserting "term 'independent living services' includes—";

(14) in paragraph (20)(B)—

(A) by striking "14," and inserting "14, 14A,"; and

(B) by striking "and VII" and inserting "VII, and VIII";

(15) in paragraph (23), by striking "section 101" and inserting "section 102";

(16) by striking paragraph (25) and inserting the following:

"(25) LOCAL WORKFORCE DEVELOPMENT BOARD.—The term 'local workforce development board' means a local board, as defined in section 101 of the Workforce Investment Act of 2013.";

(17) by striking paragraph (37);

(18) by redesignating paragraphs (29) through (39) as paragraphs (31) through (36), and (38) through (41), respectively;

(19) by inserting after paragraph (28) the following:

"(29) POSTEMPLOYMENT SERVICE.—The term 'postemployment service' means a service identified under section 103(a) that is—

"(A) provided subsequent to the achievement of an employment outcome; and

"(B) necessary for an individual to maintain or regain competitive integrated employment, consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.

"(30) PRE-EMPLOYMENT TRANSITION SERVICES.—

"(A) IN GENERAL.—The term 'pre-employment transition services' means a coordinated set of activities for a student with a disability who is eligible or potentially eligible for services under title I, designed within an outcome-oriented process, that promotes movement from school to postschool activities, including postsecondary education, vocational training, competitive integrated employment (including supported employment), adult education, adult

1 services, independent living, or community par-
2 ticipation.
3 "(B) SPECIFIC SERVICES.—The term 'pre-
4 employment transition services' means a set of
5 services, that is available to students with dis-
6 abilities who are eligible or potentially eligible
7 for services under title I, and that makes avail-
8 able—
9 "(i) job exploration counseling;
10 "(ii) work-based learning experience,
11 such as in-school or after school work ex-
12 perience, or work experience outside the
13 traditional school setting (such as experi-
14 ence through job training or internships),
15 that is provided in an integrated environ-
16 ment to the maximum extent possible;
17 "(iii) counseling on opportunities for
18 enrollment in a comprehensive transition
19 or postsecondary educational program at
20 an institution of higher education;
21 "(iv) school-based preparatory em-
22 ployment experiences such as role playing,
23 social skills development, and independent
24 living training, coordinated with any tran-
25 sition services provided by the local edu-

cational agency under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and

"(v) instruction in self-advocacy, individual rights, self-determination skills, and the informed consent process, as well as peer mentoring.

"(C) COORDINATED SET OF ACTIVITIES.—For purposes of subparagraph (A), the coordinated set of activities shall be provided in a manner that leverages appropriate resources and services available outside the vocational rehabilitation program described in title I and shall be based on the individual needs of a student with a disability, taking into account the student's preferences and interests, and shall include education and training, community experiences, the development of employment and other adult living objectives, and, when appropriate, acquisition of daily living skills and functional vocational evaluation.";

(20) by striking paragraph (33), as redesignated by paragraph (18), and inserting the following:

"(33) SECRETARY.—Unless where the context otherwise requires, the term 'Secretary'—

"(A) used in title I, III, V, VI, or VIII, means the Secretary of Labor; and

"(B) used in title II or VII, means the Secretary of Health and Human Services.";

(21) by striking paragraphs (35) and (36), as redesignated by paragraph (18), and inserting the following:

"(35) STATE WORKFORCE DEVELOPMENT BOARD.—The term 'State workforce development board' means a State board, as defined in section 101 of the Workforce Investment Act of 2013.

"(36) STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.—The term 'statewide workforce development system' means a workforce development system, as defined in section 101 of the Workforce Investment Act of 2013.";

(22) by inserting after that paragraph (36) the following:

"(37) STUDENT WITH A DISABILITY.—

"(A) IN GENERAL.—The term 'student with a disability' means an individual with a disability who—

"(i) attends an elementary school, secondary school, or institution of higher education;

"(ii)(I)(aa) is not younger than the earliest age for the provision of transition services under section 614(d)(1)(A)(i)(VIII) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)(1)(A)(i)(VIII)); or

"(bb) if the State involved elects to use a lower minimum age for receipt of pre-employment transition services under this Act, is not younger than that minimum age; and

"(II)(aa) is not older than 21 years of age; or

"(bb) if the State law for the State provides for a higher maximum age for receipt of services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), is not older than that maximum age; and

"(iii)(I) is eligible for, and receiving, special education or related services under

part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); or

"(II) is an individual with a disability, for purposes of section 504.

"(B) STUDENTS WITH DISABILITIES.—The term 'students with disabilities' means more than 1 student with a disability.";

(23) by striking paragraphs (38) and (39), as redesignated by paragraph (18), and inserting the following:

"(38) SUPPORTED EMPLOYMENT.—The term 'supported employment' means competitive integrated employment, including customized employment, that is individualized and customized consistent with the strengths, abilities, interests, and informed choice of the individuals involved, for individuals with the most significant disabilities—

"(A)(i) for whom competitive integrated employment has not historically occurred; or

"(ii) for whom competitive integrated employment has been interrupted or intermittent as a result of a significant disability; and

"(B) who, because of the nature and severity of their disability, need intensive supported employment services and may need extended

services after the transition described in paragraph (13)(C), in order to perform the work involved.

"(39) SUPPORTED EMPLOYMENT SERVICES.—The term 'supported employment services' means ongoing support services, including customized employment, needed to support and maintain an individual with a most significant disability in supported employment, that—

"(A) are provided singly or in combination and are organized and made available in such a way as to assist an eligible individual to achieve an employment outcome in competitive integrated employment;

"(B) are based on a determination of the needs of an eligible individual, as specified in an individualized plan for employment; and

"(C) are provided by the designated State unit for a period of not more than 24 months, except that that period may be extended, if necessary, in order to achieve the employment outcome identified in the individualized plan for employment.";

(24) in paragraph (41), as redesignated by paragraph (18), by striking ''1998'' and inserting ''2013''; and

(25) by inserting after paragraph (41), as redesignated by paragraph (18), the following:

''(42) YOUTH WITH A DISABILITY.—

''(A) IN GENERAL.—The term 'youth with a disability' means an individual with a disability who—

''(i) is not younger than 14 years of age; and

''(ii) is not older than 25 years of age.

''(B) YOUTH WITH DISABILITIES.—The term 'youth with disabilities' means more than 1 youth with a disability.''.

SEC. 505. ADMINISTRATION OF THE ACT.

(a) PROMULGATION.—Section 8(a)(2) (29 U.S.C. 706(a)(2)) is amended by inserting ''of Labor'' after ''Secretary''.

(b) ADMINISTRATION BY THE SECRETARY OF LABOR.—Section 12 (29 U.S.C. 709) is amended—

(1) in the section header, by striking ''OF THE ACT'' and inserting ''BY THE SECRETARY OF LABOR'';

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''(1)'' and inserting ''(1)(A)''; and

(ii) by adding at the end the following:

''(B) provide technical assistance to the designated State units on developing successful partnerships with local and multi-State businesses in an effort to increase the employment of individuals with disabilities;

''(C) provide technical assistance to providers and organizations on developing self-employment opportunities and outcomes for individuals with disabilities; and

''(D) provide technical assistance to entities carrying out community rehabilitation programs to build their internal capacity to provide individualized services and supports leading to competitive integrated employment, and to transition individuals with disabilities away from nonintegrated settings;''; and

(B) in paragraph (2), by striking '', centers for independent living,'';

(3) in subsections (d), (e), and (f), by inserting ''of Labor'' after ''Secretary'' each place it appears;

(4) in subsection (e), by striking ''Rehabilitation Act Amendments of 1998'' each place it appears and inserting ''Workforce Investment Act of 2013'';

(5) by redesignating subsection (g) as subsection (h); and

(6) by inserting after subsection (f) the following:

''(g) In this section, a reference to 'this Act' means a provision of this Act that the Secretary of Labor has authority to carry out.''.

(c) ADMINISTRATION BY THE SECRETARY OF HEALTH AND HUMAN SERVICES.—The Act is amended by inserting after section 12 (29 U.S.C. 709) the following:

''SEC. 12A. ADMINISTRATION BY THE SECRETARY OF HEALTH AND HUMAN SERVICES.

''(a) AUTHORITIES.—In carrying out the purposes of this Act, the ILA Director may—

''(1) provide consultative services and technical assistance to public or nonprofit private agencies and organizations, including assistance to enable such agencies and organizations to facilitate meaningful and effective collaboration with independent living programs, and promote a philosophy of inde-

pendent living for individuals with disabilities in community activities;

"(2) provide short-term training and technical instruction, including training for the personnel of centers for independent living and Statewide Independent Living Councils;

"(3) conduct special projects and demonstrations;

"(4) collect, prepare, publish, and disseminate educational or informational materials, including reports of the projects for which funds are provided under this Act; and

"(5) provide monitoring and conduct evaluations.

"(b) AUTHORITIES CONCERNING OTHER AGENCIES.—

"(1) SERVICES AND FACILITIES.—In carrying out the duties under this Act, the ILA Director may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organization, in accordance with agreements between the ILA Director and the head thereof, and may pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

"(2) TASK FORCES.—In carrying out the provisions of this Act, the ILA Director shall appoint such task forces as may be necessary to collect and disseminate information in order to improve the ability of the ILA Director to carry out the provisions of this Act.

"(c) REGULATIONS GENERALLY.—The Secretary of Health and Human Services may promulgate such regulations as are considered appropriate to carry out the ILA Director's duties under this Act.

"(d) REGULATIONS TO IMPLEMENT THE WORKFORCE INVESTMENT ACT OF 2013.—Not later than 180 days after the date of enactment of the Workforce Investment Act of 2013, the Secretary of Health and Human Services shall receive public comment and promulgate regulations to implement the amendments made by the Workforce Investment Act of 2013.

"(e) NECESSITY.—In promulgating regulations to carry out this Act, the Secretary of Health and Human Services shall promulgate only regulations that are necessary to administer and ensure compliance with the specific requirements of this Act.

"(f) APPLICATION.—In this section, a reference to 'this Act' means a provision of this Act that the Secretary of Health and Human Services has authority to carry out.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.".

SEC. 506. REPORTS.

Section 13 (29 U.S.C. 710) is amended—

(1) in section (c)—

(A) by striking "(c)" and inserting "(c)(1)";

(B) in the second sentence, by striking "section 136(d) of the Workforce Investment Act of 1998" and inserting "section 131(d)(2) of the Workforce Investment Act of 2013"; and

(C) by adding at the end the following:

"(2) The ILA Director described in section 701A shall include, in the annual report, information on the extent to which centers for independent living receiving funds under part C of title VII have complied with the standards and assurances set forth in section 725. The ILA Director may identify individual centers for independent living in the analysis contained in that information. The ILA Director shall include in the report the results of onsite compliance reviews, identifying individual centers for independent living and other recipients of assistance under part C of title VII."; and

(2) by adding at the end the following:

"(d)(1)(A) The Commissioner shall ensure that the reports, information, and data described in subparagraph (B) are made publicly available in a timely manner, including through electronic means, in order to inform the public about the administration and performance of programs in each State under this Act.

"(B) The reports, information, and data referred to in subparagraph (A) shall consist of—

"(i) reports submitted by a designated State agency or designated State unit under this Act;

"(ii) accountability information, including State performance information relating to evaluation standards and performance indicators, and additional performance accountability indicators, under section 106, including information on compliance with such standards, indicators, and measures, relating to individuals with disabilities, submitted by a designated State agency or designated State unit under this Act, or submitted by a State to the Secretary of Labor or the Secretary of Education under section 131 of the Workforce Investment Act of 2013;

"(iii) data collected from each designated State unit under this Act with the approval of the Office of Management and Budget, which shall be made

publicly available in the aggregate, and in a manner that will not reveal personally identifiable information; and

"(iv) reports from monitoring conducted under this Act, including relevant reports required under section 131 of the Workforce Investment Act of 2013 and other relevant reports, information, and data required under title I of such Act.

"(C)(i) The Commissioner shall ensure that the information described in clause (ii) is made publicly available in a timely manner, including through electronic means.

"(ii) The information referred to in clause (i) is—

"(I) the reports, information, and data required to be submitted by designated State units or designated State agencies under this Act;

"(II) evaluations, studies, and audits conducted by Federal agencies, concerning programs carried out under this Act; and

"(III) a list that specifies the designated State unit or designated State agency for each State, including a link to the website maintained by each such unit or agency.

"(2) The Commissioner shall maintain public use read-only access to the State and aggregated reports, and analyzed data, concerning programs carried out under this

Act, that are filed and maintained in the Disability Employment Services and Supports Administration management information system or a system maintained by the Department of Labor.''.

SEC. 507. EVALUATION AND INFORMATION.

(a) EVALUATION BY THE SECRETARY OF LABOR.—Section 14 (29 U.S.C. 711)—

(1) in the section header, by striking ''EVALUATION'' and inserting ''EVALUATION BY THE SECRETARY OF LABOR'';

(2) by inserting ''of Labor'' after ''Secretary'' each place it appears;

(3) in subsection (f)(2), by striking ''nonintegrated to integrated employment'' and inserting ''nonintegrated to competitive integrated employment'';

(4) by redesignating subsection (g) as subsection (h); and

(5) by inserting after subsection (f) the following:

''(g) In this section, a reference to 'this Act' means a provision of this Act that the Secretary of Labor has authority to carry out.''.

(b) EVALUATION BY THE SECRETARY OF HEALTH AND HUMAN SERVICES.—The Act is amended by inserting after section 14 (29 U.S.C. 711) the following:

"SEC. 14A. EVALUATION BY THE SECRETARY OF HEALTH AND HUMAN SERVICES.

"(a) IN GENERAL.—For the purpose of improving program management and effectiveness, the Secretary of Health and Human Services, in consultation with the ILA Director, shall evaluate all the programs authorized by this Act, their general effectiveness in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, using appropriate methodology and evaluative research designs. The Secretary of Health and Human Services shall establish and use standards for the evaluations required by this subsection. Such an evaluation shall be conducted by a person not immediately involved in the administration of the program evaluated.

"(b) PARTICIPANT OPINIONS.—In carrying out evaluations under this section, the Secretary of Health and Human Services shall obtain the opinions of program and project participants about the strengths and weaknesses of the programs and projects.

"(c) PROPERTY.—The Secretary of Health and Human Services shall take the necessary action to assure

that all studies, evaluations, proposals, and data produced or developed with Federal funds under this Act shall become the property of the United States.

"(d) INFORMATION.—Such information as the Secretary of Health and Human Services may determine to be necessary for purposes of the evaluations conducted under this section shall be made available upon request of the Secretary, by the departments and agencies of the executive branch.

"(e) INFORMATION ON INDEPENDENT LIVING.—The ILA Director shall identify and disseminate information on exemplary practices concerning independent living services and centers for independent living.

"(f) APPLICATION.—In this section, a reference to 'this Act' means a provision of this Act that the Secretary of Health and Human Services has authority to carry out.

"(g) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as may be necessary.".

(c) INFORMATION.—Section 15 (29 U.S.C. 712) is amended—

(1) in subsection (a)—

(A) by inserting "of Labor" after "Secretary" each place it appears; and

(B) in paragraph (1), by striking ''State workforce investment boards'' and inserting ''State workforce development boards''; and

(2) in subsection (b), by striking ''Secretary to develop within the Department of Education'' and inserting ''Secretary of Labor to develop, within the Department of Labor,''.

SEC. 508. CARRYOVER.

Section 19 (29 U.S.C. 716) is amended—

(1) in subsection (a)(1), by striking ''part B of title I'' and all that follows through ''including'' and inserting ''part B of title I (except the client assistance program funded under section 112), part B of title VI, chapter 1 of title VII, or chapter 2 of title VII (except as provided in section 753(b)), including''; and

(2) by adding at the end the following:

''(c) CLIENT ASSISTANCE PROGRAM; PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.—

''(1) APPROPRIATED AMOUNTS.—Notwithstanding any other provision of law, any funds appropriated for a fiscal year to carry out a grant program under section 112 or 509 (except as provided in section 509(b)), including any funds reallotted during that fiscal year under such grant program,

that are not obligated and expended by a recipient prior to the beginning of the succeeding fiscal year, shall remain available for obligation and expenditure by such recipient during such succeeding fiscal year.

"(2) PROGRAM INCOME.—Notwithstanding any other provision of law, any amount of program income received by a recipient under a grant program under section 112 or 509 in a fiscal year that is not obligated and expended by the recipient prior to the beginning of the succeeding fiscal year, shall remain available until the end of the second fiscal year after the fiscal year in which it was received.".

SEC. 509. TRADITIONALLY UNDERSERVED POPULATIONS.

Section 21 (29 U.S.C. 718) is amended—

(1) in subsection (a), by striking paragraphs (1) and (2) and inserting the following:

"(1) RACIAL PROFILE.—The demographic profile of the United States is changing at an unprecedented rate, with the population of the Nation becoming far more ethnically diverse than in the past. Within the United States, while the percentage increase from 2000 to 2010 for white Americans was 9.7 percent, the percentage increase during that period for racial and ethnic minorities was much higher: 43.0 percent for Latinos, 12.3 percent for Afri-

can-Americans, and 43.2 percent for Asian-Americans. By the year 2020, the Nation is projected to have a population of 341,000,000, and the percentage of the population that will be either Latino, African-American, or Asian-American is projected to be over 40 percent.

"(2) RATE OF DISABILITY.—Ethnic and racial minorities tend to have disabling conditions at a disproportionately high rate. In 2011—

"(A) among Americans ages 16 through 64, the rate of disability was 12.1 percent;

"(B) among African-Americans in that age range, the disability rate was more than twice as high, at 27.1 percent; and

"(C) for American Indians and Native Alaskans in the same age range, the disability rate was also more than twice as high, at 27.0 percent.";

(2) in subsection (b)(1)—

(A) by striking "National Institute on Disability and Rehabilitation Research" and inserting "National Institute on Disability, Independent Living, and Rehabilitation Research"; and

(B) by striking ''1 percent'' and inserting ''2 percent''.

Subtitle B—Vocational Rehabilitation Services

SEC. 511. DECLARATION OF POLICY; AUTHORIZATION OF APPROPRIATIONS.

(a) FINDINGS; PURPOSE; POLICY.—Section 100(a) (29 U.S.C. 720(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by striking ''gainful employment in integrated settings'' and inserting ''gainful employment in competitive integrated employment settings'';

(B) in subparagraph (D)(iii), by striking ''medicare and medicaid'' and inserting ''Medicare and Medicaid''; and

(C) in subparagraph (G)—

(i) by striking ''workforce investment systems'' and inserting ''workforce development systems''; and

(ii) by striking ''workforce investment activities'' and inserting ''workforce development activities'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''workforce investment system'' and inserting ''workforce development system''; and

(B) in subparagraph (B), by striking ''gainful employment'' and inserting ''high quality employment that will increase opportunities for economic self-sufficiency''; and

(3) in paragraph (3)—

(A) in subparagraph (B), by striking ''gainful employment in integrated settings'' and inserting ''competitive integrated employment''; and

(B) in subparagraph (E), by inserting ''should'' before ''facilitate''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 100(b)(1) (29 U.S.C. 720(b)(1)) is amended by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2014 through 2018''.

SEC. 512. STATE PLANS.

(a) PLAN REQUIREMENTS.—Section 101(a) (29 U.S.C. 721(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''to participate'' and all that follows and inserting ''to receive funds under this title for a fiscal

year, a State shall submit, and have approved by the Secretary and the Secretary of Education a unified State plan in accordance with section 112, or a combined State plan in accordance with section 113, of the Workforce Investment Act of 2013. The unified or combined State plan shall include, in the portion of the plan described in section 112(b)(2)(D) of such Act (referred to in this subsection as the 'vocational rehabilitation services portion'), the provisions of a State plan for vocational rehabilitation services, described in this subsection.'';

(B) in subparagraph (B)—

(i) by striking ''in the State plan for vocational rehabilitation services,'' and inserting ''as part of the vocational rehabilitation services portion of the unified or combined State plan submitted in accordance with subparagraph (A),''; and

(ii) by striking ''Rehabilitation Act Amendments of 1998'' and inserting ''Workforce Investment Act of 2013''; and

(C) in subparagraph (C)—

(i) by striking ''The State plan shall remain in effect subject to the submission

of such modifications'' and inserting ''The vocational rehabilitation services portion of the unified or combined State plan submitted in accordance with subparagraph (A) shall remain in effect until the State is required to submit the plan in accordance with subparagraph (A) or until the submission of such modifications''; and

(ii) by striking '', until the State submits and receives approval of a new State plan'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''The State plan'' and inserting ''The State plan for vocational rehabilitation services'';

(B) in subparagraph (B)(ii), by striking subclauses (I) through (IV) and inserting the following:

''(I) is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of individuals with disabilities, and is responsible for administering the vocational rehabilitation program of the designated State agency;

"(II) has a full-time director who is responsible for the day-to-day operation of the vocational rehabilitation program, including—

"(aa) making all decisions affecting eligibility for vocational rehabilitation services, the nature and scope of available services, and the provision of the services;

"(bb) the determination to close the record of services of an individual who has achieved an employment outcome;

"(cc) policy formulation and implementation;

"(dd) the allocation and expenditure of funds for vocational rehabilitation services;

"(ee) representation of the organizational unit as a one-stop partner in the one-stop delivery system under title I of the Workforce Investment Act of 2013; and

"(ff) representation of the vocational rehabilitation services core program for purposes of section 111(b)(1)(C)(iii)(I) of the Workforce Investment Act of 2013;

"(III) has a staff employed on the rehabilitation work of the organizational unit, all or substantially all of whom are employed full-time on the vocational rehabilitation or vocational and other rehabilitation work of the organizational unit;

"(IV) is located at an organizational level and has an organizational status within the designated State agency comparable to that of other major organizational units of the designated State agency for which the head of the designated State agency has a direct line of authority; and

"(V)(aa) has the sole authority and responsibility within the State to ensure that the funds appropriated under this title are expended only in

a manner that is consistent with the purposes of this title; and

"(bb) may not delegate to another agency, including the designated State agency, the authority and responsibility described in item (aa) or allow an agency described in this item to perform that authority and responsibility."; and

(C) by adding at the end the following:

"(D) STATE AGENCY FOR REIMBURSEMENT PURPOSES.—A governing body of an Indian tribe that receives a grant under section 121 shall be considered, for purposes of the cost reimbursement provisions—

"(i) in section 222(d)(1) of the Social Security Act (42 U.S.C. 422(d)(1)), to be a State; and

"(ii) in subsections (d) and (e) of section 1615 of the Social Security Act (42 U.S.C. 1382d), to be a State agency described in subsection (d) of that section.";

(3) in paragraph (5)—

(A) in subparagraph (C), by striking "and" at the end;

(B) by redesignating subparagraph (D) as subparagraph (E); and

(C) by inserting after subparagraph (C) the following:

''(D) notwithstanding subparagraph (C), permit the State, in its discretion, to elect to serve eligible individuals (whether or not receiving vocational rehabilitation services) who require specific services or equipment to maintain employment; and'';

(4) in paragraph (6)(B), by striking ''to employ and advance in employment'' and inserting ''to employ and advance in competitive integrated employment'';

(5) in paragraph (7)—

(A) in subparagraph (A)(v)—

(i) in subclause (I), after ''rehabilitation technology'' insert the following: '', including training implemented in coordination with entities carrying out State programs under section 4 of the Assistive Technology Act of 1998 (29 U.S.C. 3003)''; and

(ii) in subclause (II), by striking ''Rehabilitation Act Amendments of 1998'' and

inserting "Workforce Investment Act of 2013"; and

(B) in subparagraph (B), by striking clause (ii) and inserting the following:

"(ii) the establishment and maintenance of education and experience requirements, to ensure that the personnel have a 21st century understanding of the evolving labor force and the needs of individuals with disabilities, including requirements for—

"(I)(aa) attainment of a baccalaureate degree in a field of study reasonably related to vocational rehabilitation, to indicate a level of competency and skill demonstrating basic preparation in a field of study such as vocational rehabilitation counseling, social work, psychology, disability studies, business administration, human resources, special education, supported employment, customized employment, job placement, economics, or another field that reasonably

1 prepares individuals to work with con-
2 sumers and employers; and
3 "(bb) demonstrated paid or un-
4 paid experience, for not less than 1
5 year, consisting of—
6 "(AA) direct work with indi-
7 viduals with disabilities in a set-
8 ting such as an independent liv-
9 ing center or experience as a
10 member of the governing board
11 of an independent living center;
12 "(BB) advocacy experience
13 with a nonprofit disability rights
14 or disability membership organi-
15 zation, a State Council on Devel-
16 opmental Disabilities, established
17 under section 125 of the Develop-
18 mental Disabilities Assistance
19 and Bill of Rights Act of 2000
20 (42 U.S.C. 15025) or as a mem-
21 ber of the governing board for
22 such a council, or as a parent ad-
23 vocate or member of the gov-
24 erning board of a parent infor-

1 mation and training center au-
2 thorized under section 303(f);
3 ''(CC) direct service or advo-
4 cacy activities that provide such
5 individual with experience and
6 skills in working with individuals
7 with disabilities; or
8 ''(DD) direct experience as
9 an employer, as a small business
10 owner or operator, or in self-em-
11 ployment, or other experience in
12 human resources, recruitment, or
13 experience in supervising employ-
14 ees, training, or other activities
15 that provide experience in com-
16 petitive integrated employment
17 environments; or
18 ''(II) attainment of a master's or
19 doctoral degree in a field of study
20 such as vocational rehabilitation coun-
21 seling, law, social work, psychology,
22 disability studies, business administra-
23 tion, human resources, special edu-
24 cation, management, public adminis-
25 tration, or another field that reason-

ably provides competence in the employment sector, in a disability field, or in both business-related and rehabilitation-related fields; and''; (6) in paragraph (8)—

(A) in subparagraph (A), by striking ''(5)(D)'' and inserting ''(5)(E)'';

(B) in subparagraph (B)—

(i) in the matter preceding clause (i)—

(I) by striking ''workforce investment system'' and inserting ''workforce development system''; and

(II) by striking ''(5)(D)'' and inserting ''(5)(E)'';

(ii) in clause (iv), by striking ''(5)(D)'' and inserting ''(5)(E)''; and

(iii) by adding at the end the following:

''(v) PROVISION OF ACCOMMODATIONS AND AUXILIARY AIDS AND SERVICES.—Information specifying policies and procedures for resolving issues of financial responsibility and reimbursement, as appropriate, for an accommodation or auxiliary

aid or service for an individual with a disability, in the event that the designated State unit pays for that item or that aid or service, in order to avoid interruption of or delay in—

"(I) the progress of an individual in achieving an employment outcome;

"(II) an immediate job placement; or

"(III) the provision of services to an individual at extreme medical risk."; and

(C) in subparagraph (C)(i), by striking "(5)(D)" and inserting "(5)(E)";

(7) in paragraph (10)—

(A) in subparagraph (B), by striking "annual" and all that follows through "of 1998" and inserting "annual reporting of information, on eligible individuals receiving the services, that is necessary to assess the State's performance on those primary indicators of performance (described in section 131(b)(2)(A)(i) of the Workforce Investment Act of 2013)";

(B) in subparagraph (C)—

(i) in the matter preceding clause (i), by inserting ", from each individual State," after "additional data";

(ii) in clause (i)(II), by striking "determined" and all that follows and inserting "determined to be ineligible for vocational rehabilitation services, and the reason for such determination of ineligibility (disaggregated by type of disability, and age);";

(iii) in clause (ii)—

(I) in subclause (I), by striking "(5)(D)" and inserting "(5)(E)";

(II) in subclause (II), by striking "and" at the end; and

(III) by adding at the end the following:

"(IV) a comparison, among individuals who obtained employment, of—

"(aa) the number of individuals who continued to use public benefits; and

"(bb) the number of individuals who no longer used public benefits;

"(V) the total number of individuals with ongoing open cases (disaggregated by individuals who are in training settings, and individuals who are in postsecondary education), and the services individuals described in this subclause are receiving;

"(VI) the total number of students with disabilities that are receiving pre-employment transition services, and the cost for providing those services for each full fiscal year after the date of enactment of the Workforce Investment Act of 2013;

"(VII) the total number of youth with disabilities that are receiving transition services, and the total cost for providing those services to such youth during the last full fiscal year prior to the date of enactment of the Workforce Investment Act of 2013 and during each fiscal year thereafter;

"(VIII) the number of youth with disabilities who entered postsecondary training or programs for apprenticeships registered under the Act of August 16, 1937 (commonly known as the 'National Apprenticeship Act'; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.);

"(IX) the number of youth with disabilities who entered postsecondary education;

"(X) the number of youth with disabilities who attained academic levels and job skills needed for employment;

"(XI) the number of youth with disabilities who entered employment;

"(XII) the number of individuals referred to one-stop centers, as defined in section 101 of the Workforce Investment Act of 2013; and

"(XIII) the number of individuals referred from such one-stop centers to designated State units and the outcomes of such referrals;";

(iv) in clause (iii), by striking ''and'' at the end;

(v) in clause (iv)—

(I) in subclause (I), by inserting before the semicolon the following: ''and, for those who achieved employment outcomes, the average length of time to obtain employment''; and

(II) in subclause (II), by striking the period and inserting ''; and''; and

(vi) by adding at the end the following:

''(v)(I) the transition from school to postsecondary life, including employment, and achievement of the postsecondary vocational goals, of students with disabilities served under the program carried out under this title; and

''(II) the provision of supported employment services.'';

(C) in subparagraph (D)(i), by striking ''title I of the Workforce Investment Act of 1998'' and inserting ''title II of the Workforce Investment Act of 2013'';

(D) in subparagraph (E)(ii), by striking "of the State" and all that follows and inserting "of the State in meeting the standards and indicators established pursuant to section 106."; and

(E) by adding at the end the following:

"(G) RULES FOR REPORTING OF DATA.—The disaggregation of data under this section shall not be required within a category if the number of participants in a category is insufficient to yield statistically reliable information, or required if the results would reveal personally identifiable information about an individual participant.

"(H) COMPREHENSIVE REPORT.—The State plan shall specify that the Commissioner will provide an annual comprehensive report that includes the reports and data required under this section, as well as a summary of the reports and data, for each fiscal year. The Commissioner shall submit the report to the Committee on Education and the Workforce of the House of Representatives, the Committee on Appropriations of the House of Representatives, the Committee on Health, Education,

Labor, and Pensions of the Senate, and the Committee on Appropriations of the Senate, not later than 90 days after the end of the fiscal year involved.'';

(8) in paragraph (11)—

(A) in subparagraph (A)—

(i) in the subparagraph header, by striking ''WORKFORCE INVESTMENT SYSTEMS'' and inserting ''WORKFORCE DEVELOPMENT SYSTEMS'';

(ii) in the matter preceding clause (i), by striking ''workforce investment system'' and inserting ''workforce development system'';

(iii) in clause (i)(II), by inserting ''(including programmatic accessibility and physical accessibility)'' after ''program accessibility'';

(iv) in clause (ii), by striking ''workforce investment system'' and inserting ''workforce development system''; and

(v) in clause (v), by striking ''workforce investment system'' and inserting ''workforce development system'';

(B) in subparagraph (B), by striking ''workforce investment system'' and inserting ''workforce development system'';

(C) in subparagraph (C)—

(i) by inserting ''the State programs carried out under section 4 of the Assistive Technology Act of 1998 (29 U.S.C. 3003),'' after ''including'';

(ii) by inserting '', noneducational agencies serving out-of-school youth,'' after ''Agriculture'';

(iii) by striking ''such agencies and programs'' and inserting ''such Federal, State, and local agencies and programs''; and

(iv) by striking ''workforce investment system'' and inserting ''workforce development system'';

(D) in subparagraph (D)—

(i) in clause (ii), by striking ''completion'' and inserting ''implementation'';

(ii) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively; and

(iii) by inserting after clause (ii) the following:

"(iii) identifying options for additional education and training, in order to facilitate the provision of transition services for youth with disabilities and students with disabilities, such as services provided under section 114;";

(E) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (H), respectively;

(F) by inserting after subparagraph (D) the following:

"(E) COORDINATION WITH EMPLOYERS.—The State plan shall contain plans, policies, and procedures for coordination between the designated State unit and employers that provide for building relationships with employers and identifying community-based competitive integrated employment opportunities and career exploration opportunities, in order to facilitate the provision of transition services for youth with disabilities and students with disabilities, such as services provided under section 114;";

(G) in subparagraph (F), as redesignated by subparagraph (E) of this paragraph—

(i) by inserting ''chapter 1 of'' after ''part C of''; and

(ii) by inserting '', as appropriate'' before the period;

(H) by inserting after subparagraph (F), as redesignated by subparagraph (E) of this paragraph, the following:

''(G) COOPERATIVE AGREEMENT REGARDING INDIVIDUALS ELIGIBLE FOR HOME AND COMMUNITY-BASED WAIVER PROGRAMS.—The State plan shall include an assurance that the designated State unit has entered into a formal cooperative agreement with the State agency responsible for administering the State Medicaid plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and the State agency with primary responsibility for providing services and supports for individuals with intellectual disabilities and individuals with developmental disabilities, with respect to the delivery of vocational rehabilitation services, including extended services, for individuals with the most significant disabilities who have been deter-

mined to be eligible for home and community-based services under a Medicaid waiver, Medicaid State plan amendment, or other authority related to a State Medicaid program.'';

(I) in subparagraph (H), as redesignated by subparagraph (E) of this paragraph—

(i) in clause (ii)—

(I) by inserting ''on or'' before ''near''; and

(II) by striking ''and'' at the end;

(ii) by redesignating clause (iii) as clause (iv); and

(iii) by inserting after clause (ii) the following:

''(iii) strategies for the provision of transition planning, by personnel of the designated State unit, the State educational agency, and the recipient of funds under part C, that will facilitate the development and implementation of the individualized education programs under section 614(d) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)) and, as appropriate, the development and completion of the individualized plans for em-

ployment under section 102, in order to enable students with disabilities to achieve postschool employment outcomes; and''; and

(J) by adding at the end the following:

''(I) COORDINATION WITH ASSISTIVE TECHNOLOGY PROGRAMS.—The State plan shall include an assurance that the designated State unit, and the lead agency and implementing entity (if any) designated by the Governor of the State under section 4 of the Assistive Technology Act of 1998 (29 U.S.C. 3003), have developed working relationships and will enter into agreements for the coordination of their activities, including the referral of individuals with disabilities to programs and activities described in that section.

''(J) COORDINATION WITH TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.—The State plan shall include an assurance that the designated State unit will coordinate activities with any other State agency that is functioning as an employment network under the Ticket to Work and Self-Sufficiency Program established

under section 1148 of the Social Security Act (42 U.S.C. 1320b–19).";

(9) in paragraph (14)—

(A) in the paragraph header, by striking "ANNUAL" and inserting "SEMIANNUAL";

(B) in subparagraph (A)—

(i) by striking "annual" and inserting "semiannual";

(ii) by striking "(and thereafter" and all that follows through "representative)" and inserting ", and annually thereafter"; and

(iii) by striking "to competitive" and all that follows and inserting the following: "to competitive integrated employment or training for competitive integrated employment;";

(C) in subparagraph (B), by striking "and" at the end;

(D) in subparagraph (C), by striking "the individuals described" and all that follows and inserting "individuals in attaining competitive integrated employment; and"; and

(E) by adding at the end the following:

"(D) an assurance that the State will report the information generated under subparagraphs (A), (B), and (C), for each of the individuals, to the Administrator of the Wage and Hour Division of the Department of Labor for each fiscal year, not later than 60 days after the end of the fiscal year.";

(10) in paragraph (15)—

(A) in subparagraph (A)—

(i) in clause (i)—

(I) in subclause (II), by striking "and" at the end;

(II) in subclause (III)—

(aa) by striking "workforce investment system" and inserting "workforce development system"; and

(bb) by adding "and" at the end; and

(III) by adding at the end the following:

"(IV) youth with disabilities, and students with disabilities, including their need for pre-employment transi-

tion services described in section 114 or other transition services; and''; and

(ii) by striking clauses (ii) and (iii) and inserting the following:

''(ii) include an assessment of the needs of individuals with disabilities for transition services and pre-employment transition services provided under this Act, and coordinated with transition services provided under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), and an assessment as to whether the transition and pre-employment transition services provided under those Acts meet the needs of individuals with disabilities.'';

(B) in subparagraph (B)—

(i) in clause (ii), by striking ''and'' at the end;

(ii) by redesignating clause (iii) as clause (iv); and

(iii) by inserting after clause (ii) the following:

''(iii) the number of individuals who are eligible for services under this title, but

are not receiving such services due to an order of selection; and''; and

(C) in subparagraph (D)—

(i) by redesignating clauses (iii) through (v) as clauses (iv) through (vi);

(ii) by inserting after clause (ii) the following:

''(iii) the methods to be used to improve and expand vocational rehabilitation services for students with disabilities, including the coordination of services designed to facilitate the transition of such students from the receipt of educational services in school to postsecondary life (including the receipt of vocational rehabilitation services under this title, postsecondary education, employment, and pre-employment transition services under section 114);''; and

(iii) in clause (vi), as redesignated by clause (i) of this subparagraph, by striking ''workforce investment system'' and inserting ''workforce development system'';

(11) in paragraph (20)—

(A) in subparagraphs (A) and (B)(i), by striking ''workforce investment system'' and inserting ''workforce development system'';

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

''(B) INFORMATION ON ASSISTANCE FOR BENEFICIARIES OF ASSISTANCE UNDER TITLE II OR XVI OF THE SOCIAL SECURITY ACT.—The State plan shall include an assurance that the designated State unit will make available, to individuals entitled to benefits under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) on the basis of a disability or blindness—

''(i) information on the availability of benefits and medical assistance authorized under the State Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), and medical assistance authorized under other federally funded programs;

"(ii) information on the availability of assistance through benefits planning and assistance programs authorized under section 1149 of the Social Security Act (42 U.S.C. 1320b–20) and services provided by the State protection and advocacy system and authorized under section 1150 of the Social Security Act (42 U.S.C. 1320b–21); and

"(iii) in the case of individuals who are also eligible for a ticket under the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act (42 U.S.C. 1320b–19), general information regarding the options for using the ticket and information on how to contact a program manager of the Ticket to Work and Self-Sufficiency Program to obtain information on approved employment networks, on providers for the benefits planning and assistance programs described in clause (ii) in the State, and on the services provided by the State protection and advocacy system and described in clause (ii)."; and

(12) by adding at the end the following:

"(25) SERVICES FOR STUDENTS WITH DISABILITIES.—The State plan shall provide an assurance that, with respect to students with disabilities, the State—

"(A) has developed and will implement—

"(i) strategies to address the needs identified in the assessments described in paragraph (15); and

"(ii) strategies to achieve the goals and priorities identified by the State, in accordance with paragraph (15), to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis; and

"(B) has developed and will implement strategies to carry out the provision of pre-employment transition services in accordance with section 114.

"(26) JOB GROWTH AND DEVELOPMENT.—The State plan shall provide an assurance describing how the State will utilize initiatives involving in-demand industry sectors or occupations under sections 116(c) and 118 of the Workforce Investment Act of

2013 to increase competitive integrated employment opportunities for individuals with disabilities.''.

(b) APPROVAL.—Section 101(b) (29 U.S.C. 721(b)) is amended to read as follows:

''(b) SUBMISSION; APPROVAL; MODIFICATION.—The State plan for vocational rehabilitation services shall be subject to—

''(1) subsection (c) of section 112 of the Workforce Investment Act of 2013, in a case in which that plan is a portion of the unified State plan described in that section 112; and

''(2) subsection (b), and paragraphs (1), (2), and (3) of subsection (c), of section 113 of such Act in a case in which that State plan for vocational rehabilitation services is a portion of the combined State plan described in that section 113.''.

(c) CONSTRUCTION.—Section 101 (29 U.S.C. 721) is amended by adding at the end the following:

''(c) CONSTRUCTION.—Nothing in this part shall be construed to reduce the obligation of a local educational agency or any other agency to provide or pay for any transition services that are also considered special education or related services and that are necessary for ensuring a free appropriate public education to children with disabilities within the State involved.''.

SEC. 513. ELIGIBILITY AND INDIVIDUALIZED PLAN FOR EMPLOYMENT.

(a) ELIGIBILITY.—Section 102(a) (29 U.S.C. 722(a)) is amended—

(1) in paragraph (1)(B), by striking ''regain employment'' and inserting ''regain employment, including accomplishing career advancement, in employment that is consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, and informed choice'';

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) in the subparagraph header, by striking ''DEMONSTRATION'' and inserting ''APPLICANTS''; and

(ii) by striking '', unless'' and all that follows and inserting a period; and

(B) in subparagraph (B)—

(i) in the subparagraph header, by striking ''METHODS'' and inserting ''RESPONSIBILITIES'';

(ii) in the first sentence—

(I) by striking ''In making the demonstration required under subparagraph (A),'' and inserting ''Prior to determining under this subsection

that an applicant described in subparagraph (A) is unable to benefit due to the severity of the individual's disability or that the individual is ineligible for vocational rehabilitation services,''; and

(II) by striking '', except under'' and all that follows and inserting a period; and

(iii) in the second sentence, by striking ''individual or to determine'' and all that follows and inserting ''individual. In providing the trial experiences, the designated State unit shall provide the individual with the opportunity to try different employment experiences, including supported employment, and the opportunity to become employed in competitive integrated employment.'';

(3) in paragraph (3)(A)(ii), by striking ''outcome from'' and all that follows and inserting ''outcome, including supported employment, from vocational rehabilitation services due to the current (as of the date of the determination) severity of the disability of the individual.''; and

(4) in paragraph (5)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''If an individual'' and inserting ''If, after the designated State unit carries out the activities described in paragraph (2)(B), a review of existing data, and, to the extent necessary, the assessment activities described in section 7(2)(A)(ii), an individual''; and

(ii) by striking ''is determined'' and all that follows through ''not to be'' and inserting ''is determined not to be'';

(B) by redesignating subparagraphs (A) through (D) as subparagraphs (B) through (E), respectively;

(C) by inserting before subparagraph (B) the following:

''(A) the ineligibility determination shall be an individualized one, based on the available data, and shall not be based on assumptions about broad categories of disabilities;''; and

(D) in clause (i) of subparagraph (C), as redesignated by subparagraph (B) of this paragraph, by inserting after ''determination'' the

following: ", including clear and convincing evidence that forms the basis for the determination of ineligibility".

(b) DEVELOPMENT OF AN INDIVIDUALIZED PLAN FOR EMPLOYMENT, AND RELATED INFORMATION.—Section 102(b) (29 U.S.C. 722(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ", to the extent determined to be appropriate by the eligible individual,";

(B) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (C), and (D), and (E), respectively; and

(C) by inserting after subparagraph (A) the following:

"(B) information on the availability of assistance from consumer organizations, as defined in section 106(a)(4) (including a listing of such organizations) that can assist an individual in the development of an individualized plan for employment, in order to ensure that the plan reflects the informed and effective choices of the individual;";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

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

"(2) INDIVIDUALS ENTITLED TO BENEFITS UNDER THE SOCIAL SECURITY ACT.—For an individual entitled to benefits under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) on the basis of a disability or blindness, the designated State unit shall provide to the individual—

"(A) general information on the availability of benefits and medical assistance authorized under the State Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), and medical assistance authorized under other federally funded programs;

"(B) general information on the availability of assistance through benefits planning and assistance programs authorized under section 1149 of the Social Security Act (42 U.S.C. 1320b–20) and services provided by the State protection and advocacy system and authorized

under section 1150 of the Social Security Act (42 U.S.C. 1320b–21); and

"(C) in the case of individuals who are also eligible for a ticket under the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act (42 U.S.C. 1320b–19), general information regarding the options for using the ticket and information on how to contact a program manager of the Ticket to Work and Self-Sufficiency Program to obtain information on approved employment networks, on providers for the benefits planning and assistance programs described in subparagraph (B) in the State, and on the services provided by the State protection and advocacy system and described in subparagraph (B).";

(4) in paragraph (3), as redesignated by paragraph (2) of this subsection—

(A) in subparagraph (E)—

(i) in clause (i), by striking "and" at the end;

(ii) in clause (ii), by striking the period and inserting "; and"; and

(iii) by adding at the end the following:

"(iii) amended, as necessary, to include the postemployment services and service providers that are necessary for the individual to maintain or regain employment, consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice."; and

(B) by adding at the end the following:

"(F) TIMEFRAME FOR COMPLETING THE INDIVIDUALIZED PLAN FOR EMPLOYMENT.—The individualized plan for employment shall be developed as soon as possible, but not later than a deadline of 90 days after the date of the determination of eligibility described in paragraph (1), unless the designated State unit and the eligible individual agree to an extension of that deadline to a specific date by which the individualized plan for employment shall be completed.

"(G) FAILURE TO DEVELOP THE INDIVIDUALIZED PLAN FOR EMPLOYMENT WITHIN THE SPECIFIED TIMEFRAME.—In the event the indi-

vidualized plan for employment is not completed by the deadline or extended deadline, as appropriate, under subparagraph (F), the eligible individual shall have the right to request the procedures described in subsection (c). If the eligible individual requests a hearing, the hearing officer shall have the authority to order the designated State unit to complete the individualized plan for employment within a reasonable period of time.''; and

(5) in paragraph (4), as redesignated by paragraph (2) of this subsection—

(A) in subparagraph (A)—

(i) by inserting ''in competitive integrated employment'' after ''outcome''; and

(ii) by striking ''choice of the'' and all that follows and inserting ''choice of the eligible individual, consistent with the general goal of competitive integrated employment (except that in the case of an eligible individual who is a student, the description may be a description of the student's projected postschool employment outcome);'';

(B) in subparagraph (B)(i)—

(i) by redesignating subclause (II) as subclause (III); and

(ii) by striking subclause (I) and inserting the following:

"(I) needed to achieve the employment outcome, including, as appropriate—

"(aa) the provision of assistive technology devices and assistive technology services (including referrals described in section 103(a)(3) to the device reutilization programs and demonstrations described in subparagraphs (B) and (D) of section 4(e)(2) of the Assistive Technology Act of 1998 (29 U.S.C. 3003(e)(2)) through agreements developed under section 101(a)(11)(H);

"(bb) mentoring services; and

"(cc) personal assistance services (including training in the management of such services);

"(II) in the case of a plan for an eligible individual that is a student, the specific transition services and supports (including work experience, mentoring activities, and

supported employment) needed to achieve the student's employment outcome or projected postschool employment outcome; and";

(C) in subparagraph (F), by striking "and" at the end;

(D) in subparagraph (G), by striking the period and inserting "; and"; and

(E) by adding at the end the following:

"(H) for an individual who also is receiving assistance from an employment network under the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act (42 U.S.C. 1320b–19), a list of the services that are listed in the individual work plan that the individual developed with the employment network under subsection (g) of that section, and a description of how responsibility for service delivery will be divided between the employment network and the designated State unit.".

(c) PROCEDURES.—Section 102(c) (29 U.S.C. 722(c)) is amended—

(1) in paragraph (1), by adding at the end the following: "The procedures shall allow an applicant

or an eligible individual or, as appropriate, the applicant's representative or individual's representative, the opportunity to request mediation, an impartial due process hearing, or both procedures.'';

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) in clause (ii), by striking ''and'' at the end;

(ii) in clause (iii), by striking the period and inserting ''; and''; and

(iii) by adding at the end the following:

''(iv) any applicable State limit on the time by which a request for mediation under paragraph (4) or a hearing under paragraph (5) shall be made, and any required procedure by which the request shall be made.''; and

(B) in subparagraph (B)(iii), by inserting ''the denial,'' before ''reduction,''; and

(3) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following:

''(A) OFFICER.—A due process hearing described in paragraph (2) shall be conducted by

an impartial hearing officer who, on reviewing the evidence presented, shall issue a written decision based on the provisions of the approved State plan, requirements specified in this Act (including regulations implementing this Act), and State regulations and policies that are consistent with the Federal requirements specified in this title. The officer shall provide the written decision to the applicant or eligible individual, or, as appropriate, the applicant's representative or individual's representative, and to the designated State unit. The impartial hearing officer shall have the authority to render a decision and require actions, consistent with the requirements specified in this title (including regulations implementing this title), regarding all aspects of the applicant's or eligible individual's vocational rehabilitation services under this title.''; and

(B) in subparagraph (B), by striking ''in laws (including regulations)'' and inserting ''about Federal and State laws (including regulations) and the approved State plan''.

SEC. 514. VOCATIONAL REHABILITATION SERVICES.

Section 103 (29 U.S.C. 723) is amended—

(1) in subsection (a)—

(A) in paragraph (13), by striking ''workforce investment system'' and inserting ''workforce development system'';

(B) by striking paragraph (15) and inserting the following:

''(15) transition services for students with disabilities, that facilitate the transition from school to postsecondary life, such as achievement of an employment outcome in competitive integrated employment, or pre-employment transition services described in section 114;'';

(C) by redesignating paragraphs (17) and (18) as paragraphs (18) and (19), respectively;

(D) by inserting after paragraph (16) the following:

''(17) customized employment;'';

(E) in paragraph (18), as redesignated by subparagraph (C) of this paragraph, by striking the ''and'' at the end;

(F) in paragraph (19), as redesignated by subparagraph (C) of this paragraph, by striking the period and inserting ''; and''; and

(G) by adding at the end the following:

''(20) mentoring services.''; and

(2) in subsection (b)—

(A) in paragraph (2)(A), by striking the second sentence and inserting "Such programs shall be used to provide services described in this section that promote integration into the community and that result in competitive integrated employment, including supported employment and customized employment, for applicants or eligible individuals with disabilities.";

(B) by striking paragraph (2)(B) and inserting the following:

"(B) The establishment, development, or improvement of a facility for a community rehabilitation program, or the construction of such a facility, which shall be limited to that necessary for the expansion or improvement of services described in this section for applicants or eligible individuals with disabilities.";

(C) by striking paragraph (5) and inserting the following:

"(5) Technical assistance to businesses that are seeking to employ individuals with disabilities."; and

(D) by striking paragraph (6) and inserting the following:

"(6) Consultation and technical assistance services to assist State educational agencies and local educational agencies in planning for the transition of students with disabilities from school to postsecondary life, including employment.".

SEC. 515. STATE REHABILITATION COUNCIL.

Section 105 (29 U.S.C. 725) is amended—

(1) in subsection (b)(1)—

(A) in subparagraph (A)—

(i) by striking clause (ix) and inserting the following:

"(ix) in a State in which one or more projects are funded under section 121 and in which such services are provided through those projects, at least one representative of the directors of the projects located in such State;";

(ii) in clause (x), by striking "and" at the end;

(iii) in clause (xi)—

(I) by striking "State workforce investment board" and inserting "State workforce development board"; and

(II) by striking the period and inserting "; and"; and

(iv) by adding at the end the following:

"(xii) the director of the State's comprehensive statewide program of technology-related assistance funded under section 4 of the Assistive Technology Act of 1998 (29 U.S.C. 3003)."; and

(B) in subparagraph (B)—

(i) in clause (xi), by striking "and" at the end;

(ii) in clause (xii), by striking the period and inserting "; and"; and

(iii) by adding at the end the following:

"(xiii) the director of the State's comprehensive statewide program of technology-related assistance funded under section 4 of the Assistive Technology Act of 1998 (29 U.S.C. 3003)."; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking "State workforce investment board"

and inserting ''State workforce development board''; and

(B) in paragraph (6), by striking ''Service Act'' and all that follows and inserting ''Service Act (42 U.S.C. 300x–3(a)) and the State workforce development board, and with the activities of entities carrying out programs under the Assistive Technology Act of 1998 (29 U.S.C. 3001 et seq.);''.

SEC. 516. EVALUATION STANDARDS AND PERFORMANCE INDICATORS.

Section 106 (29 U.S.C. 726) is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) STANDARDS AND INDICATORS.—The evaluation standards and performance indicators for the vocational rehabilitation program carried out under this title shall be subject to the performance accountability provisions described in section 131(b) of the Workforce Investment Act of 2013.

''(2) ADDITIONAL PERFORMANCE ACCOUNTABILITY INDICATORS.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Commissioner may establish additional performance accountability indicators,

which may include outcome and related measures of program performance.

"(B) COMMENT.—Such additional performance accountability indicators shall be developed with input from State vocational rehabilitation agencies, related professional and consumer organizations, recipients of vocational rehabilitation services, and other interested parties. The Commissioner shall publish in the Federal Register a notice of intent to regulate regarding the development of proposed additional performance accountability indicators. Proposed additional performance accountability indicators shall be published in the Federal Register for review and comment. Final additional performance accountability indicators shall be published in the Federal Register.

"(3) REPORTS.—Each State that receives funds under this title shall submit a report to the Commissioner containing information on any additional performance accountability indicators established under paragraph (2).

"(4) CONSUMER ORGANIZATION.—In this subsection, the term 'consumer organization' means a membership organization, or disability advocacy

group, for which a majority of the members of the board of directors of the organization or group are individuals with disabilities or family members of individuals with disabilities.''.

SEC. 517. MONITORING AND REVIEW.

(a) IN GENERAL.—Section 107(a) (29 U.S.C. 727(a)) is amended—

(1) in paragraph (3)(E), by inserting before the period the following: '', including personnel of a client assistance program under section 112, and past or current recipients of vocational rehabilitation services''; and

(2) in paragraph (4)—

(A) by striking subparagraphs (A) and (B) and inserting the following:

''(A) the eligibility process, including the process related to the determination of ineligibility under section 102(a)(5);

''(B) the provision of services, including supported employment services, and pre-employment transition services for students with disabilities and, if applicable, the order of selection;'';

(B) in subparagraph (C), by striking ''and'' at the end;

(C) by redesignating subparagraph (D) as subparagraph (E); and

(D) by inserting after subparagraph (C) the following:

''(D) data on individuals determined to be ineligible for services due to severity of their disability, to determine if systematic changes could result in increased capacity to meet the needs of such individuals; and''.

(b) REVIEW.—Section 107(d) (29 U.S.C. 727(d)) is amended, in paragraphs (1) and (2), by striking ''a final determination of the Commissioner under section 101(b) or subsection (c)'' and inserting ''a final determination on a State plan for vocational rehabilitation services under the procedures referenced in section 101(b), or a final determination by the Commissioner under subsection (c)''.

SEC. 518. TRAINING AND SERVICES FOR EMPLOYERS.

Section 109 (29 U.S.C. 728a) is amended to read as follows:

''SEC. 109. TRAINING AND SERVICES FOR EMPLOYERS.

''A State may expend payments received under section 111 to educate and provide services to employers who have hired or are interested in hiring individuals with disabilities under programs carried out under this title, including—

"(1) providing training and technical assistance to employers regarding the employment of individuals with disabilities, including disability awareness, and the requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and other employment-related laws;

"(2) working with employers to—

"(A) provide opportunities for work-based learning experience (including internships, short-term employment, apprenticeships, and fellowships), such as opportunities in conjunction with pre-employment transition services;

"(B) recruit qualified applicants with disabilities;

"(C) train employees with disabilities; and

"(D) promote retention of employees who are at risk of losing a job due to disability-related barriers;

"(3) providing consultations, technical assistance, and support to employers on workplace accommodations, assistive technology, and facilities and workplace access;

"(4) assisting employers with utilizing available financial support, including tax credits and deduc-

tions available for hiring or accommodating individuals with disabilities; and

"(5) supporting the development of working relationships between State vocational rehabilitation agencies, their community partners, and employers on multi-State and national levels, including—

"(A) encouraging employers to recruit qualified individuals with disabilities for available employment opportunities;

"(B) facilitating such recruitment by disseminating information about specific available employment opportunities to qualified individuals who are recipients of vocational rehabilitation services under this subtitle, or who are applicants for such services;

"(C) matching qualified individuals who are recipients of vocational rehabilitation services under this subtitle, or who are applicants for such services, with employers that have available employment opportunities on the local, regional, or national level; and

"(D) providing support services, as appropriate, to employers to facilitate the hiring of qualified individuals who are recipients of voca-

tional rehabilitation services under this subtitle, or who are applicants for such services.''.

SEC. 519. STATE ALLOTMENTS.

(a) IN GENERAL.—Section 110 (29 U.S.C. 730) is amended—

(1) in subsection (a)(1), by striking ''Subject to the provisions of subsection (c)'' and inserting ''Subject to the provisions of subsections (c), (d), and (e),''; and

(2) by striking subsections (b) and (c) and inserting the following:

''(b)(1) Not later than 45 days prior to the end of the fiscal year, the Commissioner shall determine, after reasonable opportunity for the submission to the Commissioner of comments by the State agency administering or supervising the program established under this title, whether any amount from the payment of an allotment to a State under section 111(a) for any fiscal year will not be utilized by such State in carrying out the purposes of this title.

''(2)(A) As soon as practicable but not later than the end of the fiscal year, the Commissioner shall reallot the amount available under paragraph (1) to other States, consistent with subparagraphs (B) and (C), for carrying out the purposes of this title to the extent the Commis-

sioner determines such an other State will be able to use an additional amount, during that fiscal year or the subsequent fiscal year for carrying out such purposes.

"(B)(i) The Commissioner shall reallot a portion of the amount available under paragraph (1) for a fiscal year to each State whose allotment under subsection (a) for such fiscal year is less than such State's allotment under subsection (a) for the immediately preceding fiscal year, adjusted by the percentage change in the funds available for subsection (a) from the immediately preceding fiscal year.

"(ii)(I) Subject to subclause (II), a State that is eligible to receive a reallotment under clause (i) shall receive a portion for a fiscal year from the amount available for reallotment under paragraph (1) that is equal to the difference between—

"(aa) the amount such State was allotted under subsection (a) for such fiscal year; and

"(bb) the amount such State was allotted under subsection (a) for the immediately preceding fiscal year, adjusted by the percentage change in the funds available for subsection (a) from the immediately preceding fiscal year.

"(II) If the amount available for reallotment under paragraph (1) is insufficient to provide each State eligible

to receive a reallotment under clause (i) with the portion described in subclause (I), the amount reallotted to each eligible State shall be determined by the Commissioner.

"(C) If there are funds remaining after each State eligible to receive a reallotment under subparagraph (B)(i) receives the portion described in subparagraph (B)(ii), the Commissioner shall reallot the remaining funds among the States requesting a reallotment.

"(3) The Commissioner shall reallot an amount to a State under this subsection only if the State will be able to make sufficient payments from non-Federal sources to pay for the non-Federal share of the cost of vocational rehabilitation services under the State plan for the fiscal year for which the amount was appropriated.

"(4) For the purposes of this part, any portion made available to a State for any fiscal year pursuant to this subsection shall be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

"(c)(1) For fiscal year 2014 and each fiscal year thereafter, the Commissioner shall reserve, from the funds appropriated under section 100(b)(1) for the fiscal year involved, an amount that is not less than 1.23 percent and not more than 1.5 percent of those funds in order to carry out section 121, except that the minimum percentage that

may be so reserved shall increase by 0.01 percentage points for each succeeding fiscal year after fiscal year 2014.

"(2) Notwithstanding paragraph (1), there shall be no increase in the minimum percentage of funds reserved under paragraph (1) unless there is an equivalent increase in the funds appropriated under section 100(b)(1).".

(b) RESERVATION FOR PRE-EMPLOYMENT TRANSITION SERVICES.—Section 110 (29 U.S.C. 730) is amended by adding at the end the following:

"(d)(1) From any State allotment under subsection (a) for a fiscal year, the State shall reserve not less than 15 percent of the allotted funds for the provision of transition services to assist students with disabilities and youth with disabilities in transitioning from education or training to employment, which includes pre-employment transition services under section 114.

"(2) From the funds reserved under paragraph (1), the designated State unit shall not expend more than 5 percent of the funds to pay for the administrative costs of providing the transition services.

"(e)(1) For fiscal year 2014 and each fiscal year thereafter, the Commissioner shall reserve, from the funds appropriated under section 100(b) for each fiscal year, an amount that is equal to 0.25 percent of those funds to

support the transition of students with disabilities and youth with disabilities from education, or training, to competitive integrated employment.

"(2) Such reserved funds may be used for—

"(A) the development of innovative policies, practices, and programs;

"(B) the provision of technical assistance to designated State units, employers, and individuals with disabilities;

"(C) the development of regional partnerships and technical assistance centers;

"(D) the provision of support and technical assistance for the provision of services and coordination of activities under section 114; and

"(E) the dissemination of best practices regarding the transition of students with disabilities and youth with disabilities from education, or training, to competitive integrated employment.".

SEC. 520. PAYMENTS TO STATES.

Section 111(a)(2) (29 U.S.C. 731(a)(2)) is amended by striking subparagraph (B) and inserting the following:

"(B) The amount otherwise payable to a State for a fiscal year under this section shall be reduced by the amount by which expenditures from non-Federal sources under the State plan under this title for any previous fiscal

year are less than the total of such expenditures for the second fiscal year preceding that previous fiscal year.''.

SEC. 521. CLIENT ASSISTANCE PROGRAM.

Section 112 (29 U.S.C. 732) is amended—

(1) in subsection (a)—

(A) in the first sentence—

(i) by striking ''grants to States'' and inserting ''grants to agencies designated under subsection (c) (referred to individually in this section as a 'designated CAP agency')'';

(ii) by inserting ''including under sections 114 and 511,'' after ''all available benefits under this Act,''; and

(iii) by inserting ''and eligibility'' after ''to ensure the protection of the rights''; and

(B) in the second sentence, by striking ''disabilities in the State'' and inserting ''disabilities in the State in which the program is located'';

(2) in subsection (b), by striking the matter preceding paragraph (1) and inserting ''Neither an agency within the State, nor the State, may receive payments from an allotment under subsection (e) in

any fiscal year unless the State has designated under subsection (c) an agency that—";

(3) in subsection (c)—

(A) in paragraph (2), by inserting "(as defined in section 106(a)(4))" after "consumer organizations"; and

(B) in paragraph (3), by striking "agency designated under this subsection" and inserting "designated CAP agency";

(4) in subsection (d), by striking "agency designated under subsection (c) of this section" and inserting "designated CAP agency";

(5) in subsection (e)—

(A) in paragraph (1)—

(i) by striking subparagraph (A) and inserting the following:

"(A) After reserving funds under subparagraphs (E) and (F), the Secretary shall allot the remainder of the sums appropriated for each fiscal year under this section among the designated CAP agencies within the States on the basis of relative population of each State, except that no such agency shall receive less than $50,000.";

(ii) in subparagraph (B), by inserting "the designated CAP agencies located in" before "American Samoa"; and

(iii) by striking subparagraph (D) and inserting the following:

"(D)(i) For any fiscal year for which the funds appropriated for such fiscal year under subsection (h) exceed $7,500,000, the minimum allotment under this subsection shall be $100,000 for the designated CAP agencies located in States and $45,000 for the designated CAP agencies located in territories.

"(ii) For any fiscal year for which the total amount appropriated under subsection (h) exceeds the total amount appropriated under such subsection (or the corresponding provision) for the preceding fiscal year, the Secretary shall increase each of the minimum allotments under clause (i) by a percentage that shall not exceed the percentage increase, calculated by dividing such total amount for the fiscal year involved by such total amount for the preceding fiscal year.

"(E)(i) For any fiscal year for which the amount appropriated under subsection (h) equals or exceeds $13,000,000, and for each subsequent fiscal year, the Secretary shall reserve funds appropriated under subsection (h) to make a grant to the protection and advocacy system serving the American Indian Consortium, to provide designated CAP agency services in accordance with the requirements of this section. The amount of such a grant

shall be the same amount as is provided to a territory under subparagraph (B), as increased under clauses (i) and, if applicable, (ii) of subparagraph (D).

"(ii) In this subparagraph:

"(I) The term 'American Indian Consortium' has the meaning given the term in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002).

"(II) The term 'protection and advocacy system' means a protection and advocacy system established under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.).

"(F) For any fiscal year for which the amount appropriated under subsection (h) equals or exceeds $14,000,000, the Secretary shall reserve not less than 1.8 percent and not more than 2.2 percent of such amount to provide a grant for training and technical assistance for the programs established under this section. Such training and technical assistance shall be coordinated with activities provided under section 509(c)(1)(A).";

(B) in paragraph (2)—

(i) except as provided in clause (ii), by striking "State" each place it appears and inserting "designated CAP agency"; and

(ii) by striking ''States'' each place it appears and inserting ''designated CAP agencies''; and

(C) in paragraph (3), by striking ''agency designated'' and all that follows and inserting ''designated CAP agency the amount specified in the application approved under subsection (f).'';

(6) in subsection (f), by striking ''State'' and inserting ''designated CAP agency'';

(7) in paragraph (1) of subsection (g), by striking ''such programs'' and inserting ''the designated CAP agency of a State''; and

(8) in subsection (h), by striking ''1999 through 2003'' and inserting ''2014 through 2018''.

SEC. 522. TECHNICAL ASSISTANCE FOR QUALITY SERVICES.

Part B of title I (29 U.S.C. 730 et seq.), is amended by adding at the end the following:

''SEC. 113. ADDITIONAL TECHNICAL ASSISTANCE.

''The Commissioner shall provide technical assistance for programs provided under this title regarding improving the quality of vocational rehabilitation services provided through the programs, including—

''(1) consulting with the Department of Education, the Small Business Administration, other ap-

propriate Federal agencies, State and local workforce development boards, and businesses or business-led intermediaries;

"(2) based on information obtained through the consultations, providing—

"(A) technical assistance that improves that quality by enabling designated State units to develop successful partnerships with local and multi-State businesses in an effort to employ individuals with disabilities; and

"(B) technical assistance on developing self-employment opportunities and improving employment outcomes for individuals with disabilities; and

"(3) providing technical assistance to improve the quality of vocational rehabilitation services programs carried out under section 121.".

SEC. 523. PRE-EMPLOYMENT TRANSITION SERVICES.

Part B of title I (29 U.S.C. 730 et seq.), as amended by section 522, is further amended by adding at the end the following:

"SEC. 114. PROVISION OF PRE-EMPLOYMENT TRANSITION SERVICES.

"(a) IN GENERAL.—From the funds reserved under section 110(d), and funds made available through other

1 funding sources, each State shall ensure that the des-
2 ignated State unit, in collaboration with the local edu-
3 cational agencies involved and other appropriate entities,
4 shall provide, or arrange for the provision of, pre-employ-
5 ment transition services.

6 "(b) LOCAL PRE-EMPLOYMENT TRANSITION COOR-
7 DINATOR.—

8 "(1) COORDINATOR.—Each local office of a des-
9 ignated State unit shall designate staff to carry out
10 the responsibilities of Local Pre-Employment Tran-
11 sition Coordinators for the local office, as well as ap-
12 propriate staff to support the Coordinators in car-
13 rying out the responsibilities described in paragraph
14 (2).

15 "(2) RESPONSIBILITIES.—It shall be the re-
16 sponsibility of a Local Pre-Employment Transition
17 Coordinator to—

18 "(A) attend individualized education pro-
19 gram meetings for students with disabilities,
20 when invited;

21 "(B) work with the local workforce devel-
22 opment boards, one-stop centers, and employers
23 to develop job opportunities for students with
24 disabilities, including internships, summer em-
25 ployment opportunities and other employment

opportunities available throughout the school year, and apprenticeships; and

"(C) work with schools, including those carrying out activities under section 614(d)(1)(A)(i)(VIII) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)(1)(A)(i)(VIII)), to coordinate and ensure the provision of pre-employment transition services for students with disabilities, including services described in clauses (i) through (v) of section 7(30)(B).

"(c) NATIONAL PRE-EMPLOYMENT TRANSITION COORDINATION.—

"(1) IN GENERAL.—The Secretary of Education and the Secretary of Labor shall each designate a lead staff person to fulfill the responsibilities of a National Pre-Employment Transition Coordinator for Students with Disabilities. The National Pre-Employment Transition Coordinators shall work cooperatively, and with other Federal agencies including the Corporation for National and Community Service, to develop and coordinate—

"(A) agency policies related to pre-employment transition services; and

"(B) resources to increase job opportunities for students with disabilities, including internships, summer employment opportunities and other employment opportunities available throughout the school year, and apprenticeships.

"(2) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit either Secretary from assigning additional responsibilities, other than the responsibilities described in this subsection, to a staff person designated under this subsection.".

SEC. 524. AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES.

Section 121 (29 U.S.C. 741) is amended—

(1) in subsection (a), in the first sentence, by inserting before the period the following: "(referred to in this section as 'eligible individuals'), consistent with such eligible individuals' strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice, so that such individuals may prepare for, and engage in, high quality employment that will increase opportunities for economic self-sufficiency";

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking "and" at the end;

(ii) in subparagraph (C), by striking the period and inserting "; and"; and

(iii) by adding at the end the following:

"(D) contains assurances that—

"(i) all decisions affecting eligibility for vocational rehabilitation services, the nature and scope of available vocational rehabilitation services, and the provision of such services, will be made by a representative of the tribal vocational rehabilitation program funded through the grant; and

"(ii) such decisions will not be delegated to another agency or individual."; and

(B) by striking paragraphs (3) and (4) and inserting the following:

"(3) If an application is approved under this part for a grant, the resulting grant shall be for 5 years, if the grant recipient complies with the program requirements for the program carried out under this part (including the regulations promulgated for the program). The grant shall

be renewed for additional 5-year periods if the Commissioner determines that the grant recipient demonstrated acceptable past performance and the grant recipient submits, and obtains approval by the Commissioner, for a plan, including a proposed budget, that identifies future performance criteria, goals, and objectives. The State shall continue to provide vocational rehabilitation services under the State plan to American Indians residing on or near a reservation whenever such State includes any such American Indians in its State population under section 110(a)(1).

''(4) In allocating funds for grants under this part, the Secretary shall give priority to paying the continuation costs of projects in existence on the date of the allocation and may provide for increases in funding for such projects that the Secretary determines to be necessary.'';

(3) by redesignating subsection (c) as subsection (d); and

(4) by inserting after subsection (b) the following:

''(c)(1) From the funds appropriated and made available to carry out this part for any fiscal year, beginning with fiscal year 2014, the Commissioner shall first reserve not less than 1.8 percent and not more than 2 percent of the funds to provide training and technical assistance

to governing bodies described in subsection (a) for such fiscal year.

"(2) From the funds reserved under paragraph (1), the Commissioner shall make grants to, and enter into contracts and other arrangements with, entities that have experience in the operation of vocational rehabilitation services programs under this section to provide such training and technical assistance with respect to developing, conducting, administering, and evaluating such programs.

"(3) The Commissioner shall conduct a survey of the governing bodies regarding training and technical assistance needs in order to determine funding priorities for such grants, contracts, or other arrangements.

"(4) To be eligible to receive a grant or enter into a contract or other arrangement under this section, such an entity shall submit an application to the Commissioner at such time, in such manner, and containing a proposal to provide such training and technical assistance, and containing such additional information as the Commissioner may require. The Commissioner shall provide for peer review of grant applications by panels that include persons who are not government employees and who have experience in the operation of vocational rehabilitation services programs under this section.".

SEC. 525. VOCATIONAL REHABILITATION SERVICES CLIENT INFORMATION.

Section 131 (29 U.S.C. 751) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''Education'' and inserting ''Labor''; and

(ii) in subparagraph (B)(i), by striking ''Rehabilitation Services Administration'' and inserting ''Disability Employment Services and Supports Administration''; and

(B) in paragraph (2), by striking ''title I of the Workforce Investment Act of 1998'' and inserting ''title II of the Workforce Investment Act of 2013''; and

(2) in subsection (b), by striking ''Rehabilitation Services Administration'' and inserting ''Disability Employment Services and Supports Administration''.

SEC. 526. GAO STUDY ON INTERACTION WITH THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study on the interaction of programs carried out under title I of the Rehabilitation

1 Act of 1973 (29 U.S.C. 720 et seq.) with the Ticket to
2 Work and Self-Sufficiency Program established under sec-
3 tion 1148 of the Social Security Act (42 U.S.C. 1320b–
4 19), including the impact of the interaction on bene-
5 ficiaries, community rehabilitation programs (as defined
6 in section 7 of the Rehabilitation Act of 1973 (29 U.S.C.
7 705)), and designated State agencies (as so defined).

8 (b) CONDUCT OF STUDY.—In conducting the study
9 under paragraph (1), the Comptroller General of the
10 United States shall consult with all types of participants
11 in the Ticket to Work and Self-Sufficiency Program, in-
12 cluding the Social Security Administration, the Disability
13 Employment Services and Supports Administration, tick-
14 etholders, such designated State agencies, entities car-
15 rying out such community rehabilitation programs (includ-
16 ing employment networks), protection and advocacy sys-
17 tems, relevant contractors, and organizations representing
18 the interests of ticketholders.

19 (c) REPORT TO CONGRESS.—Not later than 18
20 months after the date of enactment of this Act, the Comp-
21 troller General of the United States shall submit a report,
22 based on the findings of the study conducted pursuant to
23 this section, to the Committee on Education and the
24 Workforce of the House of Representatives, the Com-
25 mittee on Ways and Means of the House of Representa-

tives, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Committee on Finance of the Senate.

Subtitle C—Research and Training

SEC. 531. PURPOSE.

Section 200 (29 U.S.C. 760) is amended—

(1) in paragraph (1), by inserting ''technical assistance,'' after ''training,'';

(2) in paragraph (2), by inserting ''technical assistance,'' after ''training,'';

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting '', use, and adoption'' after ''transfer''; and

(ii) by inserting ''in a timely and efficient manner,'' after ''disabilities''; and

(B) in subparagraph (D), by inserting ''and dissemination of research findings to individuals with disabilities and other interested entities'' after ''technology'';

(4) in paragraph (5), by striking ''and'' after the semicolon;

(5) in paragraph (6), by striking the period and inserting ''; and''; and

(6) by adding at the end the following:

''(7) identify effective strategies for supporting the employment of individuals with disabilities in competitive integrated employment.''.

SEC. 532. AUTHORIZATION OF APPROPRIATIONS.

Section 201(a) (29 U.S.C. 761(a)) is amended—

(1) in paragraph (1)—

(A) by striking ''1999 through 2003'' and inserting ''2014 through 2018'';

(B) by striking ''National Institute on Disability and Rehabilitation Research'' and inserting ''National Institute on Disability, Independent Living, and Rehabilitation Research''; and

(C) by striking ''Rehabilitation Research Advisory Council'' and inserting ''Disability, Independent Living, and Rehabilitation Research Advisory Council''; and

(2) in paragraph (2), by striking ''1999 through 2003'' and inserting ''2014 through 2018''.

SEC. 533. NATIONAL INSTITUTE ON DISABILITY, INDEPENDENT LIVING, AND REHABILITATION RESEARCH.

Section 202 (29 U.S.C. 762) is amended—

(1) in the section heading, by inserting ", **INDEPENDENT LIVING,**" after "**DISABILITY**";

(2) in subsection (a)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking "Department of Education" and all that follows through "which" and inserting "Administration for Community Living of the Department of Health and Human Services a National Institute on Disability, Independent Living, and Rehabilitation Research (referred to in this title as the 'Institute'), which"; and

(ii) in subparagraph (A)—

(I) in clause (i), by inserting ", as appropriate" after "research";

(II) in clause (ii), by striking "and training; and" and inserting ", training, and technical assistance;";

(III) by redesignating clause (iii) as clause (iv); and

(IV) by inserting after clause (ii) the following:

"(iii) outreach and information that clarifies research implications for policy and practice; and"; and

(B) in paragraph (2), by striking "directly" and all that follows through the period and inserting "directly responsible to the Administrator for the Administration for Community Living of the Department of Health and Human Services.";

(3) in subsection (b)—

(A) in paragraph (2), by striking subparagraphs (A) through (D) and inserting the following:

"(A) individuals with disabilities and the individuals' representatives;

"(B) other Federal, State, tribal, and local public agencies;

"(C) private organizations engaged in research relating to independent living, rehabilitation, or providing rehabilitation or independent living services;

"(D) rehabilitation practitioners; and

"(E) international organizations and other organizations, as appropriate;";

(B) in paragraph (3), by striking ''in rehabilitation'' and inserting ''on disability, independent living, and rehabilitation'';

(C) in paragraph (4)—

(i) in the matter preceding subparagraph (A), by inserting ''education, health care,'' after ''independent living,''; and

(ii) by striking subparagraphs (A) through (D) and inserting the following:

''(A) public and private entities, including—

''(i) elementary schools and secondary schools (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801));

''(ii) institutions of higher education; and

''(iii) nongovernmental agencies and organizations;

''(B) rehabilitation practitioners;

''(C) employers and organizations representing employers with respect to employment-based educational materials or research;

''(D) individuals with disabilities (especially such individuals who are members of mi-

nority groups or of populations that are unserved or underserved by programs under this Act);

''(E) the individuals' representatives for the individuals described in subparagraph (D); and

''(F) the Committee on Health, Education, Labor, and Pensions of the Senate, the Committee on Appropriations of the Senate, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Appropriations of the House of Representatives;'';

(D) in paragraph (6)—

(i) by striking ''advances in rehabilitation'' and inserting ''advances in disability, independent living, and rehabilitation''; and

(ii) by inserting ''education, health care,'' after ''independent living,'';

(E) in paragraph (7), by striking ''taking whatever action is necessary to keep the Congress fully and currently informed'' and inserting ''reporting to Congress annually'';

(F) in paragraph (8)—

(i) by striking ''health, income,'' and inserting ''health care, income, education,''; and

(ii) by striking ''and evaluation of vocational and other'' and inserting ''and evaluation of independent living, vocational, and'';

(G) in paragraph (9), by striking ''with vocational rehabilitation services for the purpose of identifying effective rehabilitation programs and policies that promote the independence of individuals with disabilities and achievement of long-term vocational goals'' and inserting ''with independent living and vocational rehabilitation services for the purpose of identifying effective independent living and rehabilitation programs and policies that promote the independence of individuals with disabilities and achievement of long-term independent living and employment goals'';

(H) in paragraph (10), by striking ''and telecommuting; and'' and inserting '', supported employment (including customized employment), and telecommuting;'';

(I) in paragraph (11), by striking the period and inserting "; and"; and

(J) by adding at the end the following:

"(12) ensuring that the research activities and findings, demonstration projects, reports, evaluations, studies, information described in this section, as well as information about any reports in progress, will be made publicly available in a timely manner, including through electronic means (such as the website of the Department of Health and Human Services and other relevant government agency websites) in order to inform the public about the research and activities performed under this title.";

(4) in subsection (d)(1), by striking the second sentence and inserting the following: "The Director shall be an individual with substantial knowledge and experience in independent living, rehabilitation, and research administration.";

(5) in subsection (f)(1)—

(A) in the first sentence, by striking "financial assistance" and inserting "funding"; and

(B) by striking the second sentence and inserting the following: "The scientific peer review shall be conducted by individuals who are

not Department of Health and Human Services employees. The Secretary shall consider for peer review individuals who are scientists or other experts in disability, independent living, and rehabilitation, including individuals with disabilities and the individuals' representatives, and who have sufficient expertise for the research funding.'';

(6) in subsection (h)—

(A) in paragraph (1)(A)—

(i) by striking ''priorities for rehabilitation research,'' and inserting ''priorities for disability, independent living, and rehabilitation research,''; and

(ii) by inserting ''dissemination,'' after ''training,''; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking ''especially in the area of employment'' and inserting ''especially in the areas of employment and independent living'';

(ii) in subparagraph (D)—

(I) in clause (i), by striking ''Rehabilitation'' and inserting ''Dis-

ability, Independent Living, and Rehabilitation''; and

(II) in clause (iv), by striking ''researchers in the rehabilitation field'' and inserting ''researchers in the independent living and rehabilitation fields'';

(iii) in subparagraph (E), by striking ''widespread dissemination of the results of'' and inserting ''widespread dissemination of the information that clarifies implications of the results for policy and practice of''; and

(iv) in subparagraph (F), by inserting ''of information that clarifies implications of the results for policy and practice and'' after ''widespread dissemination'';

(7) in subsection (j), by striking paragraph (3); and

(8) by striking subsection (k) and inserting the following:

''(k) The Director shall make grants to institutions of higher education for the training of independent living and rehabilitation researchers, including individuals with disabilities and traditionally underserved populations of

individuals with disabilities, as described in section 21, with particular attention to research areas that—

"(1) support the implementation and objectives of this Act; and

"(2) improve the effectiveness of services authorized under this Act.

"(l)(1) Not later than December 31 of each year, the Director shall prepare, and submit to the Secretary, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Committee on Education and the Workforce of the House of Representatives, a report on the activities funded under this title.

"(2) The report under paragraph (1) shall include—

"(A) a compilation and summary of the information provided by recipients of funding for such activities under this title;

"(B) a summary of recipients funding received under this title and the progress of the recipients of funding in achieving the measurable goals described in section 204(d)(2); and

"(C) a summary of practical implications of research outcomes and anticipated next steps.

"(m)(1) If the Director determines that an entity that receives funding under this title fails to comply with the applicable requirements of this Act, or to make

progress toward achieving the measurable goals described in section 204(d)(2), with respect to the covered activities involved, the Director shall utilize available monitoring and enforcement measures.

"(2) As part of the annual report required under subsection (l), the Secretary shall describe each action taken by the Secretary under paragraph (1) and the outcomes of such action.".

SEC. 534. INTERAGENCY COMMITTEE.

Section 203 (29 U.S.C. 763) is amended—

(1) in subsection (a)(1)—

(A) by striking "and cooperation" and inserting ", cooperation, and collaboration";

(B) by striking "conducting rehabilitation research" and inserting "conducting disability, independent living, and rehabilitation research";

(C) by striking "chaired by the Director" and inserting "chaired by the Secretary of Health and Human Services, or the Secretary's designee,";

(D) by inserting "the Chairman of the National Council on Disability, the Assistant Secretary on Disability Employment Policy, Services, and Supports, the Secretary of Defense, the Administrator of the Administration for

Community Living,'' after ''Assistant Secretary for Special Education and Rehabilitative Services,''; and

(E) by striking ''and the Director of the National Science Foundation.'' and inserting ''the Director of the National Science Foundation, the Secretary of Commerce, and the Administrator of the Small Business Administration. Each member of the Committee shall participate in 1 or more of the standing committees based on the responsibilities of the agency or office the member represents.'';

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking ''from targeted individuals'' and inserting ''individuals with disabilities and their representatives''; and

(ii) by inserting ''independent living and'' before ''rehabilitation''; and

(B) in paragraph (2)—

(i) by striking subparagraphs (A) and (B) and inserting the following:

''(A) share information regarding the range of assistive technology research, independent living research, and research that in-

corporates the principles of universal design, that is being carried out by members of the Committee and other Federal departments and organizations;

"(B) identify and make efforts to address, gaps in assistive technology research, independent living research, and research that incorporates the principles of universal design, that are not being adequately addressed;";

(ii) in subparagraph (D), by striking "and research that incorporates the principles of universal design" and inserting ", independent living research, and research that incorporates the principles of universal design"; and

(iii) in subparagraph (E), by striking "and research that incorporates the principles of universal design." and inserting ", independent living research, and research that incorporates the principles of universal design.";

(3) by striking subsection (d);

(4) by redesignating subsection (c) as subsection (d);

(5) by inserting after subsection (b) the following:

"(c)(1) Not later than 2 years after the date of enactment of the Workforce Investment Act of 2013, and not later than every 3 years thereafter, the Committee shall host a disability, independent living, and rehabilitation research summit bringing together policymakers, representatives from Federal agencies conducting disability, independent living, and rehabilitation research, and organizations representing individuals with disabilities, researchers, and providers.

"(2) Based on the proceedings of the summit described in paragraph (1), the Committee shall develop a comprehensive governmentwide strategic plan for disability, independent living, and rehabilitation research. The strategic plan shall include measurable goals and objectives, action-oriented measures, timetables, budgets, and assignment of responsible individuals and agencies for carrying out research activities. At a minimum, the strategic plan shall include—

"(A) research priorities and recommendations;

"(B) the development of a searchable governmentwide inventory of disability, independent living, and rehabilitation research for trend and data analysis across Federal agencies;

"(C) a set of guiding principles and policies and procedures for conducting and administering disability, independent living, and rehabilitation research across Federal agencies; and

"(D) a summary of underemphasized and of duplicative areas of research.

"(3) Not later than 90 days after the conclusion of the summit described in paragraph (1), the strategic plan described in paragraph (2) shall be submitted to the President and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives.

"(4) The annual report prepared by the Committee under subsection (d) shall include an annual accounting of the progress made in implementing the strategic plan described in paragraph (2), including achievement of measurable goals and objectives, timetables, budgets, and the assignment of responsible individuals and agencies.

"(5) The Committee shall have the authority to facilitate collaborative projects among Federal agencies by receiving the transfer of funds from such agencies.";

(6) in subsection (d), as redesignated by paragraph (4)—

(A) in the matter preceding paragraph (1), by striking "Committee on Labor and Human

Resources of the Senate'' and inserting ''Committee on Health, Education, Labor, and Pensions of the Senate''; and

(B) by striking paragraph (1) and inserting the following:

''(1) describes the progress of the Committee in fulfilling the duties described in subsections (b) and (c), and including specifically for subsection (c)—

''(A) a report of the progress made in implementing the strategic plan;

''(B) a description of the achievement of measurable goals, objectives, and timetables;

''(C) detailed budgetary information; and

''(D) the assignment of responsible individuals and agencies.''; and

(7) in subsection (e)—

(A) in paragraph (1), by striking ''and'' after the semicolon;

(B) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(3) the term 'independent living research' means research on issues and topics related to attaining maximum self sufficiency and function by individuals with disabilities, including research on as-

sistive technology and universal design, employment, education, health and function, and community integration and participation.''.

SEC. 535. RESEARCH AND OTHER COVERED ACTIVITIES.

Section 204 (29 U.S.C. 764) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''pay part of'' and inserting ''fund'';

(ii) by inserting ''have practical real life applications and'' before ''maximize''; and

(iii) by striking ''employment, independent living,'' and inserting ''employment, education, independent living, health care,'';

(B) in paragraph (2)—

(i) in subparagraph (A), by inserting ''and from which the research findings can be transferred to practice'' after ''State agencies''; and

(ii) in subparagraph (B)—

(I) by striking clause (ii) and inserting the following:

"(ii) studies and analysis of factors related to industrial, vocational, educational, employment, social, recreational, psychiatric, psychological, economic, and health and health care variables for individuals with disabilities, including traditionally underserved populations as described in section 21, and how those variables affect such individuals' ability to live independently and their participation in the labor force;";

(II) in clause (iii), by striking "are homebound" and inserting "have significant challenges attempting to engage with community life outside of their homes";

(III) in clause (iv), by inserting ", including the principles of universal design and the interoperability of products and services" after "disabilities";

(IV) in clause (v), by inserting ", and to promote employment opportunities in competitive integrated employment" after "employment";

(V) in clause (vi), by striking "and" after the semicolon;

(VI) in clause (vii), by striking "and assistive technology." and inserting ", assistive technology, and communications technology; and"; and

(VII) by adding at the end the following:

"(viii) studies, analyses, and other activities affecting employment outcomes as defined in section 7(11), including self-employment and telecommuting, of individuals with disabilities."; and

(C) by adding at the end the following:

"(3) In carrying out this section, the Director shall emphasize covered activities that include plans for—

"(A) dissemination of high quality materials, scientifically valid research results, or findings, conclusions, and recommendations resulting from covered activities, including through electronic means (such as the website of the Department of Health and Human Services), so that such information is available in a timely manner to the general public; or

"(B) the commercialization of marketable products, research results, or findings, resulting from the covered activities.";

(2) in subsection (b)—

(A) in paragraph (1), by striking ''(18)'' both places the term appears and inserting ''(17)'';

(B) in paragraph (2)—

(i) in subparagraph (A), by striking clauses (i) and (ii) and inserting the following:

''(i) be operated in collaboration with institutions of higher education or providers of rehabilitation services, developers or providers of assistive technology devices, assistive technology services, or information technology devices or services, as appropriate, or providers of other appropriate services; and

''(ii) serve as centers of national excellence and national or regional resources for individuals with disabilities, as well as providers, educators, and researchers.'';

(ii) in subparagraph (B)—

(I) by striking clause (i) and inserting the following:

''(i) conducting coordinated and advanced programs of research in independent living and rehabilitation targeted toward the production of new knowledge

that will improve independent living and rehabilitation methodology and service delivery systems, maximize health and function (including alleviating or stabilizing conditions, or preventing secondary conditions), and promote maximum social and economic independence of individuals with disabilities, including promoting the ability of the individuals to prepare for, secure, retain, regain, or advance in employment;'';

(II) by redesignating clauses (ii), (iii), and (iv), as clauses (iii), (iv), and (v), respectively;

(III) by inserting after clause (i) the following:

''(ii) conducting coordinated and advanced programs in research in employer practices targeted toward production of new knowledge that will facilitate the ability of employers to identify, recruit, accommodate, advance, and retain qualified individuals with disabilities;'';

(IV) in clause (iii), as redesignated by subclause (II), by inserting

"independent living and" before "rehabilitation services";

(V) in clause (iv), as redesignated by subclause (II)—

(aa) by inserting "independent living and" before "rehabilitation" each place the term appears; and

(bb) by striking "and" after the semicolon; and

(VI) by striking clause (v), as redesignated by subclause (II), and inserting the following:

"(v) serving as an informational and technical assistance resource to individuals with disabilities, as well as to providers, educators, and researchers, through conferences, workshops, public education programs, in-service training programs, and similar activities and providing outreach and information that clarifies research implications for policy and practice to promote the use of research findings through training, technical assistance, and dissemination, including identifying potential new areas of research; and

"(vi) developing practical applications for the findings of the research of the Centers.";

(iii) in subparagraph (C)—

(I) in clause (i), by inserting ", including research on assistive technology devices, assistive technology services, and accessible electronic and information technology devices" after "research";

(II) in clause (ii)—

(aa) by striking "and social" and inserting ", social, and economic"; and

(bb) by inserting "independent living and" before "rehabilitation"; and

(III) by striking clauses (iii) through (vi) and inserting the following:

"(iii) improving the evaluation process for determining the assistive technology needs of individuals with disabilities;

"(iv) research related to vocational rehabilitation, including the use of assistive technology devices

and accessible electronic and information technology devices in employment;

''(v) continuation of research that promotes the emotional, social, educational, and functional growth of children who are individuals with disabilities, as well as their integration in school, employment, and community activities;

''(vi) continuation of research to develop and evaluate interventions, policies, and services that support families of those children and adults who are individuals with disabilities;

''(vii) continuation of research that will improve services and policies that foster the independence and social integration of individuals with disabilities, and enable individuals with disabilities, including individuals with intellectual disabilities and other developmental disabilities, to live in their communities; and

''(viii) research, dissemination, and technical assistance on best practices in supported employment and other strategies to promote competitive integrated employment for persons with the most significant disabilities.'';

(iv) by striking subparagraph (D) and inserting the following:

"(D) Training of students preparing to be independent living or rehabilitation personnel or to provide independent living, rehabilitative, assistive, or supportive services (such as rehabilitation counseling, personal care services, direct care, job coaching, aides in school based settings, or advice or assistance in utilizing assistive technology devices, assistive technology services, and accessible electronic and information technology devices and services) shall be an important priority for each such Center.";

(v) in subparagraph (E), by striking "comprehensive";

(vi) in subparagraph (G)(i), by inserting "independent living and" before "rehabilitation-related";

(vii) by striking subparagraph (I); and

(viii) by redesignating subparagraphs (J) through (O) as subparagraphs (I) through (N), respectively;

(C) in paragraph (3)—

(i) in subparagraph (A), by inserting "independent living strategies and" before "rehabilitation technology";

(ii) in subparagraph (B)—

(I) in clause (i)(I), by inserting ''independent living and'' before ''rehabilitation problems'';

(II) in clause (ii)(II), by striking ''employment'' and inserting ''educational, employment,''; and

(III) in clause (iii)(II), by striking ''employment'' and inserting ''educational, employment,'';

(iii) in subparagraph (D)(i)(II), by striking ''postschool'' and inserting ''postsecondary education, competitive integrated employment, and other age-appropriate''; and

(iv) in subparagraph (G)(ii), by inserting ''the success of any commercialized product researched or developed through the Center,'' after ''individuals with disabilities,'';

(D) in paragraph (4)(B)—

(i) in clause (i)—

(I) by striking ''vocational'' and inserting ''independent living, employment'';

(II) by striking ''special'' and inserting ''unique''; and

(III) by inserting ''social and functional needs, and'' before ''acute care''; and

(ii) in clause (iv), by inserting ''education, health care,'' after ''employment,'';

(E) by striking paragraph (8) and inserting the following:

''(8) Grants may be used to conduct a program of joint projects with the National Institutes of Health, the National Institute of Mental Health, the Health Services Administration, the Administration on Aging, the Administration for Community Living, the National Science Foundation, the Department of Veterans Affairs, the Department of Defense, the Substance Abuse and Mental Health Services Administration, the Federal Communications Commission, the Department of Health and Human Services, the National Aeronautics and Space Administration, the Department of Commerce, the Small Business Administration, the Department of Labor, other Federal agencies, and private industry in areas of joint interest involving rehabilitation.'';

(F) by striking paragraphs (9) and (11);

(G) by redesignating paragraphs (10), (12), (13), (14), (15), (16), (17), and (18), as paragraphs (9), (10), (11), (12), (13), (14), (15), and (16), respectively;

(H) in paragraph (11), as redesignated by subparagraph (G)—

(i) in the matter preceding subparagraph (A), by striking ''employment needs of individuals with disabilities, including'' and inserting ''employment needs, opportunities, and outcomes (including those relating to self-employment, supported employment, and telecommuting) of individuals with disabilities, including'';

(ii) in subparagraph (B), by inserting ''and employment related'' after ''the employment'';

(iii) in subparagraph (E), by striking ''and'' after the semicolon;

(iv) in subparagraph (F), by striking the period at the end and inserting ''; and''; and

(v) by adding at the end the following:

''(G) develop models and alternatives to help transition sheltered workshops for individ-

uals with disabilities to competitive integrated employment for such individuals, and develop recommendations for decreasing reliance on the special minimum wage certificate program under section 14(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(c)).";

(I) in paragraph (12), as redesignated by subparagraph (G)—

(i) in the matter preceding subparagraph (A), by inserting "an independent living or" after "conduct";

(ii) in subparagraph (D), by inserting "independent living or" before "rehabilitation"; and

(iii) in the matter following subparagraph (E), by striking "National Institute on Disability and Rehabilitation Research" and inserting "National Institute on Disability, Independent Living, and Rehabilitation Research";

(J) in paragraph (13), as redesignated by subparagraph (G), by inserting "independent living and" before "rehabilitation needs"; and

(K) in paragraph (14), as redesignated by subparagraph (G), by striking "and access to

gainful employment.'' and inserting '', full participation, equal opportunity, and economic self-sufficiency.''; and

(3) by adding at the end the following:

''(d)(1) In awarding grants, contracts, or other funding under this title, the Director shall award the funding on a competitive basis.

''(2)(A) To be eligible to receive funds under this section for a covered activity, an entity shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require.

''(B) The application shall include information describing—

''(i) measurable goals, as established through section 1115 of title 31, United States Code, and a timeline and specific plan for meeting the goals, that the applicant has set for addressing priorities related to—

''(I) commercialization of a marketable product (including a marketable curriculum or research) resulting from the covered activity;

''(II) in the case of a covered activity relating to technology, technology transfer;

''(III) in the case of research, dissemination of research results to, as applicable, Gov-

ernment entities, individuals with disabilities, covered schools, the independent living community, the business community, the assistive technology community, and the accessible electronic and information technology community; and

"(IV) other priorities as required by the Director; and

"(ii) how the applicant will quantifiably measure the goals to determine whether the goals have been accomplished.

"(3)(A) In the case of an application for funding under this section to carry out a covered activity that results in the development of a marketable product, the application shall also include a commercialization and dissemination plan, as appropriate, containing commercialization and marketing strategies for the product involved, and strategies for disseminating information about the product. The funding shall not be used to carry out the commercialization and marketing strategies.

"(B) In the case of any other application for funding to carry out a covered activity under this section, the application shall also include a dissemination plan, containing strategies for disseminating educational materials, research results, or findings, conclusions, and recommendations, resulting from the covered activity.".

SEC. 536. DISABILITY, INDEPENDENT LIVING, AND REHABILITATION RESEARCH ADVISORY COUNCIL.

Section 205 (29 U.S.C. 765) is amended—

(1) in the section heading, by inserting ''**DISABILITY, INDEPENDENT LIVING, AND**'' before ''**REHABILITATION**'';

(2) in subsection (a)—

(A) by striking ''Department of Education a Rehabilitation Research Advisory Council'' and inserting ''Department of Health and Human Services a Disability, Independent Living, and Rehabilitation Research Advisory Council''; and

(B) by inserting ''not less than'' after ''composed of'';

(3) by striking subsection (c) and inserting the following:

''(c) QUALIFICATIONS.—Members of the Council shall be generally representative of the community of disability, independent living, and rehabilitation professionals, the community of disability, independent living, and rehabilitation researchers, the directors of independent living centers and community rehabilitation programs, the business community (including a representative of the small business community) that has experience with the system of vocational rehabilitation services and

independent living services carried out under this Act and with hiring individuals with disabilities, the community of stakeholders involved in assistive technology, the community of covered school professionals, the community of individuals with disabilities, and the individuals' representatives. At least one-half of the members shall be individuals with disabilities or the individuals' representatives.''; and

(4) in subsection (g), by striking ''Department of Education'' and inserting ''Department of Health and Human Services''.

SEC. 537. DEFINITION OF COVERED SCHOOL.

Title II (29 U.S.C. 760) is amended by adding at the end the following:

''SEC. 206. DEFINITION OF COVERED SCHOOL.

''In this title, the term 'covered school' means an elementary school or secondary school (as such terms are defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)) or an institution of higher education.''.

Subtitle D—Professional Development and Special Projects and Demonstration

SEC. 541. PURPOSE; TRAINING.

(a) PURPOSE.—Section 301(a)(5) (29 U.S.C. 771(a)(5)) is amended by striking ''workforce investment systems'' and inserting ''workforce development systems''.

(b) TRAINING.—Section 302 (29 U.S.C. 772) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in subparagraph (E)—

(I) by striking all after ''deliver'' and inserting ''supported employment services and customized employment services to individuals with the most significant disabilities''; and

(II) by striking ''and'' after the semicolon;

(ii) in subparagraph (F), by striking ''and'' after the semicolon;

(iii) in subparagraph (G), by striking the period at the end and inserting ''; and''; and

(iv) by adding at the end the following:

''(H) personnel trained in providing assistive technology services.'';

(B) in paragraph (4)—

(i) in the matter preceding subparagraph (A), by striking ''title I of the Workforce Investment Act of 1998'' and inserting ''title II of the Workforce Investment Act of 2013'';

(ii) in subparagraph (A), by striking ''workforce investment system'' and inserting ''workforce development system''; and

(iii) in subparagraph (B), by striking ''section 134(c) of the Workforce Investment Act of 1998.'' and inserting ''section 221(e) of the Workforce Investment Act of 2013.''; and

(C) in paragraph (5)—

(i) by striking ''title I of the Workforce Investment Act of 1998'' and inserting ''title II of the Workforce Investment Act of 2013''; and

(ii) by striking ''Department of Labor'' and inserting ''Department of Education'';

(2) in subsection (b)(1)(B)(i), by striking ''or prosthetics and orthotics'' and inserting ''prosthetics and orthotics, vision rehabilitation therapy, orientation and mobility instruction, or low vision therapy'';

(3) in subsection (g)—

(A) in paragraph (1), by adding after the period the following: ''Any technical assistance provided to community rehabilitation programs shall be focused on the employment outcome of competitive integrated employment for individuals with disabilities.''; and

(B) in paragraph (3)—

(i) in subparagraph (A), by striking clause (iv) and inserting the following:

''(iv) for the 2 years following the date of enactment of the Workforce Investment Act of 2013, to provide training regarding the amendments made to this Act under title V of the Workforce Investment Act of 2013.''; and

(ii) in subparagraph (B), by striking ''on the date of enactment of the Rehabili-

tation Act Amendments of 1998'' and inserting ''on the date of enactment of the Workforce Investment Act of 2013''; and

(4) in subsection (i), by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2014 through 2018''.

SEC. 542. DEMONSTRATION AND TRAINING PROGRAMS.

Section 303 (29 U.S.C. 773) is amended—

(1) in subsection (b)—

(A) in paragraph (3)(A), by striking ''National Institute on Disability and Rehabilitation Research'' and inserting ''National Institute on Disability, Independent Living, and Rehabilitation Research'';

(B) in paragraph (5)—

(i) in subparagraph (A)—

(I) by striking clause (i) and inserting the following:

''(i) an initiative focused on improving transition from education to employment for youth who are individuals with significant disabilities, particularly in competitive integrated employment, as described in subsection (c);''; and

(II) by striking clause (iii) and inserting the following:

"(iii) increasing competitive integrated employment for individuals with significant disabilities."; and

(ii) in subparagraph (B)(viii), by striking "under title I of the Workforce Investment Act of 1998" and inserting "under title II of the Workforce Investment Act of 2013"; and

(C) by striking paragraph (6);

(2) by redesignating subsections (c), (d), and (e), as subsections (f), (g), and (h), respectively;

(3) by inserting after subsection (b) the following:

"(c) NATIONAL TRANSITION INITIATIVE FOR YOUTH WITH SIGNIFICANT DISABILITIES.—

"(1) PURPOSE.—The purpose of this subsection is to demonstrate and increase systemic reforms necessary for promoting the effective transition of covered students from secondary school to competitive integrated employment settings and opportunities, and ultimately to create enduring systems of service delivery and training within States that facilitate the transition of covered students from school to post-

1 secondary life with the emphasis on achieving the
2 outcome of competitive integrated employment.
3 "(2) COVERED STUDENTS.—
4 "(A) IN GENERAL.—In this subsection, the
5 term 'covered student' means an individual who
6 is not younger than 14 years of age and has not
7 yet attained 22 years of age, who is within 3
8 years of leaving secondary school and for whom,
9 without an alternative intervention, the antici-
10 pated outcome would likely be placement in a
11 facility-based day habilitation program, or in a
12 vocational or employment program where the
13 individual is paid less than minimum wage, or
14 a lack of further training and assistance and
15 who—
16 "(i) is an individual with an intellec-
17 tual disability;
18 "(ii) is an individual with a develop-
19 mental disability, as the term is defined in
20 section 102 of the Developmental Disabil-
21 ities Assistance and Bill of Rights Act of
22 2000 (42 U.S.C. 15002); or
23 "(iii) is an individual with mental ill-
24 ness.

"(B) INDIVIDUAL WITH AN INTELLECTUAL DISABILITY.—In this paragraph, the term 'individual with an intellectual disability' means an individual with a cognitive impairment, characterized by significant limitations in—

"(i) intellectual and cognitive functioning; and

"(ii) adaptive behavior as expressed in conceptual, social, and practical adaptive skills.

"(3) AWARDS AUTHORIZED.—

"(A) COMPETITIVE AWARDS AUTHORIZED.—The Commissioner may award grants, contracts, and cooperative agreements, on a competitive basis, to eligible entities described in paragraph (4), to enable such entities to carry out activities aimed at creating systemic reform focused on the improvement of employment outcomes in integrated settings at minimum wage or higher with commensurate benefits for covered students.

"(B) DURATION.—The Commissioner shall award grants, contracts, and cooperative agreements under this subsection for 5 years.

"(4) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under this subsection, an applicant shall establish a consortium that—

"(A) is managed by a multidisciplinary team to include the State Department of Labor, the State educational agency, the State vocational rehabilitation agency, and either the State Agency on Developmental Disabilities Services or the State Department of Mental Health Services, or both if individuals with intellectual disabilities, developmental disabilities, and mental illness are targeted populations of the applicant;

"(B) includes representatives from the developmental disability and mental health services community (including statewide provider agencies such as the Developmental Disabilities Planning Councils and the University Centers for Excellence in Developmental Disabilities), as well as individuals with disabilities and their advocates; and

"(C) includes additional public and private entities, with demonstrated expertise in providing supported employment services in inte-

grated settings at minimum wage or higher with commensurate benefits for covered students and with expertise in the provision of employment supports, and that—

"(i) have a proven track record in successfully running supported employment programs;

"(ii) provide employment services that are integrated community-based supported employment services resulting in jobs at minimum wage or higher with commensurate benefits;

"(iii) have expertise in creating natural supports for employment;

"(iv) have expertise in providing computer training for the targeted population for the project involved; or

"(v) have experience operating mentoring programs for the target population in middle schools and high schools for not less than the previous 10 years in diverse communities throughout the Nation.

"(5) APPLICATIONS.—Each eligible entity desiring to receive a grant, contract, or cooperative agreement under this subsection shall submit an applica-

tion to the Commissioner at such time, in such manner, and including such information as the Commissioner may require. Each application shall include—

"(A) a comprehensive implementation plan describing the actions the consortium intends to take to carry out the activities authorized in this subsection;

"(B) a description of the means and mechanisms by which participating State agencies will coordinate efforts to evaluate and reform existing State policies, regulations, guidelines, operational procedures, and funding structures to institute systemic change focused on improving employment outcomes in integrated settings at minimum wage or higher with commensurate benefits;

"(C) an evaluation plan detailing the strategy the consortium will deploy to evaluate the project, with a specific focus on the collection of data on participants, including the following information:

"(i) The number of covered students who directly enter competitive integrated employment upon exiting the school system.

"(ii) The wages and number of hours worked of such covered students per pay period.

"(iii) The impact of employment on any Federal and State benefits received.

"(iv) Indicators of improved economic status and self-sufficiency.

"(v) Data on those covered students who have not yet been placed in competitive integrated employment, including the reasons that the covered students were not placed in competitive integrated employment, as well as the progress made to date in the acquisition of skills, training, and development necessary to attain competitive integrated employment;

"(D) a description of the ways in which the consortium will disseminate information about the activities and the impact of the activities on the lives of covered students served by the project;

"(E) a description of the approaches the consortium intends to use to coordinate activities with other relevant service providers in the localities in which the effort will be focused, in-

cluding Centers for Independent Living under title VII; and

"(F) a description of the policies and procedures, including specific program strategies and financial responsibilities, that the partners in the consortium (including the State agency responsible for the education of students with disabilities under the Individuals with Disabilities Education Act) will implement in order to develop and maintain a collaborative and coordinated network of services and providers.

"(6) AUTHORIZED ACTIVITIES.—An eligible entity that receives a grant, contract, or cooperative agreement under this subsection shall use the funds made available through the grant, contract, or cooperative agreement to carry out the following activities for covered students:

"(A) PROVIDING SUPPORTED COMPETITIVE INTEGRATED EMPLOYMENT EXPERIENCES.—The development of innovative and effective strategies for attaining competitive integrated employment experiences after school, on weekends, and in the summer, utilizing natural supports that lead to competitive high-paying jobs.

"(B) PROVIDING SUPPORT ACTIVITIES FOR THE SUCCESSFUL TRANSITION OF YOUTH WITH DISABILITIES.—The development of school-based preparatory experiences, career preparation and work-based learning experiences (including in-school, after school, and work experiences outside the traditional school setting), youth development and leadership, connecting activities, and family involvement and supports directly linked to the successful attainment of competitive integrated employment.

"(C) PROVIDING TRAINING TO SCHOOL AND TRANSITION PERSONNEL.—The development of appropriate and effective curricula and the deployment of professionals with expertise to provide training to school and transition personnel to enable them to develop the skills needed to train covered students to be successful in attaining competitive integrated employment in a range of settings, including office settings. The training shall include providing instruction to covered students in computer skills, office skills, etiquette, and appropriate social behavior required for successful long-term employment in professional environments.

"(D) PROVIDING ASSISTANCE TO STUDENTS AND FAMILIES IN THE APPROPRIATE NAVIGATION OF VARIOUS SUPPORTS, SERVICES, BENEFITS, AND PROGRAMS.—The provision of formal assistance to covered students and their families in navigating the complex system of supports and services across the array of relevant Federal and State programs, including the following:

"(i) An informed decision process leading to an employment outcome and the securing of funding supports for attaining the outcome.

"(ii) A benefits planning process in order to educate covered students and their families regarding strategies for identifying, optimizing, and managing available benefits and resources.

"(iii) Individualized economic advancement strategies to increase a covered student's economic self-sufficiency, with specific asset goals, including the use of favorable tax benefits, work incentives, matched savings plans, and financial education.

"(7) CONTINGENCY ON RECEIPT OF FUNDING.—An eligible entity that receives a grant, contract, or cooperative agreement under this subsection shall develop a draft memorandum of understanding among State government agencies participating in the consortium outlining key steps to be taken to collaborate and coordinate efforts to institute systemic change (including braided funding across agencies as a methodology for streamlining multiple funding streams, sharing of expertise among agencies, and collaboration among key personnel) focused on increasing opportunities for competitive integrated employment for covered students.

"(8) OUTCOMES AND EVALUATION.—An eligible entity that receives a grant, contract, or cooperative agreement under this subsection shall collect data and report annually on, at a minimum, progress in achieving specific outcomes outlined by the Commissioner, including—

"(A) the number of covered students who directly enter competitive integrated employment upon exiting the school system;

"(B) the wages and number of hours worked of such covered students per pay period;

"(C) the impact of employment on any Federal and State benefits received;

"(D) indicators of improved economic status and self-sufficiency; and

"(E) data on those covered students who have not yet been placed in competitive integrated employment, including the reasons that the covered students were not placed in competitive integrated employment, as well as the progress made to date in the acquisition of skills, training, and development necessary to attain competitive integrated employment.

"(d) COMMISSIONER'S SCHOLAR PROGRAM.—

"(1) IN GENERAL.—The Commissioner shall annually recognize, in a highly visible manner, eligible individuals with significant disabilities who are successfully completing a postgraduate degree in law, business, science, technology, engineering, mathematics, or medicine (including completing any residency program).

"(2) STUDENT APPLICATIONS TO STATES.—Not later than May of 2014 and each subsequent year, each designated State unit shall solicit and consider the applications of individuals with significant disabilities who are receiving, or eligible to receive, vo-

cational rehabilitation services under this title and who have the potential to complete rigorous professional training in law, medicine, science, technology, engineering, mathematics, or business. The designated State unit shall select not more than 2 individuals, who are otherwise eligible for vocational rehabilitation services under title I (but without regard to any order of selection established under section 101(a)(5) in the State), for recognition as a Commissioner's Scholar.

"(3) ELIGIBILITY OF STUDENTS.—In order to be eligible to receive assistance through the program, an applicant—

"(A) shall be receiving, or eligible to receive, vocational rehabilitation services under this title pursuant to an individualized plan for employment that specifies an employment outcome in competitive integrated employment that would require graduate studies in the relevant field;

"(B) shall have previously completed a bachelor's degree program at an institution of higher education or to be scheduled to complete the degree not later than the July preceding the

first school year for which the applicant proposes to use the assistance; and

"(C) shall have applied to, and been accepted by, a program at an accredited institution of higher education in the United States that confers a juris doctor degree, a master's of business administration degree, a doctor of medicine degree, a doctor of osteopathic medicine degree, or a doctoral degree in a field of science, technology, engineering, or mathematics.

"(4) DETERMINATION BY THE COMMISSIONER.—Each eligible individual selected to be a Commissioner's Scholar shall—

"(A) be recognized in a manner determined by the Commissioner; and

"(B) participate in Commissioner's Scholar activities, as determined by the Commissioner.

"(5) SERVICES AND SUPPORTS.—An individual selected to be a Commissioner's Scholar in the State shall be eligible for the services and supports (including tuition) needed in order to successfully complete the individual's degree program. Such services and supports (including tuition) shall be paid for

from the funds appropriated under title I for the vocational rehabilitation State grants program.

"(6) EFFORTS TO SECURE ASSISTANCE FROM OTHER SOURCES.—The limitations of section 103(a)(5) that apply to training services shall apply to services and supports described in paragraph (5).

"(7) RULE OF CONSTRUCTION.—Nothing in this subsection shall prevent any designated State unit from providing educational supports and services, similar to the supports and services described in paragraph (5), to eligible individuals with disabilities within the State who are not served under this subsection.

"(e) TRAINING AND TECHNICAL ASSISTANCE CENTER TO PROMOTE HIGH-QUALITY EMPLOYMENT OUTCOMES FOR INDIVIDUALS RECEIVING SERVICES FROM DESIGNATED STATE AGENCIES AND AIVRS GRANTEES.—

"(1) IN GENERAL.—The Commissioner shall award a grant, contract, or cooperative agreement to an eligible entity to support a training and technical assistance program that—

"(A) responds to agency specific information requests concerning high-quality employment outcomes, from designated States agen-

cies and recipients of American Indian vocational rehabilitation service grants funded under part C of title I (referred to in this subsection as 'AIVRS grantees'), including—

"(i) requests for information on the expansion of self-employment, business ownership, business development opportunities, and other types of entrepreneurial employment opportunities for individuals with disabilities;

"(ii) requests for information on the expansion and improvement of services to facilitate the transition of students with disabilities from school to postsecondary life, including competitive integrated employment;

"(iii) requests for examples of policies, practices, procedures, or regulations that have enhanced or may enhance access to funding for assistive technology devices and assistive technology services for individuals with disabilities;

"(iv) requests for information on effective approaches to enhance informed

choice and a consumer-directed State vocational rehabilitation system;

"(v) requests for assistance developing corrective action plans;

"(vi) requests for assistance in developing and implementing effective data collection and reporting systems that measure the outcomes of the vocational rehabilitation services, and preparing reports for the Commissioner as described in section 106(b)(1); and

"(vii) requests for information on effective approaches that enhance employment outcomes for individuals with disabilities, including conducting outreach and forming partnerships with business and industry; and

"(B) provides agency specific, regional, and national training and technical assistance concerning vocational rehabilitation services and related information to designated State agencies and AIVRS grantees, including—

"(i) facilitating on-site and electronic information sharing using state-of-the-art technologies, such as real-time on-line dis-

cussions, multipoint video conferencing, and web-based audio/video broadcasts, on emerging topics that affect vocational rehabilitation programs authorized under title I;

''(ii) enabling the designated State agencies and AIVRS grantees to coordinate training and data collection efforts with one-stop centers established under section 221(e) of the Workforce Investment Act of 2013;

''(iii) enabling the designated State agencies and AIVRS grantees to provide information on how the vocational rehabilitation programs authorized under title I can provide technical assistance to the one-stop centers on making programs offered through the centers physically and programmatically accessible to individuals with disabilities;

''(iv) sharing evidence-based and promising practices among the vocational rehabilitation programs;

''(v) maintaining an accessible website that includes links to—

"(I) the vocational rehabilitation programs;

"(II) appropriate Federal departments and agencies, and private associations;

"(III) State assistive technology device and assistive technology service demonstration programs, device loan programs, device reutilization programs, alternative financing systems, or State financing activities, operated through, or independently of, comprehensive statewide programs of technology-related assistance carried out under section 4 of the Assistive Technology Act of 1998 (29 U.S.C. 3003), telework programs, and other programs that provide sources of funding for assistive technology devices; and

"(IV) various programs, including programs with tax credits, available to employers for hiring or accommodating employees who are individuals with disabilities;

1 ''(vi) enhancing employment outcomes
2 for individuals with mental illness and indi-
3 viduals with cognitive disabilities, particu-
4 larly in competitive integrated employment;
5 ''(vii) convening experts from the vo-
6 cational rehabilitation programs to discuss
7 and make recommendations with regard to
8 the employment of individuals with disabil-
9 ities and national emerging issues of im-
10 portance to individuals with vocational re-
11 habilitation needs;
12 ''(viii) enabling the designated State
13 agencies and AIVRS grantees to provide
14 practical information on effective ap-
15 proaches for business and industry to use
16 in employing individuals with disabilities,
17 including provision of reasonable accom-
18 modations;
19 ''(ix) providing information on other
20 emerging issues concerning the delivery of
21 publicly funded employment and training
22 services and supports to assist individuals
23 with disabilities to enter the workforce,
24 achieve improved employment outcomes,

and become economically self-sufficient; and

"(x) carrying out such other activities as the Commissioner may require.

"(2) ELIGIBLE ENTITIES.—In this subsection, the term 'eligible entity' means an entity that has—

"(A) experience and expertise in administering vocational rehabilitation services;

"(B) documented experience with and knowledge about self-employment, business ownership, business development, and other types of entrepreneurial employment opportunities and outcomes for individuals with disabilities, providing transition services for students with disabilities, and assistive technology;

"(C) the expertise necessary to identify the additional data elements needed to provide comprehensive reporting of activities and outcomes of the vocational rehabilitation programs authorized under title I, and experience in utilizing data to provide annual reports; and

"(D) personnel with the skill and background necessary to provide guidance or training to entities carrying out programs authorized under section 121.

"(3) COLLABORATION.—In developing and providing training and technical assistance under this subsection, a recipient of a grant, contract, or cooperative agreement under this subsection shall collaborate with other entities or individuals, in particular—

"(A) agencies carrying out vocational rehabilitation programs under title I (including the programs authorized under section 121) and national organizations representing such programs;

"(B) organizations representing individuals with disabilities;

"(C) organizations representing State officials and agencies engaged in the delivery of assistive technology;

"(D) relevant employees from Federal departments and agencies other than the Department of Labor;

"(E) representatives of businesses;

"(F) individuals with disabilities, including individuals who use assistive technology and understand the barriers to the acquisition of such technology and related services; and

"(G) family members, guardians, advocates, and authorized representatives of such individuals.

"(4) RULE OF CONSTRUCTION.—The training and technical assistance provided under this subsection may be delivered through the technical assistance and continuing education centers funded under this title.";

(4) in subsection (f)(2), as redesignated by paragraph (2)—

(A) in subparagraph (E), by striking "and" after the semicolon;

(B) by redesignating subparagraph (F) as subparagraph (G); and

(C) by inserting after subparagraph (E) the following:

"(F) to provide support and guidance in helping individuals with significant disabilities, including students with disabilities, transition to competitive integrated employment; and"; and

(5) by striking subsection (h), as redesignated by paragraph (2), and inserting the following:

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—For the purpose of carrying out this section there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2014 through 2018.

"(2) RESERVATIONS.—Of the sums appropriated under paragraph (1) for a fiscal year, the Secretary may reserve not more than $500,000 to carry out subsection (e).".

SEC. 543. MIGRANT AND SEASONAL FARMWORKERS.

Section 304 (29 U.S.C. 774) is amended—

(1) in subsection (a)(1), by striking "of Labor"; and

(2) in subsection (b), by striking "fiscal years 1999 through 2003" and inserting "fiscal years 2014 through 2018".

SEC. 544. RECREATIONAL PROGRAMS.

Section 305 (29 U.S.C. 776) is amended—

(1) in subsection (a)(1)(B), by striking "construction of facilities for aquatic rehabilitation therapy,"; and

(2) in subsection (b), by striking "fiscal years 1999 through 2003" and inserting "fiscal years 2014 through 2018".

Subtitle E—National Council on Disability

SEC. 551. ESTABLISHMENT.

(a) IN GENERAL.—Section 400 (29 U.S.C. 780) is amended—

(1) in subsection (a)(1)(A), by striking ''fifteen'' and inserting ''9''; and

(2) in subsection (d), by striking ''Eight'' and inserting ''Five''.

(b) EFFECTIVE DATE.—This section takes effect 3 years after the date of enactment of this Act.

SEC. 552. REPORT.

Section 401 (29 U.S.C. 781) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''National Institute on Disability and Rehabilitation Research'' and inserting ''National Institute on Disability, Independent Living, and Rehabilitation Research'' each place the term appears;

(B) in paragraph (2), by striking ''Rehabilitation Services Administration'' and inserting ''Disability Employment Services and Supports Administration'';

(C) by inserting ''the appropriate Assistant Secretary of the Department of Labor,'' after

"the appropriate Assistant Secretary of the Department of Education,"; and

(D) in paragraph (8), by inserting "of Labor" after "Secretary"; and

(2) by striking subsection (c).

SEC. 553. AUTHORIZATION OF APPROPRIATIONS.

Section 405 (29 U.S.C. 785) is amended by striking "fiscal years 1999 through 2003" and inserting "fiscal years 2014 through 2018".

Subtitle F—Rights and Advocacy

SEC. 556. INTERAGENCY COMMITTEE, BOARD, AND COUNCIL.

(a) INTERAGENCY COMMITTEE.—Section 501 (29 U.S.C. 791) is amended—

(1) by striking subsection (f); and

(2) by redesignating subsection (g) as subsection (f).

(b) ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD.—Section 502(j) (29 U.S.C. 792(j)) is amended by striking "1999 through 2003" and inserting "2014 through 2018".

(c) PROGRAM OR ACTIVITY.—Section 504(b)(2)(B) (29 U.S.C. 794(b)(2)(B)) is amended by striking "vocational education" and inserting "career and technical education".

(d) INTERAGENCY DISABILITY COORDINATING COUNCIL.—Section 507(a) (29 U.S.C. 794c(a)) is amended by inserting ''the Chairperson of the National Council on Disability,'' before ''and such other''.

SEC. 557. PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 509 (29 U.S.C. 794e) is amended—

(1) in subsection (c)(1)(A), by inserting ''a grant or contract for'' before ''training'';

(2) in subsection (f)—

(A) in paragraph (2),—

(i) by striking ''general'' and all that follows through ''records'' and inserting ''general authorities (including rights and remedies), including the authority to access records''; and

(ii) by inserting ''of title I'' after ''subtitle C''; and

(B) in paragraph (3), by striking ''authority'' and inserting ''authority (including the right)'';

(3) in subsection (g)(2), by striking ''was paid'' and all that follows and inserting ''was paid, except that program income generated from the amount paid to an eligible system for a fiscal year shall re-

main available to such system for the following 2 fiscal years.'';

(4) in subsection (l), by striking ''1999 through 2003'' and inserting ''2014 through 2018'';

(5) by redesignating subsections (l) and (m) as subsections (m) and (n), respectively; and

(6) by inserting after subsection (k) the following:

''(l) SYSTEM AUTHORITY.—For purposes of serving persons eligible for services under this section, an eligible system shall have the same general authorities, including access to records, as the system is afforded under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.), as determined by the Commissioner of the Administration on Developmental Disabilities.''.

SEC. 558. EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES AT WAGES BELOW MINIMUM WAGE.

(a) IN GENERAL.—Title V (29 U.S.C. 791 et seq.) is amended by adding at the end the following:

''SEC. 511. EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES AT A SUBMINIMUM WAGE.

''(a) IN GENERAL.—An entity, including a contractor or subcontractor of the entity, may not employ an individual with a disability at a wage (referred to in this sec-

1 tion as a 'subminimum wage') that is less than the Federal
2 minimum wage, unless the entity has complied with the
3 requirements of section 14(c) of the Fair Labor Standards
4 Act of 1938 (29 U.S.C. 214(c)), and any of the following
5 additional conditions is met:

6 "(1) The individual is currently employed, as of
7 the effective date of this section, by an entity that
8 holds a valid certificate pursuant to section 14(c) of
9 the Fair Labor Standards Act of 1938 (referred to
10 in this section as a 'certificate holder').

11 "(2) The individual is older than age 24 on the
12 date when the individual begins employment at a
13 subminimum wage.

14 "(3) The individual is age 24 or younger and,
15 before beginning work at a subminimum wage, has
16 completed, and produces documentation indicating
17 completion of, each of the following 3 actions:

18 "(A) The individual has received pre-em-
19 ployment transition services that are available
20 to the individual under section 114, or transi-
21 tion services under the Individuals with Disabil-
22 ities Education Act (20 U.S.C. 1400 et seq.)
23 such as transition services available to the indi-
24 vidual under section 614(d) of that Act (20
25 U.S.C. 1414(d)).

"(B) The individual has applied for vocational rehabilitation services under title I, with the result that—

"(i) the individual has been found ineligible for the services pursuant to that title; or

"(ii)(I) the individual has been determined to be eligible for vocational rehabilitation services;

"(II) the individual has an individualized plan for employment under section 102;

"(III) the individual has been working toward an employment outcome specified in such individualized plan for employment, with appropriate supports and services, for a reasonable period of time without success; and

"(IV) the individual's vocational rehabilitation case is closed after the individual's qualified vocational rehabilitation counselor and the individual both agree that continued efforts by the individual to work toward an employment outcome, as

defined in section 7, at the present time will likely not be successful.

"(C) The individual (with, in an appropriate case, the individual's parent or guardian)—

"(i) has been provided career counseling, and information and referrals to Federal and State programs and other resources in the individual's geographic area that offer employment-related services and supports designed to enable the individual to explore, discover, experience, and attain competitive integrated employment;

"(ii) understands the conditions under which a subminimum wage may be paid; and

"(iii) consents to work for the employer and be paid a subminimum wage.

"(4) The individual, regardless of age, is receiving work readiness or job training services provided by a certificate holder, as part of the individual's preparation for competitive integrated employment, for—

"(A) a period of not more than 6 months; or

"(B) a longer period, if the individual wishes to continue to receive such services after an initial 6-month period and is reassessed by the agency referring the individual for such services, or an appropriate entity, not less often than every 6 months, to determine the individual's ability to transition to competitive integrated employment.

"(b) CONSTRUCTION.—

"(1) SERVICES.—Nothing in subsection (a)(3)(B) shall be construed to prohibit a designated State unit from allowing an individual to receive work readiness or job training services provided by a certificate holder, for a period of not more than 6 months.

"(2) RULE.—Nothing in this section shall be construed as changing the purpose of this Act described in section 2(b)(1), to empower individuals with disabilities to maximize opportunities for competitive integrated employment.

"(c) DURING EMPLOYMENT.—

"(1) IN GENERAL.—The entity described in subsection (a) may not continue to employ an individual at a subminimum wage unless, after the individual begins work at that wage, at the intervals de-

scribed in paragraph (2), the individual (with, in an appropriate case, the individual's parent or guardian)—

"(A) is provided career counseling, and information and referrals described in subsection (a)(3)(C)(i), delivered in a manner that facilitates independent decisionmaking and informed choice, as the individual makes decisions regarding employment and career advancement; and

"(B) is informed by the employer of self-advocacy, self-determination, and peer mentoring training opportunities available in the individual's geographic area, provided by an entity that does not have any financial interest in the individual's employment outcome, under applicable Federal and State programs or other sources.

"(2) TIMING.—The actions required under subparagraphs (A) and (B) of paragraph (1) shall be carried out once every 6 months for the first year of the individual's employment at a subminimum wage, and annually thereafter for the duration of such employment.

"(3) SMALL BUSINESS EXCEPTION.—In the event that the entity described in subsection (a) is a business with fewer than 15 employees, such entity can satisfy the requirements of subparagraphs (A) and (B) of paragraph (1) by referring the individual, at the intervals described in paragraph (2), to the designated State unit for the counseling, information, and referrals described in subparagraph (A) and the information described in subparagraph (B).

"(d) DOCUMENTATION.—

"(1) IN GENERAL.—The designated State unit, in consultation with the State educational agency, shall develop a new process or utilize an existing process, consistent with guidelines developed by the Secretary, to document the completion of the actions described in subparagraphs (A), (B), and (C) of subsection (a)(3) by a youth with a disability who is an individual with a disability.

"(2) DOCUMENTATION PROCESS.—Such process shall require that—

"(A) in the case of a student with a disability, for documentation of actions described in subsection (a)(3)(A)—

"(i) if such a student with a disability receives and completes each category de-

scribed in clauses (i) through (v) of section 7(30)(B) of available pre-employment transition services, such completion of services shall be documented by the designated State unit in a manner consistent with this section;

''(ii) if such a student with a disability receives and completes any transition services available for students with disabilities under the Individuals with Disabilities Education Act, including those provided under section 614(d)(1)(A)(i)(VIII) (20 U.S.C. 1414(d)(1)(A)(i)(VIII)), such completion of services shall be documented by the appropriate school official responsible for the provision of such transition services for students with disabilities in the school or school district, in a manner consistent with this section; and

''(iii) a Local Pre-Employment Transition Coordinator shall provide the final documentation, in a form and manner consistent with this section, of the completion of pre-employment transition services as described in clause (i), or transition serv-

ices under the Individuals with Disabilities Education Act as described in clause (ii), to the student with a disability within a reasonable period of time following the completion; and

"(B) when an individual has completed the actions described in subsection (a)(3)(C), following the completion of the actions described in subparagraphs (A) and (B) of subsection (a)(3), the designated State unit shall provide the individual a document indicating such completion, in a manner consistent with this section, within a reasonable time period following the completion of the actions described in this subparagraph.

"(e) VERIFICATION.—

"(1) BEFORE EMPLOYMENT.—Before an individual covered by subsection (a)(3) begins work for an employer at a subminimum wage, the employer shall review the documentation received by the individual under subsection (d), and provided by the individual to the employer, that indicates that the individual has completed the actions described in subparagraphs (A), (B), and (C) of subsection (a)(3)

and the employer shall maintain copies of the documentation.

"(2) DURING EMPLOYMENT.—In order to continue to employ an individual at a subminimum wage, the employer shall verify completion of the requirements of subsection (c), including reviewing any relevant documents provided by the individual, and shall maintain copies of the documentation.

"(f) FEDERAL MINIMUM WAGE.—In this section, the term 'Federal minimum wage' means the rate applicable under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)).".

(b) EFFECTIVE DATE.—This section takes effect 2 years after the date of enactment of the Workforce Investment Act of 2013.

Subtitle G—Employment Opportunities for Individuals With Disabilities

SEC. 561. PROJECTS WITH INDUSTRY.

Section 611 (29 U.S.C. 795) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "in the competitive" and inserting "in competitive integrated employment in the"; and

(ii) by inserting ''locally'' after ''career advancement''; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A)—

(I) by inserting ''local and national'' after ''jointly financed'';

(II) by inserting ''in competitive integrated employment'' after ''career opportunities''; and

(III) by striking ''Secretary of Labor'' and inserting ''Secretary of Education'';

(ii) in subparagraph (A)—

(I) by striking clause (ii) and inserting the following:

''(ii) identify job and career availability within the community, consistent with the existing and emerging in-demand industry sectors and occupations, and the employment needs of employers in those industry sectors and occupations, identified by the local workforce development board for the corresponding local area under section 118(b)(1)(A) of the Workforce Investment Act of 2013;'';

(II) in clause (iii), by striking "and" after the semicolon;

(III) in clause (iv), by inserting "and" after the semicolon; and

(IV) by adding at the end the following:

"(v) coordinate such training and job placement activities with the local workforce development boards described in clause (ii) as appropriate, and with the Job Corps center industry councils established under section 254 of the Workforce Investment Act of 2013."; and

(iii) in subparagraph (C)—

(I) in clause (i), by striking "and" after the semicolon;

(II) by redesignating clause (ii) as clause (iii); and

(III) by inserting after clause (i) the following:

"(ii) internship programs for individuals with disabilities who seek employment; and";

(2) in subsection (e)(2), by striking "in States, portions of States, Indian tribes, or tribal organizations" and inserting "nationally or in States, in por-

tions of States, across multiple States, or in Indian tribes or tribal organizations''; and

(3) by adding at the end the following:

''(i) PROHIBITED USE OF FUNDS.—Grant funds awarded under this section shall not be used to support services in sheltered workshops or segregated settings.''.

SEC. 562. AUTHORIZATION OF APPROPRIATIONS.

Section 612 (29 U.S.C. 795a) is amended by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2014 through 2018''.

SEC. 563. SUPPORTED EMPLOYMENT SERVICES.

Part B of title VI (29 U.S.C. 795g) is amended to read as follows:

''PART B—SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES

''SEC. 621. PURPOSE.

''It is the purpose of this part to authorize allotments, in addition to grants for vocational rehabilitation services under title I, to assist States in developing collaborative programs with appropriate entities to provide supported employment services for individuals with the most significant disabilities, including youth with the most significant disabilities, to enable such individuals to achieve an em-

ployment outcome of supported employment in competitive integrated employment.

"SEC. 622. ALLOTMENTS.

"(a) IN GENERAL.—

"(1) STATES.—The Secretary shall allot the sums appropriated for each fiscal year to carry out this part among the States on the basis of relative population of each State, except that—

"(A) no State shall receive less than $250,000, or ⅓ of 1 percent of the sums appropriated for the fiscal year for which the allotment is made, whichever amount is greater; and

"(B) if the sums appropriated to carry out this part for the fiscal year exceed the sums appropriated to carry out this part for fiscal year 1992 by $1,000,000 or more, no State shall receive less than $300,000, or ⅓ of 1 percent of the sums appropriated for the fiscal year for which the allotment is made, whichever amount is greater.

"(2) CERTAIN TERRITORIES.—

"(A) IN GENERAL.—For the purposes of this subsection, Guam, American Samoa, the United States Virgin Islands, and the Common-

wealth of the Northern Mariana Islands shall not be considered to be States.

"(B) ALLOTMENT.—Each jurisdiction described in subparagraph (A) shall be allotted not less than ⅛ of 1 percent of the amounts appropriated for the fiscal year for which the allotment is made.

"(b) REALLOTMENT.—Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be expended by such State for carrying out the provisions of this part, the Commissioner shall make such amount available for carrying out the provisions of this part to 1 or more of the States that the Commissioner determines will be able to use additional amounts during such year for carrying out such provisions. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the allotment of the State (as determined under the preceding provisions of this section) for such year.

"(c) LIMITATIONS ON ADMINISTRATIVE COSTS.—A State that receives an allotment under this part shall not use more than 5 percent of the funds made available through the allotment to pay for administrative costs.

"(d) SERVICES FOR YOUTH WITH THE MOST SIGNIFICANT DISABILITIES.—A State that receives an allotment under this part shall expend half of the allotment for the provision of supported employment services, including extended services, to youth with the most significant disabilities in order to assist those youth to achieve an employment outcome in supported employment.

"SEC. 623. AVAILABILITY OF SERVICES.

"(a) SUPPORTED EMPLOYMENT SERVICES.—Funds provided under this part may be used to provide supported employment services to individuals who are eligible under this part.

"(b) EXTENDED SERVICES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), funds provided under this part, or title I, may not be used to provide extended services to individuals who are eligible under this part or title I.

"(2) EXTENDED SERVICES FOR YOUTH WITH THE MOST SIGNIFICANT DISABILITIES.—Funds allotted under this part, or title I, and used for the provision of services under this part to youth with the most significant disabilities pursuant to section 622(d), may be used to provide extended services to youth with the most significant disabilities. Such ex-

tended services shall be available for a period not to exceed 4 years.

"SEC. 624. ELIGIBILITY.

"An individual, including a youth with a disability, shall be eligible under this part to receive supported employment services authorized under this part if—

"(1) the individual is eligible for vocational rehabilitation services under title I;

"(2) the individual is determined to be an individual with a most significant disability;

"(3) for purposes of activities carried out with funds described in section 622(d), the individual is a youth with a disability, as defined in section (7)(42); and

"(4) a comprehensive assessment of rehabilitation needs of the individual described in section 7(2)(B), including an evaluation of rehabilitation, career, and job needs, identifies supported employment as the appropriate employment outcome for the individual.

"SEC. 625. STATE PLAN.

"(a) STATE PLAN SUPPLEMENTS.—To be eligible for an allotment under this part, a State shall submit to the Commissioner, as part of the State plan under section 101, a State plan supplement for providing supported em-

ployment services authorized under this Act to individuals, including youth with the most significant disabilities, who are eligible under this Act to receive the services. Each State shall make such annual revisions in the plan supplement as may be necessary.

"(b) CONTENTS.—Each such plan supplement shall—

"(1) designate each designated State agency as the agency to administer the program assisted under this part;

"(2) summarize the results of the comprehensive, statewide assessment conducted under section 101(a)(15)(A)(i), with respect to the rehabilitation needs of individuals, including youth, with significant disabilities and the need for supported employment services, including needs related to coordination;

"(3) describe the quality, scope, and extent of supported employment services authorized under this Act to be provided to individuals, including youth with the most significant disabilities, who are eligible under this Act to receive the services and specify the goals and plans of the State with respect to the distribution of funds received under section 622;

"(4) demonstrate evidence of the efforts of the designated State agency to identify and make arrangements (including entering into cooperative agreements) with other State agencies and other appropriate entities to assist in the provision of supported employment services;

"(5) demonstrate evidence of the efforts of the designated State agency to identify and make arrangements (including entering into cooperative agreements) with other public or nonprofit agencies or organizations within the State, employers, natural supports, and other entities with respect to the provision of extended services;

"(6) describe the activities to be conducted pursuant to section 622(d) for youth with the most significant disabilities, including—

"(A) the provision of extended services for a period not to exceed 4 years; and

"(B) how the State will use the funds specified in section 622(d) to leverage other public and private funds to increase resources for extended services and expand supported employment opportunities for youth with the most significant disabilities;

"(7) provide assurances that—

"(A) funds made available under this part will only be used to provide supported employment services authorized under this Act to individuals who are eligible under this part to receive the services;

"(B) the comprehensive assessments of individuals with significant disabilities, including youth with the most significant disabilities, conducted under section 102(b)(1) and funded under title I will include consideration of supported employment as an appropriate employment outcome;

"(C) an individualized plan for employment, as required by section 102, will be developed and updated using funds under title I in order to—

"(i) specify the supported employment services to be provided, including, as appropriate, for youth with the most significant disabilities, transition services, and pre-employment transition services provided in accordance with sections 101(a)(25) and 114;

"(ii) specify the expected extended services needed, including the extended

services that may be provided to youth with the most significant disabilities under this part, in accordance with an approved individualized plan for employment, for a period not to exceed 4 years; and

"(iii) identify, as appropriate, the source of extended services, which may include natural supports, or that it is not possible to identify the source of extended services at the time the individualized plan for employment is developed;

"(D) the State will use funds provided under this part only to supplement, and not supplant, the funds provided under title I, in providing supported employment services specified in the individualized plan for employment;

"(E) services provided under an individualized plan for employment will be coordinated with services provided under other individualized plans established under other Federal or State programs;

"(F) to the extent jobs skills training is provided, the training will be provided onsite;

"(G) supported employment services will include placement in an integrated setting

based on the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of individuals with the most significant disabilities;

''(H) the State agencies designated under paragraph (1) will expend not more than 5 percent of the allotment of the State under this part for administrative costs of carrying out this part; and

''(I) with respect to supported employment services provided to youth with the most significant disabilities pursuant to section 622(d), the designated State agency will provide, directly or indirectly through public or private entities, non-Federal contributions towards the grant award in an amount that is not less than 10 percent of the costs of carrying out such services; and

''(8) contain such other information and be submitted in such manner as the Commissioner may require.

''SEC. 626. RESTRICTION.

''Each State agency designated under section 625(b)(1) shall collect the information required by section 101(a)(10) separately for—

"(1) eligible individuals receiving supported employment services under this part;

"(2) eligible individuals receiving supported employment services under title I;

"(3) eligible youth receiving supported employment services under this part; and

"(4) eligible youth receiving supported employment services under title I.

"SEC. 627. SAVINGS PROVISION.

"(a) SUPPORTED EMPLOYMENT SERVICES.—Nothing in this Act shall be construed to prohibit a State from providing supported employment services in accordance with the State plan submitted under section 101 by using funds made available through a State allotment under section 110.

"(b) POSTEMPLOYMENT SERVICES.—Nothing in this part shall be construed to prohibit a State from providing discrete postemployment services in accordance with the State plan submitted under section 101 by using funds made available through a State allotment under section 110 to an individual who is eligible under this part.

"SEC. 628. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this part, including for technical assistance, such sums as

may be necessary for each of the fiscal years 2014 through 2018.''.

Subtitle H—Independent Living Services and Centers for Independent Living

CHAPTER 1—GENERAL PROVISIONS

SEC. 571. PURPOSE.

Section 701 (29 U.S.C. 796) is amended, in paragraph (3), by inserting before the period the following: '', with the goal of improving the independence of and equal opportunity for individuals with disabilities''.

SEC. 572. INDEPENDENT LIVING ADMINISTRATION.

Title VII (29 U.S.C. 796 et seq.) is amended by inserting after section 701 the following:

''SEC. 701A. INDEPENDENT LIVING ADMINISTRATION.

''(a) ESTABLISHMENT.—In order to promote the philosophy and purpose of section 701, there is established within the Administration for Community Living of the Department of Health and Human Services, an Independent Living Administration.

''(b) DIRECTOR.—

''(1) APPOINTMENT.—The Independent Living Administration shall be headed by a Director (referred to in this title as the 'ILA Director') ap-

pointed by the Secretary of Health and Human Services.

"(2) QUALIFICATIONS.—The ILA Director shall have substantial knowledge of independent living services.

"(3) AUTHORITIES.—The Independent Living Administration shall be the principal agency, and the ILA Director shall be the principal officer, to carry out this title. In performing the functions of the office, the ILA Director shall be directly responsible to the Administrator for the Administration for Community Living of the Department of Health and Human Services.

"(c) GENERAL COUNSEL.—The Office of the General Counsel of the Department of Health and Human Services shall designate 1 or more individuals, with substantial background and experience in, and knowledge of, independent living services, centers for independent living, and Statewide Independent Living Councils, under this title, to provide advice, support, and technical assistance to the ILA Director.

"(d) INPUT.—The ILA Director shall have the authority to seek such input and advice, including convening meetings, as the ILA Director determines to be appro-

priate with respect to the policies and conduct of the Independent Living Administration.

"(e) STAFF.—The Secretary shall ensure that—

"(1) the Independent Living Administration has sufficient staff to provide oversight of, conduct auditing of, and provide technical assistance to, the centers for independent living and Statewide Independent Living Councils funded under this Act; and

"(2) such staff includes qualified individuals who have significant experience with centers for independent living or Statewide Independent Living Councils described in section 705.".

SEC. 573. DEFINITIONS.

Section 702 (29 U.S.C. 796a) is amended—

(1) in paragraph (1)—

(A) in the matter before subparagraph (A), by inserting "for individuals with significant disabilities (regardless of age or income)" before "that—";

(B) in subparagraph (A), by striking "and" at the end;

(C) in subparagraph (B), by striking the period and inserting ", including, at a minimum, independent living core services as defined in section 7(17); and"; and

(D) by adding at the end the following:

''(C) has sufficient staff to provide the services described in subparagraph (B).''; and

(2) in paragraph (2), by striking the period and inserting the following: '', both in terms of—

''(A) the management, staffing, decision-making, and operation of the center; and

''(B) the center's establishment of policies, direction, and provision of services.''.

SEC. 574. STATE PLAN.

Section 704 (29 U.S.C. 796c) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting after ''State plan'' the following: ''developed and signed in accordance with paragraph (2),''; and

(ii) by striking ''Commissioner'' each place it appears and inserting ''ILA Director'';

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking ''developed and signed by''; and

(ii) by striking subparagraphs (A) and (B) and inserting the following:

"(A) developed by the chairperson of the Statewide Independent Living Council, and the directors of the centers for independent living in the State, after receiving public input from individuals with disabilities and other stakeholders throughout the State; and

"(B) signed by—

"(i) the chairperson of the Statewide Independent Living Council, acting on behalf of and at the direction of the Council;

"(ii) the director of the designated State entity described in subsection (c); and

"(iii) not less than 51 percent of the directors of the centers for independent living in the State.";

(C) in paragraph (3)—

(i) in subparagraph (A), by striking "State independent living services" and inserting "independent living services in the State";

(ii) in subparagraph (B), by striking "and" at the end; and

(iii) by striking subparagraph (C) and inserting the following:

"(C) working relationships and collaboration between—

"(i) centers for independent living; and

"(ii)(I) entities carrying out programs that provide independent living services, including those serving older individuals;

"(II) other community-based organizations that provide or coordinate the provision of housing, transportation, employment, information and referral assistance, services, and supports for individuals with significant disabilities; and

"(III) entities carrying out other programs providing services for individuals with disabilities; and

"(D) cooperative agreements and partnerships to provide a seamless model for provision of services to individuals with disabilities and to avoid duplication of services.";

(D) in paragraph (4), by striking "Commissioner" each place it appears and inserting "ILA Director"; and

(E) by adding at the end the following:

"(5) STATEWIDENESS.—The State plan shall provide for the provision of independent living services on a statewide basis, to the greatest extent possible, including through the establishment of additional centers for independent living, expanded catchment areas, or focused outreach to serve underserved populations.";

(2) in subsection (b), by striking the period and inserting the following: ", as well as a plan for funding the administrative costs of the Council.";

(3) in subsection (c)—

(A) in the subsection heading, by striking "UNIT" and inserting "ENTITY";

(B) in the matter preceding paragraph (1), by striking "the designated State unit of such State" and inserting "a State entity of such State (referred to in this title as the 'designated State entity')";

(C) in paragraphs (3) and (4), by striking "Commissioner" each place it appears and inserting "ILA Director";

(D) in paragraph (3), by striking "and" at the end;

(E) in paragraph (4), by striking the period and inserting "; and"; and

(F) by adding at the end the following:

''(5) retain not more than 15 percent of the funds received by the State for any fiscal year under part B, for the performance of the services outlined in paragraphs (1) through (4).'';

(4) in subsection (i), by striking paragraphs (1) and (2) and inserting the following:

''(1) the Statewide Independent Living Council;

''(2) centers for independent living;

''(3) the designated State entity; and

''(4) other State agencies or entities represented on the Council, other councils that address the needs and issues of specific disability populations, and other public and private entities determined to be appropriate by the Council.'';

(5) in subsection (m)—

(A) in paragraph (4), by striking ''Commissioner'' each place it appears and inserting ''ILA Director''; and

(B) in paragraph (5), by striking ''Commissioner'' each place it appears and inserting ''ILA Director''; and

(6) by adding at the end the following:

''(o) PROMOTING FULL ACCESS TO COMMUNITY LIFE.—

"(1) IN GENERAL.—The plan shall describe how the State will provide independent living services that promote full access to community life for individuals with significant disabilities.

"(2) SERVICES.—The services shall include—

"(A) facilitating transitions of individuals with significant disabilities from nursing homes and other institutions, to home and community-based residences, with the requisite supports and services;

"(B) providing assistance to individuals with significant disabilities that are at risk of entering institutions so that the individuals may remain in the community; and

"(C) facilitating transitions of youth (including students) who are individuals with significant disabilities, who were eligible for individualized education programs under section 614(d) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)), and who have completed their secondary education or otherwise left school, to postsecondary life, including employment.".

SEC. 575. STATEWIDE INDEPENDENT LIVING COUNCIL.

Section 705 (29 U.S.C. 796d) is amended—

(1) in subsection (b)—

(A) by striking paragraph (2) and inserting the following:

"(2) COMPOSITION.—The Council shall include—

"(A) among its voting members, at least 1 director of a center for independent living chosen by the directors of centers for independent living within the State;

"(B) among its voting members, for a State in which 1 or more centers for independent living are run by, or in conjunction with, the governing bodies of American Indian tribes located on Federal or State reservations, at least 1 representative of the directors of the centers; and

"(C) as ex officio, nonvoting members, a representative of the designated State entity, and representatives from State agencies that provide services for individuals with disabilities.";

(B) in paragraph (3)—

(i) by redesignating subparagraphs (C) through (F) as subparagraphs (D) through (G), respectively;

(ii) in subparagraph (B), by striking "parents and guardians of"; and

(iii) by inserting after paragraph (B) the following:

"(C) parents and guardians of individuals with disabilities;";

(C) in paragraph (5)(B), by striking "paragraph (3)" and inserting "paragraph (1)"; and

(D) in paragraph (6), by striking subparagraph (B) and inserting the following:

"(B) NUMBER OF TERMS.—No member of the Council, other than a representative described in paragraph (2)(A) if there is only one center for independent living within the State, may serve more than 2 consecutive full terms.";

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

"(c) FUNCTIONS.—

"(1) DUTIES.—The Council shall—

"(A) in conjunction with the directors of the centers for independent living in the State, jointly develop the State plan as provided in section 704(a)(2), and sign the State plan;

"(B) monitor, review, and evaluate the implementation of the State plan;

"(C) have at least 4 regularly scheduled meetings per year, and ensure that such meetings of the Council are open to the public and sufficient advance notice of such meetings is provided;

"(D) submit to the ILA Director such periodic reports as the ILA Director may reasonably request, and keep such records, and afford such access to such records, as the ILA Director finds necessary to verify the information in such reports; and

"(E) as appropriate, coordinate activities with other entities in the State that provide services similar to or complementary to independent living services, such as entities that facilitate the provision of or provide long-term community-based services and supports.

"(2) AUTHORITIES.—The Council may, consistent with the State plan described in section 704, unless prohibited by State law—

"(A) facilitate the improvement and coordination of services provided to individuals with disabilities by centers for independent liv-

ing, government agencies, and community organizations;

"(B) conduct resource development activities to obtain funding from public and private resources to support the activities described in this subsection or to support the provision of independent living services by centers for independent living; and

"(C) perform such other functions, consistent with the purpose of this chapter and comparable to other functions described in this subsection, as the Council determines to be appropriate.

"(3) LIMITATION.—The Council shall not provide independent living services directly to individuals with significant disabilities or manage such services.";

(3) in subsection (e)—

(A) in paragraph (1), in the first sentence, by striking "prepare" and all that follows through "a plan" and inserting "prepare, in conjunction with the designated State entity (as necessary), a plan"; and

(B) in paragraph (3), by striking "State agency" and inserting "State entity"; and

(4) in subsection (f)—

(A) by striking ''such resources'' and inserting ''available resources''; and

(B) by striking ''(including'' and all that follows through ''compensation'' and inserting ''(such as personal assistance services), and to pay reasonable compensation''.

SEC. 575A. RESPONSIBILITIES OF THE ILA DIRECTOR.

Section 706 (29 U.S.C. 796d–1) is amended—

(1) by striking the title of the section and inserting the following:

''SEC. 706. RESPONSIBILITIES OF THE ILA DIRECTOR.'';

(2) in subsection (a)—

(A) in paragraph (1), by striking ''Commissioner'' each place it appears and inserting ''ILA Director''; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking ''Commissioner'' each place it appears and inserting ''ILA Director''; and

(ii) in subparagraph (B)—

(I) in clause (i)—

(aa) by striking ''Secretary'' and inserting ''Secretary or the Commissioner''; and

(bb) by striking ''to the Commissioner; and'' and inserting ''to the ILA Director;'';

(II) by redesignating clause (ii) as clause (iii); and

(III) by inserting after clause (i) the following:

''(ii) to the State agency shall be deemed to be references to the designated State entity; and'';

(3) by striking subsection (b) and inserting the following:

''(b) INDICATORS.—Not later than 1 year after the date of enactment of the Workforce Investment Act of 2013, the ILA Director shall develop and publish in the Federal Register indicators of minimum compliance for centers for independent living (consistent with the standards set forth in section 725), and indicators of minimum compliance for Statewide Independent Living Councils.'';

(4) in subsection (c)—

(A) in paragraph (1)—

(i) by striking ''Commissioner'' each place it appears and inserting ''ILA Director''; and

(ii) by striking the last sentence; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking ''Commissioner'' and inserting ''ILA Director'';

(ii) in subparagraph (A), by striking ''such a review'' and inserting ''a review described in paragraph (1)''; and

(iii) in subparagraphs (A) and (B), by striking ''Department'' each place it appears and inserting ''Independent Living Administration''; and

(5) by striking subsection (d).

CHAPTER 2—INDEPENDENT LIVING SERVICES

SEC. 576. ADMINISTRATION.

(a) ALLOTMENTS.—Section 711 (29 U.S.C. 796e) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(A)—

(i) by striking ''Except'' and inserting ''After the reservation required by section 711A is made, and except''; and

(ii) by inserting ''the remainder of the'' before ''sums appropriated''; and

(B) in paragraph (2)(B), by striking "amounts made available for purposes of this part" and inserting "remainder described in paragraph (1)(A)";

(2) in subsections (a), (b), and (c), by striking "Commissioner" each place it appears and inserting "ILA Director"; and

(3) by adding at the end the following:

"(d) ADMINISTRATION.—Funds allotted or made available to a State under this section shall be administered by the designated State entity, in accordance with the approved State plan.".

(b) TRAINING AND TECHNICAL ASSISTANCE.—Part B of title VII is amended by inserting after section 711 (29 U.S.C. 796e) the following:

"SEC. 711A. TRAINING AND TECHNICAL ASSISTANCE.

"(a) IN GENERAL.—From the funds appropriated to carry out this part for any fiscal year, beginning with fiscal year 2014, the ILA Director shall first reserve not less than 1.8 percent and not more than 2 percent of the funds to provide training and technical assistance to Statewide Independent Living Councils for such fiscal year.

"(b) ALLOCATION.—From the funds reserved under subsection (a), the ILA Director shall make grants to, and enter into contracts and other arrangements with, entities

that have experience in the operation of Statewide Independent Living Councils to provide such training and technical assistance with respect to developing, conducting, administering, and evaluating Statewide Independent Living Councils.

''(c) FUNDING PRIORITIES.—The ILA Director shall conduct a survey of Statewide Independent Living Councils regarding training and technical assistance needs in order to determine funding priorities for such grants, contracts, or other arrangements.

''(d) REVIEW.—To be eligible to receive a grant or enter into a contract or other arrangement under this section, such an entity shall submit an application to the ILA Director at such time, in such manner, and containing a proposal to provide such training and technical assistance, and containing such additional information as the ILA Director may require. The ILA Director shall provide for peer review of grant applications by panels that include persons who are not government employees and who have experience in the operation of Statewide Independent Living Councils.''.

(c) PAYMENTS.—Section 712(a) (29 U.S.C. 796e–1(a)) is amended by striking ''Commissioner'' and inserting ''ILA Director''.

(d) AUTHORIZED USES OF FUNDS.—Section 713 (29 U.S.C. 796e–2) is amended—

(1) by striking the matter preceding paragraph (1) and inserting the following:

"(a) IN GENERAL.—The State may use funds received under this part to provide the resources described in section 705(e) (but may not use more than 30 percent of the funds paid to the State under section 712 for such resources unless the State specifies that a greater percentage of the funds is needed for such resources in a State plan approved under section 706), relating to the Statewide Independent Living Council, may retain funds under section 704(c)(5), and shall distribute the remainder of the funds received under this part in a manner consistent with the approved State plan for the activities described in subsection (b).

"(b) ACTIVITIES.—The State may use the remainder of the funds described in subsection (a)—"; and

(2) in paragraph (1), by inserting ", particularly those in unserved areas of the State" after "disabilities".

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 714 (29 U.S.C. 796e–3) is amended by striking "1999 through 2003" and inserting "2014 through 2018".

CHAPTER 3—CENTERS FOR INDEPENDENT LIVING

SEC. 581. PROGRAM AUTHORIZATION.

Section 721 (29 U.S.C. 796f) is amended—

(1) in subsection (a)—

(A) by striking ''1999'' and inserting ''2014'';

(B) by striking ''Commissioner shall allot'' and inserting ''ILA Director shall make available''; and

(C) by inserting '', centers for independent living,'' after ''States'';

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking ''For'' and all that follows through ''Commissioner'' and inserting ''From the funds appropriated to carry out this part for any fiscal year, beginning with fiscal year 2014, the ILA Director'';

(ii) by striking ''reserve from such excess'' and inserting ''reserve not less than 1.8 percent and not more than 2 percent of the funds''; and

(iii) by striking ''eligible agencies'' and all that follows and inserting ''centers

for independent living and eligible agencies for such fiscal year.'';

(B) in paragraph (2)—

(i) by striking ''Commissioner'' and inserting ''ILA Director''; and

(ii) by inserting ''fiscal management of,'' before ''planning,'';

(C) in paragraphs (3), (4), and (5), by striking ''Commissioner'' each place it appears and inserting ''ILA Director''; and

(D) in paragraph (3), by striking ''Statewide Independent Living Councils and'';

(3) in subsection (c), by striking ''Commissioner'' each place it appears and inserting ''ILA Director'';

(4) in subsection (d), by striking ''Commissioner'' each place it appears and inserting ''ILA Director''; and

(5) by adding at the end the following:

''(e) CARRYOVER AUTHORITY.—Notwithstanding any other provision of law—

''(1) any funds appropriated for a fiscal year to carry out a grant program under section 722 or 723, that are not obligated and expended by the recipients prior to the beginning of the succeeding fis-

cal year shall remain available for obligation and expenditure by such recipients during that succeeding fiscal year and the subsequent fiscal year; and

''(2) any amounts of program income received by recipients under a grant program under section 722 or 723 in a fiscal year, that are not obligated and expended by the recipients prior to the beginning of the succeeding fiscal year, shall remain available for obligation and expenditure by such recipients during that succeeding fiscal year and the subsequent fiscal year.''.

SEC. 582. CENTERS.

(a) CENTERS IN STATES IN WHICH FEDERAL FUNDING EXCEEDS STATE FUNDING.—Section 722 (29 U.S.C. 796f–1) is amended—

(1) in subsections (a), (b), and (c), by striking ''Commissioner'' each place it appears and inserting ''ILA Director'';

(2) in subsection (c)—

(A) by striking ''grants'' and inserting ''grants for a fiscal year''; and

(B) by striking ''by September 30, 1997'' and inserting ''for the preceding fiscal year'';

(3) in subsection (d)—

(A) in paragraph (1)—

(i) by striking ''Commissioner'' and inserting ''ILA Director''; and

(ii) by striking ''region, consistent'' and all that follows and inserting ''region. The ILA Director's determination of the most qualified applicant shall be consistent with the provisions in the State plan setting forth the design of the State for establishing a statewide network of centers for independent living.''; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking ''Commissioner'' and inserting ''ILA Director''; and

(ii) by striking subparagraph (A) and inserting the following:

''(A) shall consider comments regarding the application—

''(i) by individuals with disabilities and other interested parties within the new region proposed to be served; and

''(ii) if any, by the Statewide Independent Living Council in the State in which the applicant is located;''; and

(iii) in subparagraph (C), by inserting ", and consistent with the other objectives of this title" before the period; and

(4) in subsections (e) and (g) by striking "Commissioner" each place it appears and inserting "ILA Director".

(b) CENTERS IN STATES IN WHICH STATE FUNDING EXCEEDS FEDERAL FUNDING.—Section 723 (29 U.S.C. 796f–2) is amended—

(1) in subsections (a), (b), (g), (h), and (i), by striking "Commissioner" each place it appears and inserting "ILA Director";

(2) in subsection (a), in the header of paragraph (3), by striking "COMMISSIONER" and inserting "ILA DIRECTOR"; and

(3) in subsection (c)—

(A) by striking "grants" and inserting "grants for a fiscal year"; and

(B) by striking "by September 30, 1997" and inserting "for the preceding fiscal year".

(c) CENTERS OPERATED BY STATE AGENCIES.—Section 724 (29 U.S.C. 796f–3) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "1993" and inserting "2013";

(B) by striking ''Rehabilitation Act Amendments of 1998'' and inserting ''Workforce Investment Act of 2013''; and

(C) by striking ''1994'' and inserting ''2014''; and

(2) by striking ''Commissioner'' each place it appears and inserting ''ILA Director''.

SEC. 583. STANDARDS AND ASSURANCES.

Section 725 (29 U.S.C. 796f–4) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(D), by striking ''to society'' and inserting '', both within the community and throughout the United States,''; and

(B) in paragraph (5), by inserting ''(as defined in section 7(17))'' after ''core services''; and

(2) in subsection (c), by striking ''Commissioner'' each place it appears and inserting ''ILA Director''.

SEC. 584. AUTHORIZATION OF APPROPRIATIONS.

Section 727 (29 U.S.C. 796f–6) is amended by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2014 through 2018''.

CHAPTER 4—INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND

SEC. 586. INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND.

Chapter 2 of title VII (29 U.S.C. 796j et seq.) is amended—

(1) by redesignating sections 752 and 753 as sections 753 and 754, respectively; and

(2) by inserting after section 751 the following:

"SEC. 752. TRAINING AND TECHNICAL ASSISTANCE.

"(a) GRANTS; CONTRACTS; OTHER ARRANGEMENTS.—For any fiscal year for which the funds appropriated to carry out this chapter exceed the funds appropriated to carry out this chapter for fiscal year 2008, the Commissioner shall first reserve from such excess, to provide training and technical assistance to designated State agencies, or other providers of independent living services for older individuals who are blind, that are funded under this chapter for such fiscal year, not less than 1.8 percent, and not more than 2 percent, of the funds appropriated to carry out this chapter for the fiscal year involved.

"(b) ALLOCATION.—From the funds reserved under subsection (a), the Commissioner shall make grants to, and enter into contracts and other arrangements with, en-

1 tities that demonstrate expertise in the provision of serv-
2 ices to older individuals who are blind, to provide training
3 and technical assistance with respect to planning, devel-
4 oping, conducting, administering, and evaluating inde-
5 pendent living programs for older individuals who are
6 blind.

7 ''(c) FUNDING PRIORITIES.—The Commissioner shall
8 conduct a survey of designated State agencies that receive
9 grants under section 753 regarding training and technical
10 assistance needs in order to determine funding priorities
11 for grants, contracts, and other arrangements under this
12 section.

13 ''(d) APPLICATION.—To be eligible to receive a grant
14 or enter into a contract or other arrangement under this
15 section, an entity shall submit an application to the Com-
16 missioner at such time, in such manner, containing a pro-
17 posal to provide such training and technical assistance,
18 and containing such additional information as the Com-
19 missioner may require.''.

20 **SEC. 587. PROGRAM OF GRANTS.**

21 Section 753 (29 U.S.C. 796k), as redesignated by
22 section 586, is amended—

23 (1) by striking subsection (h);

24 (2) by redesignating subsections (i) and (j) as
25 subsections (h) and (i), respectively;

(3) in subsection (b), by striking ''section 753'' and inserting ''section 754'';

(4) in subsection (c)—

(A) in paragraph (1), by striking ''section 753'' and inserting ''section 754''; and

(B) in paragraph (2)—

(i) by striking ''subsection (j)'' and inserting ''subsection (i)''; and

(ii) by striking ''subsection (i)'' and inserting ''subsection (h)'';

(5) in subsection (g), by inserting '', or contracts with,'' after ''grants to'';

(6) in subsection (h), as redesignated by paragraph (2)—

(A) in paragraph (1), by striking ''subsection (j)(4)'' and inserting ''subsection (i)(4)''; and

(B) in paragraph (2)—

(i) in subparagraph (A)(vi), by adding ''and'' after the semicolon;

(ii) in subparagraph (B)(ii)(III), by striking ''; and'' and inserting a period; and

(iii) by striking subparagraph (C); and

(7) in subsection (i), as redesignated by paragraph (2)—

(A) by striking paragraph (2) and inserting the following:

"(2) MINIMUM ALLOTMENT.—

"(A) STATES.—In the case of any of the several States, the District of Columbia, or the Commonwealth of Puerto Rico, the amount referred to in paragraph (1)(A) for a fiscal year is the greater of—

"(i) $350,000;

"(ii) an amount equal to the amount the State, the District of Columbia, or the Commonwealth of Puerto Rico received to carry out this chapter for fiscal year 2008; or

"(iii) an amount equal to ⅓ of 1 percent of the amount appropriated under section 754, and not reserved under section 752, for the fiscal year and available for allotments under subsection (a).

"(B) CERTAIN TERRITORIES.—In the case of Guam, American Samoa, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands, the amount referred

to in paragraph (1)(A) for a fiscal year is $60,000.'';

(B) in paragraph (3)(A), by striking ''section 753'' and inserting ''section 754, and not reserved under section 752,''; and

(C) in paragraph (4)(B)(i), by striking ''subsection (i)'' and inserting ''subsection (h)''.

SEC. 588. INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND AUTHORIZATION OF APPROPRIATIONS.

Section 754 (29 U.S.C. 796l), as redesignated by section 586, is amended by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2014 through 2018''.

Subtitle I—Increasing Employment Opportunities for Individuals With Disabilities

SEC. 591. DISABILITY EMPLOYMENT.

(a) IN GENERAL.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended by adding at the end the following:

"TITLE VIII—INCREASING EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES

"SEC. 801. OFFICE OF DISABILITY EMPLOYMENT POLICY, SERVICES, AND SUPPORTS.

''(a) PURPOSE.—The purpose of this section is to establish an Office of Disability Employment Policy, Services, and Supports—

''(1) to help develop and support national policies and practices that will increase employment and economic advancement opportunities for all individuals with disabilities;

''(2) to ensure that such individuals are fully integrated into the 21st century workforce; and

''(3) to help advance the purposes specified in section 2(b).

''(b) OFFICE.—There is established within the Department of Labor an Office of Disability Employment Policy, Services, and Supports (referred to in this section as the 'Office'). Except as otherwise specifically provided in this Act, such Office shall be the principal entity carrying out the functions described in this section.

''(c) ASSISTANT SECRETARY.—

1 "(1) IN GENERAL.—The Office shall be headed
2 by an Assistant Secretary of Disability Employment
3 Policy, Services, and Supports (referred to in this
4 title as the 'Assistant Secretary') appointed by the
5 President by and with the advice and consent of the
6 Senate. Except as otherwise specifically provided in
7 this Act, the Assistant Secretary shall be the prin-
8 cipal officer carrying out the functions described in
9 this section.

10 "(2) EXPERIENCE.—The Assistant Secretary
11 shall be an individual with experience in, and a thor-
12 ough knowledge of, disability employment policy,
13 training and educational opportunities for individ-
14 uals with disabilities (including youth with disabil-
15 ities), public benefit programs for individuals with
16 disabilities, job development, and the barriers that
17 may limit employment and economic advancement
18 opportunities of individuals with disabilities.

19 "(3) GOALS AND DIRECTION.—In carrying out
20 the functions of the Office, the Assistant Secretary
21 shall be guided by the goals of achieving equal op-
22 portunity, full participation, economic self-suffi-
23 ciency, and independent living for all individuals
24 with disabilities, to the greatest extent possible. In
25 the performance of the functions of the Office, the

1 Assistant Secretary shall be directly responsible to
2 the Secretary of Labor.
3 "(d) FUNCTIONS.—
4 "(1) IN GENERAL.—The Assistant Secretary
5 shall provide national leadership, and encourage
6 interagency collaboration, on increasing employment
7 and training opportunities for individuals with dis-
8 abilities through the development of policies and ini-
9 tiatives (taking into account relevant information
10 from other Federal agencies and including the
11 awarding of grants as appropriate) that—
12 "(A) eliminate barriers to the employment
13 and training of individuals with disabilities;
14 "(B) advance opportunities for employ-
15 ment, and identify strategies that increase em-
16 ployment opportunities in the private sector, for
17 individuals with disabilities, including recruit-
18 ment, retention, and promotion of such individ-
19 uals;
20 "(C) identify and remove disincentives that
21 limit or prevent the full employment of individ-
22 uals with disabilities who are receiving benefits
23 through Federal or State programs such as
24 medical assistance under a State Medicaid pro-
25 gram under title XIX of the Social Security Act

(42 U.S.C. 1396 et seq.), disability insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), or supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

"(D) advise and assist the Department of Labor and other Federal agencies in the development of policies and practices that increase employment opportunities in the Federal Government for individuals with disabilities, including outreach to and recruitment, retention, and promotion of such individuals;

"(E) assist youth with disabilities, including such youth who are out-of-school youth, in successfully transitioning into competitive integrated employment;

"(F) increase access for individuals with disabilities seeking employment, education, and training services from a one-stop delivery system described in section 221(e) of the Workforce Investment Act of 2013, and other public and private providers of such services and supports;

"(G) increase coordination of activities between State vocational rehabilitation programs

and the workforce development systems (as defined in section 101 of such Act), including the one-stop centers (as defined in such section 101), including assisting individuals with disabilities in maximizing the services available through such programs, systems, and centers;

"(H) leverage available public and system resources to address individual and systematic employment barriers for individuals with disabilities, and assist such individuals in navigating the process of coordinating their public benefits, including health care;

"(I) increase employment opportunities for individuals with significant disabilities; and

"(J) meet other objectives, as specified by the Secretary of Labor, that will increase employment and training opportunities for individuals with disabilities.

"(2) LIMITED ENFORCEMENT AUTHORITY.—The Assistant Secretary does not have enforcement authority, under Federal laws other than this Act, to carry out the functions described in paragraph (1).

"(e) REPORT.—For each fiscal year, beginning with the first full fiscal year following the date of enactment of the Workforce Investment Act of 2013, the Secretary

of Labor shall prepare a report and submit the report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, not later than 90 days after the end of that fiscal year. The report shall summarize the Office's progress in—

"(1) meeting the general objectives specified in paragraphs (1) and (2) of subsection (a);

"(2) meeting each of the 4 goals specified in subsection (c)(3); and

"(3) developing the specific policies and initiatives specified in subsection (d).

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2014 through 2018.

"SEC. 802. ADVISORY COMMITTEE ON INCREASING COMPETITIVE INTEGRATED EMPLOYMENT FOR INDIVIDUALS WITH DISABILITIES.

"(a) ESTABLISHMENT.—Not later than 60 days after the date of enactment of the Workforce Investment Act of 2013, the Secretary of Labor shall establish an Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities (referred to in this section as the 'Committee').

1 "(b) APPOINTMENT AND VACANCIES.—

2 "(1) APPOINTMENT.—The Secretary of Labor
3 shall appoint the members of the Committee de-
4 scribed in subsection (c)(6), in accordance with sub-
5 section (c). Each member so appointed shall be ap-
6 pointed for a 2-year term.

7 "(2) VACANCIES.—Any vacancy in the Com-
8 mittee shall not affect its powers, but shall be filled
9 in the same manner, in accordance with the same
10 paragraph of subsection (c), as the original appoint-
11 ment or designation was made.

12 "(c) COMPOSITION.—The Committee shall be com-
13 posed of—

14 "(1) the Assistant Secretary of Disability Em-
15 ployment Policy, Services, and Supports, the Assist-
16 ant Secretary for Employment and Training, and
17 the Administrator of the Wage and Hour Division,
18 of the Department of Labor;

19 "(2) the Commissioner of the Administration on
20 Developmental Disabilities, or the Commissioner's
21 designee;

22 "(3) the Director of the Centers for Medicare
23 & Medicaid Services of the Department of Health
24 and Human Services, or the Director's designee;

"(4) the Commissioner of Social Security, or the Commissioner's designee;

"(5) the Commissioner of the Disability Employment Services and Supports Administration, or the Commissioner's designee; and

"(6) representatives from constituencies consisting of—

"(A) self-advocates for individuals with intellectual or developmental disabilities;

"(B) providers of employment services, including those that employ individuals with intellectual or developmental disabilities in competitive integrated employment;

"(C) representatives of national disability advocacy organizations for adults with intellectual or developmental disabilities;

"(D) experts with a background in academia or research and expertise in employment and wage policy issues for individuals with intellectual or developmental disabilities;

"(E) representatives from the employer community or a national employer organization; and

"(F) other individuals or representatives of organizations with expertise on the issue of in-

creasing opportunities for competitive integrated employment for individuals with disabilities.

"(d) CHAIRPERSON.—The Secretary of Labor shall designate a Chairperson of the Committee from among the appointed members of the Committee.

"(e) MEETINGS.—The Committee shall meet at the call of the Chairperson, but not less often than 4 times per year.

"(f) DUTIES.—The Committee shall study, and prepare findings, conclusions, and recommendations for the Secretary of Labor on, ways to—

"(1) reduce reliance on the use of the certificate program carried out under section 14(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(c)) for the employment of individuals with intellectual or developmental disabilities, or other individuals with significant disabilities, except in limited circumstances or for training purposes;

"(2) increase the employment opportunities for individuals described in paragraph (1) in competitive integrated employment; and

"(3) increase oversight of and accountability for the use of such certificates.

"(g) COMMITTEE PERSONNEL MATTERS.—

"(1) TRAVEL EXPENSES.—The members of the Committee shall not receive compensation for the performance of services for the Committee, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Committee. Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept the voluntary and uncompensated services of members of the Committee.

"(2) STAFF.—The Secretary of Labor may designate such personnel as may be necessary to enable the Committee to perform its duties.

"(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee, with the approval of the head of the appropriate Federal agency, may be detailed to the Committee without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

"(4) FACILITIES, EQUIPMENT, AND SERVICES.—The Secretary of Labor shall make available to the Committee necessary office space and furnish the Committee, under such arrangements respecting

1 financing as may be appropriate, with necessary
2 equipment, supplies, and services.
3 "(h) REPORTS.—
4 "(1) INTERIM AND FINAL REPORTS.—The Com-
5 mittee shall prepare and submit to the Secretary of
6 Labor, as well as the Committee on Health, Edu-
7 cation, Labor, and Pensions of the Senate and other
8 appropriate committees of Congress—
9 "(A) an interim report that summarizes
10 the progress of the Committee, along with any
11 interim findings, conclusions, and recommenda-
12 tions described in subsection (f); and
13 "(B) a final report that summarizes that
14 progress and states final findings, conclusions,
15 and recommendations described in subsection
16 (f).
17 "(2) PREPARATION AND SUBMISSION.—The re-
18 ports shall be prepared and submitted—
19 "(A) in the case of the interim report, not
20 later than 1 year after the date on which the
21 Committee first meets; and
22 "(B) in the case of the final report, not
23 later than 2 years after the date on which the
24 Committee first meets.

"(i) TERMINATION.—The Committee shall terminate on the day after the date on which the Committee submits the final report.

"SEC. 803. PUBLIC EDUCATION CAMPAIGNS ABOUT HIRING INDIVIDUALS WITH DISABILITIES.

"(a) IN GENERAL.—Not later than 120 days after the date of enactment of the Workforce Investment Act of 2013, the Secretary of Labor, acting through the Assistant Secretary and in coordination with the Commissioner of the Disability Employment Services and Supports Administration, the Commissioner of Social Security, and the heads of other relevant Federal agencies and divisions of Federal agencies, shall develop and carry out public education campaigns that educate employers (including small businesses), employees (including individuals with disabilities), and members of the general public (including young adults) on the benefits of hiring individuals with disabilities. The public education campaign for employers (including small businesses) shall include information on—

"(1) the work opportunity credit under section 51 of the Internal Revenue Code of 1986; and

"(2) tax incentives available to businesses to help cover the cost of improving accessibility, including—

"(A) the disabled access credit under section 44 of the Internal Revenue Code of 1986; and

"(B) the tax deduction available under section 190 of the Internal Revenue Code of 1986, for expenses for architectural barrier removal.

"(b) EDUCATIONAL MATERIALS.—The public education campaigns described in subsection (a) shall include, as necessary, different educational materials in order to adequately target and educate, small businesses, employers generally, employees, and members of the general public, including educational materials on work incentives that may assist individuals with disabilities in leaving programs of public benefits, entering the workforce, advancing their economic status, and contributing to and participating more fully in their communities.".

(b) ELIMINATION OF TEXT ESTABLISHING EXISTING OFFICE.—Title I of the Department of Labor Appropriations Act, 2001, as enacted into law by section 1(a)(1) of the Consolidated Appropriations Act, 2001 is amended, in the matter under the header "SALARIES AND EXPENSES" in the matter under the header "DEPARTMENTAL MANAGEMENT", by striking ": *Provided further*, That beginning" and all that follows through "this purpose".

(c) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Assistant Secretary for Disability Employment Policy, shall be deemed to refer to the Assistant Secretary of Disability Employment Policy, Services, and Supports; and

(2) the Office of Disability Employment Policy, shall be deemed to refer to the Office of Disability Employment Policy, Services, and Supports.

Subtitle J—General Provisions

SEC. 596. TRANSFER OF FUNCTIONS TO DEPARTMENT OF LABOR, AND SAVINGS PROVISIONS.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term ''Disability Employment Services and Supports Administration'' means the Disability Employment Services and Supports Administration of the Office of Disability Employment Policy, Services, and Supports of the Department of Labor;

(2) the term ''Federal agency'' has the meaning given to the term ''agency'' by section 551(1) of title 5, United States Code;

(3) the term ''function'' means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program;

(4) the term ''office'' includes any office, administration, agency, institute, unit, organizational entity, or component thereof; and

(5) the term ''Rehabilitation Services Administration'' means the Rehabilitation Services Administration of the Office of Special Education and Rehabilitative Services of the Department of Education.

(b) TRANSFER OF FUNCTIONS.—There are transferred to the Disability Employment Services and Supports Administration, all functions which the Commissioner of the Rehabilitation Services Administration exercised before the effective date of this section (including all related functions of any officer or employee of that Administration) under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), other than title VII of that Act (29 U.S.C. 796 et seq.).

(c) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under this section.

(d) PERSONNEL PROVISIONS.—

(1) APPOINTMENTS.—The Commissioner of the Disability Employment Services and Supports Administration may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the respective functions transferred under this section. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Commissioner of the Disability Employment Services and Supports Administration may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including travel time) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The Commissioner of the Disability Employment Services and Supports Administration may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and

5703 of such title for persons in Government service employed intermittently.

(e) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Commissioner of the Disability Employment Services and Supports Administration may delegate any of the functions transferred to the Commissioner of such Administration by this section and any function transferred or granted to such Commissioner after the effective date of this section to such officers and employees of such Administration as the Commissioner may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Commissioner of the Disability Employment Services and Supports Administration under this subsection or under any other provision of this section shall relieve such Commissioner of responsibility for the administration of such functions.

(f) REORGANIZATION.—The Commissioner of the Disability Employment Services and Supports Administration is authorized to allocate or reallocate any function transferred under this section among the officers of such Administration, and to establish, consolidate, alter, or discontinue such organizational entities in such Administration as may be necessary or appropriate.

(g) RULES.—The Commissioner of the Disability Employment Services and Supports Administration is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as that Commissioner determines necessary or appropriate to administer and manage the functions of that Administration.

(h) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Disability Employment Services and Supports Administration. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(i) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the

1 functions transferred by this section, and to make such
2 additional incidental dispositions of personnel, assets, li-
3 abilities, grants, contracts, property, records, and unex-
4 pended balances of appropriations, authorizations, alloca-
5 tions, and other funds held, used, arising from, available
6 to, or to be made available in connection with such func-
7 tions, as may be necessary to carry out the provisions of
8 this section. The Director of the Office of Management
9 and Budget shall provide for the termination of the affairs
10 of all entities terminated by this section and for such fur-
11 ther measures and dispositions as may be necessary to ef-
12 fectuate the purposes of this section.

13 (j) EFFECT ON PERSONNEL.—

14 (1) IN GENERAL.—Except as otherwise pro-
15 vided by this section, the transfer pursuant to this
16 section of full-time personnel (except special Govern-
17 ment employees) and part-time personnel holding
18 permanent positions shall not cause any such em-
19 ployee to be separated or reduced in grade or com-
20 pensation for 1 year after the date of transfer of
21 such employee under this section.

22 (2) EXECUTIVE SCHEDULE POSITIONS.—Except
23 as otherwise provided in this section, any person
24 who, on the day preceding the effective date of this
25 section, held a position compensated in accordance

with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Disability Employment Services and Supports Administration to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(3) TERMINATION OF CERTAIN POSITIONS.—Positions whose incumbents are appointed by the President, by and with the advice and consent of the Senate, the functions of which are transferred by this section, shall terminate on the effective date of this section.

(k) SAVINGS PROVISIONS.—

(1) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or

by a court of competent jurisdiction, in the performance of functions which are transferred under this section; and

(B) which are in effect at the time this section takes effect, or were final before the effective date of this section and are to become effective on or after the effective date of this section,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Commissioner of the Disability Employment Services and Supports Administration or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) PROCEEDINGS NOT AFFECTED.—The provisions of this section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Rehabilitation Services Administration at the time this section takes effect, with respect to functions transferred by this section but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and

payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) SUITS NOT AFFECTED.—The provisions of this section shall not affect suits commenced (with respect to functions transferred under this section) before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Rehabilitation Services Administration (with regard to functions transferred under this section), or by or against any individual in the official capacity

of such individual as an officer of the Rehabilitation Services Administration (with regard to functions transferred under this section), shall abate by reason of the enactment of this section.

(5) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Rehabilitation Services Administration (with regard to functions transferred under this section) may be continued by the Disability Employment Services and Supports Administration with the same effect as if this section had not been enacted.

(l) SEPARABILITY.—If a provision of this section or its application to any person or circumstance is held invalid, neither the remainder of this section nor the application of the provision to other persons or circumstances shall be affected.

(m) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Commissioner of the Rehabilitation Services Administration (with regard to functions transferred under this section), shall be deemed to

refer to the Commissioner of the Disability Employment Services and Supports Administration; and

(2) the Rehabilitation Services Administration (with regard to functions transferred under this section), shall be deemed to refer to the Disability Employment Services and Supports Administration.

(n) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Commissioner of the Disability Employment Services and Supports Administration shall prepare and submit to Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this section.

(2) SUBMISSION TO CONGRESS.—Not later than 180 days after the effective date of this section, the Commissioner of the Disability Employment Services and Supports Administration shall submit the recommended legislation referred to under paragraph (1).

(o) TRANSITION.—The Commissioner of the Disability Employment Services and Supports Administration is authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Rehabilitation Services Administration with regard to functions transferred under this section; and

(2) funds appropriated to such functions,

for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(p) INTERIM LEADERSHIP.—Until the date on which the Commissioner of the Disability Employment Services and Supports Administration takes office, the Secretary of Labor may exercise any authority of that Administration.

SEC. 597. TRANSFER OF FUNCTIONS TO DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND SAVINGS PROVISIONS.

(a) INDEPENDENT LIVING ADMINISTRATION.—

(1) DEFINITIONS.—For purposes of this subsection, unless otherwise provided or indicated by the context—

(A) the terms ''Disability Employment Services and Supports Administration'', ''function'', and ''Rehabilitation Services Administration'' have the meanings given the terms in section 596; and

(B) the term "Independent Living Administration" means the Independent Living Administration of the Administration for Community Living of the Department of Health and Human Services.

(2) TRANSFER OF FUNCTIONS.—There are transferred to the Independent Living Administration, all functions which the Commissioner of the Rehabilitation Services Administration exercised before the effective date of this section (including all related functions of any officer or employee of that Administration) under title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796 et seq.).

(3) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under paragraph (2).

(4) ADMINISTRATIVE MATTERS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), subsections (d) through (o) of section 596—

(i) shall apply to the Rehabilitation Services Administration; and

(ii) shall apply to the Independent Living Administration and the Director of that Administration in the same manner and to the same extent as those subsections apply to the Disability Employment Services and Supports Administration and the Commissioner of that Administration.

(B) REFERENCES TO TRANSFERS.—For purposes of applying those subsections under subparagraph (A), references in those subsections to a transfer shall be considered to refer to a transfer under paragraph (2) or a corresponding provision of this subsection.

(5) INTERIM LEADERSHIP.—Until the date on which the Director of the Independent Living Administration takes office, the Secretary of Health and Human Services may exercise any authority of that Administration.

(b) NATIONAL INSTITUTE ON DISABILITY, INDEPENDENT LIVING, AND REHABILITATION RESEARCH.—

(1) DEFINITIONS.—For purposes of this subsection, unless otherwise provided or indicated by the context—

(A) the terms ''Disability Employment Services and Supports Administration'', ''function'', and ''Rehabilitation Services Administration'' have the meanings given the terms in section 596;

(B) the term ''NIDILRR'' means the National Institute on Disability, Independent Living, and Rehabilitation Research of the Administration for Community Living of the Department of Health and Human Services; and

(C) the term ''NIDRR'' means the National Institute on Disability and Rehabilitation Research of the Office of Special Education and Rehabilitative Services of the Department of Education.

(2) TRANSFER OF FUNCTIONS.—There are transferred to the NIDILRR, all functions which the Director of the NIDRR exercised before the effective date of this section (including all related functions of any officer or employee of the NIDRR).

(3) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under paragraph (2).

(4) ADMINISTRATIVE MATTERS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), subsections (d) through (o) of section 596—

(i) shall apply to the NIDRR and the Director of the NIDRR in the same manner and to the same extent as those subsections apply to the Rehabilitation Services Administration and the Commissioner of that Administration; and

(ii) shall apply to the NIDILRR and the Director of the NIDILRR in the same manner and to the same extent as those subsections apply to the Disability Employment Services and Supports Administration and the Commissioner of that Administration.

(B) REFERENCES TO TRANSFERS.—For purposes of applying those subsections under subparagraph (A), references in those subsections to a transfer shall be considered to refer to a transfer under paragraph (2) or a corresponding provision of this subsection.

SEC. 598. TABLE OF CONTENTS.

The table of contents in section 1(b) is amended—

1 (1) by striking the item relating to section 12
2 and inserting the following:

"Sec. 12. Administration by the Secretary of Labor.
"Sec. 12A. Administration by the Secretary of Health and Human Services.";

3 (2) by striking the item relating to section 14
4 and inserting the following:

"Sec. 14. Evaluation by the Secretary of Labor.
"Sec. 14A. Evaluation by the Secretary of Health and Human Services.";

5 (3) by striking the item relating to section 109
6 and inserting the following:

"Sec. 109. Training and services for employers.";

7 (4) by inserting after the item relating to sec-
8 tion 112 the following:

"Sec. 113. Additional technical assistance.
"Sec. 114. Pre-employment transition services.";

9 (5) by striking the item relating to section 202
10 and inserting the following:

"Sec. 202. National Institute on Disability, Independent Living, and Rehabilitation Research.";

11 (6) by striking the item relating to section 205
12 and inserting the following:

"Sec. 205. Disability, Independent Living, and Rehabilitation Research Advisory Council.
"Sec. 206. Definition of covered school.";

13 (7) by inserting after the item relating to sec-
14 tion 509 the following:

"Sec. 510. Establishment of standards for accessible medical diagnostic equipment.
"Sec. 511. Employment of individuals with significant disabilities at a subminimum wage.";

(8) by striking the items relating to part B of title VI and inserting the following:

"PART B—SUPPORTED EMPLOYMENT SERVICES

"Sec. 621. Purpose.
"Sec. 622. Allotments.
"Sec. 623. Availability of services.
"Sec. 624. Eligibility.
"Sec. 625. State plan.
"Sec. 626. Restriction.
"Sec. 627. Savings provision.
"Sec. 628. Authorization of appropriations.";

(9) in the items relating to title VII—

(A)(i) by inserting after the item relating to section 701 the following:

"Sec. 701A. Independent Living Administration.";

and

(ii) by striking the item relating to section 706 and inserting the following:

"Sec. 706. Responsibilities of the ILA Director.";

(B) by inserting after the item relating to section 711 the following:

"Sec. 711A. Training and technical assistance.";

and

(C) by striking the items relating to sections 752 and 753 and inserting the following:

"Sec. 752. Training and technical assistance.
"Sec. 753. Program of grants.
"Sec. 754. Authorization of appropriations.";

and

(10) by adding at the end the following:

"TITLE VIII—INCREASING EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES

"Sec. 801. Office of Disability Employment Policy, Services, and Supports.
"Sec. 802. Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities.
"Sec. 803. Public education campaigns about hiring individuals with disabilities.".

TITLE VI—GENERAL PROVISIONS

Subtitle A—Workforce Investment

SEC. 601. PRIVACY.

(a) SECTION 444 OF THE GENERAL EDUCATION PROVISIONS ACT.—Nothing in this Act shall be construed to supersede the privacy protections afforded parents and students under section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

(b) PROHIBITION ON DEVELOPMENT OF NATIONAL DATABASE.—

(1) IN GENERAL.—Nothing in this Act shall be construed to permit the development of a national database of personally identifiable information on individuals receiving services under title II.

(2) LIMITATION.—Nothing in paragraph (1) shall be construed to prevent the proper administration of national programs under subtitles C and D of title II or to carry out program management activities consistent with title II.

SEC. 602. BUY-AMERICAN REQUIREMENTS.

(a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available under title II or III or under

the Wagner-Peyser Act (29 U.S.C. 49 et seq.) may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with sections 8301 through 8303 of title 41, United States Code (commonly known as the ''Buy American Act'').

(b) SENSE OF THE 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 under title II or III or under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), it is the sense of 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 under title II or III or under the Wagner-Peyser 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 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 under title II or III or under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations, as such sections were in effect on August 7, 1998, or pursuant to any successor regulations.

SEC. 603. TRANSITION PROVISIONS.

(a) WORKFORCE DEVELOPMENT SYSTEMS.—The Secretary of Labor and the Secretary of Education shall take such actions as the Secretaries determine to be appropriate to provide for the orderly transition from any authority under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.) to any authority under title I. Such actions shall include the provision of guidance related to unified state planning and the performance accountability system described under such title.

(b) WORKFORCE INVESTMENT ACTIVITIES.—The Secretary of Labor shall take such actions as the Sec-

retary determines to be appropriate to provide for the orderly transition from any authority under the Workforce Investment Act of 1998 to any authority under title II.

(c) ADULT EDUCATION AND LITERACY PROGRAMS.—The Secretary of Education shall take such actions as the Secretary determines to be appropriate to provide for the orderly transition from any authority under the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.), as in effect on the day before the date of enactment of this Act, to any authority under the Adult Education and Family Literacy Act, as amended by this Act.

(d) EMPLOYMENT SERVICES ACTIVITIES.—The Secretary of Labor shall take such actions as the Secretary determines to be appropriate to provide for the orderly transition from any authority under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), as in effect on the day before the date of enactment of this Act, to any authority under the Wagner-Peyser Act, as amended by this Act.

(e) VOCATIONAL REHABILITATION PROGRAMS.—The Secretary of Education shall take such actions as the Secretary determines to be appropriate to provide for the orderly transition from any authority under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), as in effect on the day before the date of enactment of this Act, to any

1 authority under the Rehabilitation Act of 1973, as amend-
2 ed by this Act.

3 (f) REGULATIONS.—

4 (1) PROPOSED REGULATIONS.—Not later than
5 180 days after the date of enactment of this Act, the
6 Secretary of Labor and the Secretary of Education,
7 as appropriate, shall develop and publish in the Fed-
8 eral Register proposed regulations relating to the
9 transition to, and implementation of, this Act.

10 (2) FINAL REGULATIONS.—Not later than 18
11 months after the date of enactment of this Act, the
12 Secretary of Labor and the Secretary of Education,
13 as appropriate, shall develop and publish in the Fed-
14 eral Register final regulations relating to the transi-
15 tion to, and implementation of, this Act.

16 (g) EXPENDITURE OF FUNDS DURING TRANSI-
17 TION.—

18 (1) IN GENERAL.—Subject to paragraph (2)
19 and in accordance with regulations developed under
20 subsection (f), States, grant recipients, administra-
21 tive entities, and other recipients of financial assist-
22 ance under the Workforce Investment Act of 1998
23 may expend funds received under such Act, prior to
24 July 1, 2015, in order to plan and implement pro-
25 grams and activities authorized under this Act.

(2) ADDITIONAL REQUIREMENTS.—Not more than 2 percent of any allotment to any State from amounts appropriated under the Workforce Investment Act of 1998 for fiscal year 2014 may be made available to carry out activities authorized under paragraph (1) and not less than 50 percent of any amount used to carry out activities authorized under paragraph (1) shall be made available to local entities for the purposes of the activities described in such paragraph.

SEC. 604. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act, and the amendments made by this Act, take effect on the date of enactment of this Act.

(b) EFFECTIVE DATE FOR WORKFORCE DEVELOPMENT PERFORMANCE ACCOUNTABILITY SYSTEM.—The requirements of section 131 shall apply beginning on the first day of the second full program year after the date of enactment of this Act.

Subtitle B—Amendments to Other Laws

SEC. 611. REPEAL OF THE WORKFORCE INVESTMENT ACT OF 1998.

(a) YOUTH OPPORTUNITY GRANTS.—Section 169 of the Workforce Investment Act of 1998 (29 U.S.C. 2914) is repealed.

(b) TWENTY-FIRST CENTURY WORKFORCE COMMISSION.—Subtitle C of title III of the Workforce Investment Act of 1998 (29 U.S.C. 2701 note) is repealed.

(c) WORKFORCE INVESTMENT ACT OF 1998.—The Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.) is repealed.

SEC. 612. PREPARATION AND SUBMISSION OF CONFORMING AMENDMENTS.

(a) PREPARATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Secretary of Labor and the Secretary of Education, as appropriate, shall prepare recommended legislation containing technical and conforming amendments to reflect the changes made by titles I through V.

(b) SUBMISSION TO CONGRESS.—Not later than 6 months after the date of enactment of this Act, the Secretary of Labor and the Secretary of Education, as appro-

priate, shall submit to Congress the recommended legislation referred to in subsection (a).

SEC. 613. WORKFORCE INVESTMENT REFERENCES AND CONFORMING AMENDMENTS.

(a) WORKFORCE INVESTMENT ACT OF 1998 REFERENCES.—Except as otherwise specified, a reference in a Federal law to a provision of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.) shall be deemed to refer to the corresponding provision of this Act.

(b) WAGNER-PEYSER ACT REFERENCES.—Except as otherwise specified, a reference in a Federal law to a provision of the Wagner-Peyser Act (29 U.S.C. 49 et seq.) shall be deemed to refer to the corresponding provision of such Act, as amended by this Act.

SEC. 614. DISABILITY-RELATED REFERENCES AND CONFORMING AMENDMENTS.

Except as otherwise specified, a reference in a Federal law to a provision of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) shall be deemed to refer to the corresponding provision of such Act, as amended by this Act.

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