

103^D CONGRESS
2^D SESSION

H. R. 5166

To establish a comprehensive program for worker reemployment, to facilitate the establishment of one-stop career systems to serve as a common point of access to employment, education, and training information and services, to establish a national labor market information program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 1994

Mr. FORD of Michigan (for himself and Mr. WILLIAMS) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To establish a comprehensive program for worker reemployment, to facilitate the establishment of one-stop career systems to serve as a common point of access to employment, education, and training information and services, to establish a national labor market information program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Reemployment Act of 1994”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Purposes.
- Sec. 3. Authorization of appropriations.
- Sec. 4. Definitions.

TITLE I—COMPREHENSIVE PROGRAM FOR WORKER
REEMPLOYMENT

- Sec. 101. Allotment.
- Sec. 102. Recapture and reallocation of unexpended funds.
- Sec. 103. Eligibility for services.

Subtitle A—State and Substate Delivery System

- Sec. 111. State administration and oversight.
- Sec. 112. Designation and functions of State dislocated worker unit.
- Sec. 113. Development and maintenance of State and local labor market information program.
- Sec. 114. Coordination with worker profiling and retraining income support programs.
- Sec. 115. State grants for areas of special need, populations in need, and special projects.
- Sec. 116. Establishment of substate administrative structure.
- Sec. 117. Services to be provided to eligible individuals.
- Sec. 118. Certificates of continuing eligibility.

Subtitle B—Federal Service Delivery System

- Sec. 121. Federal reemployment unit.
- Sec. 122. National discretionary grant program.
- Sec. 123. Disaster relief employment assistance.
- Sec. 124. Evaluation, research, and demonstrations.
- Sec. 125. Capacity building and technical assistance.
- Sec. 126. Federal bypass authority.

Subtitle C—Performance Standards and Quality Assurance Systems

- Sec. 131. Performance standards.
- Sec. 132. Customer feedback.
- Sec. 133. Eligibility requirements for providers of education and training services.

Subtitle D—Program Requirements

- Sec. 141. General requirements.
- Sec. 142. Benefits.
- Sec. 143. Labor standards.
- Sec. 144. Grievance procedure.

Subtitle E—Fiscal Administrative Provisions

- Sec. 151. Program year.
- Sec. 152. Prompt allocation of funds.
- Sec. 153. Monitoring.

- Sec. 154. Fiscal controls and sanctions.
- Sec. 155. Reports, recordkeeping, and investigations.
- Sec. 156. Administrative adjudication.
- Sec. 157. Nondiscrimination.
- Sec. 158. Judicial review.
- Sec. 159. Administrative provisions.
- Sec. 160. Obligational authority.

Subtitle F—Consolidation Provisions

- Sec. 171. Repealers.
- Sec. 172. Conforming amendments.
- Sec. 173. Transition.

TITLE II—ONE-STOP CAREER SYSTEM FOR EMPLOYMENT AND TRAINING

- Sec. 201. Purpose.

Subtitle A—Basic System Components

- Sec. 211. General requirements.
- Sec. 212. Integration of employment and training programs component.
- Sec. 213. Customer choice component.
- Sec. 214. Universal access component.
- Sec. 215. Accountability component.

Subtitle B—Grants to States

- Sec. 221. Purpose.
- Sec. 222. Authorization.
- Sec. 223. Application.
- Sec. 224. Review of application.
- Sec. 225. Use of amounts.
- Sec. 226. Reports.

Subtitle C—Federal Grants to One-Stop Service Areas

- Sec. 231. Purpose.
- Sec. 232. Authorization.
- Sec. 233. Application.
- Sec. 234. Review of application.
- Sec. 235. Use of amounts.
- Sec. 236. Reports.

Subtitle D—Administrative Requirements

- Sec. 241. Establishment of substate administrative structure.
- Sec. 242. Participating programs.
- Sec. 243. Services.
- Sec. 244. One-stop service providers.
- Sec. 245. Operating agreements.
- Sec. 246. Additional State responsibilities.
- Sec. 247. State human resource investment council.
- Sec. 248. Pooling of administrative resources.
- Sec. 249. Labor standards.

Subtitle E—Waiver of Statutory and Regulatory Requirements

- Sec. 251. State, local consortium, and Native American tribal entity requests and responsibilities for waivers.
- Sec. 252. Waiver authority.

Subtitle F—National Programs

- Sec. 261. Oversight.
- Sec. 262. Performance standards and evaluation.
- Sec. 263. Capacity building and technical assistance.
- Sec. 264. Interagency task force relating to waiver requests.

TITLE III—NATIONAL LABOR MARKET INFORMATION PROGRAM FOR STATES AND LOCALITIES

- Sec. 301. Purposes.
- Sec. 302. National strategy.
- Sec. 303. Components of program.
- Sec. 304. Coordination.

TITLE IV—TECHNICAL PROVISIONS

- Sec. 401. Effective date.
- Sec. 402. Sunset.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to better integrate the existing unemploy-
4 ment system into a comprehensive, universal, high-
5 quality system for reemployment so that this system
6 can effectively serve structurally unemployed individ-
7 uals as well as individuals on temporary layoffs;

8 (2) to promote equity and efficiency by consoli-
9 dating the major Federal programs for dislocated
10 workers into a comprehensive program for all indi-
11 viduals who have been permanently laid off regard-
12 less of the cause of dislocation;

13 (3) to facilitate effective, quality training for
14 permanently laid-off workers who want and need
15 such training;

1 (4) to provide customer-centered, high-quality
2 employment and training services that give dis-
3 located workers the tools to make informed career
4 and training choices;

5 (5) to provide universal access to basic reem-
6 ployment services, including assessment of skill lev-
7 els and service needs, labor market information, and
8 job search assistance;

9 (6) to begin to integrate the current employ-
10 ment and training system in the United States by
11 replicating and expanding the innovative efforts of
12 States and localities to provide comprehensive, one-
13 stop reemployment and training systems; and

14 (7) to create a National Labor Market Informa-
15 tion Program that gives employers, training provid-
16 ers, students, job seekers, and employees high-qual-
17 ity and timely data on the local economy, labor mar-
18 ket, and other occupational information.

19 **SEC. 3. AUTHORIZATION OF APPROPRIATIONS.**

20 (a) TITLE I.—There are authorized to be appro-
21 priated to carry out title I—

22 (1) \$1,465,000,000 for fiscal year 1995; and

23 (2) such sums as may be necessary for each
24 succeeding fiscal year.

1 (b) TITLES II AND III.—There are authorized to be
2 appropriated to carry out titles II and III—

3 (1) \$250,000,000 for each of the fiscal years
4 1995 through 1999; and

5 (2) such sums as may be necessary for each of
6 the fiscal years 2000 through 2003.

7 **SEC. 4. DEFINITIONS.**

8 For the purposes of this Act, the following definitions
9 apply:

10 (1) COMMUNITY-BASED ORGANIZATIONS.—The
11 term “community-based organizations” has the
12 meaning given such term in section 4(5) of the Job
13 Training Partnership Act (29 U.S.C. 1503(5)).

14 (2) DISPLACED HOMEMAKERS.—The term “dis-
15 placed homemakers” has the meaning given such
16 term in section 4(29) of the Job Training Partner-
17 ship Act (29 U.S.C. 1503(29)).

18 (3) EMPLOYER.—

19 (A) IN GENERAL.—The term “em-
20 ployer”—

21 (i) means any person engaged in any
22 activity, business or industry in commerce
23 or affecting commerce that employs an in-
24 dividual;

1 (ii) includes any person who acts, di-
2 rectly or indirectly, in the interest of an
3 employer in relation to any of the employ-
4 ees of such employer; and

5 (iii) includes any public agency (as de-
6 fined in section 3(x) of the Fair Labor
7 Standards Act, 29 U.S.C. 203(x)).

8 (B) COMMERCE.—The term “commerce”
9 means trade, traffic, commerce, transportation,
10 or communication among the several States, or
11 between the District of Columbia or any Terri-
12 tory of the United States and any State or
13 other Territory, or between any foreign country
14 and any State, Territory, or the District of Co-
15 lumbia, or within the district of Columbia or
16 any Territory, or between points in the same
17 State but through any other State or any Terri-
18 tory or the District of Columbia or any foreign
19 country.

20 (C) AFFECTING COMMERCE.—The term
21 “affecting commerce” means in commerce, or
22 burdening or obstructing commerce or the free
23 flow of commerce.

24 (D) SUCCESSOR EMPLOYER.—An employer
25 is a “successor employer” if, based on the facts

1 and circumstances, on balance after applying at
2 least the following criteria, and consistent with
3 any regulations promulgated by the Secretary
4 of Labor, the employer has substantially as-
5 sumed the employment-related responsibilities
6 of another employer:

7 (i) Substantial continuity of the same
8 business operations.

9 (ii) Use of the same plant, common
10 facility, or work site.

11 (iii) Continuity of the work force.

12 (iv) Similarity of jobs and working
13 conditions.

14 (v) Similarity of supervisory person-
15 nel.

16 (vi) Similarity in machinery, equip-
17 ment, and productions methods.

18 (vii) Similarity of products or services.

19 (E) TREATMENT OF COMMON EMPLOY-
20 MENT.—The Secretary of Labor shall promul-
21 gate regulations regarding responsibilities of
22 employers in the case of common employment
23 of an employee by such employers.

24 (4) GOVERNOR.—The term “Governor” means
25 the chief executive of any State.

1 (5) LABOR MARKET AREA.—The term “labor
2 market area” has the meaning given such term in
3 section 4(13) of the Job Training Partnership Act
4 (29 U.S.C. 1503(13)).

5 (6) LOCAL ELECTED OFFICIAL.—The term
6 “local elected official” means the chief elected execu-
7 tive officer of a unit of general local government.

8 (7) NONTRADITIONAL EMPLOYMENT.—The
9 term “nontraditional employment” as applied to
10 women refers to occupations or fields of work where
11 women comprise less than 25 percent of the individ-
12 uals employed in such occupation or field of work.

13 (8) PRIVATE INDUSTRY COUNCIL.—The term
14 “private industry council” means a private industry
15 council established under section 102 of the Job
16 Training Partnership Act (29 U.S.C. 1512).

17 (9) SECRETARY.—The term “Secretary” means
18 the Secretary of Labor.

19 (10) SERVICE DELIVERY AREA.—The term
20 “service delivery area” means an area established
21 under section 101 of the Job Training Partnership
22 Act (29 U.S.C. 1511).

23 (11) SERVICE PROVIDER.—Except as otherwise
24 provided in this Act, the term “service provider”
25 means a public agency, private nonprofit organiza-

1 tion, or private-for-profit entity that provides serv-
2 ices authorized under this Act.

3 (12) STATE.—

4 (A) TITLE I.—For purposes of title I, the
5 term “State” means any of the several States,
6 the District of Columbia, and the Common-
7 wealth of Puerto Rico.

8 (B) TITLES II AND III.—For purposes of
9 titles II and III, the term “State” means each
10 of the several States, the District of Columbia,
11 the Commonwealth of Puerto Rico, the Com-
12 monwealth of the Northern Mariana Islands,
13 American Samoa, Guam, the Virgin Islands, the
14 Federated States of Micronesia, the Republic of
15 the Marshall Islands, and the Republic of
16 Palau.

17 (13) STATE COUNCIL.—The term “State coun-
18 cil” means a State job training coordinating council
19 established under section 122 of the Job Training
20 Partnership Act (29 U.S.C. 1532).

21 (14) STATE HUMAN RESOURCE INVESTMENT
22 COUNCIL.—The term “State Human Resource In-
23 vestment Council” means a council established under
24 section 701 of the Job Training Partnership Act (29
25 U.S.C. 1792).

1 (15) SUBSTATE AREA.—The term “substate
2 area” means a geographic area in a State estab-
3 lished pursuant to section 116(a).

4 (16) SUBSTATE GRANTEE.—The term “substate
5 grantee” means an agency, organization, or consor-
6 tium thereof selected to administer programs pursu-
7 ant to section 116(b).

8 (17) UNIT OF GENERAL LOCAL GOVERN-
9 MENT.—The term “unit of general local govern-
10 ment” means any general purpose political subdivi-
11 sion of a State which has the power to levy taxes
12 and spend funds, as well as general corporate and
13 police powers.

14 **TITLE I—COMPREHENSIVE PRO-**
15 **GRAM FOR WORKER REEM-**
16 **PLOYMENT**

17 **SEC. 101. ALLOTMENT.**

18 (a) ALLOTMENT OF FUNDS.—Of the funds appro-
19 priated pursuant to section 3(a) for any fiscal year, the
20 Secretary shall—

21 (1) allot 75 percent among the States in ac-
22 cordance with subsection (b); and

23 (2) reserve 25 percent to carry out subtitle B,
24 subject to the reservation required by subsection (e).

25 (b) ALLOTMENT AMONG STATES.—

1 (1) IN GENERAL.—Subject to paragraph (2),
2 the Secretary shall allot the amount available in
3 each fiscal year under subsection (a)(1) on the basis
4 of the following factors:

5 (A) One-third of such amount shall be al-
6 lotted among the States on the basis of the rel-
7 ative number of unemployed individuals who re-
8 side in each State as compared to the total
9 number of unemployed individuals in all the
10 States.

11 (B) One-third of such amount shall be al-
12 lotted among the States on the basis of the rel-
13 ative excess number of unemployed individuals
14 who reside in each State as compared to the
15 total excess number of unemployed individuals
16 in all the States. For purposes of this para-
17 graph, the term “excess number” means the
18 number which represents unemployed individ-
19 uals in excess of 4.5 percent of the civilian
20 labor force in the State.

21 (C) One-third of such amount shall be al-
22 lotted among the States on the basis of the rel-
23 ative number of individuals who have been un-
24 employed for 15 weeks or more and who reside

1 in each State as compared to the total number
2 of such individuals in all the States.

3 (2) USE OF DATA RELATING TO PERMANENT
4 LAYOFFS AND PLANT CLOSINGS.—As soon as satis-
5 factory data are available under section 124(b)(3),
6 the Secretary shall allot the amount available in
7 each fiscal year under subsection (a)(1) as follows:

8 (A) 25 percent of such amount shall be al-
9 lotted on the basis of each of the factors de-
10 scribed in subparagraphs (A), (B), and (C) of
11 paragraph (1), respectively, for a total of 75
12 percent of the amount allotted.

13 (B) 25 percent of such amount shall be al-
14 lotted on the basis of the relative number of
15 dislocated workers who reside in each State as
16 compared to the total number of dislocated
17 workers in all States.

18 (3) LIMITATIONS.—

19 (A) MINIMUM PERCENTAGE.—No State
20 shall be allotted less than 90 percent of its al-
21 lotment percentage for the fiscal year preceding
22 the fiscal year for which the determination is
23 made.

24 (B) MAXIMUM PERCENTAGE.—No State
25 shall be allotted more than 130 percent of its

1 allotment percentage for the fiscal year preced-
2 ing the fiscal year for which the determination
3 is made.

4 (C) ALLOTMENT PERCENTAGE.—

5 (i) IN GENERAL.—Except as provided
6 in clause (ii), for purposes of this para-
7 graph the allotment percentage of a State
8 for a fiscal year shall be the percentage of
9 funds allotted to the State under this sub-
10 section.

11 (ii) FISCAL YEAR 1994.—For the pur-
12 poses of this paragraph, the allotment per-
13 centage for fiscal year 1994 shall be the
14 percentage of funds allotted to the State
15 under section 302 of the Job Training
16 Partnership Act (29 U.S.C. 1652).

17 (c) RESERVATIONS FOR STATE ACTIVITIES.—

18 (1) IN GENERAL.—The Governor may reserve
19 not more than 30 percent of the amount allotted to
20 the State under subsection (b) for any fiscal year to
21 carry out State activities. Of such amount allotted to
22 the State—

23 (A) not more than 25 percent may be used
24 to carry out State activities under subtitle A of
25 this title; and

1 (B) not more than 5 percent may be used
2 for the costs of administration of programs au-
3 thorized under this title, as determined by the
4 Secretary.

5 (2) EXCLUSION OF CERTAIN COSTS.—For pur-
6 poses of paragraph (1)(B), the term “costs of ad-
7 ministration of programs authorized under this
8 title” does not include any costs associated with the
9 establishment and operation of the State and local
10 labor market information program under section
11 113.

12 (3) MAINTENANCE OF EFFORT WITH RESPECT
13 TO STATE EMPLOYMENT SERVICE OFFICES.—If
14 amounts reserved under paragraph (1) for a fiscal
15 year are expended for activities of State employment
16 service offices in the State, the Governor shall en-
17 sure that State funds expended for such activities
18 for such fiscal year are not reduced from the amount
19 of State funds expended for such activities for the
20 1993 fiscal year.

21 (d) WITHIN STATE DISTRIBUTION.—

22 (1) ALLOCATION TO SUBSTATE AREAS.—

23 (A) IN GENERAL.—After determining the
24 amounts to be reserved under subsection (c),
25 the Governor shall allocate the remainder of the

1 amount allotted to the State under subsection
2 (b) to substate areas to carry out activities au-
3 thorized under this title based on an allocation
4 formula prescribed by the Governor in accord-
5 ance with subparagraph (B).

6 (B) ALLOCATION FORMULA.—The alloca-
7 tion formula prescribed by the Governor shall
8 include the factors described in subsection (b)
9 and such additional objective, measurable, and
10 statistically-valid factors, including farmer-
11 rancher economic hardship data, as the Gov-
12 ernor determines to be appropriate. Such for-
13 mula may be amended by the Governor not
14 more than once for each program year and shall
15 be included in the State plan under section
16 111(b).

17 (2) ADMINISTRATIVE COSTS.—

18 (A) IN GENERAL.—Except as provided in
19 subparagraph (B), not more than 15 percent of
20 the amount allocated to a substate area under
21 paragraph (1) for each program year shall be
22 available for the costs of administration.

23 (B) WAIVER.—

24 (i) IN GENERAL.—A substate grantee
25 may apply to the Governor for a waiver of

1 the requirement under subparagraph (A),
2 except that any such waiver may not allow
3 more than 20 percent of amount described
4 in such subparagraph to be available for
5 the costs of administration.

6 (ii) APPROVAL.—The Governor may
7 approve a waiver under clause (i) in whole
8 or in part if the substate grantee dem-
9 onstrates that additional resources are nec-
10 essary for the effective and efficient admin-
11 istration of the activities of the substate
12 grantee under this title.

13 (e) RESERVATION FOR THE TERRITORIES.—Of the
14 amount reserved by the Secretary under subsection (a)(2)
15 for any fiscal year, not more than 0.3 percent of such
16 amount shall be allotted among the Commonwealth of the
17 Northern Mariana Islands, American Samoa, Guam, the
18 Virgin Islands, the Federated States of Micronesia, the
19 Republic of the Marshall Islands, and the Republic of
20 Palau to carry out activities authorized under this title.

21 (f) RESERVATIONS FOR NATIONAL ACTIVITIES.—
22 After determining the amounts to be allocated under sub-
23 section (e), the Secretary shall use the remainder reserved
24 under subsection (a)(2) for fiscal year 1995 and each suc-
25 ceeding fiscal year in accordance with the following:

1 (1) Not less than 85 percent shall be available
2 for national discretionary grants under sections 122
3 and 123.

4 (2)(A) Subject to subparagraph (B), not less
5 than 5 percent shall be available for each of the fol-
6 lowing:

7 (i) Evaluation of program performance, re-
8 search, and demonstration projects under sec-
9 tion 124.

10 (ii) Capacity building, staff development
11 and training, and technical assistance under
12 section 125.

13 (B) Not more than 15 percent shall be available
14 for projects and activities under subparagraph (A).

15 **SEC. 102. RECAPTURE AND REALLOTMENT OF UNEX-**
16 **PENDED FUNDS.**

17 (a) GENERAL REALLOTMENT AUTHORITY.—For pro-
18 gram years beginning July 1, 1996, and thereafter, the
19 Secretary shall, in accordance with the requirements of
20 this section, reallocate to eligible States the funds allotted to
21 States from funds appropriated for such program year
22 that are available for reallocation.

23 (b) AMOUNT AVAILABLE FOR REALLOTMENT.—

1 (1) IN GENERAL.—Except as provided in para-
2 graph (2), the amount available for reallocation is
3 equal to the sum of—

4 (A) the amount by which the unexpended
5 balance of the State allotment at the end of the
6 program year prior to the program year for
7 which the determination under this section is
8 made exceeds 20 percent of such allotment for
9 that prior program year; and

10 (B) the unexpended balance of the State
11 allotment from any program year prior to the
12 program year in which there is such excess.

13 (2) EXCEPTION.—Funds awarded from discre-
14 tionary funds of the Secretary under subtitle B shall
15 not be included in calculating any of the
16 reallocations described in this section.

17 (c) METHOD OF REALLOCATION.—

18 (1) IN GENERAL.—The Secretary shall deter-
19 mine the amount that would be allotted to each eligi-
20 ble State by using the factors described in section
21 101(b) to allocate among eligible States the amount
22 available pursuant to subsection (b).

23 (2) ELIGIBLE HIGH UNEMPLOYMENT STATES.—
24 The Secretary shall allot to each eligible high unem-
25 ployment State the amount determined for that

1 State under the procedure described in paragraph
2 (1).

3 (3) ELIGIBLE STATES.—The Secretary shall, by
4 using the factors described in section 101(b), allot to
5 eligible States the amount available that remains
6 after the allotment required by paragraph (2).

7 (d) STATE PROCEDURES WITH RESPECT TO REAL-
8 LOTMENT.—The Governor of each State shall prescribe
9 uniform procedures for the expenditure of funds by sub-
10 state grantees in order to avoid the requirement that
11 funds be made available for reallocation under subsection
12 (b), including procedures which give priority for the real-
13 lotment of unexpended funds to substate grantees located
14 in substate areas with high unemployment. The Governor
15 shall further prescribe equitable procedures for making
16 funds available from the State and substate grantees in
17 the event that a State is required to make funds available
18 for reallocation under such subsection.

19 (e) DEFINITIONS.—For purposes of this section, the
20 following definitions apply:

21 (1) ELIGIBLE STATE.—The term “eligible
22 State” means a State which has expended at least
23 80 percent of its allotment for the program year
24 prior to the program year for which the determina-
25 tion under this section is made.

1 (2) ELIGIBLE HIGH UNEMPLOYMENT STATE.—

2 The term “eligible high unemployment State” means
3 a State—

4 (A) which meets the requirement in sub-
5 section (c)(1); and

6 (B)(i) as soon as satisfactory data are
7 available under section 124(b)(3), which is
8 among the States in which a higher relative
9 number of dislocated workers reside, as deter-
10 mined in accordance with such data; or

11 (ii) which is among the States which has
12 an unemployment rate greater than the national
13 average unemployment for the most recent 12
14 months for which satisfactory data are avail-
15 able.

16 **SEC. 103. ELIGIBILITY FOR SERVICES.**

17 (a) IN GENERAL.—An individual shall be eligible to
18 receive services under this title if such individual—

19 (1) has been permanently laid off from full-
20 time, part-time, or seasonal (including migrant and
21 seasonal farmworkers and fishermen) employment
22 within the preceding 12-month period, and—

23 (A) such individual is unlikely to obtain
24 employment in the same or similar occupation

1 due to obsolete skills or a lack of employment
2 opportunities; or

3 (B) such layoff resulted from any perma-
4 nent closure or any substantial layoff at a
5 plant, facility, or enterprise;

6 (2) has received a notice that such individual
7 will be permanently laid off, and—

8 (A) such individual is unlikely to obtain
9 employment in the same or similar occupation
10 due to obsolete skills or a lack of employment
11 opportunities; or

12 (B) such layoff will result from any perma-
13 nent closure or substantial layoff at a plant, fa-
14 cility, or enterprise;

15 (3) is employed at a facility where the employer
16 has publicly announced that such facility will be
17 closed within one year and such individual is un-
18 likely to—

19 (A) remain employed with such employer
20 at another location; or

21 (B) retire permanently from the labor
22 force on or before such closure;

23 (4) is long-term unemployed and has limited op-
24 portunities for employment in the same or similar

1 occupation in which such individual was previously
2 employed;

3 (5) was self-employed (including farmers, fish-
4 ermen and ranchers) and is—

5 (A) unemployed as a result of—

6 (i) general economic conditions in the
7 community in which such individual re-
8 sides; or

9 (ii) a natural disaster; and

10 (B) has limited opportunities for self-em-
11 ployment in the same or similar occupation;

12 (6) is certified as eligible under the transitional
13 certification of trade impacted workers program au-
14 thorized under title II of the Reemployment Act of
15 1994 (H.R. 4040 of the 103d Congress, as intro-
16 duced); or

17 (7) was identified and referred to the program
18 under this title, in accordance with regulations is-
19 sued by the Secretary, by a State worker profiling
20 system established under section 303(j) of the Social
21 Security Act.

22 (b) DISPLACED HOMEMAKERS.—An individual who is
23 a displaced homemaker shall be eligible to receive services
24 described in section 117(b) and such other services au-
25 thorized under this title as the substate grantee deter-

1 mines to be appropriate to provide to such an individual
2 if—

3 (1) the displacement occurred within the pre-
4 ceding 24-month period;

5 (2) such individual is unemployed; and

6 (3) such individual meets the requirements re-
7 lating to services provided under this title, other
8 than the requirements under subsection (a).

9 (c) INVOLUNTARILY RETIRED WORKERS.—An indi-
10 vidual who has retired from employment involuntarily and
11 is unlikely to remain retired from employment shall be eli-
12 gible to receive services described in section 117(b) and
13 such other services authorized under this title as the sub-
14 state grantee determines to be appropriate.

15 (d) DEFINITIONS.—For purposes of this section, the
16 following definitions apply:

17 (1) LONG-TERM UNEMPLOYED.—The term
18 “long-term unemployed” means a period of unem-
19 ployment defined by the Governor, except that such
20 period shall not be less than 15 weeks.

21 (2) PERMANENTLY LAID OFF.—The term “per-
22 manently laid off” means a layoff under which a re-
23 call is not expected within 26 weeks.

1 **Subtitle A—State and Substate**
2 **Delivery System**

3 **SEC. 111. STATE ADMINISTRATION AND OVERSIGHT.**

4 (a) IN GENERAL.—The State shall be responsible for
5 developing and operating administrative and management
6 systems which ensure proper control and accountability
7 for the use of funds, in accordance with the requirements
8 of subtitle E, and the accomplishment of the objectives
9 of this title.

10 (b) STATE PLAN.—The Governor, after consultation
11 with appropriate entities in the State, including local elect-
12 ed officials, employer associations, community-based orga-
13 nizations, and labor organizations, shall—

14 (1) prepare and make available, through public
15 hearings, for public comment at least 120 days prior
16 to the beginning of the program year, on biennial
17 basis, a State plan describing the goals and objec-
18 tives of the program conducted under this title and
19 the strategies and activities to be undertaken to ac-
20 complish such goals and objectives; and

21 (2) submit to the Secretary, on a biennial basis,
22 such State plan for approval by the Secretary in ac-
23 cordance with regulations developed by the Sec-
24 retary.

1 **SEC. 112. DESIGNATION AND FUNCTIONS OF STATE DIS-**
2 **LOCATED WORKER UNIT.**

3 (a) IN GENERAL.—The Governor shall designate or
4 establish a dislocated worker unit at the State level (here-
5 after referred to as the “State dislocated worker unit”)
6 to carry out the functions described in this section. The
7 Governor shall ensure that the staff of such unit possess
8 specialized expertise in labor-management relations and
9 other matters relevant to the carrying out of the functions
10 described in subsection (b).

11 (b) FUNCTIONS OF UNIT.—

12 (1) RAPID RESPONSE ACTIVITIES.—The State
13 dislocated worker unit shall carry out the following
14 rapid response activities:

15 (A) Receive notices provided pursuant to
16 the Worker Adjustment and Retraining Notifi-
17 cation Act (29 U.S.C. 2101 et seq.) and collect
18 information identifying the site of other perma-
19 nent closures and layoffs affecting 50 or more
20 workers and make all such information avail-
21 able to the public upon request.

22 (B) Establish contact with representatives
23 of the employer, affected workers and affected
24 unions, and affected substate grantees within
25 48 hours of being informed of or otherwise
26 identifying such closure or layoff.

1 (C) Provide assistance on site (or as near
2 to the site as is practicable if such unit is not
3 permitted on site by the employer) within five
4 working days of being informed of or otherwise
5 identifying such closure or layoff (unless rep-
6 resentatives of the affected workers agree to
7 defer the commencement of assistance), includ-
8 ing—

9 (i) the provision of information relat-
10 ing to, and assistance in obtaining access
11 to, available programs and services;

12 (ii) the provision of appropriate reem-
13 ployment services on an emergency basis;

14 (iii) the provision of basic reemploy-
15 ment services in a group setting; and

16 (iv) the provision of information on
17 the potential rights and remedies available
18 under the Worker Adjustment and Re-
19 training Notification Act (29 U.S.C. 2101
20 et seq.).

21 (D) Promote the formation of worker-man-
22 agement transition assistance committees,
23 which meet the requirements of subsection (d),
24 by—

1 (i) providing immediate assistance in
2 the establishment of such committees, in-
3 cluding—

4 (I) providing immediate financial
5 assistance to cover startup costs of
6 the committee;

7 (II) providing a list of individuals
8 from which the chairperson of the
9 committee may be selected; and

10 (III) requesting the list of com-
11 mittee members from the employer
12 and union, or providing assistance in
13 the selection of worker representa-
14 tives, to be selected by the workers, in
15 the event no union is present; and

16 (ii) providing technical assistance in
17 the development by such committees of a
18 strategy for assessing the employment and
19 training needs of each affected worker and
20 for obtaining the services and assistance
21 necessary to meet those needs, which may
22 include—

23 (I) providing technical advice as
24 well as information on sources of as-
25 sistance; and

1 (II) serving as liaison with other
2 public and private services and pro-
3 grams.

4 (E) Prepare an action plan for the provi-
5 sion of reemployment and training services to
6 eligible individuals, including group counseling,
7 preliminary assessments, and labor market in-
8 formation, which may include assistance in
9 planning for the establishment of an on-site
10 transition center described in section 115(d).

11 (2) INFORMATION COLLECTION AND DISSEMI-
12 NATION ACTIVITIES.—The State dislocated worker
13 unit shall carry out the following information collec-
14 tion and dissemination activities using, to the extent
15 practicable, telecommunications and computer tech-
16 nology:

17 (A) Provide to employers and employees
18 throughout the State information relating to
19 the Worker Adjustment and Retraining Notifi-
20 cation Act (29 U.S.C. 2101 et seq.), including
21 the requirements under such Act, and informa-
22 tion relating to the eligibility requirements and
23 services and benefits available under this title
24 using labor organizations and other appropriate
25 entities for such dissemination.

1 (B) Collect information relating to—

2 (i) economic dislocation, including po-
3 tential closings and layoffs and the impact
4 of closures and layoffs to which such unit
5 has responded; and

6 (ii) available programs and resources
7 within the State to serve affected workers.

8 (C) Disseminate the information collected
9 pursuant to subparagraph (B) to the Governor
10 to assist in providing an adequate information
11 base for effective program management, review,
12 and evaluation.

13 (D) Disseminate information throughout
14 the State on the services and activities carried
15 out by the State dislocated worker unit.

16 (3) PROGRAM SUPPORT ACTIVITIES.—The State
17 dislocated unit shall carry out the following program
18 support activities:

19 (A) Provide technical assistance and advice
20 to substate grantees.

21 (B) Work with employers and representa-
22 tives of employees in promoting labor-manage-
23 ment cooperation to achieve the objectives of
24 this title.

1 (C) Assist each local community affected
2 by a mass layoff or plant closing in developing
3 and implementing an adjustment plan, includ-
4 ing assistance in obtaining access to State eco-
5 nomic development assistance.

6 (4) COORDINATION ACTIVITIES.—The State dis-
7 located worker unit shall, using telecommunications
8 and computer technology to the extent practicable,
9 exchange information and coordinate programs
10 with—

11 (A) the appropriate economic development
12 agency for the purpose of identifying potential
13 layoffs and for the purpose of developing strate-
14 gies to avert plant closings or mass layoffs and
15 to accelerate the reemployment of dislocated
16 workers;

17 (B) State education, training, and social
18 services programs;

19 (C) State labor federations;

20 (D) State-level general purpose business
21 organizations;

22 (E) the agency responsible for the Bureau
23 of Labor Statistics Federal/State cooperative
24 program and the State Occupational Informa-
25 tion Coordinating Committee; and

1 (F) all other programs available to assist
2 dislocated workers, including the State employ-
3 ment security agency, the unemployment insur-
4 ance system, and student financial aid pro-
5 grams.

6 (c) COORDINATION WITH SUBSTATE GRANTEEES.—In
7 carrying out this section, the State dislocated worker unit
8 shall coordinate its actions with affected substate grant-
9 ees.

10 (d) WORKER-MANAGEMENT TRANSITION ASSIST-
11 ANCE COMMITTEES.—The worker-management transition
12 assistance committees promoted by the State dislocated
13 worker unit pursuant to subsection (b)(1)(D) shall, to the
14 extent practicable, include the following:

15 (1) Shared and equal participation by workers
16 (and their union representatives, where a collective
17 bargaining agreement exists, or worker representa-
18 tives, where no such agreement exists) and manage-
19 ment, which may include participation from commu-
20 nity representatives, as appropriate.

21 (2) Shared financial participation between the
22 employer and the State, using funds provided under
23 this title in paying for the operating expenses of the
24 committee.

1 (3) A chairperson, to oversee and guide the ac-
2 tivities of the committee, who shall—

3 (A) be jointly selected by the worker and
4 management representatives of the committee;

5 (B) not be employed or under contract
6 with or members of the immediate family of
7 labor or management at the site; and

8 (C) provide advice and leadership to the
9 committee and prepare a report on its activities.

10 (4) A formal agreement, terminated at will by
11 the workers or management, and terminated for
12 cause by the Governor.

13 (e) COVERAGE OF LAYOFFS.—The Governor shall, to
14 the extent practicable, authorize the provision of the rapid
15 response activities described in subsection (b)(1) to layoffs
16 of less than 50 workers if such layoffs are determined by
17 the Governor to have a significant adverse economic im-
18 pact on a local community.

19 (f) RESPONSIBILITY RELATING TO RAPID RESPONSE
20 ASSISTANCE ACTIVITIES.—

21 (1) IN GENERAL.—Except as provided in para-
22 graph (2), the State shall not transfer the respon-
23 sibility of the State dislocated worker unit for the
24 rapid response assistance activities described in sub-
25 section (b)(1) to another entity.

1 (2) EXCEPTION.—The State may carry out the
2 rapid response assistance activities described in sub-
3 section (b)(1) through agreement, grant, contract, or
4 other arrangement with another entity, such as a
5 substate grantee or a labor organization.

6 (g) FEDERAL OVERSIGHT OF RAPID RESPONSE AC-
7 TIVITIES.—The Secretary shall oversee the administration
8 by each State of the rapid response assistance activities
9 carried out in such State and evaluate the effectiveness,
10 efficiency, and timeliness of such activities. The Secretary
11 may establish performance standards relating to such ac-
12 tivities. If the Secretary determines that such activities are
13 not being carried out adequately, the Secretary shall im-
14 plement appropriate corrective action.

15 **SEC. 113. DEVELOPMENT AND MAINTENANCE OF STATE**
16 **AND LOCAL LABOR MARKET INFORMATION**
17 **PROGRAM.**

18 (a) IN GENERAL.—In furtherance of the national
19 strategy described in section 302 to establish a nationwide
20 system of effective State and local labor market informa-
21 tion, the Governor shall identify, or establish, and main-
22 tain a comprehensive labor market information program
23 in the State that—

24 (1) collects, uses, exchanges, and disseminates
25 quality labor market information that will enhance

1 the employment opportunities available to perma-
2 nently laid off workers and other individuals seeking
3 employment and will enhance the ability of busi-
4 nesses to locate skilled workers in their employment
5 efforts;

6 (2) enhances the activities and products of the
7 agency responsible for the Bureau of Labor Statis-
8 tics Federal/State cooperative program; and

9 (3) makes needed improvements or adjustments
10 in current labor market information programs to
11 meet local and State labor market needs.

12 (b) CONTENTS.—The labor market information de-
13 scribed in subsection (a)(1) shall include the information
14 specified in section 303(b) relating to the national labor
15 market information program.

16 (c) STANDARDS FOR INFORMATION COLLECTION AND
17 DISSEMINATION.—The Governor shall ensure that data
18 collection and dissemination systems are developed in ac-
19 cordance with the technical standards specified in section
20 303(c) relating to the national labor market information
21 program.

22 (d) COORDINATION OF DATA COLLECTION AND SUR-
23 VEY CONSOLIDATION.—Consistent with the technical
24 standards specified in section 303(c), the Governor shall
25 ensure, to the extent feasible, that—

1 (1) automated technology will be used in data
2 collection and dissemination;

3 (2) the State dislocated worker unit and the
4 substate grantees under this title have timely access
5 to and exchange information relating to quality labor
6 market information;

7 (3) administrative records are designed to re-
8 duce paperwork; and

9 (4) administrative data and multiple surveys
10 available for disclosure are shared or consolidated to
11 reduce duplication of recordkeeping of State and
12 local agencies.

13 (e) DESIGN OF STATE PROGRAM AND GOVERNOR'S
14 RESPONSIBILITIES.—The Governor shall—

15 (1) through the agency responsible for the Bu-
16 reau of Labor Statistics Federal/State cooperative
17 programs, be responsible for oversight and manage-
18 ment of that State's program for a comprehensive
19 nationwide system of State and local labor market
20 information that—

21 (A) meets the requirements of this section;

22 (B) provides such training and technical
23 assistance necessary to facilitate the collection
24 of data and the dissemination of information
25 through the programs assisted under this title;

1 (C) carries out the cooperative agreements
2 authorized in section 303;

3 (D) conducts research, evaluation, and
4 demonstration projects designed to make im-
5 provements in the statewide labor market infor-
6 mation program; and

7 (E) participates in the Federal/State advi-
8 sory structure for the nationwide labor market
9 information program and review of the nation-
10 wide labor market information annual strategic
11 plan;

12 (2) designate a State agency or body to be re-
13 sponsible for—

14 (A) coordinating various State agencies re-
15 sponsible for collection and dissemination of
16 labor market, educational, occupational, and
17 other related information at the State and local
18 level to support design, development, and imple-
19 mentation of the comprehensive labor market
20 information program; and

21 (B) ensuring agency collaboration in the
22 design, development, utilization, and delivery of
23 labor market and occupational information
24 products and services, including training, that

1 addresses the needs of Federal, State, and local
2 customers; and

3 (3) ensure that the State will develop, maintain,
4 and improve a comprehensive system which shall—

5 (A) include the components specified in
6 section 303;

7 (B) be responsive to the needs of the State
8 and its localities for planning, economic analy-
9 sis, and projections, as required by—

10 (i) this Act;

11 (ii) the Job Training Partnership Act
12 (29 U.S.C. 1501 et seq.);

13 (iii) the Carl D. Perkins Vocational
14 and Applied Technology Education Act (20
15 U.S.C. 2301 et seq.);

16 (iv) the School-to-Work Opportunities
17 Act of 1994 (20 U.S.C. 6101 et seq.);

18 (v) title III of the Social Security Act;

19 and

20 (vi) other provisions of Federal law
21 that require the use of labor market infor-
22 mation; and

23 (C) meet the Federal standards under
24 chapter 35 of title 44, United States Code, and

1 other appropriate standards established by the
2 Secretary of Labor;

3 (4) ensure the performance of contract and
4 grant responsibilities for data collection, analysis,
5 and dissemination;

6 (5) conduct such other data collection, analysis,
7 and dissemination activities as will ensure com-
8 prehensive State and local labor market information;
9 and

10 (6) not be limited by the requirements con-
11 tained in this Act in conducting additional data col-
12 lection, analysis, and dissemination activities with
13 State funds or with Federal funds from sources
14 other than this Act.

15 (f) COORDINATION OF RESOURCES.—The Governor
16 shall coordinate the activities carried out under this title
17 with the labor market information activities carried out
18 in collaboration with both the agency responsible for the
19 Bureau of Labor Statistics Federal/State cooperative pro-
20 gram and the State body or agency responsible for labor
21 market information in subsection (e)(2), pursuant to other
22 Federal laws and with the national labor market informa-
23 tion program described in title III. In developing and
24 maintaining the program described under this section, the
25 Governor shall use funds that are authorized under this

1 Act for the labor market information program, and from
2 programs such as the Job Training Partnership Act (29
3 U.S.C. 1501 et seq.), the Wagner-Peyser Act, the School-
4 to-Work Opportunities Act, and the Carl D. Perkins Voca-
5 tional and Applied Technology Education Act that require
6 labor market information as noted in section 302(a). For
7 purposes of consistency and efficiency, the Governor shall
8 ensure that the comprehensive State and local labor mar-
9 ket information program established under title III shall
10 be used for employment, education, and training programs
11 that have a labor market information component.

12 (g) METHODS OF COLLECTION AND DISSEMINA-
13 TION.—In order to facilitate the collection and dissemina-
14 tion of the data described in subsection (b), the Governor
15 shall—

16 (1) identify and utilize cost-effective methods
17 for obtaining such data as are necessary to carry out
18 this section which, notwithstanding any other provi-
19 sion of law, may include access to earnings records,
20 State employment security records, records collected
21 under the Federal Insurance Contributions Act
22 (chapter 21 of the Internal Revenue Code of 1986),
23 records collected under the program of aid to fami-
24 lies with dependent children under part A of title IV
25 of the Social Security Act, secondary and post-sec-

1 ondary education records, and similar records or
2 measures, with appropriate safeguards to protect the
3 confidentiality of the information obtained, including
4 safeguards to maintain such information in the pub-
5 lic control; and

6 (2) publish and make available labor market
7 and occupational supply and demand information
8 and career information to State agencies, public
9 agencies, libraries, employers, and individuals who
10 are in the process of making career choices.

11 **SEC. 114. COORDINATION WITH WORKER PROFILING AND**
12 **RETRAINING INCOME SUPPORT PROGRAMS.**

13 (a) WORKER PROFILING.—The Governor shall co-
14 ordinate programs under this title with the worker
15 profiling system authorized under title III of the Social
16 Security Act. Such coordination shall include methods for
17 ensuring the prompt referral, in accordance with regula-
18 tions issued by the Secretary of the claimants identified
19 under such profiling system to substate grantees author-
20 ized under this title, and the sharing of relevant informa-
21 tion.

22 (b) RETRAINING INCOME SUPPORT.—The Governor
23 shall coordinate programs under this title with the retrain-
24 ing income support program authorized under part A of

1 title II of the Reemployment Act of 1994 (H.R. 4040 of
2 103d Congress, as introduced).

3 **SEC. 115. STATE GRANTS FOR AREAS OF SPECIAL NEED,**
4 **POPULATIONS IN NEED, AND SPECIAL**
5 **PROJECTS.**

6 (a) AUTHORIZATION.—

7 (1) IN GENERAL.—The Governor may award
8 grants to eligible entities described in paragraph

9 (2)—

10 (A) to provide the services authorized
11 under section 117 to eligible individuals in ac-
12 cordance with subparagraphs (A) and (B) of
13 subsection (c)(1);

14 (B) to provide the services authorized
15 under section 117 to other unemployed individ-
16 uals with barriers to employment in accordance
17 with subsection (c)(3)(C); and

18 (C) to conduct statewide, regional, or in-
19 dustry-wide projects.

20 (2) ELIGIBLE ENTITIES.—The following entities
21 shall be eligible to receive grants under paragraph

22 (1):

23 (A) Substate grantees.

24 (B) Employers and employer associations,
25 including private industry councils.

1 (C) Transition assistance committees and
2 other employer-employee entities.

3 (D) Labor organizations.

4 (E) Industry consortia.

5 (F) Appropriate State agencies.

6 (G) Community-based organizations.

7 (H) Institutions of higher education.

8 (I) Entities providing adult education, as
9 defined in section 312(2) of the Adult Edu-
10 cation Act.

11 (J) Entities providing vocational education,
12 as defined in section 521(41) of the Carl D.
13 Perkins Vocational and Applied Technology
14 Education Act.

15 (3) LIMITATION.—Not more than 10 percent of
16 the amount reserved by the Governor under section
17 101(c)(1)(A) to carry out State activities under this
18 subtitle for any fiscal year may be used by the Gov-
19 ernor to award grants under paragraph (1)(B) for
20 such fiscal year.

21 (b) APPLICATION.—The Governor may provide a
22 grant to an eligible entity under subsection (a) only if the
23 entity submits to the Governor an application which con-
24 tains such information as the Governor may reasonably
25 require.

1 (c) USE OF AMOUNTS.—

2 (1) IN GENERAL.—An eligible entity shall use
3 amounts received from a grant under subsection (a)
4 to carry out 1 or more of the following activities ei-
5 ther directly or through contracts:

6 (A) To provide the services authorized
7 under section 117 to eligible individuals in
8 areas of the State experiencing substantial in-
9 creases in the number of eligible individuals due
10 to plant closures, base closures, or mass layoffs.

11 (B) To improve the delivery of services au-
12 thorized under section 117 to eligible individ-
13 uals, which may include the delivery of such
14 services through the establishment of on-site
15 transition centers in accordance with subsection
16 (d).

17 (C) To provide the services authorized
18 under section 117 to other unemployed individ-
19 uals with barriers to employment who are un-
20 derserved, including displaced homemakers,
21 older workers, veterans, individuals with disabil-
22 ities, and individuals with limited English pro-
23 ficiency, as determined by the Governor.

24 (2) LIMITATION.—An eligible entity may use
25 not more than 15 percent of the amount received

1 from a grant under subsection (a) for the cost of ad-
2 ministration of the activities described in paragraph
3 (1).

4 (d) ON-SITE TRANSITION CENTERS.—

5 (1) IN GENERAL.—The eligible entity may es-
6 tablish 1 or more on-site transition centers that
7 meet the requirements of paragraph (2) to provide
8 the services authorized under section 117 to eligible
9 individuals.

10 (2) REQUIREMENTS.—An on-site transition cen-
11 ter described in this paragraph is a center that—

12 (A) is located at the site of a plant closure,
13 base closure, or mass layoff for the purpose of
14 providing reemployment services to eligible indi-
15 viduals affected by such layoff or closure;

16 (B) includes, to the extent practicable, sub-
17 stantial funding from sources other than public
18 funds;

19 (C) is operated with the concurrence and
20 participation of affected workers and their rep-
21 resentatives and the affected employer, includ-
22 ing the worker-management transition assist-
23 ance committee established in accordance with
24 section 112(d), if such committee is established;
25 and

1 (D) provides the reemployment services de-
2 scribed in subsections (b) and (c) of section 117
3 directly or through contracts with other entities,
4 such as outplacement agencies.

5 **SEC. 116. ESTABLISHMENT OF SUBSTATE ADMINISTRATIVE**
6 **STRUCTURE.**

7 (a) DESIGNATION OF SUBSTATE AREAS.—

8 (1) IN GENERAL.—The Governor of each State
9 shall, after consultation with the State council and
10 local elected officials, designate substate areas for
11 the State in accordance with this subsection.

12 (2) FACTORS TO BE CONSIDERED IN DESIGNAT-
13 ING SUBSTATE AREAS.—In making designations of
14 substate areas under paragraph (1), the Governor
15 shall consider—

16 (A) the availability of services throughout
17 the State;

18 (B) the capability to coordinate the deliv-
19 ery of services with other job training, human
20 services, and economic development programs;
21 and

22 (C) the geographic boundaries of labor
23 market areas within the State.

24 (3) SERVICE DELIVERY AREAS.—

1 (A) IN GENERAL.—Subject to subpara-
2 graph (B), the Governor—

3 (i) shall designate as a substate area
4 any service delivery area that—

5 (I) has a population of 200,000
6 or more; and

7 (II) requests such designation;

8 (ii) shall, subject to subparagraph (C),
9 designate as a substate area any two or
10 more contiguous service delivery areas
11 that—

12 (I) in the aggregate have a popu-
13 lation of 200,000 or more; and

14 (II) request such designation;

15 and

16 (iii) shall designate as a substate area
17 any concentrated employment program
18 grantee for a rural area described in sec-
19 tion 101(a)(4)(A)(iii) of the Job Training
20 Partnership Act (29 U.S.C.
21 1511(a)(4)(A)(iii)).

22 (B) SPECIAL RULE.—Each service delivery
23 area within a State shall be included within a
24 substate area or designated as a substate area

1 and no service delivery area shall be divided
2 among two or more substate areas.

3 (C) LIMITATION.—The Governor may not
4 designate as a substate area any two or more
5 contiguous service delivery areas under sub-
6 paragraph (A)(ii) if the Governor determines
7 that such designation would not be consistent
8 with the effective delivery of services to individ-
9 uals eligible for assistance under this title in
10 various labor market areas (including urban
11 and rural areas) within the State, or would not
12 otherwise be appropriate to carry out the pur-
13 poses of this title.

14 (4) POPULATION REQUIREMENT.—The Gov-
15 ernor may approve a request to be a substate area
16 from any unit of general local government or consor-
17 tium of contiguous units of general local govern-
18 ment, without regard to population, which serves a
19 substantial portion of a labor market area.

20 (5) SUBSTATE AREAS DESIGNATED UNDER JOB
21 TRAINING PARTNERSHIP ACT.—The Governor may
22 designate as a substate area an area designated as
23 a substate area under section 312 of the Job Train-
24 ing Partnership Act (29 U.S.C. 1661a) prior to the

1 date of the enactment of this Act if such area meets
2 the requirements of this subsection.

3 (6) REVISION OF DESIGNATIONS.—The Gov-
4 ernor may not revise the designations made under
5 this subsection more than once every four years, ex-
6 cept for good cause, as determined by the Governor.

7 (7) INCENTIVE GRANTS TO ENCOURAGE FORMA-
8 TION OF SUBSTATE AREAS.—From the funds re-
9 served under section 101(c)(1), the Governor may
10 provide incentive grants to encourage the formation
11 of substate areas that are based on labor market
12 areas.

13 (b) DESIGNATION OF SUBSTATE GRANTEEES.—

14 (1) AGREEMENT.—

15 (A) IN GENERAL.—A substate grantee
16 shall be designated, on a quadrennial basis, for
17 each substate area in accordance with an agree-
18 ment among the Governor, the local elected offi-
19 cial or officials of such area, and the private in-
20 dustry council or councils of such area.

21 (B) MULTIPLE OFFICIALS.—If a substate
22 area is represented by more than one such offi-
23 cial or council, the respective officials and coun-
24 cils shall each designate representatives, in ac-
25 cordance with procedures established by the

1 Governor (after consultation with the State
2 council), to negotiate such agreement.

3 (C) ABSENCE OF AGREEMENT.—In the
4 event agreement cannot be reached on the selec-
5 tion of a substate grantee, the Governor shall
6 select the substate grantee.

7 (2) ELIGIBILITY.—Entities eligible for designa-
8 tion as substate grantees include—

9 (A) private industry councils in the sub-
10 state area;

11 (B) service delivery area grant recipients
12 or administrative entities under the Job Train-
13 ing Partnership Act (29 U.S.C. 1501 et seq.);

14 (C) private nonprofit organizations;

15 (D) units of general local government in
16 the substate area or agencies of such units;

17 (E) local offices of State agencies;

18 (F) other public agencies, such as commu-
19 nity colleges and area vocational schools; and

20 (G) consortia of the entities described in
21 subparagraphs (A) through (F).

22 (c) FUNCTIONS OF SUBSTATE GRANTEES.—

23 (1) IN GENERAL.—A substate grantee des-
24 igned under subsection (b) shall—

1 (A) receive and administer funds allocated
2 to the substate area, including the administra-
3 tion of payments to service providers in accord-
4 ance with section 117(d)(2);

5 (B) provide the services described in sec-
6 tion 117, directly or through contract, grant, or
7 agreement with service providers, to individuals
8 eligible for services under this title;

9 (C) conduct oversight and monitoring of
10 the program carried out within the substate
11 area; and

12 (D) prepare and make publicly available a
13 biennial written plan describing the objectives
14 to be accomplished and the activities to be un-
15 dertaken under this title in the substate area.

16 (2) SUBMISSION OF BIENNIAL WRITTEN
17 PLAN.—

18 (A) IN GENERAL.—A substate grantee
19 shall submit the biennial written plan described
20 in paragraph (1)(D) to the Governor for ap-
21 proval in accordance with this paragraph.

22 (B) REVIEW, APPROVAL, AND SUBMISSION
23 BY APPROPRIATE OFFICIALS.—

24 (i) REVIEW AND APPROVAL.—Prior to
25 submitting the plan to the Governor under

1 subparagraph (A), the substate grantee
2 shall—

3 (I) allow the public to review the
4 plan and submit to the substate
5 grantee comments on the plan
6 through public hearings;

7 (II) allow the private industry
8 council or councils, labor organiza-
9 tions, and local educational agencies
10 and other public agencies located
11 within the substate area to review the
12 plan and submit to the substate
13 grantee comments on the plan; and

14 (III) obtain the approval of such
15 plan by the appropriate chief elected
16 official or officials specified in section
17 103(c) of the Job Training Partner-
18 ship Act (29 U.S.C. 1513(c)).

19 (ii) SUBMISSION.—Such plan shall be
20 submitted by the substate grantee in con-
21 junction with the official or officials de-
22 scribed in clause (i)(III).

1 **SEC. 117. SERVICES TO BE PROVIDED TO ELIGIBLE INDIVIDUALS.**
2

3 (a) IN GENERAL.—Funds allocated to substate areas
4 pursuant to section 101(d) may be used to provide—

5 (1) basic reemployment services in accordance
6 with subsection (b);

7 (2) intensive reemployment services in accordance
8 with subsection (c);

9 (3) education and training services in accordance
10 with subsection (d);

11 (4) retraining income support in accordance
12 with subsection (e); and

13 (5) supportive services in accordance with subsection
14 (f).

15 (b) BASIC REEMPLOYMENT SERVICES.—Each substate grantee shall make available to eligible individuals
16 the following basic reemployment services:
17

18 (1) Outreach and provision of information to
19 make individuals aware of, and encourage the use of,
20 reemployment and training services, including efforts
21 to expand awareness of training and placement opportunities for hard-to-serve individuals such as individuals
22 with limited English proficiency, individuals
23 with disabilities, older workers, and displaced homemakers.
24
25

1 (2) Intake and determination of eligibility for
2 assistance under this title.

3 (3) Orientation with respect to appropriate in-
4 formation and services.

5 (4) Assistance in filing an initial claim for un-
6 employment compensation through the official claims
7 filing process of the State employment security agen-
8 cy.

9 (5) A preliminary assessment of the skill levels
10 (including appropriate testing) and service needs of
11 such individuals, which may include such factors as
12 basic skills, occupational skills, prior work experi-
13 ence, employability, interests, aptitudes, and sup-
14 portive service needs. Such individuals may, based
15 upon such preliminary assessment, be immediately
16 referred to receive intensive reemployment services
17 under subsection (c).

18 (6) Information relating to local, regional, and
19 national labor markets from the State and local
20 labor market information system under section 113,
21 including—

22 (A) job vacancy listings in such markets;

23 and

1 (B) information relating to local occupa-
2 tions in demand and the earnings and skill re-
3 quirements for such occupations.

4 (7) Job search assistance, including resume and
5 interview preparation, and workshops.

6 (8) Job referral and job placement assistance.

7 (9) Information relating to education and job
8 training programs, including the eligibility require-
9 ments of and services provided by such programs,
10 the availability and quality of such programs, and
11 student financial assistance available for such pro-
12 grams.

13 (10) Assistance in evaluating whether such indi-
14 viduals are likely to be eligible for any employment
15 and training programs administered by the Sec-
16 retary other than programs under this title.

17 (11) Information collected pursuant to the per-
18 formance standards and quality assurance require-
19 ments contained in subtitle C.

20 (12) Information relating to programs and pro-
21 viders of dependent care and other supportive serv-
22 ices available in the local area.

23 (13) Group counseling, which may include peer
24 counseling, and which shall be available to such indi-
25 viduals jointly with their immediate families, includ-

1 ing group counseling relating to stress management
2 and financial management.

3 (14) Soliciting and accepting job orders submit-
4 ted by employers in the substate area, and referring
5 individuals in accordance with such orders.

6 (15) Information on nontraditional training and
7 placement opportunities.

8 (c) INTENSIVE REEMPLOYMENT SERVICES.—

9 (1) IN GENERAL.—Each substate grantee shall
10 make available, to eligible individuals who have re-
11 ceived basic reemployment services under subsection
12 (b) and who have been unable to obtain employment
13 through such services, and to individuals who have
14 been immediately referred to receive intensive reem-
15 ployment services in accordance with subsection
16 (b)(5), intensive reemployment services which shall
17 include the following services:

18 (A) Comprehensive and specialized assess-
19 ments of the skill levels and service needs of in-
20 dividuals, which may include—

21 (i) diagnostic testing and other assess-
22 ment tools; and

23 (ii) in-depth interviewing and evalua-
24 tion to identify employment barriers and
25 appropriate employment goals.

1 (B) The development of an individual re-
2 employment plan, which shall identify the em-
3 ployment goal (including, in appropriate cir-
4 cumstances, nontraditional employment), appro-
5 priate achievement objectives, and the appro-
6 priate combination of services for a participant
7 to achieve the employment goal.

8 (C) Individualized counseling and career
9 planning, including peer counseling and coun-
10 seling and planning relating to nontraditional
11 employment opportunities.

12 (D) Case management for individuals re-
13 ceiving education, training, and supportive serv-
14 ices.

15 (E) Assistance in the selection of education
16 and training providers.

17 (F) Assistance in obtaining income support
18 for which individuals are eligible, including stu-
19 dent financial assistance, to enable such individ-
20 uals to participate in training.

21 (2) OPTIONAL SERVICES.—In providing inten-
22 sive reemployment services to eligible individuals
23 under paragraph (1), a substate grantee may pro-
24 vide the following services:

25 (A) Job development.

1 (B) Out-of-area job search allowances.

2 (C) Relocation allowances.

3 (D) Follow-up counseling for individuals
4 placed in training or employment.

5 (3) REEMPLOYMENT PLAN.—

6 (A) JOINT DEVELOPMENT.—The individual
7 reemployment plan described in paragraph
8 (1)(B) shall be developed jointly by the eligible
9 individual and a career counselor. Both parties
10 shall sign the plan and periodically review the
11 progress of the individual in achieving the ob-
12 jectives set forth in the plan. In the event of a
13 disagreement over the content of the plan, the
14 eligible individual shall be provided an oppor-
15 tunity to appeal the career counselor's rec-
16 ommendation pursuant to section 144.

17 (B) EMPLOYMENT GOAL.—The employ-
18 ment goal identified under an individual reem-
19 ployment plan described under paragraph
20 (1)(B) shall relate to employment in an occupa-
21 tion for which there is a demand in the local
22 area, or in another area to which the individual
23 is willing to relocate.

24 (C) PROHIBITION ON PRIVATE ACTIONS.—
25 Nothing in this section shall be construed to es-

1 tabish a right for an individual to bring a pri-
2 vate action to obtain the services described in
3 the individual reemployment plan.

4 (d) EDUCATION AND TRAINING.—

5 (1) AVAILABLE SERVICES.—Each substate
6 grantee shall make available to eligible individuals
7 who have an individual reemployment plan developed
8 pursuant to subsection (c)(1)(B)—

9 (A) education and training services, includ-
10 ing—

11 (i) basic skills training, including re-
12 medial education, literacy training, and
13 English-as-a-second language instruction;

14 (ii) occupational skills training, includ-
15 ing nontraditional training, provided
16 either in a classroom or on-the-job; and

17 (iii) other skills-based education and
18 training that such grantee considers appro-
19 priate, including skills upgrading, entre-
20 preneurial training, and training in skills
21 required for high performance work orga-
22 nizations, such as problem solving and
23 skills related to the use of new tech-
24 nologies;

1 (B) a list of appropriate eligible service
2 providers who provide such education and train-
3 ing services;

4 (C) a description of the education and
5 training courses available from such service pro-
6 viders; and

7 (D) performance data relating to such
8 service providers.

9 (2) REFERRALS.—An eligible individual who
10 has an individual reemployment plan developed pur-
11 suant to subsection (c)(1)(B) that specifies edu-
12 cation and training services as being necessary to
13 the reemployment of such individual shall, in con-
14 sultation with a career counselor, select an eligible
15 service provider for such services from the list of
16 service providers described in paragraph (1). The
17 substate grantee (or any agency designated by such
18 grantee) shall refer such individual to such eligible
19 service providers and arrange for payment to the
20 provider for the services provided consistent with the
21 limitation described in paragraph (5).

22 (3) ELIGIBLE SERVICE PROVIDERS.—For the
23 purposes of this subsection, the term “eligible serv-
24 ice provider” means a service provider, as defined in

1 section 4(11) of this Act, that meets the eligibility
2 requirements of section 133.

3 (4) CONTRACT EXPECTATIONS.—Education and
4 training services authorized under this title may be
5 provided pursuant to a contract for services between
6 the substate grantee and an eligible service provider
7 in lieu of the referral procedures described in para-
8 graph (2) if such services—

9 (A) are customized by a provider to meet
10 the particular needs of a specific group of eligi-
11 ble individuals in the substate area; or

12 (B) are on-the-job training provided by an
13 employer.

14 (5) RELATIONSHIP TO STUDENT FINANCIAL AS-
15 SISTANCE.—(A) For purposes of determining a stu-
16 dent's need for grant, loan, or work assistance under
17 title IV of the Higher Education Act of 1965, the
18 funds provided to a participant for education and
19 training under this subsection shall be considered to
20 be estimated financial assistance not received under
21 such title IV for the purpose of section 471(3) of
22 such Act.

23 (B) Nothing in this Act shall be construed to
24 modify the eligibility requirements applicable to stu-

1 dents, programs of study, or institutions of higher
2 education under title IV of such Act.

3 (6) APPROVED TRAINING.—

4 (A) RELATIONSHIP TO INCOME SUPPORT
5 PROGRAM.—For the purposes of the program
6 authorized under part A of title II of the Reem-
7 ployment Act of 1994 (H.R. 4040 of the 103d
8 Congress, as introduced) the substate grantee
9 shall be considered an agency certified by the
10 Secretary to develop a reemployment plan.

11 (B) RELATIONSHIP TO UNEMPLOYMENT
12 COMPENSATION.—An eligible individual partici-
13 pating in education and training services under
14 this title shall be deemed to be in training with
15 the approval of the State agency for the pur-
16 poses of section 3304(a)(8) of the Internal Rev-
17 enue Code of 1986.

18 (7) ON-THE-JOB TRAINING.—The provisions of
19 paragraphs (5) and (6) shall not apply to on-the-job
20 training provided under this title. Such on-the-job
21 training shall be provided consistent with the limita-
22 tions described in section 141(d).

23 (e) RETRAINING INCOME SUPPORT.—

24 (1) IN GENERAL.—Individuals receiving edu-
25 cation and training services under subsection (d)

1 who meet the requirements for receiving retraining
2 income support under the program under part A of
3 title II of the Reemployment Act of 1994 (H.R.
4 4040 of the 103d Congress, as introduced) shall be
5 referred to such program for such support. For pro-
6 gram years 1995 through 1999, individuals who do
7 not meet the requirements of such program but who
8 meet the requirements of paragraph (2) shall, to the
9 extent appropriated funds are available, be provided
10 retraining income support in accordance with this
11 subsection.

12 (2) ELIGIBILITY.—An individual shall, to the
13 extent appropriated funds are available, be provided
14 retraining income support in accordance with this
15 subsection if such individual—

16 (A) has been permanently laid off;

17 (B) either—

18 (i) had been continuously employed at
19 the time of such permanent layoff for a pe-
20 riod of one year or more, but less than
21 three years, by the employer from whom
22 such individual has been permanently laid
23 off; or

24 (ii) was continuously employed in the
25 same occupation and industry by an em-

1 employer for a period of one year or more and
2 was, within the preceding 12-month pe-
3 riod—

4 (I) separated from such em-
5 ployer; and

6 (II) employed in the same occu-
7 pation and industry by the subsequent
8 employer from whom such individual
9 has been permanently laid off;

10 (C)(i) was entitled, as a result of the layoff
11 described in subparagraph (A), to (or would
12 have been entitled to if such individual had ap-
13 plied therefor) unemployment compensation
14 under any Federal or State law for a week
15 within the benefit period—

16 (I) in which the layoff took place; or

17 (II) which began (or would have
18 begun) by reason of the filing of a claim
19 for unemployment compensation by such
20 individual after such layoff;

21 (ii) has exhausted all rights to any unem-
22 ployment compensation to which such individual
23 was entitled (or would have been entitled if
24 such individual had applied therefor); and

1 (iii) does not have an unexpired waiting
2 period applicable to such individual for such un-
3 employment compensation;

4 (D) has been enrolled in education or
5 training pursuant to subsection (d) by—

6 (i) the end of the 16th week after the
7 permanent layoff described in subpara-
8 graph (A), or, if later, the end of the 14th
9 week after such individual was informed
10 that the layoff will exceed 6 months; or

11 (ii) a period that is not in excess of
12 60 days after the periods described in
13 clause (i), in cases where the substate
14 grantee determines, in accordance with
15 guidelines issued by the Secretary, that
16 there are extenuating circumstances that
17 justify such extension, such as a cancella-
18 tion of a course, a first available enroll-
19 ment date that is after the periods de-
20 scribed in subparagraph (A), or the com-
21 mencement of negotiations for reopening a
22 plant or facility from which an individual
23 has been laid off; and

1 (E) is participating, and making satisfac-
2 tory progress, in education or training provided
3 pursuant to subsection (d).

4 (3) SPECIAL RULES.—

5 (A) CONTINUOUS EMPLOYMENT.—

6 (i) For purposes of clause (ii) of para-
7 graph (2)(B) and subject to the limitations
8 of clause (ii) of this subparagraph, contin-
9 uous employment shall be deemed to in-
10 clude any week in which an individual—

11 (I) was on employer-authorized
12 leave for purposes of vacation, sick-
13 ness, injury or inactive duty or active
14 duty military service for training;

15 (II) was on employer-authorized
16 leave because of circumstances de-
17 scribed in (aa) subsection 102(a) of
18 the Family and Medical Leave Act of
19 1993, or (bb) a similar State law;

20 (III) did not work because of a
21 disability that is compensable under a
22 worker's compensation law or plan of
23 a State or the United States;

24 (IV) had his, or her, employment
25 interrupted in order to serve as a full-

1 time representative of a labor organi-
2 zation in such firm or subdivision;

3 (V) was on call-up for purposes
4 of active duty in a reserve status in
5 the Armed Forces of the United
6 States, provided such active duty is
7 “Federal service” as defined in 5
8 U.S.C. 8521(a)(1);

9 (VI) was on temporary layoff; or

10 (VII) was serving on jury duty.

11 (ii) For the purposes of clause (i), no
12 more than the following number of weeks
13 within a one year period may be treated as
14 weeks of employment:

15 (I) 7 weeks in the case of weeks
16 described in subclauses (I) or (IV) of
17 clause (i), or both.

18 (II) 12 weeks in the case of
19 weeks described in division (aa) of
20 subclause (II) of clause (i). Any num-
21 ber of weeks in the case of weeks de-
22 scribed in division (bb) of subclause
23 (II) of clause (i).

1 (III) 26 weeks in the case of
2 weeks described in subclause (III) and
3 (V) of clause (i).

4 (B) SAME EMPLOYER.—(i) For the pur-
5 pose of clause (ii) of paragraph (2)(B), employ-
6 ment deemed to be employment for a single em-
7 ployer shall include—

8 (I) all employment that constituted
9 service under a single multiemployer plan
10 (as defined in section 4001(a)(3) of the
11 Employee Retirement Income Security Act
12 of 1974 (29 U.S.C. 1301(a)(3));

13 (II) all employment that was obtained
14 through a single hiring hall;

15 (III) all employment for the employer
16 from whom the individual was laid-off or
17 the predecessor of such employer;

18 (IV) all employment for employers in
19 a joint employment relationship, as de-
20 scribed in section 791.2(b) of title 29 of
21 the Code of Federal Regulations, with the
22 individual; and

23 (V) all employment for a successor
24 employer or a leased employer.

1 (ii) For purposes of subclause (III) of
2 clause (i), an employer shall be considered a
3 predecessor of the employer from whom the in-
4 dividual was laid-off (hereinafter referred to as
5 successor employer) if—

6 (I) the successor employer acquired
7 substantially all the property used in a
8 trade or business, or used in a separate
9 unit of a trade or business, from such em-
10 ployer; and

11 (II) the individual who was laid off
12 was employed by such employer in such
13 trade or business, or in a separate unit of
14 such trade or business, immediately before
15 the acquisition and was employed by the
16 successor employer immediately after the
17 acquisition.

18 (C) INDIVIDUAL TREATED AS PARTICIPAT-
19 ING IN EDUCATION OR TRAINING PROGRAM.—
20 For purposes of subparagraph (E) of paragraph
21 (2), an individual shall be treated as participat-
22 ing, and making satisfactory progress, in an
23 education or training program during any week
24 which is part of a break from training that does

1 not exceed 28 days if the break is provided
2 under such program.

3 (4) WEEKLY AMOUNT OF PAYMENTS.—The re-
4 training income support payment payable to an indi-
5 vidual under this subsection shall be an amount
6 equal to the most recent benefit amount of the un-
7 employment compensation payable to such individual
8 for a week of total unemployment preceding such in-
9 dividual's first exhaustion of unemployment com-
10 pensation related to the permanent layoff reduced
11 (but not below zero) by—

12 (A) any training income support provided
13 for such week to such individual under another
14 Federal program;

15 (B) income that is earned from employ-
16 ment that exceeds one-half the amount equal to
17 the most recent weekly benefit amount of the
18 unemployment compensation payable to such
19 individual for a week of total unemployment.

20 (5) TOTAL AMOUNT OF PAYMENTS.—

21 (A) IN GENERAL.—The maximum amount
22 of retraining income support payable to an indi-
23 vidual under this subsection shall be the
24 amount which is the product of 26 multiplied
25 by the retraining income support payable to the

1 individual for a week of total unemployment (as
2 determined under paragraph (4)), but such
3 product shall be reduced by the total sum of ex-
4 tended and additional compensation to which
5 the individual was entitled in the worker's first
6 benefit period as described in paragraph (2)(C).

7 (B) PERIOD OF AVAILABILITY.—(i) Sub-
8 ject to the provisions of clause (ii), no retrain-
9 ing income support shall be paid for any week
10 occurring after the close of the 78-week period
11 that begins with the first week following the
12 week after the individual was permanently laid-
13 off as described in paragraph (2)(A).

14 (ii) For the purpose of determining the 78-
15 week period in clause (i), the period of time
16 specified in a certificate of continuing eligibility
17 issued pursuant under section 118 during which
18 the individual is employed in a job described by
19 that section shall not be counted.

20 (6) WEEKS DURING WHICH INDIVIDUAL RE-
21 CEIVED ON-THE-JOB TRAINING.—No retraining in-
22 come support shall be paid to an individual under
23 this subsection for any week during which the indi-
24 vidual is receiving on-the-job training.

1 (7) COORDINATION WITH EXTENDED BENEFITS
2 PROGRAM.—

3 (A) IN GENERAL.—Notwithstanding any
4 other provision of this Act or other Federal law,
5 if the benefit year of an individual ends within
6 an extended benefit period, the number of
7 weeks of extended benefits that such worker
8 would, but for this paragraph, be entitled to an
9 extended benefit period shall be reduced (but
10 not below zero) by the number of weeks for
11 which the individual was entitled, during such
12 benefit year, to retraining income support
13 under this Act.

14 (B) DEFINITIONS.—For purposes of this
15 paragraph, the terms “benefit year” and “ex-
16 tended benefit period” shall have the same re-
17 spective meanings given to them in the Federal-
18 State Extended Unemployment Compensation
19 Act of 1970.

20 (8) ADMINISTRATION.—The substate grantee
21 shall enter into an agreement with the State agency
22 charged with the administration of the State unem-
23 ployment compensation law under which such agency
24 will administer, on a cost-reimbursable basis, the re-

1 training income support payments authorized under
2 this subsection.

3 (9) SUBSTATE GRANTEE ROLE.—Each substate
4 grantee shall assist an individual receiving education
5 or training pursuant to subsection (d) in applying
6 for retraining income support under either part A of
7 title II of the Reemployment Act of 1994 (H.R.
8 4040 of the 103d Congress, as introduced) or this
9 subsection depending on the program for which such
10 individual is eligible. If such individual is not eligible
11 for either program and such individual believes in-
12 come support is necessary to enable participation in
13 training, the substate grantee shall assist such indi-
14 vidual in applying for other appropriate sources of
15 such income support, including student financial aid.

16 (10) INFORMATION DISSEMINATION.—The sub-
17 state grantee shall provide individuals determined el-
18 igible under this title with information relating to
19 the availability of retraining income support and the
20 requirements relating to eligibility for such support.
21 Such information shall include the provision, in a
22 timely manner, as defined by the Secretary, of infor-
23 mation to such individuals describing the time peri-
24 ods by which enrollment in education and training
25 must occur in order to be eligible for retraining in-

1 come support pursuant to paragraph (2)(D) of this
2 subsection and section 202 of the Reemployment Act
3 of 1994 (H.R. 4040 of the 103d Congress, as intro-
4 duced). In addition, the substate grantee shall make
5 arrangements with the State agency charged with
6 the administration of the State unemployment com-
7 pensation law to make such information generally
8 available to claimants along with other information
9 describing the services available under this title.

10 (f) SUPPORTIVE SERVICES.—

11 (1) IN GENERAL.—Each substate grantee shall
12 make available to an eligible individual, either
13 through direct payment, payment to a service pro-
14 vider, or arrangements through appropriate agen-
15 cies, such supportive services as are identified in
16 such individuals’s reemployment plan as necessary to
17 enable such individual to participate in intensive re-
18 employment services under subsection (c) or edu-
19 cation and training services under subsection (d).

20 (2) OPTIONAL SERVICES.—Each substate
21 grantee may make available to an eligible individual
22 such supportive services as such grantee determines
23 is appropriate to enable such individual to partici-
24 pate in basic reemployment services.

1 (3) SERVICES AVAILABLE.—The supportive
2 services provided pursuant to this subsection may in-
3 clude transportation, dependent care, meals, health
4 care, temporary shelter, needs-related payments in
5 an amount which is at least equal to the minimum
6 State unemployment insurance benefit (as deter-
7 mined by the State), drug and alcohol abuse counsel-
8 ing and referral, family counseling, and other similar
9 services.

10 (g) ADDITIONAL DEFINITIONS.—For purposes of this
11 section, the following definitions apply:

12 (1) ADDITIONAL COMPENSATION.—The term
13 “additional compensation” means compensation pay-
14 able by reason of conditions of high unemployment
15 or other special factors to individuals who have ex-
16 hausted their unemployment compensation.

17 (2) BENEFIT PERIOD.—The term “benefit pe-
18 riod” means, with respect to an individual—

19 (A) the benefit year and any ensuing pe-
20 riod, as determined under the applicable State
21 law, during which the individual is eligible for
22 regular compensation, additional compensation,
23 or extended compensation; or

1 (B) the equivalent to such a benefit year
2 or ensuing period provided for under the appli-
3 cable Federal unemployment compensation law.

4 (3) ON-THE-JOB TRAINING.—The term “on-the-
5 job training” means training provided by the em-
6 ployer to an individual who performs services for re-
7 munerated for the employer.

8 (4) UNEMPLOYMENT COMPENSATION.—The
9 term “unemployment compensation” means the un-
10 employment compensation payable to an individual
11 under any State law or Federal unemployment com-
12 pensation law, including chapter 85 of title 5, Unit-
13 ed States Code and the Railroad Unemployment In-
14 surance Act.

15 (5) WEEK.—The term “week” means a week as
16 defined in the applicable State.

17 **SEC. 118. CERTIFICATES OF CONTINUING ELIGIBILITY.**

18 (a) IN GENERAL.—A substate grantee shall issue a
19 certificate of continuing eligibility for services under this
20 title if such grantee determines that—

21 (1) such individual is eligible for services under
22 section 103; and

23 (2)(A) such individual is accepting employment
24 and such employment is—

1 (i) at a wage significantly less than such
2 individual's previous wage; or

3 (ii) in an occupation significantly different
4 from such individual's previous occupation; or

5 (B) such individual is unable to participate in
6 training or education within the time period pro-
7 vided by section 117(e)(2)(D) because no suitable
8 training or education is reasonably available to such
9 individual.

10 (b) CONTENTS.—A certificate of continuing eligibility
11 issued pursuant to subsection (a) shall specify a period
12 of time not to exceed 104 weeks that such individual shall
13 remain eligible, notwithstanding the requirements of sec-
14 tion 103, for services under this title and for retraining
15 income support payments under section 117(e) and part
16 A of title II of the Reemployment Act of 1994 (H.R. 4040
17 of the 103d Congress, as introduced).

18 (c) ELIGIBILITY FOR RETRAINING INCOME SUP-
19 PORT.—With respect to the continuing eligibility of an in-
20 dividual receiving a certificate under this section for re-
21 training income support—

22 (1) the requirements relating to eligibility for
23 unemployment compensation under section
24 117(e)(2)(C) of this Act and section 202(a)(3) of
25 the Reemployment Act of 1994 (H.R. 4040 of the

1 103d Congress, as introduced) and to the weekly
2 amount of such support under section 117(e)(4) and
3 part A of title II of the Reemployment Act of 1994
4 (H.R. 4040 of the 103d Congress, as introduced)
5 shall apply to such individual's status at the time
6 such individual receives a certificate under this sec-
7 tion and shall not apply to such individual's status
8 at the time of separation from subsequent employ-
9 ment described in subsection (a)(2); and

10 (2) the requirements relating to enrollment in
11 training in order to qualify for such income support
12 shall remain applicable except that the 16-week and
13 14-week periods described in section 117(e)(2) of
14 this Act and section 202(a)(4) of the Reemployment
15 Act of 1994 (H.R. 4040 of the 103d Congress, as
16 introduced) shall commence with such individual's
17 separation from the subsequent employment de-
18 scribed in subsection (a)(2).

19 **Subtitle B—Federal Service**
20 **Delivery System**

21 **SEC. 121. FEDERAL REEMPLOYMENT UNIT.**

22 The Secretary shall designate or establish an identifi-
23 able worker reemployment unit to coordinate the functions
24 of the Secretary under this title.

1 **SEC. 122. NATIONAL DISCRETIONARY GRANT PROGRAM.**

2 (a) AUTHORIZATION.—

3 (1) IN GENERAL.—The Secretary may provide
4 grants to eligible entities described in paragraph (2)
5 to carry out the following activities:

6 (A) To establish programs to address large
7 scale economic dislocations that result from
8 plant closures, base closures, or mass layoffs.

9 (B) To establish programs that may be up
10 to 3 years in length, and may include the fol-
11 lowing programs:

12 (i) Self-employment opportunity pro-
13 gram.

14 (ii) Public works employment pro-
15 gram.

16 (iii) Dislocated farmer program.

17 (iv) Job creation program.

18 (C) To carry out projects that establish on-
19 site transition centers meeting the requirements
20 described in section 115(d)(2).

21 (D) To establish programs to address
22 small-scale layoffs that are likely to have a sub-
23 stantial adverse State or local economic impact.

24 (E) To provide additional financial assist-
25 ance to programs and activities established and

1 operated by States and substate grantees under
2 this title.

3 (2) ELIGIBLE ENTITIES.—The following entities
4 shall be eligible to receive grants under paragraph
5 (1):

6 (A) States.

7 (B) Substate grantees.

8 (C) Employers and employer associations,
9 including private industry councils.

10 (D) Transition assistance committees and
11 other employer-employee entities.

12 (E) Labor organizations.

13 (F) Industry consortia.

14 (G) Appropriate State agencies.

15 (H) Community-based organizations.

16 (I) Institutions of higher education.

17 (J) Native American tribal entities eligible
18 to receive assistance under section 401 of the
19 Job Training Partnership Act.

20 (K) Entities eligible to receive assistance
21 under section 402 of the Job Training Partner-
22 ship Act (relating to migrant and seasonal
23 farmworker programs).

1 (L) Entities providing adult education, as
2 defined in section 312(2) of the Adult Edu-
3 cation Act.

4 (M) Entities providing vocational edu-
5 cation, as defined in section 521(41) of the Carl
6 D. Perkins Vocational and Applied Technology
7 Education Act.

8 (b) APPLICATION.—

9 (1) IN GENERAL.—The Secretary may not pro-
10 vide a grant under subsection (a) to an eligible en-
11 tity unless the entity submits to the Secretary an
12 application at such time, in such manner, and ac-
13 companied by such information as the Secretary de-
14 termines to be appropriate.

15 (2) REVIEW AND COMMENT BY GOVERNOR.—
16 The Governor shall be provided an opportunity to re-
17 view and comment on an application described in
18 paragraph (1) prior to the submission of such appli-
19 cation to the Secretary.

20 (c) REVIEW OF APPLICATION.—The Secretary shall
21 review each application submitted under subsection (b)
22 and shall approve or disapprove each such application not
23 later than 30 days after the date on which the Secretary
24 receives such application.

1 (d) AUTHORITY TO OBLIGATE GRANT FUNDS.—An
2 eligible entity may enter into obligations to expend
3 amounts that will be provided to such entity under a grant
4 beginning on the date on which the Secretary approves
5 the application for such grant under subsection (c).

6 (e) USE OF AMOUNTS.—

7 (1) IN GENERAL.—Except as provided in para-
8 graph (2), the Secretary may not provide a grant
9 under subsection (a)(1) to an eligible entity unless
10 the entity agrees that it will use all amounts received
11 from such grant to provide services described in sec-
12 tion 117 to eligible individuals under projects that
13 relate to—

14 (A) industry-wide dislocations;

15 (B) multistate dislocations;

16 (C) dislocations caused by Federal actions,
17 including—

18 (i) dislocations resulting from reduc-
19 tions in expenditures by the United States
20 for defense; and

21 (ii) dislocations resulting from Fed-
22 eral environmental laws and regulations,
23 including the Clean Air Act (42 U.S.C.
24 7401 et seq.) and the Endangered Species
25 Act of 1973 (16 U.S.C. 1531 et seq.);

1 (D) dislocations resulting from inter-
2 national trade;

3 (E) dislocations affecting Native American
4 tribal entities carried out through agreements
5 with such entities; and

6 (F) other dislocations that result from spe-
7 cial circumstances or dislocations that State
8 and local resources are insufficient to address.

9 (2) EXCEPTION.—In the case of an eligible en-
10 tity that is a Native American tribal entity, the Sec-
11 retary may not provide a grant under subsection
12 (a)(1) to such entity unless the entity agrees that it
13 will use all amounts received from such grant to pro-
14 vide services described in section 117 to eligible indi-
15 viduals under projects that relate to dislocations af-
16 fecting such entity.

17 **SEC. 123. DISASTER RELIEF EMPLOYMENT ASSISTANCE.**

18 (a) GENERAL AUTHORITY.—

19 (1) QUALIFICATION FOR FUNDS.—Funds ap-
20 propriated to carry out this section shall be made
21 available in a timely manner by the Secretary to the
22 Governor of any State within which is located an
23 area that has suffered an emergency or a major dis-
24 aster as defined in paragraphs (1) and (2), respec-
25 tively, of section 102 of the Robert T. Stafford Dis-

1 aster Relief and Emergency Assistance Act (here-
2 after referred to in this section as the “disaster
3 area”).

4 (2) COORDINATION.—Funds made available to
5 Governors under paragraph (1) shall be expended in
6 consultation with—

7 (A) agencies administering programs for
8 disaster relief provided under the Robert T.
9 Stafford Disaster Relief and Emergency Assist-
10 ance Act; and

11 (B) the administrative entity and the pri-
12 vate industry council in each service delivery
13 area within which disaster employment pro-
14 grams will be conducted under this section.

15 (b) USE OF FUNDS.—

16 (1) IN GENERAL.—Funds made available under
17 this section shall be utilized for the purpose of di-
18 rectly assisting communities that are located within
19 disaster areas, including units of general local gov-
20 ernment in such areas, and—

21 (A) shall be used exclusively to provide em-
22 ployment under projects—

23 (i) to provide food, clothing, shelter,
24 and other humanitarian assistance for vic-
25 tims of a disaster; and

1 (ii) relating to the demolition, clean-
2 up, repair, renovation, and reconstruction
3 of damaged and destroyed structures, fa-
4 cilities, and lands located within the disas-
5 ter area; and

6 (B) may be expended through public and
7 private agencies and organizations engaged in
8 such projects.

9 (2) ELIGIBILITY FOR EMPLOYMENT.—

10 (A) IN GENERAL.—Notwithstanding sec-
11 tion 103, an individual shall be eligible to be of-
12 fered employment under paragraph (1) if such
13 individual is temporarily or permanently laid off
14 as a consequence of a disaster.

15 (B) LIMITATION.—An individual shall not
16 be employed under paragraph (1) for more than
17 6 months for work related to recovery from a
18 single natural disaster.

19 (c) DEFINITION OF UNIT OF GENERAL LOCAL GOV-
20 ERNMENT.—For purposes of this section, the term “unit
21 of general local government” includes—

22 (1) in the case of a community conducting a
23 project in an Indian reservation or Alaska Native
24 village, the grantee designated under subsection (c)
25 or (d) of section 401 of the Job Training Partner-

1 ship Act (29 U.S.C. 1671(c) or (d)), or a consortium
2 of such grantees and the State; and

3 (2) in the case of a community conducting a
4 project in a migrant or seasonal farmworker commu-
5 nity, the grantee designated under section 402(c) of
6 the Job Training Partnership Act (29 U.S.C.
7 1672(c)), or a consortium of such grantees and the
8 State.

9 **SEC. 124. EVALUATION, RESEARCH, AND DEMONSTRATIONS.**
10

11 (a) EVALUATION.—

12 (1) IN GENERAL.—The Secretary shall provide
13 for the continuing evaluation of programs conducted
14 under this title, including the cost-effectiveness of
15 such programs in achieving the purposes of this
16 title.

17 (2) TECHNIQUES.—

18 (A) METHODS.—An evaluation conducted
19 under paragraph (1) shall utilize recognized
20 statistical methods and techniques of the behav-
21 ioral and social sciences, including methodolo-
22 gies that control for self-selection, where fea-
23 sible.

24 (B) ANALYSIS.—An evaluation conducted
25 under paragraph (1) may include cost benefit

1 analyses of programs, and analyses of the im-
2 pact of the programs on participants and the
3 community, the extent to which programs meet
4 the needs of various demographic groups, the
5 extent to which programs provided training
6 which led to high skill, high wage jobs and non-
7 traditional employment opportunities for women
8 and minorities, and the effectiveness of the de-
9 livery systems used by the various programs.

10 (C) EFFECTIVENESS.—The Secretary shall
11 evaluate the effectiveness of programs author-
12 ized under this title with respect to—

13 (i) the statutory goals;

14 (ii) the performance standards estab-
15 lished by the Secretary; and

16 (iii) the extent to which such pro-
17 grams enhance the employment and earn-
18 ings of participants, reduce income support
19 costs, improve the employment com-
20 petencies of participants in comparison to
21 comparable persons who did not partici-
22 pate in such programs, and, to the extent
23 feasible, increase the level of total employ-
24 ment over the level that would have existed
25 in the absence of such programs.

1 (b) RESEARCH.—

2 (1) IN GENERAL.—The Secretary shall establish
3 a program of research relating to addressing eco-
4 nomic dislocation, facilitating the transition of per-
5 manently laid off workers to reemployment, and up-
6 grading the skills of employed workers.

7 (2) CONDUCT OF PROGRAM.—In carrying out
8 the program established under paragraph (1), the
9 Secretary shall develop and maintain statistical data
10 relating to permanent layoffs and plant closings.

11 (3) MASS LAYOFF REPORT.—The Secretary
12 shall publish a report based upon such data, as soon
13 as practicable, after the end of each calendar year.
14 Among the data to be included are—

15 (A) the number of such closings;

16 (B) the number of workers displaced;

17 (C) the location of the affected facilities;

18 and

19 (D) the types of industries involved.

20 (4) SURVEY AND REPORT RELATING TO WORK-
21 ER ADJUSTMENT AND RETRAINING AND NOTIFICA-
22 TION ACT.—

23 (A) SURVEY.—The Secretary shall conduct
24 a survey—

1 (i) estimating the number of dis-
2 located workers in the United States who
3 received notice of termination from their
4 jobs which complied with the requirements
5 of the Worker Adjustment and Retraining
6 Notification Act (29 U.S.C. 2101 et seq.);

7 (ii) estimating the number of dis-
8 located workers in the United States who
9 received some notice of termination from
10 their jobs under such Act but less than the
11 full amount of notice required by such Act;

12 (iii) estimating the number of dis-
13 located workers in the United States who
14 did not receive any notice of termination
15 from their jobs in violation of the require-
16 ments of such Act; and

17 (iv) analyzing the reasons why dis-
18 located workers described in clauses (ii)
19 and (iii) did not receive appropriate ad-
20 vance notice of termination from their jobs.

21 (B) REPORT.—Not later than 2 years after
22 the date of the enactment of this Act, the Sec-
23 retary shall submit to the Congress a report
24 containing—

- 1 (i) the results of the survey conducted
2 under subparagraph (A); and
3 (ii) recommendations for appropriate
4 legislation that would increase the likeli-
5 hood that all dislocated workers covered by
6 the requirements of the Worker Adjust-
7 ment and Retraining Notification Act (29
8 U.S.C. 2101 et seq.) would receive notice
9 of termination from their jobs in accord-
10 ance with the requirements of such Act.

11 (c) DEMONSTRATIONS.—

12 (1) IN GENERAL.—The Secretary shall conduct
13 a program of demonstration projects to develop and
14 improve the methods for addressing economic dis-
15 location and promoting worker adjustment. Such
16 program may include projects that—

17 (A) provide services to upgrade the skills
18 of employed workers who are at risk of being
19 permanently laid off; and

20 (B) assist in retraining employed workers
21 in new technologies and work processes that
22 will facilitate the conversion or restructuring of
23 businesses into high performance work organi-
24 zations and avert plant closings or substantial
25 layoffs.

1 ers, industry consortia, and other entities, to enhance their
2 capacity to develop and deliver effective adjustment assist-
3 ance services to workers and to avert plant closings or sub-
4 stantial layoffs. Such training and assistance may include
5 the development of management information systems, cus-
6 tomized training programs, and the dissemination of com-
7 puter-accessed learning systems.

8 (b) COORDINATION.—The Secretary shall integrate
9 the activities carried out under subsection (a) with the ac-
10 tivities of the Capacity Building and Information and Dis-
11 semination Network established under section 453 of the
12 Job Training Partnership Act (29 U.S.C. 1733).

13 **SEC. 126. FEDERAL BYPASS AUTHORITY.**

14 If a State chooses not to participate in the program
15 authorized under subtitle A of title I or fails to submit
16 an approved plan under such part, the Secretary shall use
17 the amount that would be allotted to such State under
18 section 101(b) to provide for the delivery in that State
19 of the programs, activities, and services authorized under
20 this title until such time as such State chooses to partici-
21 pate in the program.

1 **Subtitle C—Performance Stand-**
2 **ards and Quality Assurance Sys-**
3 **tems**

4 **SEC. 131. PERFORMANCE STANDARDS.**

5 (a) IN GENERAL.—The Secretary, after consultation
6 with the Secretary of Education, Governors, and substate
7 grantees shall establish performance standards relating to
8 the provision of services under this title. Such standards
9 shall be based on factors the Secretary determines to be
10 appropriate, which may include—

11 (1) placement, retention, and earnings of par-
12 ticipants in unsubsidized employment, including—

13 (A) earnings at six months or more after
14 termination from the program; and

15 (B) comparability of wages at a specified
16 period after termination from the program with
17 wages prior to participation in the program;

18 (2) acquisition of skills pursuant to a skill
19 standards and skill certification system endorsed by
20 the National Skill Standards Board established
21 under the Goals 2000: Educate America Act;

22 (3) satisfaction of participants and employers
23 with services provided and employment outcomes;
24 and

1 (4) the quality of services provided to hard-to-
2 serve populations, such as low income individuals,
3 older workers, and displaced homemakers.

4 (b) ADJUSTMENTS.—Each Governor shall, in accord-
5 ance with regulations established by the Secretary and
6 after consultation with substate grantees, prescribe ad-
7 justments to the performance standards established under
8 section (a) for the substate grantees established in the
9 State based on—

10 (1) specific economic, geographic, and demo-
11 graphic factors in the State and in substate areas
12 within the State;

13 (2) the characteristics of the population to be
14 served, including the demonstrated difficulties in
15 serving special populations; and

16 (3) the types of services to be provided to such
17 populations.

18 (c) FAILURE TO MEET STANDARDS.—

19 (1) UNIFORM CRITERIA.—

20 (A) IN GENERAL.—The Secretary shall es-
21 tablish uniform criteria for determining whether
22 a substate grantee fails to meet the perform-
23 ance standards under this section.

1 (B) MODIFICATION.—Such criteria may
2 not be modified more than once every two
3 years.

4 (2) TECHNICAL ASSISTANCE.—The Governor
5 shall provide technical assistance to substate grant-
6 ees that fail to meet the performance standards
7 under the uniform criteria established under para-
8 graph (1).

9 (3) REPORT ON PERFORMANCE.—Not later
10 than 90 days after the end of each program year,
11 each Governor shall submit to the Secretary a report
12 containing the final performance standards for the
13 State and the final performance standards for each
14 substate grantee in the State, including a description
15 of the technical assistance provided or planned to be
16 provided in accordance with paragraph (2).

17 (4) DESIGNATION OF ANOTHER ENTITY AS SUB-
18 STATE GRANTEE.—If a substate grantee fails to
19 meet the performance standards for two consecutive
20 program years, the Governor shall notify the Sec-
21 retary and the substate grantee of the continued
22 failure and shall terminate the grant agreement with
23 such grantee and designate another entity as the
24 substate grantee consistent with section 116(b)(2).

25 (5) APPEAL.—

1 (A) IN GENERAL.—A substate grantee that
2 has received notice under paragraph (4) that
3 such grantee has failed to meet the performance
4 standards for two consecutive years may, not
5 later than 30 days after receiving such notice,
6 appeal to the Secretary the decision of the Gov-
7 ernor to terminate the grant agreement with
8 such grantee.

9 (B) DECISION.—The Secretary shall issue
10 a decision on an appeal under subparagraph
11 (A) not later than 30 days after receiving notice
12 of such appeal.

13 (d) INCENTIVE GRANTS.—

14 (1) AUTHORIZATION.—From the funds reserved
15 pursuant to section 101(c)(1), the Governor shall re-
16 serve funds to provide incentive grants to substate
17 grantees in the State that exceed the performance
18 standards under this section.

19 (2) USE OF AMOUNTS.—Such substate grantees
20 shall use amounts from such grants to enhance or
21 expand services provided under this title.

22 **SEC. 132. CUSTOMER FEEDBACK.**

23 (a) METHODS.—Each substate grantee shall estab-
24 lish, in accordance with standards established by the Sec-
25 retary, methods for obtaining, on a regular basis, informa-

1 tion from eligible individuals and employers who have re-
2 ceived services under this title regarding the effectiveness
3 and quality of such services and of service providers. Such
4 methods may include the use of surveys, interviews, and
5 focus groups.

6 (b) ANALYSIS AND DISSEMINATION.—Each substate
7 grantee shall analyze the information obtained from using
8 the methods established under subsection (a) on a regular
9 basis for use in improving the administration of the pro-
10 grams under this title and assisting participants in choos-
11 ing from among eligible service providers, including infor-
12 mation to assist individuals from various demographic
13 groups to choose from among such providers. Employees
14 of service providers with respect to which customer feed-
15 back information is being collected and analyzed shall be
16 provided with such information and analysis, and offered
17 an opportunity to provide comments before such informa-
18 tion and analysis is made available to the public.

19 **SEC. 133. ELIGIBILITY REQUIREMENTS FOR PROVIDERS OF**
20 **EDUCATION AND TRAINING SERVICES.**

21 (a) ELIGIBILITY REQUIREMENTS.—A provider of
22 education and training services shall be eligible to receive
23 funds under this title if such provider—

24 (1) is either—

1 (A) an institution of higher education that
2 continues to be eligible to participate in title IV
3 of the Higher Education Act of 1965; or

4 (B) determined to be eligible under the
5 procedures described in subsection (b); and

6 (2) provides the performance-based information
7 required pursuant to subsection (c).

8 (b) ALTERNATIVE ELIGIBILITY PROCEDURE.—

9 (1) IN GENERAL.—The Governor shall estab-
10 lish, in accordance with standards established by the
11 Secretary, an alternative eligibility procedure for
12 providers of education and training services in such
13 State desiring to receive funds under this title but
14 that are not eligible to participate in title IV of the
15 Higher Education Act of 1965. Such procedure shall
16 establish minimum acceptable levels of performance
17 for such providers based on factors and guidelines
18 developed by the Secretary, after consultation with
19 the Secretary of Education. Such factors shall be
20 comparable in rigor and scope to those provisions of
21 part H of such title of such Act that are used to de-
22 termine an institution of higher education's eligi-
23 bility to participate in programs under such title as
24 are appropriate to the type of provider seeking eligi-

1 bility under this subsection and the nature of the
2 education and training services to be provided.

3 (2) LIMITATION.—Notwithstanding paragraph
4 (1), if the participation of an institution of higher
5 education in any of the programs under such title of
6 such Act is terminated, such institution shall not be
7 eligible to receive funds under this Act for a period
8 of two years.

9 (c) PERFORMANCE-BASED INFORMATION.—

10 (1) CONTENTS.—The Secretary, in consultation
11 with the Secretary of Education, shall identify per-
12 formance-based information that is to be submitted
13 by providers of services desiring to be eligible under
14 this section and shall establish a standard methodol-
15 ogy for retrieving such information. Such informa-
16 tion shall be independently verified prior to submis-
17 sion and may include information by various demo-
18 graphic groups relating to—

19 (A) the percentage of students completing
20 the programs conducted by the provider;

21 (B) the rates of licensure of graduates of
22 the programs conducted by the provider;

23 (C) the percentage of graduates of the pro-
24 grams meeting skill standards and certification
25 requirements endorsed by the National Skill

1 Standards Board established under the Goals
2 2000: Educate America Act;

3 (D) the rates of placement and retention in
4 employment, and earnings of the graduates of
5 the programs conducted by the provider;

6 (E) the percentage of students who ob-
7 tained employment in an occupation related to
8 the program conducted by the provider; and

9 (F) the warranties or guarantees provided
10 by such provider relating to the skill levels or
11 employment to be attained by students.

12 (2) ADDITIONAL INFORMATION.—The Governor
13 may, with the approval of the Secretary, prescribe
14 additional performance-based information that shall
15 be submitted by providers pursuant to this sub-
16 section.

17 (d) ADMINISTRATION.—

18 (1) STATE AGENCY.—The Governor shall des-
19 ignate a State agency to collect, verify, and dissemi-
20 nate the performance-based information submitted
21 under subsection (c).

22 (2) SUBMISSION OF INFORMATION TO STATE
23 AGENCY.—A provider of education and training serv-
24 ices that desires to be eligible to receive funds under
25 this title shall submit the information required under

1 subsection (c) to the State agency designated under
2 paragraph (1) at such time and in such form as
3 such State agency may require.

4 (3) LIST OF ELIGIBLE PROVIDERS.—The State
5 agency designated under paragraph (1) shall compile
6 a list of eligible providers, accompanied by the per-
7 formance-based information submitted under para-
8 graph (2), and disseminate such list and information
9 to the substate grantees within the State.

10 (4) ACCURACY OF INFORMATION.—

11 (A) IN GENERAL.—If the State agency
12 designated under paragraph (1) determines that
13 information concerning a provider is inaccurate,
14 such provider shall be disqualified from receiv-
15 ing funds under this title for a period of two
16 years, unless such provider can demonstrate to
17 the satisfaction of the Governor or the designee
18 of such Governor, that the information was pro-
19 vided in good faith. Individuals who received
20 training from such a disqualified provider shall
21 be provided the opportunity to receive appro-
22 priate additional training and income support
23 from a qualified provider.

24 (B) APPEAL.—The Governor shall estab-
25 lish a procedure for a service provider to appeal

1 a determination by the State agency designated
2 under paragraph (1) that results in a disquali-
3 fication under subparagraph (A). Such proce-
4 dure shall provide an opportunity for a hearing
5 and prescribe appropriate time limits to ensure
6 prompt resolution of the appeal.

7 (5) ASSISTANCE IN DEVELOPING INFORMA-
8 TION.—The State agency designated under para-
9 graph (1) may provide technical assistance to edu-
10 cation and training providers in developing the infor-
11 mation required under subsection (b). Such assist-
12 ance may include facilitating the utilization of State
13 administrative records, such as unemployment com-
14 pensation wage records, and other appropriate co-
15 ordination activities.

16 (6) CONSULTATION.—The Secretary shall con-
17 sult with the Secretary of Education regarding the
18 eligibility of institutions of higher education or other
19 providers of education and training to participate in
20 programs under this Act or under title IV of the
21 Higher Education Act of 1965.

22 (e) ON-THE-JOB TRAINING EXCEPTION.—

23 (1) IN GENERAL.—A provider of on-the-job
24 training shall not be subject to the requirements of
25 subsections (a), (b), and (c).

1 (2) COLLECTION AND DISSEMINATION OF IN-
2 FORMATION.—The substate grantee shall collect per-
3 formance-based information from on-the-job training
4 providers as the Secretary may require.

5 **Subtitle D—Program Requirements**

6 **SEC. 141. GENERAL REQUIREMENTS.**

7 Except as otherwise provided in this title, the follow-
8 ing conditions are applicable to all programs under this
9 title:

10 (1) PROHIBITION ON INDUCING RELOCATION OF
11 ESTABLISHMENTS.—

12 (A) IN GENERAL.—No funds provided
13 under this title shall be used or proposed for
14 use to encourage or induce the relocation, of an
15 establishment or part thereof, that results in a
16 loss of employment for any employee of such es-
17 tablishment at the original location of such es-
18 tablishment.

19 (B) PROHIBITION ON CUSTOMIZED OR
20 SKILL TRAINING, ON-THE-JOB TRAINING, OR
21 COMPANY SPECIFIC ASSESSMENTS OF JOB AP-
22 PLICANTS OR EMPLOYEES.—No funds provided
23 under this title shall be used for customized or
24 skill training, on-the-job training, or company
25 specific assessments of job applicants or em-

1 employees, for any establishment or part thereof,
2 that has relocated, until 1 year after the date
3 on which such establishment commences oper-
4 ations at the new location, if the relocation of
5 such establishment or part thereof, results in a
6 loss of employment for any employee of such es-
7 tablishment at the original location.

8 (C) ENFORCEMENT PROCEDURES.—

9 (i) INVESTIGATION.—If a violation of
10 subparagraph (A) or (B) is alleged, the
11 Secretary shall conduct an investigation to
12 determine whether a violation has oc-
13 curred.

14 (ii) PAYMENT OF PENALTY.—If the
15 Secretary determines that a violation of
16 subparagraph (A) or (B) has occurred, the
17 Secretary shall require the State, substate
18 area, or substate grantee that has violated
19 subparagraph (A) or (B) to—

20 (I) repay to the United States an
21 amount equal to the amount expended
22 in violation of subparagraph (A) or
23 (B), in accordance with subsections
24 (d) or (e) of section 154; and

1 (II) pay an additional amount
2 equal to the amount required to be re-
3 paid under subclause (I), unless the
4 State, substate area, or substate
5 grantee demonstrates to the Secretary
6 that it neither knew nor reasonably
7 could have known (after an inquiry
8 undertaken with due diligence) that it
9 provided funds in violation of sub-
10 paragraph (A) or (B).

11 (iii) DEPOSIT OF PENALTY AMOUNTS
12 IN THE TREASURY.—Amounts received
13 under clause (ii)(II) shall be deposited in a
14 special account in the Treasury for use by
15 the Secretary for carrying out this title.

16 (2) SPECIAL PROGRAMS.—Efforts shall be made
17 to develop programs under this title which contrib-
18 ute to occupational development, upward mobility,
19 development of new careers, and overcoming sex-
20 stereotyping in occupations traditional for the other
21 sex.

22 (3) JOINT SUBSTATE AGREEMENTS.—A sub-
23 state grantee may enter into an agreement or con-
24 tract with another substate grantee to pay or share
25 the cost of educating, training, or placing in employ-

1 ment individuals participating in programs assisted
2 under this Act, including the provision of supportive
3 services.

4 (4) ON-THE-JOB TRAINING.—

5 (A) PAYMENTS TO EMPLOYERS.—Pay-
6 ments to employers for on-the-job training of
7 individuals participating in programs assisted
8 under this title shall not, during the period of
9 such training, average more than 50 percent of
10 the amount of wages paid by the employer to
11 such individuals, and such payments shall be
12 deemed to be in compensation for—

13 (i) the extraordinary costs associated
14 with training individuals participating in
15 programs assisted under this title; and

16 (ii) the costs associated with the lower
17 productivity of such individuals.

18 (B) DURATION OF TRAINING.—

19 (i) IN GENERAL.—On-the-job training
20 authorized under this title for individuals
21 participating in programs assisted under
22 this title shall be limited in duration to a
23 period not in excess of the period generally
24 required for acquisition of skills needed for
25 the position within a particular occupation,

1 except that such period of on-the-job train-
2 ing shall not exceed 6 months unless the
3 total number of hours of such training is
4 less than 500 hours.

5 (ii) DETERMINATION OF PERIOD GEN-
6 ERALLY REQUIRED FOR ACQUISITION OF
7 SKILLS.—In determining the period gen-
8 erally required for acquisition of such
9 skills, consideration shall be given to recog-
10 nized reference material (such as the Dic-
11 tionary of Occupational Titles), the content
12 of the training of the individual, the prior
13 work experience of the individual, and the
14 reemployment plan of the individual.

15 (C) ON-THE-JOB TRAINING CONTRACTS.—

16 (i) CONTENTS AND REQUIREMENTS.—
17 Each on-the-job training contract shall—

18 (I) specify the types and duration
19 of on-the-job training and the other
20 services to be provided in sufficient
21 detail to allow for a fair analysis of
22 the reasonableness of proposed costs;
23 and

24 (II) comply with the applicable
25 requirements of section 154.

1 (ii) ADDITIONAL REQUIREMENTS FOR
2 CONTRACTS ENTERED INTO THROUGH
3 INTERMEDIARY BROKERING CONTRAC-
4 TOR.—Each on-the-job training contract
5 that is not directly entered into by a sub-
6 state grantee with an employer (but in-
7 stead is contracted through an
8 intermediary brokering contractor) shall, in
9 addition to meeting the requirements con-
10 tained in clause (i), specify—

11 (I) the outreach, recruitment,
12 participant training, counseling, place-
13 ment, monitoring, followup, and other
14 services to be provided directly by the
15 brokering contractor within its own
16 organization;

17 (II) the services to be provided
18 by the employer conducting the on-
19 the-job training; and

20 (III) the services to be provided,
21 with or without cost, by other agen-
22 cies and subcontractors.

23 (iii) ON-SITE MONITORING REQUIRE-
24 MENT WITH RESPECT TO SUBCONTRAC-
25 TOR.—If an intermediary brokering con-

1 tractor enters into a contract with a sub-
2 contractor to provide training or other
3 services, the brokering contractor shall en-
4 sure, through on-site monitoring, compli-
5 ance with the subcontract terms prior to
6 making payment to the subcontractor.

7 (iv) PROHIBITION OF CONTRACT WITH
8 CERTAIN EMPLOYERS.—In accordance with
9 regulations developed by the Secretary, on-
10 the-job training contracts under this title
11 shall not be entered into with employers
12 who have received payments under pre-
13 vious contracts and have exhibited a pat-
14 tern of failing to provide on-the-job train-
15 ing participants with continued long-term
16 employment as regular employees with
17 wages and employment benefits (including
18 health benefits) and working conditions at
19 the same level and to the same extent as
20 other employees working a similar length
21 of time and doing the same type of work.

22 (5) PROHIBITION ON FEES FOR PLACEMENT OR
23 REFERRAL.—A person or organization may not
24 charge an individual a fee for the placement or re-

1 ferral of such individual in or to a training program
2 under this title.

3 (6) PROHIBITION ON SUBSIDIZED EMPLOY-
4 MENT.—No funds may be provided under this Act
5 for any subsidized employment with any private for-
6 profit employer.

7 (7) RETENTION OF PROGRAM INCOME.—

8 (A) IN GENERAL.—Income under any pro-
9 gram under this title administered by a public
10 or private nonprofit entity may be retained by
11 such entity only if used to continue to carry out
12 the program.

13 (B) MAINTENANCE OF FINANCIAL
14 RECORDS.—Each such public or private non-
15 profit entity shall maintain records sufficient to
16 determine the amount of income received and
17 the purposes for which such income is ex-
18 pended.

19 (C) INCOME DESCRIBED.—For purposes of
20 this paragraph, the term “income” shall in-
21 clude—

22 (i) receipts from goods or services (in-
23 cluding conferences) provided as a result of
24 activities funded under the title;

1 (ii) funds provided to a service pro-
2 vider under this title that are in excess of
3 the costs associated with the services pro-
4 vided; and

5 (iii) interest income earned on funds
6 received under this title.

7 (8) NOTIFICATION AND CONSULTATION RE-
8 QUIREMENTS.—

9 (A) REQUIREMENTS OF THE SEC-
10 RETARY.—The Secretary shall notify the Gov-
11 ernor and the appropriate chief elected officials
12 of, and consult with the Governor and such offi-
13 cials concerning, any activity to be funded by
14 the Secretary under this title within the State
15 or substate area of the State.

16 (B) REQUIREMENTS OF THE GOVERNOR.—
17 The Governor shall notify the appropriate chief
18 elected officials of, and consult with such offi-
19 cials concerning, any activity to be funded by
20 the Governor under this title within the sub-
21 state area of the State.

22 (9) PROHIBITION ON PUBLIC SERVICE EMPLOY-
23 MENT.—Except as provided in section 123, no funds
24 available under this title may be used for public
25 service employment.

1 (10) PROHIBITION ON EMPLOYMENT GENERAT-
2 ING AND RELATED ACTIVITIES.—Except for funds
3 available to the Secretary to carry out section 123,
4 no funds available under this Act shall be used for
5 employment generating activities, economic develop-
6 ment activities, investment in revolving loan funds,
7 capitalization of businesses, investment in contract
8 bidding resource centers, and similar activities, or
9 for foreign travel.

10 (11) APPLICABILITY OF FEDERAL REQUIRE-
11 MENTS RELATING TO TITLE, USE, AND DISPOSITION
12 OF CERTAIN PROPERTY.—The Federal requirements
13 governing the title, use, and disposition of real prop-
14 erty, equipment, and supplies purchased with funds
15 provided under this Act shall be the Federal require-
16 ments generally applicable to Federal grants to
17 States and local governments.

18 (12) TRANSFER OF EXCESS PROPERTY OF THE
19 DEPARTMENT OF DEFENSE.—(A) Notwithstanding
20 title II of the Federal Property and Administrative
21 Services Act of 1949 (40 U.S.C. 481 et seq.) and
22 any other provision of law, the Secretary shall re-
23 ceive priority by the Secretary of Defense for the di-
24 rect transfer, on a nonreimbursable basis, of the
25 property described in subparagraph (B) for use in

1 carrying out programs under this Act or under any
2 other Act.

3 (B) The property described in this subpara-
4 graph is both real and personal property under the
5 control of the Department of Defense that is not
6 used by such Department, including property that
7 the Secretary of Defense determines is in excess of
8 current and projected requirements of such Depart-
9 ment.

10 **SEC. 142. BENEFITS.**

11 (a) IN GENERAL.—Except as otherwise provided in
12 this title, the following provisions shall apply to all activi-
13 ties financed under this title:

14 (1) PROHIBITION ON PAYMENTS FOR FAILURE
15 TO PARTICIPATE WITHOUT GOOD CAUSE.—A partici-
16 pant under this title shall not receive payments for
17 training activities in which the participant fails to
18 participate without good cause.

19 (2) WAGE RATES.—An individual employed in
20 activities authorized under this title shall be paid
21 wages which shall not be less than the highest of—

22 (A) the minimum wage under section
23 6(a)(1) of the Fair Labor Standards Act of
24 1938;

1 (B) the minimum wage under the applica-
2 ble State or local minimum wage law; or

3 (C) the prevailing rates of pay for individ-
4 uals employed in similar occupations by the
5 same employer.

6 (3) COMPENSATION FOR ON-THE-JOB TRAIN-
7 ING.—

8 (A) IN GENERAL.—Subject to subpara-
9 graph (B), a participant in on-the-job training
10 shall be compensated by the employer at the
11 same rates, including periodic increases, as
12 similarly situated employees or trainees and in
13 accordance with applicable law.

14 (B) MINIMUM RATES.—The rates of com-
15 pensation described in subparagraph (A) shall
16 not be less than the higher of the rate specified
17 in section 6(a)(1) of the Fair Labor Standards
18 Act of 1938 or the applicable State or local
19 minimum wage law.

20 (4) APPLICABILITY OF WAGE RATES WITH RE-
21 SPECT TO EMPLOYEES IN THE COMMONWEALTH OF
22 PUERTO RICO AND AMERICAN SAMOA.—References
23 in paragraphs (2) and (3) to section 6(a)(1) of the
24 Fair Labor Standards Act of 1938 (29 U.S.C.
25 206(a)(1)—

1 (A) shall be deemed to be references to
2 section 6(c) of that Act for individuals in the
3 Commonwealth of Puerto Rico;

4 (B) shall be deemed to be references to
5 6(a)(3) of that Act for individuals in American
6 Samoa; and

7 (C) shall not be applicable for individuals
8 in other territorial jurisdictions in which section
9 6 of the Fair Labor Standards Act of 1938
10 does not apply.

11 (b) INCOME DISREGARD.—Allowances, earnings, and
12 payments to individuals participating in programs under
13 this title shall not be considered as income for the pur-
14 poses of determining eligibility for and the amount of in-
15 come transfer and in-kind aid furnished under any Fed-
16 eral or federally assisted program based on need, except
17 as provided under the Social Security Act.

18 **SEC. 143. LABOR STANDARDS.**

19 (a) IN GENERAL.—

20 (1) CONDITIONS OF EMPLOYMENT AND TRAIN-
21 ING.—Conditions of employment and training shall
22 be appropriate and reasonable in light of such fac-
23 tors as the type of work, geographical region, and
24 proficiency of the participant in a program under
25 this title.

1 (2) HEALTH AND SAFETY STANDARDS.—

2 (A) IN GENERAL.—Health and safety
3 standards established under Federal and State
4 law, otherwise applicable to working conditions
5 of employees, shall be equally applicable to
6 working conditions of participants in programs
7 under this title.

8 (B) ACTIVITIES NOT COVERED UNDER THE
9 OCCUPATIONAL SAFETY AND HEALTH ACT OF
10 1970.—With respect to any participant in a
11 program under this title who is engaged in ac-
12 tivities which are not covered by health and
13 safety standards under the Occupational Safety
14 and Health Act of 1970, the Secretary shall
15 prescribe, by regulation, such standards as may
16 be necessary to protect the health and safety of
17 such participant.

18 (3) WORKERS COMPENSATION LAW.—

19 (A) IN GENERAL.—To the extent that a
20 State workers' compensation law is applicable,
21 workers' compensation benefits in accordance
22 with such law shall be available with respect to
23 injuries suffered by participants.

24 (B) INSURANCE COVERAGE.—To the ex-
25 tent that such law is not applicable, each recipi-

1 ent of funds under this title shall secure insur-
2 ance coverage for injuries suffered by such par-
3 ticipants, in accordance with regulations pre-
4 scribed by the Secretary.

5 (4) BENEFITS AND WORKING CONDITIONS
6 UNDER SUBSIDIZED JOBS.—All individuals employed
7 in subsidized jobs in a program under this title shall
8 be provided benefits and working conditions at the
9 same level and to the same extent as other employ-
10 ees working a similar length of time and doing the
11 same type of work.

12 (5) PROHIBITION ON CONTRIBUTIONS TO RE-
13 TIREMENT SYSTEMS OR PLANS.—No funds available
14 under this title may be used for contributions on be-
15 half of any participant to retirement systems or
16 plans.

17 (b) DISPLACEMENT OF EMPLOYEES.—

18 (1) IN GENERAL.—A currently employed worker
19 shall not be displaced by any participant in a pro-
20 gram under this title (including partial displacement
21 such as a reduction in the hours of nonovertime
22 work, wages, or employment benefits).

23 (2) PROHIBITION ON EMPLOYMENT OF PARTICI-
24 PANT DUE TO LAYOFF OR TERMINATION OF EM-
25 PLOYEE.—A participant in a program under this

1 title shall not be employed or a job opening filled
2 if—

3 (A) any other individual is on layoff from
4 the same or any substantially equivalent job; or

5 (B) the employer has terminated the em-
6 ployment of any regular employee or otherwise
7 reduced its workforce with the intention of fill-
8 ing the vacancy so created by hiring a partici-
9 pant whose wages are subsidized under this
10 title.

11 (3) INFRINGEMENT OF PROMOTIONAL OPPOR-
12 TUNITIES.—Jobs shall not be created in a pro-
13 motional line that will infringe in any way upon the
14 promotional opportunities of currently employed in-
15 dividuals.

16 (c) IMPAIRMENT OF CONTRACTS OR COLLECTIVE
17 BARGAINING AGREEMENTS.—A program under this title
18 shall not impair—

19 (1) existing contracts for services; or

20 (2) existing collective bargaining agreements.

21 The employer and the labor organization must concur in
22 writing with respect to any elements of the proposed ac-
23 tivities which affect such agreement.

24 (d) ORGANIZED LABOR.—

1 (1) UNION ORGANIZING.—Each recipient of
2 funds under this title shall provide to the Secretary
3 assurances that none of such funds will be used to
4 assist, promote, or deter union organizing.

5 (2) CONSULTATION REQUIREMENT.—Any pro-
6 gram conducted with funds made available under
7 this title which will provide services to members of
8 a labor organization will be established only after
9 full consultation with such organization.

10 (3) OPPORTUNITY TO COMMENTS WITH RE-
11 SPECT TO CERTAIN PROPOSALS.—If a labor organi-
12 zation represents a substantial number of employees
13 who are engaged in similar work or training in the
14 same area as that proposed to be funded under this
15 title, an opportunity shall be provided for such orga-
16 nization to submit comments with respect to such
17 proposal.

18 (e) PREVAILING WAGES.—

19 (1) IN GENERAL.—All laborers and mechanics
20 employed by contractors or subcontractors in any
21 construction, alteration, or repair, including painting
22 and decorating, of project, buildings, and works
23 which are federally assisted under this title shall be
24 paid wages at rates not less than those prevailing or
25 similar construction in the locality as determined by

1 the Secretary in accordance with the Act of March
2 3, 1921 (40 U.S.C. 276a-276a-5), commonly known
3 as the Davis-Bacon Act.

4 (2) AUTHORITY AND FUNCTIONS OF SEC-
5 RETARY.—The Secretary shall have, with respect to
6 such labor standards, the authority and functions
7 set forth in Reorganization Plan Numbered 14 of
8 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2
9 of the Act of June 1, 1934, as amended (48 Stat.
10 948, as amended; 40 U.S.C. 276(c)).

11 (3) NONAPPLICABILITY TO TRAINING PROGRAM
12 PARTICIPANTS.—The provisions of this subsection
13 shall not apply to a bona fide participant in a train-
14 ing program under this title.

15 (4) NONDISCRIMINATION.—The provisions of
16 section 157(a)(4) shall apply to such trainees.

17 **SEC. 144. GRIEVANCE PROCEDURE.**

18 (a) IN GENERAL.—Each substate grantee, contrac-
19 tor, and grantee under this Act shall establish and main-
20 tain a grievance procedure for grievances or complaints
21 relating to its programs and activities from participants,
22 subgrantees, subcontractors, and other interested persons.
23 Any determination, decision, or other action which affects
24 the payment of unemployment compensation benefits shall
25 not be subject to the grievance procedure established

1 under the preceding sentence. Hearings on any grievance
2 shall be conducted within 30 days of filing of a grievance
3 and decisions shall be made not later than 60 days after
4 the filing of a grievance. Except for complaints alleging
5 fraud or criminal activity, complaints shall be made within
6 one year of the alleged occurrence.

7 (b) GRIEVANCE PROCEDURE FOR EMPLOYEES OF
8 PARTICIPANTS.—Each recipient of financial assistance
9 under this title which is an employer of participants under
10 this title shall continue to operate or establish and main-
11 tain a grievance procedure relating to the terms and condi-
12 tions of employment.

13 (c) EXHAUSTION OF GRIEVANCE PROCEDURE.—
14 Upon exhaustion of the recipient's grievance procedure
15 without decision, or where the Secretary has reason to be-
16 lieve that the recipient is failing to comply with the re-
17 quirements of this title, the Secretary shall investigate the
18 allegation or belief and determine within 120 days after
19 receiving the complaint whether such allegation or com-
20 plaint is true.

21 (d) INVESTIGATION BY SECRETARY.—

22 (1) IN GENERAL.—If a person alleges a viola-
23 tion of section 143 and such person exhausts the re-
24 cipient's grievance procedure or the 60-day time pe-
25 riod described in subsection (a) has elapsed without

1 a decision, either party to such procedure may sub-
2 mit the grievance to the Secretary. The Secretary
3 shall investigate the allegations contained in the
4 grievance and make a determination as to whether
5 a violation of section 143 has occurred.

6 (2) MODIFICATION OR REVERSAL OF DECI-
7 SION.—If the results of the investigation conducted
8 pursuant to paragraph (1) indicate that a modifica-
9 tion or reversal of the decision issued pursuant to
10 the recipient’s grievance procedure is warranted, or
11 the 60-day time period described in subsection (a)
12 has elapsed without a decision, the Secretary may
13 modify or reverse the decision, or issue a decision if
14 no decision has been issued, as the case may be,
15 after an opportunity for a hearing in accordance
16 with the procedures under section 156.

17 (3) FINAL DECISION.—If the Secretary deter-
18 mines that the decision issued pursuant to the re-
19 cipient’s grievance procedure is appropriate, the de-
20 termination shall become the final decision of the
21 Secretary.

22 (e) BINDING GRIEVANCE PROCEDURE.—

23 (1) IN GENERAL.—A person alleging a violation
24 of section 143 may, as an alternative to the proce-
25 dures described in this section, submit the grievance

1 involving such violation to a binding grievance proce-
2 dure if a collective bargaining agreement covering
3 the parties to the grievance so provides.

4 (2) REMEDIES.—The remedies available under
5 paragraph (1) shall be limited to the remedies avail-
6 able under subsection (f)(1)(C) and subsection
7 (f)(2).

8 (f) REMEDIES AVAILABLE TO GRIEVANTS.—

9 (1) IN GENERAL.—Except as provided in para-
10 graph (2), remedies available to grievants under this
11 section for violations of section 143 shall be limited
12 to—

13 (A) suspension or termination of payments
14 under this Act;

15 (B) prohibition of placement of a partici-
16 pant, for at least 2 years, in a program under
17 this Act with an employer that has violated sec-
18 tion 143, as determined under subsection (d) or
19 (e); and

20 (C) appropriate equitable relief (other than
21 back pay).

22 (2) ADDITIONAL REMEDIES.—In addition to the
23 remedies available under paragraph (1), remedies
24 available under this section for violations of sub-

1 section (a)(4), paragraphs (1) and (3) of subsection
2 (b), and subsection (d) of section 143 may include—

3 (A) reinstatement of the grievant to the
4 position held by such grievant prior to displace-
5 ment;

6 (B) payment of lost wages and benefits;
7 and

8 (C) reestablishment of other relevant
9 terms, conditions, and privileges of employment.

10 (g) REMEDIES UNDER OTHER LAWS.—Nothing in
11 subsection (f) shall be construed to prohibit a grievant
12 from pursuing a remedy authorized under another Fed-
13 eral, State, or local law for a violation of section 143.

14 **Subtitle E—Fiscal Administrative** 15 **Provisions**

16 **SEC. 151. PROGRAM YEAR.**

17 (a) OBLIGATION OF FUNDS.—Except as provided in
18 subsection (b), beginning with fiscal year 1995 and there-
19 after, amounts appropriated for any fiscal year for pro-
20 grams and activities under this title shall be available for
21 obligation only on the basis of a program year. The pro-
22 gram year shall begin on July 1 in the fiscal year for which
23 the appropriation is made.

24 (b) EXPENDITURE OF OBLIGATED FUNDS UNDER
25 SUBTITLE B.—Funds obligated to carry out subtitle B for

1 any program year may be expended by each recipient dur-
2 ing that program year and the two succeeding program
3 years.

4 **SEC. 152. PROMPT ALLOCATION OF FUNDS.**

5 (a) PUBLICATION OF FORMULA ALLOCATIONS AND
6 ALLOTMENTS.—Whenever the Secretary allots and allo-
7 cates funds required to be allotted or allocated by formula
8 under this title, the Secretary shall publish in a timely
9 fashion in the Federal Register the proposed amount to
10 be distributed to each recipient.

11 (b) PUBLICATION OF DISCRETIONARY ALLOCATION
12 FORMULA.—Whenever the Secretary utilizes a formula to
13 allot or allocate funds made available for distribution at
14 the Secretary's discretion under this Act, the Secretary
15 shall, not later than 30 days prior to such allotment or
16 allocation, publish such formula in the Federal Register
17 for comments along with the rationale for the formula and
18 the proposed amounts to be distributed to each State and
19 area. After consideration of any comments received, the
20 Secretary shall publish final allotments and allocations in
21 the Federal Register.

22 **SEC. 153. MONITORING.**

23 (a) IN GENERAL.—The Secretary is authorized to
24 monitor all recipients of financial assistance under this
25 title to determine whether such recipients are complying

1 with the provisions of this title and the regulations issued
2 under this title.

3 (b) INVESTIGATIONS.—The Secretary may inves-
4 tigate any matter the Secretary determines is necessary
5 to determine compliance with the provisions of this title
6 and regulations issued under this title. The investigation
7 of any such matter may include examining records (includ-
8 ing making certified copies thereof), questioning employ-
9 ees, and entering any premises or onto any site in which
10 any part of a program of a recipient is conducted or in
11 which any of the records of the recipient are kept.

12 (c) WITNESSES AND DOCUMENTS.—For the purpose
13 of any investigation or hearing under this Act, the provi-
14 sions of section 9 of the Federal Trade Commission Act
15 (15 U.S.C. 49) (relating to the attendance of witnesses
16 and the production of books, papers, and documents) are
17 made applicable to the Secretary.

18 **SEC. 154. FISCAL CONTROLS AND SANCTIONS.**

19 (a) IN GENERAL.—

20 (1) FISCAL CONTROL AND FUND ACCOUNTING
21 PROCEDURES.—Each State shall establish such fis-
22 cal control and fund accounting procedures as may
23 be necessary to assure the proper disbursement of, and
24 accounting for, Federal funds paid to the recipient
25 under this title. Such procedures shall ensure that

1 all financial transactions are conducted and records
2 maintained in accordance with generally accepted ac-
3 counting principles applicable in each State.

4 (2) UNIFORM COST PRINCIPLES.—The Sec-
5 retary shall prescribe regulations establishing uni-
6 form cost principles substantially equivalent to such
7 principles generally applicable to recipients of Fed-
8 eral grants funds. At a minimum, such standard
9 shall provide that, to be allowable, costs must—

10 (A) be necessary and reasonable for proper
11 and efficient administration of the program
12 under this title;

13 (B) be allocable to the program under this
14 title; and

15 (C) not be a general expense required to
16 carry out the overall responsibilities of State or
17 local governments, except as specifically pro-
18 vided by this title.

19 (3) PROCUREMENT STANDARDS.—The Gov-
20 ernor, in accordance with minimum requirements es-
21 tablished in regulations by the Secretary, shall pre-
22 scribe and implement procurement standards to en-
23 sure fiscal accountability and prevent fraud and
24 abuse in programs administered under this title. The
25 Secretary, in establishing such minimum require-

1 ments, shall consult with the Inspector General of
2 the Department of Labor and take into consider-
3 ation relevant aspects of the circulars issued by the
4 Director of the Office of Management and Budget.
5 Such minimum requirements shall include provisions
6 to ensure that for States and substate areas—

7 (A) procurements shall be conducted in a
8 manner providing full and open competition;

9 (B) the use of sole source procurements
10 shall be minimized to the extent practicable, but
11 in every case shall be justified;

12 (C) procurements shall include an appro-
13 priate analysis of the reasonableness of costs
14 and prices;

15 (D) procurements shall not provide excess
16 program income (for nonprofit and government
17 entities) or excess profit (for private for-profit
18 entities), and that appropriate factors shall be
19 utilized in determining whether such income or
20 profit is excessive, such as—

21 (i) the complexity of the work to be
22 performed;

23 (ii) the risk borne by the contractor;

24 and

1 (iii) market conditions in the sur-
2 rounding geographical area;

3 (E) procurements shall clearly specify
4 deliverables and the basis for payment;

5 (F) written procedures shall be established
6 for procurement transactions;

7 (G) a grantee, contractor, subgrantee, or
8 subcontractor shall not engage in any conflict of
9 interest, actual or apparent, in the selection,
10 award, or administration of a contract or grant
11 under this title;

12 (H) all grantees and subgrantees shall con-
13 duct oversight to ensure compliance with pro-
14 curement standards; and

15 (I) procurement transactions between units
16 of State or local governments shall be con-
17 ducted on a cost reimbursable basis.

18 (4) ON-SITE MONITORING.—The Governor shall
19 annually conduct on-site monitoring of each substate
20 grantee within the State to ensure compliance with
21 the procurement standards established pursuant to
22 paragraph (3).

23 (5) CORRECTIVE ACTION AND SANCTIONS WITH
24 RESPECT TO SUBSTATE GRANTEE.—If the Governor
25 determines that a substate grantee is not in compli-

1 ance with the procurement standards established
2 pursuant to paragraph (3), the Governor shall—

3 (A) require corrective action to secure
4 prompt compliance; and

5 (B) impose the sanctions provided under
6 subsection (b) in the event of failure to take the
7 required corrective action.

8 (6) BIENNIAL CERTIFICATION.—The Governor
9 shall biennially certify to the Secretary that—

10 (A) the State has implemented the pro-
11 curement standards established pursuant to
12 paragraph (3);

13 (B) the State has monitored substate
14 grantees to ensure compliance with the procure-
15 ment standards as required under paragraph
16 (4); and

17 (C) the State has taken appropriate action
18 to secure compliance pursuant to paragraph
19 (5).

20 (7) CORRECTIVE ACTION AND SANCTIONS WITH
21 RESPECT TO STATE.—If the Secretary determines
22 that the Governor has not fulfilled the requirements
23 of this subsection, the Secretary shall—

24 (A) require corrective action to secure
25 prompt compliance; and

1 (B) impose the sanctions provided under
2 subsection (f) in the event of failure of the Gov-
3 ernor to take the required corrective action.

4 (b) SUBSTANTIAL VIOLATIONS.—

5 (1) IMPOSITION OF REORGANIZATION PLAN.—

6 If, as a result of financial and compliance audits or
7 otherwise, the Governor determines that there is a
8 substantial violation of a specific provision of this
9 title or the regulations under this title, and correc-
10 tive action has not been taken, the Governor shall
11 impose a reorganization plan, which may include—

12 (A) redesignating the substate grantee;

13 (B) prohibiting the use of designated serv-
14 ice providers;

15 (C) merging the substate area into 1 or
16 more other existing substate areas; or

17 (D) other such changes as the Secretary or
18 Governor determines necessary to secure com-
19 pliance.

20 (2) APPEALS PROCESS.—(A) The actions taken
21 by the Governor pursuant to paragraph (1)(A) may
22 be appealed to the Secretary and shall not become
23 effective until—

24 (i) the time for appeal has expired; or

25 (ii) the Secretary has issued a decision.

1 (B) The actions taken by the Governor pursu-
2 ant to paragraph (1)(B) may be appealed to the
3 Secretary, who shall make a final decision not later
4 than 60 days of the receipt of the appeal.

5 (3) FAILURE BY GOVERNOR TO TAKE PROMPT
6 ACTION.—If the Governor fails to promptly take the
7 actions required under paragraph (1), the Secretary
8 shall take such actions.

9 (c) REPAYMENT OF FUNDS.—Every recipient shall
10 repay to the United States amounts found not to have
11 been expended in accordance with this title. The Secretary
12 may offset such amounts against any other amount to
13 which the recipient is or may be entitled under this Act
14 unless the Secretary determines that such recipient should
15 be held liable pursuant to subsection (d). No such action
16 shall be taken except after notice and opportunity for a
17 hearing have been given to the recipient.

18 (d) LIABILITY FOR REPAYMENT OF FUNDS.—

19 (1) IN GENERAL.—Each recipient shall be liable
20 to repay such amounts, from funds other than funds
21 received under this title, upon a determination that
22 the misexpenditures of funds was due to willful dis-
23 regard of the requirements of this title, gross neg-
24 ligence, or failure to observe accepted standards of

1 administration. No such finding shall be made ex-
2 cept after notice and opportunity for a fair hearing.

3 (2) REQUIREMENTS.—In determining whether
4 to impose any sanction authorized by this section
5 against a recipient for violations by a subgrantee of
6 such recipient under this title or the regulations
7 under this title, the Secretary shall first determine
8 whether such recipient has adequately demonstrated
9 that it has—

10 (A) established and adhered to an appro-
11 priate system for the award and monitoring of
12 contracts with subgrantees which contains ac-
13 ceptable standards for ensuring accountability;

14 (B) entered into a written contract with
15 such subgrantee which established clear goals
16 and obligations in unambiguous terms;

17 (C) acted with due diligence to monitor the
18 implementation of the subgrantee contract, in-
19 cluding the carrying out of the appropriate
20 monitoring activities (including audits) at rea-
21 sonable intervals; and

22 (D) taken prompt and appropriate correc-
23 tive action upon becoming aware of any evi-
24 dence of a violation of this Act or the regula-
25 tions under this Act by such subgrantee.

1 (3) WAIVER.—If the Secretary determines that
2 the recipient has demonstrated substantial compli-
3 ance with the requirements of paragraph (2), the
4 Secretary may waive the imposition of sanctions au-
5 thorized by this section upon such recipient. The
6 Secretary is authorized to impose any sanction con-
7 sistent with the provisions of this title and any ap-
8 plicable Federal or State law directly against any
9 subgrantee for violation of this Act or the regula-
10 tions under this Act.

11 (e) EMERGENCY TERMINATION OF FINANCIAL AS-
12 SISTANCE.—

13 (1) IN GENERAL.—In emergency situations, if
14 the Secretary determines it is necessary to protect
15 the integrity of the funds or ensure the proper oper-
16 ation of the program, the Secretary may imme-
17 diately terminate or suspend financial assistance, in
18 whole or in part, if the recipient is given prompt no-
19 tice and the opportunity for a subsequent hearing
20 within 30 days after such termination or suspension.

21 (2) NONDELEGATION OF FUNCTIONS.—The
22 Secretary shall not delegate any of the functions
23 specified in paragraph (1), other than to an officer
24 whose appointment was required to be made by and
25 with the advice and consent of the Senate.

1 (f) CORRECTIVE MEASURES.—If the Secretary deter-
2 mines that any recipient under this title has discharged
3 or in any other manner discriminated against a partici-
4 pant or against any individual in connection with the ad-
5 ministration of the program involved, or against any indi-
6 vidual because such individual has filed any complaint or
7 instituted or caused to be instituted any proceeding under
8 or related to this title, or has testified or is about to testify
9 in any such proceeding or investigation under or related
10 to this title, or otherwise unlawfully denied to any individ-
11 ual a benefit under the provisions of this title, or the Sec-
12 retary's regulations, the Secretary shall, within thirty
13 days, take such action or order such corrective measures,
14 as necessary, with respect to the recipient or the aggrieved
15 individual, or both.

16 (g) REMEDIES NOT EXCLUSIVE.—The remedies
17 under this section shall not be construed to be exclusive
18 remedies.

19 **SEC. 155. REPORTS, RECORDKEEPING, AND INVESTIGA-**
20 **TIONS.**

21 (a) RECORDS.—(1) Recipients shall keep records that
22 are sufficient to permit the preparation of reports required
23 by this title and to permit the tracing of funds to a level
24 of expenditure adequate to ensure that the funds have not
25 been spent unlawfully.

1 (2) Every recipient shall maintain such records and
2 submit such reports, in such form and containing such in-
3 formation, as the Secretary requires regarding the per-
4 formance of its programs. Such records and reports shall
5 be submitted to the Secretary but shall not be required
6 to be submitted more than once each quarter unless spe-
7 cifically requested by the Congress or a committee thereof.

8 (3) In order to allow for the preparation of national
9 estimates necessary to meet the requirements of sub-
10 section (c), recipients shall maintain standardized records
11 for all individual participants and provide to the Secretary
12 a sufficient number of such records to provide for an ade-
13 quate analysis.

14 (4)(A) Except as provided in subparagraph (B),
15 records maintained by recipients pursuant to this sub-
16 section shall be made available to the public upon request.

17 (B) Subparagraph (A) shall not apply to—

18 (i) information, the disclosure of which would
19 constitute a clearly unwarranted invasion of personal
20 privacy; and

21 (ii) trade secrets, or commercial or financial in-
22 formation, obtained from a person and privileged or
23 confidential.

1 (C) Recipients may charge fees sufficient to recover
2 costs applicable to the processing of requests for records
3 under subparagraph (A).

4 (b) INVESTIGATIONS.—(1)(A) In order to evaluate
5 compliance with the provisions of this title, the Secretary
6 shall conduct, in several States, in each fiscal year, inves-
7 tigation of the use of funds received by recipients under
8 this title.

9 (B) In order to ensure compliance with the provisions
10 of this title, the Comptroller General of the United States
11 may conduct investigations of the use of funds received
12 under this title by any recipient.

13 (2) In conducting any investigation under this title,
14 the Secretary or the Comptroller General of the United
15 States may not request the compilation of any new infor-
16 mation not readily available to such recipient.

17 (3)(A) In carrying out any audit under this title
18 (other than any initial audit survey or any audit inves-
19 tigation of possible criminal or fraudulent conduct), either
20 directly or through grant or contract, the Secretary, the
21 Inspector General, or the Comptroller General of the Unit-
22 ed States shall furnish to the State, substate grantee, re-
23 cipient, or other entity to be audited, advance notification
24 of the overall objectives and purposes of the audit, and
25 any extensive recordkeeping or data requirements to be

1 met, not fewer than 14 days (or as soon as practicable),
2 prior to the commencement of the audit.

3 (B) If the scope, objectives, or purposes of the audit
4 change substantially during the course of the audit, the
5 entity being audited shall be notified of the change as soon
6 as practicable.

7 (C) The reports on the results of such audits shall
8 cite the law, regulation, policy, or other criteria applicable
9 to any finding.

10 (D) Nothing contained in this title shall be construed
11 so as to be inconsistent with the Inspector General Act
12 of 1978 (5 U.S.C. App.) or government auditing standards
13 issued by the Comptroller General.

14 (c) RESPONSIBILITIES OF FUND RECIPIENTS.—Each
15 State, substate grantee, and recipient (other than a sub-
16 recipient, grantee or contractor of a recipient) receiving
17 funds under this title shall—

18 (1) make readily accessible reports concerning
19 its operations and expenditures as shall be pre-
20 scribed by the Secretary;

21 (2) prescribe and maintain comparable manage-
22 ment information systems, in accordance with guide-
23 lines that shall be prescribed by the Secretary, de-
24 signed to facilitate the uniform compilation, cross
25 tabulation, and analysis of programmatic, partici-

1 pant, and financial data, on statewide and substate
2 area bases, necessary for reporting, monitoring, and
3 evaluating purposes, including data necessary to
4 comply with section 157; and

5 (3) monitor the performance of service provid-
6 ers in complying with the terms of grants, contracts,
7 or other agreements made pursuant to this Act.

8 (d) RETENTION OF RECORDS.—The Governor shall
9 ensure that requirements are established for retention of
10 all records pertinent to all grants awarded, and contracts
11 and agreements entered into, under this title, including
12 financial, statistical, property and participant records and
13 supporting documentation. For funds allotted to a State
14 for any program year, records shall be retained for 2 years
15 following the date on which the annual expenditure report
16 containing the final expenditures charged to such program
17 year's allotment is submitted to the Secretary. Records for
18 nonexpendable property shall be retained for a period of
19 3 years after final disposition of the property. All such
20 records may be retained electronically.

21 (e) FINANCIAL RECORDS.—Each State and substate
22 grantee shall maintain records with respect to programs
23 under this title that identify—

1 (1) any program income or profits earned, in-
2 cluding such income or profits earned by
3 subrecipients; and

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

7 **SEC. 156. ADMINISTRATIVE ADJUDICATION.**

8 (a) **IN GENERAL.**—Whenever any applicant for finan-
9 cial assistance under this title is dissatisfied because the
10 Secretary has made a determination not to award financial
11 assistance in whole or in part to such applicant, the appli-
12 cant may request a hearing before an administrative law
13 judge of the Department of Labor. A similar hearing may
14 also be requested by any recipient upon whom a corrective
15 action or a sanction has been imposed by the Secretary.
16 Except to the extent provided for in section 141(b), sub-
17 sections (d) and (e) of section 144, or section 157, all
18 other disputes arising under this title shall be adjudicated
19 under grievance procedures established by the recipient or
20 under applicable law other than this title.

21 (b) **FINAL DECISIONS.**—The decision of the adminis-
22 trative law judge shall constitute final action by the Sec-
23 retary unless, within 20 days after receipt of the decision
24 of the administrative law judge, a party dissatisfied with
25 the decision or any part thereof has filed exceptions with

1 the Secretary specifically identifying the procedure, fact,
2 law, or policy to which exception is taken. Any exception
3 not specifically urged shall be deemed to have been waived.
4 Thereafter the decision of the administrative law judge
5 shall become the final decision of the Secretary unless the
6 Secretary, within 30 days of such filing, has notified the
7 parties that the case has been accepted for review.

8 (c) DEADLINE FOR REVIEW.—Any case accepted for
9 review by the Secretary shall be decided within 180 days
10 of such acceptance. If not so decided, the decision of the
11 administrative law judge shall become the final decision
12 of the Secretary.

13 (d) APPLICABLE PROVISIONS.—The provisions of
14 section 158 shall apply to any final action of the Secretary
15 under this section.

16 **SEC. 157. NONDISCRIMINATION.**

17 (a) IN GENERAL.—(1) For the purpose of applying
18 the prohibitions against discrimination on the basis of age
19 under the Age Discrimination Act of 1975, on the basis
20 of disability under section 504 of the Rehabilitation Act,
21 on the basis of sex under title IX of the Education Amend-
22 ments of 1972, or on the basis of race, color, or national
23 origin under title VI of the Civil Rights Act of 1964, pro-
24 grams and activities funded or otherwise financially as-
25 sisted in whole or in part under this title are considered

1 to be programs and activities receiving Federal financial
2 assistance.

3 (2) No individual shall be excluded from participation
4 in, denied the benefits of, subjected to discrimination
5 under, or denied employment in the administration of or
6 in connection with any such program because of race,
7 color, religion, sex, national origin, age, political affiliation
8 or belief, or status as a qualified individual with disabili-
9 ties.

10 (3) Participants shall not be employed on the con-
11 struction, operation, or maintenance of so much of any
12 facility as is used or to be used for sectarian instruction
13 or as a place for religious worship.

14 (4) With respect to terms and conditions affecting,
15 or rights provided to, individuals who are participants in
16 activities supported by funds provided under this title,
17 such individuals shall not be discriminated against solely
18 because of their status as such participants.

19 (5) Participation in programs and activities finan-
20 cially assisted in whole or in part under this title shall
21 be open to citizens and nationals of the United States,
22 lawfully admitted permanent resident aliens, lawfully ad-
23 mitted refugees and parolees, and other individuals au-
24 thorized by the Attorney General to work in the United
25 States.

1 (b) FAILURE TO COMPLY.—Whenever the Secretary
2 finds that a State or other recipient has failed to comply
3 with a provision of law referred to in subsection (a)(1),
4 with paragraph (2), (3), (4), or (5) of subsection (a), or
5 with an applicable regulation prescribed to carry out such
6 paragraphs, the Secretary shall notify such State or recipi-
7 ent and shall request it to comply with such provision of
8 law or such paragraph, as the case may be. If within a
9 reasonable period of time, not to exceed sixty days, the
10 State or recipient fails or refuses to comply, the Secretary
11 may—

12 (1) refer the matter to the Attorney General
13 with a recommendation that an appropriate civil ac-
14 tion be instituted;

15 (2) exercise the powers and functions provided
16 by title VI of the Civil Rights Act of 1964, the Age
17 Discrimination Act of 1975, or section 504 of the
18 Rehabilitation Act of 1973, as may be applicable; or

19 (3) take such other action as may be provided
20 by law.

21 (c) REFERRAL TO ATTORNEY GENERAL.—When a
22 matter is referred to the Attorney General pursuant to
23 subsection (b)(1), or whenever the Attorney General has
24 reason to believe that a State or other recipient is engaged
25 in a pattern or practice in violation of a provision of law

1 referred to in subsection (a)(1) or in violation of para-
2 graph (2), (3), (4), or (5) of subsection (a), the Attorney
3 General may bring a civil action in any appropriate district
4 court of the United States for such relief as may be appro-
5 priate, including injunctive relief.

6 **SEC. 158. JUDICIAL REVIEW.**

7 (a) IN GENERAL.—(1) With respect to any final
8 order by the Secretary under section 156 whereby the Sec-
9 retary determines to award, to not award, or to only condi-
10 tionally award, financial assistance, with respect to any
11 final order of the Secretary under section 156, with re-
12 spect to a corrective action or sanction imposed under sec-
13 tion 154, any party to a proceeding which resulted in such
14 final order may obtain review of such final order in the
15 United States Court of Appeals having jurisdiction over
16 the applicant or recipient of funds, by filing a review peti-
17 tion within 30 days of such final order.

18 (2) The clerk of the court shall transmit a copy of
19 the review petition to the Secretary, who shall file the
20 record upon which the final order was entered as provided
21 in section 2112 of title 28, United States Code. Review
22 petitions, unless ordered by the court, shall not stay the
23 Secretary's order. Petitions under this title shall be heard
24 expeditiously, if possible within ten days of the filing of
25 a reply brief.

1 (3) No objection to the order of the Secretary shall
2 be considered by the court unless the objection shall have
3 been specifically and timely urged before the Secretary.
4 Review shall be limited to questions of law and the Sec-
5 retary's findings of fact shall be conclusive if supported
6 by substantial evidence.

7 (b) JURISDICTION OF THE COURT.—The court shall
8 have jurisdiction to make and enter a decree affirming,
9 modifying, or setting aside the order of the Secretary in
10 whole or in part. The court's judgment shall be final, sub-
11 ject to certiorari review by the Supreme Court of the
12 United States as provided in section 1254(1) of title 28,
13 United States Code.

14 **SEC. 159. ADMINISTRATIVE PROVISIONS.**

15 (a) RULES AND REGULATIONS.—The Secretary may,
16 in accordance with chapter 5 of title 5, United States
17 Code, prescribe such rules and regulations (including per-
18 formance standards) as the Secretary deems necessary.
19 Such rules and regulations may include adjustments au-
20 thorized by section 204 of the Intergovernmental Coopera-
21 tion Act of 1968. All such rules and regulations shall be
22 published in the Federal Register at least thirty days prior
23 to their effective date. Copies of all such rules and regula-
24 tions shall be transmitted to the appropriate committees
25 of the Congress at the same time and shall contain, with

1 respect to each material provision of such rules and regu-
2 lations, citations to the particular substantive section of
3 law which is the basis therefor.

4 (b) GIFTS.—The Secretary is authorized, in carrying
5 out this title, to accept, purchase, or lease in the name
6 of the department, and employ or dispose of in furtherance
7 of the purposes of this title, any money or property, real,
8 personal, or mixed, tangible or intangible, received by gift,
9 devise, bequest, or otherwise, and to accept voluntary and
10 uncompensated services notwithstanding the provisions of
11 section 1342 of title 31, United States Code.

12 (c) AUTHORITY TO EXPEND FUNDS.—The Secretary
13 may make such grants, contracts, or agreements, establish
14 such procedures and make such payments, in installments
15 and in advance or by way of reimbursement, or otherwise
16 allocate or expend funds under this title as necessary to
17 carry out this title, including (without regard to the provi-
18 sions of section 4774(d) of title 10, United States Code)
19 expenditures for construction, repairs, and capital im-
20 provements, and including necessary adjustments in pay-
21 ments on account of overpayments of underpayments.

22 (d) USE OF SERVICES AND FACILITIES.—The Sec-
23 retary is authorized, in carrying out this title, under the
24 same conditions applicable under section 159(c) or to the
25 extent permitted by law other than this title, to accept

1 and use the services and facilities of departments, agen-
2 cies, and establishments of the United States. The Sec-
3 retary is also authorized to accept and use the services
4 and facilities of the agencies of any State or political sub-
5 division of a State, with its consent.

6 (e) POLITICAL ACTIVITIES.—The Secretary shall not
7 provide financial assistance for any program under this
8 title which involves political activities.

9 **SEC. 160. OBLIGATIONAL AUTHORITY.**

10 Notwithstanding any other provision of this title, no
11 authority to enter into contracts or financial assistance
12 agreements under this title shall be effective except to
13 such extent or in such amount as are provided in advance
14 in appropriation Acts.

15 **Subtitle F—Consolidation**
16 **Provisions**

17 **SEC. 171. REPEALERS.**

18 The following provisions of law are hereby repealed:

19 (1) Title III of the Job Training Partnership
20 Act (29 U.S.C. 1651 et seq.).

21 (2) Section 462(e) of such Act (29 U.S.C.
22 1752(e)).

23 (2) Part J of title IV of such Act (29 U.S.C.
24 1784 et seq.).

1 **SEC. 172. CONFORMING AMENDMENTS.**

2 (a) JOB TRAINING PARTNERSHIP ACT.—

3 (1) TABLE OF CONTENTS.—The table of con-
4 tents of the Job Training Partnership Act (29
5 U.S.C. 1501 note) is amended—

6 (A) by striking the items relating to title
7 III; and

8 (B) by striking the items relating to part
9 J of title IV.

10 (2) AUTHORIZATION OF APPROPRIATIONS.—
11 Section 3 of such Act (29 U.S.C. 1502) is amend-
12 ed—

13 (A) by striking subsection (b); and

14 (B) by striking paragraph (5) of sub-
15 section (c).

16 (3) OTHER REFERENCES.—

17 (A) Section 106 of such Act (29 U.S.C.
18 1516) is amended—

19 (i) by striking subsection (c); and

20 (ii) in the first sentence of subsection

21 (e)—

22 (I) by striking “and title III”;
23 and

24 (II) by striking “subsections (b)
25 and (c)” and inserting “subsection
26 (b)”.

1 (B) Section 108 of such Act (29 U.S.C.
2 1518) is amended by striking subsection (c) of
3 such section.

4 (C) Section 121 of such Act (29 U.S.C.
5 1531) is amended—

6 (i) in the first sentence of subsection
7 (b)(1), by striking “(including title III)”;
8 and

9 (ii) by striking subsection (c)(7).

10 (D) Section 123(d)(2)(C) of such Act (29
11 U.S.C. 1533(d)(2)(C)) is amended in the sec-
12 ond sentence by striking “to title III partici-
13 pants and”.

14 (E) Section 141(c) of such Act (29 U.S.C.
15 1551(c)) is amended by striking paragraph (5).

16 (b) OTHER PROVISIONS OF LAW.—

17 (1) CARL D. PERKINS VOCATIONAL AND AP-
18 PLIED TECHNOLOGY EDUCATION ACT.—

19 (A) Section 420A(a)(6)(D) of the Carl D.
20 Perkins Vocational and Applied Technology
21 Education Act (20 U.S.C. 2420a(a)(6)(D)) is
22 amended by striking “title III of the Job Train-
23 ing Partnership Act” and inserting “title I of
24 the Reemployment Act of 1994”.

1 (B) Section 511(b) of such Act (20 U.S.C.
2 2468(b)) is amended—

3 (i) in paragraph (1), by striking “,
4 title II, and title III” and inserting “and
5 title II”;

6 (ii) by redesignating paragraph (2) as
7 paragraph (3); and

8 (iii) by inserting after paragraph (2)
9 the following new paragraph:

10 “(2) Title I of the Reemployment Act of
11 1994.”.

12 (2) TITLE 5, U.S.C.—Section 3502(d)(3)(A) of
13 title 5, United States Code, is amended by striking
14 “section 311(b)(2) of the Job Training Partnership
15 Act” and inserting “section 112 of the Reemploy-
16 ment Act of 1994”.

17 (3) TITLE 18, U.S.C.—Section 665 of title 18,
18 United States Code, is amended by striking “or the
19 Job Training Partnership Act” each place it appears
20 and inserting “, the Job Training Partnership Act,
21 or title I of the Reemployment Act of 1994.”

22 (4) TRADE ACT OF 1974.—

23 (A) Section 236(a)(5) of the Trade Act of
24 1974 (19 U.S.C. 2296(a)(5)) is amended by
25 striking subparagraph (B).

1 (B) Section 239(e) of such Act (19 U.S.C.
2 2311(e)) is amended in the first sentence by
3 striking “and under title III of the Job Train-
4 ing Partnership Act”.

5 (5) WORKER ADJUSTMENT AND RETRAINING
6 NOTIFICATION ACT.—Section 3(a) of the Worker Ad-
7 justment and Retraining Notification Act (29 U.S.C.
8 2102(a)) is amended by striking “title III of the Job
9 Training Partnership Act (29 U.S.C. 1651 et seq.)”
10 and inserting “title I of the Reemployment Act of
11 1994”.

12 **SEC. 173. TRANSITION.**

13 The Secretary may establish such rules and proce-
14 dures as may be necessary to provide for the orderly tran-
15 sition from the programs under the provisions of law de-
16 scribed in section 171 to the program authorized under
17 this title.

18 **TITLE II—ONE-STOP CAREER**
19 **SYSTEM FOR EMPLOYMENT**
20 **AND TRAINING**

21 **SEC. 201. PURPOSE.**

22 The purpose of this title is to establish a Federal pro-
23 gram of grants and waivers to allow States and localities
24 the opportunity to transform the current array of employ-
25 ment and training programs into a coordinated informa-

1 tion and service delivery system for individuals seeking
2 jobs and for employers seeking workers.

3 **Subtitle A—Basic System** 4 **Components**

5 **SEC. 211. GENERAL REQUIREMENTS.**

6 A one-stop career system under this title shall provide
7 for—

8 (1) integration of employment and training pro-
9 grams in accordance with section 212;

10 (2) choice of information, services, and provid-
11 ers of such information and services for customers
12 in such system in accordance with section 213;

13 (3) universal access to services by customers,
14 including individuals and employers, in accordance
15 with section 214; and

16 (4) accountability of the providers of such infor-
17 mation and services in accordance with section 215.

18 **SEC. 212. INTEGRATION OF EMPLOYMENT AND TRAINING**

19 **PROGRAMS COMPONENT.**

20 The integration of employment and training pro-
21 grams component of a one-stop career system shall include
22 the coordinated use of multiple employment and training
23 resources, program services, and delivery systems of the
24 programs described in section 242. Such component—

25 (1) shall include the use of—

- 1 (A) common intake methodology;
- 2 (B) coordinated job development and
3 placement for multiple programs; and
- 4 (C) unified and linked computer systems,
5 including uniform management information sys-
6 tems; and

7 (2) shall include the use of at least 2 of the fol-
8 lowing:

- 9 (A) Common assessment methodology.
- 10 (B) Cross-training of staff for joint service
11 delivery.
- 12 (C) Coordinated employability development
13 teams.
- 14 (D) Joint purchasing and integrated con-
15 tracting.
- 16 (E) Individual service accounts.

17 **SEC. 213. CUSTOMER CHOICE COMPONENT.**

18 The customer choice component of a one-stop career
19 system shall ensure that individuals are provided with suf-
20 ficient information to make an informed choice with re-
21 spect to the types of information and services available
22 under such system, the providers of such information and
23 services, and the location and methods for obtaining such
24 information and services. Such component shall include a
25 choice with respect to—

1 (1) the point of entry, to the extent practicable,
2 of such individuals into the system for the provision
3 of basic services described in section 243(a);

4 (2) the types of intensive services provided to
5 such individuals in accordance with section 243(b);
6 and

7 (3) the providers of education and training
8 services for individuals eligible for such services, to
9 the extent practicable, in accordance with section
10 243.

11 **SEC. 214. UNIVERSAL ACCESS COMPONENT.**

12 The universal access component of a one-stop career
13 system shall provide for access to a comprehensive array
14 of quality employment, education, and training services by
15 individuals and employers. Such component shall in-
16 clude—

17 (1)(A) co-location of services; or

18 (B) multiple points of entry into the system;

19 and

20 (2) the use of at least 2 of the following:

21 (A) Telecommunications and computer
22 technology, including the use of electronic
23 mailboards and toll-free telephone services.

1 (B) Information booths in public areas, in-
2 cluding the stationing of staff at such booths
3 and the use of electronic information kiosks.

4 (C) Mobile units and satellite offices.

5 (D) Services described in subparagraph
6 (A) or (B) of paragraph (1) that have not been
7 included in such component under such para-
8 graph.

9 **SEC. 215. ACCOUNTABILITY COMPONENT.**

10 The accountability component of a one-stop career
11 system shall provide for accountability of the providers of
12 information and services to the satisfaction of individuals
13 receiving such information and services. Such component
14 shall provide for accountability with respect to the attain-
15 ment of positive employment and training outcomes by
16 such individuals, including attainment of such outcomes
17 by individuals from various demographic groups and spe-
18 cial populations. Such component shall include the use
19 of—

20 (1) measures for assessing performance and the
21 consequences for poor performance of providers of
22 information and services;

23 (2) methods to measure the satisfaction of indi-
24 viduals receiving such information and services, in-
25 cluding surveys and focus groups; and

1 (3) consumer reports on achievement of per-
2 formance standards and best practices, which may
3 include information relating to—

4 (A) the types of services to be provided, in-
5 cluding the duration of such services and the lo-
6 cation at which such services will be provided;

7 (B) the number of individuals who have re-
8 ceived such services during the preceding 12-
9 month period; and

10 (C) the results of the receipt by individuals
11 of such services.

12 **Subtitle B—Grants to States**

13 **SEC. 221. PURPOSE.**

14 The purpose of this subtitle is to assist States in the
15 implementation of comprehensive statewide networks of
16 one-stop career systems in all areas of such States.

17 **SEC. 222. AUTHORIZATION.**

18 (a) GRANTS TO STATES.—The Secretary may provide
19 grants to States in such amounts as the Secretary deter-
20 mines to be necessary to enable such States to implement
21 comprehensive statewide networks of one-stop career sys-
22 tems in all areas of such States.

23 (b) GRANTS TO NATIVE AMERICAN TRIBAL ENTI-
24 TIES.—

1 (1) IN GENERAL.—The Secretary may provide
2 grants to Native American tribal entities in such
3 amounts as the Secretary determines to be necessary
4 to enable such entities to implement one-stop career
5 systems for such entities.

6 (2) REQUIREMENTS.—In providing grants
7 under paragraph (1), the Secretary shall require Na-
8 tive American tribal entities to comply with require-
9 ments similar to those requirements imposed on
10 States under this subtitle, except where special cir-
11 cumstances exist which would make such require-
12 ments inappropriate to the accomplishment of the
13 purposes of this title, as determined by the Sec-
14 retary.

15 (c) NOTIFICATION OF INTERAGENCY TASK FORCE.—
16 The Secretary may provide a grant under this section only
17 if the Secretary notifies the interagency task force estab-
18 lished under section 264 prior to providing such grant.

19 (d) PERIOD OF GRANT.—The provision of payments
20 under a grant under subsection (a) shall not exceed 3 fis-
21 cal years and shall be subject to the annual approval of
22 the Secretary and subject to the availability of appropria-
23 tions for the fiscal year involved to make the payments.

24 (e) LIMITATION.—A State shall be eligible to receive
25 only 1 grant under subsection (a).

1 **SEC. 223. APPLICATION.**

2 (a) IN GENERAL.—

3 (1) SUBMISSION.—Subject to paragraph (2),
4 the Secretary may not provide a grant under section
5 222 to a State unless the Governor of the State, on
6 behalf of the State, submits to the Secretary an ap-
7 plication, at such time, in such form, and containing
8 such information as the Secretary may reasonably
9 require.

10 (2) REVIEW AND COMMENT BY CERTAIN INDI-
11 VIDUALS.—If, after a reasonable effort, the Gov-
12 ernor is unable in accordance with subsection (c)(4)
13 to obtain the support of the individuals described in
14 subsection (b)(5) for the State plan described in
15 subsection (c), then the Governor shall—

16 (A) provide such individuals with copies of
17 the application;

18 (B) allow such individuals to submit to the
19 Governor, not later than the end of the 30-day
20 period beginning on the date on which the Gov-
21 ernor provides such individuals with copies of
22 such application under subparagraph (A), com-
23 ments on those portions of the plan that ad-
24 dress matters that, under State or other appli-
25 cable law, are under the jurisdiction of such in-
26 dividuals; and

1 (C) include any such comments in the ap-
2 plication in accordance with subsection (b)(5).

3 (3) REVIEW AND COMMENT BY CERTAIN ENTI-
4 TIES.—Prior to submitting to the Secretary an ap-
5 plication under paragraph (1), the Governor shall
6 provide interested employers, labor organizations,
7 community-based organizations, and educational and
8 other public agencies with copies of such application,
9 allow such entities to submit comments on such ap-
10 plication in accordance with paragraph (2)(B), and
11 include such comments in the application.

12 (b) CONTENTS.—Such application shall include—

13 (1) a plan for a comprehensive statewide net-
14 work of one-stop career systems that meets the re-
15 quirements of subsection (c);

16 (2) assurances that the State will update such
17 plan during the period of the grant, as determined
18 to be necessary by the Secretary;

19 (3) a description of the manner in which the
20 State will manage funds received from such grant,
21 including the manner in which the State will allocate
22 funds made available through such grant to all one-
23 stop service areas in the State;

24 (4) a request, if the State decides to submit
25 such a request, for a waiver of 1 or more require-

1 ments of the provisions of law, as provided for under
2 subtitle E;

3 (5) a description of the manner in which the
4 Governor, local elected officials, officials administer-
5 ing participating programs, and other appropriate
6 officials, collaborated in the development of the ap-
7 plication;

8 (6) any comments on the application submitted
9 to the Governor under subsection (a)(2), where ap-
10 plicable; and

11 (7) such other information as the Secretary
12 may require.

13 (c) STATE PLAN.—A State plan referred to in sub-
14 section (b)(1) shall—

15 (1) designate one-stop service areas and admin-
16 istrative entities in the State in accordance with sec-
17 tion 241;

18 (2) describe the manner in which the State will
19 stimulate and support one-stop career systems, in-
20 cluding the identification of the one-stop service
21 areas in the State that will immediately begin imple-
22 mentation of the one-stop career center systems and
23 the manner in which the comprehensive statewide
24 network of one-stop career systems will be expanded

1 over the period of the grant to cover all geographic
2 areas in the State, including urban and rural areas;

3 (3) describe the procedure by which the individ-
4 uals described in subsection (b)(5) will collaborate in
5 the implementation of the comprehensive statewide
6 network of one-stop career systems;

7 (4) demonstrate the support of individuals de-
8 scribed in subsection (b)(5) for the plan, except in
9 the case where the Governor is unable to obtain the
10 support of such individuals as provided in subsection
11 (a)(2);

12 (5) describe the manner in which the State has
13 obtained and will continue to obtain the active and
14 continued involvement in the comprehensive state-
15 wide networks of one-stop career systems of locally
16 elected officials, postsecondary educational institu-
17 tions (or related agencies), employers, business asso-
18 ciations, industrial extension centers, employees,
19 statewide labor federations, local central labor bod-
20 ies, and other affected labor organizations, related
21 services personnel, students, community-based orga-
22 nizations, rehabilitation agencies and organizations,
23 local vocational educational agencies, vocational stu-
24 dent organizations, human service agencies, and
25 youth-serving agencies;

1 (6) in the case of a State that has initiated the
2 establishment of a comprehensive statewide network
3 of one-stop career systems, a description of how such
4 system will be expanded with funds provided from a
5 grant under section 222;

6 (7) describe the manner in which the com-
7 prehensive statewide network of one-stop career sys-
8 tems will coordinate with or integrate local one-stop
9 career systems in existence on or after the date of
10 the enactment of this Act;

11 (8) describe the resources that the State in-
12 tends to use in maintaining the comprehensive state-
13 wide network of one-stop career systems when funds
14 provided from a grant under section 222 have been
15 expended;

16 (9) designate a fiscal agent to receive and be
17 accountable for funds provided from a grant under
18 section 222;

19 (10) describe the strategy of the State for pro-
20 viding training for employers, representatives of
21 labor organizations, counselors, related services per-
22 sonnel, and others under the comprehensive state-
23 wide network of one-stop career systems, including
24 specialized training and technical support for the
25 counseling and training of women, minorities, out-of-

1 school youths, and individuals with disabilities for
2 high-skill, high-wage careers in nontraditional em-
3 ployment, and provide assurances of coordination
4 with similar training and technical support under
5 other provisions of law;

6 (11) describe the goals of the State and the
7 methods the State will use, such as awareness and
8 outreach, to ensure opportunities for women to par-
9 ticipate in the comprehensive statewide network of
10 one-stop career systems in a manner that leads to
11 employment in high-performance, high-paying jobs,
12 including nontraditional employment, and goals to
13 ensure an environment free from racial and sexual
14 harassment;

15 (12) describe how the State will serve individ-
16 uals from rural communities with low population
17 densities under the comprehensive statewide network
18 of one-stop career systems;

19 (13) ensure the provision of services described
20 in section 243 to individuals participating in one-
21 stop career systems in the State by one-stop service
22 providers described in section 244 in accordance
23 with operating agreements described in section 245;

1 (14) describe how the State will meet the per-
2 formance standards prescribed by the Secretary in
3 accordance with section 262;

4 (15) designate the State human resource invest-
5 ment council or similar entity in accordance with
6 section 247;

7 (16) identify programs that will participate in
8 the one-stop career systems, the extent to which
9 such programs will provide services to program par-
10 ticipants through such systems, and the financial li-
11 ability of the respective parties relating to the funds
12 contributed by the participating programs under sec-
13 tion 242;

14 (17) describe the financial and nonfinancial
15 contributions to be made to the one-stop career sys-
16 tems by the participating programs under section
17 232, and the factors on which such contributions
18 shall be based, such as the number of participants
19 served and the quality of services provided;

20 (18) describe the extent and means by which
21 each one-stop system in the comprehensive statewide
22 network of one-stop career systems will provide for
23 the 4 basic system components in accordance with
24 subtitle A;

1 (19) describe how available labor market infor-
2 mation and other appropriate methods will be uti-
3 lized in the comprehensive statewide network of one-
4 stop career systems in order to identify—

5 (A) the jobs currently available, the occu-
6 pations currently in demand, and the occupa-
7 tions likely to be in demand in the future in the
8 one-stop service areas in such network;

9 (B) the skill requirements relating to such
10 jobs and occupations; and

11 (C) the education and training services,
12 and the relative quality of such services, in the
13 one-stop service areas that are available to as-
14 sist individuals in acquiring such skills;

15 (20) describe the strategies to meet the needs
16 of segments of the population with barriers to em-
17 ployment under the comprehensive statewide net-
18 work of one-stop career systems, including the eco-
19 nomically disadvantaged, welfare recipients, at-risk
20 youths, dislocated workers, individuals with disabili-
21 ties, displaced homemakers, older workers, and
22 other targeted populations; and

23 (21) describe how the State will serve individ-
24 uals from areas of high urban and rural unemploy-

1 ment which also contain high concentrations of indi-
2 viduals with low-skill levels.

3 **SEC. 224. REVIEW OF APPLICATION.**

4 (a) PRIORITY CONSIDERATIONS.—In evaluating ap-
5 plications submitted under section 223, the Secretary shall
6 give priority to applications in which—

7 (1) one-stop service areas are based on labor
8 market areas;

9 (2) a large percentage of funds made available
10 to carry out the Federal programs described in sec-
11 tion 242 are made available under the one-stop ca-
12 reer systems so that services and activities under
13 such programs are fully integrated on a financial
14 and programmatic basis into such systems;

15 (3) components of such systems described in
16 subtitle A have already been implemented by the
17 State;

18 (4) a higher percentage of the population or ge-
19 ographic areas of the State will be initially covered
20 by the one-stop service areas in such State;

21 (5) one-stop career systems will enhance serv-
22 ices described in section 243 through the use of
23 more than the minimum requirements of the compo-
24 nents described in sections 212 through 215; and

1 (6) a high level of concurrence exists among the
2 individuals described in section 223(b)(5) for the
3 State plan.

4 (b) APPROVAL CRITERIA.—The Secretary shall ap-
5 prove an application submitted under section 223 only if
6 such application demonstrates that the one-stop career
7 systems under the comprehensive statewide network of
8 one-stop career systems described in such application are
9 likely to successfully implement the basic system compo-
10 nents described in subtitle A.

11 (c) ACTIONS.—

12 (1) IN GENERAL.—In reviewing each applica-
13 tion submitted under section 223, the Secretary
14 shall determine whether the application and the plan
15 described in such application meet the approval cri-
16 teria in subsection (b).

17 (2) ACTIONS AFTER AFFIRMATIVE DETERMINA-
18 TION.—If the determination under paragraph (1) is
19 affirmative, the Secretary may take 1 or more of the
20 following actions:

21 (A) Provide a grant under section 222 to
22 the State submitting the application.

23 (B) Approve the request of the State, if
24 any, for a waiver in accordance with the proce-
25 dures set forth in subtitle E.

1 **SEC. 225. USE OF AMOUNTS.**

2 The Secretary may not provide a grant under section
3 222 to a State unless the State agrees that the State will
4 use all amounts received from such grant to implement
5 a comprehensive statewide network of one-stop career sys-
6 tems in accordance with this title.

7 **SEC. 226. REPORTS.**

8 The Secretary may not provide a grant under section
9 222 to a State unless the State agrees that the State will
10 submit to the Secretary such reports as the Secretary may
11 reasonably require, including—

- 12 (1) the use of amounts under such grant;
13 (2) the achievement of performance standards
14 for the system; and
15 (3) the attainment of customer satisfaction in
16 the system,

17 except that the Secretary may not require more than 1
18 such report during any 3-month period.

19 **Subtitle C—Federal Grants to One-**
20 **Stop Service Areas**

21 **SEC. 231. PURPOSE.**

22 The purpose of this subtitle is to provide grants di-
23 rectly to one-stop service areas to assist such areas in the
24 implementation of one-stop career systems.

25 **SEC. 232. AUTHORIZATION.**

26 (a) GRANTS TO ONE-STOP SERVICE AREAS.—

1 (1) IN GENERAL.—Subject to paragraph (2),
2 the Secretary may provide grants directly to one-
3 stop service areas that have been established in ac-
4 cordance with subsection (b)(1) in such amounts as
5 the Secretary determines to be necessary to enable
6 such areas to implement one-stop career systems.

7 (2) RESTRICTIONS.—A one-stop service area—

8 (A) shall be eligible to receive only 1 grant
9 under this subsection; and

10 (B) shall not be eligible to receive a grant
11 under this subsection if such area is located in
12 a State that—

13 (i) has been provided a grant under
14 subtitle B; and

15 (ii) has received amounts from such
16 grant for any fiscal year after the 1st fis-
17 cal year under such grant.

18 (b) ESTABLISHMENT OF ONE-STOP SERVICE AREAS
19 AND LOCAL CONSORTIA.—

20 (1) ESTABLISHMENT OF ONE-STOP SERVICE
21 AREAS.—A one-stop service area may be established
22 in accordance with 1 of the following methods:

23 (A) A local elected official of a unit of gen-
24 eral local government may designate such unit
25 of government as a one-stop service area. Such

1 local elected official shall be designated the
2 chief elected official for such area.

3 (B) 2 or more local elected officials of
4 units of general local government may establish
5 a one-stop service area consisting of such units
6 of government. Such local elected officials shall
7 designate 1 such official to be the chief elected
8 official for such area.

9 (2) ESTABLISHMENT OF LOCAL CONSORTIA.—

10 The chief elected official designated under para-
11 graph (1) shall provide for the establishment of a
12 local consortium consisting of representatives of em-
13 ployers, labor organizations, and the programs de-
14 scribed in section 242 for the purpose of developing
15 the local plan, designating an administrative entity
16 to administer the one-stop career system for the one-
17 stop service area, and providing for the overall policy
18 guidance of the one-stop career system.

19 (c) NOTIFICATION OF INTERAGENCY TASK FORCE.—

20 The Secretary may provide a grant under this section only
21 if the Secretary notifies the interagency task force estab-
22 lished under section 264 prior to providing such grant.

23 (d) PERIOD OF GRANT.—The provision of payments
24 under a grant under subsection (a) shall not exceed 3 fis-
25 cal years and shall be subject to the annual approval of

1 the Secretary and subject to the availability of appropria-
2 tions for the fiscal year involved to make the payments.

3 **SEC. 233. APPLICATION.**

4 (a) IN GENERAL.—The Secretary may not provide a
5 grant under section 232 to a one-stop service area unless
6 the chief elected official designated for such area, on be-
7 half of the local consortium established for such area, sub-
8 mits an application to the Secretary at such time and in
9 such form as the Secretary may require. The chief elected
10 official shall submit the application to the State for review
11 and comment before submitting the application to the Sec-
12 retary.

13 (b) TIME LIMIT FOR STATE REVIEW AND COM-
14 MENT.—

15 (1) IN GENERAL.—The State shall provide for
16 review and comment on the application under sub-
17 section (a) not later than 30 days after the date on
18 which the State receives the application from the
19 local elected official.

20 (2) SUBMISSION WITHOUT STATE REVIEW AND
21 COMMENT.—If the State does not provide review and
22 comment within the 30-day time period specified in
23 paragraph (1), the chief elected official may submit
24 the application to the Secretary without first obtain-
25 ing such review and comment.

1 (c) CONTENTS.—Such application shall include—

2 (1) a local plan developed by the local consor-
3 tium for a one-stop career system that is, to the ex-
4 tent appropriate, consistent with the requirements of
5 the State plan for a comprehensive statewide net-
6 work of one-stop career systems described in section
7 223(c);

8 (2) assurances that the local consortium will
9 update such plan during the period of the grant, as
10 determined to be necessary by the Secretary;

11 (3) a request, if the local consortium decides to
12 submit such a request, for a waiver of 1 or more re-
13 quirements of the provisions of law, as provided for
14 under subtitle E;

15 (4) a description of the procedure by which
16 local elected officials, officials administering partici-
17 pating programs, and other appropriate officials, col-
18 laborated in the development of the application;

19 (5) the comments of the State on the plan, if
20 any; and

21 (6) such other information as the Secretary
22 may require.

1 **SEC. 234. REVIEW OF APPLICATION.**

2 (a) PRIORITY CONSIDERATIONS.—In evaluating ap-
3 plications submitted under section 233, the Secretary shall
4 give priority to applications in which—

5 (1) one-stop service areas are based on labor
6 market areas;

7 (2) a large percentage of funds made available
8 to carry out the Federal programs described in sec-
9 tion 242 are made available under the one-stop ca-
10 reer systems so that services and activities under
11 such programs are fully integrated on a financial
12 and programmatic basis into such systems;

13 (3) components of such systems described in
14 subtitle A have already been implemented by the
15 local consortium;

16 (4) one-stop career systems will enhance serv-
17 ices described in section 243 through the use of
18 more than 3 of the methods of the integration of
19 employment and training programs component de-
20 scribed in section 212; and

21 (5) a high level of concurrence exists among the
22 individuals described in section 233(c)(4) for the
23 local plan.

24 (b) APPROVAL CRITERIA.—The Secretary shall ap-
25 prove an application submitted under section 233 only if
26 such application demonstrates that the one-stop career

1 system described in such application is likely to success-
2 fully implement the basic system components described in
3 subtitle A.

4 (c) ACTIONS.—

5 (1) IN GENERAL.—In reviewing each applica-
6 tion submitted under section 233, the Secretary
7 shall determine whether the application and the plan
8 described in such application meet the approval cri-
9 teria in subsection (b).

10 (2) ACTIONS AFTER AFFIRMATIVE DETERMINA-
11 TION.—If the determination under paragraph (1) is
12 affirmative, the Secretary may take 1 or more of the
13 following actions:

14 (A) Provide a grant under section 232 to
15 the one-stop service area submitting the appli-
16 cation.

17 (B) Approve the request of the one-stop
18 service area, if any, for a waiver in accordance
19 with the procedures set forth in subtitle E.

20 **SEC. 235. USE OF AMOUNTS.**

21 The Secretary may not provide a grant under section
22 232 to a one-stop service area unless the area agrees that
23 it will use all amounts from such grant—

24 (1) to carry out activities to implement a one-
25 stop career system in accordance with this title; and

1 (2) with respect to a one-stop service area lo-
2 cated in a State that has received a grant under
3 subtitle B, to integrate such system with the com-
4 prehensive statewide network of one-stop career sys-
5 tems in such State.

6 **SEC. 236. REPORTS.**

7 The Secretary may not provide a grant under section
8 232 to a one-stop service area unless the area agrees that
9 the area will submit to the Secretary such reports as the
10 Secretary may reasonably require, including—

- 11 (1) the use of amounts under such grant;
12 (2) the achievement of performance standards
13 for the system; and
14 (3) the attainment of customer satisfaction in
15 the system,

16 except that the Secretary may not require more than 1
17 such report during any 3-month period.

18 **Subtitle D—Administrative**
19 **Requirements**

20 **SEC. 241. ESTABLISHMENT OF SUBSTATE ADMINISTRATIVE**
21 **STRUCTURE.**

22 (a) ESTABLISHMENT OF ONE-STOP SERVICE
23 AREAS.—

- 24 (1) IN GENERAL.—The Governor shall, after
25 consultation with local elected officials and the State

1 human resource investment council (to the extent
2 such council has been established) or similar entity,
3 establish one-stop service areas for the State in ac-
4 cordance with this section for the purpose of imple-
5 menting one-stop career systems in such areas.

6 (2) FACTORS TO BE CONSIDERED IN ESTAB-
7 LISHING ONE-STOP SERVICE AREAS.—In establishing
8 one-stop service areas under paragraph (1), the Gov-
9 ernor shall consider—

10 (A) the availability of services throughout
11 the State;

12 (B) the capability to coordinate the deliv-
13 ery of services with other job training, human
14 services, and economic development programs;

15 (C) the geographic boundaries of labor
16 market areas within the State; and

17 (D) the geographic boundaries of any con-
18 centrated employment program grantee for a
19 rural area described in section 101(a)(4)(A)(iii)
20 of the Job Training Partnership Act (29 U.S.C.
21 1511(a)(4)(A)(iii)).

22 (3) SPECIAL RULES.—

23 (A) TREATMENT OF SERVICE DELIVERY
24 AREAS AND SUBSTATE AREAS.—Each service
25 delivery area and substate area within a State

1 shall be included within a one-stop service area
2 or designated as a one-stop service area and no
3 service delivery area and substate area shall be
4 divided among two or more one-stop service de-
5 livery areas.

6 (B) TREATMENT OF ONE-STOP SERVICE
7 AREAS ESTABLISHED UNDER SUBTITLE C.—
8 Each one-stop service area that has been estab-
9 lished under subtitle C shall be designated as a
10 one-stop service area by the Governor under
11 paragraph (1).

12 (4) REDESIGNATION.—The Governor may not
13 redesignate one-stop service areas established under
14 paragraph (1) more frequently than once every two
15 years.

16 (b) ESTABLISHMENT OF LOCAL CONSORTIA.—The
17 Governor and the local elected official in each one-stop
18 service area, shall provide for the establishment of a local
19 consortium in each one-stop service area consisting of rep-
20 resentatives of employers, labor organizations, and the
21 programs described in section 242 for the purpose of pro-
22 viding for the overall policy guidance of the one-stop ca-
23 reer system in such area, including the selection of one-
24 stop service providers.

25 (c) DESIGNATION OF ADMINISTRATIVE ENTITIES.—

1 (1) AGREEMENT.—

2 (A) IN GENERAL.—An administrative en-
3 tity shall be designated, on a biennial basis, for
4 each one-stop service area for the purpose of
5 administering the one-stop career system in ac-
6 cordance with an agreement among the Gov-
7 ernor, the local elected official or officials, offi-
8 cials administering participating programs, and
9 other appropriate individuals.

10 (B) MULTIPLE OFFICIALS.—If a one-stop
11 service area is represented by more than one
12 such official, the respective officials shall each
13 designate representatives, in accordance with
14 procedures established by the Governor (after
15 consultation with the State council), to nego-
16 tiate such agreement.

17 (2) ELIGIBILITY.—Subject to paragraph (3), an
18 entity shall be eligible for designation as an adminis-
19 trative entity if such entity is a public agency or a
20 private nonprofit organization, including—

21 (A) a private industry council in the one-
22 stop service area;

23 (B) a service delivery area grant recipient
24 or administrative entity under the Job Training
25 Partnership Act (29 U.S.C. 1501 et seq.);

1 (C) a community-based organization;

2 (D) a unit of general local government in
3 the one-stop service area or an agency of such
4 unit;

5 (E) a local office of a State agency;

6 (F) a community college or an area voca-
7 tional school; and

8 (G) a consortium of the entities described
9 in subparagraphs (A) through (E).

10 (3) INELIGIBILITY.—An entity shall not be eli-
11 gible for designation as an administrative entity if
12 such entity is a one-stop service provider that will
13 provide education or training services under the pro-
14 grams described in section 242.

15 **SEC. 242. PARTICIPATING PROGRAMS.**

16 Subject to the requirements of this Act, officials re-
17 sponsible for carrying out programs under the following
18 provisions of law may make available to participants in
19 a one-stop career system the services described in section
20 243 that are applicable to such programs and may partici-
21 pate in the operation of such system as a party to the
22 agreements described in section 245:

23 (1) Title I of this Act.

24 (2) Title II of the Job Training Partnership
25 Act (29 U.S.C. 1601 et seq.).

1 (3) Part B of title IV of such Act (29 U.S.C.
2 1691 et seq.).

3 (4) Part C of title IV of such Act (29 U.S.C.
4 1721).

5 (5) Part H of title IV of such Act (29 U.S.C.
6 1782 et seq.).

7 (6) The Act of June 6, 1933 (commonly known
8 as the “Wagner-Peyser Act”; 29 U.S.C. 49 et seq.).

9 (7) The School-to-Work Opportunities Act (20
10 U.S.C. 6101 et seq.).

11 (8) The Carl D. Perkins Vocational and Applied
12 Technology Education Act (20 U.S.C. 2301 et seq.).

13 (9) The Adult Education Act (20 U.S.C. 1201
14 et seq.).

15 (10) Title V of the Older Americans Act of
16 1965 (42 U.S.C. 3056 et seq.).

17 (11) Part F of title IV of the Social Security
18 Act (42 U.S.C. 681 et seq.).

19 (12) Section 6(d)(4) of the Food Stamp Act of
20 1977.

21 (13) Chapter 41 of title 38, United States
22 Code.

23 (14) Federal and State unemployment com-
24 pensation laws.

1 (15) State laws providing for employment and
2 training services.

3 (16) Other Federal employment and training
4 laws, identified and determined to be appropriate by
5 the interagency task force established under section
6 264.

7 **SEC. 243. SERVICES.**

8 (a) BASIC SERVICES.—

9 (1) IN GENERAL.—Each one-stop service pro-
10 vider who has entered into an operating agreement
11 pursuant to section 245 shall make available to indi-
12 viduals participating in the one-stop career system
13 at no cost to such individuals the following basic
14 services:

15 (A) Outreach services to make individuals
16 aware of, and encourage the use of, employment
17 and training services, including—

18 (i) at a minimum, basic information
19 on all Federal, State, and local employ-
20 ment and training programs for which in-
21 dividuals may be eligible; and

22 (ii) efforts to expand awareness of
23 training and placement opportunities for
24 limited-English proficient individuals, dis-
25 advantaged youths and adults, displaced

1 homemakers, and individuals with disabil-
2 ities.

3 (B) Common intake and orientation relat-
4 ing to information and services available in
5 such system.

6 (C) Subject to paragraph (3), assistance in
7 filing an initial claim for unemployment com-
8 pensation.

9 (D) Preliminary common assessment of the
10 skill levels (including appropriate testing) and
11 service needs of individuals, which may include
12 such factors as basic skills, occupational skills,
13 prior work experience, employability, interests,
14 aptitudes, and supportive service needs.

15 (E) Information relating to local, regional,
16 and national labor markets, including—

17 (i) job vacancy listings in such mar-
18 kets; and

19 (ii) information relating to local occu-
20 pations in demand and the earnings and
21 skill requirements for such occupations.

22 (F) Information relating to participating
23 job training and education programs (including
24 student financial assistance), including the eligi-
25 bility requirements of and services provided by

1 such programs, the availability and quality of
2 such programs, and referrals to such programs,
3 where appropriate.

4 (G) Information collected pursuant to the
5 performance standards and customer feedback
6 requirements of section 246.

7 (H) Assistance in evaluating whether indi-
8 viduals are likely to be eligible for any program
9 participating in the one-stop career system.

10 (I) Information relating to programs and
11 providers of dependent care and other support-
12 ive services available in the local area.

13 (J) Provision of an informational packet
14 with respect to eligible programs which explains
15 the rights and responsibilities of the individual
16 and lists the appropriate agency to contact for
17 additional information.

18 (2) ADDITIONAL BASIC SERVICES.—In addition
19 to the services described in paragraph (1), at least
20 1 one-stop service provider in each one-stop career
21 system who has entered into an operating agreement
22 pursuant to section 245 shall also provide the follow-
23 ing additional basic services:

1 (A) Job search assistance, including re-
2 sume and interview preparation, and work-
3 shops.

4 (B) Job referral and job placement assist-
5 ance.

6 (3) UNEMPLOYMENT COMPENSATION REQUIRE-
7 MENTS.—A State that requires the filing of an ini-
8 tial claim for unemployment compensation with an
9 employee of the State agency charged with the ad-
10 ministration of the State unemployment compensa-
11 tion law shall provide for—

12 (A) the availability of 1 or more employees
13 of such State agency to each one-stop career
14 system to take such initial claims; or

15 (B) the filing of such initial claims with
16 employees of such State agency from each one-
17 stop career system using telephonic, telefax, or
18 other means.

19 (b) INTENSIVE SERVICES.—

20 (1) IN GENERAL.—Subject to paragraph (2),
21 each one-stop service provider who has entered into
22 an operating agreement pursuant to section 245
23 may, in accordance with the written agreement de-
24 veloped pursuant to such section, provide to individ-

1 uals participating in the one-stop career system the
2 following intensive services:

3 (A) Comprehensive and specialized assess-
4 ments of the skill levels and service needs of in-
5 dividuals, which may include—

6 (i) diagnostic testing and other assess-
7 ment tools; and

8 (ii) in-depth interviewing and evalua-
9 tion to identify employment barriers and
10 appropriate employment goals.

11 (B) The development of an individual re-
12 employment plan, which shall identify the em-
13 ployment goal (including in appropriate cir-
14 cumstances, nontraditional employment), appro-
15 priate achievement objectives, and the appro-
16 priate combination of services for a participant
17 to achieve the employment goal.

18 (C) Group counseling, including peer coun-
19 seling, which may be available to individuals
20 jointly with their immediate families, and which
21 may include counseling relating to stress man-
22 agement and financial management.

23 (D) Individualized counseling and career
24 planning, including peer counseling and coun-

1 seling and planning relating to nontraditional
2 employment opportunities.

3 (E) Case management for individuals re-
4 ceiving education, training, and supportive serv-
5 ices, including periodically reviewing the
6 progress of the individual toward achieving em-
7 ployment goal of such individual.

8 (F) Job development.

9 (G) Out-of-area job search allowances.

10 (H) Relocation allowances.

11 (I) Assistance in the selection of education
12 and training providers.

13 (J) Assistance in obtaining income support
14 for which the individual is eligible, to enable
15 such individual to participate in training.

16 (K) Supportive services.

17 (L) Follow-up counseling for individuals
18 placed in training or employment.

19 (2) ADDITIONAL REQUIREMENT.—At least 1
20 one-stop service provider participating in a one-stop
21 career system shall provide both basic services under
22 subsection (a) and the intensive services described in
23 subparagraphs (A), (B), (D), (E), (I), and (J) of
24 paragraph (1) to individuals participating in the
25 one-stop career system.

1 (c) SPECIALIZED EMPLOYER SERVICES.—

2 (1) IN GENERAL.—Each one-stop service pro-
3 vider who has entered into an operating agreement
4 pursuant to section 245 may provide to employers
5 the following services:

6 (A) Customized screening and referral of
7 individuals for employment.

8 (B) Customized assessment of skill levels
9 of the employer's current employees.

10 (C) Analysis of the employer's workforce
11 skill needs.

12 (D) Other specialized employment and
13 training services.

14 (2) JOB ORDERS.—Each one-stop career system
15 shall establish, pursuant to an agreement under sec-
16 tion 245 and in consultation with appropriate offi-
17 cials from the United States Employment Service, a
18 coordinated method for—

19 (A) soliciting, accepting, and disseminating
20 on a statewide basis, job orders submitted by
21 employers in the one-stop service area; and

22 (B) screening and referring applicants in
23 accordance with such orders.

24 (d) ADDITIONAL SERVICES.—Each one-stop service
25 provider who has entered into an operating agreement

1 pursuant to section 245 may make available such addi-
2 tional services as are specified in the written agreement
3 under section 245.

4 **SEC. 244. ONE-STOP SERVICE PROVIDERS.**

5 (a) IN GENERAL.—The administrative entity, in
6 agreement with the local consortium, shall establish a
7 process for selecting one-stop service providers described
8 in subsection (b) for the one-stop career system.

9 (b) ONE-STOP SERVICE PROVIDER DESCRIBED.—
10 Subject to subsection (b), for purposes of this title, the
11 term “one-stop service provider” means a public agency
12 or a private nonprofit organization, including—

13 (1) a local office of the State employment secu-
14 rity agency;

15 (2) a substate grantee under title I of this Act;

16 (3) a service delivery area grant recipient or ad-
17 ministrative entity under the Job Training Partner-
18 ship Act (29 U.S.C. 1501 et seq.);

19 (4) a community college or area vocational
20 school;

21 (5) a community-based organization;

22 (6) other private nonprofit and public organiza-
23 tions and entities, including labor organizations; or

24 (7) a consortium consisting of 1 or more of the
25 entities described in paragraphs (1) through (6).

1 (c) SPECIAL RULE.—A local office of the State em-
2 ployment security agency, or a consortium including such
3 an office, shall participate in a one-stop career system if
4 such office requests such participation and meets the per-
5 formance standards pursuant to section 262.

6 **SEC. 245. OPERATING AGREEMENTS.**

7 (a) IN GENERAL.—All one-stop service providers in
8 a one-stop career system shall enter into a single written
9 agreement with the administrative entity designated under
10 section 241(b) for the purpose of providing services under
11 the one-stop career system.

12 (b) APPROVAL AND OVERSIGHT.—

13 (1) IN GENERAL.—Subject to paragraph (2),
14 such agreement shall be subject to the approval of
15 the local elected official designated for the one-stop
16 service area. Such official shall oversee the develop-
17 ment of such agreement, ensure that the agreement
18 meets the requirements of this section, and monitor
19 the implementation of such agreement.

20 (2) PRIOR CONSULTATION REQUIREMENT.—
21 The local elected official may not approve an agree-
22 ment under which services are to be provided in con-
23 junction with services under State programs unless
24 such official consults with the Governor in advance
25 of approval.

1 (c) ANNUAL BUDGET.—The parties to the written
2 agreement described under subsection (a) shall supple-
3 ment such agreement by developing an annual budget for
4 the one-stop career system. Such budget shall be subject
5 to the approval of the local elected official designated for
6 the one-stop service area.

7 (d) CONTRACTING PROCEDURES.—The administra-
8 tive entity shall enter into contracts with one-stop service
9 providers for the provision of services under the one-stop
10 career system.

11 **SEC. 246. ADDITIONAL STATE RESPONSIBILITIES.**

12 (a) IN GENERAL.—Each State implementing a com-
13 prehensive statewide network of one-stop career systems
14 shall be responsible for developing and operating adminis-
15 trative and management systems that promote the effec-
16 tive operation of such network.

17 (b) MONITORING.—Each such State shall monitor
18 the compliance of one-stop service areas within the State
19 with the requirements of this title.

20 (c) TECHNICAL ASSISTANCE.—Each such State shall
21 provide such technical assistance as deemed necessary to
22 assist the one-stop service areas in the State to carry out
23 their responsibilities under this title.

24 (d) CUSTOMER FEEDBACK.—

1 (1) METHODS.—Each such State shall establish
2 methods for obtaining, on a regular basis, informa-
3 tion from individuals and employers who have re-
4 ceived services through the comprehensive statewide
5 network of one-stop career systems regarding the ef-
6 fectiveness and quality of such services, including in-
7 formation from various demographic groups and spe-
8 cial populations. Such methods may include the use
9 of surveys, interviews, focus groups, and other tech-
10 niques.

11 (2) ANALYSIS AND DISSEMINATION.—Each such
12 State shall analyze the information obtained pursu-
13 ant to paragraph (1) on a regular basis and provide
14 a summary of such information accompanied by
15 such analysis to—

16 (A) the local elected official or officials for
17 use in improving the quality of services pro-
18 vided under section 243; and

19 (B) the general public through the local
20 labor market information program established
21 under title III.

22 **SEC. 247. STATE HUMAN RESOURCE INVESTMENT COUNCIL.**

23 (a) IN GENERAL.—Not later than 3 years after the
24 date of the enactment of this Act, each State shall estab-
25 lish a State human resource investment council that meets

1 the requirements of title VII of the Job Training Partner-
2 ship Act (29 U.S.C. 1792 et seq.) or a similar entity estab-
3 lished prior to the date of the enactment of this Act that
4 includes representatives of employers, labor organizations,
5 and education and training providers. In addition to carry-
6 ing out the functions required under paragraphs (1)
7 through (3) of section 701 of such Act, the council or simi-
8 lar entity shall—

9 (1) identify the human investment needs in the
10 State and recommend to the Governor goals for
11 meeting such needs;

12 (2) recommend to the Governor goals for the
13 development and coordination of the human resource
14 system in the State;

15 (3) prepare and recommend to the Governor a
16 strategic plan to accomplish the goals developed pur-
17 suant to paragraphs (2) and (3); and

18 (4) monitor the implementation of and evaluate
19 the effectiveness of the strategic plan prepared pur-
20 suant to paragraph (3).

21 (b) ONE-STOP FUNCTION.—In addition to the func-
22 tions described in subsection (a), the council or similar en-
23 tity shall advise the Governor with respect to all aspects
24 of the development and implementation of the comprehen-

1 sive statewide network of one-stop career systems author-
2 ized under this title, including—

3 (1) assessing the needs of the State with regard
4 to—

5 (A) current and projected demand for
6 workers by occupation;

7 (B) skill levels of the workforce and the
8 needs of business for a skilled workforce;

9 (C) economic development needs of the
10 State; and

11 (D) the type and availability of Federal
12 and State employment and training programs
13 in the State;

14 (2) providing advice to the Governor on the des-
15 igation of one-stop service areas within the State;

16 (4) facilitating the provision through appro-
17 priate State agencies of grants and technical assist-
18 ance to local elected officials;

19 (5) developing a mechanism for waiving State
20 rules and provisions of law with respect to Federal
21 and State employment and training programs; and

22 (6) developing a strategy to collect and utilize
23 information on the effectiveness of Federal and
24 State employment and training programs, and that

1 of individual one-stop service providers, and to share
2 such information with customers of such programs.

3 **SEC. 248. POOLING OF ADMINISTRATIVE RESOURCES.**

4 (a) SUBMISSION OF PLAN.—

5 (1) IN GENERAL.—At any point in the imple-
6 mentation of a comprehensive statewide network of
7 one-stop career systems, a State may, on behalf of
8 1 or more one-stop service areas in the State, submit
9 to the Secretary a plan for the pooling of adminis-
10 trative funds available to such areas under 2 or
11 more of the programs described in paragraphs (1)
12 through (6) of section 242.

13 (2) COMPONENTS OF POOLING.—Under a plan
14 submitted pursuant to paragraph (1), each partici-
15 pating program described in paragraphs (1) through
16 (6) of section 242 may propose to transfer adminis-
17 trative funds to the one-stop career system and to
18 allocate the amount transferred to the costs of ad-
19 ministration under such program at the time of such
20 transfer. Pursuant to such plan, further allocation of
21 the expenditure of such funds to the participating
22 program shall not be required subsequent to the
23 transfer of the funds to the one-stop career center
24 system. Administrative funds that are transferred
25 under such plan shall only be expended for the costs

1 of administering allowable activities under the one-
2 stop career system.

3 (b) APPROVAL OF PLAN.—Notwithstanding section
4 1301 of title 31, United States Code, or any other provi-
5 sion of law, the Secretary may approve a plan for the pool-
6 ing of administrative funds submitted pursuant to sub-
7 section (a) if the Secretary determines such plan would
8 not jeopardize the administration of the participating pro-
9 grams transferring such funds and would facilitate the im-
10 plementation of the one-stop career system. After approval
11 of such plan, the Secretary shall regularly review the per-
12 formance of the one-stop service areas operating under
13 such plans and shall rescind such approval if the Secretary
14 determines that the performance of the one-stop service
15 area has been inadequate to justify continuation of the
16 plan or there has been a significant adverse effect on the
17 participating programs.

18 (c) SESA REAL PROPERTY.—

19 (1) IN GENERAL.—Upon the approval of the
20 Governor, real property in which, as of July 1, 1995,
21 equity has resulted from funds provided under title
22 III of the Social Security Act, section 903(c) of the
23 Social Security Act (commonly referred to as the
24 Reed Act), or the Wagner-Peyser Act, may be used
25 for the purposes of a one-stop career system.

1 (2) LIMITATION.—Unless otherwise provided in
2 a plan approved pursuant to subsection (b), subse-
3 quent to the commencement of the use of the prop-
4 erty described in paragraph (1) for the purposes of
5 a one-stop career system, funds provided under the
6 provisions of law described in paragraph (1) may
7 only be used to acquire further equity in such prop-
8 erty, or to pay operating and maintenance expenses
9 relating to such property, in proportion to the extent
10 of the use of such property attributable to the activi-
11 ties authorized under such provisions of law.

12 **SEC. 249. LABOR STANDARDS.**

13 (a) IN GENERAL.—Except as provided in subsection
14 (b), the labor standards described in section 143 shall
15 apply to activities under one-stop career systems author-
16 ized under this title.

17 (b) EXCEPTION.—Subsection (a) shall not apply with
18 respect to activities under participating programs de-
19 scribed in section 242 to the extent such programs contain
20 labor standards that are equal to or more comprehensive
21 than the labor standards described in section 143, as de-
22 termined by the Secretary.

1 **Subtitle E—Waiver of Statutory**
2 **and Regulatory Requirements**

3 **SEC. 251. STATE, LOCAL CONSORTIUM, AND NATIVE AMER-**
4 **ICAN TRIBAL ENTITY REQUESTS AND RE-**
5 **SPONSIBILITIES FOR WAIVERS.**

6 (a) STATE REQUEST FOR WAIVER.—A State that has
7 applied for a grant under subtitle B may submit to the
8 Secretary concerned a request for a waiver of 1 or more
9 requirements of the provisions of law referred to in section
10 252, or of the regulations issued under such provisions,
11 in order to carry out a comprehensive statewide network
12 of one-stop career systems established by such State. The
13 State may submit the request as a part of the application
14 described in section 223 (or as an amendment to the appli-
15 cation at any time after submission of the application) to
16 the Secretary of Labor who, in coordination with the inter-
17 agency task force established under section 264, shall for-
18 ward such request to the appropriate Secretary concerned.
19 Such request may include a request for different waivers
20 with respect to different areas within the State.

21 (b) LOCAL CONSORTIUM REQUEST FOR WAIVER.—

22 (1) IN GENERAL.—A local consortium estab-
23 lished for a one-stop service area that seeks a waiver
24 of such a requirement shall submit an application
25 for such waiver to the State, and the State shall de-

1 termine whether to submit a request for a waiver to
2 the Secretary concerned, as provided in subsection
3 (a).

4 (2) TIME LIMIT.—

5 (A) IN GENERAL.—The State shall make a
6 determination to submit or not submit the re-
7 quest for a waiver under paragraph (1) not
8 later than 30 days after the date on which the
9 State receives the application from the local
10 consortium.

11 (B) DIRECT SUBMISSION.—

12 (i) IN GENERAL.—If the State does
13 not make a determination to submit or not
14 submit the request within the 30-day time
15 period specified in subparagraph (A), the
16 local consortium may submit the applica-
17 tion to the Secretary concerned.

18 (ii) REQUIREMENTS.—In submitting
19 such an application, the local consortium
20 shall, to the extent practicable, obtain the
21 agreement of the State involved to comply
22 with the requirements of section
23 252(a)(1)(C) and comply with the other re-
24 quirements of section 252, as appropriate,
25 and of subsections (d) and (e), that would

1 otherwise apply to a State submitting a re-
2 quest for a waiver. In reviewing such an
3 application, the Secretary concerned shall
4 comply with the requirements of such sec-
5 tion and such subsections that would oth-
6 erwise apply to the Secretary concerned
7 with respect to review of such a request.

8 (c) NATIVE AMERICAN TRIBAL ENTITY REQUEST
9 FOR WAIVER.—A Native American tribal entity that has
10 applied for a grant under subtitle B may submit to the
11 Secretary concerned a request for a waiver of 1 or more
12 requirements of the provisions of law referred to in section
13 252, or of the regulations issued under such provisions,
14 in order to carry out a one-stop career system established
15 by such entity.

16 (d) WAIVER CRITERIA.—Any such request by the
17 State shall meet the criteria contained in section 252 and
18 shall specify the provisions or regulations referred to in
19 such sections with respect to which the State seeks a waiv-
20 er.

21 (e) SUPPORT BY APPROPRIATE STATE AGENCIES.—
22 In requesting such a waiver, the State shall provide evi-
23 dence of support for the waiver request by the State agen-
24 cies or officials with jurisdiction over the provisions or reg-
25 ulations that would be waived.

1 **SEC. 252. WAIVER AUTHORITY.**

2 (a) GENERAL WAIVER AUTHORITY.—

3 (1) IN GENERAL.—Except as provided in sub-
4 section (b), the Secretary concerned may waive any
5 requirement under any provision of law referred to
6 in subsection (c), or of any regulation issued under
7 such provision, for a State or Native American tribal
8 entity that requests such a waiver under section
9 251—

10 (A) if, and only to the extent that, the Sec-
11 retary concerned determines that such require-
12 ment impedes the ability of the State, local con-
13 sortium, or Native American tribal entity, as
14 the case may be, to carry out the purposes of
15 this title;

16 (B) if the State or tribal entity provides
17 the Secretary concerned with documentation of
18 the necessity for the waiver, including informa-
19 tion concerning—

20 (i) the specific requirement that will
21 be waived;

22 (ii) the specific positive outcomes ex-
23 pected from the waiver and why those out-
24 comes cannot be achieved while complying
25 with the requirement;

1 (iii) the process that will be used to
2 monitor the progress of the State, local
3 consortium, or tribal entity, as the case
4 may be, in implementing the waiver; and

5 (iv) such other information as the
6 Secretary concerned may require;

7 (C) if the State waives, or agrees to waive,
8 similar requirements of State law; and

9 (D) if the State—

10 (i) has provided the State human re-
11 source investment council or similar entity
12 and all local consortia and tribal entities
13 that carry out programs under this title in
14 the State with notice and an opportunity
15 to comment on the proposal of the State to
16 seek a waiver;

17 (ii) provides to advocacy and civil
18 rights groups, and labor and business or-
19 ganizations an opportunity to comment on
20 the proposal of the State to seek a waiver
21 not later than 30 days after the date on
22 which such State decides to seek such
23 waiver; and

1 (iii) has submitted the comments of
2 the local consortium to the Secretary con-
3 cerned.

4 (2) COORDINATION WITH PRIOR AND PENDING
5 REQUESTS.—Prior to approving or disapproving a
6 request submitted by a State or Native American
7 tribal entity pursuant to paragraph (1), the Sec-
8 retary concerned shall review all prior requests sub-
9 mitted by such State or tribal entity and all pending
10 requests submitted by such State or tribal entity, as
11 the case may be, to each Secretary concerned to en-
12 sure that the approval of the request in question will
13 be consistent with such prior and pending requests.

14 (3) APPROVAL OR DISAPPROVAL.—The Sec-
15 retary concerned shall promptly approve or dis-
16 approve any request submitted pursuant to para-
17 graph (1) and shall issue a decision that shall—

18 (A) include the reasons for approving or
19 disapproving the request, including a response
20 to comments on the proposal; and

21 (B) in the case of a decision to approve the
22 request, be published in the Federal Register
23 and be disseminated by the State seeking the
24 waiver to interested parties, including advocacy

1 and civil rights organizations, labor and busi-
2 ness organizations, and the public.

3 (4) TERM.—Each waiver approved pursuant to
4 this subsection shall be for a period not to exceed 3
5 years, except that the Secretary concerned may ex-
6 tend such period if such Secretary determines that
7 the waiver has been effective in enabling the State,
8 local consortium, or Native American tribal entity,
9 as the case may be, to carry out the purposes of this
10 title.

11 (b) EXPEDITED WAIVER AUTHORITY.—

12 (1) IN GENERAL.—The Secretary concerned
13 may, using an expedited process, waive any applica-
14 ble requirement under any provision of law referred
15 to in subsection (c), or of any regulation issued
16 under such provision, for a State or Native Amer-
17 ican tribal entity that requests such a waiver under
18 section 251—

19 (A) if the State or tribal entity provides
20 the Secretary concerned with information con-
21 cerning the process that will be used to monitor
22 the progress of the State, local consortium, or
23 tribal entity, as the case may be, in implement-
24 ing the waiver; and

1 (B) if the State waives, or agrees to waive,
2 similar requirements of State law.

3 (2) TERM.—Each waiver approved pursuant to
4 this subsection shall be for a period not to exceed 3
5 years, except that the Secretary concerned may ex-
6 tend such period if such Secretary determines that
7 the waiver has been effective in enabling the State,
8 local consortium, or Native American tribal entity,
9 as the case may be, to carry out the purposes of this
10 title.

11 (3) APPLICABLE REQUIREMENT DEFINED.—For
12 purposes of this subsection, the term “applicable re-
13 quirement” means a requirement designated under
14 section 264(b)(3) that has been published in the
15 Federal Register as a final requirement under sec-
16 tion 264(b)(4).

17 (c) INCLUDED PROGRAMS.—

18 (1) IN GENERAL.—The provisions subject to the
19 waiver authority of this section are the following
20 provisions of law:

21 (A) Title I of this Act.

22 (B) Title II of the Job Training Partner-
23 ship Act (29 U.S.C. 1601 et seq.).

24 (C) Part B of title IV of such Act (29
25 U.S.C. 1691 et seq.).

1 (D) Part C of title IV of such Act (29
2 U.S.C. 1721).

3 (E) Part H of title IV of such Act (29
4 U.S.C. 1782 et seq.).

5 (F) The Act of June 6, 1933 (commonly
6 known as the “Wagner-Peyser Act”; 29 U.S.C.
7 49 et seq.).

8 (G) The School-to-Work Opportunities Act
9 (20 U.S.C. 6101 et seq.).

10 (H) The Carl D. Perkins Vocational and
11 Applied Technology Education Act (20 U.S.C.
12 2301 et seq.).

13 (I) The Adult Education Act (20 U.S.C.
14 1201 et seq.).

15 (J) Title V of the Older Americans Act of
16 1965 (42 U.S.C. 3056 et seq.).

17 (K) Part F of title IV of the Social Secu-
18 rity Act (42 U.S.C. 681 et seq.).

19 (2) CIRCULARS AND RELATED REGULATIONS.—
20 In addition to the provisions of law described in
21 paragraph (1), the Secretary of Labor may, notwith-
22 standing any other provision of law, waive any re-
23 quirement under the following Office of Management
24 and Budget circulars (or any successor administra-
25 tive regulations or policies) or regulations for a

1 State or Native American tribal entity that requests
2 such a waiver under section 251:

3 (A) Circular A-87 (relating to cost prin-
4 ciples for State and local governments).

5 (B) Circular A-102 (relating to grants and
6 cooperative agreements with State and local
7 government).

8 (C) Circular A-122 (relating to non-profit
9 organizations).

10 (D) Part 97 of title 29, Code of Federal
11 Regulations (relating to uniform administrative
12 regulations for grants and cooperative agree-
13 ments to States and local governments).

14 (d) WAIVERS NOT AUTHORIZED.—The Secretary
15 concerned may not waive any requirement of any provision
16 referred to in subsection (c), or of any regulation issued
17 under such provision, relating to—

18 (1) the basic purposes or goals of such provi-
19 sion;

20 (2) maintenance of effort;

21 (3) the formula allocation of funds under a pro-
22 gram under such provision;

23 (4) the eligibility of an individual for participa-
24 tion in a program under such provision;

1 (5) public and individual health or safety, labor
2 standards, occupational safety and health, or envi-
3 ronmental protection;

4 (6) prohibitions or restrictions relating to the
5 acquisition of real property or the acquisition or con-
6 struction of buildings or facilities;

7 (7) any constitutional or statutory right of an
8 individual, including any right under—

9 (A) title VI of the Civil Rights Act of 1964
10 (42 U.S.C. 2000d et seq.);

11 (B) title IX of the Education Amendments
12 of 1972 (86 Stat. 373 et seq.);

13 (C) the Age Discrimination Act of 1975
14 (42 U.S.C. 6101 et seq.); or

15 (D) the Americans with Disabilities Act of
16 1990;

17 (8) civil rights and nondiscrimination;

18 (9) affirmative action;

19 (10) environmental protection;

20 (11) labor relations;

21 (12) pensions;

22 (13) Federal taxation; or

23 (14) anti-displacement.

24 (e) TERMINATION OF WAIVERS.—The Secretary con-
25 cerned shall periodically review the performance of any

1 State, local consortium, or Native American tribal entity
2 for which the Secretary concerned has granted a waiver
3 under this section and shall terminate the waiver under
4 this section if the Secretary concerned determines that the
5 performance of the State, local consortium, or tribal en-
6 tity, as the case may be, that is affected by the waiver
7 has been inadequate to justify a continuation of the waiv-
8 er, or the State fails to waive similar requirements of State
9 law as required or agreed to in accordance with subsection
10 (a)(1)(C) or subsection (b)(1)(B).

11 (f) SECRETARY CONCERNED DEFINED.—For pur-
12 poses of this section, the term “Secretary concerned”
13 means—

14 (1) with respect to requests for waivers of re-
15 quirements under provisions of law referred to in
16 subparagraphs (A) through (F) of subsection (c)(1),
17 or of any regulation issued under such provisions,
18 the Secretary of Labor;

19 (2) with respect to requests for waivers of re-
20 quirements under the provision of law referred to in
21 subparagraph (G) of subsection (c)(1), or of any
22 regulation issued under such provision, the Secretary
23 of Labor and the Secretary of Education;

24 (3) with respect to requests for waivers of re-
25 quirements under provisions of law referred to in

1 subparagraphs (H) and (I) of subsection (c)(1), or
2 of any regulation issued under such provisions, the
3 Secretary of Education; and

4 (4) with respect to requests for waivers of re-
5 quirements under provisions of law referred to in
6 subparagraphs (J) and (K) of subsection (c)(1), or
7 of any regulation issued under such provisions, the
8 Secretary of Health and Human Services.

9 **Subtitle F—National Programs**

10 **SEC. 261. OVERSIGHT.**

11 The Secretary is authorized to monitor all recipients
12 of financial assistance under this title to determine wheth-
13 er such recipients are complying with the provisions of this
14 title.

15 **SEC. 262. PERFORMANCE STANDARDS AND EVALUATION.**

16 (a) PERFORMANCE STANDARDS.—

17 (1) IN GENERAL.—Not later than July 1, 1996,
18 the Secretary, after consultation with Governors,
19 local elected officials, and one-stop service providers
20 described in section 244, shall prescribe performance
21 standards relating to the establishment and oper-
22 ation of one-stop career systems. Such standards
23 shall be coordinated with performance standards for
24 programs described in section 242 and shall be

1 based on factors the Secretary determines to be ap-
2 propriate, which may include—

3 (A) placement, retention and earnings of
4 participants from various demographic groups
5 in unsubsidized employment, including—

6 (i) wages and benefits at a specified
7 period after termination from the program;

8 (ii) full-time and part-time employ-
9 ment; and

10 (iii) comparability of wages at a speci-
11 fied period after termination from the pro-
12 gram with wages prior to participation in
13 the program;

14 (B) the provision of services to hard-to-
15 serve populations such as individuals who are
16 basic skills deficient, school dropouts, individ-
17 uals with disabilities, older workers with obso-
18 lete skills, economically disadvantaged individ-
19 uals, displaced homemakers, and other individ-
20 uals who face serious barriers to employment;

21 (C) acquisition of skills pursuant to a skill
22 standards and skill certification system en-
23 dorsed by the National Skill Standards Board
24 established under the Goals 2000: Educate
25 America Act;

1 (D) satisfaction of participants with serv-
2 ices provided and the employment outcomes;

3 (E) satisfaction of employers with job per-
4 formance of individuals placed; and

5 (F) measures of the cost efficiency of the
6 one-stop career centers.

7 (2) STANDARDS RELATING TO INTEGRATION.—

8 The Secretary, after consultation with Governors,
9 local elected officials, and one-stop service providers
10 described in section 244, shall prescribe performance
11 standards relating to the integration of financial and
12 non-financial resources, program services, and deliv-
13 ery systems, including the extent to which a large
14 percentage of funds made available to carry out the
15 Federal programs described in section 242 are made
16 available under the one-stop carrier systems. Such
17 standards shall be based on factors the Secretary de-
18 termines to be appropriate, which may include the
19 use of—

20 (A) common intake methodology;

21 (B) common assessment methodology;

22 (C) cross training of staff for joint service
23 delivery;

24 (D) integrated job development and place-
25 ment for multiple programs;

1 (E) integrated employability development
2 teams from multiple programs under different
3 provisions of law with primary client respon-
4 sibility lodged with primary funding source for
5 the client;

6 (F) joint purchasing and integrated con-
7 tracting for expert systems and services;

8 (G) co-location of services or multiple
9 points of entry into a unified system;

10 (H) joint development and utilization of
11 data on performance by one-stop service provid-
12 ers;

13 (I) individual service accounts which inte-
14 grate funds from various programs to permit
15 the financing and management of comprehen-
16 sive individualized employability plans; and

17 (J) technology applications which promote
18 and permit information exchange across a vari-
19 ety of program funding streams.

20 (3) ADJUSTMENTS.—Each Governor may, with-
21 in parameters established by the Secretary, prescribe
22 adjustments to the performance standards pre-
23 scribed under paragraph (1) for the one-stop career
24 systems established in the State based on—

1 (A) specific economic, geographic and de-
2 mographic factors in the State and in one-stop
3 service areas within the State;

4 (B) the characteristics of the population to
5 be served, including the demonstrated difficul-
6 ties in serving populations with barriers to em-
7 ployment; and

8 (C) the types of services to be provided.

9 (4) FAILURE TO MEET STANDARDS.—

10 (A) UNIFORM CRITERIA.—The Secretary
11 shall establish uniform criteria for determining
12 whether a one-stop career system fails to meet
13 performance standards under this section.

14 (B) TECHNICAL ASSISTANCE.—The Gov-
15 ernor shall provide technical assistance to one-
16 stop career systems failing to meet performance
17 standards under the uniform criteria estab-
18 lished under subparagraph (A).

19 (C) REMEDIAL ACTION.—The Secretary
20 shall establish procedures for the provision of
21 remedial action for one-stop career systems that
22 continue to fail to meet such performance
23 standards for two consecutive program years,
24 including the termination of grants, contracts,
25 or other agreements.

1 (D) REPORT ON PERFORMANCE.—Each
2 Governor shall report to the Secretary, at such
3 intervals and in such manner as the Secretary
4 may determine, the final performance standards
5 and performance for each one-stop career sys-
6 tem within the State, along with the technical
7 assistance planned and provided as required
8 under subparagraph (B).

9 (b) EVALUATION.—

10 (1) IN GENERAL.—The Secretary shall provide
11 for the continuing evaluation of programs conducted
12 under this title, including the cost-effectiveness of
13 programs in achieving the purposes of this title.

14 (2) NATIONAL EVALUATION.—Not later than
15 September 30, 2000, the Secretary shall complete a
16 national evaluation of grants provided under sub-
17 titles B and C that will assess the progress of imple-
18 mentation of State and local programs and their ef-
19 fectiveness based on performance standards estab-
20 lished by the Secretary under subsection (a).

21 (3) TECHNIQUES.—

22 (A) METHODS.—Evaluations conducted
23 under paragraphs (1) and (2) shall use recog-
24 nized statistical methods and techniques of the
25 behavioral and social sciences, including meth-

1 odologies that control for self-selection, where
2 feasible.

3 (B) ANALYSIS.—Such evaluations may in-
4 clude cost benefit analyses of programs and
5 analyses of—

6 (i) the impact of the programs on par-
7 ticipants and the community;

8 (ii) the extent to which programs meet
9 the needs of various demographic groups;
10 and

11 (iii) the effectiveness of delivery sys-
12 tems used by various groups.

13 **SEC. 263. CAPACITY BUILDING AND TECHNICAL ASSIST-**
14 **ANCE.**

15 (a) IN GENERAL.—From amounts appropriated pur-
16 suant to the authorization of appropriations in section
17 3(b) for a fiscal year, the Secretary shall reserve an
18 amount equal to 7 percent of such amounts appropriated
19 for such fiscal year to provide, utilizing telecommuni-
20 cations and computer technology, the extent possible, staff
21 training and technical assistance to States, one-stop career
22 systems, community-based organizations, business and
23 labor organizations, one-stop service providers, industry
24 consortia, and other entities, to enhance the capacity of

1 such entities to develop and implement effective one-stop
2 career systems.

3 (b) INTEGRATION.—The Secretary shall fully inte-
4 grate the staff training and technical assistance provided
5 under subsection (a) with the activities of the Capacity
6 Building and Information and Dissemination Network es-
7 tablished under section 453 of the Job Training Partner-
8 ship Act (29 U.S.C. 1733).

9 **SEC. 264. INTERAGENCY TASK FORCE RELATING TO WAIV-**
10 **ER REQUESTS.**

11 (a) ESTABLISHMENT.—The Secretary of Labor, the
12 Secretary of Education, and the Secretary of Health and
13 Human Services shall establish an interagency task force
14 (hereafter in this section referred to as the “task force”).

15 (b) IDENTIFICATION AND DESIGNATION OF RE-
16 QUIREMENTS OF PROVISIONS OF LAW AND REGULATIONS
17 SUBJECT TO EXPEDITED WAIVER AUTHORITY.—The task
18 force, in consultation with the National Commission on
19 Employment Policy, shall—

20 (1) identify initial requirements under the pro-
21 visions of law described in section 242 and (includ-
22 ing requirements relating to definitions, cost classi-
23 fications, and program cycles) or of any regulation
24 issued under such provisions, that impede the ability

1 of States and one-stop service areas to carry out the
2 purposes of this title;

3 (2) publish such requirements in the Federal
4 Register for the purpose of providing interested indi-
5 viduals and entities an opportunity to review such
6 requirements and provide comments with respect to
7 such requirements to the task force;

8 (3) based upon such comments, designate such
9 requirements as final requirements subject to the ex-
10 pedited waiver authority under section 252(b), to the
11 extent appropriate; and

12 (4) publish such final requirements in the Fed-
13 eral Register.

14 (c) REPORT TO CONGRESS.—Not later than 1 year
15 after the date of the enactment of this Act, the task force
16 shall submit to the Congress a report containing rec-
17 ommendations for proposed legislation to simplify, coordi-
18 nate, or eliminate 1 or more of the final requirements des-
19 igned under subsection (b)(4) that impede the ability of
20 States and one-stop service areas to carry out the pur-
21 poses of this title.

1 **TITLE III—NATIONAL LABOR**
2 **MARKET INFORMATION PRO-**
3 **GRAM FOR STATES AND LO-**
4 **CALITIES**

5 **SEC. 301. PURPOSES.**

6 The purposes of this title are—

7 (1) to establish a national, State, regional and
8 local labor market information program that will
9 promote the consolidation and coordination of exist-
10 ing labor market information programs and develop
11 new databases in furtherance of this title and sec-
12 tion 113, as the Secretary determines is practicable
13 and useful to all users of the information;

14 (2) to provide for the development, mainte-
15 nance, and continuous improvement of a nationwide
16 system for the collection, analysis, and dissemination
17 of locally based labor market information;

18 (3) to create a cooperative Federal/State/local
19 governance structure for the planning, administra-
20 tion, and evaluation of the labor market information
21 system; and

22 (4) to provide funding for the labor market in-
23 formation system to the extent required for—

1 (A) the planning, development, implemen-
2 tation, and evaluation of workforce development
3 policies and programs; and

4 (B) the achievement of the National Strat-
5 egy in section 302.

6 **SEC. 302. NATIONAL STRATEGY.**

7 (a) IN GENERAL.—The Secretary shall develop, in co-
8 ordination with Governors and appropriate Federal, State,
9 regional, and local officials and entities, a strategy to es-
10 tablish a program, administered by the Office of Labor
11 Market Information within the Department of Labor es-
12 tablished under subsection (c), in order to develop a na-
13 tionwide system of State, regional and local labor market
14 information that accomplishes the purpose described in
15 section 301 and carries out the activities described in this
16 section and section 303. In addition, such strategy shall
17 be designed to fulfill the labor market information require-
18 ments of the Job Training Partnership Act, title I of this
19 Act, the Carl D. Perkins Vocational and Applied Tech-
20 nology Education Act, and other appropriate Federal pro-
21 grams.

22 (b) IMPLEMENTATION.—In implementing the strate-
23 gies described in subsection (a), the Secretary is author-
24 ized to enter into contracts and intergovernmental cooper-
25 ative agreements, award grants and foster the creation of

1 public-private partnerships, using funds authorized under
2 this title and funds otherwise available for such purposes.
3 In addition, the Secretary may conduct research and dem-
4 onstration projects to assist in such implementation.

5 (c) OFFICE OF LABOR MARKET INFORMATION.—

6 (1) ESTABLISHMENT.—There is hereby estab-
7 lished within the Department of Labor an Office of
8 Labor Market Information to have overall policy, co-
9 ordination, and funding responsibilities for the labor
10 market information system described in subsection
11 (a).

12 (2) DUTIES.—The Office shall, with respect to
13 data collection, analysis, and dissemination of labor
14 market information—

15 (A) continuously review the current and
16 proposed activities of departmental entities in
17 order to—

18 (i) eliminate gaps and duplication in
19 statistical undertakings, with the
20 systemization of wage surveys as an early
21 priority;

22 (ii) recommend any needed improve-
23 ments in administrative reporting systems
24 to support the development of labor mar-
25 ket information from their data; and

1 (iii) ensure that all departmental enti-
2 ties use the common structures for data
3 collection and analysis and for employment
4 resources;

5 (B) manage the investment in labor mar-
6 ket information by—

7 (i) developing a comprehensive annual
8 budget, including funds at the Federal
9 level, funds allotted to States by formula,
10 and funds supplied to the States by con-
11 tracts with departmental entities;

12 (ii) administering grants allotted to
13 States in a cooperative agreement with
14 each State in a manner similar to such
15 agreements between the Department of
16 Labor and the State agency responsible for
17 the Federal-State cooperative statistical
18 program; and

19 (iii) overseeing the negotiation and
20 execution of contracts between depart-
21 mental entities and the States, while en-
22 suring State maximum flexibility within
23 the standards of consistency.

24 (3) ADDITIONAL DUTIES.—In carrying out its
25 duties, the Office shall—

1 (A) establish and maintain, with the co-
2 operation of the States, the components speci-
3 fied in section 303;

4 (B) coordinate statistical and administra-
5 tive data collection activities to enable a com-
6 prehensive labor market information system;
7 and

8 (C) ensure that—

9 (i) administrative records are stand-
10 ardized to facilitate the aggregation of
11 data from local to State and national levels
12 and to support the possible creation of new
13 statistical series from program records;

14 (ii) paperwork and reporting require-
15 ments on employers and individuals are re-
16 duced;

17 (iii) automated technology is used by
18 Federal and State agencies; and

19 (iv) the appropriate dissemination of
20 results from research studies and dem-
21 onstration projects, feedback from surveys
22 of customer satisfaction, education and
23 training provider performance data, and
24 other relevant information that promotes

1 improvement in the quality of labor market
2 information.

3 **SEC. 303. COMPONENTS OF PROGRAM.**

4 (a) IN GENERAL.—The Secretary, in coordination
5 with Governors and appropriate Federal, State, regional
6 and local officials and entities, and public-private partner-
7 ships, shall design and implement a strategy for creating
8 and sustaining a program for a system of national, State,
9 regional and local labor market information.

10 (b) PROGRAM CONTENT.—The labor market informa-
11 tion program shall include a common core set of current,
12 comprehensive, localized, and automated data on—

13 (1) labor market demand including—

14 (A) profiles of occupations that describe
15 job duties, education and training requirements,
16 skills, wages, benefits, working conditions, and
17 the industrial distribution of occupations;

18 (B) current and projected employment op-
19 portunities and trends, by industry and occupa-
20 tion including growth projections by industry,
21 and growth and replacement need projections
22 by occupation;

23 (C) job openings, job locations, hiring re-
24 quirements and application procedures;

1 (D) profiles of industries and employers in
2 the local labor market describing the nature of
3 the work performed, employment skill and expe-
4 rience requirements, specific occupations,
5 wages, hours and benefits, and hiring patterns;
6 and

7 (E) industries, occupations and geographic
8 locations facing significant change or disloca-
9 tion;

10 (2) labor market supply including—

11 (A) educational attainment, training, skills,
12 skill levels, and occupations of the population;

13 (B) demographic, socioeconomic character-
14 istics, and current employment status of the
15 population, including self-employed, part-time,
16 and seasonal workers;

17 (C) job seekers, including their education
18 and training, skills, skill levels, employment ex-
19 perience, and employment goals;

20 (D) the number of workers displaced by
21 permanent layoffs and plant closings by indus-
22 try, occupation, and geographic location; and

23 (E) current and projected training
24 completers who have acquired specific occupa-
25 tional and or work skills and competencies; and

1 (3) consumer information which shall be in a
2 form useful for immediate employment search, entry
3 into training and education programs and career ex-
4 ploration including—

5 (A) the availability of education courses,
6 training programs and job placement programs
7 and support services;

8 (B) the quality of education/training pro-
9 grams and service providers based on student
10 and employer satisfaction, and statistically
11 based performance evaluations of job placement
12 rates and retention, wages at placement and
13 one year after completion, and other elements
14 of program quality;

15 (C) the quality of one-stop career systems
16 and other providers of reemployment services
17 based on customer satisfaction measures; and

18 (D) Automated systems to permit easy de-
19 termination of eligibility for funding and other
20 assistance in job training, job search, income
21 support, supportive services and other reem-
22 ployment services.

23 (c) TECHNICAL STANDARDS.—The Secretary, in co-
24 operation with Governors and labor market information
25 users, shall promulgate standards necessary to promote ef-

1 ficient exchange of information between the local, regional,
2 State and national levels, including such standards as may
3 be required to ensure that data are comparable. Such
4 standards shall be designed to ensure that there is appro-
5 priate access to local, State, regional, and national data,
6 subject to confidentiality constraints. In issuing such tech-
7 nical standards, the Secretary shall meet the requirements
8 of chapter 35 of Title 44, United States Code, and ensure
9 coordination and consistency with other appropriate Fed-
10 eral standards established by the Bureau of Labor Statis-
11 tics. The Bureau of Labor Statistics shall be responsible
12 for providing technical assistance and training to States
13 to assure the statistical reliability and uniform standards
14 of the labor market information program.

15 (d) CONSUMER REPORTS.—The Secretary, in con-
16 sultation with the Secretary of Education and other appro-
17 priate Federal agencies, Governors, and State and local
18 governments, shall set standards for the required reports
19 and create a mechanism for collection and dissemination
20 of the consumer reports described in subsection (a)(6).

21 (e) EVALUATION.—The Secretary shall designate an
22 advisory group of labor market information specialists rep-
23 resenting national, State, regional and local users and pro-
24 ducers of labor market information to be responsible to
25 provide for the evaluation of the procedures, products and

1 services under this title, including their cost-effectiveness
2 and the level of customer satisfaction. Such evaluations
3 may include—

4 (1) analyses of the precision of estimates pro-
5 duced or collected under this title;

6 (2) examination of the uses of the data by job
7 seekers, employers, educators, career counselors,
8 public and private training providers, economic de-
9 velopment planners, and public agencies and institu-
10 tions;

11 (3) the appropriateness of such uses; and

12 (4) the relative costs and benefits of the data.

13 (f) INFORMATION DISSEMINATION.—Data contained
14 in the labor market information program shall be made
15 available in automated information delivery systems and
16 dissemination mechanisms for data and analysis shall be
17 developed, maintained, and continuously improved.

18 **SEC. 304. COORDINATION.**

19 To ensure the appropriate coordination, implementa-
20 tion and integration of labor market information programs
21 nationwide, the Secretary shall—

22 (1) coordinate the activities of Federal agencies
23 responsible for the collection and dissemination of
24 labor market information at the national, State, re-
25 gional and local level;

1 (2) determine, on an annual basis, the re-
2 sources, needed to establish and maintain a national,
3 State, regional and local labor market information
4 program, and, as feasible, enter into a cooperative
5 agreement with each State in a manner similar to
6 such agreements between the Bureau of Labor Sta-
7 tistics, and the State agency responsible for the Fed-
8 eral-State cooperative statistical program; and

9 (3) ensure the appropriate dissemination of re-
10 sults from research studies and demonstration
11 projects, feedback from surveys of customer satisfac-
12 tion, education and training provider performance
13 data, and other relevant information that promotes
14 improvement in the quality of labor market informa-
15 tion.

16 **TITLE IV—TECHNICAL** 17 **PROVISIONS**

18 **SEC. 401. EFFECTIVE DATE.**

19 This Act, and the amendments made by this Act,
20 shall take effect on July 1, 1995, or the date of the enact-
21 ment of this Act, whichever occurs later.

22 **SEC. 402. SUNSET.**

23 The authority provided by titles II and III shall ter-
24 minate on October 1, 2003.

○

HR 5166 IH—2

HR 5166 IH—3

HR 5166 IH—4

HR 5166 IH—5

HR 5166 IH—6

HR 5166 IH—7

HR 5166 IH—8

HR 5166 IH—9

HR 5166 IH—10

HR 5166 IH—11

HR 5166 IH—12

HR 5166 IH—13

HR 5166 IH—14

HR 5166 IH—15

HR 5166 IH—16