

Jackson-Lee (TX)	Miller (NC)	Schakowsky
Janklow	Miller, George	Scott
Jefferson	Mollohan	Scott (GA)
Jenkins	Moore	Scott (VA)
John	Moran (KS)	Sensenbrenner
Johnson (CT)	Moran (VA)	Serrano
Johnson (IL)	Murphy	Sessions
Johnson, E. B.	Murtha	Shadegg
Johnson, Sam	Musgrave	Shaw
Jones (NC)	Myrick	Shays
Jones (OH)	Nadler	Sherman
Kanjorski	Napolitano	Sherwood
Kaptur	Neal (MA)	Shimkus
Keller	Nettercutt	Shuster
Kelly	Ney	Simmons
Kennedy (MN)	Northup	Simpson
Kennedy (RI)	Norwood	Skelton
Kildee	Nunes	Slaughter
Kilpatrick	Nussle	Smith (MI)
Kind	Oberstar	Smith (NJ)
King (IA)	Obey	Smith (WA)
King (NY)	Olver	Snyder
Kingston	Ortiz	Solis
Kirk	Osborne	Souder
Kleczka	Ose	Spratt
Kline	Otter	Stearns
Knollenberg	Owens	Stenholm
Kolbe	Oxley	Strickland
Kucinich	Pallone	Stupak
LaHood	Pascrell	Sullivan
Lampson	Pastor	Sweeney
Langevin	Payne	Tancredo
Lantos	Pelosi	Tanner
Larsen (WA)	Pence	Tauscher
Larson (CT)	Peterson (MN)	Tauzin
Latham	Peterson (PA)	Taylor (MS)
LaTourette	Petri	Taylor (NC)
Leach	Pickering	Terry
Lee	Pitts	Thomas
Levin	Platts	Thompson (CA)
Lewis (CA)	Pombo	Thompson (MS)
Lewis (GA)	Pomeroy	Thornberry
Lewis (KY)	Porter	Tiahrt
Linder	Portman	Tiberi
Lipinski	Price (NC)	Tierney
LoBiondo	Pryce (OH)	Toomey
Lofgren	Putnam	Towns
Lowe	Quinn	Turner (OH)
Lucas (KY)	Radanovich	Turner (TX)
Lucas (OK)	Rahall	Udall (CO)
Lynch	Ramstad	Udall (NM)
Majette	Rangel	Upton
Maloney	Regula	Van Hollen
Manzullo	Rehberg	Velazquez
Markey	Renzi	Visclosky
Marshall	Reyes	Vitter
Matheson	Reynolds	Walden (OR)
Matsui	Rodriguez	Walsh
McCarthy (NY)	Rogers (AL)	Wamp
McCollum	Rogers (KY)	Waters
McCotter	Rogers (MI)	Watson
McCrery	Rohrabacher	Watt
McGovern	Ros-Lehtinen	Waxman
McHugh	Ross	Weiner
McInnis	Rothman	Weldon (FL)
McIntyre	Roybal-Allard	Weldon (PA)
McKeon	Royce	Weller
McNulty	Ruppersberger	Wexler
Meehan	Rush	Whitfield
Meek (FL)	Ryan (OH)	Wicker
Meeks (NY)	Ryan (WI)	Wilson (NM)
Menendez	Ryan (KS)	Wilson (SC)
Mica	Sabo	Wolf
Michaud	Sanchez, Linda	Woolsey
Millender-McDonald	T.	Wu
Miller (FL)	Sanchez, Loretta	Wynn
Miller (MI)	Sanders	Young (AK)
	Sandlin	Young (FL)
	Saxton	

□ 1208

Mr. GEORGE MILLER of California changed his vote from “nay” to “yea.” So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GIBBONS. Mr. Speaker, on rollcall Nos. 170, 171, and 172, I was detained in a closed intelligence briefing. Had I been present, I would have voted “yea.”

PERSONAL EXPLANATION

Mr. FLETCHER. Mr. Speaker, on Thursday, May 8, 2003, had I been present for rollcall vote Nos. 170, 171, and 172, I would have voted the following way: rollcall vote No. 170—“aye”; rollcall vote No. 171—“aye”; and rollcall vote No. 172—“aye.”

GENERAL LEAVE

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1261.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

WORKFORCE REINVESTMENT AND ADULT EDUCATION ACT OF 2003

The SPEAKER pro tempore. Pursuant to House Resolution 221 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1261.

□ 1208

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1261) to enhance the workforce investment system of the Nation by strengthening one-stop career centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment, training, and related services, establishing a targeted approach to serving youth, and improving performance accountability, and for other purposes, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. GEORGE MILLER) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BOEHNER).

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

Mr. Chairman, as we stand here today, hundreds of thousands of Americans are searching for good, stable new jobs. The unemployment rate in April rose to 6 percent. As the economy works toward recovery, hundreds of thousands of Americans are searching for jobs and careers that can help them ensure security and safety for their families. The President has made it clear that we need more jobs and we need a stronger economy. The backbone of economic growth is a strong workforce. As we move towards enacting the President's jobs and growth initiative this week, we also have a chance to strengthen job training opportunities for American workers.

The legislation before us is H.R. 1261, the Workforce Reinvestment and Adult Education Act. I want to commend the gentleman from California (Mr. MCKEON), the subcommittee chairman, for his leadership in bringing this bill to the floor. The bill would reauthorize and strengthen the Workforce Investment Act, or WIA, major legislation passed 5 years ago that provided important reforms to Federal job training programs. Prior to 1998, the Nation's job training system was a mess. It was fragmented, contained overlapping programs, and did not serve anyone very well, job seekers or employers. WIA consolidated employment and training services at the local level and produced a more unified workforce development system.

WIA provides funding for States and local communities to establish one-stop shops for workers seeking new jobs and new careers. Through the WIA system, job seekers now have access to labor market information, job counseling and job training to help them get back on their feet. WIA has generally worked well, but it could work even better. Duplication and confusion are keeping the WIA system from reaching its true potential for American workers. Duplication of services under the current law results in significant resources being squandered, resources that could be used to help those in need at a time when they need the help most. Overlap in training programs under the current WIA law has contributed to the growth of a confusing patchwork at the State and local level. Governors and State and local officials need the flexibility to target these resources toward the unique needs of the men and women in their communities.

The legislation before us would give our Nation's Governors and communities new tools to meet the unique needs of these people that they serve. It would streamline the bureaucracy to give workers better access to WIA benefits. Congress has an obligation this year to improve worker access to these WIA benefits and provide Americans with an even stronger job training system at a time when it is needed most.

State and local communities should be given greater flexibility to tailor their WIA systems to their own unique

NAYS—5

Flake	McDermott	Stark
Hinchey	Paul	

NOT VOTING—15

Andrews	Feeney	McCarthy (MO)
Clyburn	Fletcher	Miller, Gary
Combest	Gephardt	Pearce
DeLay	Gibbons	Schrock
Dingell	Hyde	Smith (TX)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). The Chair advises that there are less than 2 minutes remaining in this vote.

needs. Currently, the WIA adult, WIA dislocated worker, and Wagner-Peyser funding streams serve very similar populations. Combining these funding streams into a single grant, as proposed in this bill, would result in more effectiveness at the State and local level and significantly greater efficiency for workers searching for new jobs and new careers. It would also give States and local authorities greater flexibility to integrate WIA with their welfare-to-work programs. The bill also strengthens adult education by focusing on core skills such as reading and math. Workers need these building blocks to thrive in a knowledge-driven economy.

Lastly, I would note that the bill allows faith-based institutions to be included in the Federal worker relief system.

□ 1215

Faith-based institutions have a proven track record of helping people find jobs, but they are essentially barred from the current WIA system simply because they have religious identities, and this is unfortunate and unnecessary because under the Civil Rights Act of 1964 and as amended in 1972, faith-based organizations are already explicitly allowed to hire on a religious basis. These outdated barriers should be removed to ensure that every available resource is being committed in the effort to help Americans find jobs.

The bill before us simply reiterates the existing exemption that religious organizations have had for more than three decades under the civil rights laws. Title VII of the Civil Rights Act of 1964 and as amended in 1972 reads as follows: "(These requirements) shall not apply . . . to a religious corporation, association, educational institution, or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities."

This portion of the Civil Rights Act, which has been upheld by the U.S. Supreme Court, explicitly allows faith-based organizations to hire on a religious basis and any Federal legislation governing Federal social service funds should continue to protect the rights of religious organizations to do so. The measure before us simply applies the same standard to the Workforce Investment Act so that every available resource is being tapped to help Americans find jobs. If we do not make this change, we are essentially telling out-of-work Americans that they deserve something less than 100 percent of our support.

I think that would be a horrible message to send. Workers and families are the backbone of our economy. The backbone of economic growth is a strong workforce. Congress has an obligation to improve worker access to the benefits that the Workforce Investment Act offers and to provide Ameri-

cans with an even stronger job-training system again when it is needed most.

Passing this bill will send another clear message to the American people that we are taking action on jobs and the economy. And again I want to commend the gentleman from California (Mr. MCKEON) for his excellent work in bringing this bill to the floor.

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

Mr. GEORGE MILLER of California. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. WATSON).

(Ms. WATSON asked and was given permission to revise and extend her remarks.)

Ms. WATSON. Mr. Chairman, I rise in strong opposition to H.R. 1261.

I rise in strong opposition to H.R. 1261. Mr. Chairman, similar to the IDEA Reauthorization last week, we are again presented with a subpar rule and a subpar bill. The Committee did not allow us to vote on and discuss key amendments which would have greatly improved this measure.

I offered an amendment that was rejected by the Rules Committee yesterday that would have specified that local WIA boards may use funds to carry out training programs for displaced homemakers and nontraditional training for women. These are two existing programs that have been crucial to low-income women's economic independence and self-sufficiency. Since more than 60 percent of WIA recipients are women, the use of WIA funds for these programs would have provided necessary training opportunities, counseling, and services for WIA recipients to learn the necessary skills in obtaining and keeping jobs.

Mr. Chairman, this bill fails workers, attacks our Veterans and erodes our civil rights laws. An amendment offered to extend Federal unemployment benefits for newly unemployed workers and for those workers who have previously exhausted their unemployment benefits was not allowed. Also defeated was an amendment which would have restored current law prohibiting the use of Federal funds to discriminate in hiring based on religion, as well as an amendment to strike the language in the bill that allows governors to take money from Veterans and dislocated worker programs to pay for infrastructure costs for one-stop centers.

The Workforce Reinvestment and Adult Education Act is supposed to provide job opportunities for our nation's youth and extend educational opportunities for adults. The bill we have before us does not uphold this commitment. H.R. 1261 cuts job opportunities for youth, shifts critical resources away from career preparation and summer jobs, eliminates the successful Youth Opportunity Grants and reduces targeting of resources to poor communities.

In a time of economic downturn and a rising unemployment rate, it is our duty to provide the necessary funds to boost our economy and safeguard our future. We can increase the effectiveness and outreach of boards by increasing funding to local boards. We must give local leaders the opportunity to shape best use of resources to their communities.

Mr. Chairman, H.R. 1261 does not cut it. I urge my fellow colleagues to vote no on this bill.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield myself 4 minutes.

I rise in opposition to H.R. 1261. This is the wrong bill being considered at the wrong time for the wrong reasons. This bill fails to extend unemployment benefits, it fails to create jobs, and it fails to stimulate the economy.

This economy is in the grips of a devastating economic stagnation, and it is now clear to everyone that the President's economic policies have utterly failed to date to create new jobs, they fail to stimulate new business growth, and they have richly succeeded in turning historic Federal surpluses into staggering deficits.

Unemployment is at 6 percent. That means that almost 9 million Americans are officially unemployed and another 9 million are either working part time because they cannot find full-time work or they are so completely discouraged that they have stopped looking for work. The Department of Labor's own data shows that there are three job seekers for every job available today. And yet this legislation comes forth and begins to unravel what has been a carefully constructed job-training program over the last 20 years on a bipartisan basis. It does so by undermining the ability of workers who are dislocated and others to get the services that they need to go back into the job market. But it also does it because of the insensitivity of this administration, because in this year, in this last year, as hundreds and hundreds of thousands of Americans join the ranks of the unemployed, this administration and this Congress cut \$650 million of the programs under WIA. The President's budget this year suggests another \$200 million in cuts.

So while they talk about the block grant and they talk about efficiencies, let us understand what they are doing. As the ranks of the unemployed grow in staggering numbers, there will be fewer resources available to help those individuals get back into the job market. There will be fewer resources available to help the 6 percent of Americans who are unemployed, to the 4 million Americans who are underemployed and are looking for longer hours.

Payroll employment has not been this depressed since the Great Depression of the 1930s, and why is that? Because there is not enough demand in the economy. But unfortunately tomorrow the Republicans will give us an economic program based upon tax cuts for the wealthy that most economists in the country have already said while they may agree with the tax cuts, it will not stimulate the economy. It is still questionable whether or not the Democrats will be able to put forth their program which economists tell us will create 1 million new jobs this year.

This legislation, because it is within the jurisdiction of the committee and our ability, could have also extended unemployment benefits for those who

are about to run out on May 31. But unfortunately the Republican leadership of the committee would not support that amendment and the Republican Committee on Rules would not make it in order.

So as we stand here in these dark times for unemployed American families who do not know yet whether or not unemployment benefits are going to be extended at the end of this month, where they will be playing with whether or not we will extend them, we know that within the Republican part the last time there was a huge amount of opposition to the extension of the unemployed benefits, that many people were lost because of the gap in that coverage. But this legislation is silent on that issue.

This legislation is like a narcotic. It wants to say we are moving around the structure of WIA, we are cutting the funding of WIA, but things are going to get better for the unemployed in this country. It is just simply not so because the Bush economy has been so terribly devastating to so many segments of the economy, whether it is in manufacturing, whether it is in high tech, whether it is in services, whether it is in transportation, whether it is in accommodations, and this President has yet to take a single step. Yes, he got his tax cut his first months in office. He has lost 2.5 million jobs since then, since then. That did not work. What he is suggesting is that we do more of the same. That is not an answer for these desperate families who are trying to hold themselves together through these dark economic times.

Mr. BOEHNER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Tennessee (Mrs. BLACKBURN), a member of the committee.

Mrs. BLACKBURN. Mr. Chairman, I rise today to express my support for H.R. 1261, the Workforce Reinvestment and Adult Education Act of 2003. This bill has a directed focus: Strengthening local participation and streamlining the current WIA funding process. The primary purpose is to achieve more efficient and results-oriented services for the program's participants. This is important because in the past the WIA system has been hampered by duplicative and redundant bureaucracy, preventing it from being as effective as it should be for retraining workers.

WIA provides workforce services in programs through One-Stop Career centers. These centers have several important goals. They offer information on jobs, provide education and training resources, and aid employee retention. Further, they train workers in occupational skills needed to get a job, or for those already employed the centers help workers acquire the skills necessary to move upward and on to higher paying jobs.

Last year alone over 30,000 Tennesseans enrolled for workforce investment services through 14 One-Stop Career Centers and the 55 affiliate sites located throughout the State. This bill

strengthens the mission of these centers by playing a critical role in helping people who seek to improve their skills, their jobs, their careers and their incomes. It provides them with the tools and training necessary to be competitive in the 21st century workforce.

Further, it strengthens education programs by providing a way to enhance and refresh competency skills. It is my firm belief that with the employment services the centers provide, Tennessee workers will have access to the training needed to thrive in an ever-increasing technology-driven economy.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. KILDEE), a member of the Committee on Education and the Workforce.

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

I rise in strong opposition to this bill. In 1998 the gentleman from California (Mr. MCKEON) and I brought a bipartisan WIA bill to this House. Unfortunately, this is not the case today. The key failure of this legislation is that it does not respond to the economic realities that American families are facing today. We have 8.8 million individuals who are out of work. These are real people with names. We have growing budget deficits projected to top a half trillion dollars this fiscal year. Most alarming is the fact that three unemployed individuals are competing for every job.

In light of these dire economic conditions, I have grave concerns about the bill before us today. This bill unravels the very fabric of our Federal job training system. First, the proposal would eliminate the employment service, the program which matches those looking for work with jobs. The bill also blocks grants our job training programs. As our economy continues its downturn, it is extremely shortsighted to eliminate the function that matches jobs and individuals looking for work.

I must stress how disappointed I am that the Committee on Rules did not make either of my amendments in order to extend unemployment benefits. The House is not responding to the needs of the American workers by denying the debate on these amendments. The families of unemployed workers are struggling to ensure that they can afford their rent and put food on the table. We should not ignore the needs of these families. Where is the compassion of this Congress? I certainly can see the conservatism, but I do not see the compassion.

This bill also allows governors to take funding from veterans programs, programs serving individuals with disabilities, and other partner programs to fund one-stop infrastructure costs by also eliminating their seat on local workforce boards.

I am aware that an amendment may be offered today to cap the amount of funds that can be taken, but this

amendment is deficient. This amendment is inadequate and will still place these programs and the services they provide at risk.

Lastly, Mr. Chairman, this legislation repeals existing civil rights protections. Under current law faith-based organizations do receive Federal funds and do an admirable job providing job training services. Unfortunately, the Republican bill would allow for these organizations to refuse to hire individuals due to their faith for positions paid for with Federal dollars.

Mr. Chairman, this bill does not respond to the needs of unemployed individuals and individuals with disabilities seeking to return to the workplace. In fact, it undermines the progress we have made under WIA thus far. I regret that the Committee on Rules has prevented us from responding to the real needs of American workers.

I urge opposition to final passage of this legislation.

Mr. BOEHNER. Mr. Chairman, I yield 6 minutes to the gentleman from California (Mr. MCKEON), the father of the Workforce Investment Act of 1998.

Mr. MCKEON. Mr. Chairman, I rise in strong support of H.R. 1261, and I want to thank the gentleman from Ohio (Mr. BOEHNER), chairman, for his support and his leadership on this bill, and the committee in general.

Simply put, H.R. 1261 will help strengthen America's economy. For example, this important bill includes amendments to Title I of the Workforce Investment Act of 1998, which provides for the Nation's one-stop workforce development system. The bill also contains the Adult Basic Education Skills Act, which reauthorizes State programs for adult education. It also would reauthorize the Rehabilitation Act of 1973, which provides services to help individuals with disabilities become employable and achieve full integration into society.

Last week the Department of Labor released updated economic figures showing that the Nation's unemployment rate for April rose to 6 percent, its highest level since the 2001 recession, matching the rate that occurred this past December. With the April decline of 48,000 jobs, the fall in payroll employment over the past 3 months reached 525,000 jobs. Payroll employment has declined by 2.1 million jobs since the beginning of the recession.

□ 1230

With hundreds of thousands of Americans searching for new jobs, we must take action to strengthen the job training opportunities for American workers.

The Workforce Reinvestment and Adult Education Act of 2003 builds upon and improves systems created in the Workforce Investment Act of 1998, which consolidated and integrated employment and training services at the local level in a more unified workforce development system. One of the hallmarks of the new system is that, in

order to encourage the development of comprehensive systems that improve services to both employers and job seekers, local services are provided through a one-stop delivery system. At the one-stop centers, assistance ranges from core services, such as job search and placement assistance, access to job listings, and an initial assessment of skills and needs, intensive services such as comprehensive assessments and case management, and, if needed, occupational skills training.

Even though States and local areas have created comprehensive services and effected one-stop delivery systems, there have been challenges with the system. H.R. 1261, the Workforce Reinvestment and Adult Education Act of 2003, goes even further and addresses some of the challenges of the current system. For example, the bill streamlines unnecessary bureaucracy, increases effective cooperation among workforce development partners and places an increased emphasis on basic skills and adult education programs.

This bill aims to streamline current WIA funding in order to provide more efficient and results-oriented services and programs by combining the adult, dislocated and employment service funding streams into one funding stream. This will eliminate administrative duplication that remains in the system, improving services for individuals.

There is a need to increase the financial contribution of the mandatory partners in the one-stop career centers while at the same time increasing the service integration among the partner programs. This includes serving special populations, like individuals with disabilities who have unique needs, through the one-stop system.

There is also a need to simplify the local and State governance processes and to strengthen the private sector's role by ensuring greater responsiveness to local area needs. We accomplish this by removing the requirement that one-stop partner programs have a seat on the local boards. This will provide for greater representation and influence by local business representatives who currently are frequently frustrated that they are not able to connect with, or access, resources from the local boards.

We are also strengthening the membership requirements and role of the State board to increase support for partner usage in an effort to create a more coordinated approach to addressing the workforce needs of each community.

Additionally, we need to increase training opportunities by providing for greater flexibility in the delivery of core, intensive, and training service. Individuals will have the opportunity to receive the services that are most appropriate for their needs.

In short, this bill aims to empower individuals in improving their careers by strengthening the infrastructure of the one-stop delivery system, improving accountability, enhancing the role

of employers, and increasing State and local flexibility.

The bill also includes the Adult Basic Skills Act to reauthorize State programs for adult education. This bill places more of a focus on the delivery of the basic skills of reading, writing, speaking, and math. Additionally, we have sought to ensure that instructional practices are based on scientific research. Provisions have been included to increase accountability for States and local providers to have measurable improvement in basic skills and GED graduates and those entering higher education.

The bill also makes improvements to the Rehabilitation Act of 1973, which provides services to help persons with disabilities become employable and achieve full integration into society. The Vocational Rehabilitation title of this bill enhances and improves transition services, which promote the movement of a student served under the Individuals With Disabilities Education Act from school to post-school activities, which we passed last week.

H.R. 1261 will strengthen our workforce development system to aid those Americans most in need of help getting back to work.

I am pleased to support this legislation and urge my colleagues to do the same.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. OWENS), a member of the committee.

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

Mr. OWENS. Mr. Chairman, our Nation is faced with a few simple facts that are awesome indeed. Unemployment has risen to a high of 6 percent nationally. In New York it is 9 percent. States throughout the Nation are faced with large deficits. States and cities are being forced to lay off government workers. Since the year 2000, more than 600,000 youths have lost their jobs. The economic downturn appears unlikely to end any time in the near future, according to the majority of the expert economists.

Added to this is the fact that 90 percent of the troops on the frontline in Iraq and Afghanistan are members of working families. They come from working families. They are out there on the front lines. But nevertheless, here in America the Republican majority wages a relentless war against working families.

I call on the Republican majority to call a truce. Stop your war against working families. You started this administration with a repeal of the ergonomics laws. That was a slap in the face of all working people. You have continued by ignoring the question of raising the minimum wage. You have launched a new assault on cash payments for overtime. You have launched a new assault against OSHA.

Please, call a truce. These are working families who are as important in

America as anybody, probably more important. Those are the people who supply the troops out there on the front lines.

We are totally insensitive to the fact that the Nation is diminished by the way the workers are treated. We have very serious problems that are not being addressed by the Workforce Investment Act. More money should be invested in training the workforce needed to make homeland security more than a joke. There are lots and lots of types of expertise needed that we do not have that we ought to be training for.

Let us, please, call a truce. Stop the war, stop the hostilities, against working families in America.

The CHAIRMAN. Without objection, the gentleman from California (Mr. MCKEON) will control the time of the gentleman from Ohio (Mr. BOEHNER).

There was no objection.

Mr. MCKEON. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Colorado (Mrs. MUSGRAVE), one of our outstanding new freshmen.

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

Mrs. MUSGRAVE. Mr. Chairman, I would like to address my comments specifically to those who would prevent religious organizations, faith-based organizations, from receiving Federal funds to help unemployed Americans.

Religious organizations have often been denied Federal funding simply because they have a religious name or an identity or they hire on a religious basis. Our President has called on his administration and Congress to remove these barriers, and I wholeheartedly support that.

I would remind my colleagues that during the 1990s President Clinton supported four laws that allowed religious organizations to retain their right to hire on a religious basis while they were receiving Federal funds, just as Republicans are doing today, to ensure that faith-based organizations can be part of the Federal job training and worker relief system under the Workforce Investment Act. The four laws that were passed during the Clinton administration were the Substance Abuse and Mental Health Services Act, the Community Services Block Grant of 1998, welfare reform of 1996, and the Community Renewal Tax Relief Act of 2000.

Faith-based organizations cannot be expected to sustain their religious mission without the ability to employ individuals who share in their tenets and practices. It is that very faith that motivates these people to help Americans that are in trouble.

Members of faith-based organizations should enjoy the same right to associate with those that share their unique vision, just as other known-religious groups do. For example, Planned Parenthood may refuse to hire those who do not share its views about abortion. Planned Parenthood Federation

of America received over \$100 million in Federal funds to support the things that they offer in fiscal years 1997, 1998, and 1999. Equal treatment requires that religious organizations, faith-based organizations, have the same right to hire on ideological grounds.

Let us allow faith-based organizations to retain their unique character and help and assist Americans who need a job.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS), a Member of the committee.

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Chairman, I rise in strong opposition to H.R. 1261. However, I want to first thank the gentleman from Ohio (Chairman BOEHNER) and the ranking member, the gentleman from California (Mr. GEORGE MILLER), for accepting one of my amendments in committee that would include ex-offenders as part of the hard-to-serve population who are seeking employment.

However, I am disappointed that the amendment that my colleague, the gentleman from Louisiana (Mr. BAKER), and I submitted to the Committee on Rules was not accepted. This amendment would strike sections 402 and 403, which would change the current status of the Commissioner of Rehabilitation Services Administration. Currently the commissioner is appointed by the President with the advice and consent of the Senate. This bill would change the current structure of the position from a Presidential appointee to a director appointed by the Secretary of Education. The disability community is opposed to this change because it puts additional distance between the President and the commissioner.

We are still talking about cuts; and we all know that when there are cuts, there are serious social consequences that occur when young people are not in school and not employed. We will see crime rates increase, arrests increase, drug abuse increase and gang activity increase. Young people, if they are not employed, will find something to do with their time; and I am afraid that it is not going to be productive, and, perhaps in some instances, even illegal.

One of the shocking provisions, though, of this resolution is that H.R. 1261 allows employers to discriminate based on religion when hiring for government-funded positions in job training. Our country cannot go backwards. Children learn in school about NINA laws, that is "No Irish Need Apply," and now we are going back to another period. Perhaps soon we will see "No Jews Need Apply," "No Christians Need Apply," "No Blacks Need Apply." Well, I think that that is shameful. And, yes, faith-based organizations should be allowed to do their work, but they should not be promoted to discriminate at the same time.

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

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 3½ minutes to the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. I thank the gentleman for yielding me time.

Mr. Chairman, I am disappointed in the legislation that we are debating today, because this could have been much better. We are only days after depressing job reports, the most depressing reports in decades, released by the Department of Labor showing we lost half a million jobs in the last 3 months. Instead, what the majority brings to this floor is an eviscerated, underfunded job training and workforce development bill.

Tomorrow, the majority will bring to the floor a bloated tax bill, overwhelmingly weighted to the wealthiest Americans; and combined, this is what you are going to call a jobs program.

Since January 2001, when the current President took office, this economy has lost 2.7 million jobs that are private sector jobs. It is a net loss of more than 74,000 jobs a month. The President is on track to have the worst job creation record for any President since World War II. Workers desperately need relief, the economy desperately needs a boost, and this bill does not provide it.

The House majority missed a tremendous opportunity to continue the 30-year record that we have had of bipartisan cooperation on the workforce investment program. But even before the House began to authorize this process, the administration and this Congress had a terrible record on job training.

Despite the rising unemployment numbers under this administration, the programs under the Workforce Investment Act have been dramatically underfunded. In fiscal year 2002, the Republican majority adopted a \$300 million rescission of WIA funds; in fiscal year 2003, they cut WIA by \$440 million; and they project 2004 to cut it by \$265 million. This warrants concern that the rhetoric of support for these programs is not matched by the conduct.

□ 1245

This legislation does nothing to restore those cuts in critically needed training dollars, and it does nothing to restore working families as a priority.

There are at least 5 problems with this bill as it is reauthorized. Instead of restoring needed funding, it actually block grants the money, including the adult dislocated worker and employment services programs. Make no mistake, block granting these programs is nothing more than a precursor to further reducing funding for job training in the future. Combined with the history of the cuts that I just discussed, the history of block grant programs tried elsewhere that result in cuts and the history of the administration putting no money in for extension of unemployment benefits, we start to see

the attitude of the majority and of this administration towards unemployed Americans and people that need to get back to work.

The block grants ignore important differences between the various types of jobs and job seekers that are currently served by the WIA programs, and they pit one group of underemployed against the unemployed trying to receive assistance.

Second, the bill will also largely replace the unemployment service program whose central mission is to facilitate the match between job seekers and employers and the Federal-State partnership that consists of more than 1,800 local offices. This approach will undermine the principle of an unbiased, non-partisan agency to administer job referrals and assist in the payment of unemployment insurance benefits.

Thirdly, the bill denies services to in-school youth under the Youth programs title of WIA. The bill has been changed to allow 30 percent of local funding for in-school youth. I strongly support the concept that young people who leave school before finishing should be given a second chance, but I also believe it makes sense to catch as many as we can before they leave the classroom. This legislation restricts the ability of local communities to respond to their needs and it flies in the face of the kinds of effective programs that are currently being implemented.

Fourth, State governors will be allowed to take unspecified amounts of funding presently used to provide critical veterans employment, adult education, vocational rehabilitation, and other services and instead use that money for administrative costs in the one-stop centers. Federal organizations projected a \$61.3 million shortfall in their outreach and job counseling and placement programs already. Vocational organizations can only service 5 percent of those who need their services already.

Finally, the bill rolls back the critical civil rights protections.

Mr. Chairman, we have again missed an opportunity to come together in a bipartisan fashion. This legislation is the worse for it, and I urge its rejection.

Mr. MCKEON. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. ISAKSON), the vice chairman of the subcommittee and one of the great leaders on the committee.

Mr. ISAKSON. Mr. Chairman, I thank the gentleman from California (Chairman MCKEON) for introducing me, but also in particular for his leadership and work on this legislation, as well as the gentleman from Ohio (Chairman BOEHNER).

I am particularly pleased to rise in support of H.R. 1261 because of the great additional support it gives to the youth of America. This bill provides a targeted approach to serving America's youth. Specifically, it emphasizes the need to provide WIA youth funds for

out-of-school young adults. Under current law, funds for the WIA youth program are spread too thinly. Out-of-school youth are currently underserved and face significant challenges to successful employment and careers. This bill addresses the problem and provides adequate funding to alleviate the problem.

Furthermore, this bill provides that youth eligible for services under State and local programs must be of the ages between 16 and 21. A focus on this age group will provide States with the flexibility to address both in- and out-of-school youth, as well as promote dropout prevention for our Nation's youth. However, services for in-school youth must be provided during non-school hours, which may include before and after school programs. This bill promotes more productive development programs, while ensuring these training and employment programs are not substituted for school curriculum. The purpose is to enhance and supplement education, in addition to traditional schooling, to better prepare them for the jobs of the future.

Additionally, the bill makes Youth Councils optional rather than mandatory. In many areas, local Youth Councils have proven to be inefficient or ineffective in enhancing the local system's efforts to provide programs and services that successfully address youth issues. However, local boards retain the authority to create such councils if they are needed and prove effective in this area.

Finally, this important legislation provides challenge grants to cities and rural areas that have effective partnerships with education, business, and community organizations in providing youth programs and services. These areas will have the ability to compete for challenge grant targeted funding, which will further result in greater and more effective services for our youth population.

Mr. Chairman, H.R. 1261, the Workforce Reinvestment Act and Adult Education Act of 2003, is crucial to a successful and productive workforce and especially crucial to the youth of America. I am pleased to rise in support, and I encourage this House to adopt the legislation.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. NADLER).

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

Mr. NADLER. Mr. Chairman, I rise today in opposition to this legislation which will enshrine the principle of religious discrimination in our laws. I can recall no greater betrayal of our Nation's family principles in my 10 years in Congress.

Supporters of this bill have held up the nonexistent problem that religious organizations allegedly cannot participate in federally funded programs. That is not true. Religious organiza-

tions have every right to participate in publicly funded programs and they have done so for many years.

This bill is also not about protecting religious freedom. Current law protects the right of institutions to select their own clergy and practice their religions free from government interference. No one is questioning that, and this bill has nothing to do with it. The question is whether you can discriminate in taxpayer-funded, nonreligious employment. Current law says you cannot. This bill says you can.

This is not equality, and it is certainly not compassion. It is simply wrong to tell those taxpayers that programs they fund can be closed to them simply because of their religious faith.

Mr. Chairman, the people I represent understand religious discrimination. Many of them came to this country because Jews or Catholics faced the evils of religious bigotry in Europe. They should not have to face it here.

This bill is also a slander against religious people across this Nation. They do not want to engage in employment discrimination; they want to help people. They are guided by their faith to make the world a better place.

Not only does this bill bring shame on our Nation and its tradition of religious tolerance, the Republican leadership has decreed that we cannot even vote on this momentous question of repealing the law against religious discrimination. They have abused their power by forbidding a discussion and a vote on this fundamental question.

What are they afraid of? Are they afraid that some of their Members might have to answer to their neighbors for casting a vote in favor of religious discrimination with taxpayers' money? I cannot blame them from hiding behind the Iron Curtain of the Committee on Rules.

Mr. Chairman, we have heard all of this before from the Republican leadership. In the Committee on the Judiciary, we were told that people should be able to discriminate against janitors and the people who serve soup to the poor simply on the basis of religion. The President has made the right to discriminate on the basis of religion the heart of his so-called "compassionate conservatism."

Mr. Chairman, that is not what America is about. It is not the spirit of religious charity, it is not the spirit of religious liberty. I cannot imagine voting yes on a bill to say that for the first time since the Civil Rights Act of 1964 we are going to repeal a bill, a law against religious liberty, a law that Ronald Reagan signed, a law that said you cannot discriminate with Federal taxpayer funds on the basis of religion. This bill says you can. For shame, Mr. Chairman.

Mr. Chairman, I rise today in opposition to this legislation which will enshrine the principle of religious discrimination in our laws. I can recall no greater betrayal of our nation's founding principles in my 10 years in Congress.

Proponents of this bill have held up the nonexistent problem that religious organizations

cannot participate in federally funded programs that is not true. Religious organizations have every right to participate in publicly funded programs, and they have done so for many years. I have helped many of these religiously affiliated charities obtain Federal and State funding to do their good work as have most other members of this House.

This bill is also about protecting religious freedom. Current law protects the right of religious institutions to select their own clergy and practice their religions free from governmental interference. No one is questioning that, and this bill has nothing to do with it. The question is whether you can discriminate in taxpayer funded non-religious employment. Current law says you can't. This bill says you can.

This is not equality, and it is certainly not compassion. All Americans pay their taxes and, therefore, pay for these programs. It is simply wrong to tell those taxpayers that programs they fund can be closed to them simply because of their religious faith.

Mr. Chairman, the people I represent understand religious discrimination. Many of them came to this country because Jews or Catholics faced the evils of religious bigotry in Europe. They should not have to face it here.

This bill is also a slander against religious people across this nation. They do not want to engage in employment discrimination; they want to help people. They are guided by their faith to make the world a better place.

Not only does this bill bring shame on our nation and its tradition of religious tolerance, the Republican leadership has decreed that we cannot even vote on the momentous question of repealing the law against religious discrimination. They have abused their power by forbidding a discussion and a vote on this fundamental question.

What are they afraid of? Are they afraid that some of their members might have to answer to their neighbors for casting a vote in favor of religious discrimination? I can't blame them for hiding behind the Iron Curtain of the Rules Committee. I wouldn't want to have to answer for that either.

Mr. Chairman, we have heard this all before from the Republican Leadership. In the Judiciary Committee we were told that people should be able to discriminate against janitors and the people who serve soup to the poor simply on the basis of religion. The President has made the right to discriminate over the heart of his "compassionate conservative".

Mr. Chairman, that's not what America is about. This is certainly not the spirit of religious charity. I urge a no vote on this bill so we can come back and do it right.

Mr. MCKEON. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina (Mr. WILSON), another new member of our committee.

Mr. WILSON of South Carolina. Mr. Chairman, I want to thank the gentleman from Ohio (Chairman BOEHNER) who has worked diligently to strengthen workforce development and job training programs by eliminating wasteful duplication and refocusing services to ensure job seekers have access to the most effective job training resources available.

The unemployment rate reached 6 percent last month. It is clear we must join together to provide out-of-work Americans with the tools and resources they need to get back to work.

Mr. Chairman, H.R. 1261 will strengthen and renew the programs at the one-stops by providing more effective and efficient services and by using resources more appropriately for Americans striving to get back to work. The one-stops I have visited are making a difference and this bill will allow them to provide even better services.

H.R. 1261 combines the three funding streams into one, which provides for streamlined program administration and more efficient service delivery at the State and local level, resulting in additional funds available for the provision of services. However, funds continue to be targeted for those needing the most critical reemployment services.

H.R. 1261 continues to require States to provide rapid response services in case of mass layoffs, plant closings, disasters, or other events that lead to substantial increases in the number of unemployed individuals.

Employment services will continue to be provided as core services at the one-stop career centers.

In addition, the bill provides an equitable distribution of funds between States and local workforce investment areas. The bill ensures that funds currently supporting the delivery of local reemployment and training services will continue.

In conclusion, the one-stop operators will no longer have to track multiple streams of funds. States and local areas will have the flexibility to tailor services to the needs of their labor market.

Mr. Chairman, I urge my colleagues to support H.R. 1261, and God bless our troops.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. GREEN), an alumni of the committee.

Mr. GREEN of Texas. Mr. Chairman, I thank our ranking member for yielding me this time, and I appreciate the recognition as alumni of the Committee on Education and the Workforce.

I rise in opposition to the legislation which hurts our unemployment assistance programs at the worst possible time. In my hometown in Texas, the unemployment rate is 6.7 percent as of March 2003, and probably is getting worse. Across the country, there are almost 10 million Americans who are officially unemployed and many who are not counted because they have dropped off the rolls. Our unemployment system needs to be stronger, not weaker. We need extended unemployment assistance in low income areas and we need stronger employment and retraining services.

The bill here today, H.R. 1261, actually reduces vital services through the old "block grant and privatize" game. I heard from my constituents working in the employment services field, and they report that privatization means unresponsive low bid contractors, overworked staff, and cutting corners.

Another concern I have is with the requirement that State vocational rehabilitation plants must describe how these services are better coordinated with services under IDEA. I do not mind coordination, but not if it is a cover for funding cuts, and that is what I am concerned about.

Under this bill, one-stop centers, which have been a success across the country and also in Houston would have to use more of their Federal funds to pay for infrastructure, not for services. That is a funding cut.

With over 3 million workers projected to lose their temporary unemployment assistance from now until the end of the year, without a new job, this bill makes no sense.

In my opposition, I would also point out that this reauthorization is opposed by major Hispanic groups, including the National Council of La Raza and the Hispanic Education Coalition, because it fails to help unemployed Hispanics in America to improve their English skills and job prospects. Again, from Texas and the Southwest we have a lot of skilled workers, but if our unemployment services provide English assistance, those people could get work and even better employment. If we want Hispanic folks in the labor market, we need to make a commitment that teaching English as a second language is important. This bill allows States to teach English, but makes no real commitment of resources.

Let me just touch on the religious concern I have. We had a job fair in our district last Monday that was coordinated in a Baptist church. We already have religious institutions involved if they want to be. We had many employers, and we had our workforce commission in Texas there that organized it. It was a great example of a religious community coming out and using their facilities, and that is happening right now, and they do not have to have discrimination. It happened to be a Baptist church, but they did not say we would only hire Baptists or let only Baptists come in here and apply for these jobs.

Mr. Chairman, I am concerned this bill goes in the wrong direction, and that is why I stand in opposition.

The CHAIRMAN. Without objection, the gentleman from Ohio (Mr. BOEHNER) assumes control of the time.

There was no objection.

Mr. BOEHNER. Mr. Chairman, how much time do we have remaining on each side?

The CHAIRMAN. The gentleman from Ohio (Mr. BOEHNER) has 8½ minutes remaining, and the gentleman from California (Mr. GEORGE MILLER) has 10½ minutes remaining.

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

The CHAIRMAN. Without objection, the gentleman from Michigan (Mr. KILDEE) assumes control of the time.

There was no objection.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Chairman, I thank the gentleman from Michigan for yielding me this time.

I rise with some real concerns about this bill. The Workforce Investment Act and the one-stop delivery system that it created represent the Nation's primary investment in workforce development.

□ 1300

It has been successful. The one-stop centers in my district do tremendous work, but they desperately need more money to keep serving the rising, I am sorry to say, rapidly rising number of unemployed. I offered an amendment in the Committee on Rules to reverse the \$650 million in cuts to the WIA programs applied over the past 2 years, over the time that the needs of unemployed people were increasing; and these cuts have been enormously harmful. Unfortunately, the Committee on Rules would not allow my amendment to come to the floor so we could debate what is an appropriate authorization here.

The bill has been rushed to the floor in a partisan fashion and, worse, fails to adequately respond to the needs of our workers. It sets the stage for reducing job training programs by taking money away from participating partners in the Workforce Investment Act such as the Veterans Employment programs, Perkins Vocational Education program, and the Vocational Rehabilitation program. And in addition, it consolidates adult employment and training programs into one block grant. And that removes many of the Federal performance and accountability measurements and standards that help make WIA a high-quality workforce program. And if that is not bad enough, the bill, as you have heard, eliminates current civil rights protections for employees of job training organizations.

For all of these reasons, I cannot support the bill. I urge my colleagues to oppose the bill so we can return it to the committee where I sit with the gentleman from California (Mr. GEORGE MILLER) and the gentleman from Ohio (Mr. BOEHNER) so that we can bring it back to the House in a bipartisan fashion as a bill that will help job seekers find jobs.

Mr. BOEHNER. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana (Mr. SOUDER), another alumni of our committee.

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

Mr. SOUDER. Mr. Chairman, first I want to thank the chairman, the gentleman from Ohio (Mr. BOEHNER), and the chairman of the subcommittee, the gentleman from California (Mr. MCKEON), for their work with this bill.

It is very important that we have these job training programs updated on a regular basis; that we have the flexibility to implement, particularly when we are struggling in the Midwest and many other parts of the country.

This legislation is historic and very important. I especially want to address some misstatements that have been on the floor this afternoon regarding the faith-based provision; and it really troubles me as a committed Christian, but really anybody of devoted faith, whether you are Muslim or Jewish or whatever your background, of what seems to be a rise of antireligious bigotry in America right now. It is basically saying you are not welcome to practice your faith here.

The fact is, people of devoted faith have been involved in both the public and private arena for many years. We started this morning with a prayer. Of all the lawgivers above us, there is Moses, the only one of the lawgivers that is faced this direction on the House floor who is looking straight down, and In God We Trust. We have passed multiple times on this floor legislation that has included and allowed faith-based organizations to permit, to participate in welfare reform initiatives, in multiple other initiatives, drug treatment, where people can participate with their faith, without having to give up basic tenets of their faith, in helping the poor and practicing compassion. In fact, the courts have upheld allowing buses and computers being given to private schools. We have charitable contributions which are indirect, allowing people to keep money and exempt Tax Codes. We allow students to choose to go to a college and get a student loan which is, once again, indirect funding.

The question is, are you forcing anybody directly or indirectly into a specific program? In job training there are many choices. This bill has programs where there are many choices. Why can any of those choices not include a faith-based component? There is simply not enough money to cover all the needs in this society. When people are willing to leverage their own private dollars, to give of their own time and to work with individuals and individuals, particularly when we are targeting the poor many of these people are in urban areas. Many of the churches that are talked about are churches in my district of Ft. Wayne that are African American churches or Hispanic churches that want to get involved. They are the most trusted parts of their communities in most cases. They want to be involved in the literacy. They want to be involved in the job training. They want to be involved in the after-school programs. And nobody is saying that they are not going to be covered in this. Other people have a choice of where they want to go.

What we are saying is if a church wants to be involved, you cannot tell them who they have to have in their pulpit. You can tell them that if somebody is practicing pornography and their religion does not believe in pornography that they cannot remove that person. Under the governmental laws, you cannot remove a person for watching legal pornography. But if you

are a Christian like I am and you believe the church and church organizations are supposed to reflect the glory of your Savior or in another religion that faith, to ask that faith to change their hiring practices, to change the basic tenets of their faith so that they can help the poor is to ask them to do something inconsistent.

Nobody is forcing anybody into any religion. What we are saying in the public arena where people are getting job training and so on, can one of their choices be to go to a faith of their choice where they can get the training along with the character development and with groups that are leveraging the funding.

I commend the chairmen for their initiative with this. I commend our President, and I am appalled at the religious bigotry that I hear that is really challenging far more than this bill. It is challenging our Tax Code. It is challenging other Court-upheld decisions because they in effect would force the faith-based community, those who have deeply held beliefs that we may disagree about, out of the public arena; and that is wrong.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. RYAN), a member of the committee.

Mr. RYAN of Ohio. Mr. Chairman, I thank the gentleman for yielding me time, and I would also like to thank the gentleman from California (Mr. GEORGE MILLER) for his leadership, as well, on this committee.

Mr. Chairman, 2.6 million job losses, and \$1.2 billion trade deficit a day, \$1.2 billion trade deficit a day; 2.2 million of the 2.6 million jobs that we have lost are manufacturing jobs, good-high wage, high-paying jobs with health care benefits and pensions.

This is another missed opportunity. We had an opportunity here in the committee to try to stimulate this economy, to try to make advancements; and we had an amendment on the Democratic side, \$3.7 billion investment for 100,000 first responders, directly bumped into our local communities that are struggling. We are laying off police. We are laying off firefighters. We are laying off first responders; and those same first responders have also been called to serve in the war, leaving a major hole in our local communities.

In my district alone, 6.9 percent unemployment. In Ohio, 85,000 workers have exhausted their benefits, 42,000 have exhausted their benefits and are still looking for work; and the answer in this Chamber and the answer in Washington, DC is a tax cut.

In my district there is 1 percent of the taxpayers that have an income above \$200,000, and 50 percent of the workers in my district will get a hundred bucks. That is not helping average people in this country. And we spew out statistics here left and right, but I am afraid that again all the faces and the names have turned into numbers in

this society. And it is time to give a shot in the arm to this economy. We can address local issues. We can invest in our local community. We can employ our first responders and at the same time address the homeland securities issue. This bill is not doing it, and I urge we reject it.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I rise today to speak out against H.R. 1261, a bill that represent an enormous missed opportunity for this Congress to help the growing millions of Americans looking for work or needing additional training.

The dismal job situation in this Nation could not be more clear. The unemployment rate moved back up to 6 percent in April as the private sector lost another 80,000 jobs, adding to the over 400,000 jobs lost in February and March. In all, 2.7 million private sector jobs have vanished from the economy since January of 2001. And of the 8.8 million unemployed workers in this Nation, almost 2 million are long-term unemployed and 4.4 million have been looking for work for so long that they have simply given up looking. The plight of the long-term unemployed is so bad that the New York Times has reported that in some cities support groups for unemployed workers have started holding two separate sessions: one for those who have recently lost jobs, and the other to offer special counseling needed to support those unemployed for 27 weeks or longer.

And yet in astonishing fashion, rather than invest in new jobs or extend benefits for the estimated 3.9 million out of work Americans who will be directly effected when the extended unemployment program ends this month, this bill unravels our Nation's job training system.

At a time when efforts should be made to match unemployed workers with jobs, H.R. 1261 would eliminate the Employment Service which provides these services. The bill also eliminates dedicated funding for job training assistance to dislocated and unemployed workers. Instead, H.R. 1261 block grants this funding, diluting services for millions of workers who need help to find new jobs or retrain to support their families.

As our country remains in the midst of stagnant economic growth with few jobs being created, we need a job assistance and training system that meets the needs of America's unemployed workers. H.R. 1261 is not the bill. America's workers deserve much better. I urge my colleagues to vote against final passage, so that as we understand that unemployment continues to persist that we challenge these cuts, that we challenge the reduction in job training programs, and that we move to protect those who have worked for this Nation and now deserve our help, not our contempt.

Mr. BOEHNER. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. MCKEON).

Mr. MCKEON. Mr. Chairman, in 1998 we joined together in a bipartisan fashion to pass the Workforce Investment Act. We had 150 Federal job training programs, and that did not work. We cut it down to 60. We took those 60 Federal programs and block granted them out to the States and in that legislation set up the one-stop shops. The regulations were finally written in about 2000. The one-stops have been set up. They are starting to do their job. This bill now gives us a chance to take the final three programs we were not able to consolidate last time, consolidates them, gives more money to the local areas, gives more authority and responsibility to the local areas.

The one-stops that I visited with the local governments boards are doing a great job. We need to give them additional help. That is what we do in this bill. It is unfortunate, as we can see from this debate, that we were unable to do this bipartisan. It was not our choice. We had the committee. We gave everybody the opportunity. We had full debates on a lot of the things that they are complaining about now, and we won on committee votes. It is important now that we really think about the workers and how we can help them and get this bill passed.

Mr. KILDEE. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. HINOJOSA).

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

Mr. HINOJOSA. Mr. Chairman, I rise in opposition to H.R. 1261.

The programs authorized under the Workforce Investment Act provide the key supports to economic self-sufficiency for many in our communities. They deserve a more serious and substantive discussion than the rushed, partisan effort that we have before us today. H.R. 1261 does not address the needs of the most significant source of growth in America's workforce—immigrants.

Consider the following: new immigrants accounted for more than 50 percent of the civilian labor force growth between 1990 and 2001. More than 40 percent of non-citizens have less than a high school education and approximately 17.8 million adults in the U.S. are limited English proficient (LEP). Many states in the south and midwest have experienced large increases in the number of LEP individuals over the past ten years. Some of these states have little experience providing services to LEP adults.

Evidence has clearly shown that investment in vocationally linked English as a second language provides excellent returns. Immigrants who are fluent in oral and written English earn approximately 24 percent more than those who lack fluency, regardless of their qualifications. Yet despite this, H.R. 1261 fails to provide these states with the assistance they need to improve their English as a Second Language (ESL) and other services to this growing population.

While many of these new Americans seek to become active participants in civic life, few

have access to ESL and civics education programs that can help them understand their roles as community members. H.R. 1261 misses an opportunity to help these immigrants learn English and better understand their responsibilities as new Americans. Instead, H.R. 1261 offers divisive provisions on so-called "charitable choice", which would sanction discrimination in hiring and weaken our civil rights. This is not an investment in our workforce. It is a diversion from what our workers need. I urge my colleagues to oppose H.R. 1261.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WATERS).

(Ms. WATERS asked and was given permission to revise and extend her remarks.)

Ms. WATERS. Mr. Chairman, I rise today to oppose this bill. It is an important piece of legislation that should be passed, but not in its current form.

Mr. Chairman, our country is in trouble. On this President's watch more than 2.3 million jobs have been lost. Many workers have exhausted their unemployment benefits, and this administration is doing nothing to stimulate this economy or create jobs. Congress, over the objections of many Democrats, has stripped away job assistance programs intended to help these workers gain skills and find employment. Unfortunately, this bill keeps with this appalling record.

The bill undermines apprentice programs on which thousands of people depend for training and guidance as they begin their careers. In addition, this bill allows funding for job training programs and unemployment services to be funded in block grants rather than its current form, resulting in far less funding for these programs.

But what I am most concerned about is under this bill any religious organization that receives Federal funding for job training or other job assistance programs will be allowed to turn people away simply because of their religious beliefs. This is discrimination in its most obvious form. It should not be allowed. By passing this bill, Congress will be rolling back decades of civil rights protections. We should be ashamed that this is even being considered. And while I am at it, I too am a Christian, and I oppose this bill and any effort to weaken civil rights laws.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. EMANUEL).

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

Mr. EMANUEL. Mr. Chairman, I thank the gentleman from Michigan (Mr. KILDEE) for yielding me time.

Mr. Chairman, I rise today in opposition to H.R. 1261, the Workforce Reinvestment and Adult Education Act.

□ 1315

We are in the middle of a jobs recession where 2½ million Americans have lost their jobs in the last 2 years, 2 million in the manufacturing sector alone.

It is more important now than ever that we ensure that those workers who want to train up and participate in the new economy get a chance to participate in the new economy, and this job training bill and a job training program is so essential.

I want to pick up on what my colleague from California said because in 1998 we did work together in a bipartisan fashion. We put aside politics. We zoned off the area of job training and ensured that we put people first and not politics first, and that is why we got a bipartisan agreement. We should not roll back on the principle that we did in 1998. We should press forward in doing what we did in 1998 by coming together, putting people first and not exactly politics.

My view here is that tomorrow we are going to be voting on a tax cut. This bill focuses on the job market. We should not focus on the stock market at the exclusion of a job market. It needs the same attention, the same interests and the same investment that we are about to do in just the stock market alone. The job market has as much priority as the stock market.

On the budget that we passed 2, 3 weeks ago, there were about \$700 million in cuts over 2 years in the President's budget in the job training area. That is not the type of investment, that is not the type of values that both parties share. People are hurting out there. My colleagues have seen them when they have gone in the one-stop shop and talked them, as I have, in this time of recession and unemployment where 2 million Americans in the manufacturing sector have lost their jobs. It is a time that we in both parties need to come together and ensure that they have the opportunity to participate in the new economy, to participate and have a future whether they are unemployed or they want to ensure they have a chance at the American dream for them and their family.

Mr. KILDEE. Mr. Chairman, I yield myself the remaining time.

Again, I regret we do not have a bipartisan bill. I regret that we did not get in the Committee on Rules the ability to offer the extension of unemployment benefits which are so sorely needed in this country. I regret the fact that we have chipped away at civil rights protections which are so precious in this country.

I would hope that somewhere along the line, before this bill is finally finished, that we get a bill that we can have support for on both sides of the aisle, but we cannot do that today.

Mr. BOEHNER. Mr. Chairman, I yield myself the balance of our time.

Let me again thank the gentleman from California (Mr. MCKEON) and all the Members who have helped to work to put this bill together.

I want to congratulate the members of our staff, Sally Lovejoy, Krisann Pearce, Stephanie Milburn, Melanie Looney, Travis McCoy, Elisabeth Wheel, and James Bergeron of the gentleman from California's (Mr. MCKEON)

staff. They have done a great job in helping us bring this bill here today.

Though the legislation is important for us as legislators, we have a chance today to provide out of work Americans with more than just a temporary fix. We can provide them with the tools they need to get and keep a job.

Some of my colleagues have talked about the need to extend unemployment insurance. Indeed, providing unemployed workers with assistance while they are out of a job is critically important, and that is why we supported and continue to support appropriate extensions of unemployment insurance.

However, the legislation before us today is an opportunity to provide job seekers with what they really need to get back on their feet. We can provide them with the tools, the training and the resources that will help them find meaningful and permanent employment. As the old cliché goes, if you give a man a fish, he eats for a day. You teach a man to fish, he will eat for a lifetime. The reason that we all know this cliché is because it happens to be true.

We have an opportunity to provide unemployed Americans with access to job training and skills that they need to provide permanent security for themselves and their families. H.R. 1261 addresses the real hardships that unemployed Americans are facing by strengthening programs and targeting most of the needed help by expanding the number of providers that can serve job seekers.

The legislation before us today happens to receive strong support from the States that are administering the programs, the local workforce boards who are directly providing these services to job seekers and the businesses who actually hire the workers. As the U.S. Chamber of Commerce has pointed out, "As economic growth accelerates, the need for skilled workers will only increase. The Workforce Reinvestment and Adult Education Act provides increased flexibility and strives to create programs that are responsive to businesses' needs now and in the future."

The backbone of a strong economy is a well-developed workforce, and providing job seekers with the skills and training they need to thrive will strengthen our economy and they are also needed to help us spur economic growth.

So I urge my colleagues to support this important bill, and we look forward to entertaining the number of amendments that have been made in order.

Mr. PAYNE. Mr. Chairman, I rise in my opposition to H.R. the Workforce Investment Act.

Our Nation is facing the worst unemployment since the Great Depression. The 6 percent unemployment rate that was announced the beginning of the month equals to nearly nine million American out of work.

2.7 million private-sector jobs have vanished since the Administration took office a little over 2 years ago. Over the last 3 months alone, the

economy has shed 538,000 private-sector jobs.

What is the Majority's solution? To severely undermine the very Act that is designed to create opportunities for our unemployed workers.

The other side of the aisle uses words such as efficiency, steam-lining, reforms and improvements in this bill. If this bill becomes law in its present form, efficiency will result in more lost jobs, streamlining will result in fewer resources for workers, and reforms and improvements will result in privatization.

Congress has traditionally responded to the employment, training and education needs of workers by constructing bipartisan legislation to provide unemployment compensation and strengthen the job training system when needed. Instead, the bill we have on the floor today falls short of securing needed training and employment programs and fails to assist our Nation's unemployed and disadvantaged workers.

This bill does not extend unemployment benefits; it would repeal a 21-year-old civil rights standard that prohibits federally funded job training organizations from using religion as a qualification in hiring decisions.

This bill would block grants the current dislocated workers programs, adult training programs with the Employment Service. By eliminating the funding focus for the Employment Service program, it will essentially terminate the very service which connects people to jobs, a critical job assistance to the unemployed workers hardest hit by the current recession.

Participation for in school youth would be capped at 30 percent. These are the very youth that are most likely to drop out if they don't receive services such as summer employment opportunities, mentoring, and job counseling.

H.R. 1261 allows Governors to use adult education funds to pay for One Stop Center's administrative costs, thus taking critical funds from programs such as the Perkins vocational education and Vocational rehabilitation programs.

Secretary of Labor Elaine Chao has described our Nation's job training and workforce development system as "world class". We cannot consider our system to be world class if we allow this bill to move forward. Ladies and gentlemen, are hurting our Nation's workers by offering this bill as a solution and that is why I urge my colleagues to vote against this bill.

Mr. BACA. Mr. Chairman, I rise in opposition to H.R. 1261.

H.R. 1261 is a flawed proposal that cannot be fixed. There are too many unemployed Americans today that need services and support for their families to pass this bill.

With a suffering economy and rising unemployment, the workers under this proposal would be called upon to work harder than ever before, yet receive fewer benefits and support when they are down than ever before.

The administration and GOP have adopted the reckless policy of kicking American working families when they are down. The GOP seems to think that during this time of high unemployment, we should cut back on employment assistance and training.

This bill eliminates the Adult and Dislocated Worker Programs and the Employment Service State Grants and substitutes them with a block grant.

While the total amount for the block grant would be the same as the sum of the individual programs, the administrative changes will actually result in a net loss for beneficiaries.

Our national unemployment rate is 6 percent, but these numbers don't account for the millions that have been forced off the labor force or are not considered "active" enough in their job search.

Also, Republicans would have us believe that when a person's unemployment benefits expire, they are then magically employed because they are not counted as unemployed!

All of you here know how bad it is out there. We all have constituents who need work, need resources to take care of their families, and who need a helping hand.

I call on my colleagues that remember the legacy of Cesar Chavez to oppose this bill that eliminates the Migrant and Seasonal Farmworker Programs.

I call on my colleagues that care about our children to oppose this bill that starves the Youth Opportunity Grant program to death.

I call on my colleagues to oppose this reckless \$700 million dollar cut to Title I programs.

This is about people! This is about the economy! This is about our children!

This is about American working families, families that have to eat and take care of their children, but that barely earn enough to pay for food, shelter, and clothing.

This piece of legislation is not an acceptable or responsible proposal to provide needed services to our Nation's unemployed. Please join me in voting no on final passage.

Ms. PELOSI. Mr. Chairman, I rise in opposition to H.R. 1261, the Workforce Reinvestment and Adult Education Act.

Today, in the middle of a recession, we should be voting for an economic plan to create jobs. My colleagues and I have proposed the Democratic Jobs and Economic Growth Plan, which would create more than one million jobs this year. Instead, tomorrow the Republican leadership will bring up a bill that gives tax cuts to the wealthy and does not create jobs.

Today, with the unemployment rate at 6 percent, we should be voting to extend unemployment benefits. Unemployment compensation immediately puts dollars in the pockets unemployed workers and helps boost the economy. Instead, today we are voting on a bill that will weaken our job training programs.

H.R. 1261 has many serious flaws. First, it would consolidate funding for services for adults, dislocated workers, and employment services into a single block grant, forcing these groups to compete against each other for assistance and likely leading to reduced funding. It would eliminate the U.S. Employment Service, which maintains a free, nationwide labor exchange that matches job seekers and employers.

This bill would allow governors to take funds from programs such as Adult Education, Veterans' Reemployment, and job training for disabled individuals to spend on infrastructure expenses at one-stop centers. The result would be reduced funding for jobs and training programs at a time when more Americans are seeking employment assistance and job training.

H.R. 1261 would also reduce accountability of training providers by eliminating federal performance standards. Furthermore, the bill

would cut back services to youth, who have been among the hardest hit by the current economic downturn.

Finally, H.R. 1261 would overturn a federal anti-discrimination policy established more than 60 years ago. At that time, President Franklin D. Roosevelt decided to forbid federal contracts from discrimination based on religion, as well as race with national origin. Following in the same tradition, the current job training law prohibits religious discrimination.

Breaking with this long commitment to civil liberties, H.R. 1261 would allow religious groups to discriminate on the basis of religion when hiring or firing staff for federally-funded social programs. It is profoundly unwise to allow the federal government to fund religious discrimination. It is bad for our churches, bad for our workforce, and bad for our society. I urge my colleagues to vote against H.R. 1261.

Mr. ACEVEDO-VILA. Mr. Chairman, I rise to commend Chairman JOHN BOEHNER and Subcommittee Chairman BUCK MCKEON for including certain language in their manager's amendment to H.R. 1261, the Workforce Reinvestment and Adult Education Act of 2003, and also Ranking Member GEORGE MILLER and Congressman KILDEE for their support in this matter. These adjustments will remove definitions from the bill that would have created ambiguity with regards to providing workforce investment funding to Puerto Rico for high school dropouts and jobless-out-of-school youth, and would likely have resulted in reduced funding.

As reported from Committee, H.R. 1261 required certain data points to be included in the allocation formula to be taken from the Current Population Survey—a survey that DOL does not conduct in the Commonwealth of Puerto Rico. The effect of this requirement would be that funding for important, youth-focused workforce training and education programs in Puerto Rico would likely be cut to these programs in Puerto Rico. While a hold harmless provision in H.R. 1261 would limit the size of any cut to these programs in Puerto Rico, the high unemployment rate of the Commonwealth emphasizes the need to obtain all intended, formulated and available funds for workforce investment.

The Workforce Investment Act (WIA) is an important program for unemployed and underemployed people in Puerto Rico and all the United States. Many people, youth and adult alike, find greater opportunity through the training, education and other benefits provided through WIA, and our economy will improve only by making such investments in our workforce.

Again, I greatly appreciate the consideration of Chairmen BOEHNER and MCKEON in making this correction to the Workforce Reinvestment and Adult Education Act. I know that their intent in passing this bill through the House is to improve the delivery of workforce investment, training and education, and to affect positive impacts on our economic situation. Certainly, the manager's amendment will improve the reauthorized Workforce Investment Act's application in Puerto Rico, and will enable more funding and workforce services to benefit high school dropouts and jobless-out-of-school youth.

Mr. LEE. Mr. Chairman, I thank my good friend from California GEORGE MILLER, a tireless advocate for working families in the Bay Area of California and all across this nation, for yield me time today.

Mr. Chairman, I rise today in strong opposition to this bill which will only exacerbate the jobs crisis in American and would repeal precious civil rights protections.

Mr. Chairman, we are in the midst of a jobs crisis—an unemployment crisis. Nine million men and women are out of work—a third of these men and women lost their livelihood since President Bush took office.

What's the Republican response to this crisis? First, denial, then waging war while ignoring the declining economy; now they offer us a one-two combination jobs loss program: first this so called Workforce Reinvestment and Adult Education Act today, followed by the irresponsible tax cut bill scheduled for consideration tomorrow.

Mr. Chairman, we need a jobs creation program, we need to extend unemployment benefits. This bill does nothing to create American jobs, does nothing to help in the short-term.

In fact, it does exactly the opposite: it ensures that workers will continue to struggle to find jobs in the long term because this bill sacrifices so many of our tired-and-true training resources. It collapses adult and dislocated training programs into one funding stream and cuts then by over \$600 million from FY 02 levels. It eliminates substantial amounts for youth training programs, which is something desperately needed in my 9th Congressional District of California. And it does not go far enough to help veterans find jobs.

An unemployment crisis requires a real solution—the Republicans have offered us a jobs loss program instead. On those grounds alone I oppose this bill. But, Mr. Chairman, there is yet another reason to oppose this bill—yet another fatal flaw: it removes civil-rights protections that ban employment discrimination based on religious affiliation. It is wrong and unconstitutional for taxpayer funding to go to organizations that can hire and fire based solely on someone's religious beliefs and for this reason too, that I urge my colleagues to vote no on the underlying bill.

Mr. STARK. Mr. Chairman, I rise today in opposition to H.R. 1261, the Workforce Reinvestment and Adult Education Act.

Today's bill has nothing to do with improving or "reinvesting" in our workforce—far from it. Instead, the Republicans are using it to weaken worker protections and open the door to hiring discrimination while dismantling the employment service program that helps people out of work find jobs. Apparently the Republicans haven't read the latest unemployment numbers. How else can you explain being so cruel and unfair as to pull the rug out on the nation's unemployed?

Let me remind my Republican colleagues that the number of jobs in this country is at the lowest point in 41 months. April was the third straight month the economy lost jobs as the nation's unemployment jumped to 6 percent. There are now 10 million workers in America out of work. Of those, two million have been unemployed for 27 weeks or more. In fact, the average length of unemployment has risen to 20 weeks—that's the highest since 1984.

You would think that with such staggering statistics, this Republican-led Congress would be doing everything it could to bolster workforce investment. Yet, this House Republican bill cuts employment and re-employment services at the time they are needed most. It underfunds the Employment Service, Adult, and Dislocated Worker programs by consoli-

dating them into a single block grant. This puts the burden directly on the states, exacerbating their fiscal crises and triggering layoffs among the very state employees who administer these programs that help people find work. Yet, much worse, it forces unemployed workers and welfare recipients to fight it out for a share of these limited funds.

To add insult to injury, the Republicans give states the right to waive basic worker protections that allow employees to seek redress when they've been treated unfairly. They even allow religious organizations to engage in hiring discrimination in an unholy attempt to turn back a half-century of progress in preventing workplace discrimination.

Current law prohibits employers participating in federal job training programs from discriminating based on race, color, religion, sex, national origin, age, disability, or political affiliation or belief. The Republican bill would allow the taxpayer dollars that pay for these job-training programs to go to religious organizations that blatantly discriminate in hiring based on religious beliefs. What next? Will the next Bush initiative include allowing discrimination based on race, sexual orientation or political affiliation?

The vital civil rights provision barring federally funded religious discrimination has never been controversial and has never been a partisan issue. In fact, the provision was first included in the federal job training legislation that Senator Dan Quayle sponsored. It passed through a committee chaired by Senator ORRIN HATCH and was signed by President Ronald Reagan.

Throughout its 21-year history, this civil rights provision has not been an obstacle to the participation of religiously affiliated organizations in federal job training programs. Currently, many religious organizations participate in the federal programs and comply with the same civil rights protections that apply to other employers.

But suddenly, under the leadership of the White House, we are being asked to forget the principle of equal opportunity on which our country was founded.

I'm not surprised that an amendment to restore the anti-discrimination language was defeated in committee on a party-line vote. Yesterday, Republicans refused to allow Democrats the chance to offer the same amendment on the House floor today. It seems that Republicans are not only trampling on every American's civil rights, they're preventing a fair and open democratic process.

Now is not the time to be rolling back civil rights protections and it certainly isn't the time to be short-changing the unemployed. Congress ought to be creating solutions to make it easier for folks to find jobs, not more difficult. This Republican bill is clearly not a solution. It will only create more problems for those looking for work—problems they simply don't deserve.

I urge my colleagues to vote no on H.R. 1261.

Mr. REYES. Mr. Chairman, I rise today in strong opposition to the Workforce Reinvestment and Adult Education Act of 2003.

Of particular concern to me is the devastating effect this bill would have on funding for dislocated worker programs, which are so important to workers in my district of El Paso, Texas.

El Paso has the unfortunate distinction of having the greatest number of NAFTA-related

job losses in the nation, with over 20,000 workers losing their jobs since the implementation of NAFTA almost a decade ago.

Once, El Pasoans could find employment at the textile, plastics, and electronics assembly plants in their community. For many of my constituents who have limited English proficiency and education, these jobs provided a good, living wage for workers and their families. But in the wake of NAFTA, a great number of the factories have closed, and the jobs have disappeared.

In their place, there are new employment opportunities in the service, healthcare, and high-tech industries. However, most dislocated workers are not prepared to fill these jobs without the education and training that federal dislocated worker programs provide.

Incredibly, at a time when the economy has stagnated and unemployment is on the rise, at a time when we should be doing everything we possibly can to help America's workers, the bill before us today eliminates continued dedicated federal funding for dislocated worker programs.

Mr. Chairman, this is simply the wrong bill at the wrong time. I urge my colleagues to vote no on H.R. 1261.

Mr. MORAN of Virginia. Mr. Chairman, I rise in strong opposition to the Workforce Reinvestment and Education Act.

This legislation fails to recognize what we all know: that there are over 8.3 million Americans who are out of work in this country. This is the longest stretch of job loss since the Great Depression.

With the unemployment rate now at 6 percent, it is reprehensible that this legislation, which some have said is a "reinvestment in our nation's workforce," does not include an extension of federal employment benefits, especially as they are set to expire at the end of this month.

When we extended the program last January, the rate of unemployment was even lower than the rate today, and now we have reached near crisis point.

It has been estimated that more than 43 percent of unemployed workers are exhausting their state benefits without finding work, and this number will continue to climb if Congress does not address this issue soon.

This bill also does a disservice to our veterans. Many of our troops that are currently serving in the war in Iraq, will soon be returning home to an economy where jobs are disappearing at a fast rate.

Under the current bill, funds targeted toward veteran employment services would be pooled with other Workforce Investment funds and those services previously targeted to serve our troops become discretionary depending on how the individual state workforce investment board decides.

As we all know, these programs are already critically underfunded. They strive to meet the increasing demands placed upon them in an environment of increasingly inadequate resources. To be effective, these programs cannot sustain these devastating cuts.

Finally, the Workforce Reinvestment and Adult Education Act would eliminate the civil rights protections of Americans, by exempting religious organizations from anti-discrimination requirements.

The message that we are sending to the millions of Americans who are unemployed, who are veterans and those who are in need

of economic assistance is that we do not care about keeping them from falling further into an economic crisis.

This bill is not a reinvestment in our workforce and fails to aid the millions of jobless Americans who need it the most.

I urge all my colleagues to vote against H.R. 1261.

Mr. HONDA. Mr. Chairman, I rise today to oppose H.R. 1261, the Workforce Reinvestment and Adult Education Act. Let us not be fooled by the title of the bill. A more accurate title would be the Workforce Divestment Act, because the legislation guts the program and removes critical civil rights protections. In a time of skyrocketing unemployment, it is shameful that the House Republicans would prefer to ignore workers who are in need of retraining and unemployment compensation and instead champion tax cuts for the most well-to-do segments of our society.

At its core, this legislation is flawed. The bill, for example, would block grant the current dislocated worker programs with adult training programs and the state employment service. As a result, the states would no longer be required to assure that adequate resources are earmarked to assist laid-off workers. Instead, unemployed workers would be pitted against low-income workers and welfare recipients in a competition for limited resources.

Equally troubling, H.R. 1261 explicitly authorizes religious organizations receiving federal funds from WIA's job training programs to discriminate against employees and job applicants based on religion. Current law prohibits participants in federal job training programs from discriminating based on race, color, religion, sex, national origin, age, disability, or political affiliation or belief. Allowing this kind of discrimination is not only wrong it is unconstitutional.

Rather than making these detrimental and indefensible changes to WIA, we should be taking up legislation that actually helps those workers impacted most in this recession—a recession the Bush administration has failed to reverse. We should be working on legislation to extend the Temporary Extended Unemployment Compensation (TEUC) program, which is currently scheduled to expire at the end of this month. We should not only extend TEUC, we should expand the program to provide a total of 26 weeks of federal extended unemployment insurance benefits to all laid-off workers, including those who have already exhausted their federal extended benefits, as well as newly laid-off individuals. If we do this, we would actually be investing in our workforce.

Mrs. CHRISTENSEN. Mr. Chairman, the reauthorization of the "Workforce Reinvestment and Adult Education Act" is critical to solving our nation's economic slump. The unemployment rate rose to 6.0 percent in April and the number of unemployed persons increased to 8.8 million in April. Jobless rates for adult women, teenagers, whites, African-Americans and Hispanics showed little or no change. During this time of economic recession, investing in the workforce benefits both employees and employers and strengthens our economy. Access to job training is critical for our nation's unemployed. But, H.R. 1261 is not a "simple" reauthorization of the Workforce Investment Act. Rather, H.R. 1261 is the beginning of dismantling the federal unemployment safety net that has served our nation for over 70 years.

There are several provisions of H.R. 1261 that are particularly troubling. The Republican

bill removes nondiscrimination language from the existing law—thereby allowing organizations receiving funds under WIA to discriminate in hiring based on religion. I have received constituent letters urging a vote against H.R. 1261 because this legislation jeopardizes civil rights and religious freedoms by rolling back protection against discrimination or misuse of government funds by religious organizations.

Block granting is a bad strategy and one that we have seen often used by the Republicans. By block granting the current dislocated worker program with the adult training program and the state unemployment benefits program, welfare recipients and at-risk populations will have to compete not only with one another for much needed services, but competition would increase among programs for limited dollars. This approach weakens the individual job training programs instead of strengthening them. Restructuring WIA is not the answer to reduce our unemployment rate. Creating more jobs is the answer.

Instead of bringing up this damaging bill, the Republicans should also be bringing a bill to extend Unemployment Benefits. At the end of this month, the current Temporary Extended Unemployment Compensation program will terminate, and jobless workers who have extended their regular unemployment benefits will not be able to obtain assistance. This bill does nothing to address this issue.

The local WIA agency in my district, the U.S. Virgin Islands, has voiced concerns about the change in funding ration for youth programs under WIA. The current bill would cap participation for in-school youth at 30 percent. Under current law, both in-school and out-of-school youth are served. Services that would be dropped as a result of the Republican plan include summer employment opportunities, mentoring, and job counseling.

The reauthorization of WIA is an opportunity for Congress to address the unemployment issue in this country. Unfortunately, H.R. 1261 does not address the needs of this growing population. I urge my colleagues to vote "No" on the passage of H.R. 1261.

Mr. RENZI. Mr. Chairman, our nation's faith-based institutions have significant track records in meeting the training and counseling needs of citizens seeking employment.

The services provided by faith-based institutions will be a vital component to help our nation's workforce, increasing the ability of job seekers to get needed training, counseling, and prevocational services.

Unfortunately, liberal special interest groups have joined forces behind an effort to bar religious and faith-based organizations from being involved with efforts to help workers find jobs and job training. This is disgraceful.

Congress should actively encourage any effort to provide unemployed men and women with new jobs, and not look for excuses as to why qualified and proven job counseling advisors should be excluded from helping our nation.

During the 1990s, President Bill Clinton supported four laws that explicitly allow religious organizations to retain their right to staff on a religious basis when they receive federal funds—just as Republicans are proposing today. I ask my colleagues on the other side of the aisle, why are you standing now? When you sat silently in support of your past president.

This bill simply reiterates the existing exemption religious organizations have had for more than three decades under civil rights law, applying it to the Workforce Investment Act so that every available resource is being tapped to help Americans find jobs.

Faith-based organizations need to be part of the Federal job training and worker relief system under the Workforce Investment Act, and if they are excluded, that would qualify as discrimination of a criminal level.

Ms. WATSON. Mr. Chairman, I rise in strong opposition to H.R. 1261. Mr. Speaker, similar to the IDEA Reauthorization last week, we are again presented with a subpar rule and a subpar bill. The Committee did not allow us to vote on and discuss key amendments which would have greatly improved this measure.

I offered an amendment that was rejected by the Rules Committee yesterday that would have specified that local WIA boards may use funds to carry out training programs for displaced homemakers and nontraditional training for women. These are two existing programs that have been crucial to low-income women's economic independence and self-sufficiency. Since more than 60 percent of WIA recipients are women, the use of WIA funds for these programs would have provided necessary training opportunities, counseling, and services for WIA recipients to learn the necessary skills in obtaining and keeping jobs.

Mr. Chairman, this bill fails workers, attacks our Veterans and erodes our civil rights laws. An amendment offered to extend Federal unemployment benefits for newly unemployed workers and for those workers who have previously exhausted their unemployment benefits was not allowed. Also defeated was an amendment which would have restored current law prohibiting the use of Federal funds to discriminate in hiring based on religion, as well as an amendment to strike the language in the bill that allows governors to take money from Veterans and dislocated worker programs to pay for infrastructure costs for one-stop centers.

The Workforce Reinvestment and Adult Education Act is supposed to provide job opportunities for our Nation's youth and extend educational opportunities for adults. The bill we have before us does not hold this commitment. H.R. 1261 cuts job opportunities for youth, shifts critical resources away from career preparation and summer jobs, eliminates the successful Youth Opportunity Grants and reduces targeting of resources to poor communities.

In a time of economic downturn and a rising unemployment rate, it is our duty to provide for the necessary funds to boost our economy and safeguard our future. We can increase the effectiveness and outreach of boards by increasing funding to local boards. We must give local leaders the opportunity to shape best use of resources to their communities.

Mr. Chairman, H.R. 1261 does not cut it. I urge my fellow colleagues to vote no on this bill.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to H.R. 1261, the Workforce Reinvestment & Adult Education Act of 2003.

The supposed purpose of H.R. 1261 is to authorize and allocate funds for employment, training, literacy, and vocational rehabilitation programs for adults and dislocated workers.

H.R. 1261 also funds activities for low-income youth, such as tutoring and study skills training, alternative high school services, and summer youth job opportunities.

Despite these seemingly good intentions, H.R. 1261 does not adequately respond to the needs of Americans today or in the future. Rather than immediately addressing the needs of the unemployed by extending benefits or including a jobs creation package, H.R. 1261 repeals funding for vulnerable workers. H.R. 1261 puts vulnerable and unemployed Americans at risk by permitting Governors to take unspecified dollars from the pool of funds available for adult education, disability and veteran's services. Under this bill, Governors are permitted to divert unlimited funds from already depleted adult education, vocational rehabilitation, and veteran's services resources to fund infrastructure and administrative costs.

I also oppose H.R. 1261 because its provisions permit overt discrimination. Under current law, faith-based organizations are eligible to receive Federal funds on the condition that they do not discriminate. Under H.R. 1261, the nondiscriminatory requirement is removed. H.R. 1261 would permit faith-based organizations that receive Federal funds under this act to hire or fire employees based on their religion.

H.R. 1261 is also a bad bill because it compounds the problems wrought by our struggling economy. H.R. 1261 eliminates funding for dislocated workers and other vulnerable Americans. Under this bill, funding for services to dislocated workers and employment services would be consolidated into a block grant. This is very poorly timed legislation.

President Bush is calling for more than \$700 million in cuts to job training programs for fiscal years 2003 and 2004. More than 2 million jobs have been lost in the last two years, more than 500,000 have been lost in the last 3 months. In Houston, where I am proud to call home, the unemployment rate is currently over 6 percent, a full percentage point higher than last year.

H.R. 1261 also caps funding for in-school youths and threatens to diminish valuable services that help these students overcome obstacles, complete high school, and succeed in the workforce. Under the current funding system, various at-risk youths received financial accommodation. The funding of those youth programs would be severely altered by the restrictive 30 percent cap.

Mr. Chairman, I oppose H.R. 1261. I want to stress that I am not alone in my opposition to this bill. H.R. 1261 is also opposed by the Paralyzed Veteran's of America, the AFL-CIO, the Communication's Workers of America, the National Rehabilitation Coalition, the Baptist Joint Committee on Public Affairs, and the American Jewish Committee. This bill cuts funding to valuable programs and allocates Federal funds to organizations given license to discriminate. I oppose this H.R. 1261 and I urge my colleagues to do the same.

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill shall be considered as the original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 1261

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Workforce Reinvestment and Adult Education Act of 2003".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. References.

TITLE I—AMENDMENTS TO TITLE I OF THE WORKFORCE INVESTMENT ACT OF 1998

Sec. 101. Definitions.

Sec. 102. Purpose.

Sec. 103. State workforce investment boards.

Sec. 104. State plan.

Sec. 105. Local workforce investment areas.

Sec. 106. Local workforce investment boards.

Sec. 107. Local plan.

Sec. 108. Establishment of one-stop delivery systems.

Sec. 109. Eligible providers of training services.

Sec. 110. Eligible providers of youth activities.

Sec. 111. Youth activities.

Sec. 112. Comprehensive program for adults.

Sec. 113. Performance accountability system.

Sec. 114. Authorization of appropriations.

Sec. 115. Job Corps.

Sec. 116. Native American programs.

Sec. 117. Youth challenge grants.

Sec. 118. Technical assistance.

Sec. 119. Demonstration, pilot, multiservice, research and multistate projects.

Sec. 120. Evaluations.

Sec. 121. Authorization of appropriations for national activities.

Sec. 122. Requirements and restrictions.

Sec. 123. Nondiscrimination.

Sec. 124. Administrative provisions.

Sec. 125. General program requirements.

TITLE II—ADULT EDUCATION

PART A—ADULT BASIC SKILLS AND FAMILY LITERACY EDUCATION

Sec. 201. Table of contents.

Sec. 202. Amendment.

PART B—NATIONAL INSTITUTE FOR LITERACY

Sec. 211. Short title; purpose.

Sec. 212. Establishment.

Sec. 213. Administration.

Sec. 214. Duties.

Sec. 215. Leadership in scientifically based reading instruction.

Sec. 216. National Institute for Literacy Advisory Board.

Sec. 217. Gifts, bequests, and devises.

Sec. 218. Mails.

Sec. 219. Applicability of certain civil service laws.

Sec. 220. Experts and consultants.

Sec. 221. Report.

Sec. 222. Definitions.

Sec. 223. Authorization of appropriations.

Sec. 224. Reservation.

Sec. 225. Authority to publish.

TITLE III—AMENDMENTS TO THE WAGNER-PEYSER ACT

Sec. 301. Amendments to the Wagner-Peyser Act.

TITLE IV—AMENDMENTS TO THE REHABILITATION ACT OF 1973

Sec. 401. Chairperson.

Sec. 402. Rehabilitation Services Administration.

Sec. 403. Director.

Sec. 404. State goals.

Sec. 405. Authorizations of appropriations.

Sec. 406. Helen Keller National Center Act.

TITLE V—TRANSITION AND EFFECTIVE DATE

Sec. 501. Transition provisions.

Sec. 502. Effective date.

SEC. 3. REFERENCES.

Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Workforce Investment Act of 1998 (20 U.S.C. 9201 et seq.).

TITLE I—AMENDMENTS TO TITLE I OF THE WORKFORCE INVESTMENT ACT OF 1998**SEC. 101. DEFINITIONS.**

Section 101 (29 U.S.C. 2801) is amended—

(1) in paragraph (8)(C), by striking “not less than 50 percent of the cost of the training” and inserting “a significant portion of the cost of training, as determined by the local board”;

(2) by striking paragraph (13) and redesignating paragraphs (1) through (12) as paragraphs (2) through (13) respectively;

(3) by inserting the following new paragraph after “In this title.”:

“(1) ACCRUED EXPENDITURES.—The term ‘accrued expenditures’ includes the sum of actual cash disbursements for direct charges for goods and services, the net increase or decrease in the amounts owed by recipients, goods and other property received for services performed by employees, contractors, subgrantees, or other payees, and other amounts becoming owned for which no current service or performance is required.”;

(4) by striking paragraph (24) and redesignating paragraphs (25) through (32) as paragraphs (24) through (31), respectively;

(5) in paragraph (24) (as so redesignated)—

(A) in subparagraph (B), by striking “higher of—” and all that follows through such subparagraph and inserting “poverty line for an equivalent period.”; and

(B) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively, and inserting after subparagraph (C) the following:

“(D) receives or is eligible to receive free or reduced price lunch.”; and

(6) by striking paragraph (33) and redesignating paragraphs (34) through (53) as paragraphs (32) through (51), respectively.

SEC. 102. PURPOSE.

Section 106 (29 U.S.C. 2811) is amended by inserting at the end the following: “It is also the purpose of this subtitle to provide workforce investment activities in a manner that promotes the informed choice of participants and actively involves participants in decisions affecting their participation in such activities.”.

SEC. 103. STATE WORKFORCE INVESTMENT BOARDS.**(a) MEMBERSHIP.—**

(1) IN GENERAL.—Section 111(b) (29 U.S.C. 2821(b)) is amended—

(A) by amending paragraph (1)(C) to read as follows:

“(C) representatives appointed by the Governor, who are—

“(i)(I) the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners;

“(II) in any case in which no lead State agency official has responsibility for such a program or activity, a representative in the State with expertise relating to such program or activity; and

“(III) if not included under subclause (I), the director of the designated State entity responsible for carrying out title I of the Rehabilitation Act (29 U.S.C. 701 et seq.);

“(ii) the State agency officials responsible for economic development;

“(iii) representatives of business in the State who—

“(I) are owners of businesses, chief executive or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority, including members of local boards described in section 117(b)(2)(A)(i);

“(II) represent businesses with employment opportunities that reflect employment opportunities in the State; and

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

“(iv) chief elected officials (representing both cities and counties, where appropriate);

“(v) representatives of labor organizations, who have been nominated by State labor federations; and

“(vi) such other representatives and State agency officials as the Governor may designate.”; and

(B) in paragraph (3), by striking “paragraph (1)(C)(i)” and inserting “paragraph (1)(C)(iii)”.

(2) CONFORMING AMENDMENT.—Section 111(c) (29 U.S.C. 2811(c)) is amended by striking “subsection (b)(1)(C)(i)” and inserting “subsection (b)(1)(C)(iii)”.

(b) FUNCTIONS.—Section 111(d) (29 U.S.C. 2811(d)) is amended—

(1) by amending paragraph (3) to read as follows:

“(3) development and review of statewide policies affecting the integrated provision of services through the one-stop delivery system described in section 121, including—

“(A) the development of criteria for, and the issuance of, certifications of one-stop centers;

“(B) the criteria for the allocation of one-stop center infrastructure funding under section 121(h), and oversight of the use of such funds;

“(C) approaches to facilitating equitable and efficient cost allocation in one-stop delivery systems; and

“(D) such other matters that may promote statewide objectives for, and enhance the performance of, one-stop delivery systems within the State.”;

(2) in paragraph (4), by inserting “and the development of State criteria relating to the appointment and certification of local boards under section 117” after “section 116”;

(3) in paragraph (5), by striking “sections 128(b)(3)(B) and 133(b)(3)(B)” and inserting “sections 128(b)(3) and 133(b)(3)”;

(4) in paragraph (9), by striking “section 503” and inserting “section 136(i)”.

(c) ELIMINATION OF ALTERNATIVE ENTITY AND PROVISION OF AUTHORITY TO HIRE STAFF.—Section 111(e) (29 U.S.C. 2821(e)) is amended to read as follows:

“(e) AUTHORITY TO HIRE STAFF.—The State board may hire staff to assist in carrying out the functions described in subsection (d).”.

SEC. 104. STATE PLAN.

(a) PLANNING CYCLE.—Section 112(a) (29 U.S.C. 2822(a)) is amended by striking “5-year strategy” and inserting “2-year strategy”.

(b) CONTENTS.—Section 112(b)(17)(A) (29 U.S.C. 2822(b)(17)(A)) is amended—

(1) in clause (iii) by striking “and”;

(2) by amending clause (iv) to read as follows:

“(iv) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers and formerly self-employed and transitioning farmers, ranchers, and fisherman) low income individuals (including recipients of public assistance), homeless individuals, ex-offenders, individuals training for nontraditional employment, and other individuals with multiple barriers to employment (including older individuals);”;

(3) by adding the following new clause after clause (iv):

“(v) how the State will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (relating to community-based alternatives for individuals with disabilities) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures, and the training of staff; and”.

(c) MODIFICATION TO PLAN.—Section 112(d) (29 U.S.C. 2822(d)) is amended by striking “5-year period” and inserting “2-year period”.

SEC. 105. LOCAL WORKFORCE INVESTMENT AREAS.**(a) DESIGNATION OF AREAS.—**

(1) CONSIDERATIONS.—Section 116(a)(1)(B) (29 U.S.C. 2831(a)(1)(B)) is amended by adding at the end the following clause:

“(vi) The extent to which such local areas will promote efficiency in the administration and provision of services.”.

(2) AUTOMATIC DESIGNATION.—Section 116(a)(2) (29 U.S.C. 2831(a)(2)) is amended to read as follows:

“(2) AUTOMATIC DESIGNATION.—

“(A) IN GENERAL.—Except as provided in subparagraph (B) of this paragraph and subsection (b), the Governor shall approve a request for designation as a local area from—

“(i) any unit of general local government with a population of 500,000 or more; and

“(ii) an area served by a rural concentrated employment program grant recipient that served as a service delivery area or substate area under the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

for the 2-year period covered by a State plan under section 112 if such request is made not later than the date of the submission of the State plan.

“(B) CONTINUED DESIGNATION BASED ON PERFORMANCE.—The Governor may deny a request for designation submitted pursuant to subparagraph (A) if such unit of government was designated as a local area for the preceding 2-year period covered by a State plan and the Governor determines that such local area did not perform successfully during such period.”.

(b) REGIONAL PLANNING.—Section 116(c)(1) (29 U.S.C. 2831(c)(1)) is amended by adding at the end the following: “The State may require the local boards for the designated region to prepare a single regional plan that incorporates the elements of the local plan under section 118 and that is submitted and approved in lieu of separate local plans under such section.”.

SEC. 106. LOCAL WORKFORCE INVESTMENT BOARDS.

(a) COMPOSITION.—Section 117(b)(2)(A) (29 U.S.C. 2832(b)(2)(A)) is amended—

(1) in clause (i)(II), by inserting “, businesses that are in the leading industries in the local area, and large and small businesses in the local area” after “local area”;

(2) by amending clause (ii) to read as follows:

“(ii) superintendents of the local secondary school systems and the presidents or chief executive officers of postsecondary educational institutions (including community colleges, where such entities exist);”;

(3) in clause (iv), by striking the semicolon and inserting “and faith-based organizations; and”;

(4) by striking clause (vi).

(b) AUTHORITY OF BOARD MEMBERS.—Section 117(b)(3) (29 U.S.C. 2832(b)) is amended—

(1) in the heading, by inserting “AND REPRESENTATION” after “MEMBERS”; and

(2) by adding at the end the following: “The members of the board shall represent diverse geographic sections within the local area.”.

(c) FUNCTIONS.—Section 117(d) (29 U.S.C. 2832(d)) is amended—

(1) in paragraph (2)(B), by striking “local area” and all that follows and inserting “local area.”; and

(2) in paragraph (4) by inserting “and ensure the appropriate use and management of the funds provided under this title for such programs, activities, and system” after “area”.

(d) AUTHORITY TO ESTABLISH COUNCILS AND ELIMINATION OF REQUIREMENT FOR YOUTH COUNCILS.—Section 117(h) (29 U.S.C. 2832(h)) is amended to read as follows:

“(h) ESTABLISHMENT OF COUNCILS.—The local board may establish councils to provide information and advice to assist the local board in carrying out activities under this title. Such councils may include a council composed of one-stop

partners to advise the local board on the operation of the one-stop delivery system, a youth council composed of experts and stakeholders in youth programs to advise the local board on activities for youth, and such other councils as the local board determines are appropriate.”.

(e) REPEAL OF ALTERNATIVE ENTITY PROVISION.—Section 117 (29 U.S.C. 2832) is further amended by striking subsection (i).

SEC. 107. LOCAL PLAN.

(a) PLANNING CYCLE.—Section 118(a) (29 U.S.C. 2833(a)) is amended by striking “5-year” and inserting “2-year”.

(b) CONTENTS.—Section 118(b) (29 U.S.C. 2833(b)) is amended—

(1) by amending paragraph (2) to read as follows:

“(2) a description of the one-stop delivery system to be established or designated in the local area, including 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 meets the employment needs of local employers and participants.”; and

(2) in paragraph (4), by striking “and located worker”.

SEC. 108. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

(a) ONE-STOP PARTNERS.—Section 121(b)(2)(B) (29 U.S.C. 2841(b)(2)(B)) is amended—

(1) in clause (iv) by striking “and” at the end;

(2) in clause (v) by striking the period and inserting a semicolon; and

(3) by adding at the end the following new clauses:

“(vi) employment and training programs administered by the Social Security Administration, including the Ticket to Work program (established by Public Law 106-170);

“(vii) programs under part D of title IV of the Social Security Act (42 U.S.C. 451 et seq.) (relating to child support enforcement); and

“(viii) programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to mental health, mental retardation, and developmental disabilities, State Medicaid agencies, State Independent Living Councils, and Independent Living Centers.”.

(b) PROVISION OF SERVICES.—Subtitle B of title I is amended—

(1) by striking subsection (e) of section 121;

(2) by moving subsection (c) of section 134 from section 134, redesignating such subsection as subsection (e), and inserting such subsection (as so redesignated) after subsection (d) of section 121; and

(3) by amending subsection (e) (as moved and redesignated by paragraph (2))—

(A) in paragraph (1)(A), by striking “subsection (d)(2)” and inserting “section 134(c)(2)”;

(B) in paragraph (1)(B)—

(i) by striking “subsection (d)” and inserting “section 134(c)”;

(ii) by striking “subsection (d)(4)(G)” and inserting “section 134(c)(4)(G)”;

(C) in paragraph (1)(C), by striking “subsection (e)” and inserting “section 134(d)”;

(D) in paragraph (1)(D)—

(i) by striking “section 121(b)” and inserting “subsection (b)”;

(ii) by striking “and” at the end; and

(E) by amending paragraph (1)(E) to read as follows:

“(E) shall provide access to the information described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491-2(e)).”.

(c) CERTIFICATION AND FUNDING OF ONE-STOP CENTERS.—Section 121 (as amended by subsection (b)) is further amended by adding at the end the following new subsections:

“(g) CERTIFICATION OF ONE-STOP CENTERS.—

“(1) IN GENERAL.—The State board shall establish procedures and criteria for periodically certifying one-stop center for the purpose of awarding the one-stop infrastructure funding described in subsection (h).

“(2) CRITERIA.—The criteria for certification under this subsection shall include minimum standards relating to the scope and degree of service integration achieved by the centers involving the programs provided by the one-stop partners.

“(3) EFFECT OF CERTIFICATION.—One-stop centers certified under this subsection shall be eligible to receive the infrastructure grants authorized under subsection (h).

“(h) ONE-STOP INFRASTRUCTURE FUNDING.—

“(1) PARTNER CONTRIBUTIONS.—

“(A) PROVISION OF FUNDS.—Notwithstanding any other provision of law, as determined under subparagraph (B), a portion of the Federal funds provided to the State and areas within the State under the Federal laws authorizing the one-stop partner programs described in subsection (b) for a fiscal year shall be provided to the Governor by such programs to carry out this subsection.

“(B) DETERMINATION.—The portion of funds to be provided under subparagraph (A) by each one-stop partner shall be determined by the Governor, after consultation with the State board.

“(2) ALLOCATION BY GOVERNOR.—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas for the purposes of assisting in paying the costs of the infrastructure of One-Stop centers certified under subsection (g).

“(3) ALLOCATION FORMULA.—The State board shall develop a formula to be used by the Governor to allocate the funds described in paragraph (1). The formula shall include such factors as the State board determines are appropriate, which may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

“(4) COSTS OF INFRASTRUCTURE.—For purposes of this subsection, the term ‘costs of infrastructure’ means the nonpersonnel costs that are necessary for the general operation of a one-stop center, including the rental costs of the facilities, the costs of utilities and maintenance, equipment (including adaptive technology for individuals with disabilities), strategic planning activities for the center, and common outreach activities.

“(i) OTHER FUNDS.—

“(1) IN GENERAL.—In addition to the funds provided to carry out subsection (h), a portion of funds made available under Federal law authorizing the one-stop partner programs described in subsection (b) shall be used to pay the costs relating to the operation of the one-stop delivery system that are not paid for from the funds provided under subsection (h), to the extent not inconsistent with the Federal law involved including—

“(A) infrastructure costs that are in excess of the funds provided under subsection (h);

“(B) common costs that are in addition to the costs of infrastructure; and

“(C) the costs of the provision of core services applicable to each program.

“(2) DETERMINATION AND GUIDANCE.—The method for determining the appropriate portion of funds to be provided by each program under paragraph (1) shall be determined as part of the memorandum of understanding under subsection (c). The State board shall provide guidance to facilitate the determination of appropriate funding allocation in local areas.”.

SEC. 109. ELIGIBLE PROVIDERS OF TRAINING SERVICES.

Section 122 (29 U.S.C. 2842) is amended to read as follows:

“SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

“(a) IN GENERAL.—The Governor shall establish criteria and procedures regarding the eligibility of providers of training services described in section 134(c)(4) to receive funds provided under section 133(b) for the provision of such training services.

“(b) CRITERIA.—

“(1) IN GENERAL.—The criteria established pursuant to subsection (a) shall take into account the performance of providers of training services with respect to the indicators described in section 136 or other appropriate indicators (taking into consideration the characteristics of the population served and relevant economic conditions), and such other factors as the Governor determines are appropriate to ensure the quality of services, the accountability of providers, and the informed choice of participants under chapter 5. Such criteria shall require that the provider submit appropriate, accurate and timely information to the State for purposes of carrying out subsection (d). The criteria shall also provide for periodic review and renewal of eligibility under this section for providers of training services. The Governor may authorize local areas in the State to establish additional criteria or to modify the criteria established by the Governor under this section for purposes of determining the eligibility of providers of training services to provide such services in the local area.

“(2) LIMITATION.—In carrying out the requirements of this subsection, no personally identifiable information regarding a student, including Social Security number, student identification number, or other identifier, may be disclosed without the prior written consent of the parent or eligible student in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

“(c) PROCEDURES.—The procedures established under subsection (a) shall identify the application process for a provider of training services to become eligible to receive funds under section 133(b), and identify the respective roles of the State and local areas in receiving and reviewing applications and in making determinations of eligibility based on the criteria 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.

“(d) INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.—In order to facilitate and assist participants under chapter 5 in choosing providers of training services, the Governor shall ensure that an appropriate list or lists of providers determined eligible under this section in the State, accompanied by such information as the Governor determines is appropriate, is provided to the local boards in the State to be made available to such participants and to members of the public through the one-stop delivery system in the State.

“(e) 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.

“(f) RECOMMENDATIONS.—In developing the criteria, procedures, and information required under this section, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

“(g) OPPORTUNITY TO SUBMIT COMMENTS.—During the development of the criteria, procedures, and information required under this section, the Governor shall provide an opportunity for interested members of the public, including representatives of business and labor organizations, to submit comments regarding such criteria, procedures, and information.”.

SEC. 110. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

Section 123 (29 U.S.C. 2843) and the item relating to such section in the table of contents are repealed.

SEC. 111. YOUTH ACTIVITIES.

(a) STATE ALLOTMENTS.—

(1) IN GENERAL.—Section 127(a) (29 U.S.C. 2852(a)) is amended to read as follows:

“(a) ALLOTMENT AMONG STATES.—

“(1) YOUTH ACTIVITIES.—

“(A) YOUTH CHALLENGE GRANTS.—

“(i) RESERVATION OF FUNDS.—Of the amount appropriated under section 137(a) for each fiscal year, the Secretary shall reserve 25 percent to provide youth challenge grants under section 169.

“(ii) LIMITATION.—Notwithstanding clause (i), if the amount appropriated under section 137(a) for a fiscal year exceeds \$1,000,000,000, the Secretary shall reserve \$250,000,000 to provide youth challenge grants under section 169.

“(B) OUTLYING AREAS AND NATIVE AMERICANS.—After determining the amount to be reserved under subparagraph (A), of the remainder of the amount appropriated under section 137(a) for each fiscal year the Secretary shall—

“(i) reserve not more than ¼ of one percent of such amount to provide assistance to the outlying areas to carry out youth activities and statewide workforce investment activities; and

“(ii) reserve not more than 1 and ½ percent of such amount to provide youth activities under section 166 (relating to Native Americans).

“(C) STATES.—

“(i) IN GENERAL.—After determining the amounts to be reserved under subparagraphs (A) and (B), the Secretary shall allot the remainder of the amount appropriated under section 137(a) for each fiscal year to the States pursuant to clause (ii) for youth activities and statewide workforce investment activities.

“(ii) FORMULA.—Subject to clauses (iii) and (iv), of the remainder—

“(I) 33 and ⅓ percent shall be allotted on the basis of the relative number of high school dropouts who are ages 16 through 21 in the State, compared to the total number of high school dropouts who are ages 16 through 21 in all States;

“(II) 33 and ⅓ percent shall be allotted on the basis of the relative number of jobless out-of-school youth who are ages 16 through 21 in the State, compared to the total number of jobless out-of-school youth who are ages 16 through 21 in all States; and

“(III) 33 and ⅓ percent shall be allotted on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in the State, compared to the total number of disadvantaged youth who are ages 16 through 21 in all States.

“(iii) MINIMUM AND MAXIMUM PERCENTAGES.—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than 90 percent or greater than 130 percent of the allotment percentage of that 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 paragraph that is less than ⅓ of 1 percent of the amount available under subparagraph (A).

“(2) DEFINITIONS.—For the purposes of paragraph (1), the following definitions apply:

“(A) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of the remainder described in paragraph (1)(C)(i) that is received through an allotment made under this subsection for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) that is received by the State involved for fiscal year 2003.

“(B) DISADVANTAGED YOUTH.—The term ‘disadvantaged youth’ means an individual who is age 16 through 21 who 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 the poverty line.

“(C) NUMBER OF HIGH SCHOOL DROPOUTS.—The term ‘number of high school dropouts’ means the number of high school dropouts as is determined by the Secretary based on the Current Population Survey.

“(D) NUMBER OF JOBLESS OUT-OF-SCHOOL YOUTH.—The term ‘number of jobless out-of-school youth’ means the number of jobless out-of-school youth as is determined by the Secretary based on the Current Population Survey.

“(3) SPECIAL RULE.—For purposes of the formula specified in paragraph (1)(C), 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.

“(4) MINIMUM ALLOTMENT.—Notwithstanding any other provision of this section, no State shall receive an allotment under this section that is less than the amount received by such State for fiscal year 2003.”

(2) REALLOTMENT.—Section 127 (29 U.S.C. 2552) is further amended—

(A) by striking subsection (b);

(B) by redesignating subsection (c) as subsection (b);

(C) in subsection (b) (as so redesignated)

(i) by amending paragraph (2) to read as follows:

“(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance, excluding accrued expenditures, at the end of such program year of the total amount of funds available to the State under this section during such program year (including amounts allotted to the State in prior program years that remain available during the program year for which the determination is made) exceeds 30 percent of such total amount.”;

(ii) in paragraph (3)—

(I) by striking “for the prior program year” and inserting “for the program year in which the determination is made”; and

(II) by striking “such prior program year” and inserting “such program year”;

(iii) by amending paragraph (4) to read as follows:

“(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.”

(b) WITHIN STATE ALLOCATIONS.—

(1) RESERVATION FOR STATEWIDE ACTIVITIES.—Section 128(a) is amended to read as follows:

“(a) RESERVATION FOR STATEWIDE ACTIVITIES.—

“(1) IN GENERAL.—The Governor of a State shall reserve not more than 10 percent of the amount allotted to the State under section 127(a)(1)(C) for a fiscal year for statewide activities.

“(2) USE OF FUNDS.—Regardless of whether the amounts are allotted under section 127(a)(1)(C) and reserved under paragraph (1) or allotted under section 132 and reserved under section 133(a), the Governor may use the reserved amounts to carry out statewide youth activities under section 129(b) or statewide employment and training activities under section 133.”

(2) WITHIN STATE ALLOCATION.—Section 128(b) is amended to read as follows:

“(b) WITHIN STATE ALLOCATION.—

“(1) IN GENERAL.—Of the amounts allotted to the State under section 127(a)(1)(C) and not reserved under subsection (a)(1)—

“(A) 80 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

“(B) 20 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

“(2) ESTABLISHED FORMULA.—

“(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

“(i) 33 and ⅓ percent on the basis of the relative number of high school dropouts who are ages 16 through 21 in each local area, compared to the total number of high school dropouts who are ages 16 through 21 in all local areas in the State;

“(ii) 33 and ⅓ percent on the basis of the relative number of jobless out-of-school youth who are ages 16 through 21 in each local area, compared to the total number of jobless out-of-school youth who are ages 16 through 21 in all local areas in the State; and

“(iii) 33 and ⅓ 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.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

“(C) DEFINITIONS.—

“(i) ALLOCATION PERCENTAGE.—For purposes of this paragraph, the term ‘allocation percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Act Amendments of 2003) that is received by the local area involved for fiscal year 2003.

“(ii) OTHER TERMS.—For purposes of this paragraph, all other terms shall have the meaning given such terms in section 127(a)(2).

(3) YOUTH DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) in accordance with such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

“(4) LOCAL ADMINISTRATIVE COST LIMIT.—

“(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection and section 133(b) for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 5.

“(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 5, regardless of whether the funds were allocated under this subsection or section 133(b).”

(3) REALLOCATION.—Section 128(c) (29 U.S.C. 2853(c)) is amended—

(A) in paragraph (1), by striking “paragraph (2)(A) or (3) of”;

(B) by amending paragraph (2) to read as follows:

“(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance, excluding accrued expenditures, at the end of such program year of the total amount of funds available to the local area under this section during such program year (including amounts allotted to the local area in prior program years that remain available during the program year for which the determination is made) exceeds 30 percent of such total amount.”;

(C) by amending paragraph (3)—

(i) by striking “subsection (b)(3)” each place it appears and inserting “subsection (b)”;

(ii) by striking “the prior program year” and inserting “the program year in which the determination is made”;

(iii) by striking “such prior program year” and inserting “such program year”; and

(iv) by striking the last sentence; and
(D) by amending paragraph (4) to read as follows:

“(4) **ELIGIBILITY.**—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.”.

(c) **YOUTH PARTICIPANT ELIGIBILITY.**—Section 129(a) (29 U.S.C. 2854(a)) is amended to read as follows:

“(a) **YOUTH PARTICIPANT ELIGIBILITY.**—

“(1) **IN GENERAL.**—The individuals participating in activities carried out under this chapter by a local area during any program year shall be individuals who, at the time the eligibility determination is made, are—

“(A) not younger than age 16 or older than age 21; and

“(B) one or more of the following:

“(i) school dropouts;

“(ii) recipients of a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities);

“(iii) court-involved youth attending an alternative school;

“(iv) youth in foster care or who have been in foster care; or

“(v) in school youth who are low-income individuals and one or more of the following:

“(I) Deficient in literacy skills.

“(II) Homeless, runaway, or foster children.

“(III) Pregnant or parents.

“(IV) Offenders.

“(V) Individuals who require additional assistance to complete an educational program, or to secure and hold employment.

“(2) **PRIORITY FOR SCHOOL DROPOUTS.**—A priority in the provision of services under this chapter shall be given to individuals who are school dropouts.

“(3) **LIMITATIONS ON ACTIVITIES FOR IN-SCHOOL YOUTH.**—

“(A) **PERCENTAGE OF FUNDS.**—For any program year, not more than 30 percent of the funds available for statewide activities under subsection (b), and not more than 30 percent of funds available to local areas under subsection (c), may be used to provide activities for in-school youth meeting the requirements of paragraph (1)(B)(v).

“(B) **NON-SCHOOL HOURS REQUIRED.**—Activities carried out under this chapter for in-school youth meeting the requirements of paragraph (1)(B)(v) shall only be carried out in non-school hours or periods when school is not in session (such as before and after school or during summer recess).”.

(d) **STATEWIDE YOUTH ACTIVITIES.**—Section 129(b) (29 U.S.C. 2854(b)) is amended to read as follows:

“(b) **STATEWIDE ACTIVITIES.**—

“(1) **IN GENERAL.**—Funds reserved by a Governor for a State as described in sections 128(a) and 133(a)(1) may be used for statewide activities including—

“(A) additional assistance to local areas that have high concentrations of eligible youth;

“(B) supporting the provision of core services described in section 134(c)(2) in the one-stop delivery system;

“(C) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 5 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

“(D) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

“(E) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers,

including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

“(F) operating a fiscal and management accountability system under section 136(f); and

“(G) carrying out monitoring and oversight of activities under this chapter and chapter 5.

“(2) **LIMITATION.**—Not more than 5 percent of the funds allotted under section 127(b) shall be used by the State for administrative activities carried out under this subsection and section 133(a).

“(3) **PROHIBITION.**—No funds described in this subsection or in section 134(a) may be used to develop or implement education curricula for school systems in the State.”.

(e) **LOCAL ELEMENTS AND REQUIREMENTS.**—

(1) **PROGRAM DESIGN.**—Section 129(c)(1) (29 U.S.C. 2854(c)(1)) is amended—

(A) in the matter preceding subparagraph (A), by striking “paragraph (2)(A) or (3), as appropriate, of”;

(B) in subparagraph (B), by inserting “are directly linked to one or more of the performance outcomes relating to this chapter under section 136, and that” after “for each participant that”; and

(C) in subparagraph (C)—

(i) by redesignating clauses (i) through (iv) as clauses (ii) through (v), respectively;

(ii) by inserting before clause (ii) (as so redesignated) the following:

“(i) activities leading to the attainment of a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities);”;

(iii) in clause (ii) (as redesignated by this subparagraph), by inserting “and advanced training” after “opportunities”;

(iv) in clause (iii) (as redesignated by this subparagraph), by inserting “that lead to the attainment of recognized credentials” after “learning”; and

(v) by amending clause (v) (as redesignated by this subparagraph) to read as follows:

“(v) effective connections to employers in sectors of the local labor market experiencing high growth in employment opportunities.”.

(2) **PROGRAM ELEMENTS.**—Section 129(c)(2) (29 U.S.C. 2854(c)(2)) is amended—

(A) in subparagraph (A), by striking “secondary school, including dropout prevention strategies” and inserting “secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities), including dropout prevention strategies”;

(B) in subparagraph (I), by striking “and” at the end;

(C) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

“(K) on-the-job training opportunities; and

“(L) financial literacy skills.”.

(3) **ADDITIONAL REQUIREMENTS.**—Section 129(c)(3)(A) (29 U.S.C. 2854(c)(3)(A)) is amended in the matter preceding clause (i) by striking “or applicant who meets the minimum income criteria to be considered an eligible youth”;

(4) **PRIORITY AND EXCEPTIONS.**—Section 129(c) (29 U.S.C. 2854(c)) is further amended—

(A) by striking paragraphs (4) and (5);

(B) by redesignating paragraph (6) as paragraph (4);

(C) by redesignating paragraph (7) as paragraph (5), and in such redesignated paragraph (5) by striking “youth councils” and inserting “local boards”; and

(D) by redesignating paragraph (8) as paragraph (6).

SEC. 112. COMPREHENSIVE PROGRAM FOR ADULTS.

(a) **TITLE OF CHAPTER 5.**—

(1) The title heading of chapter 5 is amended to read as follows:

“**CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS**”.

(2) **CONFORMING AMENDMENT.**—Table of contents in section 1(b) is amended by amending the item related to the heading for chapter 5 to read as follows:

“CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS”.

(b) **GENERAL AUTHORIZATION.**—Section 131 (29 U.S.C. 2861) is amended—

(1) by striking “paragraphs (1)(B) and (2)(B) of”; and

(2) by striking “, and dislocated workers.”.

(c) **STATE ALLOTMENTS.**—

(1) **IN GENERAL.**—Section 132(a) (29 U.S.C. 2862(a)) is amended to read as follows:

“(a) **IN GENERAL.**—The Secretary shall—

“(1) reserve 10 percent of the amount appropriated under section 137(b) for a fiscal year, of which—

“(A) not less than 75 percent shall be used for national dislocated worker grants under section 173;

“(B) not more than 20 percent may be used for demonstration projects under section 171; and

“(C) not more than 5 percent may be used to provide technical assistance under section 170; and

“(2) make allotments from 90 percent of the amount appropriated under section 137(b) for a fiscal year in accordance with subsection (b).”.

(2) **ALLOTMENT AMONG STATES.**—Section 132(b) (29 U.S.C. 2862(b)) is amended to read as follows:

“(b) **ALLOTMENT AMONG STATES FOR ADULT EMPLOYMENT AND TRAINING ACTIVITIES.**—

“(1) **RESERVATION FOR OUTLYING AREAS.**—From the amount made available under subsection (a)(2) for a fiscal year, the Secretary shall reserve not more than 1/4 of 1 percent to provide assistance to outlying areas to carry out employment and training activities for adults and statewide workforce investment activities.

“(2) **STATES.**—

“(A) **IN GENERAL.**—After determining the amount to be reserved under paragraph (1), the Secretary shall allot the remainder of the amount referred to under subsection (a)(2) for a fiscal year to the States pursuant to subparagraph (B) for employment and training activities for adults and statewide workforce investment activities.

“(B) **FORMULA.**—Subject to subparagraphs (C) and (D), of the remainder—

“(i) 60 percent shall be allotted 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) 15 percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States;

“(iii) 15 percent shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States; and

“(iv) 10 percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States.

“(C) **MINIMUM AND MAXIMUM PERCENTAGES.**—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than 90 percent or greater than 130 percent of the allotment percentage of the State for the preceding fiscal year.

“(D) **MINIMUM ALLOTMENT.**—Notwithstanding any other provision of this section, no State shall receive an allotment under this section that is less than the amount received by such State for fiscal year 2003.

“(E) **SMALL STATE MINIMUM ALLOTMENT.**—Subject to subparagraph (C), the Secretary shall

ensure that no State shall receive an allotment under this paragraph that is less than $\frac{3}{10}$ of 1 percent of the amount available under subparagraph (A).

“(F) DEFINITIONS.—For the purposes of this paragraph, the following definitions apply:

“(i) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of the remainder described in subparagraph (A) that is received through an allotment made under this paragraph for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) and under section 6 of the Wagner-Peyser Act that is received by the State involved for fiscal year 2003.

“(ii) DISADVANTAGED ADULT.—The term ‘disadvantaged adult’ means an individual who is age 22 through 72 who 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 the poverty line.

“(iii) 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.”

(3) REALLOTMENT.—Section 132(c) (29 U.S.C. 2862(c)) is amended—

(A) by amending paragraph (2) to read as follows:

“(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance, excluding accrued expenditures, at the end of such program year of the total amount of funds available to the State under this section during such program year (including amounts allotted to the State in prior program years that remain available during the program year for which the determination is made) exceeds 30 percent of such total amount.”;

(B) in paragraph (3)—

(i) by striking “for the prior program year” and inserting “for the program year in which the determination is made”; and

(ii) by striking “such prior program year” and inserting “such program year”; and

(C) by amending paragraph (4) to read as follows:

“(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State 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.”

(d) WITHIN STATE ALLOCATIONS.—

(1) RESERVATION FOR STATE ACTIVITIES.—Section 133(a) (29 U.S.C. 2863(a)) is amended to read as follows:

“(a) RESERVATION FOR STATEWIDE ACTIVITIES.—The Governor of a State may reserve up to 50 percent of the total amount allotted to the State under section 132 for a fiscal year to carry out the statewide activities described in section 134(a).”

(2) ALLOCATIONS TO LOCAL AREAS.—Section 133(b) (29 U.S.C. 2863(b)) is amended to read as follows:

“(b) ALLOCATIONS TO LOCAL AREAS.—

“(1) IN GENERAL.—Of the amounts allotted to the State under section 132(b)(2) and not reserved under subsection (a)—

“(A) 80 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

“(B) 20 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

“(2) ESTABLISHED FORMULA.—

“(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

“(i) 60 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;

“(ii) 15 percent on the basis of the relative excess number of unemployed individuals in each local area, compared to the total excess number of unemployed individuals in all local areas in the State;

“(iii) 15 percent on the basis of the relative number of individuals in the civilian labor force in each local area, compared to the total number of individuals in the civilian labor force in all local areas in the State; and

“(iv) 10 percent shall be allotted on the basis of the relative number of disadvantaged adults in each local area, compared to the total number of disadvantaged adults in all local areas in the State.

“(B) MINIMUM AND MAXIMUM PERCENTAGES.—

The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

“(C) DEFINITIONS.—

“(i) ALLOCATION PERCENTAGE.—The term ‘allocation percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) that is received by the local area involved for fiscal year 2003.

“(ii) DISADVANTAGED ADULT.—The term ‘disadvantaged adult’ means an individual who is age 22 through 72 who 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 the poverty line.

“(iii) EXCESS NUMBER.—The term ‘excess number’ means, used with respect to the excess number of unemployed individuals within a local area, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the local area.

“(3) DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) based on a formula developed in consultation with the State board and local boards. Such formula shall be objective and geographically equitable and may include such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

“(4) LOCAL ADMINISTRATIVE COST LIMIT.—

“(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection and section 128(b) for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 4.

“(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 4, regardless of whether the funds were allocated under this subsection or section 128(b).”

(3) REALLOCATION AMONG LOCAL AREAS.—Section 133(c) (29 U.S.C. 2863(c)) is amended—

(A) in paragraph (1), by striking “paragraph (2)(A) or (3) of”;

(B) by amending paragraph (2) to read as follows:

“(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance, excluding accrued expenditures, at the end of such

program year of the total amount of funds available to the local area under this section during such program year (including amounts allotted to the local area in prior program years that remain available during the program year for which the determination is made) exceeds 30 percent of such total amount.”;

(C) by amending paragraph (3)—

(i) by striking “subsection (b)(3)” each place it appears and inserting “subsection (b)”;

(ii) by striking “the prior program year” and inserting “the program year in which the determination is made”;

(iii) by striking “such prior program year” and inserting “such program year”; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

“(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.”

(e) USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) IN GENERAL.—Section 134(a)(1) (29 U.S.C. 2864(a)(1)) is amended to read as follows:

“(1) IN GENERAL.—

“(A) REQUIRED USE OF FUNDS.—Not less than 50 percent of the funds reserved by a Governor under section 133(a) shall be used to support the provision of core services in local areas, consistent with the local plan, through one-stop delivery systems by distributing funds to local areas in accordance with subparagraph (B). Such funds may be used by States to employ State personnel to provide such services in designated local areas in consultation with local boards.

“(B) METHOD OF DISTRIBUTING FUNDS.—The method of distributing funds under this paragraph shall be developed in consultation with the State board and local boards. Such method of distribution, which may include the formula established under section 121(h)(3), shall be objective and geographically equitable, and may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

“(C) OTHER USE OF FUNDS.—Funds reserved by a Governor for a State—

“(i) under section 133(a) and not used under subparagraph (A), may be used for statewide activities described in paragraph (2); and

“(ii) under section 133(a) and not used under subparagraph (A), and under section 128(a) may be used to carry out any of the statewide employment and training activities described in paragraph (3).”

(B) STATEWIDE RAPID RESPONSE ACTIVITIES.—Section 134(a)(2) (29 U.S.C. 2864(a)(2)) is amended to read as follows:

“(2) STATEWIDE RAPID RESPONSE ACTIVITIES.—A State shall carry out statewide rapid response activities using funds reserved as described in section 133(a). Such activities shall include—

“(A) 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 in the local areas; and

“(B) 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 in the local areas.”

(C) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(a)(3) (29 U.S.C. 2864(a)(3)) is amended to read as follows:

“(3) STATEWIDE ACTIVITIES.—Funds reserved by a Governor for a State as described in sections 133(a) and 128(a) may be used for statewide activities including—

“(A) supporting the provision of core services described in section 134(c)(2) in the one-stop delivery system;

“(B) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 4 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

“(C) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

“(D) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

“(E) operating a fiscal and management accountability system under section 136(f);

“(F) carrying out monitoring and oversight of activities carried out under this chapter and chapter 4;

“(G) implementing innovative programs, such as incumbent worker training programs, programs serving individuals with disabilities consistent with section 188;

“(H) developing strategies for effectively serving hard-to-serve populations and for integrating programs and services among one-stop partners;

“(I) implementing innovative programs for displaced homemakers, which for purposes of this subparagraph 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.); and

“(J) implementing programs to increase the number of individuals training for and placed in nontraditional employment.”

(D) LIMITATION ON STATE ADMINISTRATIVE EXPENDITURES.—Section 134(a) is further amended by adding the following new paragraph:

“(4) LIMITATION.—Not more than 5 percent of the funds allotted under section 132(b) shall be used by the State for administrative activities carried out under this subsection and section 128(a).”

(2) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(b) (29 U.S.C. 2864(b)) is amended—

(A) by striking “under paragraph (2)(A)” and all that follows through “section 133(b)(2)(B)” and inserting “under section 133(b)”;

(B) in paragraphs (1) and (2), by striking “or dislocated workers, respectively” both places it appears; and

(C) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(3) REQUIRED LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) ALLOCATED FUNDS.—Section 134(c)(1) (29 U.S.C. 2864(c)(1)) (as redesignated by paragraph (2)) is amended to read as follows:

“(1) IN GENERAL.—Funds allocated to a local area for adults under section 133(b) shall be used—

“(A) to establish a one-stop delivery system as described in section 121(e);

“(B) to provide the core services described in paragraph (2) through the one-stop delivery system in accordance with such paragraph;

“(C) to provide the intensive services described in paragraph (3) to adults described in such paragraph; and

“(D) to provide training services described in paragraph (4) to adults described in such paragraph.”

(B) CORE SERVICES.—Section 134(c)(2) (29 U.S.C. 2864(c)(2)) (as redesignated by paragraph (2)) is amended—

(i) by striking “who are adults or dislocated workers”;

(ii) in subparagraph (A), by striking “under this subtitle” and inserting “under the one-stop partner programs described in section 121(b)”;

(iii) by amending subparagraph (D) to read as follows:

“(D) labor exchange services, including—

“(i) job search and placement assistance, and where appropriate career counseling; and

“(ii) appropriate recruitment services for employers;”;

(iv) in subparagraph (I), by inserting “and the administration of the work test for the unemployment compensation system” after “compensation”; and

(v) by amending subparagraph (J) to read as follows:

“(J) assistance in establishing eligibility for programs of financial aid assistance for training and education programs that are not funded under this Act and are available in the local area; and”.

(C) INTENSIVE SERVICES.—Section 134(c)(3) (29 U.S.C. 2864(c)(3)) (as redesignated by paragraph (2) of this subsection) is amended—

(i) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—

“(i) ELIGIBILITY.—Funds allocated to a local area under section 133(b) shall be used to provide intensive services for adults who—

“(I) are unemployed and who have been determined by the one-stop operator to be—

“(aa) unlikely or unable to obtain suitable employment through core services; and

“(bb) in need of intensive services in order to obtain suitable employment; or

“(II) are employed, but who are determined by a one-stop operator to be in need of intensive services to obtain or retain suitable employment.

“(ii) DEFINITION.—The Governor shall define the term ‘suitable employment’ for purposes of this subparagraph.”; and

(ii) in subparagraph (C)—

(I) in clause (v), by striking “for participants seeking training services under paragraph (4)”;

and

(II) by adding the following clauses after clause (vi):

“(vii) Internships and work experience.

“(viii) Literacy activities relating to basic work readiness, and financial literacy activities.

“(ix) Out-of-area job search assistance and relocation assistance.”.

(D) TRAINING SERVICES.—Section 134(c)(4) (as redesignated by paragraph (2) of this subsection) is amended—

(i) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—

“(i) ELIGIBILITY.—Funds allocated to a local area under section 133(b) shall be used to provide training services to adults who—

“(I) after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to—

“(aa) be unlikely or unable to obtain or retain suitable employment through intensive services under paragraph (3)(A);

“(bb) be in need of training services to obtain or retain suitable employment; and

“(cc) have the skills and qualifications to successfully participate in the selected program of training services;

“(II) select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the adults receiving such services are willing to commute or relocate;

“(III) who meet the requirements of subparagraph (B); and

“(IV) who are determined eligible in accordance with the priority system in effect under subparagraph (E).

“(ii) The Governor shall define the term ‘suitable employment’ for purposes of this subparagraph.”;

(ii) in subparagraph (B)(i), by striking “Except” and inserting “Notwithstanding section

479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except”;

(iii) by amending subparagraph (E) to read as follows:

“(E) PRIORITY.—

“(i) IN GENERAL.—A priority shall be given to unemployed individuals for the provision of intensive and training services under this subsection.

“(ii) ADDITIONAL PRIORITY.—If the funds in the local area, including the funds allocated under section 133(b), for serving recipients of public assistance and other low-income individuals is limited, the priority for the provision of intensive and training services under this subsection shall include such recipients and individuals.

“(iii) DETERMINATIONS.—The Governor and the appropriate local board shall direct the one-stop operators in the local area with regard to making determinations with respect to the priority of service under this subparagraph.”;

(iv) in subparagraph (F), by adding the following clause after clause (iii):

“(iv) ENHANCED INDIVIDUAL TRAINING ACCOUNTS.—Each local board may, through one-stop centers, assist individuals receiving individual training accounts through the establishment of such accounts that include, in addition to the funds provided under this paragraph, funds from other programs and sources that will assist the individual in obtaining training services.”; and

(v) in subparagraph (G)(iv), by redesignating subclause (IV) as subclause (V) and inserting after subclause (III) the following:

“(IV) Individuals with disabilities.”.

(4) PERMISSIBLE ACTIVITIES.—Section 134(d) (as redesignated by paragraph (2)) is amended—

(A) by amending paragraph (1) to read as follows:

“(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—

“(A) IN GENERAL.—Funds allocated to a local area under section 133(b) may be used to provide, through the one-stop delivery system—

“(i) customized screening and referral of qualified participants in training services to employers;

“(ii) customized employment-related services to employers on a fee-for-service basis;

“(iii) customer support to navigate among multiple services and activities for special participant populations that face multiple barriers to employment, including individuals with disabilities; and

“(iv) employment and training assistance provided in coordination with child support enforcement activities of the State agency carrying out subtitle D of title IV of the Social Security Act.

“(B) WORK SUPPORT ACTIVITIES FOR LOW-WAGE WORKERS.—

“(i) IN GENERAL.—Funds allocated to a local area under 133(b) may be used to provide, through the one-stop delivery system and in collaboration with the appropriate programs and resources of the one-stop partners, work support activities designed to assist low-wage workers in retaining and enhancing employment.

“(ii) ACTIVITIES.—The activities described in clause (i) may include assistance in accessing financial supports for which such workers may be eligible and the provision of activities available through the one-stop delivery system in a manner that enhances the opportunities of such workers to participate, such as the provision of employment and training activities during non-traditional hours and the provision of on-site child care while such activities are being provided.”; and

(B) by adding after paragraph (3) the following new paragraph:

“(4) INCUMBENT WORKER TRAINING PROGRAMS.—

“(A) IN GENERAL.—The local board may use up to 10 percent of the funds allocated to a local area under section 133(b) to carry out incumbent

worker training programs in accordance with this paragraph.

“(B) TRAINING ACTIVITIES.—The training programs for incumbent workers under this paragraph shall be carried out by the local area in conjunction with the employers of such workers for the purpose of assisting such workers in obtaining the skills necessary to retain employment and avert layoffs.

“(C) EMPLOYER MATCH REQUIRED.—

“(i) IN GENERAL.—Employers participating in programs under this paragraph shall be required to pay a proportion of the costs of providing the training to the incumbent workers. The Governor shall establish, or may authorize the local board to establish, the required portion of such costs, which shall not be less than—

“(I) 10 percent of the costs, for employers with 50 or fewer employees;

“(II) 25 percent of the costs, for employers with more than 50 employees but fewer than 100 employees; and

“(III) 50 percent of the costs, for employers with 100 or more employees.

“(ii) CALCULATION OF MATCH.—The wages paid by an employer to a worker while they are attending training may be included as part of the requirement payment of the employer.”.

SEC. 113. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) STATE PERFORMANCE MEASURES.—

(1) IN GENERAL.—Section 136(b)(1) (29 U.S.C. 2871(b)(1)) is amended—

(A) in subparagraph (A)(i), by striking “and the customer satisfaction indicator of performance described in paragraph (2)(B)”;

(B) in subparagraph (A)(ii), by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”.

(2) INDICATORS OF PERFORMANCE.—Section 136(b)(2) (29 U.S.C. 2871(b)(2)) is amended—

(A) in subparagraph (A)(i), by striking “(except for self-service and information activities) and (for participants who are eligible youth age 19 through 21) for youth activities authorized under section 129”;

(B) by amending subparagraph (A)(i)(IV) to read as follows:

“(IV) the efficiency of the program in obtaining the outcomes described in subclauses (I) through (III).”;

(C) by amending subparagraph (A)(ii) to read as follows:

“(ii) CORE INDICATORS FOR ELIGIBLE YOUTH.—The core indicators of performance for youth activities authorized under section 129 shall consist of—

“(I) entry into employment, education or advanced training, or military service;

“(II) attainment of secondary school diplomas or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities);

“(III) attainment of literacy or numeracy skills; and

“(IV) the efficiency of the program in obtaining the outcomes described in subclauses (I) through (III).”;

(D) by striking subparagraph (B);

(E) by redesignating subparagraph (C) as subparagraph (B), and by adding at the end of such subparagraph (as so redesignated) the following new sentence: “Such indicators may include customer satisfaction of employers and participants with services received from the workforce investment activities authorized under this subtitle.”.

(3) LEVELS OF PERFORMANCE.—Section 136(b)(3)(A) (29 U.S.C. 2871(b)(3)(A)) is amended—

(A) in clause (i), by striking “and the customer satisfaction indicator described in paragraph (2)(B)”;

(B) in clause (ii), by striking “and the customer satisfaction indicator of performance, for the first 3” and inserting “for the 2”;

(C) in clause (iii)—

(i) in the heading, by striking “FOR FIRST 3 YEARS”; and

(ii) by striking “and the customer satisfaction indicator of performance, for the first 3” and inserting “for the 2”;

(D) in clause (iv)—

(i) by striking subclause (I);

(ii) by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(iii) in subclause (I) (as so redesignated)—

(I) by striking “taking into account” and inserting “which shall be adjusted based on”;

(II) by inserting “such as unemployment rates and job losses or gains in particular industries” after “economic conditions”; and

(III) by inserting “such as indicators of poor work history, lack of work experience, low levels of literacy or English proficiency, disability status, and welfare dependency” after “program”;

(E) by striking clause (v); and

(F) by redesignating clause (vi) as clause (v).

(4) ADDITIONAL INDICATORS.—Section 136(b)(3)(B) is amended by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”.

(b) LOCAL PERFORMANCE MEASURES.—Section 136(c) (29 U.S.C. 2871(c)) is amended—

(1) in paragraph (1)(A)(i), by striking “, and the customer satisfaction indicator of performance described in subsection (b)(2)(B),”;

(2) in paragraph (1)(A)(ii), by striking “subsection (b)(2)(C)” and inserting “subsection (b)(2)(B)”;

(3) by amending paragraph (3) to read as follows:

“(3) DETERMINATIONS.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall ensure such levels are adjusted based on the specific economic characteristics (such as unemployment rates and job losses or gains in particular industries), demographic characteristics, or other characteristics of the population to be served in the local area, such as poor work history, lack of work experience, low levels of literacy or English proficiency, disability status, and welfare dependency.”.

(c) REPORT.—Section 136(d) (29 U.S.C. 2871(d)) is amended—

(1) in paragraph (1), by striking “and the customer satisfaction indicator” in both places that it appears;

(2) in paragraph (2)(E), by striking “(excluding participants who received only self-service and informational activities)”;

(3) by adding at the end the following:

“(4) DATA VALIDATION.—In preparing the reports described in this subsection, the States shall establish procedures, consistent with guidelines issued by the Secretary, to ensure the information contained in the report is valid and reliable.”.

(d) SANCTIONS FOR STATE.—Section 136(g) (29 U.S.C. 2871(g)) is amended—

(1) in paragraph (1)(A), by striking “or (B)”;

(2) in paragraph (2), by striking “section 503” and inserting “section 136(i)”.

(e) SANCTIONS FOR LOCAL AREAS.—Section 136(h) (29 U.S.C. 2871(h)) is amended—

(1) in paragraph (1), by striking “or (B)”;

(2) by amending paragraph (2)(B) to read as follows:

“(B) APPEAL TO GOVERNOR.—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.”.

(f) INCENTIVE GRANTS.—Section 136(i) (29 U.S.C. 2871(i)) is amended to read as follows:

“(i) INCENTIVE GRANTS FOR STATES AND LOCAL AREAS.—

“(1) INCENTIVE GRANTS FOR STATES.—

“(A) IN GENERAL.—From funds appropriated under section 174, the Secretary may award grants to States for exemplary performance in carrying programs under this chapters 4 and 5 of this title. Such awards may be based on

States meeting or exceeding the performance measures established under this section, on the performance of the State in serving special populations, including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines is appropriate.

“(B) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under chapters 4 and 5 of this title, including demonstrations and innovative programs for special populations.

“(2) INCENTIVE GRANTS FOR LOCAL AREAS.—

“(A) IN GENERAL.—From funds reserved under sections 128(a) and 133(a), the Governor may award incentive grants to local areas for exemplary performance with respect to the measures established under this section and with the performance of the local area in serving special populations, including the levels of service and the performance outcomes.

“(B) USE OF FUNDS.—The funds awarded to a local area may be used to carry out activities authorized for local areas under chapters 4 and 5 of this title, and such demonstration or other innovative programs to serve special populations as may be approved by the Governor.”.

(g) REPEAL OF DEFINITIONS.—Sections 502 and 503 (and the items related to such sections in the table of contents) are repealed.

SEC. 114. AUTHORIZATION OF APPROPRIATIONS.

(a) YOUTH ACTIVITIES.—Section 137(a) (29 U.S.C. 2872(a)) is amended by striking “such sums as may be necessary for each of fiscal years 1999 through 2003” and inserting “\$1,001,000,000 for fiscal year 2004 and such sums as may be necessary for each of fiscal years 2005 through 2009”.

(b) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137(b) (29 U.S.C. 2872(b)) is amended by striking “section 132(a)(1), such sums as may be necessary for each of fiscal years 1999 through 2003” and inserting “132(a), \$3,079,800,000 for fiscal year 2004 and such sums as may be necessary for each of fiscal years 2005 through 2009”.

(c) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137 is further amended by striking subsection (c).

SEC. 115. JOB CORPS.

(a) COMMUNITY PARTICIPATION.—Section 153 (29 U.S.C. 2893) is amended—

(1) by amending subsection (a) to read as follows:

“(a) BUSINESS AND COMMUNITY PARTICIPATION.—The director of each Job Corps center shall ensure the establishment and development of the business and community relationships and networks described in subsection (b) in order to enhance the effectiveness of such center.”;

(2) in subsection (b)—

(A) in the heading, by striking “RESPONSIBILITIES” and inserting “NETWORKS”;

(B) by striking “The responsibilities of the Liaison” and inserting “The activities carried out by each Job Corps center under this section”;

and

(3) in subsection (c), by striking “The Liaison for” and inserting “The director of”.

(b) INDUSTRY COUNCILS.—Section 154(b) (29 U.S.C. 2894(b)) is amended—

(1) in paragraph (1)(A), by striking “local and distant”;

(2) by adding after paragraph (2) the following:

“(3) EMPLOYERS OUTSIDE OF LOCAL AREAS.—The industry council 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.”.

(c) INDICATORS OF PERFORMANCE AND ADDITIONAL INFORMATION.—Section 159(c) (29 U.S.C. 2893(c)) is amended—

(1) by amending paragraph (1) to read as follows:

“(1) CORE INDICATORS.—The Secretary shall annually establish expected levels of performance for Job Corps centers and the Job Corps program relating to each of the core indicators for youth identified in section 136(b)(2)(A)(ii).”; and

(2) in paragraph (2), by striking “measures” each place it appears and inserting “indicators”.

SEC. 116. NATIVE AMERICAN PROGRAMS.

(a) AUTHORIZED ACTIVITIES.—Section 166(d)(2) (29 U.S.C. 2911(d)(2)) is amended to read as follows:

“(2) WORKFORCE INVESTMENT ACTIVITIES AND SUPPLEMENTAL SERVICES.—Funds made available under subsection (c) shall be used for—

“(A) comprehensive workforce investment activities for Indians or Native Hawaiians; or
“(B) supplemental services for Indian or Native Hawaiian youth on or near Indian reservations and in Oklahoma, Alaska, or Hawaii.”.

(b) ADVISORY COUNCIL.—Section 166(h)(4)(C) (29 U.S.C. 2911(h)(4)(C)) is amended to read as follows:

“(C) DUTIES.—The Council shall advise the Secretary on the operation and administration of the programs assisted under this section.”.

(c) ASSISTANCE TO AMERICAN SAMOANS IN HAWAII.—Section 166 (29 U.S.C. 2911) is further amended by striking subsection (j).

SEC. 117. YOUTH CHALLENGE GRANTS.

Section 169 (29 U.S.C. 2914) is amended to read as follows:

“SEC. 169. YOUTH CHALLENGE GRANTS.

“(a) IN GENERAL.—Of the amounts reserved by the Secretary under section 127(a)(1)(A) for a fiscal year—

“(1) the Secretary shall use not less than 80 percent to award competitive grants under subsection (b); and

“(2) the Secretary may use not more than 20 percent to award discretionary grants under subsection (c).

“(b) COMPETITIVE GRANTS TO STATES AND LOCAL AREAS.—

“(1) ESTABLISHMENT.—From the funds described in subsection (a)(1), the Secretary shall award competitive grants to eligible entities to carry out activities authorized under this section to assist eligible youth in acquiring the skills, credentials and employment experience necessary to succeed in the labor market.

“(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to States, local boards, recipients of grants under section 166 (relating to Native American programs), and public or private entities (including consortia of such entities) applying in conjunction with local boards.

“(3) GRANT PERIOD.—The Secretary may make a grant under this section for a period of 1 year and may renew the grants for each of the 4 succeeding years.

“(4) AUTHORITY TO REQUIRE MATCH.—The Secretary may require that grantees under this subsection provide a non-Federal share of the cost of activities carried out under a grant awarded under this subsection.

“(5) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 as of the time the eligibility determination is made may be eligible to participate in activities provided under this subsection.

“(6) USE OF FUNDS.—Funds under this subsection may be used for activities that are designed to assist youth in acquiring the skills, credentials and employment experience that are necessary to succeed in the labor market, including the activities identified in section 129. The activities may include activities such as—

“(A) training and internships for out-of-school youth in sectors of economy experiencing or projected to experience high growth;

“(B) after-school dropout prevention activities for in-school youth;

“(C) activities designed to assist special youth populations, such as court-involved youth and youth with disabilities; and

“(D) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education, apprenticeships, and career-ladder employment.

“(7) 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 activities the eligible entity will provide to eligible youth under this subsection;

“(B) a description of the programs of demonstrated effectiveness on which the provision of the activities under subparagraph (A) are based, and a description of how such activities will expand the base of knowledge relating to the provision of activities for youth;

“(C) a description of the private and public, and local and State resources that will be leveraged to provide the activities described under subparagraph (A) in addition the funds provided under this subsection; and

“(D) the levels of performance the eligible entity expects to achieve with respect to the indicators of performance for youth specified in section 136(b)(2)(A)(ii).

“(8) FACTORS FOR AWARD.—In awarding grants under this subsection the Secretary may consider the quality of the proposed project, the goals to be achieved, the likelihood of successful implementation, the extent to which the project is based on proven strategies or the extent to which the project will expand the knowledge base on activities for youth, and the additional State, local or private resources that will be provided.

“(9) EVALUATION.—The Secretary may reserve up to 5 percent of the funds described in subsection(a)(1) to provide technical assistance to, and conduct evaluations of the projects funded under this subsection (using appropriate techniques as described in section 172(c)).

“(c) DISCRETIONARY GRANTS FOR YOUTH ACTIVITIES.—

“(1) IN GENERAL.—From the funds described in subsection(a)(2), the Secretary may award grants to eligible entities to provide activities that will assist youth in preparing for, and entering and retaining, employment.

“(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to public or private entities that the Secretary determines would effectively carry out activities relating to youth under this subsection.

“(3) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 at the time the eligibility determination is made may be eligible to participate in activities under this subsection.

“(4) USE OF FUNDS.—Funds provided under this subsection may be used for activities that will assist youth in preparing for, and entering and retaining, employment, including the activities described in section 129 for out-of-school youth, activities designed to assist in-school youth to stay in school and gain work experience, and such other activities that the Secretary determines are appropriate.

“(5) 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.

“(6) ADDITIONAL REQUIREMENTS.—The Secretary may require the provision of a non-Federal share for projects funded under this subsection and may require participation of grantees in evaluations of such projects, including evaluations using the techniques as described in section 172(c).”.

SEC. 118. TECHNICAL ASSISTANCE.

Section 170 (29 U.S.C. 2915) is amended—

(1) by striking subsection (b);

(2) by striking “(a) GENERAL TECHNICAL ASSISTANCE.—”;

(3) by redesignating paragraphs (1), (2), and (3) as subsections (a), (b), and (c) respectively, and moving such subsections 2 ems to the left; and

(4) in subsection (a) (as redesignated by paragraph (3))—

(A) by inserting “the training of staff providing rapid response services, the training of other staff of recipients of funds under this title, peer review activities under this title,” after “localities.”; and

(B) by striking “from carrying out activities” and all that follows up to the period and inserting “to implement the amendments made by the Workforce Reinvestment and Adult Education Act of 2003”.

SEC. 119. DEMONSTRATION, PILOT, MULTISERVICE, RESEARCH AND MULTISTATE PROJECTS.

(a) DEMONSTRATION AND PILOT PROJECTS.—Section 171(b) (29 U.S.C. 2916(b)) is amended—

(1) in paragraph (1)—

(A) by striking “Under a” and inserting “Consistent with the priorities specified in the”;

(B) by amending subparagraphs (A) through (D) to read as follows:

“(A) projects that assist national employers in connecting with the workforce investment system established under this title in order to facilitate the recruitment and employment of needed workers and to provide information to such system on skills and occupations in demand;

“(B) projects that promote the development of systems that will improve the effectiveness and efficiency of programs carried out under this title;

“(C) projects that focus on opportunities for employment in industries and sectors of industries that are experiencing or are likely to experience high rates of growth;

“(D) projects carried out by States and local areas to test innovative approaches to delivering employment-related services;”;

(C) by striking subparagraph (E);

(D) by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively;

(E) by inserting after subparagraph (F) (as so redesignated) the following:

“(G) projects that provide retention grants to qualified job training programs upon placement or retention of a low-income individual trained by that program in employment with a single employer for a period of 1 year, provided that such employment is providing to the low-income individual an income not less than twice the poverty line for that individual.”; and

(F) by striking subparagraph (H); and

(2) in paragraph (2)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B).

(b) MULTISERVICE PROJECTS.—Section 171(c)(2)(B) (29 U.S.C. 2916(c)(2)(B)) is amended to read as follows:

“(B) NET IMPACT STUDIES AND REPORTS.—The Secretary shall conduct studies to determine the net impacts of programs, services, and activities carried out under this title. The Secretary shall prepare and disseminate to the public reports containing the results of such studies.”.

(c) WAIVER AUTHORITY TO CARRY OUT DEMONSTRATIONS AND EVALUATIONS.—Section 171 (29 U.S.C. 2916(d)) is further amended by striking subsection (d).

SEC. 120. EVALUATIONS.

(a) IN GENERAL.—Section 173 (29 U.S.C. 2916) is amended—

(1) by amending the designation and heading to read as follows:

“SEC. 173. NATIONAL DISLOCATED WORKER GRANTS.”;

and

(2) in subsection (a)—

(A) by striking “national emergency grants” in the matter preceding paragraph (1) and inserting “national dislocated worker grants”; and

(B) in paragraph (1), by striking "subsection (c)" and inserting "subsection (b)".

(b) ADMINISTRATION.—Section 173 (29 U.S.C. 2918) is further amended—

(1) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively; and

(2) by striking subsection (e) and redesignating subsections (f) and (g) as subsection (d) and (e), respectively.

(c) ELIGIBLE ENTITIES.—Section 173(b)(1)(B) (29 U.S.C. 2918(b)(1)(B)) (as redesignated by subsection (b) of this section) is amended by striking "and other entities" and all that follows and inserting a period.

(d) CONFORMING AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 173 to read as follows: "Sec. 173. National dislocated worker grants."

SEC. 121. AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL ACTIVITIES.

(a) IN GENERAL.—Section 174(a)(1) (29 U.S.C. 2919(a)(1)) is amended by striking "1999 through 2003" and inserting "2004 through 2009".

(b) RESERVATIONS.—Section 174(b) is amended to read as follows:

"(b) TECHNICAL ASSISTANCE; DEMONSTRATION AND PILOT PROJECTS; EVALUATIONS; INCENTIVE GRANTS.—There are authorized to be appropriated to carry out sections 170 through 172 and section 136 such sums as may be necessary for each of fiscal years 2004 through 2009."

SEC. 122. REQUIREMENTS AND RESTRICTIONS.

(a) IN GENERAL.—Section 181(c)(2)(A) (29 U.S.C. 2931(c)(2)(A)) is amended in the matter preceding clause (i) by striking "shall" and inserting "may".

(b) LIMITATIONS.—Section 181(e) is amended by striking the first sentence.

SEC. 123. NONDISCRIMINATION.

Section 188(a)(2) (29 U.S.C. 2931(a)(2)) is amended—

(1) by striking "EMPLOYMENT.—No" and inserting "EMPLOYMENT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no"; and

(2) by adding at the end the following subparagraph:

"(B) EXEMPTION FOR RELIGIOUS ORGANIZATIONS.—Subparagraph (A) shall not apply to recipients of financial assistance under this title that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities. Such recipients shall comply with the other requirements contained in subparagraph (A)."

SEC. 124. ADMINISTRATIVE PROVISIONS.

(a) PROGRAM YEAR.—Section 189(g)(1) (29 U.S.C. 2939(g)(1)) is amended to read as follows:

"(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities carried out 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) AVAILABILITY.—Section 189(g)(2) (29 U.S.C. 2939(g)(2)) is amended by striking "each State" and inserting "each recipient".

(c) GENERAL WAIVERS.—Section 189(i)(4) (29 U.S.C. 2939(i)(4)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i), by inserting "or in accordance with subparagraph (D)," after "subparagraph (B)"; and

(2) by adding the following subparagraph:

"(D) EXPEDITED PROCESS FOR EXTENDING APPROVED WAIVERS TO ADDITIONAL STATES.—In lieu of the requirements of subparagraphs (B) and (C), the Secretary may establish an expedited procedure for the purpose of extending to additional States the waiver of statutory or regulatory requirements that have been approved for a State pursuant to a request under subparagraph (B). Such procedure shall ensure

that the extension of such waivers to additional States are accompanied by appropriate conditions relating to the implementation of such waivers."

SEC. 125. GENERAL PROGRAM REQUIREMENTS.

Section 195 (29 U.S.C. 2945) is amended by adding at the end the following new paragraph:

"(14) Funds provided under this title shall not be used to establish or operate stand-alone fee-for-service enterprises that compete with private sector employment agencies within the meaning of section 701(c) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(c)). For purposes of this paragraph, such an enterprise does not include one-stop centers."

**TITLE II—ADULT EDUCATION
PART A—ADULT BASIC SKILLS AND
FAMILY LITERACY EDUCATION**

SEC. 201. TABLE OF CONTENTS.

The table of contents in section 1(b) is amended by amending the items relating to title II to read as follows:

**"TITLE II—ADULT BASIC SKILLS AND
FAMILY LITERACY EDUCATION**

"Sec. 201. Short title.

"Sec. 202. Purpose.

"Sec. 203. Definitions.

"Sec. 204. Home schools.

"Sec. 205. Authorization of appropriations.

"CHAPTER 1—FEDERAL PROVISIONS

"Sec. 211. Reservation of funds; grants to eligible agencies; allotments.

"Sec. 212. Performance accountability system.

"Sec. 213. Incentive grants for states.

"CHAPTER 2—STATE PROVISIONS

"Sec. 221. State administration.

"Sec. 222. State distribution of funds; matching requirement.

"Sec. 223. State leadership activities.

"Sec. 224. State plan.

"Sec. 225. Programs for corrections education and other institutionalized individuals.

"CHAPTER 3—LOCAL PROVISIONS

"Sec. 231. Grants and contracts for eligible providers.

"Sec. 232. Local application.

"Sec. 233. Local administrative cost limits.

"CHAPTER 4—GENERAL PROVISIONS

"Sec. 241. Administrative provisions.

"Sec. 242. National leadership activities."

SEC. 202. AMENDMENT.

Title II is amended to read as follows:

**"TITLE II—ADULT BASIC SKILLS AND
FAMILY LITERACY EDUCATION**

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Adult Basic Skills and Family Literacy Education Act'.

"SEC. 202. PURPOSE.

"It is the purpose of this title to provide instructional opportunities for adults seeking to improve their basic reading, writing, speaking, and math skills, and support States and local communities in providing, on a voluntary basis, adult basic skills and family literacy programs, in order to—

"(1) increase the basic reading, writing, speaking, and math skills necessary for adults to obtain employment and self-sufficiency and to successfully advance in the workforce;

"(2) assist adults in the completion of a secondary school education (or its equivalent) and the transition to a postsecondary educational institution;

"(3) increase the basic reading, writing, speaking, and math skills of parents to enable them to support the educational development of their children and make informed choices regarding their children's education; and

"(4) assist immigrants who are not proficient in English in improving their reading, writing, speaking, and math skills and acquiring an un-

derstanding of the American free enterprise system, individual freedom, and the responsibilities of citizenship.

"SEC. 203. DEFINITIONS.

"In this title:

"(1) ADULT BASIC SKILLS AND FAMILY LITERACY EDUCATION PROGRAMS.—The term 'adult basic skills and family literacy education programs' means a sequence of academic instruction and educational services below the postsecondary level that increase an individual's ability to read, write, and speak in English and perform mathematical computations leading to a level of proficiency equivalent to secondary school completion that is provided for individuals—

"(A) who are at least 16 years of age;

"(B) who are not enrolled or required to be enrolled in secondary school under State law; and

"(C) who—

"(i) lack sufficient mastery of basic reading, writing, speaking, and math skills to enable the individuals to function effectively in society;

"(ii) do not have a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities), and have not achieved an equivalent level of education; or

"(iii) are unable to read, write, or speak the English language.

"(2) ELIGIBLE AGENCY.—The term 'eligible agency'—

"(A) means the sole entity or agency in a State or an outlying area responsible for administering or supervising policy for adult basic skills and family literacy education programs in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively; and

"(B) may be the State educational agency, the State agency responsible for administering workforce investment activities, or the State agency responsible for administering community or technical colleges.

"(3) ELIGIBLE PROVIDER.—The term 'eligible provider' means—

"(A) a local educational agency;

"(B) a community-based or faith-based organization of demonstrated effectiveness;

"(C) a volunteer literacy organization of demonstrated effectiveness;

"(D) an institution of higher education;

"(E) a public or private educational agency;

"(F) a library;

"(G) a public housing authority;

"(H) an institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult basic skills and family literacy education programs to adults and families; or

"(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

"(4) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term 'English language acquisition program' means a program of instruction designed to help individuals with limited English proficiency achieve competence in reading, writing, and speaking the English language.

"(5) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term 'essential components of reading instruction' has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

"(6) FAMILY LITERACY EDUCATION PROGRAMS.—The term 'family literacy education programs' means educational programs that—

"(A) assist parents and students, on a voluntary basis, in achieving the purposes of this title as described in section 202; and

"(B) are of sufficient intensity in terms of hours and of sufficient duration to make sustainable changes in a family, are based upon scientific research-based principles, and for the

purpose of substantially increasing the ability of parents and children to read, write, and speak English integrate—

“(i) interactive literacy activities between parents and their children;

“(ii) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children;

“(iii) parent literacy training that leads to economic self-sufficiency; and

“(iv) an age-appropriate education to prepare children for success in school and life experiences.

“(7) GOVERNOR.—The term ‘Governor’ means the chief executive officer of a State or outlying area.

“(8) INDIVIDUAL WITH A DISABILITY.—

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

“(B) INDIVIDUALS WITH DISABILITIES.—The term ‘individuals with disabilities’ means more than one individual with a disability.

“(9) INDIVIDUAL WITH LIMITED ENGLISH PROFICIENCY.—The term ‘individual with limited English proficiency’ means an adult or out-of-school youth who has limited ability in reading, writing, speaking, or understanding 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.

“(10) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given to that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

“(11) LITERACY.—The term ‘literacy’ means the ability to read, write, and speak the English language with competence, knowledge, and comprehension.

“(12) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

“(13) OUTLYING AREA.—The term ‘outlying area’ has the meaning given to that term in section 101 of this Act.

“(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) READING.—The term ‘reading’ has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

“(16) SCIENTIFICALLY BASED READING RESEARCH.—The term ‘scientifically based reading research’ has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

“(17) SECRETARY.—The term ‘Secretary’ means the Secretary of Education.

“(18) STATE.—The term ‘State’ means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(19) STATE EDUCATIONAL AGENCY.—The term ‘State educational agency’ has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

“(20) WORKPLACE LITERACY PROGRAM.—The term ‘workplace literacy program’ means an educational program that is offered in collaboration between eligible providers and employers

or employee organizations for the purpose of improving the productivity of the workforce through the improvement of reading, writing, speaking, and math skills.

“SEC. 204. HOME SCHOOLS.

“Nothing in this title shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, or to compel a parent engaged in home schooling to participate in an English language acquisition program, a family literacy education program, or an adult basic skills and family literacy education program.

“SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this title \$584,300,000 for fiscal year 2004 and such sums as may be necessary for fiscal years 2005 through 2009.

“CHAPTER 1—FEDERAL PROVISIONS

“SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

“(a) RESERVATION OF FUNDS.—From the sums appropriated under section 205 for a fiscal year, the Secretary—

“(1) shall reserve 1.75 percent to carry out the National Institute for Literacy Establishment Act;

“(2) shall reserve up to 1.72 percent for incentive grants under section 213; and

“(3) shall reserve up to 1.55 percent to carry out section 242.

“(b) GRANTS TO ELIGIBLE AGENCIES.—

“(1) IN GENERAL.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 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 (g).

“(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible agency involved agrees to expend the grant in accordance with the provisions of this title.

“(c) ALLOTMENTS.—

“(1) INITIAL ALLOTMENTS.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224—

“(A) \$100,000, in the case of an eligible agency serving an outlying area; and

“(B) \$250,000, in the case of any other eligible agency.

“(2) ADDITIONAL ALLOTMENTS.—From the sums appropriated under section 205, 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 sums 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 the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities); and

“(4) is not enrolled in secondary school.

“(e) SPECIAL RULE.—

“(1) IN GENERAL.—From amounts made available under subsection (c) for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Is-

lands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau to carry out activities described in this title in accordance with the provisions of this title as determined by the Secretary.

“(2) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall be eligible to receive a grant under this title until an agreement for the extension of United States education assistance under the Compact of Free Association for each of the Freely Associated States becomes effective.

“(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 paragraphs (2) and (3), for fiscal year 2004 and each succeeding fiscal year, no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this title.

“(2) EXCEPTION.—An eligible agency that receives for the preceding fiscal year only an initial allotment under subsection 211(c)(1) (and no additional allotment under 211(c)(2)) shall receive an allotment equal to 100 percent of the initial allotment.

“(3) RATABLE REDUCTION.—If for any fiscal year the amount available for allotment under this title is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

“(g) 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 reallocation 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.

“SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.

“(a) PURPOSE.—The purpose of this section is to establish a comprehensive performance accountability system, composed of the activities described in this section, to assess the effectiveness of eligible agencies in achieving continuous improvement of adult basic skills and family literacy education programs funded under this title, in order to optimize the return on investment of Federal funds in adult basic skills and family literacy education programs.

“(b) ELIGIBLE AGENCY PERFORMANCE MEASURES.—

“(1) IN GENERAL.—For each eligible agency, the eligible agency performance measures shall consist of—

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

“(ii) employment performance indicators identified by the eligible agency under paragraph (2)(B); and

“(B) an eligible agency adjusted level of performance for each indicator described in subparagraph (A).

“(2) INDICATORS OF PERFORMANCE.—

“(A) CORE INDICATORS OF PERFORMANCE.—The core indicators of performance shall include the following:

“(i) Measurable improvements in basic skill levels in reading, writing, and speaking the English language and math, and English language acquisition leading to proficiency in each skill.

“(ii) Receipt of a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities).

“(iii) Placement in postsecondary education or other training programs.

“(B) EMPLOYMENT PERFORMANCE INDICATORS.—Consistent with applicable Federal and State privacy laws, an eligible agency shall identify in the State plan the following individual participant employment performance indicators—

- “(i) entry into employment;
- “(ii) retention in employment; and
- “(iii) increase in earnings.

“(3) LEVELS OF PERFORMANCE.—

“(A) ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.—

“(i) IN GENERAL.—For each eligible agency submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the core indicators of performance described in paragraph (2)(A) for adult basic skills and family literacy education programs authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

“(I) be expressed in an objective, quantifiable, and measurable form; and

“(II) show the progress of the eligible agency toward continuously and significantly improving the agency's performance outcomes in an objective, quantifiable, and measurable form.

“(ii) IDENTIFICATION IN STATE PLAN.—Each eligible agency shall identify, in the State plan submitted under section 224, expected levels of performance for each of the core indicators of performance for the first 3 program years covered by the State plan.

“(iii) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 3 YEARS.—In order to ensure an optimal return on the investment of Federal funds in adult basic skills and family literacy education programs authorized under this title, the Secretary and each eligible agency shall reach agreement on levels of student proficiency for each of the core indicators of performance, for the first 3 program years covered by the State plan, taking into account the levels identified in the State plan under clause (ii) and the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan prior to the approval of such plan.

“(iv) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

“(I) how the levels involved compare with the eligible agency's adjusted levels of performance, taking into account factors including the characteristics of participants when the participants entered the program; and

“(II) the extent to which such levels promote continuous and significant improvement in performance on the student proficiency measures used by such eligible agency and ensure optimal return on the investment of Federal funds.

“(v) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR SECOND 3 YEARS.—Prior to the fourth program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on levels of student proficiency for each of the core indicators of performance for the fourth, fifth, and sixth program years covered by the State plan, taking into account the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan.

“(vi) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (iv)(I), the eligible agency may request that the eligible agency adjusted levels of performance agreed to under clause (iii) or (v) be revised.

“(B) LEVELS OF EMPLOYMENT PERFORMANCE.—The eligible agency shall identify, in the

State plan, eligible agency levels of performance for each of the employment performance indicators described in paragraph (2)(B). Such levels shall be considered to be eligible agency adjusted levels of performance for purposes of this title.

“(c) REPORT.—

“(1) IN GENERAL.—Each eligible agency that receives a grant under section 211(b) shall annually prepare and submit to the Secretary, the Governor, the State legislature, eligible providers, and the general public within the State, a report on the progress of the eligible agency in achieving eligible agency performance measures, including the following:

“(A) Information on the levels of performance achieved by the eligible agency with respect to the core indicators of performance and employment performance indicators.

“(B) The number and type of each eligible provider that receives funding under such grant.

“(2) INFORMATION DISSEMINATION.—The Secretary—

“(A) shall make the information contained in such reports available to the general public through publication and other appropriate methods;

“(B) shall disseminate State-by-State comparisons of the information; and

“(C) shall provide the appropriate committees of the Congress with copies of such reports.

“SEC. 213. INCENTIVE GRANTS FOR STATES.

“(a) IN GENERAL.—From funds appropriated under section 211(a)(2), the Secretary may award grants to States for exemplary performance in carrying out programs under this title. Such awards shall be based on States meeting or exceeding the core indicators of performance established under section 212(b)(2)(A) and may be based on the performance of the State in serving populations, such as those described in section 224(b)(10), including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines appropriate.

“(b) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under this title, including demonstrations and innovative programs for hard-to-serve populations.

“CHAPTER 2—STATE PROVISIONS

“SEC. 221. STATE ADMINISTRATION.

“Each eligible agency shall be responsible for the following activities under this title:

“(1) The development, submission, implementation, and monitoring of the State plan.

“(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.

“(3) Coordination and avoidance of duplication with other Federal and State education, training, corrections, public housing, and social service programs.

“SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.

“(a) STATE DISTRIBUTION OF FUNDS.—Each eligible agency receiving a grant under this title for a fiscal year—

“(1) shall use an amount not less than 82.5 percent of the grant funds to award grants and contracts under section 231 and to carry out section 225, of which not more than 10 percent of such amount shall be available to carry out section 225;

“(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities under section 223; and

“(3) shall use not more than 5 percent of the grant funds, or \$75,000, 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 211(b), each el-

igible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult basic skills and family literacy education programs for which the grant is awarded, a non-Federal contribution in an amount at least equal to—

“(A) in the case of an eligible agency serving an outlying area, 12 percent of the total amount of funds expended for adult basic skills and family literacy education programs 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 basic skills and family literacy education programs 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 basic skills and family literacy education programs in a manner that is consistent with the purpose of this title.

“SEC. 223. STATE LEADERSHIP ACTIVITIES.

“(a) IN GENERAL.—Each eligible agency may use funds made available under section 222(a)(2) for any of the following adult basic skills and family literacy education programs:

“(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section 231(b), including instruction incorporating the essential components of reading instruction and instruction provided by volunteers or by personnel of a State or outlying area.

“(2) The provision of technical assistance to eligible providers of adult basic skills and family literacy education programs for development and dissemination of scientific research-based instructional practices in reading, writing, speaking, math, and English language acquisition programs.

“(3) The provision of assistance to eligible providers in developing, implementing, and reporting measurable progress in achieving the objectives of this title.

“(4) The provision of technology assistance, including staff training, to eligible providers of adult basic skills and family literacy education programs, including distance learning activities, to enable the eligible providers to improve the quality of such activities.

“(5) The development and implementation of technology applications or distance learning, including professional development to support the use of instructional technology.

“(6) Coordination with other public programs, including welfare-to-work, workforce development, and job training programs.

“(7) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult basic skills and family literacy education programs, for adults enrolled in such activities.

“(8) The development and implementation of a system to assist in the transition from adult basic education to postsecondary education.

“(9) Activities to promote workplace literacy programs.

“(10) Activities to promote and complement local outreach initiatives described in section 242(7).

“(11) Other activities of statewide significance, including assisting eligible agencies in achieving progress in improving the skill levels of adults who participate in programs under this title.

“(b) COORDINATION.—In carrying out this section, eligible agencies shall coordinate 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. 224. STATE PLAN.

“(a) 6-YEAR PLANS.—

“(1) IN GENERAL.—Each eligible agency desiring a grant under this title for any fiscal year shall submit to, or have on file with, the Secretary a 6-year State plan.

“(2) COMPREHENSIVE PLAN OR APPLICATION.—The eligible agency may submit the State plan as part of a comprehensive plan or application for Federal education assistance.

“(b) PLAN CONTENTS.—The eligible agency shall include in the State plan or any revisions to the State plan—

“(1) an objective assessment of the needs of individuals in the State or outlying area for adult basic skills and family literacy education programs, including individuals most in need or hardest to serve;

“(2) a description of the adult basic skills and family literacy education programs that will be carried out with funds received under this title;

“(3) a description of how the eligible agency will evaluate and measure annually the effectiveness and improvement of the adult basic skills and family literacy education programs based on the performance measures described in section 212 including—

“(A) how the eligible agency will evaluate and measure annually such effectiveness on a grant-by-grant basis; and

“(B) how the eligible agency—

“(i) will hold eligible providers accountable regarding the progress of such providers in improving the academic achievement of participants in adult education programs under this title and regarding the core indicators of performance described in section 212(b)(2)(A); and

“(ii) will use technical assistance, sanctions, and rewards (including allocation of grant funds based on performance and termination of grant funds based on nonperformance);

“(4) a description of the performance measures described in section 212 and how such performance measures have significantly improved adult basic skills and family literacy education programs in the State or outlying area;

“(5) an assurance that the eligible agency will, in addition to meeting all of the other requirements of this title, award not less than one grant under this title to an eligible provider that—

“(A) offers flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities, or individuals with other special needs, to participate in adult basic skills and family literacy education programs; and

“(B) attempts to coordinate with support services that are not provided under this title prior to using funds for adult basic skills and family literacy education programs provided under this title for support services;

“(6) an assurance that the funds received under this title will not be expended for any purpose other than for activities under this title;

“(7) a description of how the eligible agency will fund local activities in accordance with the measurable goals described in section 231(d);

“(8) an assurance that the eligible agency will expend the funds under this title only in a manner consistent with fiscal requirements in section 241;

“(9) a description of the process that will be used for public participation and comment with respect to the State plan, which process—

“(A) shall include consultation with the State workforce investment board, the State board re-

sponsible for administering community or technical colleges, the Governor, the State educational agency, the State board or agency responsible for administering block grants for temporary assistance to needy families under title IV of the Social Security Act, the State council on disabilities, the State vocational rehabilitation agency, other State agencies that promote the improvement of adult basic skills and family literacy education programs, and direct providers of such programs; and

“(B) may include consultation with the State agency on higher education, institutions responsible for professional development of adult basic skills and family literacy education programs instructors, representatives of business and industry, refugee assistance programs, and faith-based organizations;

“(10) a description of the eligible agency's strategies for serving populations that include, at a minimum—

“(A) low-income individuals;

“(B) individuals with disabilities;

“(C) the unemployed;

“(D) the underemployed; and

“(E) individuals with multiple barriers to educational enhancement, including individuals with limited English proficiency;

“(11) a description of how the adult basic skills and family literacy education programs that will be carried out with any funds received under this title will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency;

“(12) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1), including—

“(A) how the State will build the capacity of community-based and faith-based organizations to provide adult basic skills and family literacy education programs; and

“(B) how the State will increase the participation of business and industry in adult basic skills and family literacy education programs; and

“(13) a description of how the eligible agency will consult with any State agency responsible for postsecondary education to develop adult education that prepares students to enter postsecondary education without the need for remediation upon completion of secondary school equivalency programs.

“(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revisions to an approved State plan, the eligible agency shall submit the revisions of the State plan to the Secretary.

“(d) CONSULTATION.—The eligible agency shall—

“(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and

“(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

“(e) PLAN APPROVAL.—A State plan submitted to the Secretary shall be approved by the Secretary only if the plan is consistent with the specific provisions of this title.

“SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.

“(a) PROGRAM AUTHORIZED.—From funds made available under section 222(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 cor-

rectional institutions and for other institutionalized individuals, including academic programs for—

“(1) basic skills education;

“(2) special education programs as determined by the eligible agency;

“(3) reading, writing, speaking, and math programs; and

“(4) secondary school credit or diploma programs or their recognized equivalent.

“(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) DEFINITION OF CRIMINAL OFFENDER.—For purposes of 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.

“CHAPTER 3—LOCAL PROVISIONS

“SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.

“(a) GRANTS AND CONTRACTS.—From grant funds made available under section 211(b), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the conditions and requirements of this title to enable the eligible providers to develop, implement, and improve adult basic skills and family literacy education programs within the State.

“(b) LOCAL ACTIVITIES.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to establish or operate one or more programs of instruction that provide services or instruction in one or more of the following categories:

“(1) Adult basic skills and family literacy education programs, including essential workplace skills (including proficiency in reading, writing, speaking, and math).

“(2) Workplace literacy programs.

“(3) English language acquisition programs.

“(4) family literacy education programs.

“(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—Each eligible agency receiving funds under this title shall ensure that—

“(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and

“(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.

“(d) MEASURABLE GOALS.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—

“(1) the eligible provider's measurable goals for participant outcomes to be achieved annually on the core indicators of performance and employment performance indicators described in section 212(b)(2);

“(2) the past effectiveness of the eligible provider in improving the basic academic skills of adults and, for eligible providers receiving grants in the prior year, the success of the eligible provider receiving funding under this title in meeting or exceeding its performance goals in the prior year;

“(3) the commitment of the eligible provider to serve individuals in the community who are the most in need of basic academic skills instruction

services, including individuals who are low-income or have minimal reading, writing, speaking, and math skills, or limited English proficiency.

“(4) whether or not the program—

“(A) is of sufficient intensity and duration for participants to achieve substantial learning gains; and

“(B) uses instructional practices that include the essential components of reading instruction; and

“(5) whether educational practices are based on scientifically based research;

“(6) whether the activities of the eligible provider effectively employ advances in technology, as appropriate, including the use of computers; and

“(7) whether the activities provide instruction in real-life contexts, to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;

“(8) whether the activities are staffed by well-trained instructors, counselors, and administrators;

“(9) whether the activities are coordinated with other available resources in the community, such as through strong links with elementary schools and secondary schools, postsecondary educational institutions, one-stop centers, job training programs, community-based and faith-based organizations, and social service agencies;

“(10) whether the activities offer flexible schedules and support services (such as child care and transportation) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;

“(11) whether the activities include a high-quality information management system that has the capacity to report measurable participant outcomes and to monitor program performance against the performance measures established by the eligible agency;

“(12) whether the local communities have a demonstrated need for additional English language acquisition programs;

“(13) the capacity of the eligible provider to produce valid information on performance results, including enrollments and measurable participant outcomes;

“(14) whether adult basic skills and family literacy education programs offer rigorous reading, writing, speaking, and math content that are based on scientific research; and

“(15) whether applications of technology, and services to be provided by the eligible providers, is of sufficient intensity and duration to increase the amount and quality of learning and lead to measurable learning gains within specified time periods.

“SEC. 232. LOCAL APPLICATION.

“Each eligible provider desiring a grant or contract under this title 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 basic skills and family literacy education programs; and

“(3) each of the demonstrations required by section 231(d).

“SEC. 233. 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) at least 95 percent shall be expended for carrying out adult basic skills and family literacy education programs; and

“(2) the remaining amount shall be used for planning, administration, personnel and professional development, development of measurable goals in reading, writing, speaking, and math, and interagency coordination.

“(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for non-instructional purposes.

“CHAPTER 4—GENERAL PROVISIONS

“SEC. 241. ADMINISTRATIVE PROVISIONS.

“(a) SUPPLEMENT NOT SUPPLANT.—Funds made available for adult basic skills and family literacy education programs under this title shall supplement and not supplant other State or local public funds expended for adult basic skills and family literacy education programs.

“(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 title, in the second preceding fiscal year, were not less than 90 percent of the fiscal effort per student or the aggregate expenditures of such eligible agency for adult basic skills and family literacy education programs, in the third preceding fiscal year.

“(B) PROPORTIONATE REDUCTION.—Subject to paragraphs (2), (3), and (4), for any fiscal year with respect to which the Secretary determines under subparagraph (A) that the fiscal effort or the aggregate expenditures of an eligible agency for the preceding program year were less than such effort or expenditures for the second preceding program year, the Secretary—

“(i) shall determine the percentage decreases in such effort or in such expenditures; and

“(ii) shall decrease the payment made under this title for such program year to the agency for adult basic skills and family literacy education programs by the lesser of such percentages.

“(2) COMPUTATION.—In computing the fiscal effort and aggregate expenditures under paragraph (1), the Secretary shall exclude capital expenditures and special one-time project costs.

“(3) DECREASE IN FEDERAL SUPPORT.—If the amount made available for adult basic skills and family literacy education programs under this title for a fiscal year is less than the amount made available for adult basic skills and family literacy education programs 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. 242. NATIONAL LEADERSHIP ACTIVITIES.

“The Secretary shall establish and carry out a program of national leadership activities that may include the following:

“(1) Technical assistance, on request, including assistance—

“(A) on requests to volunteer community- and faith-based organizations, including but not limited to, improving their fiscal management, research-based instruction, and reporting requirements, and the development of measurable objectives to carry out the requirements of this title;

“(B) in developing valid, measurable, and reliable performance data, and using performance

information for the improvement of adult basic skills and family literacy education programs;

“(C) on adult education professional development; and

“(D) in using distance learning and improving the application of technology in the classroom.

“(2) Providing for the conduct of research on national literacy basic skill acquisition levels among adults, including the number of adults functioning at different levels of reading proficiency.

“(3) Improving the coordination, efficiency, and effectiveness of adult education and workforce development services at the national, State, and local levels.

“(4) Determining how participation in adult basic skills and family literacy education programs prepares individuals for entry into and success in postsecondary education and employment, and in the case of prison-based services, the effect on recidivism.

“(5) Evaluating how different types of providers, including community and faith-based organizations or private for-profit agencies measurably improve the skills of participants in adult basic skills and family literacy education programs.

“(6) Identifying model integrated basic and workplace skills education programs, coordinated literacy and employment services, and effective strategies for serving adults with disabilities.

“(7) Supporting the development of an entity that would produce and distribute technology-based programs and materials for adult basic skills and family literacy education programs using an intercommunication system, as that term is 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 adult education eligible providers.

“(8) Initiating other activities designed to improve the measurable quality and effectiveness of adult basic skills and family literacy education programs nationwide.”

PART B—NATIONAL INSTITUTE FOR LITERACY

SEC. 211. SHORT TITLE; PURPOSE.

(a) SHORT TITLE.—This part may be cited as the “National Institute for Literacy Establishment Act”.

(b) PURPOSE.—The purpose of this part is to establish a National Institute for Literacy to provide national leadership in promoting reading research, reading instruction, and professional development in reading based on scientifically based research by—

(1) disseminating widely information on scientifically based reading research to improve academic achievement for children, youth, and adults;

(2) identifying and disseminating information about schools, local educational agencies, and State educational agencies that have effectively developed and implemented classroom reading programs that meet the requirements of subpart 1 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6361 et seq.), including those State educational agencies, local educational agencies, and schools that are identified as effective through the External Evaluation of Reading First under section 1205 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6365);

(3) serving as a national resource for information on reading instruction programs that contain the essential components of reading instruction as supported by scientifically based reading research, and that can lead to improved reading outcomes for children, youth, and adults;

(4) developing print and electronic materials that describe and model the application of scientifically based reading research;

(5) providing national and regional reading leadership for State and local personnel for the application and implementation of scientifically based reading research;

(6) coordinating efforts among Federal agencies, especially the Department of Labor, the Department of Health and Human Services, and the National Institute of Child Health and Human Development, that provide reading programs, conduct research, and provide services to recipients of Federal financial assistance under titles I and III of the Elementary and Secondary Education Act of 1965, the Head Start Act, the Individuals with Disabilities Education Act, and the Adult Basic Skills and Family Literacy Education Act, and each Bureau funded school (as defined in title XI of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.)); and

(7) informing the Congress, Federal departments and agencies, schools of education, and the public of successful local, State, and Federal program activities in reading instruction that are determined to be effective based on the findings of scientifically based reading research.

SEC. 212. ESTABLISHMENT.

(a) IN GENERAL.—There is established within the executive branch an independent establishment (as defined in title 104 of title 5, United States Code) to be known as the "National Institute for Literacy". The Institute shall be administered, in accordance with this part, under the supervision and direction of a Director in consultation with the Board, and subject to all fiscal and ethical requirements of an executive branch agency.

(b) DIRECTOR.—

(1) APPOINTMENT.—The Board (established under section 216 of this part), in consultation with the Secretary of Education, shall appoint a Director of the Institute, who has an understanding of, supports, and is familiar with scientifically based reading research, instruction, and professional development applicable to children, youth, and adults.

(2) PAY.—The Director of the Institute shall receive the rate of basic pay for level IV of the Executive Schedule.

(3) TERM.—The Director of the Institute shall be appointed for an initial term of 3 years and, if approved by the Board, may serve not more than 1 additional term of 3 years.

SEC. 213. ADMINISTRATION.

(a) IN GENERAL.—The Institute shall be administered by the Director of the Institute in consultation with the Board.

(b) AUTHORITY.—Subject to the general policies, decisions, findings, and determinations of the Board, the Director of the Institute shall be responsible for administering the Institute. The Director may delegate the powers granted under this paragraph to an officer, employee, or office of the Institute. The Director shall—

(1) provide leadership for the Institute, consistent with the purposes defined in section 211;

(2) appoint and supervise all employees in the Institute, including attorneys, to provide legal aid and service to the Board and the Institute, and to represent the Board and the Institute in any case in court;

(3) appoint the heads of offices in the Institute with the approval of the Board;

(4) assign responsibility to carry out the duties of the Institute among officers and employees, and offices of the Institute;

(5) prepare requests for appropriations for the Institute and submit those requests to the President and the Congress with the prior approval of the Board;

(6) oversee the expenditure of all funds allocated for the Institute to carry out the purposes under section 211; and

(7) confer regularly with the Board on matters of policy, personnel, and progress in carrying out the mission of the Institute.

(c) AGENCY DESIGNATION.—For purposes of section 552b of title 5, United States Code, the Institute is deemed to be an agency.

(d) BUDGET REQUESTS.—In each annual request for appropriations by the President, the Director of the Institute, in consultation with the Board, shall submit a budget to carry out the mission of the Institute including—

(1) the amount requested by the Institute in its budgetary presentation to the Office of Management and Budget; and

(2) an assessment of the budgetary needs of the Institute.

(e) BUDGET TRANSMITTAL TO CONGRESS.—The Institute shall transmit to the Congress copies of budget estimates, requests, and information (including personnel needs), legislative recommendations, prepared testimony for congressional hearings, and comments on legislation.

(f) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education.

(g) ADMINISTRATIVE SUPPORT.—

(1) IN GENERAL.—The Secretary of Education shall provide administrative support for the Institute, including the administration of grants, contracts and cooperative agreements, personnel, legal counsel, and payroll after the Office of Management and Budget has approved the Institute's budget.

(2) OTHER DEPARTMENTS AND AGENCIES.—In addition to any support obtained under paragraph (1) from the Secretary of Education, the Institute may obtain administrative support services from other departments and agencies within the executive branch if determined by the Director of the Institute, in consultation with the Board, to be in the best interest of the Institute.

SEC. 214. DUTIES.

(a) IN GENERAL.—In order to provide leadership for the improvement and expansion of the system for delivery of scientifically based reading instructional practices, the Institute shall—

(1) establish a national electronic database of effective reading programs for children, youth, and adults that include the essential components of reading instruction, and disseminate such information to parents, teachers, State and Federal elected officials, and the public;

(2) develop print and electronic materials for professional development that provide applications of scientifically based reading research, and instructional practices in reading for children, youth, and adults;

(3) provide, when requested, policy and technical assistance to the Congress, school Boards, Federal agencies, State departments of education, adult education programs, local school districts, local public and private schools, and schools of education, on scientifically based reading instructional practices including diagnostic and assessment instruments and instructional materials;

(4) collaborate and support Federal research programs in reading instruction, including, where appropriate, those areas of study addressed by the National Institute of Child Health and Human Development, the Institute for Education Sciences, the National Science Foundation, the Department of Labor, and the National Research Council;

(5) coordinate with the Department of Education, the Department of Labor, the Department of Health and Human Services, and the National Institute of Child Health and Human Development on all programs that include improving reading instructional practices for children, youth, and adults, and teacher training in reading instructional practices;

(6) use and support the collection of the best possible information in carrying out this section, and where appropriate, including reviews of research on instruction using the criteria for quality identified by the Institute for Education Sciences; and

(7) conduct reviews of research, including randomized field trials, on reading programs, and conduct reviews of Federal reading policies and reading program implementation using a board of visitors as described in subchapter 300 of the National Science Foundation Administrative Manual.

(b) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—The Institute may award grants

to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or other legal entities to carry out the activities of the Institute.

(c) RELATION TO OTHER LAWS.—The duties and powers of the Institute under this part are in addition to the duties and powers of the Institute under subparts 1, 2, and 3 of part B of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 1201 et seq.) (commonly referred to as Reading First, Early Reading First, and the William F. Goodling Even Start Family Literacy Programs, respectively).

SEC. 215. LEADERSHIP IN SCIENTIFICALLY BASED READING INSTRUCTION.

(a) IN GENERAL.—The Institute, in consultation with the Board, may award fellowships, with such stipends and allowances as the Director of the Institute considers necessary, to outstanding individuals who are pursuing careers in scientifically based research in reading instruction or pre-service or in-service training in reading instruction, including teaching children and adults to read.

(b) FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education training, technical assistance, or other activities to advance the field of scientifically based reading instruction for children, youth, and adults, including the training of volunteers in such reading skills instruction.

(c) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its mission. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute deems necessary.

SEC. 216. NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There shall be a National Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate.

(2) COMPOSITION.—The Board shall be comprised of individuals who are not otherwise officers or employees of the Federal Government and who are knowledgeable about scientifically based reading instruction, and the findings of scientifically based reading research. The members of the Board may include—

(A) representatives from teacher training institutions where scientifically based reading instruction is a major component of pre-service training;

(B) teachers who have been successful in teaching children to read proficiently;

(C) members of the business community who have developed successful employee reading instruction programs;

(D) volunteer tutors in reading who are using scientifically based reading instruction;

(E) reading researchers who have conducted scientifically based research; and

(F) other qualified individuals knowledgeable about scientifically based reading instruction, including adult education.

(b) DUTIES.—The Board shall—

(1) work closely with the Director of the Institute to ensure that the purposes of the Institute under section 211 are carried out effectively;

(2) approve the annual report to the Congress;

(3) provide policy guidance and advice to the Director of the Institute in the administration of the Institute; and

(4) appoint the Director of the Institute, in consultation with the Secretary.

(c) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided in this part, the Board established by this section shall be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

(d) APPOINTMENTS.—

(1) *IN GENERAL.*—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation, in which $\frac{1}{3}$ of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

(2) *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 expiration of that member's term until a successor has taken office.

(e) *QUORUM.*—A majority of the members of the Board shall constitute a quorum, but a lesser number may hold hearings. Any recommendation of the Board may be passed only by a majority of the Board members present.

(f) *ELECTION OF OFFICERS.*—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

(g) *MEETINGS.*—The Board shall meet at the call of the Chairperson, or a majority of the members of the Board, but not less than quarterly.

SEC. 217. GIFTS, BEQUESTS, AND DEVICES.

(a) *IN GENERAL.*—The Institute may accept, administer, and use gifts or donations of services, money, or property, whether real or personal, tangible or intangible.

(b) *RULES.*—The Board, in consultation with the Director of the Institute, shall establish written rules setting forth the criteria to be used by the Institute in determining whether the acceptance of contributions of services, money, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the ability of the Institute or any employee to carry out the responsibilities of the Institute or employee, or official duties, in a fair and objective manner, or would compromise the integrity or the appearance of the integrity of the Institute's programs or any official involved in those programs.

SEC. 218. MAILS.

The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 219. APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.

The Director of the Institute and the staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for level IV of the Executive Schedule.

SEC. 220. EXPERTS AND CONSULTANTS.

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

SEC. 221. REPORT.

(a) *IN GENERAL.*—The Institute shall submit a biennial report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate. Each report submitted under this section shall include—

(1) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in carrying out the purposes of the Institute as specified in section 211, for the period covered by the report; and

(2) a summary description of how the Institute will advance the purposes of the Institute for the next biennium.

(b) *FIRST REPORT.*—The Institute shall submit a report under this section not later than 1 year after the date of enactment of this part.

SEC. 222. DEFINITIONS.

For purposes of this part—

(1) the term "Board" means the National Institute for Literacy Advisory Board;

(2) the term "Institute" means the National Institute for Literacy; and

(3) the terms "reading", "scientifically based reading research", and "essential components of reading instruction" have the meanings given those terms in section 1208 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

SEC. 223. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to administer and carry out this part \$6,700,000 for fiscal year 2004 and such sums as may be necessary for each of the 5 succeeding fiscal years.

SEC. 224. RESERVATION.

From amounts appropriated to the Institute, the Director of the Institute may use not more than 5 percent of such amounts for information dissemination under section 1207 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6367).

SEC. 225. AUTHORITY TO PUBLISH.

The Institute, including the Board, may prepare, publish, and present (including through oral presentations) such research-based information and research reports as needed to carry out the purposes and mission of the Institute.

TITLE III—AMENDMENTS TO THE WAGNER-PEYSER ACT

SEC. 301. AMENDMENTS TO THE WAGNER-PEYSER ACT.

The Wagner-Peyser Act (29 U.S.C. 49 et. seq.) is amended—

(1) by striking sections 1 through 13;

(2) in section 14 by inserting "of Labor" after "Secretary"; and

(3) by amending section 15 to read as follows:

"SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.

"(a) *SYSTEM CONTENT.*—

"(1) *IN GENERAL.*—The Secretary of Labor, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide workforce and labor market information system that includes—

"(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

"(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

"(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

"(iii) the incidence of, industrial and geographical location of, and number of workers displaced by, permanent layoffs and plant closings; and

"(iv) employment and earnings information maintained in a longitudinal manner to be used for research and program evaluation;

"(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

"(i) shall be current and comprehensive;

"(ii) shall meet the needs identified through the consultations described in subparagraphs (A) and (B) of subsection (e)(2); and

"(iii) shall meet the needs for the information identified in section 134(d);

"(C) technical standards (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B)

that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

"(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

"(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of employment-related programs;

"(F) analysis of data and information described in subparagraphs (A) and (B) for uses such as—

"(i) national, State, and local policymaking;

"(ii) implementation of Federal policies (including allocation formulas);

"(iii) program planning and evaluation; and

"(iv) researching labor market dynamics;

"(G) wide dissemination of such data, information, and analysis in a user-friendly manner and voluntary technical standards for dissemination mechanisms; and

"(H) programs of—

"(i) training for effective data dissemination;

"(ii) research and demonstration; and

"(iii) programs and technical assistance.

"(2) *INFORMATION TO BE CONFIDENTIAL.*—

"(A) *IN GENERAL.*—No officer or employee of the Federal Government or agent of the Federal Government may—

"(i) use any submission that is furnished for exclusively statistical purposes under the provisions of this section for any purpose other than the statistical purposes for which the submission is furnished;

"(ii) make any publication or media transmittal of the data contained in the submission described in clause (i) that permits information concerning individual subjects to be reasonably inferred by either direct or indirect means; or

"(iii) permit anyone other than a sworn officer, employee, or agent of any Federal department or agency, or a contractor (including an employee of a contractor) of such department or agency, to examine an individual submission described in clause (i);

without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission.

"(B) *IMMUNITY FROM LEGAL PROCESS.*—Any submission (including any data derived from the submission) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not, without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

"(C) *RULE OF CONSTRUCTION.*—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or an officer, employee, agent, or contractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes of this Act.

"(b) *SYSTEM RESPONSIBILITIES.*—

"(1) *IN GENERAL.*—The workforce and labor market information system described in subsection (a) shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and States.

"(2) *DUTIES.*—The Secretary, with respect to data collection, analysis, and dissemination of labor employment statistics for the system, shall carry out the following duties:

"(A) Assign responsibilities within the Department of Labor for elements of the workforce and labor market information system described in

subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

“(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

“(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

“(D) In collaboration with the Bureau of Labor Statistics and 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).

“(E) Establish procedures for the system to ensure that—

“(i) such data and information are timely;

“(ii) paperwork and reporting for the system are reduced to a minimum; and

“(iii) States and localities are fully involved in the development and continuous improvement of the system at all levels, including ensuring the provision, to such States and localities, of budget information necessary for carrying out their responsibilities under subsection (e).

“(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE SERVICES.—The Secretary is authorized to assist in the development of national electronic tools that may be used to facilitate the delivery of core services described in section 134 and to provide workforce information to individuals through the one-stop delivery systems described in section 121 and through other appropriate delivery systems.

“(d) COORDINATION WITH THE STATES.—

“(1) IN GENERAL.—The Secretary, working through the Bureau of Labor Statistics and the Employment and Training Administration, shall regularly consult with representatives of State agencies carrying out workforce information activities regarding strategies for improving the workforce and labor market information system.

“(2) FORMAL CONSULTATIONS.—At least twice each year, the Secretary, working through the Bureau of Labor Statistics, shall conduct formal consultations regarding programs carried out by the Bureau of Labor Statistics with representatives of each of the 10 Federal regions of the Department of Labor, elected from the State directors affiliated with State agencies that perform the duties described in subsection (e)(2).

“(e) STATE RESPONSIBILITIES.—

“(1) DESIGNATION OF STATE AGENCY.—In order to receive Federal financial assistance under this section, the Governor of a State shall—

“(A) designate a single State agency to be responsible for the management of the portions of the workforce and labor market information system described in subsection (a) that comprise a statewide workforce and labor market information system and for the State's participation in the development of the annual plan; and

“(B) establish a process for the oversight of such system.

“(2) DUTIES.—In order to receive Federal financial assistance under this section, the State agency shall—

“(A) consult with State and local employers, participants, and local workforce investment boards about the labor market relevance of the data to be collected and disseminated through the statewide workforce and labor market information system;

“(B) consult with State educational agencies and local educational agencies concerning the provision of employment statistics in order to meet the needs of secondary school and postsecondary school students who seek such information;

“(C) collect and disseminate for the system, on behalf of the State and localities in the State,

the information and data described in subparagraphs (A) and (B) of subsection (a)(1);

“(D) maintain and continuously improve the statewide workforce and labor market information system in accordance with this section;

“(E) perform contract and grant responsibilities for data collection, analysis, and dissemination for such system;

“(F) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide workforce and labor market information system;

“(G) actively seek the participation of other State and local agencies in data collection, analysis, and dissemination activities in order to ensure complementarity, compatibility, and usefulness of data;

“(H) participate in the development of the annual plan described in subsection (c); and

“(I) utilize the quarterly records described in section 136(f)(2) of the Workforce Investment Act of 1998 to assist the State and other States in measuring State progress on State performance measures.

“(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the ability of a State agency to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

“(f) NONDUPLICATION REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2004 through 2009.

“(h) DEFINITION.—In this section, the term ‘local area’ means the smallest geographical area for which data can be produced with statistical reliability.”.

TITLE IV—AMENDMENTS TO THE REHABILITATION ACT OF 1973

SEC. 401. CHAIRPERSON.

Section 705(b)(5) of the Rehabilitation Act of 1973 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

“(5) CHAIRPERSON.—The Council shall select a chairperson from among the voting membership of the Council.”.

SEC. 402. REHABILITATION SERVICES ADMINISTRATION.

Section 3(a) of the Rehabilitation Act of 1973 (29 U.S.C. 702(a)) is amended—

(1) by striking “Office of the Secretary” and inserting “Department of Education”;

(2) by striking “President by and with the advice and consent of the Senate” and inserting “Secretary, except that the current Commissioner appointed under the authority existing on the day prior to the date of enactment of this Act may continue to serve in the former capacity”; and

(3) by striking “, and the Commissioner shall be the principal officer.”.

SEC. 403. DIRECTOR.

(a) IN GENERAL.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended by striking “Commissioner” each place it appears, except in section 21, and inserting “Director”.

(b) EXCEPTION.—Section 21 of the Rehabilitation Act of 1973 (29 U.S.C. 718) is amended—

(1) in subsection (b)(1)—

(A) by striking “Commissioner” the first place it appears and inserting “Director of the Rehabilitation Services Administration”; and

(B) by striking “(referred to in this subsection as the ‘Director’)”; and

(2) by striking “Commissioner and the Director” each place it appears and inserting “both such Directors”.

SEC. 404. STATE GOALS.

Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is amended—

(1) in paragraph (11)(D)(i) by inserting “, which may be provided using alternative means of meeting participation (such as video conferences and conference calls)” before the semicolon; and

(2) in paragraph (15)—

(A) in subparagraph (A), by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and inserting after clause (i) the following:

“(ii) include an assessment of the transition services provided under this Act, and coordinated with transition services under the Individuals with Disabilities Education Act, as to those services meeting the needs of individuals with disabilities.”; and

(B) by amending subparagraph (D)(i) to read as follows:

“(i) the methods to be used to expand and improve the services to individuals with disabilities including—

“(I) how a broad range of assistive technology services and assistive technology devices will be provided to such individuals at each stage of the rehabilitative process and how such services and devices will be provided to such individuals on a statewide basis; and

“(II) how transition services will be better coordinated with those services under the Individuals with Disabilities Education Act in order to improve transition services for individuals with disabilities served under this Act.”.

SEC. 405. AUTHORIZATIONS OF APPROPRIATIONS.

The Rehabilitation Act of 1973 is further amended—

(1) in section 100(b)(1) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(2) in section 100(d)(1)(B) by striking “fiscal year 2003” and inserting “fiscal year 2009”;

(3) in section 110(c) by amending paragraph (2) to read as follows:

“(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary, not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1) for each of fiscal years 2003 through 2009.”;

(4) in section 112(h) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(5) in section 201(a) by striking “fiscal years 1999 through 2003” each place it appears and inserting “fiscal years 2004 through 2009”;

(6) in section 302(i) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(7) in section 303(e) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(8) in section 304(b) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(9) in section 305(b) by striking “fiscal years 1999 through 2003” and insert “fiscal years 2004 through 2009”;

(10) in section 405 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(11) in section 502(j) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(12) in section 509(i) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(13) in section 612 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(14) in section 628 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(15) in section 714 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(16) in section 727 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”; and

(17) in section 753 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”.

SEC. 406. HELEN KELLER NATIONAL CENTER ACT.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 205(a) of the Helen Keller National Center Act (29 U.S.C. 1904(a)) is amended by striking "1999 through 2003" and inserting "2004 through 2009".

(b) HELEN KELLER NATIONAL CENTER FEDERAL ENDOWMENT FUND.—The first sentence of section 208(h) of such Act (29 U.S.C. 1907(h)) is amended by striking "1999 through 2003" and inserting "2004 through 2009".

TITLE V—TRANSITION AND EFFECTIVE DATE**SEC. 501. TRANSITION PROVISIONS.**

The Secretary of Labor shall take such actions as the Secretary determines to be appropriate to provide for the orderly implementation of this Act.

SEC. 502. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act, shall take effect on the date of enactment of this Act.

The CHAIRMAN. No amendment to the committee amendment is in order except those printed in House Report 108-92. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider Amendment No. 1 printed in House Report 108-92.

AMENDMENT NO. 1 OFFERED BY MR. MCKEON

Mr. MCKEON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. MCKEON: Page 6, strike lines 18 through 21 and insert the following:

"(III) if not included under subclause (I), the director of the State unit, defined in section 7(8)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 705(8)(B)) except that in a State that has established 2 or more designated State units to administer the vocational rehabilitation program, the board representative shall be the director of the designated State unit that serves the most individuals with disabilities in the State;

Page 15, line 14, strike "(a) ONE-STOP PARTNERS.—" and all that follows through page 16, line 12, and insert the following:

(a) ONE-STOP PARTNERS.—

(I) REQUIRED PARTNERS.—Section 121(b)(1) (29 U.S.C. 2841(b)(1)) is amended—

(A) in subparagraph (B)—

(i) by striking clauses (ii) and (v)

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and by redesignating clauses (vi) through (xii) as clauses (iv) through (x), respectively;

(iii) in clause (ix) (as so redesignated), by striking "and";

(iv) in clause (x) (as so redesignated), by striking the period and inserting "; and"; and

(v) by inserting after clause (x) (as so redesignated) the following:

"(xi) programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et. seq.), subject to subparagraph (C)."; and

(B) by adding after subparagraph (B) the following:

"(C) DETERMINATION BY THE GOVERNOR.—The program referred to in clauses (xi) of subparagraph (B) shall be included as a required partner for purposes of this title in a State unless the Governor of the State notifies the Secretary and the Secretary of Health and Human Services in writing of a determination by the Governor not to include such programs as required partners for purposes of this title in the State."

(2) ADDITIONAL PARTNERS.—Section 121(b)(2)(B) (29 U.S.C. 2841(b)(2)(B)) is amended—

(A) by striking clause (i) and redesignating clauses (ii) through (v) as clauses (i) through (iv) respectively;

(B) in clause (iii) (as so redesignated) by striking "and" at the end;

(C) in clause (iv) (as so redesignated) by striking the period and inserting a semicolon; and

(D) by adding at the end the following new clauses:

"(v) employment and training programs administered by the Social Security Administration, including the Ticket to Work program (established by Public Law 106-170);

"(vi) programs under part D of title IV of the Social Security Act (42 U.S.C. 451 et seq.) (relating to child support enforcement); and

"(vii) programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to mental health, mental retardation, and developmental disabilities, State Medicaid agencies, State Independent Living Councils, and Independent Living Centers.".

Page 24, strike lines 2 and 3 and insert the following:

Section 123 is amended to read as follows: "**SEC. 123. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.**

"(a) IN GENERAL.—From the funds allocated under section 128(b) to a local area, the local board for such area shall award grants or contracts on a competitive basis to providers of youth activities identified based on the criteria in the State plan 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 are an insufficient number of eligible providers of training services in the local area involved (such as rural areas) for grants to be awarded on a competitive basis under subsection (a).

Page 25, line 10, strike "(C) STATES.—" and all that follows through page 26, line 9, and insert the following:

"(C) STATES.—

"(i) IN GENERAL.—Of the remainder of the amount appropriated under section 137(a) for a fiscal year that is available after determining the amounts to be reserved under subparagraphs (A) and (B), the Secretary shall allot—

"(I) the amount of the remainder that is less than or equal to the total amount that was allotted to States for fiscal year 2003 under section 127(b)(1)(C) of this Act (as in effect on the day before the date of enactment of the Workforce Reinforcement and Adult Education Act of 2003) in accordance with the requirements of such section 127(b)(1)(C); and

"(II) the amount of the remainder, if any, in excess of the amount referred to in subclause (I) in accordance with clause (ii).

"(ii) FORMULAS FOR EXCESS FUNDS.—Subject to clauses (iii) and (iv), of the amounts described in clause (i)(I)—

"(I) 33 and 1/3 percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16-19 in each State, compared to the total number of individuals in the civilian labor force who are ages 16-19 in all States;

"(II) 33 and 1/3 percent shall be allotted 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"; and

Page 26, line 13, strike "the" and insert "each".

Page 28, strike lines 1 through 10.

Page 28, line 11, strike "formula" and insert "formulas".

Page 28, strike lines 17 through 21.

Page 31, strike lines 14 through page 32, line 2, and insert the following:

"(i) 33 and 1/3 percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16-19 in each local area, compared to the total number of individuals in the civilian labor force who are ages 16-19 in all local areas in the State;

"(ii) 33 and 1/3 percent shall be allotted 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"; and

Page 33, strike lines 7 through 10, and insert the following:

"(ii) DISADVANTAGED YOUTH.—The term 'disadvantaged youth' means an individual who is age 16 through 21 who 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 the poverty line."

Page 36, line 11, insert "who are deficient in basic skills" after "disabilities)".

Page 44, line 1, strike "(b) ALLOTMENT" and all that follows through page 47, line 14 and insert the following:

"(b) ALLOTMENT AMONG STATES FOR ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

"(1) RESERVATION FOR OUTLYING AREAS.—From the amount made available under subsection (a)(2) for a fiscal year, the Secretary shall reserve not more than 1/4 of 1 percent to provide assistance to outlying areas to carry out employment and training activities for adults and statewide workforce investment activities.

"(2) STATES.—Subject to paragraph (5), of the remainder of the amount referred to under subsection (a)(2) for a fiscal year that is available after determining the amount to be reserved under paragraph (1), the Secretary shall allot to the States for employment and training activities for adults and for statewide workforce investment activities—

"(A) 26 percent in accordance with paragraph (3); and

"(B) 74 percent in accordance with paragraph (4)

"(3) BASE FORMULA.—

"(A) FISCAL YEAR 2004.—

"(i) IN GENERAL.—Subject to clause (ii), the amount referred to in paragraph (2)(A) shall be allotted for fiscal year 2004 on the basis of allotment percentage of each State under section 6 of the Wagner-Peyser Act for fiscal year 2003.

"(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2004 exceeds the amount that was available for allotment to the States under the Wagner-Peyser Act for fiscal year 2003, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than 3/10 of one percent of such excess amount.

"(iii) DEFINITION.—For purposes of this subparagraph, the term 'allotment percentage' means the percentage of the amounts allotted to States under section 6 of the Wagner-Peyser Act that is received by the State involved for fiscal year 2003.

“(B) FISCAL YEARS 2005 AND THEREAFTER.—

“(i) IN GENERAL.—Subject to clause(ii), the amount referred to in paragraph(2)(A) shall be allotted for fiscal year 2005 and each fiscal year thereafter on the basis of the allotment percentage of each State under this paragraph for the preceding fiscal year.

“(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2005 or any fiscal year thereafter exceeds the amount that was available for allotment under this paragraph for the prior fiscal year, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than ⅓ of one percent of such excess amount.

“(iii) DEFINITION.—For purposes of this subparagraph, the term ‘allotment percentage’ means the percentage of the amounts allotted to States under this paragraph in a fiscal year that is received by the State involved for such fiscal year.

“(4) CONSOLIDATED FORMULA.—

“(A) IN GENERAL.—Subject to subparagraphs (B) and (C), of the amount referred to in paragraph (2)(B)—

“(i) 60 percent shall be allotted 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) 25 percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States; and

“(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States.

“(B) MINIMUM AND MAXIMUM PERCENTAGES.—

“(i) MINIMUM PERCENTAGE.—The Secretary shall ensure that no State shall receive an allotment under this paragraph for a fiscal year that is less than 90 percent of the allotment percentage of the State under this paragraph for the preceding fiscal year.

“(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the Secretary shall ensure that no State shall receive an allotment for a fiscal year under this paragraph that is more than 130 percent of the allotment of the State under this paragraph for the preceding fiscal year.

“(C) SMALL STATE MINIMUM ALLOTMENT.—Subject to subparagraph (B), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than ⅓ of 1 percent of the amount available under subparagraph (A).

“(D) DEFINITIONS.—For the purposes of this paragraph:

“(i) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of the amounts described in paragraph (2)(B) that is received through an allotment made under this paragraph for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) and under reemployment service grants received by the State involved for fiscal year 2003.

“(ii) DISADVANTAGED ADULT.—The term ‘disadvantaged adult’ means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in rela-

tion to family size, does not exceed the poverty line.

“(iii) 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 and ½ percent of the civilian labor force in the State.

“(5) ADJUSTMENTS IN ALLOTMENTS BASED ON DIFFERENCES WITH UNCONSOLIDATED FORMULAS.—

“(A) IN GENERAL.—The Secretary shall ensure that for any fiscal year no State has an allotment difference, as defined in subparagraph (C), that is less than zero. The Secretary shall adjust the amounts allotted to the States under this subsection in accordance with subparagraph (B) if necessary to carry out this subparagraph.

“(B) ADJUSTMENTS IN ALLOTMENTS.—

“(i) REDISTRIBUTION OF EXCESS AMOUNTS.—

“(I) IN GENERAL.—If necessary to carry out subparagraph (A), the Secretary shall reduce the amounts that would be allotted under paragraphs (3) and (4) to States that have an excess allotment difference, as defined in subclause (II), by the amount of such excess, and use such amounts to increase the allotments to States that have an allotment difference less than zero.

“(II) EXCESS AMOUNTS.—For purposes of subclause (I), the term ‘excess’ allotment difference means an allotment difference for a State that is—

“(aa) in excess of 3 percent of the amount described in subparagraph (C)(i)(II); or

“(bb) in excess of a percentage established by the Secretary that is greater than 3 percent of the amount described in subparagraph (C)(i)(II) if the Secretary determines that such greater percentage is sufficient to carry out subparagraph (A).

“(i) USE OF AMOUNTS AVAILABLE UNDER NATIONAL RESERVE ACCOUNT.—If the funds available under clause (i) are insufficient to carry out subparagraph (A), the Secretary shall use funds reserved under section 132(a) in such amounts as are necessary to increase the allotments to States to meet the requirements of subparagraph (A). Such funds shall be used in the same manner as the States use the other funds allotted under this subsection.

“(C) DEFINITION OF ALLOTMENT DIFFERENCE.—

“(i) IN GENERAL.—For purposes of this paragraph, the term ‘allotment difference’ means the difference between—

“(I) the total amount a State would receive of the amounts available for allotment under subsection (b)(2) for a fiscal year pursuant to paragraphs (3) and (4); and

“(II) the total amount the State would receive of the amounts available for allotment under subsection (b)(2) for the fiscal year if such amounts were allotted pursuant to the unconsolidated formulas (applied as described in clause (iii)) that were used in allotting funds for fiscal year 2003.

“(ii) UNCONSOLIDATED FORMULAS.—For purposes of clause (i), the unconsolidated formulas are:

“(I) The requirements for the allotment of funds to the States contained in section 132(b)(1)(B) of this Act (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) that were applicable to the allotment of funds under such section for fiscal year 2003.

“(II) The requirements for the allotment of funds to the States contained in section 132(b)(2)(B) of this Act (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) that were applicable to

the allotment of funds under such section for fiscal year 2003.

“(III) The requirements for the allotment of funds to the States that were contained in section 6 of the Wagner-Peyser Act (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) that were applicable to the allotment of funds under such Act for fiscal year 2003.

“(IV) The requirements for the allotment of funds to the States that were established by the Secretary for Reemployment Services Grants that were applicable to the allotment of funds for such grants for fiscal year 2003.

“(iii) PROPORTIONATE APPLICATION OF UNCONSOLIDATED FORMULAS BASED ON FISCAL YEAR 2003.—In calculating the amount under clause (i)(II), each of the unconsolidated formulas identified in clause (ii) shall be applied, respectively, only to the proportionate share of the total amount of funds available for allotment under subsection (b)(2) for a fiscal year that is equal to the proportionate share to which each of the unconsolidated formulas applied with respect to the total amount of funds allotted to the States under all of the unconsolidated formulas in fiscal year 2003.

“(iv) RULE OF CONSTRUCTION.—The amounts used to adjust the allotments to a State under subparagraph (B) for a fiscal year shall not be included in the calculation of the amounts under clause (i) for a subsequent fiscal year, including the calculation of allocation percentages for a preceding fiscal year applicable to paragraphs (3) and (4) and to the unconsolidated formulas described in clause (ii).”

Page 50, line 1, strike “15 percent” and insert “25 percent”.

Page 50, line 5, insert “and” after the semicolon;

Page 50, strike lines 6 through 11.

Page 50, line 12, strike “(iv) 10 percent” and insert “(ii) 15 percent”.

Page 61, line 3, strike “and”.

Page 61, line 5, insert “and” after “employers.”

Page 61, after line 5, insert the following:

“(iii) reemployment services provided to unemployment claimants.”

Page 77, line 22, strike “\$1,001,000,000” and insert “\$1,250,000,000”.

Page 80, strike lines 4 through 14 (and redesignate subsection (b) and (c) of section 116 as subsections (a) and (b) respectively).

Page 80, after line 22, insert the following:

(d) MIGRANT AND SEASONAL FARMWORKER PROGRAMS.—Section 167(d) is amended by inserting “(including permanent housing)” after “housing”.

Page 91, line 20, strike “recipients” and insert “a recipient”.

Page 108, beginning at line 24, strike “the English language and math, and English language acquisition” and insert “the English language and basic math.”

Page 126, line 25, strike “DEFINITION OF CRIMINAL OFFENDER.—” and insert “DEFINITIONS.—”

Page 128, line 7, strike “, including essential workplace skills”.

Page 128, line 12, strike “family” and insert “Family”.

Page 129, line 16, strike the period and insert a semicolon.

Page 129, line 17, strike “whether or not”.

Page 129, line 24; page 130, lines 1, 4, 8, 10, 17, and 22; and page 131, lines 3, 10, and 14, strike the term “whether” each place such term appears.

Page 130, line 5, insert “when appropriate and scientifically based,” after “real-life contexts.”

Page 131, line 15, strike “is of” and insert “are of”.

Page 131, after line 18, insert the following:

“(e) SPECIAL RULE.—Eligible providers may use grant funds under this title to serve children participating in family literacy programs assisted under this part, provided that other sources of funds available to provide similar services for such children are used first.

Page 140, strike lines 8 through 15 and insert the following:

(a) IN GENERAL.—There is established the National Institute for Literacy. The Institute shall be administered, in accordance with this part, under the supervision and direction of a Director. There shall be an agreement between an Interagency Group (comprised of the Secretary of Education, the Secretary of Labor, and the Secretary of Health and Human Services) and the Institute on how the purposes of the Institute may be achieved effectively. Such agreement—

(1) shall be regularly reviewed, and modified as needed to remain current with any changes in the purposes of the Institute; and

(2) shall be updated no later than 1 year after the enactment of this part.

Page 140, lines 17 through 19, strike “The Board (established under section 216 of this part), in consultation with the Secretary of Education,” and insert “The Interagency Group”.

Page 140, line 23, insert “If a vacancy in the position of the Director of the Institute occurs, the Interagency Group shall appoint an Interim Director until such time as a new Director can be appointed.” after “and adults.”.

Page 141, lines 5 and 6, strike “, if approved by the Board,”.

Page 141, beginning at line 8, strike all of section 213 and insert the following:

SEC. 213. ADMINISTRATION.

(a) IN GENERAL.—The Director of the Institute shall be responsible for administering the Institute. The Director of the Institute shall—

(1) provide leadership for the Institute, consistent with the purposes described in section 211(b);

(2) supervise all employees in the Institute;

(3) assign responsibility to carry out the duties of the Institute among officers and employees, and offices of the Institute;

(4) prepare requests for appropriations for the Institute and submit those requests to the Interagency Group;

(5) oversee the expenditure of all funds allocated for the Institute to carry out the purposes under section 211(b); and

(6) ensure that the Institute’s standards for research quality are consistent with those promulgated by the Institute for Education Sciences.

(b) OFFICES.—The Institute shall have separate offices from the Department of Education, the Department of Labor, and the Department of Health and Human Services, and shall have maximum flexibility in its operations to carry out the purposes of the Institute.

(c) ADMINISTRATIVE SUPPORT.—The Secretary of Education shall provide administrative support for the Institute, including the administration of grants, contracts and cooperative agreements, personnel, legal counsel, and payroll.

Page 144, line 5, insert “Director of the” before “Institute”.

Page 144, line 17, strike “, when requested, policy and”.

Page 145, after line 23, insert the following (and make such conforming changes as are necessary):

(8) develop an Internet site that provides useful information to educators and the public on reading literacy that is consistent with the purposes described in section 211(b).

Page 146, lines 14 through 17, strike “The Institute, in consultation with the Board, may award fellowships, with such stipends and allowances as the Director of the Institute considers necessary,” and insert “The Director of the Institute may award fellowships, with such stipends and allowances as necessary.”.

Page 147, lines 3 and 4, strike “The Institute, in consultation with the Board,” and insert “The Director of the Institute”.

Page 148, line 16, strike “work closely with” and insert “provide advice to”.

Page 148, strike lines 20 through 24 (and make such conforming changes as are necessary).

Page 150, lines 10 and 11, strike “The Board, in consultation with the Director of the Institute,” and insert “The Director of the Institute”.

Page 151, line 18, strike “Labor and Human Resources” and insert “Health, Education, Labor, and Pensions”.

Page 152, after line 12, insert the following (and make such conforming changes as are necessary):

(3) the term “Interagency Group” means the Secretary of Education, the Secretary of Labor, and the Secretary of Health and Human Services;

(4) the term “literacy” means the ability to read, write, and speak the English language with competence, knowledge, and comprehension; and

Page 153, line 4, insert “the administration of” after “such amounts for”.

Page 153, after line 12, insert the following:

PART C—GENERAL PROVISIONS

SEC. 241. TRANSITION.

The Secretary shall take such actions as the Secretary determines to be appropriate to provide for the orderly implementation of this title.

The CHAIRMAN. Pursuant to House Resolution 221, the gentleman from California (Mr. MCKEON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. MCKEON).

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

I rise to offer this bipartisan amendment which contains a number of changes to improve the underlying bill that will help millions of unemployed Americans find jobs.

The amendment revises the formula for allocation of funds to States under the consolidated adult funding stream. The amendment includes a hold harmless provision for States so that in each year each State will receive at least what that State would have received under the current formulas for the three adult employment and training programs. It also creates a two-part formula reflective of the population to be served while minimizing the large swings from year to year in funding among States.

The amendment revises the factors for the youth formula for allocation of funds to States to better reflect available data on youth. It also clarifies that the new formula applies only to funds appropriated in excess of the level of funds appropriated in 2003. While better targeting the resources, this provision will ensure that States are not adversely affected by this formula revision.

The amendment makes TANF a mandatory partner in the one-stop career

center system unless the governor of the State notifies the Secretaries of Labor and of Health and Human Services that the governor does not want the TANF program to be a mandatory partner. Including TANF in the one-stop centers will help provide a continuum of services for welfare participants. Individuals no longer receiving cash assistance will be able to continue to access job search, counseling and training services available through WIA. This continuity should help individuals become self-sufficient.

The amendment reinstates the requirement that youth providers be selected by competitive process, unless the local board determines that there are insufficient numbers of eligible providers of youth services in the local area involved.

The amendment clarifies that State-recognized tribes may continue to participate in the WIA program for Native Americans.

The amendment provides that the National Institute for Literacy is under the direction of an interagency group, composed of the Department of Education, the Department of Labor and the Department of Health and Human Services. This is current law.

The amendment makes additional clarifying, technical and conforming amendments to Titles I and II.

These amendments, Mr. Chairman, will ensure that workers have better access to the benefits included in the bill. As with the rest of the bill, these improvements will help hundreds of thousands of Americans who are searching for good and stable new jobs.

I urge my colleagues to adopt this amendment.

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

The CHAIRMAN. Does any Member seek time in opposition?

Mr. KILDEE. Yes, Mr. Chairman. I ask unanimous consent to claim the time in opposition although I am not in opposition.

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

There was no objection.

Mr. KILDEE. Mr. Chairman, I yield as much time as he may consume to the gentleman from Wisconsin (Mr. KIND).

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

Mr. KIND. Mr. Chairman, I thank my friend for yielding me time.

Mr. Chairman, as a member of the Committee on Education and the Workforce, I rise not in opposition to the technical amendment, but I do oppose the underlying bill.

Mr. Chairman, I, along with other members on the committee, have worked hard to try to work in a bipartisan fashion in the committee to produce bills that we feel comfortable that both sides of the aisle can support. Unfortunately, I cannot say that that is true with this legislation before us

today. I think it is a significant step in the wrong direction in regards to the workforce investment legislation to where we need to go.

Just last month, Mr. Chairman, the Department of Labor revised their unemployment rate to 6 percent. We lost approximately 48,000 jobs in the last month alone, which is approximately the size of my hometown, La Crosse, Wisconsin. Over the last 2 years we have lost 2.7 million jobs in this economy, and I think the American people are going to have to ask at some point whether this administration is capable of producing one new job during the 4 years in which they are in charge. Right now they are working from a 2.7 million job loss hole, and I think that question is very seriously in doubt right now.

This would have provided a perfect vehicle, as the gentleman from Michigan (Mr. KILDEE) tried to accomplish in the committee, for the extension of unemployment benefits which will soon expire and Congressional Budget Office shows that for every dollar spent for the extension of these unemployment benefits, it provides a \$1.74 return on economic stimulus in the economy, unlike the tax exemption on corporate dividends that the President is proposing, which will only return 9 cents on the dollar in economic stimulus for our economy.

There are very few tools at our disposal that can actually have an impact on economic growth and job creation in this country. This is one of them, and that is why it is so essential that we work hard in a bipartisan fashion to structure a piece of legislation that is going to make sense for the 2.7 million who are currently out of work and for the changing needs of the workforce in this century.

Unfortunately, this bill actually reduces preventative in-school youth training programs targeted at students before they may drop out of school, and it consolidates adult employment and training programs into one block grant, removing many of the Federal performance and accountability measures that make the Workforce Investment Act a quality workforce program.

In addition, H.R. 1261 requires participating partners, and this is significant because this is what's going to lead to the reduction of program funding; it requires participating partners to contribute an unlimited amount towards infrastructure costs for these one-stop centers. This sets the stage for reducing job training programs by taking money away from the participating partners of this act such as veterans employment programs, Perkins vocational education program, and the vocational rehabilitation program. These programs have already been severely slashed because of the current state of State budgets, and the provision will only further jeopardize these valuable funding streams.

Specifically, I am concerned that the rerouting of funding could have a dev-

astating impact on the Wisconsin technical college system's abilities to provide training and education for students. Over 8,000 dislocated workers alone looked to Wisconsin technical colleges in just recent months for education and job retraining. I foresee it also having a negative impact on our State's economy because it will not be able to provide students with the academic foundation and technical skills that will make them workforce ready.

We have made significant progress under the Workforce Investment Act in recent years in regards to the direction of job training opportunities in our community. We are very proud of the one-stop job centers, the workforce investment boards, the public-private partnerships that have been established back in the State of Wisconsin in regards to these programs and the tremendous amount of good it has done to so many of our citizens during a particularly tough run of our Nation's economy.

I believe we can do much better with this underlying piece of legislation, and hopefully as we move forward with the process in working with the Senate that we are going to be able to refine some of these points I have highlighted here today to produce a job training and workforce development bill that is going to add to our economic growth and help create more jobs in our economy at a time when we desperately need it.

I thank my friend again from Michigan for the leadership that he has shown on this issue, the experience that he is providing and also for yielding me this time.

Mr. MCKEON. How much time do we have left?

The CHAIRMAN. The gentleman from California (Mr. MCKEON) has 2½ minutes remaining, and the gentleman from Michigan (Mr. KILDEE) 30 seconds remaining.

Mr. KILDEE. Mr. Chairman, I yield back my time.

Mr. MCKEON. Mr. Chairman, I yield the balance of our time to the gentleman from Ohio (Mr. BOEHNER), the chairman of the committee.

Mr. BOEHNER. Mr. Chairman, let me clarify some of the remarks that my good friend from Wisconsin was making during his presentation.

Right now we have taken the 63 Federal job training-retraining programs back in the late 1990s and ran them into three funding streams to the States. What we propose to do in this bill is to reduce that to one funding stream. This idea of we are block granting this to the States and giving full discretion to the governor is just not true.

□ 1330

Under the bill, we require that half of the funds go directly to the local boards. Of the half that stays at the State, the State must use 50 percent of that money to assist and provide services to local boards.

So when we begin to look at how this program will be enhanced, at least 75 percent of the money will be spent by our local boards. The other 25 percent is given to the governors based on their need to react to unemployment problems, sudden unemployment problems somewhere else in the State where additional assistance may be needed.

In the bill we also provide much more local control by our local boards. Our vision when we started this was to give local businesses and local community leaders the ability to control what happens in terms of how these monies are spent and the types of services that are provided. I do believe that it is going to result in not only better services, but better outcomes for our workers.

Let me make one other point that has been referred to several times where we eliminate the funding in this bill for in-school youth activities. There are a tremendous number of programs already designed to deal with in-school youth who could possibly be in danger or risk of dropping out. We should focus the limited youth resources we have in this bill to out-of-school youth or in-school youth outside of school time because there is not as much money as we would like to spend in these programs. There are sufficient programs for in-school youth during the school day.

We are trying to better target our resources to get better results for those at-risk students who may in fact be thinking of dropping out of school.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. MCKEON).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 108-92.

AMENDMENT NO. 2 OFFERED BY MR. ALLEN

Mr. ALLEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. ALLEN:

Page 13, line 7, insert ", administrators of entities providing adult education and literacy activities," after "school systems".

The CHAIRMAN. Pursuant to House Resolution 221, the gentleman from Maine (Mr. ALLEN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Maine (Mr. ALLEN).

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

This amendment directs governors to appoint administrators of adult education and literacy programs to be members of local workforce investment boards. That is the current law but the underlying bill strips that provision out of the proposal.

This amendment would ensure that workforce investment boards are well-informed when developing strategies to strengthen and improve our Nation's workforce. Business and workforce representatives need to be aware of all

that the adult education system can offer.

As the participation in adult education continues to grow, we must expand and support a strong relationship between the education community and the business sector. The better educated and informed our workforce, the better our businesses can compete in the global economy. We know that a person with a college degree earns more than \$1 million in the course of his or her lifetime as compared to someone with a high school diploma. Clearly education is a vital part of developing a successful workforce. Adult educators must continue to have a voice in workforce development, and that is what my amendment would provide.

I am told that the majority has agreed to support this amendment. I thank the gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. MCKEON) for their help in preserving active communication between the education and business communities to ensure a sufficient and quality workforce.

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

The CHAIRMAN. Does any Member seek the time in opposition?

Mr. MCKEON. Mr. Chairman, although I do not oppose the amendment, I ask unanimous consent to claim the time in opposition.

The CHAIRMAN. Without objection, the gentleman from California (Mr. MCKEON) is recognized for 5 minutes.

There was no objection.

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

As I stated, we do not oppose the amendment. We feel that it will improve the bill. This amendment ensures that administration of entities providing adult education and literacy activities are included in the membership of each local board. The composition of the local workforce boards have been streamlined in H.R. 1261, and it is important that participants in adult education are represented on the local boards alongside superintendents of the local secondary school system and the presidents and chief executive officers of secondary educational institutions.

Mr. Chairman, I thank the gentleman for picking this up and offering the amendment, and we would be happy to accept the amendment.

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

Mr. ALLEN. Mr. Chairman, I thank the gentleman for his support, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine (Mr. ALLEN).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 108-92.

AMENDMENT NO. 3 OFFERED BY MR. VITTER

Mr. VITTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. VITTER:

Page 18, line 5, insert “, and how the centers ensure that such providers meet the employment needs of local employers and participants” after “partners”.

Page 21, line 18, insert “how the centers ensure that such providers meet the needs of local employers and participants,” after “providers.”.

The CHAIRMAN. Pursuant to House Resolution 221, the gentleman from Louisiana (Mr. VITTER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. VITTER).

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

Mr. Chairman, today with the Workforce Investment Act, we are addressing perhaps our best and most valuable resource in this economy and this society, which is people.

This bill, along with the economic stimulus package slated for tomorrow, are the results of a Congress and President who are focused on important issues relating to the economy, jobs, employment, and job training.

In my home State of Louisiana, we are working together at every level, State, regional and local, to improve our workforce and create real jobs, too. Passage of the Workforce Investment Act will advance those goals, and certainly we look forward to that.

But just as we expect government on all levels to work together toward this end, we certainly need to make sure that employers, training centers, potential employees, also all work together as seamlessly as possible. So my amendment is designed to improve the bill in that respect. It is a very simple and commonsense amendment, but one that I think is important to our overall goals.

In two sections of the bill, the section that sets out criteria for certification of one-stop centers and the section that sets out the criteria governors will use to determine eligibility for Federal funds, concise language is inserted that will ensure that the needs of local employers are taken into account. This gives input to those employers who at the end of the job training and education process will be asked and expected to hire newly trained workers.

Right now in some situations, including in my home State of Louisiana, there is a real gap. There are jobs there on the ground even in a relatively poor economy, but there is not the hired workforce to fill those jobs at the local level. A quick example, Avondale Shipyards in the Northrop Grumman Ship Systems, one of the biggest private employers in the whole State of Louisiana, busses in dozens of skilled workers every day from Mississippi because people with those specific job skills are not available immediately in the metro New Orleans area.

This amendment is a simple, commonsense amendment to try to fill that gap, to try to make sure that we

train up workers in areas where there are jobs waiting in the economy. This will not only serve employers who need to fill those jobs, if possible, at the local level without resorting to bussing in workers or resorting to foreign workers. And, of course, it will also serve workers who want to be trained up, and most of all, want a good job to walk into at the end of their training.

With that, I want to congratulate the gentleman from Ohio (Mr. BOEHNER) and the gentleman from California (Mr. MCKEON) for their good work.

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. VITTER. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, I think the gentleman from Louisiana (Mr. VITTER) makes a valuable contribution to the bill. I believe Members ought to support the amendment, and we would be happy to include it.

The CHAIRMAN. Does any Member claim the time in opposition?

Mr. KILDEE. Mr. Chairman, I ask unanimous consent to claim the time in opposition, although I do not oppose the amendment.

The CHAIRMAN. Without objection, the gentleman from Michigan (Mr. KILDEE) is recognized for 5 minutes.

Mr. KILDEE. Mr. Chairman, I yield such time as he may consume to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, numbers that were released today show that Oregon continues to record the highest jobless rate in the Nation at 7.6 percent. Since this administration took office, my State has lost 28,600 jobs, and over 2.5 million private sector jobs have been lost nationwide.

Rather than addressing directly this grave problem by focusing on investments and programs that could put people back to work today; for example, simply repairing bridges that are falling apart all across America, the proposal is to tamper with valuable worker retraining programs that are actually making a positive difference.

I agree with the gentleman from Ohio (Mr. BOEHNER) that there was some outstanding work that was done in 1998 under the leadership of the gentleman from California and the gentleman from Michigan. I think there were important changes, but this legislation is an unfortunate attempt to not just rearrange the deck chairs on the Titanic, but pull them out from underneath some victims.

The most optimistic outcome is that it will cause a disruption in some services that people need. It fails to address the pressing needs of disadvantaged and unemployed workers around the Nation, fails to provide enhanced funding, and fails to strengthen the State and local publicly provided unemployment services. The changes in this bill do little to improve the situation for hard-hit working families in the current economic downturn in my community.

Not only are we bringing forward legislation that at best is disruptive, they are preventing opportunities by Democrats to help our constituents. The House rule that brought the bill forward denied us an opportunity to vote on an amendment to extend unemployment insurance benefits by 26 weeks for newly unemployed workers.

My constituents tell me this legislation could not come at a worse time. We are taking money potentially from programs that work and are well-managed, and handing them back in a block grant form, to a certain extent, to governors in States that are operating in a crisis mode, and the money could end up anywhere.

At a cumulative budget shortfall of over \$70 billion, our States are facing the worst financial crisis since World War II. It is time for us to keep our funding commitments for programs that work instead of reshuffling programs, making it harder to keep our promises.

I have no objection to the Vitter amendment. I did want to have an opportunity to clarify my concerns, and hope that we as a Congress before we adjourn this spring are able to come forward with something that will make a difference helping the economy in areas for people that need it.

Mr. VITTER. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Chairman Boehner) to address the comments on the bill by the gentleman from Oregon.

Mr. BOEHNER. Mr. Chairman, I support the Vitter amendment, but let me just clarify for Members what we are doing here in the reauthorization of WIA.

This is nothing more than a fine-tuning effort, further streamlining the funding stream, further clarifying that we expect the local boards to get most of the money to provide the resources, and to give the local boards the flexibility to provide high quality services to men and women in their communities who have needs.

I think the amendment offered by the gentleman from Louisiana (Mr. VITTER) says we need to consider what the needs are in the local communities and is in fact a valuable contribution. But no one should believe that we are doing a complete overhaul of the Workforce Reinvestment Act. These one-stop shops around the country by and large have begun to work very well.

What we are trying to do here in this reauthorization is to make those changes to help the one-stops do a more effective job in their local communities, and to provide the governors and the local boards with the kind of flexibility they need to look at the broad needs of the workforce, whether it is training, retraining, preparing people for better jobs in their communities.

We believe that the underlying bill does in fact make this much more likely because services will be offered more efficiently, the use of the resources

will be more efficient. Thus, we believe that the outcomes, the results of all of this, will give us better services and better outcomes at home.

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Mr. KILDEE. Mr. Chairman, I yield the balance of my time to the gentlewoman from Texas (Ms. JACKSON-LEE).

The CHAIRMAN. The gentlewoman from Texas is recognized for 2½ minutes.

Ms. JACKSON-LEE of Texas. Mr. Chairman, if my colleagues want to know about jobs and job loss, they do not have to go any farther than Houston, Texas, when just about 2 years ago, Enron Corporation laid off thousands of employees that are now still suffering, an action that has built upon the increasing unemployment rate across the Nation.

Mr. Chairman, I would have liked to have been on the floor of the House today joining with my good friends on the other side of the aisle in passing a bill that would truly deal with workforce reinvestment and adult education. But in actuality what this does is rather than responding to the needs of the unemployed by extending unemployment benefits or including a jobs creation package, H.R. 1261 will repeal dedicated funding for vulnerable workers in America. It will probably impact Harris County and Houston, Texas, in a devastating way because, Mr. Chairman, we are still confronting the question of those unemployed workers.

Further, I would say that to my dismay, this bill gives to Governors the right to take unspecified amounts of funds from adult education, crucial, from disability and veterans services, crucial, and to cut job opportunities for the youth. Clearly, this is not a bill that creates jobs or responds to the needs of those who are in need.

And then I am disappointed that the Committee on Rules did not understand that our job is to create greater access to jobs, and that means that an amendment that I offered that dealt with the question of having online access to being able to get the training and the resources was an amendment that was not put in order, along with 12 to 13 other amendments of Democrats. If we are truly in the business of creating jobs, we would have done this in a bipartisan manner.

And then I think the ultimate insult, Mr. Chairman, of this legislation, and I am a believer in the first amendment, the freedom of religion, the freedom of speech, the freedom of association; but this Congress cannot in the year 2003 with the representations from Members of the other body about individuals' life-style or the individual's support of a President who would support segregationist policies, we cannot go on record in this body against civil rights, against civil liberties. This particular legislative initiative blindly allows individual groups to be able to discriminate against individuals on the basis of their religious beliefs.

Mr. Chairman, we can do better. I would think that we would want to do better. I would hope that my colleagues would vote this down, this legislative initiative, so we could go back to the drawing board and serve the American people as we should.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. VITTER).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. VITTER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Louisiana (Mr. VITTER) will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider amendment No. 4 printed in House Report 108-92.

AMENDMENT NO. 4 OFFERED BY MR. KLINE

Mr. KLINE. Mr. Chairman, pursuant to the rule, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. KLINE:

Page 18, line 18, strike "subsection (b)" and insert "subsection (b)(1)(B) and participating additional partner programs described in (b)(2)(B)".

Page 18, strike lines 21 through 25 and insert the following:

"(B) DETERMINATION OF GOVERNOR.—Subject to subparagraph (C), the Governor, in consultation with the State board, shall determine the portion of funds to be provided under subparagraph (A) by each one-stop partner and in making such determination shall consider the proportionate use of the one-stop centers by each partner, the costs of administration for purposes not related to one-stop centers for each partner, and other relevant factors described in paragraph (3).

"(C) LIMITATIONS.—

"(i) PROVISION FROM ADMINISTRATIVE FUNDS.—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 limitations with respect to the portion of funds under such programs that may be used for administration.

"(ii) FEDERAL DIRECT SPENDING PROGRAMS.—Programs that are Federal direct spending under section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(8)) shall not, for purposes of this paragraph, be required to provide an amount in excess of the amount determined to be equivalent to the proportionate use of the one-stop centers by such programs in the State."

Page 19, line 3, insert "in accordance with the formula established under paragraph (3)" after "local area".

Page 20, line 2, strike "subsection (b)" and insert "subsection (b)(1)(B) and participating partner programs described in subsection (b)(2)(B), or the noncash resources available under such programs".

The CHAIRMAN. Pursuant to House Resolution 221, the gentleman from

Minnesota (Mr. KLINE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota (Mr. KLINE).

Mr. KLINE. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I am pleased to offer an amendment to H.R. 1261 that remedies concerns raised about the funding of one-stop development centers. Under current law, each partner program in the WIA system is to contribute to the cost of infrastructure for one-stop career centers. Unfortunately, many partners do not contribute as intended and the process for determining each partner's share has proved to be cumbersome at best. As a result, WIA has been left to cover the one-stop center infrastructure costs, and fewer funds have been available for the provision of services and training for individuals.

H.R. 1261 recognizes the problems of saddling WIA with most of the infrastructure costs and takes the steps to remedy those problems. H.R. 1261 requires partner programs to help pay administrative and infrastructure costs. The amount is determined at the State level in consultation with the State workforce investment board. Under the bill, the directors of mandatory partner programs will sit on this board, giving them a voice in the negotiation. Under H.R. 1261, the Governor makes the final determination of the appropriate amount of funding to be provided by each partner program. Unfortunately, this provision caused partner programs to be concerned that the Governor would be able to take needed program dollars away from direct services in order to pay for administrative costs at the one-stop career centers.

My amendment solves this problem by ensuring the administrative funding requirements will not cut into funding for the services program partners provide. My amendment will require the Governor to consult with the State board to determine the proportionate use of the one-stop centers by each partner. This consideration will ensure a program accounting for 10 percent of the usage of the center would not be responsible for 50 percent of the infrastructure costs. The Governor and the State board would also consider any additional administrative costs each program must cover in addition to those costs associated with the participation in the one-stop centers. This will ensure that program dollars intended for services to individuals are not spent on infrastructure costs.

Some may suggest that it would be better to create a new Federal program to cover infrastructure costs. Rather than create yet another government program, I would prefer to improve the program we have. When WIA passed in 1998, Congress expected the partner programs to pay their portion of the administrative costs of operation. The process outlined in H.R. 1261, as modified by my amendment, will ensure this happens while maintaining flexibility to each State to set the standards that

work best for them. I think we would all agree that one of the hallmarks of WIA, the one-stop career center system, benefits both job seekers and the programs themselves. The centers provide individuals with streamlined access to a variety of programs and improve the efficient delivery of service. We cannot, however, expect these robust relationships to continue without reasonable, proportional financial participation. By streamlining the process, H.R. 1261 ensures the best use of investment by partner programs.

I urge my colleagues to support the amendment.

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

The CHAIRMAN. Does any Member seek the time in opposition?

Mr. KILDEE. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN. The gentleman from Michigan (Mr. KILDEE) is recognized for 5 minutes.

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

The Kline amendment makes marginal improvements to the bill, but it does not reduce the funding that can be taken from veterans programs and programs serving individuals with disabilities. Instead, the Kline amendment puts this funding, and the services which it provides, at risk. I have two letters from leading organizations representing veterans and individuals with disabilities. Let me read from the letter from the National Rehabilitation Association:

"The Kline amendment would, we regret to say, have the unintended consequence of diverting deserving dollars from individuals with disabilities who want to work to fund a one-stop system which remains to this day largely inaccessible both programmatically and physically to individuals with disabilities."

Let me also read a part of the letter from the Paralyzed Veterans Association of America:

"This amendment will not protect the disabled veterans outreach program and local veterans employment representatives services because the authorizing language for those programs sets no specific limits on administrative costs. As a result, the full amount of money appropriated for DVOPs and LVERs could, ostensibly, be directed by Governors to be used for one-stop infrastructure expenses."

Clearly, this amendment does not address the critical issues of this legislation. It does, however, make marginal improvements. For that reason, I will not oppose it, but wish that we could get together at some point and try to improve the language.

NATIONAL REHABILITATION
ASSOCIATION,

Alexandria, VA, May 8, 2003.

DEAR REPRESENTATIVE: As President and Executive Director of the National Rehabilitation Association, respectively, we have continuing concerns regarding the one-stop funding structure being proposed for mandatory and additional partner's participation

in H.R. 1261 and in the proportionality approach to that funding embodied in the Kline amendment which was made in order under the Rule granted yesterday to this bill.

The National Rehabilitation Association was established in 1925 and is the longest-serving and one of the strongest advocates in ensuring the rights of individuals with disabilities are respected and realized. Our mission is to promote ethical and excellent practice in the field of vocational rehabilitation.

The Workforce Investment Act (WIA) comprises in Title IV programs administered under the Rehabilitation Act of 1973, as amended. The Public VR Program, as it is commonly known, is an accountable, eligibility-based employment program dedicated to the education, job training and counseling, career placement and independence of individuals with disabilities, including those individuals with significant disabilities.

The Public VR Program, being the productive partner that it is and always has been, continues to partner at the one-stops on a cost-allocation basis, consistent with OMB guidelines.

The Kline amendment would, we regret to say, have the unintended consequence of diverting deserving dollars from individuals with disabilities who want to work to fund a one-stop system which remains to this day largely inaccessible both programmatically and physically to individuals with disabilities.

The impact on individuals with disabilities is clear: If individuals with disabilities cannot get through the door of the one-stop shops, or do not find meaningful access to employment information once inside, these individuals will not become employed and may be forced to seek public assistance in lieu of advancing or initiating a career.

H.R. 1261 reneges on a promise by Congress to safeguard the separate funding stream of the Public VR Program, and in doing so, exposes the Public VR Program to a one-stop system that does not have a proven or uniform track record of accountability, according to a recent General Accounting Office (GAO) Report, and other well-respected organizations.

Both H.R. 1261 and the Kline amendment do not appreciate that the one-stops do not now have—nor have ever had—the qualified staff who provide comprehensive services and supports that individuals with disabilities require in seeking the dignity of work in an increasingly one-size-fits-all employment environment. These requirements include qualified rehabilitation counselors and other qualified professionals employed by accountable State Agencies, in conjunction with their Community Rehabilitation Program Partners (CRPs), who include private providers, employers and businesses.

Most importantly, the Kline amendment does not define the term "proportionality" and, accordingly, we are unsure of how and if this approach would work to the benefit of all individuals with disabilities who want to work.

Relatedly, the Public VR Program does not have a separate line item funding stream for administrative costs or a cap on administrative costs, which we believe, further complicates participation of the Public VR Program at the one-stops other than on a cost-allocation basis.

The untested, unproven proportionality approach advanced by the Kline amendment simply does not—and cannot—protect the millions of eligible individuals with disabilities who will benefit from the comprehensive services and supports that only the Public VR program can provide individuals with disabilities who want to work.

The Public VR Program has been doing more with less for years. Presently, there are

37 State Agencies on an Order of Selection, which places a priority of service on those individuals with the most significant disabilities. The waiting lists for the holistic services and supports that only the Public VR Program can provide individuals with disabilities increase everyday.

While the Public VR Program has served and secured employment for millions of eligible individuals with disabilities for decades, because of years of woeful underfunding, the following State Agencies cannot now serve all of the thousands upon thousands of eligible individuals with disabilities who seek the dignity of work and the comprehensive services that only the Public VR Program provides individuals with disabilities include, by Region:

Region I—Connecticut General, Maine General and Blind Agencies, Massachusetts General Agency, Rhode Island and Vermont General.

Region II—New Jersey General; the Virgin Islands.

Region III—Delaware Blind Agency, Maryland, Pennsylvania and West Virginia General Agencies.

Region IV—Georgia and Kentucky General and Blind Agencies, Mississippi, North Carolina, General Agency and Tennessee.

Region V—Illinois, Minnesota General, Ohio and Wisconsin.

Region VI—Iowa General, Kansas, Missouri General, Nebraska General.

Region VIII—Colorado; North Dakota.

Region VIII—Colorado, North Dakota.

Region IX—Arizona, California, Hawaii.

Region X—Oregon Blind, Washington State General Agency.

As we mentioned previously, these are the State Agencies that maintain continually-increasing waiting lists for eligible individuals with disabilities who want to share in the American Dream by having a career, owning a home, being able to support a family and living independently in their communities.

While having a career is the primary goal of the Public VR Program, this can only become a reality with a solid plan for employment developed with and supported by the Public VR qualified professionals in conjunction with the individual.

The Kline amendment does not and cannot solve the problems that individuals with disabilities continue to confront at the one-stops.

Just think about it. The Public VR Program is funding the administration of an inaccessible one-stop program—which is absent qualified staff and accountability—with funds designated for supporting the poorest group in our society with the highest unemployment rate and the majority of the community living below the poverty line.

Given the continuing, critical concerns the disability community at large has with the absence of accessibility, accountability and qualified staff at the one-stops, the National Rehabilitation Association cannot and will not support H.R. 1261.

Respectfully Submitted,

L. ROBERT MCCONNELL,
PH.D.,
President.

MICHELLE VAUGHAN, MBA,
Executive Director.

PARALYZED VETERANS OF AMERICA,
Washington, DC, May 8, 2003.

Hon. JOHN TIERNEY,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN TIERNEY: On behalf of Paralyzed Veterans of America (PVA), I want to thank you for offering your amendment to create line item funding for the operating costs of one-stops under H.R. 1261.

This would have been the surest way to protect veterans' employment programs from damaging diversion of funds authorized by the subject bill.

Regrettably, the Rules Committee rejected your amendment and approved one that requires states, in determining funds to be taken, to consider the proportionate use of the one-stop centers by each partner, the costs of administration unrelated to the use of the one-stop center by each partner and other relevant factors. This amendment further requires that the funds provided by the one-stop partner programs for infrastructure costs are to be provided from funds available for administrative costs under the program and that those funds would be subject to whatever administrative cost limits are applicable to that program.

This amendment will not protect the disabled veterans outreach program (DVOP) and local veterans' employment representatives (LVERs) services because the authorizing language for those programs sets no specific limits on administrative costs. As a result, the full amount of money appropriated for DVOPs and LVERs could, ostensibly, be directed by Governors to be used for one-stop infrastructure expenses.

Thank you again for your efforts on behalf of veterans and veterans with disabilities.

Sincerely,

RICHARD FULLER,

National Legislative Director.

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

Mr. KLINE. Mr. Chairman, I yield the balance of my time to the gentleman from Ohio (Mr. BOEHNER), the chairman of the committee.

The CHAIRMAN. The gentleman from Ohio is recognized for 2 minutes.

Mr. BOEHNER. Mr. Chairman, let me thank my colleague and new member of our committee, the gentleman from Minnesota (Mr. KLINE), for his important contribution. Many of us believe that the language was sufficient in the bill, but clearly there were questions raised about how the determination was going to be made over how much each of the participating partners were going to contribute to the infrastructure. The amendment that is offered here does in fact make it clear to the Governors that there is a proportionate share that each of these groups will contribute.

Why is this necessary? Unfortunately in some parts of the country, some groups just decided they were not going to be participating partners. Our goal here is to have one-stops where all of the providers of services are there. We are talking about providers of services that are funded by the Federal Government. They need to be participating. What we do here is to make sure that they have a financial commitment to the well-being of these one-stops as well.

The gentleman from Michigan makes a point that not all of these mandatory partners have administrative funds. Most of them do. Their participation in the funding of the infrastructure would come from their own administrative funds. But the one point that he did bring up was the veterans programs. They have administrative funds and it is done by regulatory process as opposed to being outlined in statute. And

so we believe that because each of these groups has administrative funds by some means, the Governors and the statewide WIA board would take that into consideration in terms of what the proportionate share of costs should be for each of these groups. I do think the gentleman from Minnesota makes an important contribution, helps clarify the bill, and we should support his amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. KLINE).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 5 printed in House Report 108-92.

AMENDMENT NO. 5 OFFERED BY MR. LEWIS OF
GEORGIA

Mr. LEWIS of Georgia. Mr. Chairman, pursuant to the rule, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. LEWIS of Georgia:

Page 36, line 4, strike "21" and insert "24".

The CHAIRMAN. Pursuant to House Resolution 221, the gentleman from Georgia (Mr. LEWIS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 1261 as written leaves out a significant portion of its targeted population that needs job training. My simple amendment would extend the eligibility requirement from 21 years of age to 24 years of age for training programs in the Workforce Reinvestment and Adult Education Act. Existing job training programs such as Job Corps, YouthBuild, Conservation Corps, and others already use the age range 16 to 24. Extending the age from 21 to 24 will enable the Workforce Reinvestment and Adult Education Act to coincide with organizations that benefit from it.

When young people drop out of high school, they are in a suspended state of adolescence, not taking responsibility for themselves financially or otherwise. They often are unable to get a job or support themselves or their children, if they have children. Furthermore, the needs of the 22- to 24-year-old high school dropouts are more like the needs of the 18- to 21-year-olds than their counterparts in their late twenties and thirties. The process of completing their high school education, preparing for the workforce, the world of work, and developing the values of responsibility and the sense of belonging to a community are the difficult tasks of youth, but some have taken a detour onto the streets or prison. When they get back on track, they still need to be mentored. They need

help, a sense of purpose, a sense of direction. They simply have not learned the skills and responsibilities in the work world to be adults. This amendment will help our young people meet this goal.

Mr. Chairman, I have visited organizations such as YouthBuild and Job Corps. I must tell you they do good work. These are good and necessary programs to help our young people get ahead. I strongly urge my colleagues, all of my colleagues, to pass this amendment.

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

The CHAIRMAN. Does any Member seek the time in opposition?

Mr. BOEHNER. Mr. Chairman, I ask unanimous consent to claim the time in opposition, even though I am not opposed to the amendment.

The CHAIRMAN. Without objection, the gentleman from Ohio is recognized for 5 minutes.

There was no objection.

Mr. BOEHNER. Mr. Chairman, let me congratulate my friend and colleague from Georgia for his amendment and make it clear that I support his amendment.

The amendment ensures that States and local areas have flexibility in creating their own out-of-school youth program. For instance, a State may find it beneficial to allow youth who begin participating in an out-of-school youth program to continue in the program beyond the 21st birthday in order to complete the program. Often 22-, 23- and 24-year-olds have many of the same basic educational and job training needs as youth under the age of 21.

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And I think that the amendment offered by the gentleman from Georgia (Mr. LEWIS) aligns the eligibility age with other programs serving youth, including JobCorps and Youth Build, and this will allow greater coordination amongst programs serving youth and could ease the transition for these youth into employment and self-sufficiency programs. So I congratulate the gentleman for his amendment and urge my colleagues to support it.

Mr. LEWIS of Georgia. Mr. Chairman, I thank the gentleman from Ohio (Mr. BOEHNER).

Mr. Chairman, I ask unanimous consent to reclaim my time.

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

There was no objection.

The CHAIRMAN. The gentleman from Georgia (Mr. LEWIS) has 2½ minutes remaining.

Mr. LEWIS of Georgia. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. KILDEE).

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

I am very familiar with the group that he is seeking to serve here. In the City of Flint, Michigan, we have people

who really have a sense to find themselves during that period in their life, and I think extending this to age 24 is a reasonable thing for us to do and will make sure that we give those people in that age group that second chance to find themselves and to set goals for themselves. So I think this will be something that will add immeasurably to the bill, and I am very happy that the gentleman has offered the amendment and certainly urge everyone to support the amendment.

I know the gentleman from Atlanta has been up to my city and I have been to his city. We have seen youth in this group.

The CHAIRMAN. The gentleman has 1½ minutes remaining.

Mr. LEWIS of Georgia. Mr. Chairman, I yield such time as she may consume to the gentleman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding me this time.

This is an excellent amendment, and the reason why I say that is because this is the month of May, when a number of our students are graduating from college, many of them older than the age originally in this legislation, and extending this to the age of 24 responds not only to those students who may be older in our colleges but also to returning veterans and military personnel who will be older. So might I just join in supporting this excellent amendment, and I would like to add as well my support for the amendment to be coming forth of the gentleman from California (Ms. MILLENDER-MCDONALD) dealing with single parents and pregnant women and others to expand the opportunity for training.

So I thank the gentleman for yielding, and I want to say this is a very progressive but important amendment on helping a large number of these young people who are in need of these very vital services.

Mr. LEWIS of Georgia. Mr. Chairman, I thank the gentleman.

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

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. LEWIS).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 6 printed in House Report 108-92.

AMENDMENT NO. 6 OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, as designee of the gentleman from Florida (Mr. HASTINGS), I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. KILDEE:
Page 49, line 10, strike "80 percent" and insert "85 percent".

Page 49, line 13, strike "20 percent" and insert "15 percent".

The CHAIRMAN. Pursuant to House Resolution 221, the gentleman from

Michigan (Mr. KILDEE) as the designee of the gentleman from Florida (Mr. HASTINGS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan (Mr. KILDEE).

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

We have discussed this amendment with the majority, and we have agreement upon this.

This amendment simply would increase the amount of funding going to local areas by a statutorily defined formula.

Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. HASTINGS).

(Mr. HASTINGS of Florida asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Florida. Mr. Chairman, I thank the ranking member for yielding me this time, and I am thankful for the opportunity for this intervention.

I rise to offer the amendment to the Workforce Investment Act Reinvestment and Adult Education Act of 2003. Although this amendment is a technical one, if enacted, it will result in an increase of need-based funding for virtually every workforce development board in the country. In fact, if the administration's fiscal year 2004 budget request is appropriated, the amendment would result in an increase of no less than \$77.5 million in guaranteed formula or need-based funding in areas with highest demand for assistance. Specifically, the amendment requires that no less than 85 percent of the total funds allocated to local boards under the Comprehensive Employment and Training Activities for Adults program are formula based. H.R. 1261, as reported, establishes a formula for this funding that takes into consideration the unemployment rate of a given area compared with the entire State and the size of the workforce. Further, it gives priority to those living in areas of high unemployment as well as disadvantaged individuals.

I rise today to offer an amendment to the Workforce Reinvestment and Adult Education Act. Although my amendment is a technical one, if enacted, it will result in an increase of need-based funding for virtually every workforce development board in the country.

In fact, if the Administration's Fiscal Year 2004 budget request is appropriated, my amendment would result in an increase of no less than \$77.5 million in guaranteed formula or need-based funding in areas with the highest demand for assistance.

Specifically, the amendment requires that no less than 85 percent of the total funds allocated to local boards under the Comprehensive Employment and Training Activities for Adults program are formula-based. H.R. 1261, as reported, establishes a formula for this funding that takes into consideration the unemployment rate of a given area compared with the entire state and size of the workforce. Further, it gives priority to those living in areas of high unemployment, as well as disadvantaged individuals.

My amendment ensures that those areas with the highest unemployment rates and

need for job training receive the greatest level of immediate and guaranteed assistance.

Even more, my amendment limits the ability of governors—Democrat or Republican—to play politics with adult job training and education funds, as well as those funds intended for dislocated worker assistance. The amendment is fair, and it is certainly in line with what Congress intended when it initially passed the Workforce Investment Act in 1998.

Mr. Chairman, America is faced with an unemployment epidemic of enormous proportion. Today, 8.8 million hard working Americans are out of jobs, many for reasons beyond their own control. Nearly 2 million of them have been without work for 27 weeks, and the average length of unemployment is almost 20 weeks, the highest since 1984.

Unfortunately, relief is nowhere in site. 4.8 million workers are stuck in part-time jobs because they can't find full-time work, and there is a meager one job available for every three unemployed workers looking.

My amendment sends guaranteed help to those most in need. It places assistance over politics and ensures that those without jobs receive a greater level of assistance than they currently do under H.R. 1261.

I urge my colleagues to support my amendment.

Mr. BOEHNER. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, I thank the gentleman from Florida for yielding.

Under the bill 80 percent of the funds are, under formula, to go to the local boards. This would bring that to 85 percent. I do think it gives the local boards more certainty over exactly the kind of funding that they should expect from year to year, would reduce the amount of dislocation or expectation as to what is coming in. I think he makes a valuable contribution, and we would be pleased to accept the amendment.

Mr. HASTINGS of Florida. Mr. Chairman, I thank the gentleman.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. KILDEE).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 7 printed in House Report 108-92.

AMENDMENT NO. 7 OFFERED BY MS. MILLENDER-MCDONALD

Ms. MILLENDER-MCDONALD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Ms. MILLENDER-MCDONALD:

Page 65, line 14, insert “, including single parents, displaced homemakers, and pregnant single women,” after “individuals”.

The CHAIRMAN. Pursuant to House Resolution 221, the gentlewoman from California (Ms. MILLENDER-MCDONALD) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California (Ms. MILLENDER-MCDONALD) on her amendment.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I yield myself such time as I may consume.

I thank the committee for the work that they have done on this act.

I am here today to offer my amendment to H.R. 1261. My concern is reflected in my amendment, and it is to ensure that all training and intensive services offered under the Workforce Investment Act continues to focus on displaced homemakers, single parents, and teen pregnant parents. It is imperative that displaced homemakers and other women in need are prepared for employment in nontraditional careers and that once they are employed they will be able to achieve a level of self-sufficiency. I have had first hand on this issue as I served as the director of Gender Equity in Los Angeles.

Men and women go to work because families depend more on women's income now more than ever before. Today's families with two full-time incomes are the least likely to live in poverty. Some women work because they are especially in need of economic independence that a job brings. Currently, there are 7 million displaced homemakers and 10 million single mothers living in the United States. And given the economic decline, I want to be certain that these individuals' needs continue to be met as they will be entering the workforce. As of 2001, working women were 40 percent more likely to be poor than working men and 6.6 percent of working women were living below the poverty line, according to the U.S. Census Bureau.

What we have learned since the JTPA was replaced by the WIA is that under the former JTPA, 149,356 displaced workers received job training in 1998, while 42,426 dislocated workers completed job training under its replacement, the Workforce Investment Act, or WIA, through the end of 2000. However, these numbers are not reflective of the displaced homemakers, the single parents, and the teen parents, and these are the folks who are in dire need of job training. While 40,468 displaced and dislocated workers were participating in the WIA training service in 2000, and they were women, we still are not recruiting, Mr. Chairman, or identifying those classes of prospective workers who need the job training necessary for a productive work success.

Among the adults served by WIA through 2000, 60 percent were women, 78 percent of those whom we talk about were unemployed upon the registration and 11 percent of whom received the TANF, Temporary Assistance for Needy Families. Fifty-eight percent of the adults participating in WIA in 2000 either held high school diplomas or had attained a higher level of education. About 40 percent of these adults received training services. While this is

very important, it does not address those who are lacking a high school diploma or were unable to complete their education because of family matters.

Mr. Chairman, it should be noted that 121,000 fewer adults were trained under WIA in 2000 than received training under JTPA in 1998. These displaced homemakers and single parents are also greatly in need of the comprehensive job training services offered by WIA. We will be doing a great disservice to these women, particularly those from disadvantaged backgrounds, if we fail to adequately expose and educate them to work in high technology and nontraditional jobs.

Given the statistics in how these women are underrepresented in job training, we can and must do more to assist these displaced homemakers, single parents, and teen parents who are seeking employment for the first time as well as those who need to acquire 21st century skills in order to become marketable and economically self-sufficient in the emerging 21st century workplace. They are our today and tomorrow workforce. We must prepare them through comprehensive training and intensive service for this new high tech work environment.

Mr. BOEHNER. Mr. Chairman, will the gentlewoman yield?

Ms. MILLENDER-MCDONALD. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Chairman, I think the gentlewoman does make an important contribution to the bill and clarifies that these out-of-work homemakers and single mothers do in fact play a role and do need services and should in fact be considered in a higher level as funds are being distributed to the local boards, and I ask Members to support the gentlewoman's amendment.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I thank the distinguished chairman.

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

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. MILLENDER-MCDONALD).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 8 printed in House Report 108-92.

AMENDMENT NO. 8 OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Ms. KAPTUR:
Page 86, line 20, insert “assistance regarding accounting and program operation practices (when such assistance would not be duplicative to assistance provided by the State),” after “this title.”

Page 87, line 2, strike the period and insert “; and”

Page 87, after line 2, inset the following:
(5) by inserting, after subsection (c) (as redesignated by paragraph (3)), the following:
“(d) BEST PRACTICES COORDINATION.—The Secretary shall establish a system whereby

States may share information regarding best practices with regards to the operation of workforce investment activities under this Act."

The CHAIRMAN. Pursuant to House Resolution 221, the gentlewoman from Ohio (Ms. KAPTUR) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Ohio (Ms. KAPTUR) on her amendment.

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

I want to thank the Committee on Rules. I want to thank the gentleman from Ohio (Mr. BOEHNER) of the Committee on Education and the Workforce and the gentleman from Michigan (Mr. KILDEE), ranking member, for allowing us to move this amendment today, and I want to acknowledge the hard work of Keysha Brooks-Coley on my own staff who has worked so very hard on this amendment and others.

This past Friday the Department of Labor reported that unemployment again went up in our country to a level of 8.8 million citizens, of which at least 250,000 are unemployed in the State of Ohio, and the unemployment level is now somewhere around 6 percent of those that we are still counting.

Without question people need access to training and to transitional assistance, which this bill offers so much hope to those who are struggling out there, trying to find a good-paying job with good benefits. The amendment I have proposed would strengthen the technical assistance provisions of the underlying bill to allow the Department of Labor where a State does not do it to give help to localities to apply for the program and to administer the program.

□ 1415

It would also require that a best practices system be established at the Department of Labor, so if a county in New York wants to learn what a county in Illinois might have done, or vice versa, that that would be available.

The amendment would require the Department of Labor to establish a coordinated system so there is no duplication at all. For example, in the technical assistance, it would only be allowed to be provided when the State itself is not doing it.

So this amendment was two parts: to better help the localities to apply, and then best practices.

I would like to just say for the record, if I could, Mr. Chairman, that we did try to offer another amendment and it was not allowed in order in the Committee on Rules. But I do think it is important with the gentleman from Ohio (Chairman BOEHNER) and the ranking member, the gentleman from California (Mr. GEORGE MILLER), here on the floor, to just state for the record that in a State like Ohio, which ranks at the bottom in terms of drawdowns of these funds, I really hope that as this bill is perfected, as it moves over to the other body and through conference,

that some thought might be given to the accounting aspect of our funds, the Federal funds that are sent to the States, and to require quarterly reports, and also to differentiate between allocations to the State and actual expenditures by the State and the local counties.

Believe me, its impossible to get this information. We cannot even obtain it for a State like our own from the Department of Labor. We asked the General Accounting Office to become involved in this. Even they have not been able to obtain these numbers.

Frankly, I would like to strongly recommend to the committee that if dollars have not been spent by the States that there be a pass-through to the localities, so that our counties that are dealing with unemployed people and people needing training every day would have the flexibility to expend funds that, for whatever reason, seem to be getting lost or stored at the State capital level and never really getting down to those who need to establish contracts for trading with those who are unemployed.

Mr. Chairman, although this amendment does not deal with that, I would ask Members for strong consideration of the amendment that does require technical assistance to be given by the Department of Labor if the States are not doing it and also to establish this best-practices opportunity at the Department of Labor, so people can learn across our country, from one State to another, from one county to another, and strongly urge the committee to think about requiring strict accounting of these dollars, with quarterly reports and differentiating between expenditures and allocations, and then, if the State is not spending the money, allowing the locality to receive the pass-through of those funds.

I would ask for support of this amendment.

The CHAIRMAN. Does any Member claim the time in opposition?

Mr. BOEHNER. Mr. Chairman, I ask unanimous consent to claim the time in opposition, even though I am not opposed to the gentlewoman's amendment.

The CHAIRMAN. Without objection, the gentleman from Ohio (Mr. BOEHNER) is recognized for 5 minutes.

There was no objection.

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

Mr. Chairman, let me ask my colleagues to support the gentlewoman from Ohio's amendment. I think for those States that do not provide the technical assistance to the local boards, they need that help, especially in terms of the financial integrity of the funds that they are dealing with. I do believe that the Department is in a position to do that. I would obviously think the sharing of best practices, that forum needs to occur, and somewhere at the Department of Labor is the most likely place for it to occur.

I should note with regard to the other amendment that the gentle-

woman had offered that was not made in order under the rule dealing with the financial integrity of the monies that move from here to the States, that we do clarify the issue of obligations versus expenditures, which we think is an important step in ensuring that there is a clear picture of what the drawdown numbers are, which today I do not think is as clear as it could be.

We will continue to work with the gentlewoman as we get into conference at some point with the Senate in terms of ensuring that these Federal funds are used for their intended purpose.

With that, I would urge my colleagues to support the gentlewoman's amendment.

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

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

Mr. Chairman, let me just thank the chairman very much for his openness to these amendments and for working on this with us to perfect the legislation as it moves through the process. I am very grateful for that and grateful to the gentleman from California (Mr. GEORGE MILLER), the gentleman from Michigan (Mr. KILDEE), and the Committee on Rules.

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

The CHAIRMAN. All time having expired, the question is on the amendment offered by the gentlewoman from Ohio (Ms. KAPTUR).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. VITTER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Louisiana (Mr. VITTER) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 423, noes 0, not voting 11, as follows:

[Roll No. 173]

AYES—423

Abercrombie	Bereuter	Boyd
Ackerman	Berkley	Bradley (NH)
Aderholt	Berman	Brady (PA)
Akin	Berry	Brady (TX)
Alexander	Biggert	Brown (OH)
Allen	Bilirakis	Brown (SC)
Baca	Bishop (GA)	Brown, Corrine
Bachus	Bishop (NY)	Brown-Waite,
Baird	Bishop (UT)	Ginny
Baker	Blackburn	Burgess
Baldwin	Blumenauer	Burns
Ballance	Blunt	Burr
Ballenger	Boehert	Burton (IN)
Barrett (SC)	Boehner	Buyer
Bartlett (MD)	Bonilla	Calvert
Barton (TX)	Bonner	Camp
Bass	Bono	Cannon
Beauprez	Boozman	Cantor
Becerra	Boswell	Capito
Bell	Boucher	Capps

Capuano
 Cardin
 Cardoza
 Carson (IN)
 Carson (OK)
 Carter
 Case
 Castle
 Chabot
 Chocola
 Clay
 Clyburn
 Coble
 Cole
 Collins
 Cooper
 Costello
 Cox
 Cramer
 Crane
 Crenshaw
 Crowley
 Cubin
 Culberson
 Cummings
 Cunningham
 Davis (AL)
 Davis (CA)
 Davis (FL)
 Davis (IL)
 Davis (TN)
 Davis, Jo Ann
 Davis, Tom
 Deal (GA)
 DeFazio
 DeGette
 Delahunt
 DeLauro
 DeMint
 Deutsch
 Diaz-Balart, L.
 Diaz-Balart, M.
 Dicks
 Doggett
 Dooley (CA)
 Doolittle
 Doyle
 Dreier
 Duncan
 Dunn
 Edwards
 Ehlers
 Emanuel
 Emerson
 Engel
 English
 Eshoo
 Etheridge
 Evans
 Everett
 Farr
 Fattah
 Ferguson
 Filner
 Flake
 Fletcher
 Foley
 Forbes
 Ford
 Fossella
 Frank (MA)
 Franks (AZ)
 Frelinghuysen
 Frost
 Gallegly
 Garrett (NJ)
 Gerlach
 Gibbons
 Gilchrest
 Gillmor
 Gingrey
 Gonzalez
 Goode
 Goodlatte
 Gordon
 Granger
 Graves
 Green (TX)
 Green (WI)
 Greenwood
 Grijalva
 Gutierrez
 Gutknecht
 Hall
 Harman
 Harris
 Hart
 Hastings (FL)
 Hastings (WA)

Hayes
 Hayworth
 Hefley
 Hensarling
 Herger
 Hill
 Hinchey
 Hinojosa
 Hobson
 Hoeffel
 Hoekstra
 Holden
 Holt
 Honda
 Hooley (OR)
 Hostettler
 Houghton
 Hoyer
 Hulshof
 Hunter
 Hyde
 Insole
 Isakson
 Israel
 Issa
 Istook
 Jackson (IL)
 Jackson-Lee
 (TX)
 Janklow
 Jefferson
 Jenkins
 John
 Johnson (CT)
 Johnson (IL)
 Johnson, E. B.
 Johnson, Sam
 Jones (NC)
 Jones (OH)
 Kanjorski
 Kaptur
 Keller
 Kelly
 Kennedy (MN)
 Kennedy (RI)
 Kildee
 Kilpatrick
 Kind
 King (IA)
 King (NY)
 Kingston
 Kirk
 Kleczka
 Kline
 Knollenberg
 Kolbe
 Kucinich
 LaHood
 Lampson
 Langevin
 Lantos
 Larsen (WA)
 Larson (CT)
 Latham
 LaTourette
 Leach
 Lee
 Levin
 Lewis (CA)
 Lewis (GA)
 Lewis (KY)
 Linder
 Lipinski
 LoBiondo
 Lofgren
 Lowey
 Lucas (KY)
 Lucas (OK)
 Lynch
 Majette
 Maloney
 Manzullo
 Markey
 Marshall
 Matheson
 Matsui
 McCarthy (MO)
 McCarthy (NY)
 McCollum
 McCotter
 McCreery
 McDermott
 McGovern
 McHugh
 McInnis
 McIntyre
 McKeon
 McNulty
 Meehan

Meek (FL)
 Meeks (NY)
 Menendez
 Mica
 Michaud
 Millender-
 McDonald
 Miller (FL)
 Miller (MI)
 Miller (NC)
 Miller, George
 Mollohan
 Moore
 Moran (KS)
 Moran (VA)
 Murphy
 Murtha
 Musgrave
 Myrick
 Nadler
 Napolitano
 Neal (MA)
 Nethercutt
 Ney
 Northup
 Norwood
 Nunes
 Nussle
 Oberstar
 Obey
 Olver
 Ortiz
 Osborne
 Ose
 Otter
 Owens
 Oxley
 Pallone
 Pascarell
 Pastor
 Paul
 Payne
 Pearce
 Pelosi
 Pence
 Peterson (MN)
 Peterson (PA)
 Petri
 Pickering
 Pitts
 Platts
 Pombo
 Pomeroy
 Porter
 Portman
 Price (NC)
 Pryce (OH)
 Putnam
 Quinn
 Radanovich
 Rahall
 Ramstad
 Rangel
 Regula
 Rehberg
 Renzi
 Reyes
 Reynolds
 Rodriguez
 Rogers (AL)
 Rogers (KY)
 Rogers (MI)
 Ros-Lehtinen
 Ross
 Rothman
 Roybal-Allard
 Royce
 Rumpert
 Rush
 Ryan (OH)
 Ryan (WI)
 Ryun (KS)
 Sabo
 Sanchez, Linda
 T.
 Sanchez, Loretta
 Sanders
 Sandlin
 Saxton
 Schakowsky
 Schiff
 Scott (GA)
 Scott (VA)
 Sensenbrenner
 Serrano
 Sessions
 Shadegg
 Shaw
 Shays

Walden (OR)
 Walsh
 Wamp
 Waters
 Watson
 Watt
 Waxman
 Weiner
 Weldon (FL)
 Weldon (PA)
 Weller
 Wexler
 Whitfield
 Wicker
 Wilson (NM)
 Wilson (SC)
 Wolf
 Woolsey
 Wu
 Wynn
 Young (AK)
 Young (FL)

The amendment was agreed to.
 The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.
 The bill was ordered to be engrossed and read a third time, and was read the third time.
 MOTION TO RECOMMIT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA
 Mr. GEORGE MILLER of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?
 Mr. GEORGE MILLER of California. I am, Mr. Speaker.
 The SPEAKER pro tempore. The Clerk will report the motion to recommit.
 The Clerk read as follows:
 Mr. George Miller of California moves to recommit the bill H.R. 1261 to the Committee on Education and the Workforce with instructions to report the same back to the House promptly with an amendment that will achieve the policy of providing direct spending for 26 weeks of income support for unemployed individuals who have exhausted regular unemployment benefits and an additional 13 weeks of income support for individuals who have exhausted their Federal extended unemployment benefits, through the Workforce Investment Act in a manner equivalent to the receipt of Federal extended unemployment insurance benefits.

□ 1445
 The SPEAKER pro tempore (Mr. LATOURETTE). Pursuant to the rule, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes in support of his motion.
 Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, this week in the Committee on Ways and Means we attempted to offer this amendment to extend unemployment insurance benefits for those people who are going to lose their benefits at the end of this month.
 That bill will spend \$550 billion but does not provide one penny for those people who are going to lose their unemployment insurance benefits at the end of this month. Every prior recession we have extended Federal unemployment benefits for far longer than we have in this recession even though this recession is deeper than the prior recessions.

Mr. Speaker, in the next 6 months if we do not extend Federal unemployment insurance, 2 million of our fellow citizens are going to exhaust their State benefits. We have already seen 1 million of our citizens exhaust their extended benefits. What this motion simply does is we should be extending Federal unemployment insurance by 26 weeks and for those who have exhausted their benefits under the Federal system, an additional 13 weeks.
 Mr. Speaker, the money is in the Federal unemployment trust account to pay for this; \$21 billion is there. The money is there just for that reason, for

NOT VOTING—11

Andrews
 Combest
 Conyers
 DeLay
 Dingell
 Feeney
 Gephardt
 Goss
 Miller, Gary
 Rohrabacher
 Schrock

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised there are 2 minutes left to vote.

□ 1440

Ms. DELAURO changed her vote from "no" to "aye."
 So the amendment was agreed to.
 The result of the vote was announced as above recorded.
 Stated for:

Mr. GOSS. Mr. Chairman, on rollcall No. 173, I was unavoidably detained. Had I been present, I would have voted "aye."

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LATOURETTE) having assumed the chair, Mr. LAHOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1261) to enhance the workforce investment system of the Nation by strengthening one-stop career centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment, training, and related services, establishing a targeted approach to serving youth, and improving performance accountability, and for other purposes, pursuant to House Resolution 221, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

a recession. We should do it. For those who are interested in helping stimulate the economy, the study by the Department of Labor found that every dollar of unemployment benefits generated \$2.15 of economic activity. It is the right policy to do. It will help our economy. We have done it in the past on a bipartisan basis. We are going to use every opportunity we can. We have to do this before the end of this month.

I urge my colleagues to support the motion to recommit so that we can move forward to help the unemployed in our community.

Mr. Speaker, I thank the gentleman for yielding me time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. KILDEE).

Mr. KILDEE. Mr. Speaker, this motion responds to the economic realities that American families are facing today. We have 8.8 million individuals who are out of work. We have a growing budget deficit of about a half trillion dollars. Most alarming is the fact that three unemployed individuals are competing for every job.

In light of these dire economic conditions, this motion responds to America's needs by extending UI benefits. This motion would extend UI benefits for 26 weeks for newly unemployed workers and 13 weeks for those who have exhausted their benefits. Mr. Speaker, over 42 percent of those individuals who have exhausted their benefits are still unemployed under the present economic conditions.

Mr. Speaker, nearly 9 million workers are unemployed. The current UI extension expires at the end of this month, only 24 days from now. Where is the compassion of this House? How can we leave our Nation's families guessing as to when their next meal will be coming?

Mr. Speaker, this motion deserves the support of the House today.

The SPEAKER pro tempore. The gentleman from California (Mr. GEORGE MILLER) has 2½ minutes remaining on this motion.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this amendment would have the effect of providing an equivalent of 26 weeks of unemployment insurance to individuals who have exhausted both their State and their Federal extended benefits. The importance of this amendment is that it can provide a certainty to those people who are going to exhaust their benefits to know that these benefits will be there. We have tried in the Committee on Ways and Means yesterday to offer an amendment to send a message to these families. It was rejected. We tried in our committee. It was rejected. We tried in the Committee on Rules last night. It was rejected.

None of you, if you were in the situation of these families, would want to be taken up to the eve of the exhaustion

of your benefits or, as we did a few months ago, we went past the exhaustion of the benefits. They exhausted on the 31st, and we went into January before we approved those benefits.

We owe it to these families. These families were working before their job disappeared. They are trying to provide for their families. They are trying to provide for their health care. They are trying to provide for their education and keep their house and keep their car. The least we can do is let them know in advance, but so far the Republican leadership has refused to do that.

The administration claims that they are still debating on whether or not they will extend the unemployment benefits upon exhaustion. Every member of our committee voted for this amendment. Every member of our committee on our side of the aisle spoke for this amendment because it is a compassionate thing to do. It is a decent thing to do, and it is a smart economical thing to do because this money to these families will enable them to participate in the economy and put demand into the economy. It is the minimum that we can do. We would like to just have a simple extension of the unemployment benefits, but so far there has been a deaf ear on the other side of the aisle on that matter.

So we would like to have this motion to recommit to succeed, to go back and to extend the equivalent of those 26 weeks to those individuals and to those families that are in dire straits. A million more families have exhausted their benefits than at this time in the last recession. The severity and the duration of this economic downturn is such, and this administration has yet to take a single step, a single step to help create jobs in this country, to help create the benefits for these individuals that they need.

That is what this amendment helps us to address. The first plan of this administration was a massive failure. They passed their big tax cut, a trillion dollars, and we have lost 2½ million jobs. We cannot just do more of the same. The American families that are under this economic stress in this job market in this lousy economy deserve better.

Mr. BOEHNER. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. BOEHNER) is recognized for 5 minutes.

Mr. BOEHNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before us is about helping job seekers find meaningful employment. And we know the one-stop shops have worked. And the underlying bill seeks to fine-tune that process, to make it more effective in helping more people find and keep meaningful employment.

Now, the motion to recommit is about the issue of unemployment insurance, something that is not in the purview of our committee. Now, Members in this House on both sides of the

aisle have worked together to extend unemployment benefits on a regular basis, and I have full confidence that we will continue to do that if the need persists.

We are going to continue to meet our commitment and our resolve in this Congress to help those who are in fact unemployed. But let me just point out that if anyone thinks that the motion to recommit is going to result in one unemployed worker getting one additional dollar this year, they are wrong. This does not extend unemployment insurance through the unemployment insurance system. It would take the money and send it to the local one-stops, who have no system for distributing unemployment, and require them to distribute the money.

I will guarantee you there is not one dime that would flow to one unemployed worker within 2 years under this mechanism that was set up within the rules of the House in order to try to get this issue on the table today.

And if there is something that is even worse than that, in the motion to recommit it refers it back to the committee and we are promptly to deal with it. For those of you who are not that familiar with the nuance, that means the bill is dead forever.

Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding me time.

We are the committee that will deal with the issue. And the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce, is correct, this motion to recommit says promptly, not forthwith. That means that everything they said means absolutely nothing, or perhaps that is too drastic a statement. When they said that they are going to have spending for 26 weeks, that is a bubble; and if you touch it, it bursts. When they said they are going to provide an additional 18 weeks of income support, that is a bubble; and if you touch it, it bursts, because the underlying structure of this motion to recommit kills the bill. That is what this motion to recommit does. No one will lose their unemployment payment, currently unemployed, all the way through August.

The gentleman from Maryland was correct, there are sufficient funds. The Committee on Ways and Means will act. The problem is they want to create a phony issue at a phony time so that they can act like they are going to do something. What they propose to do is blow bubbles. We propose to act and solve the problem. Vote "yes" on the motion to recommit, you kill the bill. Vote "no" and you will get an addressing of this problem in an appropriate time frame.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GEORGE MILLER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic votes on the question of final passage and on the motion to suspend the rules and agree to House Resolution 213.

The vote was taken by electronic device, and there were—yeas 202, nays 223, not voting 9, as follows:

[Roll No. 174]

YEAS—202

Abercrombie Hastings (FL)
Ackerman Hill
Alexander Hinchey
Allen Hinojosa
Baca Hoeffel
Baird Holden
Baldwin Holt
Ballance Honda
Becerra Hooley (OR)
Bell Hoyer
Berkley Inslee
Berman Israel
Berry Jackson (IL)
Bishop (GA) Jackson-Lee
Bishop (NY) (TX)
Blumenauer Jefferson
Boswell John
Boucher Johnson, E. B.
Boyd Jones (OH)
Brady (PA) Kanjorski
Brown (OH) Kaptur
Brown, Corrine Kennedy (RI)
Capps Kildee
Capuano Kilpatrick
Cardin Kind
Cardoza Kleczka
Carson (IN) Kucinich
Carson (OK) Lampson
Case Langevin
Clay Lantos
Clyburn Larsen (WA)
Conyers Larson (CT)
Cooper Lee
Costello Levin
Cramer Lewis (GA)
Crowley Lipinski
Cummings Lofgren
Davis (AL) Lowey
Davis (CA) Lucas (KY)
Davis (FL) Lynch
Davis (IL) Majette
Davis (TN) Maloney
DeFazio Markey
DeGette Marshall
Delahunt Matheson
DeLauro Matsui
Deutsch McCarthy (MO)
Dicks McCarthy (NY)
Doggett McCollum
Doolley (CA) McDermott
Doyle McGovern
Edwards McIntyre
Emanuel McNulty
Engel Meehan
Eshoo Meek (FL)
Etheridge Meeks (NY)
Evans Menendez
Farr Michaud
Fattah Millender-
Filner McDonald
Ford Miller (NC)
Frank (MA) Miller, George
Frost Mollohan
Gonzalez Moore
Gordon Moran (VA)
Green (TX) Murtha
Grijalva Nadler
Gutierrez Napolitano
Harman Neal (MA)

Aderholt Gibbons
Akin Gilchrest
Bachus Gillmor
Baker Gingrey
Ballenger Goode
Barrett (SC) Goodlatte
Bartlett (MD) Goss
Barton (TX) Granger
Bass Graves
Beauprez Green (WI)
Bereuter Greenwood
Biggert Gutknecht
Bilirakis Hall
Bishop (UT) Harris
Blackburn Hart
Blunt Hastings (WA)
Boehlert Hayes
Boehner Hayworth
Bonilla Hefley
Bonner Hensarling
Bono Hobson
Boozman Hoekstra
Bradley (NH) Hostettler
Brady (TX) Houghton
Brown (SC) Hulshof
Brown-Waite, Hunter
Ginny Hyde
Burgess Isakson
Burns Issa
Burr Istook
Burton (IN) Janklow
Buyer Jenkins
Calvert Johnson (CT)
Camp Johnson (IL)
Cannon Johnson, Sam
Cantor Jones (NC)
Capito Keller
Carter Kelly
Castle Kennedy (MN)
Chabot King (IA)
Chocola King (NY)
Coble Kingston
Cole Kirk
Collins Kline
Cox Knollenberg
Crane Kolbe
Crenshaw LaHood
Cubin Latham
Culberson LaTourette
Leach
Davis, Jo Ann Lewis (CA)
Davis, Tom Lewis (KY)
Deal (GA) Linder
DeMint LoBiondo
Diaz-Balart, L. Lucas (OK)
Diaz-Balart, M. Manullo
Doolittle McCotter
Dreier McCreery
Duncan McHugh
Dunn McInnis
Ehlers McKeon
Emerson Mica
English Miller (FL)
Everett Miller (MI)
Ferguson Moran (KS)
Flake Murphy
Fletcher Musgrave
Foley Myrick
Forbes Nethercutt
Fossella Ney
Franks (AZ) Northup
Frelinghuysen Norwood
Gallegly Nunes
Garrett (NJ) Nussle
Gerlach Osborne

NOT VOTING—9

Andrews Dingell
Combest Feeney
DeLay Gephardt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore (Mr. LATOURETTE) (during the vote). The Chair would advise all Members there are 2 minutes left in this vote, approximately 2 minutes.

□ 1515

Mr. JOHNSON of Illinois changed his vote from “yea” to “nay.”
Mrs. MALONEY changed her vote from “nay” to “yea.”
So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. KILDEE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.
The SPEAKER pro tempore. This will be a 5-minute vote followed by a second 5-minute vote on a motion to suspend the rules.

The vote was taken by electronic device, and there were—aye 220, noes 204, not voting 10, as follows:

[Roll No. 175]

AYES—220

Aderholt Garrett (NJ)
Akin Gerlach
Bachus Gibbons
Baker Gilchrest
Ballenger Gillmor
Barrett (SC) Gingrey
Bartlett (MD) Goode
Barton (TX) Goodlatte
Bass Goss
Beauprez Granger
Bereuter Graves
Biggert Green (WI)
Bilirakis Greenwood
Bishop (UT) Gutknecht
Blackburn Hall
Blunt Harris
Boehlert Hart
Boehner Hastings (WA)
Bonilla Hayes
Bonner Hayworth
Bono Hensarling
Boozman Herger
Bradley (NH) Hobson
Brady (TX) Hoekstra
Brown (SC) Hostettler
Brown-Waite, Houghton
Ginny Hulshof
Burgess Hunter
Burns Hyde
Burr Isakson
Burton (IN) Issa
Buyer Istook
Calvert Janklow
Camp Jenkins
Cannon Johnson (CT)
Cantor Johnson (IL)
Capito Johnson, Sam
Carter Keller
Castle Kelly
Chabot Kennedy (MN)
Chocola King (IA)
Coble King (NY)
Cole Kingston
Collins Kirk
Cox Kline
Cramer Knollenberg
Crane Kolbe
Crenshaw LaHood
Cubin Latham
Culberson LaTourette
Cunningham Leach
Davis, Jo Ann Lewis (CA)
Davis, Tom Lewis (KY)
Deal (GA) Linder
DeMint LoBiondo
Diaz-Balart, L. Lucas (KY)
Diaz-Balart, M. Manullo
Doolittle Marshall
Dreier McCotter
Dunn McCreery
Ehlers McHugh
Emerson McInnis
Everett Mica
Ferguson Miller (FL)
Fletcher Miller (MI)
Foley Moran (KS)
Forbes Murphy
Fossella Musgrave
Franks (AZ) Myrick
Frelinghuysen Nethercutt
Gallegly

Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pearce
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Porter
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Saxton
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Simpson
Souders
Stearns
Sullivan
Sweeney
Tancred
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Weldon (FL)
Weldon (FL)
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

Weller Wilson (NM)
Whitfield Wilson (SC)
Wicker Wolf

NOES—204

Abercrombie Hastings (FL) Neal (MA)
Ackerman Hefley Oberstar
Alexander Hill Obey
Allen Hinchey Olver
Baca Hinojosa Ortiz
Baird Hoeffel Owens
Baldwin Holden Pallone
Ballance Holt Pascrell
Becerra Honda Pastor
Bell Hooley (OR) Paul
Berkley Hoyer Payne
Berman Insee Pelosi
Berry Israel Pomeroy
Bishop (GA) Jackson (IL) Price (NC)
Bishop (NY) Jackson-Lee Rahall
Blumenauer (TX) Rangel
Boswell Jefferson Reyes
Boucher John Rodriguez
Boyd Johnson, E. B. Ross
Brady (PA) Jones (NC) Rothman
Brown (OH) Jones (OH) Roybal-Allard
Brown, Corrine Kanjorski Ruppberger
Capps Kaptur Rush
Capuano Kennedy (RI) Ryan (OH)
Cardin Kildee Sabo
Cardoza Kilpatrick Sanchez, Linda
Carson (IN) Kind T.
Carson (OK) Kleczka Sanchez, Loretta
Case Kucinich Sanders
Clay Lampson Sandlin
Conyers Conyers Schakowsky
Cooper Lantos Schiff
Costello Larsen (WA) Scott (GA)
Crowley Larson (CT) Scott (VA)
Cummings Lee Sensenbrenner
Davis (AL) Levin Serrano
Davis (CA) Lewis (GA) Sherman
Davis (FL) Lipinski Skelton
Davis (IL) Lofgren Slaughter
Davis (TN) Lowey Smith (WA)
DeFazio Lynch Snyder
DeGette Majette Solis
Delahunt Maloney Spratt
DeLauro Markey Stark
Deutsch Matheson Strickland
Dicks Matsui Stupak
Doggett McCarthy (MO) Tancredo
Dooley (CA) McCarthy (NY) Tanner
Doyle McCollum Tauscher
Duncan McDermott Thompson (CA)
Edwards McGovern Thompson (MS)
Engel McIntyre Tierney
English McNulty Towns
Eshoo Meehan Turner (TX)
Etheridge Meek (FL) Udall (CO)
Evans Meeks (NY) Udall (NM)
Farr Menendez Van Hollen
Fattah Michaud Velazquez
Filner Millender Vislosky
Flake McDonald Wamp
Ford Miller (NC) Waters
Frank (MA) Miller, George Watson
Frost Mollohan Watt
Gonzalez Moore Waxman
Gordon Moran (KS) Weir
Green (TX) Moran (VA) Wexler
Grijalva Murtha Woolsey
Gutierrez Nadler Wu
Harman Napolitano Wynn

NOT VOTING—10

Andrews Dingell Miller, Gary
Clyburn Emanuel Schrock
Combest Feeney
DeLay Gephardt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1523

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. EMANUEL. Mr. Speaker, on rollcall No. 175, I was unavoidably detained. Had I been present, I would have voted "no."

EXPRESSING THE SENSE OF THE HOUSE OF REPRESENTATIVES THAT PUBLIC SERVICE EMPLOYEES SHOULD BE COMMENDED FOR THEIR DEDICATION AND SERVICE TO THE NATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 213.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MURPHY) that the House suspend the rules and agree to the resolution, H. Res. 213, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 418, nays 0, not voting 16, as follows:

[Roll No. 176]

YEAS—418

Abercrombie Castle
Ackerman Chabot
Aderholt Chocola
Akin Clay
Alexander Coble
Allen Cole
Baca Collins
Bachus Conyers
Baird Cooper
Baker Costello
Baldwin Cox
Ballance Cramer
Ballenger Crane
Barrett (SC) Crenshaw
Bartlett (MD) Crowley
Barton (TX) Cubin
Bass Culberson
Beauprez Cummings
Becerra Cunningham
Bell Davis (AL)
Bereuter Davis (CA)
Berkley Davis (FL)
Berry Davis (IL)
Biggart Davis (TN)
Bilirakis Davis, Jo Ann
Bishop (GA) Davis, Tom
Bishop (NY) Deal (GA)
Bishop (UT) DeFazio
DeGette DeFazio
Delahunt DeGette
DeLauro Delahunt
Blunt DeLauro
Boehlert DeMint
Boehner Deutsch
Bonilla Diaz-Balart, L.
Bonner Diaz-Balart, M.
Bono Dicks
Boozman Doggett
Boswell Dooley (CA)
Boucher Doyle
Boyd Dreier
Bradley (NH) Duncan
Brady (PA) Dunn
Brady (TX) Edwards
Brown (OH) Ehlers
Brown (SC) Emanuel
Brown, Corrine Emerson
Brown-Waite, Engle
Ginny English
Burgess Eshoo
Burns Etheridge
Burr Evans
Burton (IN) Everett
Buyer Farr
Calvert Fattah
Camp Ferguson
Cannon Filner
Cantor Flake
Capito Fletcher
Capps Forbes
Capuano Ford
Cardin Fossella
Cardoza Frank (MA)
Carson (IN) Franks (AZ)
Carson (OK) Frelinghuysen
Carter Frost
Case Keller

Kelly Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender
McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick

NOT VOTING—16

Andrews Doolittle Miller, Gary
Berman Feeney Northup
Clyburn Gephardt Putnam
Combest Greenwood Schrock
DeLay Kaptur
Dingell McCrery

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1530

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sanchez, Linda
T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Reyes
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Vislosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)