H. R. 1000

To establish a National Full Employment Trust Fund to create employment opportunities for the unemployed, and for other purposes.

A BILL

To establish a National Full Employment Trust Fund to create employment opportunities for the unemployed, 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 “Humphrey-Hawkins 21st Century Full Employment and Training Act of 2019” or the “Jobs for All Act”.

(b) Table of Contents.—The table of contents of this Act is as follows:
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1 SEC. 2. FINDINGS AND PURPOSES.

2 (a) FINDINGS.—Congress finds the following:

(2) Consistent with this goal and pursuant to these Acts, the Congress has declared it to be the continuing policy and responsibility of the Federal Government to use all practicable means to create and maintain conditions which promote useful employment opportunities for all who seek them, including the self-employed.

(3) Consistent with this goal and pursuant to these Acts, the Congress has also declared and established as a national goal the fulfillment of the right to full opportunities for useful paid employment at fair rates of compensation of all individuals able, willing, and seeking to work.

(4) The United States also has a duty under Articles 55 and 56 of the United Nations Charter to promote “full employment” and the “universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion”.

(5) The human rights the United States has a duty to promote pursuant to this obligation are set forth in the Universal Declaration of Human Rights.

(6) Article 23 of the Universal Declaration of Human Rights states that “Everyone has the right to work” and to “just and favorable remuneration”
that insures for his or her family “an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection”.

(7) Consistent with the purpose and intent of the Employment Act of 1946, the Full Employment and Balanced Growth Act of 1978, Articles 55 and 56 of the United Nations Charter, and Article 23 of the Universal Declaration of Human Rights, the Congress recognizes and declares that the meaning of full employment under both United States and international law is synonymous with the realization of the right to work.

(8) Consistent with this understanding of the meaning of full employment, the stated policy of the United States with respect to the achievement of full employment and the realization of the right to work, and the obligations of the United States under international law, the Full Employment and Balanced Growth Act of 1978 established an interim 5-year target of 3 percent unemployment for individuals 20 years of age and older, and 4 percent for individuals age 16 and over within 5 years, with full employment to be achieved “as soon as practicable” thereafter.
(9) Notwithstanding the targets set forth in the Full Employment and Balanced Growth Act of 1978, the United States continues to suffer substantial unemployment and underemployment across all phases of the business cycle, including periods when the Board of Governors of the Federal Reserve System is pursuing policies that may be useful in controlling inflation but whose necessary consequence is the continuation of a level of unemployment and underemployment that is inconsistent with the achievement of full employment and the realization of the right to work.

(10) The Federal Government’s failure to develop and implement policies capable of reconciling the need to control inflation with its obligation to achieve full employment and secure the right to work imposes numerous economic and social costs on the Nation, the following among them:

(A) The Nation is deprived of the full supply of goods and services and related increases in economic well-being that would occur under conditions of genuine full employment.

(B) The Nation’s depressed output of goods and services, especially in the public sector, is insufficient to meet pressing national
needs for infrastructure investment and maintenance, public transportation, clean energy production, low and moderate income housing, education, health care, child and elder care, and many other public goods and human services.

(C) Unemployment and underemployment expose many workers and families to significant, social, psychological, and physiological costs, including disruption of family life, the loss of individual dignity and self-respect, and the aggravation of physical and mental illnesses.

(D) Persisting unemployment and underemployment have devastating financial consequences for its victims, resulting in the loss of income and spending power for families, and interfering with their ability to save and accumulate assets for a secure family life and retirement.

(E) Because disadvantaged population groups suffer the burdens and harmful consequences of unemployment with greater frequency and at higher levels than nondisadvantaged population groups, unemployment presents a virtually insurmountable barrier to the
achievement of equal opportunity for all Americans.

(F) Exceptionally high levels of unemployment among the Nation’s youth are particularly harmful because of their long-term negative effects.

(G) High levels of unemployment and inadequate consumer demand also contribute to poor conditions for retail businesses, manufacturers, and many other firms to grow and prosper.

(H) In the real estate sector, the Congress finds that high levels of unemployment contribute to foreclosures, evictions, and commercial vacancies, thereby undermining the quality of neighborhood and community life, and hampering prospects for the economic development of all the Nation’s neighborhoods and communities.

(11) Since the historic promise of the Employment Act of 1946 and the Full Employment and Balanced Growth Act of 1978 has not been realized, the Congress declares and reaffirms the Federal Government’s obligation to insure the availability of decent jobs for all at living wages.
(12) The Congress further declares and reaffirms that the elimination of job disparities among groups of workers who experience chronically higher rates of unemployment and underemployment is an essential component of the Federal Government’s commitment to the achievement of full employment and the realization of the right to work.

(13) The Congress also finds that both job vacancy surveys and historic experience shows that even at the top of the business cycle, when the national unemployment rate drops to the 4 percent or below, the economy fails to provide enough jobs to employ everyone who wants to work. Consequently, the need for direct job creation by the Federal Government is especially important at such times to close the economy’s job gap without adding significantly to inflationary pressures, a goal it is virtually impossible to achieve with economic policies directed at boosting production in the private sector of the economy.

(14) The Congress further finds that in addition to providing a non-inflationary pathway for the achievement of full employment and the realization of the right to work, the direct job-creation strategy, conceived and tested by the Federal Government
during the New Deal era, would also reduce the severity of recessions while enriching the Nation with a substantial increase in the production of badly needed public goods and services.

(15) The Congress further finds that because of the broad range of social costs the problem of unemployment imposes on society, including in particular reduced tax collections and increased social welfare expenditures by all levels of government, the achievement of full employment and the realization of the right to work by means of the New Deal’s direct job creation strategy would cost far less than other major social welfare benefits provided by government and might even end up saving the public money.

(16) Therefore, while the Congress fully supports efforts to maximize the creation of private, public, and nonprofit sector jobs through improved use of general economic and structural policies, it recognizes and affirms the need to supplement those policies with a well-designed direct job creation program committed to and capable of closing the economy’s job gap across all phases of the business cycle.

(b) PURPOSE.—It is the purpose of the Jobs for All Act to achieve genuine full employment and fulfill the right to useful work at living wages for all persons able,
willing and seeking employment by establishing a National Full Employment Trust Fund to pay for a national program of public service employment capable of achieving these goals by supplementing the employment opportunities furnished by the existing private, public, and nonprofit sectors of the economy under existing law.

SEC. 3. DEFINITIONS.

In this Act, the following definitions apply:

(1) ACA.—The term “ACA” means the Patient Protection and Affordable Care Act as amended.

(2) Disadvantaged individual or population group.—The term “disadvantaged individual” or “disadvantaged population group” means an individual or population group that the Secretary has identified as suffering from disabilities or socio-economic disadvantages that significantly interfere with the individual’s or group’s access to equal employment opportunity.

(3) Comparable worth.—The term “comparable worth”, used with respect to work, means work that includes the composite of the skill, effort, responsibility, and working conditions normally required in the performance of a particular job as determined pursuant to standards established by the
Secretary following consultations with experts in the
field of comparable worth wage assessments.

(4) EQUAL OPPORTUNITY GRANT.—The terms
“Equal Opportunity Grant” and “grant” mean an
Employment Opportunity Grant authorized in title
III of this Act.

(5) GRANT RECIPIENT.—The term “grant re-
cipient” means an entity awarded an Employment
Opportunity Grant under section 6 of this Act.

(6) HEALTH EXCHANGE.—the term “Health
Exchange” or “State Health Exchange” means an
American Health Benefit Exchange established
under section 1311(b) or 1321(c) of the ACA.

(7) INDIAN TRIBE.—The term “Indian Tribe”
has the meaning given such term in section 102(17)
of the Housing and Community Development Act
(42 U.S.C. 5302(17)).

(8) ONE-STOP CENTER.—The term “one-stop
center” means a site described in section 121(e)(2)
of the Workforce Innovation and Opportunity Act
(29 U.S.C. 3151(e)(2)).

(9) PROGRAM.—The term “Program” whether
used as a noun or an adjective, shall refer to the
program established under this Act.
(10) **Program Employee.**—The term “Program employee” means a person certified as eligible for Program Employment under section 306 of this Act and who is employed in a job funded by the Trust Fund.

(11) **Program Employment.**—The term “Program employment” means employment of a Program Employee in a job funded by the Trust Fund.

(12) **Program Trainee.**—The term “Program trainee” means a person enrolled in a training program funded under this Act.

(13) **Program Training.**—The term “Program training” means training provided by a grant recipient in a training program authorized under title III of this Act.

(14) **Reasonable Needs.**—The term “reasonable needs” shall mean those needs reasonably required for a household to enjoy a modest but adequate standard of living, taking into consideration the size and composition of the household, the local cost of living, and any cash or in-kind transfer benefits available to the household.

(15) **Secretary.**—The term “Secretary” means the Secretary of Labor.
(16) SMALL BUSINESS.—The term “small business” has the meaning given the term “small business concern” under section 3 of the Small Business Act (15 U.S.C. 632).

(17) STATE.—The term “State” has the meaning given such term in section 102(2) of the Housing and Community Development Act (42 U.S.C. 5302(2)).

(18) STATE HEALTH SUBSIDY PROGRAM.—The term “State health subsidy program” means a program qualifying as an applicable State health subsidy program under section 1413(e) of the ACA.

(19) TRUST FUND.—The term “Trust Fund” refers to the National Full Employment Trust Fund established under section 101.

(20) UNIT OF GENERAL LOCAL GOVERNMENT.—The term “unit of general local government” has the meaning given such term in section 102(1) of the Housing and Community Development Act (42 U.S.C. 5302(1)).

(21) URBAN COUNTY.—The term “urban county” has the meaning given such term in section 102(6) of the Housing and Community Development Act (42 U.S.C. 5302(6)).
(22) WIOA.—The term “WIOA” means the “Workforce Innovation and Opportunity Act of 2014 as amended” (29 U.S.C. 3101 et seq.).

**TITLE I—ESTABLISHMENT OF NATIONAL FULL EMPLOYMENT TRUST FUND**

**SEC. 101. NATIONAL FULL EMPLOYMENT TRUST FUND.**

There is hereby created an account in the Treasury of the United States to be known as the “National Full Employment Trust Fund”.

**SEC. 102. SOURCE OF FUNDS.**

There is hereby appropriated to the Trust Fund for the fiscal year in which the effective date set forth in section 314(d) occurs, and for each fiscal year thereafter, amounts equivalent to 100 percent of—

(1) the taxes (including interest, penalties, and additions to the taxes) received under section 4475 of the Internal Revenue Code of 1986 as added by section 314 of this Act;

(2) the amount on deposit in the Federal Unemployment Trust Fund that otherwise would have been requisitionable by a State Agency under section 904(f) of the Social Security Act as amended (42 U.S.C. 1104(f)) for the payment of Unemployment Insurance benefits that a Program employee would
have been entitled to receive but for that individual’s
Program employment, with the amount debited from
the book account or accounts in the Federal Unem-
ployment Trust Fund maintained for the payment of
the Unemployment Insurance benefits in question;
and

(3) an amount equal to the FICA, Medicare,
and personal income taxes paid by Program employ-
ees on their Program earnings, as estimated by the
Secretary of the Treasury.

SEC. 103. LOANS FROM THE FEDERAL RESERVE SYSTEM.

(a) IN GENERAL.—If the amount available in the
Trust Fund for allocation under title III of this Act is
insufficient to prevent the national unemployment rate
from rising more than one full percentage point above its
previously attained level, the Board of Governors of the
Federal Reserve System shall lend such additional
amounts to the Trust Fund as are necessary to allow the
Secretary of Labor to make such additional allocations
under title III of this Act as are necessary to restore the
national unemployment rate to its allowable 1 percent
range of upward variation.

(b) REPAYMENT.—Amounts lent to the Trust Fund
by the Board of Governors of the Federal Reserve System
under subsection (a) shall be repaid by the Trust Fund
over 10 years, with interest payable at the same average rate the Federal Government contracts to pay on 10-year bonds sold during the period beginning 45 days prior to the date the loans were made to the Trust Fund and ending 45 days following such date.

(c) CANCELLATION OF DEBT.—The Board of Governors of the Federal Reserve System, in consultation with the Federal Open Market Committee, shall have a continuing obligation to review any debt owed by the Trust Fund to the Federal Reserve System, and if it determines that the debt or any portion thereof can be cancelled without significant adverse effect on the economy, it shall do so.

SEC. 104. TRUST FUND CORPUS RESERVED.

The corpus of the Trust Fund may be used for no other purpose than to fund—

(1) Employment Opportunity Grants issued under title III of this Act, including for job creation and training projects directly administered by the Secretary pursuant to section 311;

(2) administrative activities and programs under the WIOA that the Secretary determines are necessary or useful to achieve the purposes of this Act; and
(3) administrative expenses reasonably incurred by the Secretary to implement and administer programs and activities authorized under this Act.

TITLE II—PROGRAM ADMINISTRATION

SEC. 201. IN GENERAL.

The Secretary shall establish an appropriate administrative structure within the Department of Labor to administer the Program.

SEC. 202. GRANT MANAGEMENT.

(a) IN GENERAL.—The Secretary shall establish and administer an evaluation, approval, and monitoring process for Employment Opportunity Grants that is transparent, apolitical, and free of outside influence.

(b) PROJECT TIMING.—The evaluation and approval process shall invite proposals not only for projects that are suitable for immediate implementation, but also for projects that can be rapidly implemented or expanded in the future when unemployment increases precipitously due to a recession or other causes. Projects approved for future implementation may receive immediate funding to undertake preparatory work necessary for the rapid implementation of the project when it is needed.

(c) MONITORING AND TECHNICAL ASSISTANCE.—The performance of grant recipients shall be monitored
during as well as at the conclusion of a grant-funded project, and technical assistance shall be offered to grant recipients, as needed, to help insure the success of their grant-funded projects.

(d) Post-Project Review.—A post-project review of the performance of every grant-funded project shall be conducted and documented.

SEC. 203. OFFICE OF TECHNICAL ASSISTANCE.

The Secretary shall establish and administer an Office of Technical Assistance to advise and assist grant recipients and potential grant recipients in the identification and adoption of best practices in the design and administration of job creation projects, the preparation of grant proposals, the satisfaction of Program requirements, and the fulfillment of the Program’s purposes.

SEC. 204. OFFICE OF EDUCATIONAL SUPPORT.

The Secretary shall establish and administer an Office of Educational Support to encourage and affirmatively assist Program employees who have not yet earned a high school diploma or its equivalent to complete his or her secondary education; and to counsel Program employees concerning post-secondary vocational and academic educational opportunities.
SEC. 205. OFFICE OF ASSISTED PLACEMENT.

The Secretary shall establish and administer an Office of Assisted Placement to coordinate the creation and operation of Assisted Placement Offices in all one-stop centers for the purpose of providing placement services to individuals eligible for such services under section 308.

SEC. 206. OFFICE OF DISPUTE RESOLUTION.

(a) IN GENERAL.—The Secretary shall establish and administer an Office of Dispute Resolution to perform the dispute resolution functions described in section 313.

(b) WHISTLEBLOWER HOTLINE.—The Secretary shall establish and administer both an online and telephone whistleblower hotline for the informal reportage of alleged violations of this Act. Provided enough information is furnished via the hotline to initiate an investigation, the matter shall be referred for appropriate follow up.

(c) SOUTH AFRICAN CCMA COMMENDED AS MODEL.—The rules and procedures adopted by the Secretary for the resolution of disputes within the scope of section 313(b) shall be designed to insure a prompt and fair resolution of employment disputes in a process that is free of cost to the participants and easily navigated by all parties. To that end, the Congress commends the administrative practices and rules of the South African Commission for Conciliation, Mediation and Arbitration.
(CCMA) as a model for the dispute resolution system established under this section.

SEC. 207. OFFICE OF STATISTICS AND RESEARCH.

The Secretary shall establish and administer an Office of Statistics and Research to provide the public with useful information concerning the operations of the Program, to provide Program administrators with evidence-based guidance to aid them in their work, and to assist the Congress in its oversight of the Program. Employing rigorous social science methodologies, and with the advice and assistance of the Bureau of Labor Statistics where appropriate, the Office of Statistics and Research shall—

(1) collect, tabulate, analyze, and report statistical data on labor market conditions that are relevant to Program operations;

(2) undertake basic and applied research to guide Program administrators in the performance of their duties and to track the Program’s success or lack thereof in combating various aspects of the problem of unemployment and the harmful effects associated with the problem of unemployment;

(3) identify and disseminate information regarding best practices in Program design and implementation;
(4) catalogue basic information about each and every job creation project or job-training program funded by an Employment Opportunity Grant and create a permanent and easily accessible archive of this information on the Program’s website;

(5) develop methodologies to estimate and report the revenues and savings generated by the Program for various levels of government either directly through increased tax revenues or indirectly through reductions in other government expenditures; and

(6) carry out other research tasks in support of the Program’s goals.

SEC. 208. NATIONAL EMPLOYMENT CONFERENCE.

(a) IN GENERAL.—The Secretary shall convene a national employment conference not later than 1 year after the date of enactment of this Act, and annually thereafter.

(b) PURPOSE OF CONFERENCE.—The purpose of the conference shall be to report on research concerning the operations of the Program and its role in addressing various aspects of the problems of unemployment, to share best practices in addressing such problems, and to address challenges in the administration of this Act.

SEC. 209. PROGRAM WEBSITE.

The Secretary shall establish and administer an internet website to provide the public with information con-
cerning the Program and to archive information concern- 
cerning its operations.

3 **SEC. 210. STAFFING ADMINISTRATIVE FUNCTIONS.**

To the extent reasonably possible, the Secretary shall fill positions within the Program’s administrative offices with individuals who are eligible for Program employment.

7 **SEC. 211. WORKFORCE INNOVATION AND OPPORTUNITY ACT.**

(a) In General.—The Secretary shall make adjustments in the activities and programs administered by the Department of Labor under the WIOA as necessary or useful to serve the needs of this Act.

(b) Expansion of Workforce Development Boards.—To facilitate the implementation of the adjustments described in subsection (a) at the State and local level:

(1) Section 101(b)(1)(C) of the WIOA (29 U.S.C. 3111(b)(1)(C)) is amended—

(A) by striking “and” at the end of sub-

clause (II);

(B) by inserting “and” at the end of sub-

clause (III); and

(C) by adding at the end the following:

“(IV) are not less than 25 per-

cent of the chief executive officers of
minority-serving, community-based or-
ganizations;’’.

(2) Section 107(b)(2)(C) of the WIOA (29
U.S.C. 3122(b)(2)(A)) is amended by adding at the
end the following:

“(iv) shall include not less than 25
percent of the chief executive officers of
minority-serving, community-based organi-
zations;’’.

(3) EFFECTIVE DATE.—The amendments to the
WIOA set forth in this subsection shall take effect
as if enacted as part of the WIOA (29 U.S.C. 3101
et seq.).

**TITLE III—EMPLOYMENT OPPORTUNITY GRANTS**

**SEC. 301. GRANTS.**

Subject to the availability of funds in the Trust
Fund, the Secretary shall make grants to eligible entities
for the purpose of creating—

(1) employment opportunities for persons eligi-
ble for Program employment in projects designed to
address community needs and reduce disparities in
health, housing, education, job readiness, and public
infrastructure that have impeded these communities
from realizing their full economic potential; and
(2) free-standing job-training programs that provide job training, possibly including general education, to—

(A) Program employees pursuant to contractual arrangements between the training Program and their employer to provide the Program employees with specialized training needed for the performance of their jobs; or

(B) persons eligible for Program employment who seek such training rather than immediate employment in order to qualify for a Program or non-program job for which they otherwise would not qualify, provided that circumstances are such that the training Program is justified in providing reasonable assurances to the individuals enrolled in it that upon the successful completion of their training, they will be able to obtain a Program or non-program job that utilize their newly acquired skills.

SEC. 302. ELIGIBLE ENTITIES.

Entities eligible to receive grants under this section shall include—

(1) departments and agencies of the Federal Government with the approval of the Secretary of the department or the head of the agency;
(2) States, Indian Tribes, units of general local
government, and urban counties;

(3) agencies of the entities listed in paragraph
(2) with the approval of the head of the agency or
other person with the authority to make such com-
mitments;

(4) independent or quasi-independent public-
sector agencies created by any level of government;
and

(5) not-for-profit organizations that qualify as
tax exempt under section 501(c)(1), (3), (5), or (19)
of the Internal Revenue Code.

SEC. 303. USE OF FUNDS.

Grants shall be awarded under this title for the fol-
lowing purposes:

(1) The construction, reconstruction, rehabilita-
tion, and site improvement of affordable housing and
public facilities, including improvements in the en-
ergy efficiency or environmental quality of such pub-
lic facilities or housing.

(2) The provision of human services, including
childcare, health care, support services for individ-
uals and families with special needs, education,
after-school and vacation programs for children, and
recreational and cultural enrichment programs for persons of all ages.

(3) Programs that provide disadvantaged youth with opportunities for employment, education, leadership development, entrepreneurial skills development, and training.

(4) The repair, remodeling, and beautification of schools, community centers, libraries, and other community-based public facilities, and the augmentation of staffing for the services they provide.

(5) The restoration and revitalization of abandoned and vacant properties to alleviate blight in distressed and foreclosure-affected areas.

(6) The expansion of emergency food programs to reduce hunger and promote family stability.

(7) The augmentation of staffing in Head Start, and other early childhood education programs to promote school readiness, early literacy, life-long learning, and family involvement in their children’s education.

(8) The maintenance, renovation and improvement of parks, playgrounds, and other public spaces.

(9) Providing labor for non-capital-intensive aspects of federally or State-funded infrastructure projects.
(10) The implementation of environmental initiatives designed to conserve natural resources, remediate environmental damage, reverse climate change, and achieve environmental sustainability.

(11) The enhancement of emergency preparedness for natural and other community disasters and of post-emergency assistance for the victims of disasters.

(12) The expansion of work-study opportunities for secondary and post-secondary students, and the creation of “bridge employment” opportunities for recent graduates who have been unable to find work in the occupations for which they have trained.

(13) Programs that emulate the Federal art, music, theater, and writers projects of the Works Projects Administration by providing work for unemployed writers, musicians, artists, dancers and actors on projects that are consistent with the public service and equality-enhancing objectives of this Act.

(14) The provision of job training to better equip Program employees to perform their program-funded jobs or to allow unemployed and underemployed individuals to obtain employment for which they otherwise would not qualify.
(15) Other activities analogous to those described in paragraphs (1) through (14) that address public needs and can be implemented quickly.

SEC. 304. GRANT CONDITIONS.

As a condition for receiving a grant under this title, a grant applicant must—

(1) show that it has, to the extent reasonably possible, consulted with community-based organizations, local government officials, and other interested parties concerning—

(A) the needs of the community to be served by the project(s) for which it is seeking funding;

(B) the ways in which its proposed project would serve those needs;

(C) how it will coordinate its activities with other providers of related services in the community; and

(D) how it will engage with local residents, community-based organizations, government officials, and other interested parties on an ongoing basis during the course of the project(s);

(2) agree to comply with the nondiscrimination policy set forth under section 109 of the Housing
and Community Development Act of 1974 (42 U.S.C. 5309);

(3) with respect to the funds allocated for each project funded under the grant—

(A) allocate not less than 75 percent for wages, benefits, and support services such as childcare for Program employees and the limited number of personnel who are permitted to be paid from Program funds under the terms of the grant even though they are not eligible for Program employment; and

(B) allocate the remaining funds to defray the nonlabor costs of the project, including necessary capital goods, supplies, materials, rental payments, transportation costs, and other similar expenses;

(4) use revenue generated by a project funded under the grant (whether in the form of fees paid for services provided by the project, reimbursements for expenses incurred by the project, or income from the sale of goods or services produced by the project) to—

(A) supplement the grant-funded project’s budget; or
(B) support other projects funded by the grant in conformity with the same rules and requirements that apply to the use of grant funds;

(5) agree to return to the Trust Fund any unutilized grant monies and any unutilized income received from the sale of goods and services produced by a grant-funded project;

(6) ensure that any employment funded under the grant complies with sections 305, 306, and 307;

(7) institute an outreach program with community organizations and service providers in low-income communities to provide information about employment opportunities funded under the grant;

(8) ensure that not less than 35 percent of individuals employed under the grant qualify as disadvantaged, unless there are insufficient numbers of such individuals referable to the project by the local one-stop center, in which case the percentage of such individuals employed under the grant shall be as great as is reasonably possible;

(9) ensure that all grant-funded projects provide adequate job training, either in-house by the Program employer or by not-for-profit training programs under contract with the Program employer, to
ensure that the Program employees they hire are able to perform their jobs in a professionally competent manner;

(10) agree to carry out all grant-funded projects in a manner that is as ecologically sustainable as is reasonably possible;

(11) agree to cooperate with the efforts of the Office of Assisted Placement in providing Program employment or grant-funded training for individuals eligible for assisted placement under section 308; and

(12) agree to cooperate with the procedures established by the Office of Dispute Resolution in resolving disputes in accord with the provisions of section 313.

SEC. 305. PROGRAM EMPLOYMENT DESCRIBED.

Employment funded under this section shall meet the following specifications:

(1) Any employer that employs an individual whose employment is funded under the grant shall—

(A) continue to employ such individual absent good cause for the termination of the individual’s employment for as long as the project has need of the services provided by the indi-
individual or until the individual resigns, whichever comes first;

(B) employ such individual for between 35 and 40 hours per week if the individual desires full-time employment, and for a mutually agreed number of hours per week less than 35 if the individual desires part-time employment, except that this requirement shall not apply if a grant recipient’s Employment Opportunity Grant provides otherwise for good cause shown during the application process;

(C) comply with the responsible contractor standards of the Federal Acquisition Regulation (48 C.F.R. 1 et seq.);

(D) pursuant to guidelines established by the Secretary, provide compensation to such individual that is comparable in value to the compensation provided public sector employees who perform similar work in the community where such individual is employed or, if no public sector employees perform such similar work, provide compensation that is of comparable value to the compensation provided public sector employees hired to perform work of comparable
worth in the community where such individual is employed;

(E) if such employment is in construction, provide compensation to any laborer or mechanic employed under the grant at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with subchapter IV of chapter 31 of title 40, United States Code; and

(F) offer affirmative assistance to such individual in—

(i) applying for social benefits for which such individual or the members of such individual’s family may be eligible; and

(ii) satisfying continuing reporting obligations required to maintain eligibility for social benefits such individual or the members of such individual’s family are receiving.

(2) Any grant recipient that operates a training Program funded under this title shall—

(A) provide Program trainees a cost-of-living stipend set pursuant to standards established by the Secretary and made payable to the
Program trainee as long as the Program trainee maintains satisfactory attendance, participation, and progress in the training Program; and

(B) offer affirmative assistance to individuals enrolled in the training program in—

(i) applying for social benefits for which they or the members of their family may be eligible; and

(ii) satisfying continuing reporting obligations required to maintain eligibility for social benefits they or members of their family are receiving.

(3) No individual whose employment is funded under this Act may work for an employer at which a collective bargaining agreement is in effect covering the same or similar work, unless—

(A) the consent of the union at such employer is obtained; and

(B) negotiations have taken place between such union and the employer as to the terms and conditions of such employment.

(4) No individual may be hired by a not-for-profit organization in a position funded under this Act to perform functions or services that are customarily performed, either exclusively or almost ex-
clusive by a Unit of General Local Government un-
less the Unit of General Local Government in ques-
tion refuses to apply for Program funding to expand
or improve its own performance of the functions or
services in question.

(5) No individual whose employment is funded
under this Act may be employed in a position if—

(A) employing such individual will result in
the layoff or partial displacement (such as a re-
duction in hours, wages, or employee benefits)
of an existing employee of the employer; or

(B) such individual will perform the same
or substantially similar work that had pre-
viously been performed by an employee of the
employer who has been laid off within the pre-
ceding 12 months or has been partially dis-
placed as that term is described in subpara-
graph (A) unless the employee has declined an
offer of reinstatement to the position the em-
ployee occupied immediately prior to being laid
off or partially displaced.

(6) No individual may be hired for a position
funded under this Act in a manner that infringes
upon the promotional opportunities of an existing
employee of the Program employer.
(7) Program employees shall qualify as public sector employees for purposes of all otherwise applicable Federal, State, and local laws.

SEC. 306. ELIGIBILITY FOR PROGRAM EMPLOYMENT.

(a) Certification by One-Stop Center.—An individual seeking Program employment shall have his or her eligibility for such employment certified by a one-stop center serving the area where the Program employment is located.

(b) Requirements for Certification.—To be certified as eligible for such employment, the individual must satisfy at least one of the following conditions as of the date the individual is hired to fill a job funded under this Act:

(1) The individual has been unemployed for less than 30 days and is eligible to receive Unemployment Insurance benefits.

(2) The individual is unemployed and has been registered at and seeking employment with the assistance of a one-stop center for not less than 30 days prior to the date on which the individual is so hired.

(3) The individual has been employed part-time while registered at and seeking full-time employment with the assistance of a one-stop center for not less
than 30 days prior to the date the individual is so hired.

(c) Availability for Non-Program Employment.—

(1) All Program employees shall be automatically registered with the one-stop center serving the area where the individual resides as available for and seeking work.

(2) The one-stop center serving the area where a Program employee resides shall screen inquiries from employers concerning available jobs and forward those that seem suitable to qualified Program employees.

(3) For purposes of paragraph (2), the term “suitable”, used with respect to a job, means an offer of employment that—

(A) a newly unemployed individual who has just begun receiving Unemployment Insurance benefits would be required to accept in order to avoid forfeiting their eligibility for continued receipt of such benefits under the laws of the State in which the Program employee is employed; and

(B) is reasonably expected to last at least 6 months.
(4) Program employees shall be provided time off with pay to respond to inquiries regarding suitable non-Program job openings.

(5) A Program employee who refuses a suitable job offer resulting from such an inquiry without good cause shall—

(A) forfeit their eligibility for Program employment for a period of 30 days, subject to the same procedures and right of appeal that applies to recipients of Unemployment Insurance who refuse suitable employment; and

(B) maintain their eligibility for Program employment until such proceedings are completed.

(6) A Program employee who terminates their Program employment in order to accept other employment, and who subsequently is terminated from that other employment without fault on the individual’s part, or who terminates that employment voluntarily for good cause, shall be eligible for immediate reemployment in a job funded under this Act.

(d) INVOLUNTARY TERMINATION OF PROGRAM EMPLOYMENT.—

(1) A Program employee who is involuntarily terminated from their Program Job for inadequate
performance of job responsibilities shall not lose
their eligibility for employment in another Program-

(2) A Program employee who is involuntarily
terminated for misconduct shall lose their eligibility
for Program employment for 30 days.

SEC. 307. COMPENSATION.

For purposes of section 305(1)(D)—

(1) The term “compensation” shall mean hour-
ly wage rates, paid and unpaid leave time, retiree
benefits, group life insurance, disability insurance,
and health benefits.

(2) The term “comparable in value” shall
mean—

(A) as regards hourly wage rates, the same
hourly wage rate;

(B) as regards paid and unpaid leave time,
the same paid and unpaid leave time;

(C) as regards retiree benefits, a defined
contribution benefit of comparable actuarial
value provided in a plan established and admin-
istered by the Secretary;

(D) as regards group life and disability in-
surance benefits, an actuarially equivalent ben-
benefit provided in a plan established and adminis-
tered by the Secretary; and

(E) as regards health benefits, access to
health insurance that provides approximately
the same level of benefits for approximately the
same employee contribution under the provi-
sions of paragraph (3).

(3) Unless a Program Grant provides otherwise
for good cause shown by the grant applicant, a Pro-
gram employer shall satisfy the requirements of this
section relating to the provision of health benefits by
providing affirmative assistance to each of its Pro-
gram employees in obtaining health benefits through
a State Health Exchange, as permitted by the fol-
lowing exceptions to the ACA that apply only to Pro-
gram employees as hereby enacted:

(A) The acquisition by a Program em-
ployee of such benefits through a Health Ex-
change shall not trigger tax penalties that
would otherwise apply to the employee or the
employee’s employer under the ACA.

(B) Program employees who apply for
health benefits under this paragraph shall be el-
igible for the same State Health Subsidy Pro-
grams as employed individuals who do not have
access to an “eligible employer-sponsored plan” as that term is defined in section 5000A(f)(2) of title 26, United States Code.

(C) Any premiums a Program employee is required to pay for a health plan obtained under this subparagraph shall be paid by the employee’s Program employer via payroll deductions.

(D) A Program employee’s wages shall be adjusted on an individual basis to the extent necessary to satisfy the comparable-value requirement of section 305(1)(D) taking into consideration the tax treatment accorded any additions or subtractions from the employee’s wages required to satisfy that comparable-value requirement.

(E) Program employers shall not be subject to the penalty set forth in section 4980D of title 26, United States Code, based on wage adjustments that comply with this paragraph.

(4) In consideration for the savings the Program established under this Act will generate in health care spending by all levels of government, the subsidy costs borne by the Federal Government or by State and local governments in providing health
benefits to Program employees under paragraph (3) shall not be chargeable to or reimbursed from the Program’s budget.

(5) Chapter 43 of the Internal Revenue Code of 1986 is amended by—

(A) renumbering section 4980D(c)(4) as section 4980D(c)(5); and

(B) inserting the following new section 4980D(c)(4):

“(4) Tax Not to Apply to Certain Premium Reimbursements.—No tax shall be imposed by subsection (a) on payments or reimbursements of health insurance premiums made pursuant to section 307(3)(C) or (D) of the Jobs for All Act.”.

(6) Chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 106(g) the following new subsection (h):

“(h) Reimbursements of Certain Health Insurance Premiums.—For purposes of this section, payments or reimbursements of health insurance premiums made pursuant to section 307(3)(C) or (D) of the Jobs for All Act shall not be included in the gross income of the employee.”.
SEC. 308. ASSISTED PLACEMENT.

(a) INDIVIDUALS ELIGIBLE FOR ASSISTED PLACEMENT.—Individuals eligible for assisted placement shall include—

(1) individuals who have been unable to find Program employment within 30 days following the certification of their eligibility for such employment;

(2) individuals who are certified as eligible for assisted placement by a one-stop center because of special circumstances that make it unlikely the individual will be able to find employment within a reasonable period of time without assisted placement services; and

(3) individuals whose qualifications and work experience are such that they need additional training to qualify for a job that pays enough to meet their own and their dependent’s reasonable needs.

(A) For purposes of this paragraph and subsection (c) of this section, the term “dependents” shall mean persons claimable as dependents on the individual’s Federal income tax return.

(B) The Secretary shall engage in notice-and-comment rulemaking to establish a methodology for developing reasonable-needs standards for use in implementing this paragraph.
(b) ASISTED PLACEMENT SERVICES.—Upon the registration of an eligible individual for assisted placement services, the Assisted Placement Office shall—

(1) assess the individual’s qualifications for employment and his or her interests in particular kinds of employment or training;

(2) identify opportunities for Program employment that appear to be suitable for the individual in light of the individual’s qualifications and interests, along with any training opportunities that also may be of interest to the individual;

(3) discuss these opportunities for Program employment and training with the individual;

(4) for those opportunities the individual expresses an interest in pursuing, contact the grant recipient offering the opportunity, remind the grant recipient of its obligation to cooperate with the Assisted Placement Office in placing individuals in Program employment or desired training, and arrange an interview for the individual to explore whether a mutually acceptable placement is possible with the grant recipient;

(5) follow up with both the individual and grant recipients to whom the individual has been referred
to ascertain whether a placement has been achieved, and if not why;

(6) provide individual counseling and support services for individuals eligible for assisted placement as needed to achieve a successful placement;

(7) provide support services and additional funding to grant recipients, as needed, to accommodate the special needs of individuals who need such accommodation to find and succeed in Program employment or training; and

(8) continue to work with the individual until a successful placement in Program employment or grant-funded training has been achieved, or until the Assisted Placement Office concludes, supported by adequate documentation, that the individual is unable or unwilling to provide the level of cooperation required to obtain and succeed in Program employment or grant-funded training, in which case the Assisted Placement Office shall offer assistance to the individual in arranging appropriate services to address the problems that are interfering with the individual’s ability to find and succeed in Program employment or training.

(c) ADDITIONAL ASSISTANCE AVAILABLE.—To the extent necessary to ensure that individuals who qualify for
assisted placement under this section are able to earn enough to meet their own reasonable needs and those of their dependents, the Assisted Placement Office shall have the authority—

(1) to arrange preferential placement for such individuals in grant-funded training programs, and following the completion of their training, provide assisted placement services to such individuals to ensure that they secure employment inside or outside the Program in a job that utilizes their newly acquired skills;

(2) to the extent necessary, to meet their reasonable needs, provide such individuals with preferential access to goods and services produced by the Program, such as affordable housing and childcare services;

(3) to supplement the income of such individuals with the equivalent of a voucher for housing assistance under section 8(o) of the United States Housing Act of 1937, if such a voucher is not otherwise available; and

(4) to furnish such individuals with other income supplements that expand eligibility for or add value to the Earned Income Tax Credit (26 U.S.C. 32), the Child Tax Credit (26 U.S.C. 24), or the
Low Income Home Energy Assistance program (42 U.S.C. 8621 et seq.).

(d) G RANT R ECIPIENT'S OBLIGATION TO COOPERATE.—Grant recipients shall cooperate with efforts to provide assisted placement to individuals eligible for assisted placement under subsection (a). This duty shall mean, among other things, that a grant recipients must have good cause to refuse Program employment to a person referred to it for assisted placement.

SEC. 309. PRIORITY GIVEN TO CERTAIN PROJECTS.

Priority in the award of Employment Opportunity Grants shall be accorded to projects that—

(1) provide goods and services, such as childcare, transportation, affordable housing, job training, and peer support, that make it easier for individuals who want to work to do so; or

(2) serve areas with the greatest level of economic need, determined for each such area by factors such as—

(A) the unemployment rate;

(B) the rate of poverty;

(C) the number of census tracts in the area with concentrated poverty;

(D) the level of median income in the area;
(E) the percentage of residential units in the area that appear to have been abandoned;

(F) the percentage of homes in the area that are in foreclosure; and

(G) indicators of poor resident health, including high rates of chronic disease, infant mortality, and low life expectancy.

SEC. 310. STARTUP PERIOD.

Since it will take time for the Program established by this Act to develop the project-management experience and project-development capacity needed to fully achieve the Act’s goals, the Secretary shall have the authority to establish reasonable priorities in planning and executing the implementation of this Act, provided—

(1) the number of jobs created in each community during the startup period is roughly proportionate to the level of unemployment, involuntary part-time employment, and non-labor force participation by persons who want and are available to accept jobs in each community, and

(2) the type of jobs created in each community disproportionately favor those individuals and population groups who enjoy the fewest alternative employment opportunities.
SEC. 311. SECRETARY'S AUTHORITY TO ADMINISTER PROJECTS DIRECTLY.

(a) In General.—The Secretary shall have the authority to use Trust Fund monies to establish and directly administer job creation projects during the startup period provided for in section 310.

(b) When the Startup Period Has Ended.—Once the startup period described in section 125 has ended, the Secretary shall have a continuing obligation to ensure the availability of enough jobs to provide suitable work for everyone who wants it everywhere in the Nation, including by the direct administration of job creation projects to the extent necessary or useful in achieving the purposes of this Act.

SEC. 312. REPORTS.

(a) Reports by Grant Recipients.—Not later than 90 days after the last day of each fiscal year for which grant funding has been provided under this title, grant recipients shall submit to the Secretary a report containing such information as the Secretary requires concerning their use of their grant.

(b) Report to Congress.—At least once every 6 months, the Secretary shall report to Congress on the Act’s implementation and effects.
SEC. 313. DISPUTE RESOLUTION.

(a) Disputes Concerning the Allocation or Use of Program Funds.—Alleged improprieties involving the allocation or use of Program funds, including, without limitation, alleged violations of paragraph (3), (4), or (5) of section 304, shall be investigated by the Office of Dispute Resolution pursuant to rules and procedures established by the Secretary. Those rules and procedures shall be designed to ensure a prompt and fair review of the contested matter based on the obligation of all interested parties to full and transparent cooperation with the investigation. A failure to provide such cooperation shall be deemed to support a conclusion that the information being sought would be adverse to the noncooperating party’s interests. Any administrative response ordered by the Office of Dispute Resolution as a result of its investigation shall be designed to further the goals and integrity of the Program.

(b) Disputes Arising Out of Program Employment and Training.—Disputes regarding an individual’s eligibility for Program employment or training, the terms and conditions of the individual’s Program employment or training, the imposition of discipline on a Program employee or Program trainee, the involuntary termination of an individual’s Program employment or training, or any other individual right, whether created by this Act
or based on otherwise existing law, may be submitted by
the adversely affected individual for resolution pursuant
to the rules and procedures established for the resolution
of such disputes by the Office of Dispute Resolution.

(c) WAIVER OF RIGHTS.—For disputes falling within
the scope of subsection (b), the election by an individual
to pursue a legal remedy other than that provided by the
Program’s dispute resolution system shall automatically
waive the individual’s right to submit the dispute to the
Program’s dispute resolution system unless all parties to
the dispute agree to the termination of the other legal pro-
ceeding and the submission of the dispute for resolution
under subsection (b).

(d) BREACHES OF A COLLECTIVE BARGAINING
AGREEMENT.—If a dispute falling within the scope of sub-
section (a) or (b) includes an alleged breach of a collective
bargaining agreement (“CBA”), the jurisdiction of the
Program’s Office of Dispute Resolution may not be in-
voked to decide any issue that depends on the interpreta-
tion of the CBA, but it may be invoked under subsection
(a) or (b), as appropriate, to decide other aspects of the
dispute, either before the contract dispute is resolved if
both parties to the CBA agree to the submission, or after
the contract dispute has been resolved if issues remain
that are suitable for resolution by the Office of Dispute Resolution.

(c) OTHER DISPUTES.—Persons or entities that claim to have suffered a legally cognizable detriment as a result of a violation of this Act that does not fall within the scope of subsection (a) or (b) may have their claim investigated and obtain an appropriate administrative response by filing a complaint with the Office of Dispute Resolution.

(f) WHISTLEBLOWER HOTLINE.—In addition to the procedures established by the Secretary to formally invoke the jurisdiction of the Office of Dispute Resolution, information involving alleged violations of this Act may be reported informally to the Office of Dispute Resolution.

SEC. 314. TAX ON SECURITIES TRANSACTIONS.

(a) IN GENERAL.—Chapter 36 of the Internal Revenue Code of 1986 is amended by inserting after sub-
chapter B the following new subchapter:

“Subchapter C—Tax on Securities Transactions

“SEC. 4475. TAX ON TRADING TRANSACTIONS.

“(a) IMPOSITION OF TAX.—There is hereby imposed a tax on the transfer of ownership in each covered trans-
action with respect to any security.
“(b) Rate of Tax.—The tax imposed under subsection (a) with respect to any covered transaction shall be the applicable percentage of the specified base amount with respect to such covered transaction. The applicable percentage shall be—

“(1) 0.2 percent in the case of a security described in subparagraph (A) or (B) of subsection (e)(1),

“(2) 0.06 percent in the case of a security described in subparagraph (C) of subsection (e)(1),

“(3) 0.2 percent in the case of a security described in subparagraph (D) of subsection (e)(1) if the underlying assets on which the rights and obligations created by the security are based consist of other securities described in subparagraph (A) or (B) of subsection (e)(1),

“(4) 0.2 percent in the case of a security described in subparagraph (F) of subsection (e)(1) if the index on which the rights and obligations created by the security are based is an index referencing the values of securities described in subparagraph (A) or (B) of subsection (e)(1)(A), and

“(5) 0.06 percent in the case of any security described in subparagraph (D), (E), or (F) of sub-

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section (e)(1) (other than a security described in paragraph (3) or (4)).

“(c) SPECIFIED BASE AMOUNT.—For purposes of this section, the term ‘specified base amount’ means—

“(1) except as provided in paragraph (2), the fair market value of the security (determined as of the time of the covered transaction), and

“(2) in the case of any payment described in subsection (h), the amount of such payment.

“(d) COVERED TRANSACTION.—For purposes of this section, the term ‘covered transaction’ means—

“(1) except as provided in paragraph (2), any purchase if—

“(A) such purchase occurs or is cleared on a facility located in the United States, or

“(B) the purchaser or seller is a United States person, and

“(2) any transaction with respect to a security described in subparagraph (D), (E), or (F) of subsection (e)(1), if—

“(A) such security is traded or cleared on a facility located in the United States, or

“(B) any party with rights under such security is a United States person.
“(e) Security and Other Definitions.—For purposes of this section—

“(1) Security.—The term ‘security’ means—

“(A) any share of stock in a corporation,

“(B) any partnership or beneficial ownership interest in a partnership or trust,

“(C) any note, bond, debenture, or other evidence of indebtedness, other than a State or local bond the interest of which is excluded from gross income under section 103(a),

“(D) any evidence of an interest in, or a derivative financial instrument with respect to, any security or securities described in subparagraph (A), (B), or (C),

“(E) any derivative financial instrument with respect to any currency or commodity including notional principal contracts, and

“(F) any other derivative financial instrument any payment with respect to which is calculated by reference to any specified index.

“(2) Derivative Financial Instrument.—The term ‘derivative financial instrument’ includes any option, forward contract, futures contract, notional principal contract, or any similar financial instrument.
“(3) Specified index.—The term ‘specified index’ means any one or more of any combination of—

“(A) a fixed rate, price, or amount, or

“(B) a variable rate, price, or amount, which is based on any current objectively determinable information which is not within the control of any of the parties to the contract or instrument and is not unique to any of the parties’ circumstances.

“(4) Treatment of exchanges.—

“(A) In general.—An exchange shall be treated as the sale of the property transferred and a purchase of the property received by each party to the exchange.

“(B) Certain deemed exchanges.—In the case of a distribution treated as an exchange for stock under section 302 or 331, the corporation making such distribution shall be treated as having purchased such stock for purposes of this section.

“(f) Exceptions.—

“(1) Exception for initial issues.—No tax shall be imposed under subsection (a) on any covered transaction with respect to the initial issuance
of any security described in subparagraph (A), (B), or (C) of subsection (e)(1).

“(2) Exception for certain traded short-term indebtedness.—A note, bond, debenture, or other evidence of indebtedness which—

“(A) is traded on a trading facility located in the United States, and

“(B) has a fixed maturity of not more than 60 days, shall not be treated as described in subsection (e)(1)(C).

“(3) Exception for securities lending arrangements.—No tax shall be imposed under subsection (a) on any covered transaction with respect to which gain or loss is not recognized by reason of section 1058.

“(4) Exception for interests in mutual funds.—No tax shall be imposed under subsection (a) with respect to the purchase or sale of any interest in a regulated investment company (as defined in section 851).

“(g) By whom paid.—

“(1) In general.—The tax imposed by this section shall be paid by—
“(A) in the case of a transaction which occurs or is cleared on a facility located in the United States, such facility, and

“(B) in the case of a purchase not described in subparagraph (A) which is executed by a broker (as defined in section 6045(e)(1)), the broker.

“(2) Special rules for direct, etc., transactions.—In the case of any transaction to which paragraph (1) does not apply, the tax imposed by this section shall be paid by—

“(A) in the case of a transaction described in subsection (d)(1)—

“(i) the purchaser if the purchaser is a United States person, and

“(ii) the seller if the purchaser is not a United States person, and

“(B) in the case of a transaction described in subsection (d)(2)—

“(i) the payor if the payor is a United States person, and

“(ii) the payee if the payor is not a United States person.

“(h) Certain payments treated as separate transactions.—Except as otherwise provided by the
Secretary, any payment with respect to a security described in subparagraph (D), (E), or (F) of subsection (e)(1) shall be treated as a separate transaction for purposes of this section, including—

“(1) any net initial payment, net final or terminating payment, or net periodical payment with respect to a notional principal contract (or similar financial instrument),

“(2) any payment with respect to any forward contract (or similar financial instrument), and

“(3) any premium paid with respect to any option (or similar financial instrument).

“(i) Administration.—The Secretary shall carry out this section in consultation with the Securities and Exchange Commission and the Commodity Futures Trading Commission.

“(j) Guidance; Regulations.—The Secretary shall—

“(1) provide guidance regarding such information reporting concerning covered transactions as the Secretary deems appropriate, including reporting by the payor of the tax in cases where the payor is not the purchaser, and

“(2) prescribe such regulations as are necessary or appropriate to prevent avoidance of the purposes
of this section, including the use of non-United
States persons in such transactions.

“(k) Whistleblowers.—See section 7623 for pro-
visions relating to whistleblowers.”.

(b) Penalty for Failure To Include Covered
Transaction Information With Return.—Part I of
subchapter B of chapter 68 of the Internal Revenue Code
of 1986 is amended by inserting after section 6707A the
following new section:

“SEC. 6707B. PENALTY FOR FAILURE TO INCLUDE COV-
ERED TRANSACTION INFORMATION WITH RE-
TURN.

“(a) Imposition of Penalty.—Any person who
fails to include on any return or statement any informa-
tion with respect to a covered transaction which is re-
quired pursuant to section 4475(j)(1) to be included with
such return or statement shall pay a penalty in the
amount determined under subsection (b).

“(b) Amount of Penalty.—Except as otherwise
provided in this subsection, the amount of the penalty
under subsection (a) with respect to any covered trans-
action shall be determined by the Secretary.

“(c) Covered Transaction.—For purposes of this
section, the term ‘covered transaction’ has the meaning
given such term by section 4475(d).
“(d) Authority To Rescind Penalty.—

“(1) In General.—The Commissioner of Internal Revenue may rescind all or any portion of any penalty imposed by this section with respect to any violation if rescinding the penalty would promote compliance with the requirements of this title and effective tax administration.

“(2) No Judicial Appeal.—Notwithstanding any other provision of law, any determination under this subsection may not be reviewed in any judicial proceeding.

“(3) Records.—If a penalty is rescinded under paragraph (1), the Commissioner shall place in the file in the Office of the Commissioner the opinion of the Commissioner with respect to the determination, including—

“(A) a statement of the facts and circumstances relating to the violation,

“(B) the reasons for the rescission, and

“(C) the amount of the penalty rescinded.

“(e) Coordination With Other Penalties.—The penalty imposed by this section shall be in addition to any other penalty imposed by this title.”.

(c) Clerical Amendments.—
(1) The table of sections for part I of sub-
chapter B of chapter 68 of such Code is amended
by inserting after the item relating to section 6707A
the following new item:

"Sec. 6707B. Penalty for failure to include covered transaction information
with return."

(2) The table of subchapters for chapter 36 of
the Internal Revenue Code of 1986 is amended by
inserting after the item relating to subchapter B the
following new item:

"SUBCHAPTER C—TAX ON SECURITIES TRANSACTIONS"

(d) EFFECTIVE DATE.—The amendments made by
this section shall apply to transactions occurring more
than 180 days after the date of the enactment of this Act.