

113TH CONGRESS
1ST SESSION

H. R. 803

AN ACT

To reform and strengthen the workforce investment system of the Nation to put Americans back to work and make the United States more competitive in the 21st century.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Supporting Knowledge
3 and Investing in Lifelong Skills Act” or the “SKILLS
4 Act”.

5 **SEC. 2. TABLE OF CONTENTS.**

6 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.
- Sec. 4. Effective date.

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OF 1998

Subtitle A—Workforce Investment Definitions

Sec. 101. Definitions.

Subtitle B—Statewide and Local Workforce Investment Systems

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- Sec. 103. State workforce investment boards.
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TITLE VI—STUDIES BY THE COMPTROLLER GENERAL

Sec. 601. Study by the Comptroller General on exhausting Federal Pell Grants before accessing WIA funds.
 Sec. 602. Study by the Comptroller General on administrative cost savings.

1 **SEC. 3. REFERENCES.**

2 Except as otherwise expressly provided, wherever in
 3 this Act an amendment or repeal is expressed in terms
 4 of an amendment to, or repeal of, a section or other provi-
 5 sion, the amendment or repeal shall be considered to be
 6 made to a section or other provision of the Workforce In-
 7 vestment Act of 1998 (29 U.S.C. 9201 et seq.).

8 **SEC. 4. EFFECTIVE DATE.**

9 Except as otherwise provided, this Act and the
 10 amendments made by this Act shall be effective with re-
 11 spect to fiscal year 2014 and succeeding fiscal years.

12 **TITLE I—AMENDMENTS TO THE**
 13 **WORKFORCE INVESTMENT**
 14 **ACT OF 1998**

15 **Subtitle A—Workforce Investment**
 16 **Definitions**

17 **SEC. 101. DEFINITIONS.**

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

19 (1) by striking paragraphs (13) and (24);

20 (2) by redesignating paragraphs (1) through

21 (12) as paragraphs (3) through (14), and para-

1 graphs (14) through (23) as paragraphs (15)
2 through (24), respectively;

3 (3) by striking paragraphs (52) and (53);

4 (4) by inserting after “In this title:” the fol-
5 lowing new paragraphs:

6 “(1) ACCRUED EXPENDITURES.—The term ‘ac-
7 crued expenditures’ means charges incurred by re-
8 cipients of funds under this title for a given period
9 requiring the provision of funds for goods or other
10 tangible property received; services performed by
11 employees, contractors, subgrantees, subcontractors,
12 and other payees; and other amounts becoming owed
13 under programs assisted under this title for which
14 no current services or performance is required, such
15 as annuities, insurance claims, and other benefit
16 payments.

17 “(2) ADMINISTRATIVE COSTS.—The term ‘ad-
18 ministrative costs’ means expenditures incurred by
19 State and local workforce investment boards, direct
20 recipients (including State grant recipients under
21 subtitle B and recipients of awards under subtitles
22 C and D), local grant recipients, local fiscal agents
23 or local grant subrecipients, and one-stop operators
24 in the performance of administrative functions and
25 in carrying out activities under this title which are

1 not related to the direct provision of workforce in-
2 vestment services (including services to participants
3 and employers). Such costs include both personnel
4 and non-personnel and both direct and indirect.”;

5 (5) in paragraph (3) (as so redesignated), by
6 striking “Except in sections 127 and 132, the” and
7 inserting “The”;

8 (6) by amending paragraph (5) (as so redesign-
9 ated) to read as follows:

10 “(5) AREA CAREER AND TECHNICAL EDU-
11 CATION SCHOOL.—The term ‘area career and tech-
12 nical education school’ has the meaning given the
13 term in section 3(3) of the Carl D. Perkins Career
14 and Technical Education Act of 2006 (20 U.S.C.
15 2302(3)).”;

16 (7) in paragraph (6) (as so redesignated), by
17 inserting “(or such other level as the Governor may
18 establish)” after “8th grade level”;

19 (8) in paragraph (10)(C) (as so redesignated),
20 by striking “not less than 50 percent of the cost of
21 the training” and inserting “a significant portion of
22 the cost of training, as determined by the local
23 board (or, in the case of an employer in multiple
24 local areas in the State, as determined by the Gov-
25 ernor), taking into account the size of the employer

1 and such other factors as the local board determines
2 to be appropriate”;

3 (9) in paragraph (11) (as so redesignated)—

4 (A) in subparagraph (A)(ii)(II), by striking
5 “section 134(e)” and inserting “section
6 121(e)”;

7 (B) in subparagraph (B)(iii)—

8 (i) by striking “134(d)(4)” and insert-
9 ing “134(e)(4)”;

10 (ii) by striking “intensive services de-
11 scribed in section 134(d)(3)” and inserting
12 “work ready services described in section
13 117(d)(5)(C)”;

14 (C) in subparagraph (C), by striking “or”
15 after the semicolon;

16 (D) in subparagraph (D), by striking the
17 period and inserting “; or”;

18 (E) by adding at the end the following:

19 “(E)(i) is the spouse of a member of the
20 Armed Forces on active duty for a period of
21 more than 30 days (as defined in section
22 101(d)(2) of title 10, United States Code) who
23 has experienced a loss of employment as a di-
24 rect result of relocation to accommodate a per-

1 manent change in duty station of such member;
2 or

3 “(ii) is the spouse of a member of the
4 Armed Forces on active duty who meets the cri-
5 teria described in paragraph (12)(B).”;

6 (10) in paragraph (12)(A) (as redesignated)—

7 (A) by striking “and” after the semicolon
8 and inserting “or”;

9 (B) by striking “(A)” and inserting
10 “(A)(i)”; and

11 (C) by adding at the end the following:

12 “(ii) is the spouse of a member of the
13 Armed Forces on active duty for a period of
14 more than 30 days (as defined in section
15 101(d)(2) of title 10, United States Code)
16 whose family income is significantly reduced be-
17 cause of a deployment (as defined in section
18 991(b) of title 10, United States Code, or pur-
19 suant to paragraph (4) of such section), a call
20 or order to active duty pursuant to a provision
21 of law referred to in section 101(a)(13)(B) of
22 title 10, United States Code, a permanent
23 change of station, or the service-connected (as
24 defined in section 101(16) of title 38, United

1 States Code) death or disability of the member;
2 and”;

3 (11) in paragraph (13) (as so redesignated), by
4 inserting “or regional” after “local” each place it
5 appears;

6 (12) in paragraph (14) (as so redesignated)—

7 (A) in subparagraph (A), by striking “sec-
8 tion 122(e)(3)” and inserting “section 122”;

9 (B) by striking subparagraph (B), and in-
10 sserting the following:

11 “(B) work ready services, means a provider
12 who is identified or awarded a contract as de-
13 scribed in section 117(d)(5)(C); or”;

14 (C) by striking subparagraph (C); and

15 (D) by redesignating subparagraph (D) as
16 subparagraph (C).

17 (13) in paragraph (15) (as so redesignated), by
18 striking “adult or dislocated worker” and inserting
19 “individual”;

20 (14) in paragraph (25)—

21 (A) in subparagraph (B), by striking
22 “higher of—” and all that follows through
23 clause (ii) and inserting “poverty line for an
24 equivalent period;”;

1 (B) by redesignating subparagraphs (D)
2 through (F) as subparagraphs (E) through (G),
3 respectively; and

4 (C) by inserting after subparagraph (C)
5 the following:

6 “(D) receives or is eligible to receive free
7 or reduced price lunch under the Richard B.
8 Russell National School Lunch Act (42 U.S.C.
9 1751 et seq.);”;

10 (15) in paragraph (32), by striking “the Repub-
11 lic of the Marshall Islands, the Federated States of
12 Micronesia,”;

13 (16) by amending paragraph (33) to read as
14 follows:

15 “(33) OUT-OF-SCHOOL YOUTH.—The term ‘out-
16 of-school youth’ means—

17 “(A) an at-risk youth who is a school drop-
18 out; or

19 “(B) an at-risk youth who has received a
20 secondary school diploma or its recognized
21 equivalent but is basic skills deficient, unem-
22 ployed, or underemployed.”.

23 (17) in paragraph (38), by striking
24 “134(a)(1)(A)” and inserting “134(a)(1)(B)”;

1 (18) by amending paragraph (49) to read as
2 follows:

3 “(49) VETERAN.—The term ‘veteran’ has the
4 same meaning given the term in section 2108(1) of
5 title 5, United States Code.”;

6 (19) by amending paragraph (50) to read as
7 follows:

8 “(50) CAREER AND TECHNICAL EDUCATION.—
9 The term ‘career and technical education’ has the
10 meaning given the term in section 3 of the Carl D.
11 Perkins Career and Technical Education Act of
12 2006 (20 U.S.C. 2302).”;

13 (20) in paragraph (51) by striking “, and a
14 youth activity”; and

15 (21) by adding at the end the following:

16 “(52) AT-RISK YOUTH.—Except as provided in
17 subtitle C, the term ‘at-risk youth’ means an indi-
18 vidual who—

19 “(A) is not less than age 16 and not more
20 than age 24;

21 “(B) is a low-income individual; and

22 “(C) is an individual who is one or more
23 of the following:

24 “(i) a secondary school dropout;

1 “(ii) a youth in foster care (including
2 youth aging out of foster care);

3 “(iii) a youth offender;

4 “(iv) a youth who is an individual
5 with a disability; or

6 “(v) a migrant youth.

7 “(53) INDUSTRY OR SECTOR PARTNERSHIP.—

8 The term ‘industry or sector partnership’ means a
9 partnership of a State or local board and one or
10 more industries and other entities that have the ca-
11 pability to help the State or local board determine
12 the immediate and long term skilled workforce needs
13 of in-demand industries and other occupations im-
14 portant to the State or local economy, respectively.

15 “(54) INDUSTRY-RECOGNIZED CREDENTIAL.—

16 The term ‘industry-recognized credential’ means a
17 credential that is sought or accepted by companies
18 within the industry sector involved, across multiple
19 States, as recognized, preferred, or required for re-
20 cruitment, screening, or hiring.

21 “(55) RECOGNIZED POSTSECONDARY CREDEN-

22 TIAL.—The term ‘recognized postsecondary creden-
23 tial’ means a credential awarded by a training pro-
24 vider or postsecondary educational institution based
25 on completion of all requirements for a program of

1 study, including coursework or tests or other per-
2 formance evaluations. The term includes an indus-
3 try-recognized credential, a certificate of completion
4 of an apprenticeship, or an associate or bacca-
5 laurate degree.

6 “(56) PAY-FOR-PERFORMANCE CONTRACT
7 STRATEGY.—The term ‘pay-for-performance contract
8 strategy’ means a strategy in which a pay-for-per-
9 formance contract to provide a program of employ-
10 ment and training activities incorporates—

11 “(A) the core indicators of performance de-
12 scribed in subclauses (I) through (IV) of section
13 136(b)(2)(A)(i);

14 “(B) a fixed amount that will be paid to
15 an eligible provider of such employment and
16 training activities for each program participant
17 who, within a defined timetable, achieves the
18 agreed to levels of performance based upon the
19 core indicators of performance described in sub-
20 paragraph (A), and may include a bonus pay-
21 ment to such provider which may be used to ex-
22 pand the capacity of such provider;

23 “(C) the ability for an eligible provider to
24 recoup the costs of training a program partici-
25 pant who has not met such core indicators of

1 performance, but for whom the provider is able
2 to demonstrate that such participant gained
3 specific competencies required for education
4 and career advancement that are, where fea-
5 sible, tied to industry-recognized credentials
6 and related standards, or State licensing re-
7 quirements; and

8 “(D) the ability for an eligible provider
9 that does not meet the requirements under sec-
10 tion 122(a)(2) to participate in such pay-for-
11 performance contract and to not be required to
12 report on the performance and cost information
13 required under section 122(d).”.

14 **Subtitle B—Statewide and Local** 15 **Workforce Investment Systems**

16 **SEC. 102. PURPOSE.**

17 Section 106 (29 U.S.C. 2811) is amended by adding
18 at the end the following: “It is also the purpose of this
19 subtitle to provide workforce investment activities in a
20 manner that enhances employer engagement, promotes
21 customer choices in the selection of training services, and
22 ensures accountability in the use of the taxpayer funds.”.

23 **SEC. 103. STATE WORKFORCE INVESTMENT BOARDS.**

24 Section 111 (29 U.S.C. 2821) is amended—

25 (1) in subsection (b)—

1 (A) in paragraph (1)—
2 (i) by striking subparagraph (B);
3 (ii) by redesignating subparagraph
4 (C) as subparagraph (B); and
5 (iii) in subparagraph (B) (as so reded-
6 ignated)—

7 (I) by amending clause (i)(I), by
8 striking “section 117(b)(2)(A)(i)” and
9 inserting “section 117(b)(2)(A)”;

10 (II) by amending clause (i)(II) to
11 read as follows:

12 “(II) represent businesses, in-
13 cluding large and small businesses,
14 with immediate and long-term employ-
15 ment opportunities in in-demand in-
16 dustries and other occupations impor-
17 tant to the State economy; and”;

18 (III) by striking clause (iii) and
19 inserting the following:

20 “(iii) a State agency official respon-
21 sible for economic development; and”;

22 (IV) by striking clauses (iv)
23 through (vi);

24 (V) by amending clause (vii) to
25 read as follows:

1 “(vii) such other representatives and
2 State agency officials as the Governor may
3 designate, including—

4 “(I) members of the State legis-
5 lature;

6 “(II) representatives of individ-
7 uals and organizations that have expe-
8 rience with respect to youth activities;

9 “(III) representatives of individ-
10 uals and organizations that have expe-
11 rience and expertise in the delivery of
12 workforce investment activities, in-
13 cluding chief executive officers of com-
14 munity colleges and community-based
15 organizations within the State;

16 “(IV) representatives of the lead
17 State agency officials with responsi-
18 bility for the programs and activities
19 that are described in section 121(b)
20 and carried out by one-stop partners;
21 or

22 “(V) representatives of veterans
23 service organizations.”; and

24 (VI) by redesignating clause (vii)
25 (as so amended) as clause (iv); and

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

3 “(3) MAJORITY.—A $\frac{2}{3}$ majority of the mem-
4 bers of the board shall be representatives described
5 in paragraph (1)(B)(i).”;

6 (2) in subsection (c), by striking “(b)(1)(C)(i)”
7 and inserting “(b)(1)(B)(i)”;

8 (3) by amending subsection (d) to read as fol-
9 lows:

10 “(d) FUNCTIONS.—The State board shall assist the
11 Governor of the State as follows:

12 “(1) STATE PLAN.—Consistent with section
13 112, develop a State plan.

14 “(2) STATEWIDE WORKFORCE DEVELOPMENT
15 SYSTEM.—Review and develop statewide policies and
16 programs in the State in a manner that supports a
17 comprehensive Statewide workforce develop-
18 ment system that will result in meeting the workforce needs
19 of the State and its local areas. Such review shall in-
20 clude determining whether the State should consoli-
21 date additional programs into the Workforce Invest-
22 ment Fund in accordance with section 501(e).

23 “(3) WORKFORCE AND LABOR MARKET INFOR-
24 MATION SYSTEM.—Develop a statewide workforce
25 and labor market information system described in

1 section 15(e) of the Wagner-Peyser Act, which may
2 include using existing information conducted by the
3 State economic development entity or related entity
4 in developing such system.

5 “(4) EMPLOYER ENGAGEMENT.—Develop strat-
6 egies across local areas that meet the needs of em-
7 ployers and support economic growth in the State by
8 enhancing communication, coordination, and collabo-
9 ration among employers, economic development enti-
10 ties, and service providers.

11 “(5) DESIGNATION OF LOCAL AREAS.—Des-
12 ignate local areas as required under section 116.

13 “(6) ONE-STOP DELIVERY SYSTEM.—Identify
14 and disseminate information on best practices for ef-
15 fective operation of one-stop centers, including use
16 of innovative business outreach, partnerships, and
17 service delivery strategies.

18 “(7) PROGRAM OVERSIGHT.—Conduct the fol-
19 lowing program oversight:

20 “(A) Reviewing and approving local plans
21 under section 118.

22 “(B) Ensuring the appropriate use and
23 management of the funds provided for State
24 employment and training activities authorized
25 under section 134.

1 “(C) Preparing an annual report to the
2 Secretary described in section 136(d).

3 “(8) DEVELOPMENT OF PERFORMANCE MEAS-
4 URES.—Develop and ensure continuous improvement
5 of comprehensive State performance measures, in-
6 cluding State adjusted levels of performance, as de-
7 scribed under section 136(b).”;

8 (4) by striking subsection (e) and redesignating
9 subsection (f) as subsection (e);

10 (5) in subsection (e) (as so redesignated), by in-
11 serting “or participate in any action taken” after
12 “vote”;

13 (6) by inserting after subsection (e) (as so re-
14 designated), the following:

15 “(f) STAFF.—The State board may employ staff to
16 assist in carrying out the functions described in subsection
17 (d).”; and

18 (7) in subsection (g), by inserting “electronic
19 means and” after “on a regular basis through”.

20 **SEC. 104. STATE PLAN.**

21 Section 112 (29 U.S.C. 2822)—

22 (1) in subsection (a)—

23 (A) by striking “127 or”; and

24 (B) by striking “5-year strategy” and in-
25 serting “3-year strategy”;

1 (2) in subsection (b)—

2 (A) by amending paragraph (4) to read as
3 follows:

4 “(4) information describing—

5 “(A) the economic conditions in the State;

6 “(B) the immediate and long-term skilled
7 workforce needs of in-demand industries, small
8 businesses, and other occupations important to
9 the State economy;

10 “(C) the knowledge and skills of the work-
11 force in the State; and

12 “(D) workforce development activities (in-
13 cluding education and training) in the State;”;

14 (B) by amending paragraph (7) to read as
15 follows:

16 “(7) a description of the State criteria for de-
17 termining the eligibility of training providers in ac-
18 cordance with section 122, including how the State
19 will take into account the performance of providers
20 and whether the training programs relate to occupa-
21 tions that are in-demand;”;

22 (C) by amending paragraph (8) to read as
23 follows:

24 “(8)(A) a description of the procedures that will
25 be taken by the State to assure coordination of, and

1 avoid duplication among, the programs and activities
2 identified under section 501(b)(2); and

3 “(B) a description of common data collection
4 and reporting processes used for the programs and
5 activities described in subparagraph (A), which are
6 carried out by one-stop partners, including—

7 “(i) assurances that such processes use
8 quarterly wage records for performance meas-
9 ures described in section 136(b)(2)(A) that are
10 applicable to such programs or activities; or

11 “(ii) if such wage records are not being
12 used for the performance measures, an identi-
13 fication of the barriers to using such wage
14 records and a description of how the State will
15 address such barriers within one year of the ap-
16 proval of the plan;”;

17 (D) in paragraph (9), by striking “, includ-
18 ing comment by representatives of businesses
19 and representatives of labor organizations;”;

20 (E) in paragraph (11), by striking “under
21 sections 127 and 132” and inserting “under
22 section 132”;

23 (F) by striking paragraph (12);

1 (G) by redesignating paragraphs (13)
2 through (18) as paragraphs (12) through (17),
3 respectively;

4 (H) in paragraph (12) (as so redesign-
5 ated), by striking “111(f)” and inserting
6 “111(e)”;

7 (I) in paragraph (13) (as so redesignated),
8 by striking “134(c)” and inserting “121(e)”;

9 (J) in paragraph (14) (as so redesignated),
10 by striking “116(a)(5)” and inserting
11 “116(a)(4)”;

12 (K) in paragraph (16) (as so redesign-
13 ated)—

14 (i) in subparagraph (A)—

15 (I) in clause (ii), by striking “to
16 dislocated workers”;

17 (II) in clause (iii), by striking
18 “134(d)(4)” and inserting
19 “134(e)(4)”;

20 (III) by striking “and” at the
21 end of clause (iii);

22 (IV) by amending clause (iv) to
23 read as follows:

24 “(iv) how the State will serve the em-
25 ployment and training needs of dislocated

1 workers (including displaced homemakers),
2 low-income individuals (including recipients
3 of public assistance such as supplemental
4 nutrition assistance program benefits pur-
5 suant to the Food and Nutrition Act of
6 2008 (7 U.S.C. 2011 et seq.)), long-term
7 unemployed individuals (including individ-
8 uals who have exhausted entitlement to
9 State and Federal unemployment com-
10 pensation), English learners, homeless in-
11 dividuals, individuals training for nonradi-
12 tional employment, youth (including out-of-
13 school youth and at-risk youth), older
14 workers, ex-offenders, migrant and sea-
15 sonal farmworkers, refugee and entrants,
16 veterans (including disabled and homeless
17 veterans), and Native Americans; and”;
18 and

19 (V) by adding at the end the fol-
20 lowing new clause:

21 “(v) how the State will—

22 “(I) consistent with section 188
23 and Executive Order No. 13217 (42
24 U.S.C. 12131 note), serve the employ-

1 ment and training needs of individuals
2 with disabilities; and

3 “(II) consistent with sections 504
4 and 508 of the Rehabilitation Act of
5 1973, include the provision of out-
6 reach, intake, assessments, and serv-
7 ice delivery, the development of per-
8 formance measures, the training of
9 staff, and other aspects of accessibility
10 to programs and services under this
11 subtitle;”); and

12 (ii) in subparagraph (B), by striking
13 “to the extent practicable” and inserting
14 “in accordance with the requirements of
15 the Jobs for Veterans Act (Public Law
16 107–288) and the amendments made by
17 such Act”; and

18 (L) by striking paragraph (17) (as so re-
19 designated) and inserting the following:

20 “(17) a description of the strategies and serv-
21 ices that will be used in the State—

22 “(A) to more fully engage employers, in-
23 cluding small businesses and employers in in-
24 demand industries and occupations important
25 to the State economy;

1 “(B) to meet the needs of employers in the
2 State; and

3 “(C) to better coordinate workforce devel-
4 opment programs with economic development
5 activities;

6 “(18) a description of how the State board will
7 convene (or help to convene) industry or sector part-
8 nerships that lead to collaborative planning, resource
9 alignment, and training efforts across multiple firms
10 for a range of workers employed or potentially em-
11 ployed by a targeted industry cluster—

12 “(A) to encourage industry growth and
13 competitiveness and to improve worker training,
14 retention, and advancement in targeted indus-
15 try clusters;

16 “(B) to address the immediate and long-
17 term skilled workforce needs of in-demand in-
18 dustries and other occupations important to the
19 State economy, and

20 “(C) to address critical skill gaps within
21 and across industries;

22 “(19) a description of how the State will utilize
23 technology to facilitate access to services in remote
24 areas, which may be used throughout the State;

1 “(20) a description of the State strategy and
2 assistance to be provided for encouraging regional
3 cooperation within the State and across State bor-
4 ders, as appropriate;

5 “(21) a description of the actions that will be
6 taken by the State to foster communication, coordi-
7 nation, and partnerships with non-profit organiza-
8 tions (including public libraries, community, faith-
9 based, and philanthropic organizations) that provide
10 employment-related, training, and complementary
11 services, to enhance the quality and comprehensive-
12 ness of services available to participants under this
13 title;

14 “(22) a description of the process and method-
15 ology for determining—

16 “(A) one-stop partner program contribu-
17 tions for the cost of the infrastructure of one-
18 stop centers under section 121(h)(1); and

19 “(B) the formula for allocating such infra-
20 structure funds to local areas under section
21 121(h)(3);

22 “(23) a description of the strategies and serv-
23 ices that will be used in the State to assist at-risk
24 youth and out-of-school youth in acquiring the edu-
25 cation and skills, credentials (including recognized

1 postsecondary credentials and industry-recognized
2 credentials), and employment experience to succeed
3 in the labor market, including—

4 “(A) training and internships in in-demand
5 industries or occupations important to the State
6 and local economy;

7 “(B) dropout recovery activities that are
8 designed to lead to the attainment of a regular
9 secondary school diploma or its recognized
10 equivalent, or other State recognized equivalent
11 (including recognized alternative standards for
12 individuals with disabilities); and

13 “(C) activities combining remediation of
14 academic skills, work readiness training, and
15 work experience, and including linkages to post-
16 secondary education and training and career-
17 ladder employment; and

18 “(24) a description of—

19 “(A) how the State will furnish employ-
20 ment, training, including training in advanced
21 manufacturing, supportive, and placement serv-
22 ices to veterans, including disabled and home-
23 less veterans;

24 “(B) the strategies and services that will
25 be used in the State to assist and expedite re-

1 integration of homeless veterans into the labor
2 force; and

3 “(C) the veteran population to be served in
4 the State.”;

5 (3) in subsection (c), by striking “period,
6 that—” and all that follows through paragraph (2)
7 and inserting “period, that the plan is inconsistent
8 with the provisions of this title.”; and

9 (4) in subsection (d), by striking “5-year” and
10 inserting “3-year”.

11 **SEC. 105. LOCAL WORKFORCE INVESTMENT AREAS.**

12 Section 116 (29 U.S.C. 2831) is amended—

13 (1) in subsection (a)—

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

16 “(1) IN GENERAL.—

17 “(A) PROCESS.—In order to receive an al-
18 lotment under section 132, a State, through the
19 State board, shall establish a process to des-
20 ignate local workforce investment areas within
21 the State. Such process shall—

22 “(i) support the statewide workforce
23 investment system developed under section
24 111(d)(2) that will meet the workforce
25 needs of the State and its local areas;

1 “(ii) include prior consultation with
2 chief elected officials;

3 “(iii) consider comments received
4 through the public comment process as de-
5 scribed in section 112(b)(9); and

6 “(iv) require the submission of an ap-
7 proved application under subparagraph
8 (B).

9 “(B) APPLICATION.—To be designated as
10 a local area under this paragraph, a local or re-
11 gional board (or consortiums of local or regional
12 boards) shall submit an application to a State
13 board at such time, in such manner, and con-
14 taining such information as the State board
15 may require, including—

16 “(i) a description of the local area, in-
17 cluding the population that will be served
18 by the local area, and the education and
19 training needs of its employers and work-
20 ers;

21 “(ii) a description of how the local
22 area is consistent or aligned with—

23 “(I) service delivery areas;

24 “(II) labor market areas; and

1 “(III) economic development re-
2 gions;

3 “(iii) a description of the eligible pro-
4 viders of education and training, including
5 postsecondary educational institutions such
6 as community colleges, located in the local
7 area available to meet the needs of the
8 local workforce;

9 “(iv) a description of the distance that
10 individuals will need to travel to receive
11 services provided in such local area; and

12 “(v) any other criteria that the State
13 board may require.

14 “(C) PRIORITY.—In designating local
15 areas under this paragraph, a State board shall
16 give priority consideration to applicants dem-
17 onstrating that a designation as a local area
18 under this paragraph will result in the reduc-
19 tion of overlapping service delivery areas, local
20 market areas, or economic development regions.

21 “(D) ALIGNMENT WITH LOCAL PLAN.—A
22 State may designate an applicant as a local
23 area under this paragraph for a period not to
24 exceed 3 years.”.

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

3 “(2) TECHNICAL ASSISTANCE.—The Secretary
4 shall, if requested by the Governor of a State, pro-
5 vide the State with technical assistance in making
6 the determinations required under paragraph (1).
7 The Secretary shall not issue regulations governing
8 determinations to be made under paragraph (1).”;

9 (C) by striking paragraph (3);

10 (D) by striking paragraph (4);

11 (E) by redesignating paragraph (5) as
12 paragraph (3); and

13 (F) in paragraph (3) (as so redesignated),
14 by striking “(2) or (3)” both places it appears
15 and inserting “(1)”;

16 (2) by amending subsection (b) to read as fol-
17 lows:

18 “(b) SINGLE STATES.—Consistent with subsection
19 (a), the State board of a State may designate the State
20 as a single State local area for the purposes of this title.”;
21 and

22 (3) in subsection (c)—

23 (A) in paragraph (1), by adding at the end
24 the following: “The State may require the local
25 boards for the designated region to prepare a

1 single regional plan that incorporates the ele-
2 ments of the local plan under section 118 and
3 that is submitted and approved in lieu of sepa-
4 rate local plans under such section.”; and

5 (B) in paragraph (2), by striking “employ-
6 ment statistics” and inserting “workforce and
7 labor market information”.

8 **SEC. 106. LOCAL WORKFORCE INVESTMENT BOARDS.**

9 Section 117 (29 U.S.C. 2832) is amended—

10 (1) in subsection (b)—

11 (A) in paragraph (2)—

12 (i) in subparagraph (A)—

13 (I) by striking “include—” and
14 all that follows through “representa-
15 tives” and inserting “include rep-
16 resentatives”;

17 (II) by striking clauses (ii)
18 through (vi);

19 (III) by redesignating subclauses
20 (I) through (III) as clauses (i)
21 through (iii), respectively (and by
22 moving the margins of such clauses 2
23 ems to the left);

1 (IV) by striking clause (ii) (as so
2 redesignated) and inserting the fol-
3 lowing:

4 “(ii) represent businesses, including
5 large and small businesses, with immediate
6 and long-term employment opportunities in
7 in-demand industries and other occupa-
8 tions important to the local economy;
9 and”; and

10 (V) by striking the semicolon at
11 the end of clause (iii) (as so redesign-
12 ated) and inserting “; and”; and

13 (ii) by amending subparagraph (B) to
14 read as follows:

15 “(B) may include such other individuals or
16 representatives of entities as the chief elected
17 official in the local area may determine to be
18 appropriate, including—

19 “(i) a superintendent of the local sec-
20 ondary school system, the president or
21 chief executive officer of a postsecondary
22 educational institution (including a com-
23 munity college, where such an entity ex-
24 ists), or an administrator of local entities

1 providing adult education and literacy ac-
 2 tivities;

3 “(ii) representatives of community-
 4 based organizations (including organiza-
 5 tions representing individuals with disabil-
 6 ities and veterans, for a local area in which
 7 such organizations are present); or

8 “(iii) representatives of veterans serv-
 9 ice organizations.”;

10 (B) in paragraph (4)—

11 (i) by striking “A majority” and in-
 12 serting “A $\frac{2}{3}$ majority”; and

13 (ii) by striking “(2)(A)(i)” and insert-
 14 ing “(2)(A)”; and

15 (C) in paragraph (5) by striking
 16 “(2)(A)(i)” and inserting “(2)(A)”;

17 (2) by striking subsection (c)(1)(C);

18 (3) by amending subsection (d) to read as fol-

19 lows:

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

22 “(1) LOCAL PLAN.—Consistent with section
 23 118, each local board, in partnership with the chief
 24 elected official for the local area involved, shall de-
 25 velop and submit a local plan to the Governor.

1 “(2) WORKFORCE RESEARCH AND REGIONAL
2 LABOR MARKET ANALYSIS.—

3 “(A) IN GENERAL.—The local board
4 shall—

5 “(i) conduct, and regularly update, an
6 analysis of—

7 “(I) the economic conditions in
8 the local area;

9 “(II) the immediate and long-
10 term skilled workforce needs of in-de-
11 mand industries and other occupa-
12 tions important to the local economy;

13 “(III) the knowledge and skills of
14 the workforce in the local area; and

15 “(IV) workforce development ac-
16 tivities (including education and train-
17 ing) in the local area; and

18 “(ii) assist the Governor in developing
19 the statewide workforce and labor market
20 information system described in section
21 15(e) of the Wagner-Peyser Act.

22 “(B) EXISTING ANALYSIS.—A local board
23 shall use existing analysis by the local economic
24 development entity or related entity in order to
25 carry out requirements of subparagraph (A)(i).

1 “(3) EMPLOYER ENGAGEMENT.—The local
2 Board shall meet the needs of employers and sup-
3 port economic growth in the local area by enhancing
4 communication, coordination, and collaboration
5 among employers, economic development entities,
6 and service providers.

7 “(4) BUDGET AND ADMINISTRATION.—

8 “(A) BUDGET.—

9 “(i) IN GENERAL.—The local board
10 shall develop a budget for the activities of
11 the local board in the local area, consistent
12 with the requirements of this subsection.

13 “(ii) TRAINING RESERVATION.—In de-
14 veloping a budget under clause (i), the
15 local board shall reserve a percentage of
16 funds to carry out the activities specified
17 in section 134(c)(4). The local board shall
18 use the analysis conducted under para-
19 graph (2)(A)(i) to determine the appro-
20 priate percentage of funds to reserve under
21 this clause.

22 “(B) ADMINISTRATION.—

23 “(i) GRANT RECIPIENT.—

24 “(I) IN GENERAL.—The chief
25 elected official in a local area shall

1 serve as the local grant recipient for,
2 and shall be liable for any misuse of,
3 the grant funds allocated to the local
4 area under section 133, unless the
5 chief elected official reaches an agree-
6 ment with the Governor for the Gov-
7 ernor to act as the local grant recipi-
8 ent and bear such liability.

9 “(II) DESIGNATION.—In order to
10 assist in administration of the grant
11 funds, the chief elected official or the
12 Governor, where the Governor serves
13 as the local grant recipient for a local
14 area, may designate an entity to serve
15 as a local grant subrecipient for such
16 funds or as a local fiscal agent. Such
17 designation shall not relieve the chief
18 elected official or the Governor of the
19 liability for any misuse of grant funds
20 as described in subclause (I).

21 “(III) DISBURSAL.—The local
22 grant recipient or an entity designated
23 under subclause (II) shall disburse the
24 grant funds for workforce investment
25 activities at the direction of the local

1 board, pursuant to the requirements
2 of this title. The local grant recipient
3 or entity designated under subclause
4 (II) shall disburse the funds imme-
5 diately on receiving such direction
6 from the local board.

7 “(ii) STAFF.—The local board may
8 employ staff to assist in carrying out the
9 functions described in this subsection.

10 “(iii) GRANTS AND DONATIONS.—The
11 local board may solicit and accept grants
12 and donations from sources other than
13 Federal funds made available under this
14 Act.

15 “(5) SELECTION OF OPERATORS AND PRO-
16 VIDERS.—

17 “(A) SELECTION OF ONE-STOP OPERA-
18 TORS.—Consistent with section 121(d), the
19 local board, with the agreement of the chief
20 elected official—

21 “(i) shall designate or certify one-stop
22 operators as described in section
23 121(d)(2)(A); and

24 “(ii) may terminate for cause the eli-
25 gibility of such operators.

1 “(B) IDENTIFICATION OF ELIGIBLE TRAIN-
2 ING SERVICE PROVIDERS.—Consistent with this
3 subtitle, the local board shall identify eligible
4 providers of training services described in sec-
5 tion 134(c)(4) in the local area, annually review
6 the outcome of each such eligible provider using
7 the criteria under section 122(b)(2), and des-
8 ignate eligible providers in the local area who
9 have demonstrated the highest level of success
10 with respect to such criteria as priority eligible
11 providers for the following program year.

12 “(C) IDENTIFICATION OF ELIGIBLE PRO-
13 VIDERS OF WORK READY SERVICES.—If the
14 one-stop operator does not provide the services
15 described in section 134(c)(2) in the local area,
16 the local board shall identify eligible providers
17 of such services in the local area by awarding
18 contracts.

19 “(6) PROGRAM OVERSIGHT.—The local board,
20 in partnership with the chief elected official, shall be
21 responsible for—

22 “(A) ensuring the appropriate use and
23 management of the funds provided for local em-
24 ployment and training activities authorized
25 under section 134(b); and

1 “(B) conducting oversight of the one-stop
2 delivery system in the local area authorized
3 under section 121.

4 “(7) NEGOTIATION OF LOCAL PERFORMANCE
5 MEASURES.—The local board, the chief elected offi-
6 cial, and the Governor shall negotiate and reach
7 agreement on local performance measures as de-
8 scribed in section 136(c).

9 “(8) TECHNOLOGY IMPROVEMENTS.—The local
10 board shall develop strategies for technology im-
11 provements to facilitate access to services authorized
12 under this subtitle and carried out in the local area,
13 including in remote areas.”;

14 (4) in subsection (e)—

15 (A) by inserting “electronic means and”
16 after “regular basis through”; and

17 (B) by striking “and the award of grants
18 or contracts to eligible providers of youth activi-
19 ties,”;

20 (5) in subsection (f)—

21 (A) in paragraph (1)(A), by striking “sec-
22 tion 134(d)(4)” and inserting “section
23 134(c)(4)”; and

24 (B) by striking paragraph (2) and insert-
25 ing the following:

1 “(2) WORK READY SERVICES, DESIGNATION, OR
2 CERTIFICATION AS ONE-STOP OPERATORS.—A local
3 board may provide work ready services described in
4 section 134(c)(2) through a one-stop delivery system
5 described in section 121 or be designated or certified
6 as a one-stop operator only with the agreement of
7 the chief elected official and the Governor.”;

8 (6) in subsection (g)(1), by inserting “or par-
9 ticipate in any action taken” after “vote”; and

10 (7) by striking subsections (h) and (i).

11 **SEC. 107. LOCAL PLAN.**

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

13 (1) in subsection (a), by striking “5-year” and
14 inserting “3-year”;

15 (2) by amending subsection (b) to read as fol-
16 lows:

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

18 “(1) a description of the analysis of the local
19 area’s economic and workforce conditions conducted
20 under section 117(d)(2)(A)(i), and an assurance
21 that the local board will use such analysis to carry
22 out the activities under this subtitle;

23 “(2) a description of the one-stop delivery sys-
24 tem in the local area, including—

1 “(A) a description of how the local board
2 will ensure—

3 “(i) the continuous improvement of el-
4 igible providers of services through the sys-
5 tem; and

6 “(ii) that such providers meet the em-
7 ployment needs of local businesses and
8 participants; and

9 “(B) a description of how the local board
10 will facilitate access to services provided
11 through the one-stop delivery system consistent
12 with section 117(d)(8);

13 “(3) a description of the strategies and services
14 that will be used in the local area—

15 “(A) to more fully engage employers, in-
16 cluding small businesses and employers in in-
17 demand industries and occupations important
18 to the local economy;

19 “(B) to meet the needs of employers in the
20 local area;

21 “(C) to better coordinate workforce devel-
22 opment programs with economic development
23 activities; and

24 “(D) to better coordinate workforce devel-
25 opment programs with employment, training,

1 and literacy services carried out by nonprofit
2 organizations, including public libraries, as ap-
3 propriate;

4 “(4) a description of how the local board will
5 convene (or help to convene) industry or sector part-
6 nerships that lead to collaborative planning, resource
7 alignment, and training efforts across multiple firms
8 for a range of workers employed or potentially em-
9 ployed by a targeted industry cluster—

10 “(A) to encourage industry growth and
11 competitiveness and to improve worker training,
12 retention, and advancement in targeted indus-
13 try clusters;

14 “(B) to address the immediate and long-
15 term skilled workforce needs of in-demand in-
16 dustries, small businesses, and other occupa-
17 tions important to the local economy; and

18 “(C) to address critical skill gaps within
19 and across industries;

20 “(5) a description of how the funds reserved
21 under section 117(d)(4)(A)(ii) will be used to carry
22 out activities described in section 134(c)(4);

23 “(6) a description of how the local board will
24 coordinate workforce investment activities carried

1 out in the local area with statewide activities, as ap-
2 propriate;

3 “(7) a description of how the local area will—

4 “(A) coordinate activities with the local
5 area’s disability community and with services
6 provided under section 614(d)(1)(A)(i)(VIII) of
7 the Individuals with Disabilities Education Act
8 (20 U.S.C. 1414(d)(1)(A)(i)(VIII)) by local
9 educational agencies serving such local area to
10 make available comprehensive, high-quality
11 services to individuals with disabilities;

12 “(B) consistent with section 188 and Exec-
13 utive Order No. 13217 (42 U.S.C. 12131 note),
14 serve the employment and training needs of in-
15 dividuals with disabilities, with a focus on em-
16 ployment that fosters independence and integra-
17 tion; and

18 “(C) consistent with sections 504 and 508
19 of the Rehabilitation Act of 1973, include the
20 provision of outreach, intake, assessments, and
21 service delivery, the development of perform-
22 ance measures, the training of staff, and other
23 aspects of accessibility to programs and services
24 under this subtitle;

1 “(8) a description of the local levels of perform-
2 ance negotiated with the Governor and chief elected
3 official pursuant to section 136(c), to be—

4 “(A) used to measure the performance of
5 the local area; and

6 “(B) used by the local board for measuring
7 performance of the local fiscal agent (where ap-
8 propriate), eligible providers, and the one-stop
9 delivery system, in the local area;

10 “(9) a description of the process used by the
11 local board, consistent with subsection (c), to provide
12 an opportunity for public comment prior to submis-
13 sion of the plan;

14 “(10) a description of how the local area will
15 serve the employment and training needs of dis-
16 located workers (including displaced homemakers),
17 low-income individuals (including recipients of public
18 assistance such as the Supplemental Nutrition As-
19 sistance Program), long-term unemployed individ-
20 uals (including individuals who have exhausted enti-
21 tlement to State and Federal unemployment com-
22 pensation), English learners, homeless individuals,
23 individuals training for nontraditional employment,
24 youth (including out-of-school youth and at-risk
25 youth), older workers, ex-offenders, migrant and sea-

1 sonal farmworkers, refugee and entrants, veterans
2 (including disabled veterans and homeless veterans),
3 and Native Americans;

4 “(11) an identification of the entity responsible
5 for the disbursement of grant funds described in sub-
6 clause (III) of section 117(d)(4)(B)(i), as deter-
7 mined by the chief elected official or the Governor
8 under such section;

9 “(12) a description of the strategies and serv-
10 ices that will be used in the local area to assist at-
11 risk youth and out-of-school youth in acquiring the
12 education and skills, credentials (including recog-
13 nized postsecondary credentials and industry-recog-
14 nized credentials), and employment experience to
15 succeed in the labor market, including—

16 “(A) training and internships in in-demand
17 industries or occupations important to the local
18 economy;

19 “(B) dropout recovery activities that are
20 designed to lead to the attainment of a regular
21 secondary school diploma or its recognized
22 equivalent, or other State recognized equivalent
23 (including recognized alternative standards for
24 individuals with disabilities); and

1 “(C) activities combining remediation of
2 academic skills, work readiness training, and
3 work experience, and including linkages to post-
4 secondary education and training and career-
5 ladder employment;

6 “(13) a description of—

7 “(A) how the local area will furnish em-
8 ployment, training, including training in ad-
9 vanced manufacturing, supportive, and place-
10 ment services to veterans, including disabled
11 and homeless veterans;

12 “(B) the strategies and services that will
13 be used in the local area to assist and expedite
14 reintegration of homeless veterans into the
15 labor force; and

16 “(C) the veteran population to be served in
17 the local area;

18 “(14) a description of—

19 “(A) the duties assigned to the veteran
20 employment specialist consistent with the re-
21 quirements of section 134(f);

22 “(B) the manner in which the veteran em-
23 ployment specialist is integrated into the One-
24 Stop Career System described in section 121;

1 “(C) the date on which the veteran em-
2 ployment specialist was assigned; and

3 “(D) whether the veteran employment spe-
4 cialist has satisfactorily competed such training
5 by the National Veterans’ Employment and
6 Training Services Institute; and

7 “(15) such other information as the Governor
8 may require.”;

9 (3) in subsection (c)(1), by striking “such
10 means” and inserting “electronic means such”; and

11 (4) in subsection (c)(2), by striking “, including
12 representatives of business and representatives of
13 labor organizations,”.

14 **SEC. 108. ESTABLISHMENT OF ONE-STOP DELIVERY SYS-**
15 **TEM.**

16 Section 121 (29 U.S.C. 2841) is amended—

17 (1) in subsection (b)—

18 (A) by striking subparagraph (A) of para-
19 graph (1) and inserting the following:

20 “(A) ROLES AND RESPONSIBILITIES OF
21 ONE-STOP PARTNERS.—Each entity that carries
22 out a program or activities described in sub-
23 paragraph (B) shall—

24 “(i) provide access through the one-
25 stop delivery system to the program and

1 activities carried out by the entity, includ-
2 ing making the work ready services de-
3 scribed in section 134(c)(2) that are appli-
4 cable to the program of the entity available
5 at one-stop centers (in addition to any
6 other appropriate locations);

7 “(ii) use a portion of the funds avail-
8 able to the program of the entity to main-
9 tain the one-stop delivery system, including
10 payment of the infrastructure costs of one-
11 stop centers in accordance with subsection
12 (h);

13 “(iii) enter into a local memorandum
14 of understanding with the local board re-
15 lating to the operation of the one-stop de-
16 livery system that meets the requirements
17 of subsection (c); and

18 “(iv) participate in the operation of
19 the one-stop delivery system consistent
20 with the terms of the memorandum of un-
21 derstanding, the requirements of this title,
22 and the requirements of the Federal laws
23 authorizing the programs carried out by
24 the entity.”;

25 (B) in paragraph (1)(B)—

1 (i) by striking clauses (ii), (v), and
2 (vi);

3 (ii) by redesignating clauses (iii) and
4 (iv) as clauses (ii) and (iii), respectively;

5 (iii) by redesignating clauses (vii)
6 through (xii) as clauses (iv) through (ix),
7 respectively;

8 (iv) in clause (viii), as so redesign-
9 nated, by striking “and” at the end;

10 (v) in clause (ix), as so redesignated,
11 by striking the period and inserting “;
12 and”; and

13 (vi) by adding at the end the fol-
14 lowing:

15 “(x) subject to subparagraph (C), pro-
16 grams authorized under part A of title IV
17 of the Social Security Act (42 U.S.C. 601
18 et seq.).”;

19 (C) by inserting after paragraph (1)(B)
20 the following:

21 “(C) DETERMINATION BY THE GOV-
22 ERNOR.—Each entity carrying out a program
23 described in subparagraph (B)(x) shall carry
24 out the required partner activities described in
25 subparagraph (A) unless the Governor of the

1 State in which the local area is located provides
2 the Secretary and Secretary of Health and
3 Human Services written notice of a determina-
4 tion by the Governor that such entities shall not
5 carry out such required partner activities.”; and

6 (D) in paragraph (2)—

7 (i) in subparagraph (A)(i), by striking
8 “section 134(d)(2)” and inserting “section
9 134(e)(2)”; and

10 (ii) in subparagraph (B)—

11 (I) by striking clauses (i), (ii),
12 and (v);

13 (II) in clause (iv), by striking
14 “and” at the end;

15 (III) by redesignating clauses
16 (iii) and (iv) as clauses (i) and (ii), re-
17 spectively; and

18 (IV) by adding at the end the fol-
19 lowing:

20 “(iii) employment and training pro-
21 grams administered by the Commissioner
22 of the Social Security Administration;

23 “(iv) employment and training pro-
24 grams carried out by the Administrator of
25 the Small Business Administration;

1 “(v) employment, training, and lit-
2 eracy services carried out by public librar-
3 ies; and

4 “(vi) other appropriate Federal, State,
5 or local programs, including programs in
6 the private sector.”;

7 (2) in subsection (c)(2), by amending subpara-
8 graph (A) to read as follows:

9 “(A) provisions describing—

10 “(i) the services to be provided
11 through the one-stop delivery system con-
12 sistent with the requirements of this sec-
13 tion, including the manner in which the
14 services will be coordinated through such
15 system;

16 “(ii) how the costs of such services
17 and the operating costs of such system will
18 be funded, through cash and in-kind con-
19 tributions, to provide a stable and equi-
20 table funding stream for ongoing one-stop
21 system operations, including the funding of
22 the infrastructure costs of one-stop centers
23 in accordance with subsection (h);

24 “(iii) methods of referral of individ-
25 uals between the one-stop operator and the

1 one-stop partners for appropriate services
2 and activities, including referrals for non-
3 traditional employment; and

4 “(iv) the duration of the memo-
5 randum of understanding and the proce-
6 dures for amending the memorandum dur-
7 ing the term of the memorandum, and as-
8 surances that such memorandum shall be
9 reviewed not less than once every 3-year
10 period to ensure appropriate funding and
11 delivery of services; and”;

12 (3) in subsection (d)—

13 (A) in the heading for paragraph (1), by
14 striking “DESIGNATION AND CERTIFICATION”
15 and inserting “LOCAL DESIGNATION AND CER-
16 TIFICATION”;

17 (B) in paragraph (2)—

18 (i) by striking “section 134(c)” and
19 inserting “subsection (e)”;

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

22 “(A) shall be designated or certified as a
23 one-stop operator through a competitive proce-
24 ss; and”;

1 (iii) in subparagraph (B), by striking
2 clause (ii) and redesignating clauses (iii)
3 through (vi) as clauses (ii) through (v), re-
4 spectively; and

5 (C) in paragraph (3), by striking “voca-
6 tional” and inserting “career and technical”;

7 (4) by amending subsection (e) to read as fol-
8 lows:

9 “(e) ESTABLISHMENT OF ONE-STOP DELIVERY SYS-
10 TEM.—

11 “(1) IN GENERAL.—There shall be established
12 in a State that receives an allotment under section
13 132(b) a one-stop delivery system, which shall—

14 “(A) provide the work ready services de-
15 scribed in section 134(c)(2);

16 “(B) provide access to training services as
17 described in section 134(c)(4), including serving
18 as the point of access to career enhancement
19 accounts for training services to participants in
20 accordance with paragraph (4)(F) of such sec-
21 tion;

22 “(C) provide access to the activities carried
23 out under section 134(d), if any;

24 “(D) provide access to programs and ac-
25 tivities carried out by one-stop partners that

1 are described in subsection (b) of this section;
2 and

3 “(E) provide access to the information de-
4 scribed in section 15(e) of the Wagner-Peyser
5 Act (29 U.S.C. 491–2(e)).

6 “(2) ONE-STOP DELIVERY.—At a minimum, the
7 one-stop delivery system—

8 “(A) shall make each of the programs,
9 services, and activities described in paragraph
10 (1) accessible at not less than one physical cen-
11 ter in each local area of the State; and

12 “(B) may also make programs, services,
13 and activities described in paragraph (1) avail-
14 able—

15 “(i) through a network of affiliated
16 sites that can provide one or more of the
17 programs, services, and activities to indi-
18 viduals; and

19 “(ii) through a network of eligible
20 one-stop partners—

21 “(I) in which each partner pro-
22 vides one or more of the programs,
23 services, and activities to such individ-
24 uals and is accessible at an affiliated
25 site that consists of a physical loca-

1 tion or an electronically- or techno-
2 logically-linked access point; and

3 “(II) that assures individuals
4 that information on the availability of
5 the work ready services will be avail-
6 able regardless of where the individ-
7 uals initially enter the statewide work-
8 force investment system, including in-
9 formation made available through an
10 access point described in subclause
11 (I).

12 “(3) SPECIALIZED CENTERS.—The centers and
13 sites described in paragraph (2) may have a speciali-
14 zation in addressing special needs.”; and

15 (5) by adding at the end the following:

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

17 “(1) IN GENERAL.—

18 “(A) IN GENERAL.—The State board shall
19 establish objective procedures and criteria for
20 certifying, at least once every 3 years, one-stop
21 centers for the purpose of awarding the one-
22 stop infrastructure funding described in sub-
23 section (h).

24 “(B) CRITERIA.—The criteria for certifi-
25 cation under this subsection shall include—

1 “(i) meeting all of the expected levels
2 of performance for each of the core indica-
3 tors of performance as outlined in the
4 State plan under section 112;

5 “(ii) meeting minimum standards re-
6 lating to the scope and degree of service
7 integration achieved by the centers involv-
8 ing the programs provided by the one-stop
9 partners; and

10 “(iii) meeting minimum standards re-
11 lating to how the centers ensure that eligi-
12 ble providers meet the employment needs
13 of local employers and participants.

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

18 “(2) LOCAL BOARDS.—Consistent with the cri-
19 teria developed by the State, the local board may de-
20 velop additional criteria of higher standards to re-
21 spond to local labor market and demographic condi-
22 tions and trends.

23 “(h) ONE-STOP INFRASTRUCTURE FUNDING.—

24 “(1) PARTNER CONTRIBUTIONS.—

1 “(A) PROVISION OF FUNDS.—Notwith-
2 standing any other provision of law, as deter-
3 mined under subparagraph (B), a portion of the
4 Federal funds provided to the State and areas
5 within the State under the Federal laws author-
6 izing the one-stop partner programs described
7 in subsection (b)(1)(B) and participating addi-
8 tional partner programs described in subsection
9 (b)(2)(B) for a fiscal year shall be provided to
10 the Governor by such programs to carry out
11 this subsection.

12 “(B) DETERMINATION OF GOVERNOR.—

13 “(i) IN GENERAL.—Subject to sub-
14 paragraph (C), the Governor, in consulta-
15 tion with the State board, shall determine
16 the portion of funds to be provided under
17 subparagraph (A) by each one-stop partner
18 and in making such determination shall
19 consider the proportionate use of the one-
20 stop centers by each partner, the costs of
21 administration for purposes not related to
22 one-stop centers for each partner, and
23 other relevant factors described in para-
24 graph (3).

1 “(ii) SPECIAL RULE.—In those States
2 where the State constitution places policy-
3 making authority that is independent of
4 the authority of the Governor in an entity
5 or official with respect to the funds pro-
6 vided for adult education and literacy ac-
7 tivities authorized under title II of this Act
8 and for postsecondary career education ac-
9 tivities authorized under the Carl D. Per-
10 kins Career and Technical Education Act,
11 the determination described in clause (i)
12 with respect to such programs shall be
13 made by the Governor with the appropriate
14 entity or official with such independent
15 policy-making authority.

16 “(iii) APPEAL BY ONE-STOP PART-
17 NERS.—The Governor shall establish a
18 procedure for the one-stop partner admin-
19 istering a program described in subsection
20 (b) to appeal a determination regarding
21 the portion of funds to be contributed
22 under this paragraph on the basis that
23 such determination is inconsistent with the
24 criteria described in the State plan or with
25 the requirements of this paragraph. Such

1 procedure shall ensure prompt resolution
2 of the appeal.

3 “(C) LIMITATIONS.—

4 “(i) PROVISION FROM ADMINISTRA-
5 TIVE FUNDS.—The funds provided under
6 this paragraph by each one-stop partner
7 shall be provided only from funds available
8 for the costs of administration under the
9 program administered by such partner,
10 and shall be subject to the limitations with
11 respect to the portion of funds under such
12 programs that may be used for administra-
13 tion.

14 “(ii) FEDERAL DIRECT SPENDING
15 PROGRAMS.—Programs that are Federal
16 direct spending under section 250(c)(8) of
17 the Balanced Budget and Emergency Def-
18 icit Control Act of 1985 (2 U.S.C.
19 900(c)(8)) shall not, for purposes of this
20 paragraph, be required to provide an
21 amount in excess of the amount deter-
22 mined to be equivalent to the proportionate
23 use of the one-stop centers by such pro-
24 grams in the State.

1 “(2) ALLOCATION BY GOVERNOR.—From the
2 funds provided under paragraph (1), the Governor
3 shall allocate funds to local areas in accordance with
4 the formula established under paragraph (3) for the
5 purposes of assisting in paying the costs of the in-
6 frastructure of one-stop centers certified under sub-
7 section (g).

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

17 “(4) COSTS OF INFRASTRUCTURE.—For pur-
18 poses of this subsection, the term ‘costs of infra-
19 structure’ means the nonpersonnel costs that are
20 necessary for the general operation of a one-stop
21 center, including the rental costs of the facilities, the
22 costs of utilities and maintenance, and equipment
23 (including assistive technology for individuals with
24 disabilities).

25 “(i) OTHER FUNDS.—

1 “(1) IN GENERAL.—In addition to the funds
2 provided to carry out subsection (h), a portion of
3 funds made available under Federal law authorizing
4 the one-stop partner programs described in sub-
5 section (b)(1)(B) and participating additional part-
6 ner programs described in subsection (b)(2)(B), or
7 the noncash resources available under such pro-
8 grams shall be used to pay the costs relating to the
9 operation of the one-stop delivery system that are
10 not paid for from the funds provided under sub-
11 section (h), to the extent not inconsistent with the
12 Federal law involved including—

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

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

17 “(C) the costs of the provision of work
18 ready services applicable to each program.

19 “(2) DETERMINATION AND GUIDANCE.—The
20 method for determining the appropriate portion of
21 funds and noncash resources to be provided by each
22 program under paragraph (1) shall be determined as
23 part of the memorandum of understanding under
24 subsection (c). The State board shall provide guid-
25 ance to facilitate the determination of appropriate

1 allocation of the funds and noncash resources in
2 local areas.”.

3 **SEC. 109. IDENTIFICATION OF ELIGIBLE PROVIDERS OF**
4 **TRAINING SERVICES.**

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

7 **“SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF**
8 **TRAINING SERVICES.**

9 “(a) ELIGIBILITY.—

10 “(1) IN GENERAL.—The Governor, after con-
11 sultation with the State board, shall establish cri-
12 teria and procedures regarding the eligibility of pro-
13 viders of training services described in section
14 134(c)(4) to receive funds provided under section
15 133(b) for the provision of such training services.

16 “(2) PROVIDERS.—Subject to the provisions of
17 this section, to be eligible to receive the funds pro-
18 vided under section 133(b) for the provision of train-
19 ing services, the provider shall be—

20 “(A) a postsecondary educational institu-
21 tion that—

22 “(i) is eligible to receive Federal funds
23 under title IV of the Higher Education Act
24 of 1965 (20 U.S.C. 1070 et seq.); and

1 “(ii) provides a program that leads to
2 a recognized postsecondary credential;

3 “(B) an entity that carries out programs
4 under the Act of August 16, 1937 (commonly
5 known as the ‘National Apprenticeship Act’; 50
6 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.);
7 or

8 “(C) another public or private provider of
9 a program of training services.

10 “(3) INCLUSION IN LIST OF ELIGIBLE PRO-
11 VIDERS.—A provider described in subparagraph (A)
12 or (C) of paragraph (2) shall comply with the cri-
13 teria and procedures established under this section
14 to be included on the list of eligible providers of
15 training services described in subsection (d). A pro-
16 vider described in paragraph (2)(B) shall be in-
17 cluded on the list of eligible providers of training
18 services described in subsection (d) for so long as
19 the provider remains certified by the Secretary of
20 Labor to carry out the programs described in para-
21 graph (2)(B).

22 “(b) CRITERIA.—

23 “(1) IN GENERAL.—The criteria established
24 pursuant to subsection (a) shall take into account—

1 “(A) the performance of providers of train-
2 ing services with respect to the performance
3 measures described in section 136 and other
4 matters for which information is required under
5 paragraph (2) and other appropriate measures
6 of performance outcomes for those participants
7 receiving training services under this subtitle;

8 “(B) whether the training programs of
9 such providers relate to occupations that are in
10 demand;

11 “(C) the need to ensure access to training
12 services throughout the State, including in rural
13 areas;

14 “(D) the ability of providers to offer pro-
15 grams that lead to a recognized postsecondary
16 credential;

17 “(E) the information such providers are
18 required to report to State agencies with re-
19 spect to other Federal and State programs
20 (other than the program carried out under this
21 subtitle), including one-stop partner programs;
22 and

23 “(F) such other factors as the Governor
24 determines are appropriate.

1 “(2) INFORMATION.—The criteria established
2 by the Governor shall require that a provider of
3 training services submit appropriate, accurate, and
4 timely information to the State for purposes of car-
5 rying out subsection (d), with respect to participants
6 receiving training services under this subtitle in the
7 applicable program, including—

8 “(A) information on recognized postsec-
9 ondary credentials received by such partici-
10 pants;

11 “(B) information on costs of attendance
12 for such participants;

13 “(C) information on the program comple-
14 tion rate for such participants; and

15 “(D) information on the performance of
16 the provider with respect to the performance
17 measures described in section 136 for such par-
18 ticipants.

19 “(3) RENEWAL.—The criteria established by
20 the Governor shall also provide for a review every 3
21 years and renewal of eligibility under this section for
22 providers of training services.

23 “(4) LOCAL CRITERIA.—A local board in the
24 State may establish criteria in addition to the cri-
25 teria established by the Governor, or may require

1 higher levels of performance than required under the
2 criteria established by the Governor, for purposes of
3 determining the eligibility of providers of training
4 services to receive funds described in subsection (a)
5 to provide the services in the local area involved.

6 “(5) LIMITATION.—In carrying out the require-
7 ments of this subsection, no personally identifiable
8 information regarding a student, including Social
9 Security number, student identification number, or
10 other identifier, may be disclosed without the prior
11 written consent of the parent or eligible student in
12 compliance with section 444 of the General Edu-
13 cation Provisions Act (20 U.S.C. 1232g).

14 “(c) PROCEDURES.—The procedures established
15 under subsection (a) shall—

16 “(1) identify—

17 “(A) the application process for a provider
18 of training services to become eligible to receive
19 funds under section 133(b) for the provision of
20 training services; and

21 “(B) the respective roles of the State and
22 local areas in receiving and reviewing applica-
23 tions and in making determinations of eligibility
24 based on the criteria established under this sec-
25 tion; and

1 “(2) establish a process for a provider of train-
2 ing services to appeal a denial or termination of eli-
3 gibility under this section that includes an oppor-
4 tunity for a hearing and prescribes appropriate time
5 limits to ensure prompt resolution of the appeal.

6 “(d) INFORMATION TO ASSIST PARTICIPANTS IN
7 CHOOSING PROVIDERS.—In order to facilitate and assist
8 participants under chapter 5 in choosing providers of
9 training services, the Governor shall ensure that an appro-
10 prium list or lists of providers determined eligible under
11 this section in the State, including information provided
12 under subsection (b)(2) with respect to such providers, is
13 provided to the local boards in the State and is made avail-
14 able to such participants and to members of the public
15 through the one-stop delivery system in the State.

16 “(e) ENFORCEMENT.—

17 “(1) IN GENERAL.—The criteria and proce-
18 dures established under this section shall provide the
19 following:

20 “(A) INTENTIONALLY SUPPLYING INAC-
21 CULATE INFORMATION.—Upon a determination,
22 by an individual or entity specified in the cri-
23 teria or procedures, that a provider of training
24 services, or individual providing information on
25 behalf of the provider, intentionally supplied in-

1 accurate information under this section, the eli-
2 gibility of such provider to receive funds under
3 chapter 5 shall be terminated for a period of
4 time that is not less than 2 years.

5 “(B) SUBSTANTIAL VIOLATIONS.—Upon a
6 determination, by an individual or entity speci-
7 fied in the criteria or procedures, that a pro-
8 vider of training services substantially violated
9 any requirement under this title, the eligibility
10 of such provider to receive funds under the pro-
11 gram involved shall be terminated for a period
12 of time that is not less than 10 years.

13 “(C) REPAYMENT.—A provider of training
14 services whose eligibility is terminated under
15 subparagraph (A) or (B) shall be liable for the
16 repayment of funds received under chapter 5
17 during a period of noncompliance described in
18 such subparagraph.

19 “(2) CONSTRUCTION.—Paragraph (1) shall be
20 construed to provide remedies and penalties that
21 supplement, but do not supplant, other civil and
22 criminal remedies and penalties.

23 “(f) AGREEMENTS WITH OTHER STATES.—States
24 may enter into agreements, on a reciprocal basis, to per-

1 mit eligible providers of training services to accept career
2 enhancement accounts provided in another State.

3 “(g) RECOMMENDATIONS.—In developing the cri-
4 teria, procedures, and information required under this sec-
5 tion, the Governor shall solicit and take into consideration
6 the recommendations of local boards and providers of
7 training services within the State.

8 “(h) OPPORTUNITY TO SUBMIT COMMENTS.—Dur-
9 ing the development of the criteria, procedures, require-
10 ments for information, and the list of eligible providers
11 required under this section, the Governor shall provide an
12 opportunity for interested members of the public to submit
13 comments regarding such criteria, procedures, and infor-
14 mation.

15 “(i) ON-THE-JOB TRAINING OR CUSTOMIZED TRAIN-
16 ING EXCEPTION.—

17 “(1) IN GENERAL.—Providers of on-the-job
18 training or customized training shall not be subject
19 to the requirements of subsections (a) through (d).

20 “(2) COLLECTION AND DISSEMINATION OF IN-
21 FORMATION.—A one-stop operator in a local area
22 shall collect such performance information from on-
23 the-job training and customized training providers
24 as the Governor may require, determine whether the
25 providers meet such performance criteria as the Gov-

1 error may require, and disseminate information
2 identifying providers that meet the criteria as eligi-
3 ble providers, and the performance information,
4 through the one-stop delivery system. Providers de-
5 termined to meet the criteria shall be considered to
6 be identified as eligible providers of training serv-
7 ices.”.

8 **SEC. 110. GENERAL AUTHORIZATION.**

9 Chapter 5 of subtitle B of title I is amended—

10 (1) by striking the heading for chapter 5 and
11 inserting the following: “**EMPLOYMENT AND**
12 **TRAINING ACTIVITIES**”; and

13 (2) in section 131 (29 U.S.C. 2861)—

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

16 (B) by striking “adults, and dislocated
17 workers,” and inserting “individuals”.

18 **SEC. 111. STATE ALLOTMENTS.**

19 Section 132 (29 U.S.C. 2862) is amended—

20 (1) by amending subsection (a) to read as fol-
21 lows:

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

23 “(1) reserve $\frac{1}{2}$ of 1 percent of the total amount
24 appropriated under section 137 for a fiscal year, of
25 which—

1 “(A) 50 percent shall be used to provide
2 technical assistance under section 170; and

3 “(B) 50 percent shall be used for evalua-
4 tions under section 172;

5 “(2) reserve 1 percent of the total amount ap-
6 propriated under section 137 for a fiscal year to
7 make grants to, and enter into contracts or coopera-
8 tive agreements with Indian tribes, tribal organiza-
9 tions, Alaska-Native entities, Indian-controlled orga-
10 nizations serving Indians, or Native Hawaiian orga-
11 nizations to carry out employment and training ac-
12 tivities;

13 “(3) reserve not more than 25 percent of the
14 total amount appropriated under section 137 for a
15 fiscal year to carry out the Jobs Corps program
16 under subtitle C;

17 “(4) reserve not more than 3.5 percent of the
18 total amount appropriated under section 137 for a
19 fiscal year to—

20 “(A) make grants to State or local boards
21 to provide employment and training assistance
22 to workers affected by major economic disloca-
23 tions, such as plant closures, mass layoffs, or
24 closures and realignments of military installa-
25 tions; and

1 “(B) provide assistance to Governors of
2 States with an area that has suffered an emer-
3 gency or a major disaster (as such terms are
4 defined in paragraphs (1) and (2), respectively,
5 of section 102 of the Robert T. Stafford Dis-
6 aster Relief and Emergency Assistance Act (42
7 U.S.C. 5122)) to provide disaster relief employ-
8 ment in the area; and

9 “(5) from the remaining amount appropriated
10 under section 137 for a fiscal year (after reserving
11 funds under paragraphs (1) through (4)), make al-
12 lotments in accordance with subsection (b) of this
13 section.”; and

14 (2) by amending subsection (b) to read as fol-
15 lows:

16 “(b) WORKFORCE INVESTMENT FUND.—

17 “(1) RESERVATION FOR OUTLYING AREAS.—

18 “(A) IN GENERAL.—From the amount
19 made available under subsection (a)(5) for a
20 fiscal year, the Secretary shall reserve not more
21 than $\frac{1}{4}$ of 1 percent to provide assistance to
22 the outlying areas.

23 “(B) RESTRICTION.—The Republic of
24 Palau shall cease to be eligible to receive fund-
25 ing under this subparagraph upon entering into

1 an agreement for extension of United States
2 educational assistance under the Compact of
3 Free Association (approved by the Compact of
4 Free Association Amendments Act of 2003
5 (Public Law 99–658)) after the date of enact-
6 ment of the SKILLS Act.

7 “(2) STATES.—

8 “(A) IN GENERAL.—After determining the
9 amount to be reserved under paragraph (1), the
10 Secretary shall allot the remainder of the
11 amount referred to in subsection (a)(5) for a
12 fiscal year to the States pursuant to subpara-
13 graph (B) for employment and training activi-
14 ties and statewide workforce investment activi-
15 ties.

16 “(B) FORMULA.—Subject to subpara-
17 graphs (C) and (D), of the remainder—

18 “(i) 25 percent shall be allotted on the
19 basis of the relative number of unemployed
20 individuals in areas of substantial unem-
21 ployment in each State, compared to the
22 total number of unemployed individuals in
23 areas of substantial unemployment in all
24 States;

1 “(ii) 25 percent shall be allotted on
2 the basis of the relative number of individ-
3 uals in the civilian labor force in each
4 State, compared to the total number of
5 such individuals in all States;

6 “(iii) 25 percent shall be allotted on
7 the basis of the relative number of individ-
8 uals in each State who have been unem-
9 ployed for 15 weeks or more, compared to
10 the total number of individuals in all
11 States who have been unemployed for 15
12 weeks or more; and

13 “(iv) 25 percent shall be allotted on
14 the basis of the relative number of dis-
15 advantaged youth in each State, compared
16 to the total number of disadvantaged youth
17 in all States.

18 “(C) MINIMUM AND MAXIMUM PERCENT-
19 AGES.—

20 “(i) MINIMUM PERCENTAGE.—The
21 Secretary shall ensure that no State shall
22 receive an allotment under this paragraph
23 for—

24 “(I) each of fiscal years 2014
25 through 2016, that is less than 100

1 percent of the allotment percentage of
2 the State for fiscal year 2012; and

3 “(II) fiscal year 2017 and each
4 succeeding fiscal year, that is less
5 than 90 percent of the allotment per-
6 centage of the State for the preceding
7 fiscal year.

8 “(ii) MAXIMUM PERCENTAGE.—Sub-
9 ject to clause (i), the Secretary shall en-
10 sure that no State shall receive an allot-
11 ment under this paragraph for—

12 “(I) each of fiscal years 2014
13 through 2016, that is more than 130
14 percent of the allotment percentage of
15 the State for fiscal year 2012; and

16 “(II) fiscal year 2017 and each
17 succeeding fiscal year, that is more
18 than 130 percent of the allotment per-
19 centage of the State for the preceding
20 fiscal year.

21 “(D) SMALL STATE MINIMUM ALLOT-
22 MENT.—Subject to subparagraph (C), the Sec-
23 retary shall ensure that no State shall receive
24 an allotment under this paragraph for a fiscal
25 year that is less than $\frac{1}{5}$ of 1 percent of the re-

1 mainder described in subparagraph (A) for the
2 fiscal year.

3 “(E) DEFINITIONS.—For the purpose of
4 the formula specified in this paragraph:

5 “(i) ALLOTMENT PERCENTAGE.—The
6 term ‘allotment percentage’—

7 “(I) used with respect to fiscal
8 year 2012, means the percentage of
9 the amounts allotted to States under
10 title I of this Act, title V of the Older
11 Americans Act of 1965 (42 U.S.C.
12 3056 et seq.), the Women in Appren-
13 ticeship and Nontraditional Occupa-
14 tions Act (29 U.S.C. 2501 et seq.),
15 sections 4103A and 4104 of title 38,
16 United States Code, and sections 1
17 through 14 of the Wagner-Peyser Act
18 (29 U.S.C. 49 et seq.), as such provi-
19 sions were in effect for fiscal year
20 2012, that is received under such pro-
21 visions by the State involved for fiscal
22 year 2012; and

23 “(II) used with respect to fiscal
24 year 2016 or a succeeding fiscal year,
25 means the percentage of the amounts

1 allotted to States under this para-
2 graph for the fiscal year that is re-
3 ceived under this paragraph by the
4 State involved for the fiscal year.

5 “(ii) DISADVANTAGED YOUTH.—The
6 term ‘disadvantaged youth’ means an indi-
7 vidual who is not less than age 16 and not
8 more than age 24 who receives an income,
9 or is a member of a family that received a
10 total family income, that in relation to
11 family size, does not exceed the higher
12 of—

13 “(I) the poverty line; or

14 “(II) 70 percent of the lower liv-
15 ing standard income level.

16 “(iii) INDIVIDUAL.—The term ‘indi-
17 vidual’ means an individual who is age 16
18 or older.”.

19 **SEC. 112. WITHIN STATE ALLOCATIONS.**

20 Section 133 is amended—

21 (1) by amending subsection (a) to read as fol-
22 lows:

23 “(a) RESERVATIONS FOR STATEWIDE WORKFORCE
24 INVESTMENT ACTIVITIES.—

1 “(1) STATEWIDE EMPLOYMENT AND TRAINING
2 ACTIVITIES.—The Governor of a State shall reserve
3 up to 15 percent of the total amount allotted to the
4 State under section 132(b)(2) for a fiscal year to
5 carry out the statewide activities described in section
6 134(a).

7 “(2) STATEWIDE RAPID RESPONSE ACTIVI-
8 TIES.—Of the amount reserved under paragraph (1)
9 for a fiscal year, the Governor of the State shall re-
10 serve not more than 25 percent for statewide rapid
11 response activities described in section 134(a)(4).

12 “(3) STATEWIDE GRANTS FOR INDIVIDUALS
13 WITH BARRIERS TO EMPLOYMENT.—Of the amount
14 reserved under paragraph (1) for a fiscal year, the
15 Governor of a State shall reserve 15 percent to carry
16 out statewide activities described in section
17 134(a)(5).

18 “(4) STATE ADMINISTRATIVE COST LIMIT.—Not
19 more than 5 percent of the funds reserved under
20 paragraph (1) may be used by the Governor of a
21 State for administrative costs of carrying out the
22 statewide activities described in section 134(a).”;

23 (2) by amending subsection (b) to read as fol-
24 lows:

25 “(b) WITHIN STATE ALLOCATION.—

1 “(1) METHODS.—The Governor, acting in ac-
2 cordance with the State plan, and after consulting
3 with chief elected officials in the local areas, shall—

4 “(A) allocate the funds that are allotted to
5 the State for employment and training activities
6 and not reserved under subsection (a), in ac-
7 cordance with paragraph (2)(A); and

8 “(B) award the funds that are reserved by
9 the State under subsection (a)(3) through com-
10 petitive grants to eligible entities, in accordance
11 with section 134(a)(1)(C).

12 “(2) FORMULA ALLOCATIONS FOR THE WORK-
13 FORCE INVESTMENT FUND.—

14 “(A) ALLOCATION.—In allocating the
15 funds described in paragraph (1)(A) to local
16 areas, a State shall allocate—

17 “(i) 25 percent on the basis described
18 in section 132(b)(2)(B)(i);

19 “(ii) 25 percent on the basis described
20 in section 132(b)(2)(B)(ii);

21 “(iii) 25 percent on the basis de-
22 scribed in section 132(b)(2)(B)(iii); and

23 “(iv) 25 percent on the basis de-
24 scribed in section 132(b)(2)(B)(iv).

1 “(B) MINIMUM AND MAXIMUM PERCENT-
2 AGES.—

3 “(i) MINIMUM PERCENTAGE.—The
4 State shall ensure that no local area shall
5 receive an allocation under this paragraph
6 for—

7 “(I) each of fiscal years 2014
8 through 2016, that is less than 100
9 percent of the allocation percentage of
10 the local area for fiscal year 2012;
11 and

12 “(II) fiscal year 2017 and each
13 succeeding fiscal year, that is less
14 than 90 percent of the allocation per-
15 centage of the local area for the pre-
16 ceding fiscal year.

17 “(ii) MAXIMUM PERCENTAGE.—Sub-
18 ject to clause (i), the State shall ensure
19 that no local area shall receive an alloca-
20 tion for a fiscal year under this paragraph
21 for—

22 “(I) each of fiscal years 2014
23 through 2016, that is more than 130
24 percent of the allocation percentage of

1 the local area for fiscal year 2012;
2 and

3 “(II) fiscal year 2017 and each
4 succeeding fiscal year, that is more
5 than 130 percentage of the allocation
6 percentage of the local area for the
7 preceding fiscal year.

8 “(C) DEFINITIONS.—For the purpose of
9 the formula specified in this paragraph, the
10 term ‘allocation percentage’—

11 “(i) used with respect to fiscal year
12 2012, means the percentage of the
13 amounts allocated to local areas under title
14 I of this Act, title V of the Older Ameri-
15 cans Act of 1965 (42 U.S.C. 3056 et seq.),
16 the Women in Apprenticeship and Non-
17 traditional Occupations Act (29 U.S.C.
18 2501 et seq.), sections 4103A and 4104 of
19 title 38, United States Code, and sections
20 1 through 14 of the Wagner-Peyser Act
21 (29 U.S.C. 49 et seq.), as such provisions
22 were in effect for fiscal year 2012, that is
23 received under such provisions by the local
24 area involved for fiscal year 2012; and

1 “(ii) used with respect to fiscal year
2 2016 or a succeeding fiscal year, means
3 the percentage of the amounts allocated to
4 local areas for the fiscal year under this
5 paragraph that is received under this para-
6 graph by the local area involved for the fis-
7 cal year.”;

8 (3) in subsection (c)—

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

11 “(1) IN GENERAL.—The Governor, may in ac-
12 cordance with this subsection, reallocate to eligible
13 local areas within the State amounts that are allo-
14 cated under subsection (b) for employment and
15 training activities and that are available for realloca-
16 tion.”;

17 (B) in paragraph (2), by striking “para-
18 graph (2)(A) or (3) of subsection (b) for such
19 activities” and inserting “subsection (b) for
20 such activities”;

21 (C) by amending paragraph (3) to read as
22 follows:

23 “(3) REALLOCATIONS.—In making reallocations
24 to eligible local areas of amounts available pursuant
25 to paragraph (2) for a program year, the Governor

1 shall allocate to each eligible local area within the
 2 State an amount based on the relative amount allo-
 3 cated to such local area under subsection (b)(2) for
 4 such activities for such prior program year, as com-
 5 pared to the total amount allocated to all eligible
 6 local areas in the State under subsection (b)(2) for
 7 such activities for such prior program year.”; and

8 (D) in paragraph (4), by striking “para-
 9 graph (2)(A) or (3) of”; and

10 (4) by adding at the end the following new sub-
 11 section:

12 “(d) LOCAL ADMINISTRATIVE COST LIMIT.—Of the
 13 amounts allocated to a local area under this section for
 14 a fiscal year, not more than 10 percent of the amount
 15 may be used by the local board involved for the adminis-
 16 trative costs of carrying out local workforce investment ac-
 17 tivities in the local area under this chapter.”.

18 **SEC. 113. USE OF FUNDS FOR EMPLOYMENT AND TRAINING**

19 **ACTIVITIES.**

20 Section 134 is amended—

21 (1) by amending subsection (a) to read as fol-
 22 lows:

23 “(a) STATEWIDE EMPLOYMENT AND TRAINING AC-
 24 TIVITIES.—

25 “(1) IN GENERAL.—

1 “(A) DISTRIBUTION OF STATEWIDE AC-
2 TIVITIES.—Funds reserved by a Governor for a
3 State as described in section 133(a)(1)—

4 “(i) shall be used to carry out the
5 statewide employment and training activi-
6 ties described in paragraph (2); and

7 “(ii) may be used to carry out any of
8 the statewide employment and training ac-
9 tivities described in paragraph (3).

10 “(B) STATEWIDE RAPID RESPONSE ACTIVI-
11 TIES.—Funds reserved by a Governor for a
12 State as described in section 133(a)(2) shall be
13 used to carry out the statewide rapid response
14 activities described in paragraph (4).

15 “(C) STATEWIDE GRANTS FOR INDIVID-
16 UALS WITH BARRIERS TO EMPLOYMENT.—
17 Funds reserved by a Governor for a State as
18 described in section 133(a)(3) shall be used to
19 carry out the Statewide Grants for Individuals
20 with Barriers to Employment competition de-
21 scribed in paragraph (5).

22 “(2) REQUIRED STATEWIDE EMPLOYMENT AND
23 TRAINING ACTIVITIES.—A State shall use funds re-
24 served as described in section 133(a)(1) to carry out

1 statewide employment and training activities, which
2 shall include—

3 “(A) disseminating the State list of eligible
4 providers of training described in section
5 122(d), information identifying eligible pro-
6 viders of on-the-job training and customized
7 training described in section 122(i), and per-
8 formance information and program cost infor-
9 mation described in section 122(b)(2);

10 “(B) supporting the provision of work
11 ready services described in subsection (c)(2) in
12 the one-stop delivery system;

13 “(C) implementing strategies and services
14 that will be used in the State to assist at-risk
15 youth and out-of-school youth in acquiring the
16 education and skills, recognized postsecondary
17 credentials, and employment experience to suc-
18 ceed in the labor market;

19 “(D) conducting evaluations under section
20 136(e) of activities authorized under this chap-
21 ter in coordination with evaluations carried out
22 by the Secretary under section 172;

23 “(E) providing technical assistance to local
24 areas that fail to meet local performance meas-
25 ures;

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

3 “(G) carrying out monitoring and over-
4 sight of activities carried out under this chap-
5 ter.

6 “(3) ALLOWABLE STATEWIDE EMPLOYMENT
7 AND TRAINING ACTIVITIES.—A State may use funds
8 reserved as described in section 133(a)(1) to carry
9 out statewide employment and training activities
10 which may include—

11 “(A) implementing innovative programs
12 and strategies designed to meet the needs of all
13 employers in the State, including small employ-
14 ers, which may include incumbent worker train-
15 ing programs, sectoral and industry cluster
16 strategies and partnerships, career ladder pro-
17 grams, micro-enterprise and entrepreneurial
18 training and support programs, utilization of ef-
19 fective business intermediaries, activities to im-
20 prove linkages between the one-stop delivery
21 system in the State and all employers (includ-
22 ing small employers) in the State, and other
23 business services and strategies that better en-
24 gage employers in workforce investment activi-
25 ties and make the workforce investment system

1 more relevant to the needs of State and local
2 businesses, consistent with the objectives of this
3 title;

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

11 “(C) developing strategies for effectively
12 integrating programs and services among one-
13 stop partners;

14 “(D) carrying out activities to facilitate re-
15 mote access to services provided through a one-
16 stop delivery system, including facilitating ac-
17 cess through the use of technology;

18 “(E) incorporating pay-for-performance
19 contracting strategies as an element in funding
20 activities under this section and providing tech-
21 nical support to local areas and eligible pro-
22 viders in order to carry out such strategy,
23 which may provide assistance with data collec-
24 tion and data entry requirements;

1 “(F) carrying out the State option under
2 subsection (f)(8); and

3 “(G) carrying out other activities author-
4 ized under this section that the State deter-
5 mines to be necessary to assist local areas in
6 carrying out activities described in subsection
7 (c) or (d) through the statewide workforce in-
8 vestment system.

9 “(4) STATEWIDE RAPID RESPONSE ACTIVI-
10 TIES.—A State shall use funds reserved as described
11 in section 133(a)(2) to carry out statewide rapid re-
12 sponse activities, which shall include—

13 “(A) provision of rapid response activities,
14 carried out in local areas by the State or by an
15 entity designated by the State, working in con-
16 junction with the local boards and the chief
17 elected officials in the local areas; and

18 “(B) provision of additional assistance to
19 local areas that experience disasters, mass lay-
20 offs or plant closings, or other events that pre-
21 cipitate substantial increases in the number of
22 unemployed individuals, carried out in local
23 areas by the State or by an entity designated
24 by the State, working in conjunction with the

1 local boards and the chief elected officials in the
2 local areas.

3 “(5) STATEWIDE GRANTS FOR INDIVIDUALS
4 WITH BARRIERS TO EMPLOYMENT.—

5 “(A) IN GENERAL.—Of the funds reserved
6 as described in section 133(a)(3), the Governor
7 of a State—

8 “(i) may reserve up to 5 percent to
9 provide technical assistance to, and con-
10 duct evaluations as described in section
11 136(e), of the programs and activities car-
12 ried out under this paragraph; and

13 “(ii) using the remainder, shall award
14 grants on a competitive basis to eligible en-
15 tities described in subparagraph (B) to
16 carry out employment and training pro-
17 grams authorized under this paragraph for
18 individuals with barriers to employment
19 that meet specific performance outcomes
20 and criteria established by the Governor.

21 “(B) ELIGIBLE ENTITY DEFINED.—For
22 purposes of this paragraph, the term ‘eligible
23 entity’ means an entity that—

24 “(i) is a—

1 “(I) local board or a consortium
2 of local boards;

3 “(II) nonprofit entity, for-profit
4 entity, or a consortium of nonprofit or
5 for-profit entities; or

6 “(III) consortium of the entities
7 described in subclauses (I) and (II);

8 “(ii) has a demonstrated record of
9 placing individuals into unsubsidized em-
10 ployment and serving hard to serve individ-
11 uals; and

12 “(iii) agrees to be reimbursed pri-
13 marily on the basis of achievement of spec-
14 ified performance outcomes and criteria es-
15 tablished by the Governor.

16 “(C) GRANT PERIOD.—

17 “(i) IN GENERAL.—A grant under
18 this paragraph shall be awarded for a pe-
19 riod of 1 year.

20 “(ii) GRANT RENEWAL.—A Governor
21 of a State may renew, for up to 4 addi-
22 tional 1-year periods, a grant awarded
23 under this paragraph.

24 “(D) ELIGIBLE PARTICIPANTS.—To be eli-
25 gible to participate in activities under this para-

1 graph, an individual shall be a low-income indi-
2 vidual age 16 or older or a member of a low-
3 income family.

4 “(E) USE OF FUNDS.—An eligible entity
5 receiving a grant under this paragraph shall use
6 such funds for activities that are designed to
7 assist eligible participants in obtaining employ-
8 ment and acquiring the education and skills
9 necessary to succeed in the labor market.

10 “(F) APPLICATIONS.—To be eligible to re-
11 ceive a grant under this paragraph, an eligible
12 entity shall submit an application to a State at
13 such time, in such manner, and containing such
14 information as the State may require, includ-
15 ing—

16 “(i) a description of how the strate-
17 gies and activities will be aligned with the
18 State plan submitted under section 112
19 and the local plan submitted under section
20 118 with respect to the areas of the State
21 that will be the focus of grant activities
22 under this paragraph;

23 “(ii) a description of the educational
24 and skills training programs and activities

1 the eligible entity will provide to eligible
2 participants under this paragraph;

3 “(iii) how the eligible entity will col-
4 laborate with State and local workforce in-
5 vestment systems established under this
6 title in the provision of such programs and
7 activities;

8 “(iv) a description of the programs of
9 demonstrated effectiveness on which the
10 provision of such educational and skills
11 training programs and activities are based,
12 and a description of how such programs
13 and activities will improve the education
14 and skills training for eligible participants;

15 “(v) a description of the populations
16 to be served and the skill needs of those
17 populations, and the manner in which eligi-
18 ble participants will be recruited and se-
19 lected as participants;

20 “(vi) a description of the private, pub-
21 lic, local, and State resources that will be
22 leveraged, in addition to the grant funds
23 provided for the programs and activities
24 under this paragraph, and how the entity
25 will ensure the sustainability of such pro-

1 grams and activities after grant funds are
2 no longer available;

3 “(vii) a description of the extent of
4 the involvement of employers in such pro-
5 grams and activities;

6 “(viii) a description of the levels of
7 performance the eligible entity expects to
8 achieve with respect to the indicators of
9 performance for all individuals specified in
10 section in 136(b)(2);

11 “(ix) a detailed budget and a descrip-
12 tion of the system of fiscal controls, and
13 auditing and accountability procedures
14 that will be used to ensure fiscal soundness
15 for the programs and activities provided
16 under this paragraph; and

17 “(x) any other criteria the Governor
18 may require.”;

19 (2) by amending subsection (b) to read as fol-
20 lows:

21 “(b) LOCAL EMPLOYMENT AND TRAINING ACTIVI-
22 TIES.—Funds allocated to a local area under section
23 133(b)—

24 “(1) shall be used to carry out employment and
25 training activities described in subsection (c); and

1 “(2) may be used to carry out employment and
2 training activities described in subsection (d).”;

3 (3) by striking subsection (c);

4 (4) by redesignating subsections (d) and (e), as
5 subsections (c) and (d), respectively;

6 (5) in subsection (c) (as so redesignated)—

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

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

11 “(A) to establish a one-stop delivery sys-
12 tem as described in section 121(e);

13 “(B) to provide the work ready services de-
14 scribed in paragraph (2) through the one-stop
15 delivery system in accordance with such para-
16 graph; and

17 “(C) to provide training services described
18 in paragraph (4) in accordance with such para-
19 graph.”;

20 (B) in paragraph (2)—

21 (i) in the heading, by striking “CORE
22 SERVICES” and inserting “WORK READY
23 SERVICES”;

24 (ii) in the matter preceding subpara-
25 graph (A)—

1 (I) by striking “(1)(A)” and in-
2 serting “(1)(B)”;

3 (II) by striking “core services”
4 and inserting “work ready services”;
5 and

6 (III) by striking “who are adults
7 or dislocated workers”;

8 (iii) by redesignating subparagraph
9 (K) as subparagraph (V);

10 (iv) by redesignating subparagraphs
11 (B) through (J) as subparagraphs (C)
12 through (K), respectively;

13 (v) by inserting after subparagraph
14 (A) the following:

15 “(B) assistance in obtaining eligibility de-
16 terminations under the other one-stop partner
17 programs through activities, where appropriate
18 and consistent with the authorizing statute of
19 the one-stop partner program, such as assisting
20 in the submission of applications, the provision
21 of information on the results of such applica-
22 tions, and the provision of intake services and
23 information;”;

24 (vi) by amending subparagraph (E),
25 as so redesignated, to read as follows:

1 “(E) labor exchange services, including—
2 “(i) job search and placement assist-
3 ance, and where appropriate, career coun-
4 seling;
5 “(ii) appropriate recruitment services
6 for employers, including small employers,
7 in the local area, which may include serv-
8 ices described in this subsection, including
9 information and referral to specialized
10 business services not traditionally offered
11 through the one-stop delivery system; and
12 “(iii) reemployment services provided
13 to unemployment claimants, including
14 claimants identified as in need of such
15 services under the worker profiling system
16 established under section 303(j) of the So-
17 cial Security Act (42 U.S.C. 503(j));”;
18 (vii) in subparagraph (F), as so redes-
19 igned, by striking “employment statis-
20 tics” and inserting “workforce and labor
21 market”;
22 (viii) in subparagraph (G), as so re-
23 designated, by striking “and eligible pro-
24 viders of youth activities described in sec-
25 tion 123,”;

1 (ix) in subparagraph (H), as so redesi-
2 gnated, by inserting “under section 136”
3 after “local performance measures”;

4 (x) in subparagraph (J), as so redesi-
5 gnated, by inserting “and the administra-
6 tion of the work test for the unemployment
7 compensation system” after “compensa-
8 tion”;

9 (xi) by amending subparagraph (K),
10 as so redesignated, to read as follows:

11 “(K) assistance in establishing eligibility
12 for programs of financial aid assistance for
13 training and education programs that are not
14 funded under this Act and are available in the
15 local area;” and

16 (xii) by inserting the following new
17 subparagraphs after subparagraph (K), as
18 so redesignated:

19 “(L) the provision of information from of-
20 ficial publications of the Internal Revenue Serv-
21 ice regarding Federal tax credits available to in-
22 dividuals relating to education, job training and
23 employment;

1 “(M) comprehensive and specialized assess-
2 ments of the skill levels and service needs of
3 workers, which may include—

4 “(i) diagnostic testing and use of
5 other assessment tools; and

6 “(ii) in-depth interviewing and evalua-
7 tion to identify employment barriers and
8 appropriate employment goals;

9 “(N) development of an individual employ-
10 ment plan, to identify the employment goals,
11 appropriate achievement objectives, and appro-
12 priate combination of services for the partici-
13 pant;

14 “(O) group counseling;

15 “(P) individual counseling and career plan-
16 ning;

17 “(Q) case management;

18 “(R) short-term pre-career services, includ-
19 ing development of learning skills, communica-
20 tions skills, interviewing skills, punctuality, per-
21 sonal maintenance skills, and professional con-
22 duct, to prepare individuals for unsubsidized
23 employment or training;

24 “(S) internships and work experience;

1 “(T) literacy activities relating to basic
2 work readiness, information and communication
3 technology literacy activities, and financial lit-
4 eracy activities, if such activities are not avail-
5 able to participants in the local area under pro-
6 grams administered under the Adult Education
7 and Family Literacy Act (20 U.S.C. 2901 et
8 seq.);

9 “(U) out-of-area job search assistance and
10 relocation assistance; and”;

11 (C) by amending paragraph (3) to read as
12 follows:

13 “(3) DELIVERY OF SERVICES.—The work ready
14 services described in paragraph (2) shall be provided
15 through the one-stop delivery system and may be
16 provided through contracts with public, private for-
17 profit, and private nonprofit service providers, ap-
18 proved by the local board.”;

19 (D) in paragraph (4)—

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

22 “(A) IN GENERAL.—Funds described in
23 paragraph (1)(C) shall be used to provide train-
24 ing services to individuals who—

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

5 “(I) be in need of training serv-
6 ices to obtain or retain employment;
7 and

8 “(II) have the skills and quali-
9 fications to successfully participate in
10 the selected program of training serv-
11 ices;

12 “(ii) select programs of training serv-
13 ices that are directly linked to the employ-
14 ment opportunities in the local area in-
15 volved or in another area in which the indi-
16 vidual receiving such services are willing to
17 commute or relocate; and

18 “(iii) who meet the requirements of
19 subparagraph (B).”; and

20 (ii) in subparagraph (B)(i), by strik-
21 ing “Except” and inserting “Notwith-
22 standing section 479B of the Higher Edu-
23 cation Act of 1965 (20 U.S.C. 1087uu)
24 and except”;

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

3 “(D) TRAINING SERVICES.—Training serv-
4 ices authorized under this paragraph may in-
5 clude—

6 “(i) occupational skills training;

7 “(ii) on-the-job training;

8 “(iii) skill upgrading and retraining;

9 “(iv) entrepreneurial training;

10 “(v) education activities leading to a
11 regular secondary school diploma or its
12 recognized equivalent in combination with,
13 concurrently or subsequently, occupational
14 skills training;

15 “(vi) adult education and literacy ac-
16 tivities provided in conjunction with other
17 training authorized under this subpara-
18 graph;

19 “(vii) workplace training combined
20 with related instruction;

21 “(viii) occupational skills training that
22 incorporates English language acquisition;

23 “(ix) customized training conducted
24 with a commitment by an employer or
25 group of employers to employ an individual

1 upon successful completion of the training;

2 and

3 “(x) training programs operated by
4 the private sector.”;

5 (iv) by striking subparagraph (E) and
6 redesignating subparagraphs (F) and (G)
7 as subparagraphs (E) and (F), respec-
8 tively; and

9 (v) in subparagraph (E) (as so reded-
10 icated)—

11 (I) in clause (ii)—

12 (aa) in the matter preceding
13 subclause (I), by striking “sub-
14 section (c)” and inserting “sec-
15 tion 121”;

16 (bb) in subclause (I), by
17 striking “section 122(e)” and in-
18 serting “section 122(d)” and by
19 striking “section 122(h)” and in-
20 serting “section 122(i)”;

21 (cc) in subclause (II), by
22 striking “subsections (e) and
23 (h)” and inserting “subsection
24 (i)”;

1 (II) by striking clause (iii) and
2 inserting the following:

3 “(iii) CAREER ENHANCEMENT AC-
4 COUNTS.—An individual who seeks train-
5 ing services and who is eligible pursuant to
6 subparagraph (A), may, in consultation
7 with a case manager, select an eligible pro-
8 vider of training services from the list or
9 identifying information for providers de-
10 scribed in clause (ii)(I). Upon such selec-
11 tion, the one-stop operator involved shall,
12 to the extent practicable, refer such indi-
13 vidual to the eligible provider of training
14 services, and arrange for payment for such
15 services through a career enhancement ac-
16 count.

17 “(iv) COORDINATION.—Each local
18 board may, through one-stop centers, co-
19 ordinate career enhancement accounts with
20 other Federal, State, local, or private job
21 training programs or sources to assist the
22 individual in obtaining training services.

23 “(v) ASSISTANCE.—Each local board
24 may, through one-stop centers, assist indi-
25 viduals receiving career enhancement ac-

1 counts in obtaining funds (in addition to
2 the funds provided under this section)
3 from other programs and sources that will
4 assist the individual in obtaining training
5 services.”; and

6 (vi) in subparagraph (F) (as so reded-
7 igned)—

8 (I) in the subparagraph heading,
9 by striking “INDIVIDUAL TRAINING
10 ACCOUNTS” and inserting “CAREER
11 ENHANCEMENT ACCOUNTS”;

12 (II) in clause (i) by striking “in-
13 dividual training accounts” and in-
14 serting “career enhancement ac-
15 counts”;

16 (III) in clause (ii)—

17 (aa) by striking “an indi-
18 vidual training account” and in-
19 serting “a career enhancement
20 account”;

21 (bb) by striking “subpara-
22 graph (F)” and inserting “sub-
23 paragraph (E)”;

24 (cc) in subclause (II), by
25 striking “individual training ac-

1 counts” and inserting “career en-
2 hancement accounts”;

3 (dd) in subclause (II) by
4 striking “or” after the semicolon;

5 (ee) in subclause (III) by
6 striking the period and inserting
7 “; or”; and

8 (ff) by adding at the end the
9 following:

10 “(IV) the local board determines
11 that it would be most appropriate to
12 award a contract to a postsecondary
13 educational institution that has been
14 identified as a priority eligible pro-
15 vider under section 117(d)(5)(B) in
16 order to facilitate the training of mul-
17 tiple individuals in in-demand sectors
18 or occupations, such contract may be
19 used to enable the expansion of pro-
20 grams provided by a priority eligible
21 provider, and such contract does not
22 limit customer choice.”;

23 (IV) in clause (iii), by striking
24 “adult or dislocated worker” and in-
25 serting “individual”; and

1 (V) in clause (iv)—

2 (aa) by redesignating sub-
3 clause (IV) as subclause (V) and
4 inserting after subclause (III) the
5 following:

6 “(IV) Individuals with disabil-
7 ities.”;

8 (6) in subsection (d) (as so redesignated)—

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

11 “(1) DISCRETIONARY ONE-STOP DELIVERY AC-
12 TIVITIES.—

13 “(A) IN GENERAL.—Funds allocated to a
14 local area under section 133(b)(2) may be used
15 to provide, through the one-stop delivery sys-
16 tem—

17 “(i) customized screening and referral
18 of qualified participants in training serv-
19 ices to employers;

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

23 “(iii) customer supports, including
24 transportation and childcare, to navigate
25 among multiple services and activities for

1 special participant populations that face
2 multiple barriers to employment, including
3 individuals with disabilities;

4 “(iv) employment and training assist-
5 ance provided in coordination with child
6 support enforcement activities of the State
7 agency carrying out subtitle D of title IV
8 of the Social Security Act (42 U.S.C. 651
9 et seq.);

10 “(v) incorporating pay-for-perform-
11 ance contract strategies as an element in
12 funding activities under this section;

13 “(vi) activities to facilitate remote ac-
14 cess to services provided through a one-
15 stop delivery system, including facilitating
16 access through the use of technology; and

17 “(vii) activities to carry out business
18 services and strategies that meet the work-
19 force investment needs of local area em-
20 ployers, as determined by the local board,
21 consistent with the local plan under section
22 118.”.

23 (B) by striking paragraphs (2) and (3);

24 and

25 (C) by adding at the end the following:

1 “(2) INCUMBENT WORKER TRAINING PRO-
2 GRAMS.—

3 “(A) IN GENERAL.—The local board may
4 use funds allocated to a local area under section
5 133(b)(2) to carry out incumbent worker train-
6 ing programs in accordance with this para-
7 graph.

8 “(B) TRAINING ACTIVITIES.—The training
9 programs for incumbent workers under this
10 paragraph shall be carried out by the local area
11 in conjunction with the employers of such work-
12 ers for the purpose of assisting such workers in
13 obtaining the skills necessary to retain employ-
14 ment and avert layoffs.

15 “(C) EMPLOYER MATCH REQUIRED.—

16 “(i) IN GENERAL.—Employers partici-
17 pating in programs under this paragraph
18 shall be required to pay a proportion of the
19 costs of providing the training to the in-
20 cumbent workers of the employers. The
21 local board shall establish the required por-
22 tion of such costs, which may include in-
23 kind contributions.

24 “(ii) CALCULATION OF MATCH.—The
25 wages paid by an employer to a worker

1 while they are attending training may be
2 included as part of the required payment
3 of the employer.”; and

4 (7) by adding at the end the following:

5 “(e) PRIORITY FOR PLACEMENT IN PRIVATE SECTOR
6 JOBS.—In providing employment and training activities
7 authorized under this section, the State and local board
8 shall give priority to placing participants in jobs in the
9 private sector.

10 “(f) VETERAN EMPLOYMENT SPECIALIST.—

11 “(1) IN GENERAL.—Subject to paragraph (8), a
12 local board shall hire and employ one or more vet-
13 eran employment specialist to carry out employment,
14 training, and placement services under this sub-
15 section in the local area served by the local board.

16 “(2) PRINCIPAL DUTIES.—A veteran employ-
17 ment specialist in a local area shall—

18 “(A) conduct outreach to employers in the
19 local area to assist veterans, including disabled
20 veterans, in gaining employment, including—

21 “(i) conducting seminars for employ-
22 ers; and

23 “(ii) in conjunction with employers,
24 conducting job search workshops, and es-
25 tablishing job search groups; and

1 “(B) facilitate employment, training, sup-
2 portive, and placement services furnished to
3 veterans, including disabled and homeless vet-
4 erans, in the local area.

5 “(3) HIRING PREFERENCE FOR VETERANS AND
6 INDIVIDUALS WITH EXPERTISE IN SERVING VET-
7 ERANS.—Subject to paragraph (8), a local board
8 shall, to the maximum extent practicable, employ
9 veterans or individuals with expertise in serving vet-
10 erans to carry out the services described in para-
11 graph (2) in the local area served by the local board.
12 In hiring an individual to serve as a veteran employ-
13 ment specialist, a local board shall give preference to
14 veterans and other individuals in the following order:

15 “(A) To service-connected disabled vet-
16 erans.

17 “(B) If no veteran described in subpara-
18 graph (A) is available, to veterans.

19 “(C) If no veteran described in subpara-
20 graph (A) or (B) is available, to any member of
21 the Armed Forces transitioning out of military
22 service.

23 “(D) If no veteran described in subpara-
24 graph (A), (B), or (C) is available, to any
25 spouse of a veteran or a spouse of a member of

1 the Armed Forces transitioning out of military
2 service.

3 “(E) If no veteran described in subpara-
4 graph (A), (B), or (C) is available and no
5 spouse described in paragraph (D) is available,
6 to any other individuals with expertise in serv-
7 ing veterans.

8 “(4) ADMINISTRATION AND REPORTING.—

9 “(A) IN GENERAL.—Each veteran employ-
10 ment specialist shall be administratively respon-
11 sible to the manager of the one-stop delivery
12 center in the local area and shall provide, at a
13 minimum, quarterly reports to the manager of
14 such center and to the Director for Veterans’
15 Employment and Training for the State on the
16 performance and compliance by the specialist
17 with Federal law and regulations with respect
18 to the—

19 “(i) principal duties and special serv-
20 ices for veterans described in paragraph
21 (2); and

22 “(ii) hiring preferences described in
23 paragraph (3) for veterans and individuals
24 with expertise in serving veterans.

1 “(B) REPORT TO SECRETARY.—Each
2 State shall submit to the Secretary an annual
3 report on the qualifications used by the local
4 board in making hiring determinations for a
5 veteran employment specialist and the salary
6 structure under which such specialist is com-
7 pensated.

8 “(C) REPORT TO CONGRESS.—The Sec-
9 retary shall submit to the Committee on Edu-
10 cation and the Workforce and the Committee
11 on Veterans’ Affairs of the House of Represent-
12 atives and the Committee on Health, Edu-
13 cation, Labor, and Pensions and the Committee
14 on Veterans’ Affairs of the Senate an annual
15 report summarizing the reports submitted
16 under subparagraph (B), including summaries
17 of outcomes achieved by participating veterans
18 disaggregated by local areas.

19 “(5) PART-TIME EMPLOYEES.—A part-time vet-
20 eran employment specialist shall perform the func-
21 tions of a veteran employment specialist under this
22 subsection on a halftime basis.

23 “(6) TRAINING REQUIREMENTS.—Each veteran
24 employment specialist described in paragraph (2)
25 shall satisfactorily complete training provided by the

1 National Veterans' Employment and Training Insti-
2 tute during the three-year period that begins on the
3 date on which the employee is so assigned.

4 “(7) SPECIALIST’S DUTIES.—A full-time vet-
5 eran employment specialist shall perform only duties
6 related to the employment, training, supportive, and
7 placement services under this subsection, and shall
8 not perform other non-veteran-related duties if such
9 duties detract from the specialist’s ability to perform
10 the specialist’s duties related to employment, train-
11 ing, and placement services under this subsection.

12 “(8) STATE OPTION.—At the request of a local
13 board, a State may assume the duties assigned to
14 the local board under paragraphs (1) and (3), in-
15 cluding the hiring and employment of one or more
16 veteran employment specialist for placement in the
17 local area served by the local board.”.

18 **SEC. 114. PERFORMANCE ACCOUNTABILITY SYSTEM.**

19 Section 136 (29 U.S.C. 2871) is amended—

20 (1) in subsection (b)—

21 (A) by amending paragraphs (1) and (2)

22 to read as follows:

23 “(1) IN GENERAL.—For each State, the State
24 performance measures shall consist of—

1 “(A)(i) the core indicators of performance
2 described in paragraph (2)(A); and

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

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

9 “(2) INDICATORS OF PERFORMANCE.—

10 “(A) CORE INDICATORS OF PERFORM-
11 ANCE.—

12 “(i) IN GENERAL.—The core indica-
13 tors of performance for the program of em-
14 ployment and training activities authorized
15 under sections 132(a)(2) and 134, the pro-
16 gram of adult education and literacy activi-
17 ties authorized under title II, and the pro-
18 gram authorized under title I of the Reha-
19 bilitation Act of 1973 (29 U.S.C. 720 et
20 seq.), other than section 112 or part C of
21 that title (29 U.S.C. 732, 741), shall con-
22 sist of the following indicators of perform-
23 ance, each disaggregated by the popu-
24 lations identified in the State and local
25 plans:

1 “(I) The percentage and number
2 of program participants who are in
3 unsubsidized employment during the
4 second full calendar quarter after exit
5 from the program.

6 “(II) The percentage and number
7 of program participants who are in
8 unsubsidized employment during the
9 fourth full calendar quarter after exit
10 from the program.

11 “(III) The median earnings of
12 program participants who are in un-
13 subsidized employment during the sec-
14 ond full calendar quarter after exit
15 from the program compared to the
16 median earnings of such participants
17 prior to the training received under
18 such program.

19 “(IV) The percentage and num-
20 ber of program participants who ob-
21 tain a recognized postsecondary cre-
22 dential, a registered apprenticeship,
23 an industry-recognized credential, or a
24 regular secondary school diploma or
25 its recognized equivalent (subject to

1 clause (ii)), during participation in or
2 within 1 year after exit from program.

3 “(V) The percentage and number
4 of program participants who, during a
5 program year—

6 “(aa) are in an education or
7 training program that leads to a
8 recognized postsecondary creden-
9 tial, a registered apprenticeship
10 or on-the-job training program,
11 an industry-recognized credential,
12 a regular secondary school di-
13 ploma or its recognized equiva-
14 lent, or unsubsidized employ-
15 ment; and

16 “(bb) are achieving measur-
17 able basic skill gains toward such
18 a credential or employment.

19 “(VI) The percentage and num-
20 ber of program participants who ob-
21 tain unsubsidized employment in the
22 field relating to the training services
23 described in section 134(c)(4) that
24 such participants received.

1 “(ii) INDICATOR RELATING TO CRE-
2 DENTIAL.—For purposes of clause (i)(IV),
3 program participants who obtain a regular
4 secondary school diploma or its recognized
5 equivalent shall be included in the percent-
6 age counted as meeting the criterion under
7 such clause only if such participants, in
8 addition to obtaining such diploma or its
9 recognized equivalent, have, within 1 year
10 after exit from the program, obtained or
11 retained employment, have been removed
12 from public assistance, or are in an edu-
13 cation or training program leading to a
14 recognized postsecondary credential.

15 “(B) ADDITIONAL INDICATORS.—A State
16 may identify in the State plan additional indica-
17 tors for workforce investment activities author-
18 ized under this subtitle.”; and

19 (B) in paragraph (3)—

20 (i) in subparagraph (A)—

21 (I) in the heading, by striking

22 “AND CUSTOMER SATISFACTION INDI-
23 CATOR”;

1 (II) in clause (i), by striking
2 “and the customer satisfaction indi-
3 cator described in paragraph (2)(B)”;

4 (III) in clause (ii), by striking
5 “and the customer satisfaction indi-
6 cator of performance, for the first 3”
7 and inserting “, for all 3”;

8 (IV) in clause (iii)—

9 (aa) in the heading, by
10 striking “FOR FIRST 3 YEARS”;
11 and

12 (bb) by striking “and the
13 customer satisfaction indicator of
14 performance, for the first 3 pro-
15 gram years” and inserting “for
16 all 3 program years”;

17 (V) in clause (iv)—

18 (aa) by striking “or (v)”;

19 (bb) by striking subclause
20 (I) and redesignating subclauses
21 (II) and (III) as subclauses (I)
22 and (II), respectively; and

23 (cc) in subclause (I) (as so
24 redesignated)—

1 (AA) by striking “tak-
2 ing into account” and in-
3 sserting “which shall be ad-
4 justed based on”;

5 (BB) by inserting “,
6 such as unemployment rates
7 and job losses or gains in
8 particular industries” after
9 “economic conditions”; and

10 (CC) by inserting “,
11 such as indicators of poor
12 work experience, dislocation
13 from high-wage employment,
14 low levels of literacy or
15 English proficiency, dis-
16 ability status, including the
17 number of veterans with dis-
18 abilities, and welfare de-
19 pendency” after “program”;

20 (VI) by striking clause (v) and
21 redesignating clause (vi) as clause (v);
22 and

23 (VII) in clause (v) (as so redesign-
24 nated),

1 (aa) by striking “described
2 in clause (iv)(II)” and inserting
3 “described in clause (iv)(I)”; and

4 (bb) by striking “or (v)”;
5 and

6 (ii) in subparagraph (B), by striking
7 “paragraph (2)(C)” and inserting “para-
8 graph (2)(B)”;

9 (2) in subsection (c)—

10 (A) by amending clause (i) of paragraph
11 (1)(A) to read as follows: “(i) the core indica-
12 tors of performance described in subsection
13 (b)(2)(A) for activities described in such sub-
14 sections, other than statewide workforce invest-
15 ment activities; and”;

16 (B) in clause (ii) of paragraph (1)(A), by
17 striking “(b)(2)(C)” and inserting “(b)(2)(B)”;
18 and

19 (C) by amending paragraph (3) to read as
20 follows:

21 “(3) DETERMINATIONS.—In determining such
22 local levels of performance, the local board, the chief
23 elected official, and the Governor shall ensure such
24 levels are adjusted based on the specific economic
25 characteristics (such as unemployment rates and job

1 losses or gains in particular industries), demographic
2 characteristics, or other characteristics of the popu-
3 lation to be served in the local area.”;

4 (3) in subsection (d)—

5 (A) in paragraph (1)—

6 (i) by striking “127 or”;

7 (ii) by striking “and the customer sat-
8 isfaction indicator” each place it appears;
9 and

10 (iii) in the last sentence, by inserting
11 before the period the following: “, and on
12 the amount and percentage of the State’s
13 annual allotment under section 132 the
14 State spends on administrative costs and
15 on the amount and percentage of its an-
16 nual allocation under section 133 each
17 local area in the State spends on adminis-
18 trative costs”;

19 (B) in paragraph (2)—

20 (i) by striking subparagraphs (A),
21 (B), and (D);

22 (ii) by redesignating subparagraph
23 (C) as subparagraph (A);

24 (iii) by redesignating subparagraph
25 (E) as subparagraph (B);

1 (iv) in subparagraph (B), as so reded-
2 igned—

3 (I) by striking “(excluding par-
4 ticipants who received only self-service
5 and informational activities)”;

6 (II) by striking “and” at the end;

7 (v) by striking subparagraph (F);

8 (vi) by adding at the end the fol-
9 lowing:

10 “(C) with respect to each local area in the
11 State—

12 “(i) the number of individuals who re-
13 ceived work ready services described under
14 section 134(c)(2) and the number of indi-
15 viduals who received training services de-
16 scribed under section 134(c)(4) during the
17 most recent program year and fiscal year,
18 and the preceding 5 program years, where
19 the individuals received the training,
20 disaggregated by the type of entity that
21 provided the training, and the amount of
22 funds spent on each type of service;

23 “(ii) the number of individuals who
24 successfully exited out of work ready serv-
25 ices described under section 134(c)(2) and

1 the number of individuals who exited out
2 of training services described under section
3 134(e)(4) during the most recent program
4 year and fiscal year, and the preceding 5
5 program years, and where the individuals
6 received the training, disaggregated by the
7 type of entity that provided the training;
8 and

9 “(iii) the average cost per participant
10 of those individuals who received work
11 ready services described under section
12 134(e)(2) and the average cost per partici-
13 pant of those individuals who received
14 training services described under section
15 134(e)(4) during the most recent program
16 year and fiscal year, and the preceding 5
17 program years, and where the individuals
18 received the training, disaggregated by the
19 type of entity that provided the training;
20 and

21 “(D) the amount of funds spent on train-
22 ing services and discretionary one-stop delivery
23 activities, disaggregated by the populations
24 identified in the State and local plans.”;

1 (C) in paragraph (3)(A), by striking
2 “through publication” and inserting “through
3 electronic means”; and

4 (D) by adding at the end the following:

5 “(4) DATA VALIDATION.—In preparing the re-
6 ports described in this subsection, each State shall
7 establish procedures, consistent with guidelines
8 issued by the Secretary, to ensure the information
9 contained in the report is valid and reliable.

10 “(5) STATE AND LOCAL POLICIES.—

11 “(A) STATE POLICIES.—Each State that
12 receives an allotment under section 132 shall
13 maintain a central repository of policies related
14 to access, eligibility, availability of services, and
15 other matters and plans approved by the State
16 board and make such repository available to the
17 public, including by electronic means.

18 “(B) LOCAL POLICIES.—Each local area
19 that receives an allotment under section 133
20 shall maintain a central repository of policies
21 related to access, eligibility, availability of serv-
22 ices, and other matters and plans approved by
23 the local board and make such repository avail-
24 able to the public, including by electronic
25 means.”;

1 (4) in subsection (g)—

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

4 (B) in paragraph (1)(B), by striking “may
5 reduce by not more than 5 percent,” and insert-
6 ing “shall reduce”; and

7 (C) by striking paragraph (2) and insert-
8 ing the following:

9 “(2) FUNDS RESULTING FROM REDUCED AL-
10 LOTMENTS.—The Secretary shall return to the
11 Treasury the amount retained, as a result of a re-
12 duction in an allotment to a State made under para-
13 graph (1)(B).”;

14 (5) in subsection (h)(1), by striking “or (B)”;

15 (6) in subsection (h)(2)—

16 (A) in subparagraph (A), by amending the
17 matter preceding clause (i) to read as follows:

18 “(A) IN GENERAL.—If such failure con-
19 tinues for a second consecutive year, the Gov-
20 ernor shall take corrective actions, including the
21 development of a reorganization plan. Such
22 plan shall—”;

23 (B) by redesignating subparagraphs (B)
24 and (C) as subparagraphs (C) and (D), respec-
25 tively;

1 (C) by inserting after subparagraph (A),
2 the following:

3 “(B) REDUCTION IN THE AMOUNT OF
4 GRANT.—If such failure continues for a third
5 consecutive year, the Governor of a State shall
6 reduce the amount of the grant that would (in
7 the absence of this subparagraph) be payable to
8 the local area under such program for the pro-
9 gram year after such third consecutive year.
10 Such penalty shall be based on the degree of
11 failure to meet local levels of performance.”;

12 (D) in subparagraph (C)(i) (as so redesign-
13 ated), by striking “a reorganization plan
14 under subparagraph (A) may, not later than 30
15 days after receiving notice of the reorganization
16 plan, appeal to the Governor to rescind or re-
17 vise such plan” and inserting “corrective ac-
18 tions under subparagraphs (A) and (B) may,
19 not later than 30 days after receiving notice of
20 the actions, appeal to the Governor to rescind
21 or revise such actions”; and

22 (E) in subparagraph (D) (as so redesign-
23 ated), by striking “subparagraph (B)” each
24 place it appears and inserting “subparagraph
25 (C)”;

1 (7) in subsection (i)(1)(B), by striking “sub-
2 section (b)(2)(C)” and inserting “subsection
3 (b)(2)(B)”;

4 (8) in subsection (i)(1)(C), by striking
5 “(b)(3)(A)(vi)” and inserting “(b)(3)(A)(v)”;

6 (9) in subsection (i)(2), by striking “the activi-
7 ties described in section 502 concerning”;

8 (10) in subsection (i)(3), by striking “described
9 in paragraph (1) and in the activities described in
10 section 502” and inserting “and activities described
11 in this subsection”; and

12 (11) by adding at the end the following new
13 subsections:

14 “(j) USE OF CORE INDICATORS FOR OTHER PRO-
15 GRAMS.—In addition to the programs carried out under
16 chapter 5, and consistent with the requirements of the ap-
17 plicable authorizing laws, the Secretary shall use the core
18 indicators of performance described in subsection
19 (b)(2)(A) to assess the effectiveness of the programs de-
20 scribed under section 121(b)(1)(B) that are carried out
21 by the Secretary.

22 “(k) ESTABLISHING PAY-FOR-PERFORMANCE INCEN-
23 TIVES.—

24 “(1) IN GENERAL.—At the discretion of the
25 Governor of a State, a State may establish an incen-

1 tive system for local boards to implement pay-for-
2 performance contract strategies for the delivery of
3 employment and training services in the local areas
4 served by the local boards.

5 “(2) IMPLEMENTATION.—A State that estab-
6 lishes a pay-for-performance incentive system shall
7 reserve not more than 10 percent of the total
8 amount allotted to the State under section 132(b)(2)
9 for a fiscal year to provide funds to local areas in
10 the State whose local boards have implemented a
11 pay-for-performance contract strategy.

12 “(3) EVALUATIONS.—A State described in
13 paragraph (2) shall use funds reserved by the State
14 under section 133(a)(1) to evaluate the return on in-
15 vestment of pay-for-performance contract strategies
16 implemented by local boards in the State.”.

17 **SEC. 115. AUTHORIZATION OF APPROPRIATIONS.**

18 Section 137 (29 U.S.C. 2872) is amended to read as
19 follows:

20 **“SEC. 137. AUTHORIZATION OF APPROPRIATIONS.**

21 “There are authorized to be appropriated to carry out
22 the activities described in section 132, \$6,245,318,000 for
23 fiscal year 2014 and each of the 6 succeeding fiscal
24 years.”.

1 **Subtitle C—Job Corps**

2 **SEC. 116. JOB CORPS PURPOSES.**

3 Paragraph (1) of section 141 (29 U.S.C. 2881(1))
4 is amended to read as follows:

5 “(1) to maintain a national Job Corps program
6 for at-risk youth, carried out in partnership with
7 States and communities, to assist eligible youth to
8 connect to the workforce by providing them with in-
9 tensive academic, career and technical education,
10 and service-learning opportunities, in residential and
11 nonresidential centers, in order for such youth to ob-
12 tain regular secondary school diplomas and recog-
13 nized postsecondary credentials leading to successful
14 careers in in-demand industries that will result in
15 opportunities for advancement;”.

16 **SEC. 117. JOB CORPS DEFINITIONS.**

17 Section 142 (29 U.S.C. 2882) is amended—

18 (1) in paragraph (2)—

19 (A) in the paragraph heading, by striking
20 “APPLICABLE ONE-STOP” and inserting “ONE-
21 STOP”;

22 (B) by striking “applicable”;

23 (C) by striking “customer service”; and

24 (D) by striking “intake” and inserting “as-
25 sessment”;

1 (2) in paragraph (4), by striking “before com-
2 pleting the requirements” and all that follows and
3 inserting “prior to becoming a graduate.”; and

4 (3) in paragraph (5), by striking “has com-
5 pleted the requirements” and all that follows and in-
6 serting the following: “who, as a result of participa-
7 tion in the Job Corps program, has received a reg-
8 ular secondary school diploma, completed the re-
9 quirements of a career and technical education and
10 training program, or received, or is making satisfac-
11 tory progress (as defined under section 484(c) of the
12 Higher Education Act of 1965 (20 U.S.C. 1091(c)))
13 toward receiving, a recognized postsecondary creden-
14 tial, including an industry-recognized credential that
15 prepares individuals for employment leading to eco-
16 nomic self-sufficiency.”.

17 **SEC. 118. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.**

18 Section 144 (29 U.S.C. 2884) is amended—

19 (1) by amending paragraph (1) to read as fol-
20 lows:

21 “(1) not less than age 16 and not more than
22 age 24 on the date of enrollment;”;

23 (2) in paragraph (3)(B), by inserting “sec-
24 ondary” before “school”; and

1 (3) in paragraph (3)(E), by striking “voca-
2 tional” and inserting “career and technical edu-
3 cation and”.

4 **SEC. 119. RECRUITMENT, SCREENING, SELECTION, AND AS-**
5 **SIGNMENT OF ENROLLEES.**

6 Section 145 (29 U.S.C. 2885) is amended—

7 (1) in subsection (a)—

8 (A) in paragraph (2)(C)(i) by striking “vo-
9 cational” and inserting “career and technical
10 education and training”; and

11 (B) in paragraph (3)—

12 (i) by striking “To the extent prac-
13 ticable, the” and inserting “The”;

14 (ii) in subparagraph (A)—

15 (I) by striking “applicable”; and

16 (II) by inserting “and” after the
17 semicolon;

18 (iii) by striking subparagraphs (B)
19 and (C); and

20 (iv) by adding at the end the fol-
21 lowing:

22 “(B) organizations that have a dem-
23 onstrated record of effectiveness in placing at-
24 risk youth into employment.”;

25 (2) in subsection (b)—

1 (A) in paragraph (1)—

2 (i) in subparagraph (B), by inserting
3 “and agrees to such rules” after “failure
4 to observe the rules”; and

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

7 “(C) the individual has passed a back-
8 ground check conducted in accordance with pro-
9 cedures established by the Secretary, which
10 shall include—

11 “(i) a search of the State criminal
12 registry or repository in the State where
13 the individual resides and each State where
14 the individual previously resided;

15 “(ii) a search of State-based child
16 abuse and neglect registries and databases
17 in the State where the individual resides
18 and each State where the individual pre-
19 viously resided;

20 “(iii) a search of the National Crime
21 Information Center;

22 “(iv) a Federal Bureau of Investiga-
23 tion fingerprint check using the Integrated
24 Automated Fingerprint Identification Sys-
25 tem; and

1 “(v) a search of the National Sex Of-
2 fender Registry established under the
3 Adam Walsh Child Protection and Safety
4 Act of 2006 (42 U.S.C. 16901 et seq.)”;
5 and

6 (B) by adding at the end the following new
7 paragraph:

8 “(3) INDIVIDUALS CONVICTED OF A CRIME.—
9 An individual shall be ineligible for enrollment if the
10 individual—

11 “(A) makes a false statement in connection
12 with the criminal background check described in
13 paragraph (1)(C);

14 “(B) is registered or is required to be reg-
15 istered on a State sex offender registry or the
16 National Sex Offender Registry established
17 under the Adam Walsh Child Protection and
18 Safety Act of 2006 (42 U.S.C. 16901 et seq.);
19 or

20 “(C) has been convicted of a felony con-
21 sisting of—

22 “(i) homicide;

23 “(ii) child abuse or neglect;

24 “(iii) a crime against children, includ-
25 ing child pornography;

1 “(iv) a crime involving rape or sexual
2 assault; or

3 “(v) physical assault, battery, or a
4 drug-related offense, committed within the
5 past 5 years.”;

6 (3) in subsection (c)—

7 (A) in paragraph (1)—

8 (i) by striking “2 years” and inserting
9 “year”; and

10 (ii) by striking “an assignment” and
11 inserting “a”; and

12 (B) in paragraph (2)—

13 (i) in the matter preceding subpara-
14 graph (A), by striking “, every 2 years,”;

15 (ii) in subparagraph (B), by striking
16 “and” at the end; and

17 (iii) in subparagraph (C)—

18 (I) by inserting “the education
19 and training” after “including”; and

20 (II) by striking the period at the
21 end and inserting “; and”; and

22 (iv) by adding at the end the fol-
23 lowing:

24 “(D) the performance of the Job Corps
25 center relating to the indicators described in

1 paragraphs (1) and (2) in section 159(c), and
2 whether any actions have been taken with re-
3 spect to such center pursuant to section
4 159(f).”; and

5 (4) in subsection (d)—

6 (A) in paragraph (1)—

7 (i) in the matter preceding subpara-
8 graph (A), by striking “is closest to the
9 home of the enrollee, except that the” and
10 inserting “offers the type of career and
11 technical education and training selected
12 by the individual and, among the centers
13 that offer such education and training, is
14 closest to the home of the individual. The”;

15 (ii) by striking subparagraph (A); and

16 (iii) by redesignating subparagraphs
17 (B) and (C) as subparagraphs (A) and
18 (B), respectively; and

19 (B) in paragraph (2), by inserting “that
20 offers the career and technical education and
21 training desired by” after “home of the en-
22 rollee”.

23 **SEC. 120. JOB CORPS CENTERS.**

24 Section 147 (29 U.S.C. 2887) is amended—

25 (1) in subsection (a)—

1 (A) in paragraph (1)(A), by striking “voca-
2 tional” both places it appears and inserting
3 “career and technical”; and

4 (B) in paragraph (2)—

5 (i) in subparagraph (A)—

6 (I) by striking “subsections (c)
7 and (d) of section 303 of the Federal
8 Property and Administrative Services
9 Act of 1949 (41 U.S.C. 253)” and in-
10 sserting “subsections (a) and (b) of
11 section 3304 of title 41, United States
12 Code”; and

13 (II) by striking “industry coun-
14 cil” and inserting “workforce coun-
15 cil”;

16 (ii) in subparagraph (B)(i)—

17 (I) by amending subclause (II) to
18 read as follows:

19 “(II) the ability of the entity to
20 offer career and technical education
21 and training that the workforce coun-
22 cil proposes under section 154(c);”;

23 (II) in subclause (III), by strik-
24 ing “is familiar with the surrounding
25 communities, applicable” and insert-

1 ing “demonstrates relationships with
2 the surrounding communities, employ-
3 ers, workforce boards,” and by strik-
4 ing “and” at the end;

5 (III) by amending subclause (IV)
6 to read as follows:

7 “(IV) the performance of the en-
8 tity, if any, relating to operating or
9 providing activities described in this
10 subtitle to a Job Corps center, includ-
11 ing the entity’s demonstrated effec-
12 tiveness in assisting individuals in
13 achieving the primary and secondary
14 indicators of performance described in
15 paragraphs (1) and (2) of section
16 159(c); and”;

17 (IV) by adding at the end the fol-
18 lowing new subclause:

19 “(V) the ability of the entity to
20 demonstrate a record of successfully
21 assisting at-risk youth to connect to
22 the workforce, including by providing
23 them with intensive academic, and ca-
24 reer and technical education and
25 training.”;

1 (iii) in subparagraph (B)(ii), by strik-
2 ing “, as appropriate”;

3 (2) in subsection (b), by striking “In any year,
4 no more than 20 percent of the individuals enrolled
5 in the Job Corps may be nonresidential participants
6 in the Job Corps.”;

7 (3) by amending subsection (c) to read as fol-
8 lows:

9 “(c) CIVILIAN CONSERVATION CENTERS.—

10 “(1) IN GENERAL.—The Job Corps centers may
11 include Civilian Conservation Centers, operated
12 under an agreement between the Secretary of Labor
13 and the Secretary of Agriculture, that are located
14 primarily in rural areas. Such centers shall adhere
15 to all the provisions of this subtitle, and shall pro-
16 vide, in addition to education, career and technical
17 education and training, and workforce preparation
18 skills training described in section 148, programs of
19 work experience to conserve, develop, or manage
20 public natural resources or public recreational areas
21 or to develop community projects in the public inter-
22 est.

23 “(2) SELECTION PROCESS.—The Secretary
24 shall select an entity that submits an application
25 under subsection (d) to operate a Civilian Conserva-

1 tion Center on a competitive basis, as provided in
2 subsection (a).”; and

3 (4) by striking subsection (d) and inserting the
4 following:

5 “(d) APPLICATION.—To be eligible to operate a Job
6 Corps center under this subtitle, an entity shall submit
7 an application to the Secretary at such time, in such man-
8 ner, and containing such information as the Secretary may
9 require, including—

10 “(1) a description of the program activities that
11 will be offered at the center, including how the ca-
12 reer and technical education and training reflect
13 State and local employment opportunities, including
14 in in-demand industries;

15 “(2) a description of the counseling, placement,
16 and support activities that will be offered at the cen-
17 ter, including a description of the strategies and pro-
18 cedures the entity will use to place graduates into
19 unsubsidized employment upon completion of the
20 program;

21 “(3) a description of the demonstrated record
22 of effectiveness that the entity has in placing at-risk
23 youth into employment, including past performance
24 of operating a Job Corps center under this subtitle;

1 “(4) a description of the relationships that the
2 entity has developed with State and local workforce
3 boards, employers, State and local educational agen-
4 cies, and the surrounding communities in an effort
5 to promote a comprehensive statewide workforce in-
6 vestment system;

7 “(5) a description of the strong fiscal controls
8 the entity has in place to ensure proper accounting
9 of Federal funds, and a description of how the entity
10 will meet the requirements of section 159(a);

11 “(6) a description of the strategies and policies
12 the entity will utilize to reduce participant costs;

13 “(7) a description of the steps taken to control
14 costs in accordance with section 159(a)(3);

15 “(8) a detailed budget of the activities that will
16 be supported using funds under this subtitle;

17 “(9) a detailed budget of the activities that will
18 be supported using funds from non-Federal re-
19 sources;

20 “(10) an assurance the entity will comply with
21 the administrative cost limitation included in section
22 151(c);

23 “(11) an assurance the entity is licensed to op-
24 erate in the State in which the center is located; and

1 “(12) an assurance the entity will comply with
2 and meet basic health and safety codes, including
3 those measures described in section 152(b).

4 “(e) LENGTH OF AGREEMENT.—The agreement de-
5 scribed in subsection (a)(1)(A) shall be for not longer than
6 a 2-year period. The Secretary may renew the agreement
7 for 3 one-year periods if the entity meets the requirements
8 of subsection (f).

9 “(f) RENEWAL.—

10 “(1) IN GENERAL.—Subject to paragraph (2),
11 the Secretary may renew the terms of an agreement
12 described in subsection (a)(1)(A) for an entity to op-
13 erate a Job Corps center if the center meets or ex-
14 ceeds each of the indicators of performance de-
15 scribed in section 159(c)(1).

16 “(2) RECOMPETITION.—

17 “(A) IN GENERAL.—Notwithstanding para-
18 graph (1), the Secretary shall not renew the
19 terms of the agreement for an entity to operate
20 a Job Corps center if such center is ranked in
21 the bottom quintile of centers described in sec-
22 tion 159(f)(2) for any program year. Such enti-
23 ty may submit a new application under sub-
24 section (d) only if such center has shown sig-
25 nificant improvement on the indicators of per-

1 formance described in section 159(c)(1) over
2 the last program year.

3 “(B) VIOLATIONS.—The Secretary shall
4 not select an entity to operate a Job Corps cen-
5 ter if such entity or such center has been found
6 to have a systemic or substantial material fail-
7 ure that involves—

8 “(i) a threat to the health, safety, or
9 civil rights of program participants or
10 staff;

11 “(ii) the misuse of funds received
12 under this subtitle;

13 “(iii) loss of legal status or financial
14 viability, loss of permits, debarment from
15 receiving Federal grants or contracts, or
16 the improper use of Federal funds;

17 “(iv) failure to meet any other Fed-
18 eral or State requirement that the entity
19 has shown an unwillingness or inability to
20 correct, after notice from the Secretary,
21 within the period specified; or

22 “(v) an unresolved area of noncompli-
23 ance.

24 “(g) CURRENT GRANTEES.—Not later than 60 days
25 after the date of enactment of the SKILLS Act and not-

1 withstanding any previous grant award or renewals of
2 such award under this subtitle, the Secretary shall require
3 all entities operating a Job Corps center under this sub-
4 title to submit an application under subsection (d) to carry
5 out the requirements of this section.”.

6 **SEC. 121. PROGRAM ACTIVITIES.**

7 Section 148 (29 U.S.C. 2888) is amended—

8 (1) by amending subsection (a) to read as fol-
9 lows:

10 “(a) **ACTIVITIES PROVIDED THROUGH JOB CORPS**
11 **CENTERS.—**

12 “(1) **IN GENERAL.—**Each Job Corps center
13 shall provide enrollees with an intensive, well-orga-
14 nized, and supervised program of education, career,
15 and technical education and training, work experi-
16 ence, recreational activities, physical rehabilitation
17 and development, and counseling. Each Job Corps
18 center shall provide enrollees assigned to the center
19 with access to work-ready services described in sec-
20 tion 134(c)(2).

21 “(2) **RELATIONSHIP TO OPPORTUNITIES.—**

22 “(A) **IN GENERAL.—**The activities pro-
23 vided under this subsection shall be targeted to
24 helping enrollees, on completion of their enroll-
25 ment—

1 “(i) secure and maintain meaningful
2 unsubsidized employment;

3 “(ii) complete secondary education
4 and obtain a regular secondary school di-
5 ploma;

6 “(iii) enroll in and complete postsec-
7 ondary education or training programs, in-
8 cluding obtaining recognized postsecondary
9 credentials, industry-recognized creden-
10 tials, and registered apprenticeships; or

11 “(iv) satisfy Armed Forces require-
12 ments.

13 “(B) LINK TO EMPLOYMENT OPPORTUNI-
14 TIES.—The career and technical education and
15 training provided shall be linked to the employ-
16 ment opportunities in in-demand industries in
17 the State in which the Job Corps center is lo-
18 cated.”; and

19 (2) in subsection (b)—

20 (A) in the subsection heading, by striking
21 “EDUCATION AND VOCATIONAL” and inserting
22 “ACADEMIC AND CAREER AND TECHNICAL
23 EDUCATION AND”;

24 (B) by striking “may” after “The Sec-
25 retary” and inserting “shall”; and

1 (C) by striking “vocational” each place it
2 appears and inserting “career and technical”;
3 and

4 (3) by amending paragraph (3) of subsection
5 (c) to read as follows:

6 “(3) DEMONSTRATION.—Each year, any oper-
7 ator seeking to enroll additional enrollees in an ad-
8 vanced career training program shall demonstrate,
9 before the operator may carry out such additional
10 enrollment, that—

11 “(A) participants in such program have
12 achieved a satisfactory rate of completion and
13 placement in training-related jobs; and

14 “(B) such operator has met or exceeded
15 the indicators of performance described in para-
16 graphs (1) and (2) of section 159(c) for the
17 previous year.”.

18 **SEC. 122. COUNSELING AND JOB PLACEMENT.**

19 Section 149 (29 U.S.C. 2889) is amended—

20 (1) in subsection (a), by striking “vocational”
21 and inserting “career and technical education and”;

22 (2) in subsection (b), by striking “make every
23 effort to arrange to”; and

24 (3) by striking subsection (d).

1 **SEC. 123. SUPPORT.**

2 Subsection (b) of section 150 (29 U.S.C. 2890) is
3 amended to read as follows:

4 “(b) **TRANSITION ALLOWANCES AND SUPPORT FOR**
5 **GRADUATES.**—The Secretary shall arrange for a transi-
6 tion allowance to be paid to graduates. The transition al-
7 lowance shall be incentive-based to reflect a graduate’s
8 completion of academic, career and technical education or
9 training, and attainment of a recognized postsecondary
10 credential, including an industry-recognized credential.”.

11 **SEC. 124. OPERATIONS.**

12 Section 151 (29 U.S.C. 2891) is amended—

13 (1) in the header, by striking “**OPERATING**
14 **PLAN.**” and inserting “**OPERATIONS.**”;

15 (2) in subsection (a), by striking “**IN GEN-**
16 **ERAL.—**” and inserting “**OPERATING PLAN.—**”;

17 (3) by striking subsection (b) and redesignating
18 subsection (c) as subsection (b);

19 (4) by amending subsection (b) (as so redesign-
20 nated)—

21 (A) in the heading by inserting “**OF OPER-**
22 **ATING PLAN**” after “**AVAILABILITY**”; and

23 (B) by striking “subsections (a) and (b)”
24 and inserting “subsection (a)”; and

25 (5) by adding at the end the following new sub-
26 section:

1 “(c) ADMINISTRATIVE COSTS.—Not more than 10
2 percent of the funds allotted under section 147 to an enti-
3 ty selected to operate a Job Corps center may be used
4 by the entity for administrative costs under this subtitle.”.

5 **SEC. 125. COMMUNITY PARTICIPATION.**

6 Section 153 (29 U.S.C. 2893) is amended to read as
7 follows:

8 **“SEC. 153. COMMUNITY PARTICIPATION.**

9 “The director of each Job Corps center shall encour-
10 age and cooperate in activities to establish a mutually ben-
11 efiticial relationship between Job Corps centers in the State
12 and nearby communities. Such activities may include the
13 use of any local workforce development boards established
14 under section 117 to provide a mechanism for joint discus-
15 sion of common problems and for planning programs of
16 mutual interest.”.

17 **SEC. 126. WORKFORCE COUNCILS.**

18 Section 154 (29 U.S.C. 2894) is amended to read as
19 follows:

20 **“SEC. 154. WORKFORCE COUNCILS.**

21 “(a) IN GENERAL.—Each Job Corps center shall
22 have a workforce council appointed by the Governor of the
23 State in which the Job Corps center is located.

24 “(b) WORKFORCE COUNCIL COMPOSITION.—

1 “(1) IN GENERAL.—A workforce council shall
2 be comprised of—

3 “(A) business members of the State board
4 described in section 111(b)(1)(B)(i);

5 “(B) business members of the local boards
6 described in section 117(b)(2)(A) located in the
7 State;

8 “(C) a representative of the State board
9 described in section 111(f); and

10 “(D) such other representatives and State
11 agency officials as the Governor may designate.

12 “(2) MAJORITY.—A $\frac{2}{3}$ majority of the mem-
13 bers of the workforce council shall be representatives
14 described in paragraph (1)(A).

15 “(c) RESPONSIBILITIES.—The responsibilities of the
16 workforce council shall be—

17 “(1) to review all the relevant labor market in-
18 formation, including related information in the State
19 plan described in section 112, to—

20 “(A) determine the in-demand industries
21 in the State in which enrollees intend to seek
22 employment after graduation;

23 “(B) determine the skills and education
24 that are necessary to obtain the employment

1 opportunities described in subparagraph (A);
2 and

3 “(C) determine the type or types of career
4 and technical education and training that will
5 be implemented at the center to enable the en-
6 rollees to obtain the employment opportunities;
7 and

8 “(2) to meet at least once a year to reevaluate
9 the labor market information, and other relevant in-
10 formation, to determine any necessary changes in
11 the career and technical education and training pro-
12 vided at the center.”.

13 **SEC. 127. TECHNICAL ASSISTANCE.**

14 Section 156 (29 U.S.C. 2896) is amended to read as
15 follows:

16 **“SEC. 156. TECHNICAL ASSISTANCE TO CENTERS.**

17 “(a) IN GENERAL.—From the funds reserved under
18 section 132(a)(3), the Secretary shall provide, directly or
19 through grants, contracts, or other agreements or ar-
20 rangements as the Secretary considers appropriate, tech-
21 nical assistance and training for the Job Corps program
22 for the purposes of improving program quality.

23 “(b) ACTIVITIES.—In providing training and tech-
24 nical assistance and for allocating resources for such as-
25 sistance, the Secretary shall—

1 “(1) assist entities, including those entities not
2 currently operating a Job Corps center, in devel-
3 oping the application described in section 147(d);

4 “(2) assist Job Corps centers and programs in
5 correcting deficiencies and violations under this sub-
6 title;

7 “(3) assist Job Corps centers and programs in
8 meeting or exceeding the indicators of performance
9 described in paragraph (1) and (2) of section 159(e);
10 and

11 “(4) assist Job Corps centers and programs in
12 the development of sound management practices, in-
13 cluding financial management procedures.”.

14 **SEC. 128. SPECIAL PROVISIONS.**

15 Section 158(c)(1) (29 U.S.C. 2989(c)(1)) is amended
16 by striking “title II of the Federal Property and Adminis-
17 trative Services Act of 1949 (40 U.S.C. 481 et seq.)” and
18 inserting “chapter of 5 title 40, United States Code,”.

19 **SEC. 129. PERFORMANCE ACCOUNTABILITY MANAGEMENT.**

20 Section 159 (29 U.S.C. 2899) is amended—

21 (1) in the section heading, by striking “**MAN-**
22 **AGEMENT INFORMATION**” and inserting “**PER-**
23 **FORMANCE ACCOUNTABILITY AND MANAGE-**
24 **MENT**”;

1 (2) in subsection (a)(3), by inserting before the
2 period at the end the following: “, or operating costs
3 for such centers result in a budgetary shortfall”;

4 (3) by striking subsections (c) through (g); and

5 (4) by inserting after subsection (b) the fol-
6 lowing:

7 “(c) INDICATORS OF PERFORMANCE.—

8 “(1) PRIMARY INDICATORS.—The annual pri-
9 mary indicators of performance for Job Corps cen-
10 ters shall include—

11 “(A) the percentage and number of enroll-
12 ees who graduate from the Job Corps center;

13 “(B) the percentage and number of grad-
14 uates who entered unsubsidized employment re-
15 lated to the career and technical education and
16 training received through the Job Corps center,
17 except that such calculation shall not include
18 enrollment in education, the military or volun-
19 teer service;

20 “(C) the percentage and number of grad-
21 uates who obtained a recognized postsecondary
22 credential, including an industry-recognized cre-
23 dential or a registered apprenticeship; and

24 “(D) the cost per successful performance
25 outcome, which is calculated by comparing the

1 number of graduates who were placed in unsub-
2 subsidized employment or obtained a recognized
3 credential, including an industry-recognized cre-
4 dential, to total program costs, including all op-
5 erations, construction, and administration costs
6 at each Job Corp center.

7 “(2) SECONDARY INDICATORS.—The annual
8 secondary indicators of performance for Job Corps
9 centers shall include—

10 “(A) the percentage and number of grad-
11 uates who entered unsubsidized employment not
12 related to the career and technical education
13 and training received through the Job Corps
14 center;

15 “(B) the percentage and number of grad-
16 uates who entered into postsecondary education;

17 “(C) the percentage and number of grad-
18 uates who entered into the military;

19 “(D) the average wage of graduates who
20 are in unsubsidized employment—

21 “(i) on the first day of employment;

22 and

23 “(ii) 6 months after the first day;

24 “(E) the number and percentage of grad-
25 uates who entered unsubsidized employment

1 and were retained in the unsubsidized employ-
2 ment—

3 “(i) 6 months after the first day of
4 employment; and

5 “(ii) 12 months after the first day of
6 employment;

7 “(F) the percentage and number of enroll-
8 ees compared to the percentage and number of
9 enrollees the Secretary has established targets
10 in section 145(c)(1);

11 “(G) the cost per training slot, which is
12 calculated by comparing the program’s max-
13 imum number of students that can be enrolled
14 in a Job Corps center at any given time during
15 the program year to the number of enrollees in
16 the same program year; and

17 “(H) the number and percentage of former
18 enrollees, including the number dismissed under
19 the zero tolerance policy described in section
20 152(b).

21 “(3) INDICATORS OF PERFORMANCE FOR RE-
22 CRUITERS.—The annual indicators of performance
23 for recruiters shall include the measurements de-
24 scribed in subparagraph (A) of paragraph (1) and
25 subparagraphs (F), (G), and (H) of paragraph (2).

1 “(4) INDICATORS OF PERFORMANCE OF CAREER
2 TRANSITION SERVICE PROVIDERS.—The annual indi-
3 cators of performance of career transition service
4 providers shall include the measurements described
5 in subparagraphs (B) and (C) of paragraph (1) and
6 subparagraphs, (B), (C), (D), and (E) of paragraph
7 (2).

8 “(d) ADDITIONAL INFORMATION.—The Secretary
9 shall collect, and submit in the report described in sub-
10 section (f), information on the performance of each Job
11 Corps center, and the Job Corps program, regarding—

12 “(1) the number and percentage of former en-
13 rollees who obtained a regular secondary school di-
14 ploma;

15 “(2) the number and percentage of former en-
16 rollees who entered unsubsidized employment;

17 “(3) the number and percentage of former en-
18 rollees who obtained a recognized postsecondary cre-
19 dential, including an industry-recognized credential;

20 “(4) the number and percentage of former en-
21 rollees who entered into military service; and

22 “(5) any additional information required by the
23 Secretary.

24 “(e) METHODS.—The Secretary shall collect the in-
25 formation described in subsections (c) and (d), using

1 methods described in section 136(i)(2) and consistent with
2 State law, by entering into agreements with the States to
3 access such data for Job Corps enrollees, former enrollees,
4 and graduates.

5 “(f) TRANSPARENCY AND ACCOUNTABILITY.—

6 “(1) REPORT.—The Secretary shall collect and
7 annually submit to the Committee on Education and
8 the Workforce of the House of Representatives and
9 the Committee on Health, Education, Labor and
10 Pensions of the Senate, and make available to the
11 public by electronic means, a report containing—

12 “(A) information on the performance of
13 each Job Corps center, and the Job Corps pro-
14 gram, on the performance indicators described
15 in paragraphs (1) and (2) of subsection (c);

16 “(B) a comparison of each Job Corps cen-
17 ter, by rank, on the performance indicators de-
18 scribed in paragraphs (1) and (2) of subsection
19 (c);

20 “(C) a comparison of each Job Corps cen-
21 ter, by rank, on the average performance of all
22 primary indicators described in paragraph (1)
23 of subsection (c);

24 “(D) information on the performance of
25 the service providers described in paragraphs

1 (3) and (4) of subsection (c) on the perform-
2 ance indicators established under such para-
3 graphs; and

4 “(E) a comparison of each service pro-
5 vider, by rank, on the performance of all service
6 providers described in paragraphs (3) and (4)
7 of subsection (c) on the performance indicators
8 established under such paragraphs.

9 “(2) ASSESSMENT.—The Secretary shall con-
10 duct an annual assessment of the performance of
11 each Job Corps center which shall include informa-
12 tion on the Job Corps centers that—

13 “(A) are ranked in the bottom 10 percent
14 on the performance indicator described in para-
15 graph (1)(C); or

16 “(B) have failed a safety and health code
17 review described in subsection (g).

18 “(3) PERFORMANCE IMPROVEMENT.—With re-
19 spect to a Job Corps center that is identified under
20 paragraph (2) or reports less than 50 percent on the
21 performance indicators described in subparagraph
22 (A), (B), or (C) of subsection (c)(1), the Secretary
23 shall develop and implement a 1 year performance
24 improvement plan. Such a plan shall require action
25 including—

1 “(A) providing technical assistance to the
2 center;

3 “(B) changing the management staff of
4 the center;

5 “(C) replacing the operator of the center;

6 “(D) reducing the capacity of the center;

7 or

8 “(E) closing the center.

9 “(4) CLOSURE OF JOB CORPS CENTERS.—Job
10 Corps centers that have been identified under para-
11 graph (2) for more than 4 consecutive years shall be
12 closed. The Secretary shall ensure—

13 “(A) that the proposed decision to close
14 the center is announced in advance to the gen-
15 eral public through publication in the Federal
16 Register and other appropriate means; and

17 “(B) the establishment of a reasonable
18 comment period, not to exceed 30 days, for in-
19 terested individuals to submit written comments
20 to the Secretary.

21 “(g) PARTICIPANT HEALTH AND SAFETY.—The Sec-
22 retary shall enter into an agreement with the General
23 Services Administration or the appropriate State agency
24 responsible for inspecting public buildings and safe-
25 guarding the health of disadvantaged students, to conduct

1 an in-person review of the physical condition and health-
2 related activities of each Job Corps center annually. Such
3 review shall include a passing rate of occupancy under
4 Federal and State ordinances.”.

5 **Subtitle D—National Programs**

6 **SEC. 130. TECHNICAL ASSISTANCE.**

7 Section 170 (29 U.S.C. 2915) is amended—

8 (1) by striking subsection (b);

9 (2) by striking:

10 “(a) GENERAL TECHNICAL ASSISTANCE.—”;

11 (3) by redesignating paragraphs (1), (2), and
12 (3) as subsections (a), (b), and (c) respectively, and
13 moving such subsections 2 ems to the left, and con-
14 forming the casing style of the headings of such sub-
15 sections to the casing style of the heading of sub-
16 section (d), as added by paragraph (7) of this sec-
17 tion;

18 (4) in subsection (a) (as so redesignated)—

19 (A) by inserting “the training of staff pro-
20 viding rapid response services, the training of
21 other staff of recipients of funds under this
22 title, assistance regarding accounting and pro-
23 gram operation practices (when such assistance
24 would not be duplicative to assistance provided
25 by the State), technical assistance to States

1 that do not meet State performance measures
2 described in section 136,” after “localities,”;
3 and

4 (B) by striking “from carrying out activi-
5 ties” and all that follows up to the period and
6 inserting “to implement the amendments made
7 by the SKILLS Act”;

8 (5) in subsection (b) (as so redesignated)—

9 (A) by striking “paragraph (1)” and in-
10 sserting “subsection (a)”;

11 (B) by striking “, or recipient of financial
12 assistance under any of sections 166 through
13 169,”; and

14 (C) by striking “or grant recipient”;

15 (6) in subsection (c) (as so redesignated), by
16 striking “paragraph (1)” and inserting “subsection
17 (a)”;

18 (7) by inserting, after subsection (c) (as so re-
19 designated), the following:

20 “(d) BEST PRACTICES COORDINATION.—The Sec-
21 retary shall—

22 “(1) establish a system through which States
23 may share information regarding best practices with
24 regard to the operation of workforce investment ac-
25 tivities under this Act; and

1 “(2) evaluate and disseminate information re-
2 garding best practices and identify knowledge
3 gaps.”.

4 **SEC. 131. EVALUATIONS.**

5 Section 172 (29 U.S.C. 2917) is amended—

6 (1) in subsection (a), by striking “the Secretary
7 shall provide for the continuing evaluation of the
8 programs and activities, including those programs
9 and activities carried out under section 171” and in-
10 serting “the Secretary, through grants, contracts, or
11 cooperative agreements, shall conduct, at least once
12 every 5 years, an independent evaluation of the pro-
13 grams and activities funded under this Act”;

14 (2) in subsection (a)(4) is amended to read as
15 follows:

16 “(4) the impact of receiving services and not re-
17 ceiving services under such programs and activities
18 on the community, businesses, and individuals;”;

19 (3) in subsection (c) is amended to read as fol-
20 lows:

21 “(c) **TECHNIQUES.**—Evaluations conducted under
22 this section shall utilize appropriate and rigorous method-
23 ology and research designs, including the use of control
24 groups chosen by scientific random assignment methodolo-
25 gies, quasi-experimental methods, impact analysis and the

1 use of administrative data. The Secretary shall conduct
2 an impact analysis, as described in subsection (a)(4), of
3 the formula grant program under subtitle B not later than
4 2015, and thereafter shall conduct such an analysis not
5 less than once every four years.”;

6 (4) in subsection (e) is amended by striking
7 “the Committee on Labor and Human Resources of
8 the Senate” and inserting “the Committee on
9 Health, Education, Labor, and Pensions of the Sen-
10 ate”;

11 (5) by redesignating subsection (f) as sub-
12 section (g) and inserting after subsection (e) the fol-
13 lowing:

14 “(f) REDUCTION OF AMOUNTS AUTHORIZED TO BE
15 APPROPRIATED FOR LATE REPORTING.—If a report re-
16 quired to be transmitted to Congress under this section
17 is not transmitted on or before the time period specified
18 for that report, amounts authorized to be appropriated
19 under this title shall be reduced by 10 percent for the fis-
20 cal year that begins after the date on which the final re-
21 port required under this section is required to be trans-
22 mitted and reduced by an additional 10 percent each sub-
23 sequent fiscal year until each such report is transmitted
24 to Congress.”.

25 (6) by adding at the end, the following:

1 “(h) PUBLIC AVAILABILITY.—The results of the eval-
2 uations conducted under this section shall be made pub-
3 licly available, including by posting such results on the De-
4 partment’s website.”.

5 **Subtitle E—Administration**

6 **SEC. 132. REQUIREMENTS AND RESTRICTIONS.**

7 Section 181 (29 U.S.C. 2931) is amended—

8 (1) in subsection (b)(6), by striking “, including
9 representatives of businesses and of labor organiza-
10 tions”;

11 (2) in subsection (c)(2)(A), in the matter pre-
12 ceding clause (i), by striking “shall” and inserting
13 “may”;

14 (3) in subsection (e)—

15 (A) by striking “training for” and insert-
16 ing “the entry into employment, retention in
17 employment, or increases in earnings of”; and

18 (B) by striking “subtitle B” and inserting
19 “this Act”;

20 (4) in subsection (f)(4), by striking
21 “134(a)(3)(B)” and inserting “134(a)(6)”; and

22 (5) by adding at the end the following:

23 “(g) SALARY AND BONUS LIMITATION.—No funds
24 provided under this title shall be used by a recipient or
25 subrecipient of such funds to pay the salary and bonuses

1 of an individual, either as direct costs or indirect costs,
2 at a rate in excess of Level II of the Federal Executive
3 Pay Schedule (5 U.S.C. 5313). This limitation shall not
4 apply to vendors providing goods and services as defined
5 in OMB Circular A-133. Where States are recipients of
6 such funds, States may establish a lower limit for salaries
7 and bonuses of those receiving salaries and bonuses from
8 subrecipients of such funds, taking into account factors
9 including the relative cost-of-living in the State, the com-
10 pensation levels for comparable State or local government
11 employees, and the size of the organizations that admin-
12 ister the programs.

13 “(h) GENERAL AUTHORITY.—

14 “(1) IN GENERAL.—The Employment and
15 Training Administration of the U.S. Department of
16 Labor (hereinafter in this Act referred to as the ‘Ad-
17 ministration’) shall administer all programs author-
18 ized under title I and III of this Act. The Adminis-
19 tration shall be headed by an Assistant Secretary
20 appointed by the President by and with the advice
21 and consent of the Senate. Except for titles II and
22 IV, the Administration shall be the principal agency,
23 and the Assistant Secretary shall be the principal of-
24 ficer, of such Department for carrying out this Act.

1 “(2) QUALIFICATIONS.—The Assistant Sec-
2 retary shall be an individual with substantial experi-
3 ence in workforce development and in workforce de-
4 velopment management. The Assistant Secretary
5 shall also, to the maximum extent possible, possess
6 knowledge and have worked in or with the State or
7 local workforce investment system or have been a
8 member of the business community. In the perform-
9 ance of the functions of the office, the Assistant Sec-
10 retary shall be directly responsible to the Secretary
11 or the Under Secretary as designed by the Sec-
12 retary. The functions of the Assistant Secretary
13 shall not be delegated to any officer not directly re-
14 sponsible, both with respect to program operation
15 and administration, to the Assistant Secretary. Any
16 reference in this Act to duties to be carried out by
17 the Assistant Secretary shall be considered to be a
18 reference to duties to be carried out by the Secretary
19 acting through the Assistant Secretary.”.

20 **SEC. 133. PROMPT ALLOCATION OF FUNDS.**

21 Section 182 (29 U.S.C. 2932) is amended—

22 (1) in subsection (c), by striking “127 or”; and

23 (2) in subsection (e)—

24 (A) by striking “sections 128 and 133”

25 and inserting “section 133”; and

1 (B) by striking “127 or”.

2 **SEC. 134. FISCAL CONTROLS; SANCTIONS.**

3 Section 184(a)(2) (29 U.S.C. 2934(a)(2)) is amend-
4 ed—

5 (1) by striking “(A)” and all that follows
6 through “Each” and inserting “Each”; and

7 (2) by striking subparagraph (B).

8 **SEC. 135. REPORTS TO CONGRESS.**

9 Section 185 (29 U.S.C. 2935) is amended—

10 (1) in subsection (c)—

11 (A) in paragraph (2), by striking “and”
12 after the semicolon;

13 (B) in paragraph (3), by striking the pe-
14 riod and inserting “; and”; and

15 (C) by adding at the end the following:

16 “(4) shall have the option to submit or dissemi-
17 nate electronically any reports, records, plans, or any
18 other data that are required to be collected or dis-
19 seminated under this title.”; and

20 (2) in subsection (e)(2), by inserting “and the
21 Secretary shall submit to the Committee on Edu-
22 cation and the Workforce of the House of Rep-
23 resentatives and the Committee on Health, Edu-
24 cation, Labor, and Pensions of the Senate,” after
25 “Secretary,”.

1 **SEC. 136. ADMINISTRATIVE PROVISIONS.**

2 Section 189 (29 U.S.C. 2939) is amended—

3 (1) in subsection (g)—

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

6 “(1) IN GENERAL.—Appropriations for any fis-
7 cal year for programs and activities carried out
8 under this title shall be available for obligation only
9 on the basis of a program year. The program year
10 shall begin on October 1 in the fiscal year for which
11 the appropriation is made.”; and

12 (B) in paragraph (2)—

13 (i) by striking “each State” and in-
14 serting “each recipient”; and

15 (ii) by striking “171 or”;

16 (2) in subsection (i)—

17 (A) by striking paragraphs (2) and (3);

18 (B) by redesignating paragraph (4) as
19 paragraph (2);

20 (C) by amending paragraph (2)(A), as so
21 redesignated—

22 (i) by striking “requirements of sub-
23 paragraph (B)” and all that follows
24 through “any of the statutory or regu-
25 latory requirements of subtitle B” and in-
26 serting “requirements of subparagraph (B)

1 or (D), any of the statutory or regulatory
2 requirements of subtitle B”;

3 (ii) by striking clause (ii); and

4 (iii) in clause (i), by striking “; and”

5 and inserting a period at the end; and

6 (D) by adding at the end the following:

7 “(D) EXPEDITED PROCESS FOR EXTEND-
8 ING APPROVED WAIVERS TO ADDITIONAL
9 STATES.—In lieu of the requirements of sub-
10 paragraphs (B) and (C), the Secretary may es-
11 tablish an expedited procedure for the purpose
12 of extending to additional States the waiver of
13 statutory or regulatory requirements that have
14 been approved for a State pursuant to a request
15 under subparagraph (B). Such procedure shall
16 ensure that the extension of such waivers to ad-
17 ditional States are accompanied by appropriate
18 conditions relating the implementation of such
19 waivers.

20 “(E) EXTERNAL CONDITIONS.—The Sec-
21 retary shall not require or impose new or addi-
22 tional requirements, which are not specified
23 under this Act, on a State in exchange for pro-
24 viding a waiver to the State or a local area in
25 the State under this paragraph.”.

1 **SEC. 137. STATE LEGISLATIVE AUTHORITY.**

2 Section 191(a) (29 U.S.C. 2941(a)) is amended—

3 (1) by striking “consistent with the provisions
4 of this title” and inserting “consistent with State
5 law and the provisions of this title”; and

6 (2) by striking “consistent with the terms and
7 conditions required under this title” and inserting
8 “consistent with State law and the terms and condi-
9 tions required under this title”.

10 **SEC. 138. GENERAL PROGRAM REQUIREMENTS.**

11 Section 195 (29 U.S.C. 2945) is amended—

12 (1) in paragraph (7), by inserting at the end
13 the following:

14 “(D) Funds received by a public or private non-
15 profit entity that are not described in subparagraph
16 (B), such as funds privately raised from philan-
17 thropic foundations, businesses, or other private en-
18 tities, shall not be considered to be income under
19 this title and shall not be subject to the require-
20 ments of this section.”; and

21 (2) by adding at the end the following new
22 paragraphs:

23 “(14) Funds provided under this title shall not
24 be used to establish or operate stand-alone fee-for-
25 service enterprises that compete with private sector
26 employment agencies within the meaning of section

1 701(c) of the Civil Rights Act of 1964 (42 U.S.C.
2 2000e(e)), except that for purposes of this para-
3 graph, such an enterprise does not include one-stop
4 centers.

5 “(15) Any report required to be submitted to
6 Congress, or to a Committee of Congress, under this
7 title shall be submitted to both the chairmen and
8 ranking minority members of the Committee on
9 Education and the Workforce of the House of Rep-
10 resentatives and the Committee on Health, Edu-
11 cation, Labor, and Pensions of the Senate.”.

12 **SEC. 139. FEDERAL AGENCY STAFF AND RESTRICTIONS ON**
13 **POLITICAL AND LOBBYING ACTIVITIES.**

14 Subtitle E of title I (29 U.S.C. 2931 et seq.) is
15 amended by adding at the end the following new sections:

16 **“SEC. 196. FEDERAL AGENCY STAFF.**

17 “The Director of the Office of Management and
18 Budget shall—

19 “(1) not later than 60 days after the date of
20 the enactment of the SKILLS Act—

21 “(A) identify the number of Federal gov-
22 ernment employees who work on or administer
23 each of the programs authorized under this Act
24 or repealed under section 401 of the SKILLS

1 Act, as such programs were in effect on the day
2 before such date of enactment; and

3 “(B) identify the number of full-time
4 equivalent employees who work on or admin-
5 ister each of the programs authorized under
6 this Act or repealed under section 401 of the
7 SKILLS Act, as such programs were in effect
8 on the day before such date of enactment, and
9 that have been repealed or consolidated on or
10 after such date of enactment;

11 “(2) not later than 90 after such date of enact-
12 ment, publish the information described in para-
13 graph (1) on the Office of Management and Budget
14 website; and

15 “(3) not later than 1 year after such date of en-
16 actment—

17 “(A) reduce the workforce of the Federal
18 Government by the number of full-time equiva-
19 lent employees identified under paragraph
20 (1)(B); and

21 “(B) submit to Congress a report on how
22 the Director carried out the requirements of
23 subparagraph (A).

1 **“SEC. 197. RESTRICTIONS ON LOBBYING AND POLITICAL**
2 **ACTIVITIES.**

3 “(a) LOBBYING RESTRICTIONS.—

4 “(1) PUBLICITY RESTRICTIONS.—

5 “(A) IN GENERAL.—Subject to subpara-
6 graph (B), no funds provided under this Act
7 shall be used or proposed for use, for—

8 “(i) publicity or propaganda purposes;

9 or

10 “(ii) the preparation, distribution, or
11 use of any kit, pamphlet, booklet, publica-
12 tion, electronic communication, radio, tele-
13 vision, or video presentation designed to
14 support or defeat the enactment of legisla-
15 tion before the Congress or any State or
16 local legislature or legislative body.

17 “(B) EXCEPTION.—Subparagraph (A)
18 shall not apply to—

19 “(i) normal and recognized executive-
20 legislative relationships;

21 “(ii) the preparation, distribution, or
22 use of the materials described in subpara-
23 graph (A)(ii) in presentation to the Con-
24 gress or any State or local legislature (ex-
25 cept that this subparagraph does not apply
26 with respect to such preparation, distribu-

1 tion, or use in presentation to the executive
2 branch of any State or local government);
3 or

4 “(iii) if such materials are designed to
5 support or defeat any proposed or pending
6 regulation, administrative action, or order
7 issued by the executive branch of any State
8 or local government.

9 “(2) SALARY PAYMENT RESTRICTION.—No
10 funds provided under this Act shall be used, or pro-
11 posed for use, to pay the salary or expenses of any
12 grant or contract recipient, or agent acting for such
13 recipient, related to any activity designed to influ-
14 ence the enactment of legislation, appropriations,
15 regulations, administrative action, or executive order
16 proposed or pending before the Congress or any
17 State government, or State legislature or local legis-
18 lature or legislative body, other than for normal and
19 recognized executive-legislative relationships or par-
20 ticipation by an agency or officer of a State, local,
21 or tribal government in policymaking and adminis-
22 trative processes within the executive branch of that
23 government.

24 “(b) POLITICAL RESTRICTIONS.—

1 “(1) IN GENERAL.—No funds received by a
2 participant of a program or an activity under this
3 Act shall be used for—

4 “(A) any partisan or nonpartisan political
5 activity or any other political activity associated
6 with a candidate, or contending faction or
7 group, in an election for public or party office;
8 or

9 “(B) any activity to provide voters with
10 transportation to the polls or similar assistance
11 in connection with any such election.

12 “(2) DEFINITION.—For the purposes of this
13 subsection, the term ‘participant’ includes any State,
14 local area, or governmental, nonprofit, or for-profit
15 entity receiving funds under this Act.

16 “(3) RESTRICTION ON VOTER REGISTRATION
17 ACTIVITIES.—No funds under this Act shall be used
18 to conduct voter registration activities.”.

19 **Subtitle F—State Unified Plan**

20 **SEC. 140. STATE UNIFIED PLAN.**

21 Section 501 (20 U.S.C. 9271) is amended—

22 (1) by amending subsection (a) to read as fol-
23 lows:

1 “(a) GENERAL AUTHORITY.—The Secretary shall re-
2 ceive and approve State unified plans developed and sub-
3 mitted under this section.”;

4 (2) by amending subsection (b) to read as fol-
5 lows:

6 “(b) STATE UNIFIED PLAN.—

7 “(1) IN GENERAL.—A State may develop and
8 submit to the Secretary a State unified plan for 2
9 or more of the activities or programs set forth in
10 paragraph (2). The State unified plan shall cover
11 one or more of the activities set forth in subpara-
12 graphs (A) and (B) of paragraph (2) and may cover
13 one or more of the activities set forth in subpara-
14 graphs (C) through (N) of paragraph (2). For pur-
15 poses of this paragraph, the activities and programs
16 described in subparagraphs (A) and (B) of para-
17 graph (2) shall not be considered to be 2 or more
18 activities or programs for purposes of the unified
19 plan. Such activities or programs shall be considered
20 to be 1 activity or program.

21 “(2) ACTIVITIES AND PROGRAMS.—The activi-
22 ties and programs referred to in paragraph (1) are
23 as follows:

24 “(A) Programs and activities authorized
25 under title I.

1 “(B) Programs and activities authorized
2 under title II.

3 “(C) Programs authorized under the Reha-
4 bilitation Act of 1973.

5 “(D) Secondary career education programs
6 authorized under the Carl D. Perkins Career
7 and Applied Technology Education Act.

8 “(E) Postsecondary career education pro-
9 grams authorized under the Carl D. Perkins
10 Career and Applied Technology Education Act.

11 “(F) Programs and activities authorized
12 under title II of the Trade Act of 1974.

13 “(G) National Apprenticeship Act of 1937.

14 “(H) Programs authorized under the Com-
15 munity Services Block Grant Act.

16 “(I) Programs authorized under the part A
17 of title IV of the Social Security Act.

18 “(J) Programs authorized under State un-
19 employment compensation laws (in accordance
20 with applicable Federal law).

21 “(K) Work programs authorized under sec-
22 tion 6(o) of the Food Stamp Act of 1977.

23 “(L) Programs and activities authorized
24 title I of the Housing and Community Develop-
25 ment Act of 1974.

1 “(M) Programs and activities authorized
2 under the Public Workers and Economic Devel-
3 opment Act of 1965.

4 “(N) Activities as defined under chapter
5 41 of title 38, United States Code.”;

6 (3) by amending subsection (d) to read as fol-
7 lows:

8 “(d) APPROVAL.—

9 “(1) JURISDICTION.—In approving a State uni-
10 fied plan under this section, the Secretary shall—

11 “(A) submit the portion of the State uni-
12 fied plan covering an activity or program de-
13 scribed in subsection (b)(2) to the head of the
14 Federal agency who exercises administrative au-
15 thority over the activity or program for the ap-
16 proval of such portion by such Federal agency
17 head; or

18 “(B) coordinate approval of the portion of
19 the State unified plan covering an activity or
20 program described in subsection (b)(2) with the
21 head of the Federal agency who exercises ad-
22 ministrative authority over the activity or pro-
23 gram.

24 “(2) TIMELINE.—A State unified plan shall be
25 considered to be approved by the Secretary at the

1 end of the 90-day period beginning on the day the
2 Secretary receives the plan, unless the Secretary
3 makes a written determination, during the 90-day
4 period, that details how the plan is not consistent
5 with the requirements of the Federal statute author-
6 izing an activity or program described in subsection
7 (b)(2) and covered under the plan or how the plan
8 is not consistent with the requirements of subsection
9 (c)(3).”; and

10 (4) by adding at the end the following:

11 “(e) ADDITIONAL EMPLOYMENT AND TRAINING
12 FUNDS.—

13 “(1) PURPOSE.—It is the purpose of this sub-
14 section to reduce inefficiencies in the administration
15 of federally-funded State and local employment and
16 training programs.

17 “(2) IN GENERAL.—In developing a State uni-
18 fied plan for the activities or programs described in
19 subsection (b)(2) and subject to paragraph (4) and
20 the State plan approval process under subsection
21 (d), a State may propose to consolidate the amount,
22 in whole or part, provided for the activities or pro-
23 grams dedicated to employment and training into
24 the Workforce Investment Fund under section

1 132(b) to improve the administration of State and
2 local employment and training programs.

3 “(3) REQUIREMENTS.—A State with a State
4 unified plan approved under subsection (d) for pur-
5 poses of consolidation under paragraph (2) and that
6 is carrying out such consolidation shall—

7 “(A) continue to meet the program re-
8 quirements, limitations, and prohibitions of any
9 Federal statute authorizing the activity or pro-
10 gram consolidated into the Workforce Invest-
11 ment Fund;

12 “(B) meet the intent and purpose of the
13 activity or program consolidated into the Work-
14 force Investment Fund; and

15 “(C) continue to make reservations and al-
16 lotments under subsections (a) and (b) of sec-
17 tion 133.

18 “(4) EXCEPTIONS.—A State may not consoli-
19 date funds under paragraph (2) that are allocated to
20 the State under—

21 “(A) the Carl D. Perkins Career and Tech-
22 nical Education Act of 2006; or

23 “(B) the Rehabilitation Act of 1973.”.

1 **TITLE II—ADULT EDUCATION**
2 **AND FAMILY LITERACY EDU-**
3 **CATION**

4 **SEC. 201. AMENDMENT.**

5 Title II (20 U.S.C. 2901 et seq.) is amended to read
6 as follows:

7 **“TITLE II—ADULT EDUCATION**
8 **AND FAMILY LITERACY EDU-**
9 **CATION**

10 **“SEC. 201. SHORT TITLE.**

11 “This title may be cited as the ‘Adult Education and
12 Family Literacy Education Act’.

13 **“SEC. 202. PURPOSE.**

14 “It is the purpose of this title to provide instructional
15 opportunities for adults seeking to improve their literacy
16 skills, including their basic reading, writing, speaking, and
17 math skills, and support States and local communities in
18 providing, on a voluntary basis, adult education and family
19 literacy education programs, in order to—

20 “(1) increase the literacy of adults, including
21 the basic reading, writing, speaking, and math skills,
22 to a level of proficiency necessary for adults to ob-
23 tain employment and self-sufficiency and to success-
24 fully advance in the workforce;

1 “(2) assist adults in the completion of a sec-
2 ondary school education (or its equivalent) and the
3 transition to a postsecondary educational institution;

4 “(3) assist adults who are parents to enable
5 them to support the educational development of their
6 children and make informed choices regarding their
7 children’s education including, through instruction in
8 basic reading, writing, speaking, and math skills;
9 and

10 “(4) assist adults who are not proficient in
11 English in improving their reading, writing, speak-
12 ing, listening, comprehension, and math skills.

13 **“SEC. 203. DEFINITIONS.**

14 “In this title:

15 “(1) ADULT EDUCATION AND FAMILY LITERACY
16 EDUCATION PROGRAMS.—The term ‘adult education
17 and family literacy education programs’ means a se-
18 quence of academic instruction and educational serv-
19 ices below the postsecondary level that increase an
20 individual’s ability to read, write, and speak English
21 and perform mathematical computations leading to a
22 level of proficiency equivalent to at least a secondary
23 school completion that is provided for individuals—

24 “(A) who are at least 16 years of age;

1 “(B) who are not enrolled or required to be
2 enrolled in secondary school under State law;
3 and

4 “(C) who—

5 “(i) lack sufficient mastery of basic
6 reading, writing, speaking, and math skills
7 to enable the individuals to function effec-
8 tively in society;

9 “(ii) do not have a secondary school
10 diploma or its equivalent and have not
11 achieved an equivalent level of education;
12 or

13 “(iii) are English learners.

14 “(2) ELIGIBLE AGENCY.—The term ‘eligible
15 agency’—

16 “(A) means the primary entity or agency
17 in a State or an outlying area responsible for
18 administering or supervising policy for adult
19 education and family literacy education pro-
20 grams in the State or outlying area, respec-
21 tively, consistent with the law of the State or
22 outlying area, respectively; and

23 “(B) may be the State educational agency,
24 the State agency responsible for administering
25 workforce investment activities, or the State

1 agency responsible for administering community
2 or technical colleges.

3 “(3) ELIGIBLE PROVIDER.—The term ‘eligible
4 provider’ means an organization of demonstrated ef-
5 fectiveness which is—

6 “(A) a local educational agency;

7 “(B) a community-based or faith-based or-
8 ganization;

9 “(C) a volunteer literacy organization;

10 “(D) an institution of higher education;

11 “(E) a public or private educational agen-
12 cy;

13 “(F) a library;

14 “(G) a public housing authority;

15 “(H) an institution that is not described in
16 any of subparagraphs (A) through (G) and has
17 the ability to provide adult education, basic
18 skills, and family literacy education programs to
19 adults and families; or

20 “(I) a consortium of the agencies, organi-
21 zations, institutions, libraries, or authorities de-
22 scribed in any of subparagraphs (A) through
23 (H).

1 “(4) ENGLISH LANGUAGE ACQUISITION PRO-
2 GRAM.—The term ‘English language acquisition pro-
3 gram’ means a program of instruction—

4 “(A) designed to help English learners
5 achieve competence in reading, writing, speak-
6 ing, and comprehension of the English lan-
7 guage; and

8 “(B) that may lead to—

9 “(i) attainment of a secondary school
10 diploma or its recognized equivalent;

11 “(ii) transition to success in postsec-
12 ondary education and training; and

13 “(iii) employment or career advance-
14 ment.

15 “(5) FAMILY LITERACY EDUCATION PRO-
16 GRAM.—The term ‘family literacy education pro-
17 gram’ means an educational program that—

18 “(A) assists parents and students, on a
19 voluntary basis, in achieving the purposes of
20 this title as described in section 202; and

21 “(B) is of sufficient intensity in terms of
22 hours and of sufficient quality to make sustain-
23 able changes in a family, is evidence-based, and,
24 for the purpose of substantially increasing the

1 ability of parents and children to read, write,
2 and speak English, integrates—

3 “(i) interactive literacy activities be-
4 tween parents and their children;

5 “(ii) training for parents regarding
6 how to be the primary teacher for their
7 children and full partners in the education
8 of their children;

9 “(iii) parent literacy training that
10 leads to economic self-sufficiency; and

11 “(iv) an age-appropriate education to
12 prepare children for success in school and
13 life experiences.

14 “(6) GOVERNOR.—The term ‘Governor’ means
15 the chief executive officer of a State or outlying
16 area.

17 “(7) INDIVIDUAL WITH A DISABILITY.—

18 “(A) IN GENERAL.—The term ‘individual
19 with a disability’ means an individual with any
20 disability (as defined in section 3 of the Ameri-
21 cans with Disabilities Act of 1990).

22 “(B) INDIVIDUALS WITH DISABILITIES.—
23 The term ‘individuals with disabilities’ means
24 more than one individual with a disability.

1 “(8) ENGLISH LEARNER.—The term ‘English
2 learner’ means an adult or out-of-school youth who
3 has limited ability in reading, writing, speaking, or
4 understanding the English language, and—

5 “(A) whose native language is a language
6 other than English; or

7 “(B) who lives in a family or community
8 environment where a language other than
9 English is the dominant language.

10 “(9) INTEGRATED EDUCATION AND TRAIN-
11 ING.—The term ‘integrated education and training’
12 means services that provide adult education and lit-
13 eracy activities contextually and concurrently with
14 workforce preparation activities and workforce train-
15 ing for a specific occupation or occupational cluster.
16 Such services may include offering adult education
17 services concurrent with postsecondary education
18 and training, including through co-instruction.

19 “(10) INSTITUTION OF HIGHER EDUCATION.—
20 The term ‘institution of higher education’ has the
21 meaning given the term in section 101 of the Higher
22 Education Act of 1965.

23 “(11) LITERACY.—The term ‘literacy’ means an
24 individual’s ability to read, write, and speak in
25 English, compute, and solve problems at a level of

1 proficiency necessary to obtain employment and to
2 successfully make the transition to postsecondary
3 education.

4 “(12) LOCAL EDUCATIONAL AGENCY.—The
5 term ‘local educational agency’ has the meaning
6 given the term in section 9101 of the Elementary
7 and Secondary Education Act of 1965.

8 “(13) OUTLYING AREA.—The term ‘outlying
9 area’ has the meaning given the term in section 101
10 of this Act.

11 “(14) POSTSECONDARY EDUCATIONAL INSTITU-
12 TION.—The term ‘postsecondary educational institu-
13 tion’ means—

14 “(A) an institution of higher education
15 that provides not less than a 2-year program of
16 instruction that is acceptable for credit toward
17 a bachelor’s degree;

18 “(B) a tribally controlled community col-
19 lege; or

20 “(C) a nonprofit educational institution of-
21 fering certificate or apprenticeship programs at
22 the postsecondary level.

23 “(15) SECRETARY.—The term ‘Secretary’
24 means the Secretary of Education.

1 “(16) STATE.—The term ‘State’ means each of
2 the several States of the United States, the District
3 of Columbia, and the Commonwealth of Puerto Rico.

4 “(17) STATE EDUCATIONAL AGENCY.—The
5 term ‘State educational agency’ has the meaning
6 given the term in section 9101 of the Elementary
7 and Secondary Education Act of 1965.

8 “(18) WORKPLACE LITERACY PROGRAM.—The
9 term ‘workplace literacy program’ means an edu-
10 cational program that is offered in collaboration be-
11 tween eligible providers and employers or employee
12 organizations for the purpose of improving the pro-
13 ductivity of the workforce through the improvement
14 of reading, writing, speaking, and math skills.

15 **“SEC. 204. HOME SCHOOLS.**

16 “Nothing in this title shall be construed to affect
17 home schools, whether or not a home school is treated as
18 a home school or a private school under State law, or to
19 compel a parent engaged in home schooling to participate
20 in adult education and family literacy education activities
21 under this title.

22 **“SEC. 205. AUTHORIZATION OF APPROPRIATIONS.**

23 “There are authorized to be appropriated to carry out
24 this title, \$606,294,933 for fiscal years 2014 and for each
25 of the 6 succeeding fiscal years.

1 **“Subtitle A—Federal Provisions**

2 **“SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE**
3 **AGENCIES; ALLOTMENTS.**

4 “(a) RESERVATION OF FUNDS.—From the sums ap-
5 propriated under section 205 for a fiscal year, the Sec-
6 retary shall reserve 2.0 percent to carry out section 242.

7 “(b) GRANTS TO ELIGIBLE AGENCIES.—

8 “(1) IN GENERAL.—From the sums appro-
9 priated under section 205 and not reserved under
10 subsection (a) for a fiscal year, the Secretary shall
11 award a grant to each eligible agency having a State
12 plan approved under section 224 in an amount equal
13 to the sum of the initial allotment under subsection
14 (c)(1) and the additional allotment under subsection
15 (c)(2) for the eligible agency for the fiscal year, sub-
16 ject to subsections (f) and (g).

17 “(2) PURPOSE OF GRANTS.—The Secretary
18 may award a grant under paragraph (1) only if the
19 eligible agency involved agrees to expend the grant
20 in accordance with the provisions of this title.

21 “(c) ALLOTMENTS.—

22 “(1) INITIAL ALLOTMENTS.—From the sums
23 appropriated under section 205 and not reserved
24 under subsection (a) for a fiscal year, the Secretary

1 shall allot to each eligible agency having a State
2 plan approved under section 224—

3 “(A) \$100,000, in the case of an eligible
4 agency serving an outlying area; and

5 “(B) \$250,000, in the case of any other el-
6 igible agency.

7 “(2) ADDITIONAL ALLOTMENTS.—From the
8 sums appropriated under section 205, not reserved
9 under subsection (a), and not allotted under para-
10 graph (1), for a fiscal year, the Secretary shall allot
11 to each eligible agency that receives an initial allot-
12 ment under paragraph (1) an additional amount
13 that bears the same relationship to such sums as the
14 number of qualifying adults in the State or outlying
15 area served by the eligible agency bears to the num-
16 ber of such adults in all States and outlying areas.

17 “(d) QUALIFYING ADULT.—For the purpose of sub-
18 section (c)(2), the term ‘qualifying adult’ means an adult
19 who—

20 “(1) is at least 16 years of age;

21 “(2) is beyond the age of compulsory school at-
22 tendance under the law of the State or outlying
23 area;

24 “(3) does not have a secondary school diploma
25 or its recognized equivalent; and

1 “(4) is not enrolled in secondary school.

2 “(e) SPECIAL RULE.—

3 “(1) IN GENERAL.—From amounts made avail-
4 able under subsection (c) for the Republic of Palau,
5 the Secretary shall award grants to Guam, American
6 Samoa, the Commonwealth of the Northern Mariana
7 Islands, or the Republic of Palau to carry out activi-
8 ties described in this title in accordance with the
9 provisions of this title as determined by the Sec-
10 retary.

11 “(2) TERMINATION OF ELIGIBILITY.—Notwith-
12 standing any other provision of law, the Republic of
13 Palau shall be eligible to receive a grant under this
14 title until an agreement for the extension of United
15 States education assistance under the Compact of
16 Free Association for the Republic of Palau becomes
17 effective.

18 “(f) HOLD-HARMLESS PROVISIONS.—

19 “(1) IN GENERAL.—Notwithstanding subsection
20 (c) and subject to paragraph (2), for—

21 “(A) fiscal year 2014, no eligible agency
22 shall receive an allotment under this title that
23 is less than 90 percent of the allotment the eli-
24 gible agency received for fiscal year 2012 under
25 this title; and

1 “(B) fiscal year 2015 and each succeeding
2 fiscal year, no eligible agency shall receive an
3 allotment under this title that is less than 90
4 percent of the allotment the eligible agency re-
5 ceived for the preceding fiscal year under this
6 title.

7 “(2) RATABLE REDUCTION.—If, for any fiscal
8 year the amount available for allotment under this
9 title is insufficient to satisfy the provisions of para-
10 graph (1), the Secretary shall ratable reduce the
11 payments to all eligible agencies, as necessary.

12 “(g) REALLOTMENT.—The portion of any eligible
13 agency’s allotment under this title for a fiscal year that
14 the Secretary determines will not be required for the pe-
15 riod such allotment is available for carrying out activities
16 under this title, shall be available for reallocation from
17 time to time, on such dates during such period as the Sec-
18 retary shall fix, to other eligible agencies in proportion to
19 the original allotments to such agencies under this title
20 for such year.

21 **“SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.**

22 “Programs and activities authorized under this title
23 are subject to the performance accountability provisions
24 described in paragraph (2)(A) and (3) of section 136(b)
25 and may, at a State’s discretion, include additional indica-

1 tors identified in the State plan approved under section
2 224.

3 **“Subtitle B—State Provisions**

4 **“SEC. 221. STATE ADMINISTRATION.**

5 “Each eligible agency shall be responsible for the fol-
6 lowing activities under this title:

7 “(1) The development, submission, implementa-
8 tion, and monitoring of the State plan.

9 “(2) Consultation with other appropriate agen-
10 cies, groups, and individuals that are involved in, or
11 interested in, the development and implementation
12 of activities assisted under this title.

13 “(3) Coordination and avoidance of duplication
14 with other Federal and State education, training,
15 corrections, public housing, and social service pro-
16 grams.

17 **“SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING RE-** 18 **QUIREMENT.**

19 “(a) STATE DISTRIBUTION OF FUNDS.—Each eligi-
20 ble agency receiving a grant under this title for a fiscal
21 year—

22 “(1) shall use an amount not less than 82.5
23 percent of the grant funds to award grants and con-
24 tracts under section 231 and to carry out section

1 225, of which not more than 10 percent of such
2 amount shall be available to carry out section 225;

3 “(2) shall use not more than 12.5 percent of
4 the grant funds to carry out State leadership activi-
5 ties under section 223; and

6 “(3) shall use not more than 5 percent of the
7 grant funds, or \$65,000, whichever is greater, for
8 the administrative expenses of the eligible agency.

9 “(b) MATCHING REQUIREMENT.—

10 “(1) IN GENERAL.—In order to receive a grant
11 from the Secretary under section 211(b), each eligi-
12 ble agency shall provide, for the costs to be incurred
13 by the eligible agency in carrying out the adult edu-
14 cation and family literacy education programs for
15 which the grant is awarded, a non-Federal contribu-
16 tion in an amount that is not less than—

17 “(A) in the case of an eligible agency serv-
18 ing an outlying area, 12 percent of the total
19 amount of funds expended for adult education
20 and family literacy education programs in the
21 outlying area, except that the Secretary may
22 decrease the amount of funds required under
23 this subparagraph for an eligible agency; and

24 “(B) in the case of an eligible agency serv-
25 ing a State, 25 percent of the total amount of

1 funds expended for adult education and family
2 literacy education programs in the State.

3 “(2) NON-FEDERAL CONTRIBUTION.—An eligi-
4 ble agency’s non-Federal contribution required under
5 paragraph (1) may be provided in cash or in kind,
6 fairly evaluated, and shall include only non-Federal
7 funds that are used for adult education and family
8 literacy education programs in a manner that is con-
9 sistent with the purpose of this title.

10 **“SEC. 223. STATE LEADERSHIP ACTIVITIES.**

11 “(a) IN GENERAL.—Each eligible agency may use
12 funds made available under section 222(a)(2) for any of
13 the following adult education and family literacy education
14 programs:

15 “(1) The establishment or operation of profes-
16 sional development programs to improve the quality
17 of instruction provided pursuant to local activities
18 required under section 231(b).

19 “(2) The provision of technical assistance to eli-
20 gible providers of adult education and family literacy
21 education programs, including for the development
22 and dissemination of evidence based research in-
23 structional practices in reading, writing, speaking,
24 math, and English language acquisition programs.

1 “(3) The provision of assistance to eligible pro-
2 viders in developing, implementing, and reporting
3 measurable progress in achieving the objectives of
4 this title.

5 “(4) The monitoring and evaluation of the qual-
6 ity of, and the improvement in, adult education and
7 literacy activities.

8 “(5) The provision of technology assistance, in-
9 cluding staff training, to eligible providers of adult
10 education and family literacy education programs,
11 including distance education activities, to enable the
12 eligible providers to improve the quality of such ac-
13 tivities.

14 “(6) The development and implementation of
15 technology applications or distance education, in-
16 cluding professional development to support the use
17 of instructional technology.

18 “(7) Coordination with other public programs,
19 including programs under title I of this Act, and
20 other welfare-to-work, workforce development, and
21 job training programs.

22 “(8) Coordination with existing support serv-
23 ices, such as transportation, child care, and other
24 assistance designed to increase rates of enrollment
25 in, and successful completion of, adult education and

1 family literacy education programs, for adults en-
2 rolled in such activities.

3 “(9) The development and implementation of a
4 system to assist in the transition from adult basic
5 education to postsecondary education.

6 “(10) Activities to promote workplace literacy
7 programs.

8 “(11) Other activities of statewide significance,
9 including assisting eligible providers in achieving
10 progress in improving the skill levels of adults who
11 participate in programs under this title.

12 “(12) Integration of literacy, instructional, and
13 occupational skill training and promotion of linkages
14 with employees.

15 “(b) COORDINATION.—In carrying out this section,
16 eligible agencies shall coordinate where possible, and avoid
17 duplicating efforts, in order to maximize the impact of the
18 activities described in subsection (a).

19 “(c) STATE-IMPOSED REQUIREMENTS.—Whenever a
20 State or outlying area implements any rule or policy relat-
21 ing to the administration or operation of a program au-
22 thorized under this title that has the effect of imposing
23 a requirement that is not imposed under Federal law (in-
24 cluding any rule or policy based on a State or outlying
25 area interpretation of a Federal statute, regulation, or

1 guideline), the State or outlying area shall identify, to eli-
2 gible providers, the rule or policy as being imposed by the
3 State or outlying area.

4 **“SEC. 224. STATE PLAN.**

5 “(a) 3-YEAR PLANS.—

6 “(1) IN GENERAL.—Each eligible agency desir-
7 ing a grant under this title for any fiscal year shall
8 submit to, or have on file with, the Secretary a 3-
9 year State plan.

10 “(2) STATE UNIFIED PLAN.—The eligible agen-
11 cy may submit the State plan as part of a State uni-
12 fied plan described in section 501.

13 “(b) PLAN CONTENTS.—The eligible agency shall in-
14 clude in the State plan or any revisions to the State plan—

15 “(1) an objective assessment of the needs of in-
16 dividuals in the State or outlying area for adult edu-
17 cation and family literacy education programs, in-
18 cluding individuals most in need or hardest to serve;

19 “(2) a description of the adult education and
20 family literacy education programs that will be car-
21 ried out with funds received under this title;

22 “(3) an assurance that the funds received under
23 this title will not be expended for any purpose other
24 than for activities under this title;

1 “(4) a description of how the eligible agency
2 will annually evaluate and measure the effectiveness
3 and improvement of the adult education and family
4 literacy education programs funded under this title
5 using the indicators of performance described in sec-
6 tion 136, including how the eligible agency will con-
7 duct such annual evaluations and measures for each
8 grant received under this title;

9 “(5) a description of how the eligible agency
10 will fund local activities in accordance with the
11 measurable goals described in section 231(d);

12 “(6) an assurance that the eligible agency will
13 expend the funds under this title only in a manner
14 consistent with fiscal requirements in section 241;

15 “(7) a description of the process that will be
16 used for public participation and comment with re-
17 spect to the State plan, which—

18 “(A) shall include consultation with the
19 State workforce investment board, the State
20 board responsible for administering community
21 or technical colleges, the Governor, the State
22 educational agency, the State board or agency
23 responsible for administering block grants for
24 temporary assistance to needy families under
25 title IV of the Social Security Act, the State

1 council on disabilities, the State vocational re-
2 habilitation agency, and other State agencies
3 that promote the improvement of adult edu-
4 cation and family literacy education programs,
5 and direct providers of such programs; and

6 “(B) may include consultation with the
7 State agency on higher education, institutions
8 responsible for professional development of
9 adult education and family literacy education
10 programs instructors, representatives of busi-
11 ness and industry, refugee assistance programs,
12 and faith-based organizations;

13 “(8) a description of the eligible agency’s strat-
14 egies for serving populations that include, at a min-
15 imum—

16 “(A) low-income individuals;

17 “(B) individuals with disabilities;

18 “(C) the unemployed;

19 “(D) the underemployed; and

20 “(E) individuals with multiple barriers to
21 educational enhancement, including English
22 learners;

23 “(9) a description of how the adult education
24 and family literacy education programs that will be
25 carried out with any funds received under this title

1 will be integrated with other adult education, career
2 development, and employment and training activities
3 in the State or outlying area served by the eligible
4 agency;

5 “(10) a description of the steps the eligible
6 agency will take to ensure direct and equitable ac-
7 cess, as required in section 231(c)(1), including—

8 “(A) how the State will build the capacity
9 of community-based and faith-based organiza-
10 tions to provide adult education and family lit-
11 eracy education programs; and

12 “(B) how the State will increase the par-
13 ticipation of business and industry in adult edu-
14 cation and family literacy education programs;

15 “(11) an assessment of the adequacy of the sys-
16 tem of the State or outlying area to ensure teacher
17 quality and a description of how the State or out-
18 lying area will use funds received under this subtitle
19 to improve teacher quality, including evidence-based
20 professional development to improve instruction; and

21 “(12) a description of how the eligible agency
22 will consult with any State agency responsible for
23 postsecondary education to develop adult education
24 that prepares students to enter postsecondary edu-

1 cation without the need for remediation upon com-
2 pletion of secondary school equivalency programs.

3 “(c) PLAN REVISIONS.—When changes in conditions
4 or other factors require substantial revisions to an ap-
5 proved State plan, the eligible agency shall submit the re-
6 visions of the State plan to the Secretary.

7 “(d) CONSULTATION.—The eligible agency shall—

8 “(1) submit the State plan, and any revisions to
9 the State plan, to the Governor, the chief State
10 school officer, or the State officer responsible for ad-
11 ministering community or technical colleges, or out-
12 lying area for review and comment; and

13 “(2) ensure that any comments regarding the
14 State plan by the Governor, the chief State school
15 officer, or the State officer responsible for admin-
16 istering community or technical colleges, and any re-
17 vision to the State plan, are submitted to the Sec-
18 retary.

19 “(e) PLAN APPROVAL.—The Secretary shall—

20 “(1) approve a State plan within 90 days after
21 receiving the plan unless the Secretary makes a writ-
22 ten determination within 30 days after receiving the
23 plan that the plan does not meet the requirements
24 of this section or is inconsistent with specific provi-
25 sions of this subtitle; and

1 “(2) not finally disapprove of a State plan be-
2 fore offering the eligible agency the opportunity,
3 prior to the expiration of the 30-day period begin-
4 ning on the date on which the eligible agency re-
5 ceived the written determination described in para-
6 graph (3), to review the plan and providing technical
7 assistance in order to assist the eligible agency in
8 meeting the requirements of this subtitle.

9 **“SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND**
10 **OTHER INSTITUTIONALIZED INDIVIDUALS.**

11 “(a) PROGRAM AUTHORIZED.—From funds made
12 available under section 222(a)(1) for a fiscal year, each
13 eligible agency shall carry out corrections education and
14 education for other institutionalized individuals.

15 “(b) USES OF FUNDS.—The funds described in sub-
16 section (a) shall be used for the cost of educational pro-
17 grams for criminal offenders in correctional institutions
18 and for other institutionalized individuals, including aca-
19 demic programs for—

20 “(1) basic skills education;

21 “(2) special education programs as determined
22 by the eligible agency;

23 “(3) reading, writing, speaking, and math pro-
24 grams;

1 “(4) secondary school credit or diploma pro-
2 grams or their recognized equivalent; and

3 “(5) integrated education and training.

4 “(c) PRIORITY.—Each eligible agency that is using
5 assistance provided under this section to carry out a pro-
6 gram for criminal offenders within a correctional institu-
7 tion shall give priority to serving individuals who are likely
8 to leave the correctional institution within 5 years of par-
9 ticipation in the program.

10 “(d) DEFINITIONS.—For purposes of this section:

11 “(1) CORRECTIONAL INSTITUTION.—The term
12 ‘correctional institution’ means any—

13 “(A) prison;

14 “(B) jail;

15 “(C) reformatory;

16 “(D) work farm;

17 “(E) detention center; or

18 “(F) halfway house, community-based re-
19 habilitation center, or any other similar institu-
20 tion designed for the confinement or rehabilita-
21 tion of criminal offenders.

22 “(2) CRIMINAL OFFENDER.—The term ‘crimi-
23 nal offender’ means any individual who is charged
24 with, or convicted of, any criminal offense.

1 **“Subtitle C—Local Provisions**

2 **“SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PRO-**
3 **VIDERS.**

4 “(a) GRANTS AND CONTRACTS.—From grant funds
5 made available under section 222(a)(1), each eligible agen-
6 cy shall award multi-year grants or contracts, on a com-
7 petitive basis, to eligible providers within the State or out-
8 lying area that meet the conditions and requirements of
9 this title to enable the eligible providers to develop, imple-
10 ment, and improve adult education and family literacy
11 education programs within the State.

12 “(b) LOCAL ACTIVITIES.—The eligible agency shall
13 require eligible providers receiving a grant or contract
14 under subsection (a) to establish or operate—

15 “(1) programs that provide adult education and
16 literacy activities;

17 “(2) programs that provide integrated employ-
18 ment and training activities; or

19 “(3) credit-bearing postsecondary coursework.

20 “(c) DIRECT AND EQUITABLE ACCESS; SAME PROC-
21 ESS.—Each eligible agency receiving funds under this title
22 shall ensure that—

23 “(1) all eligible providers have direct and equi-
24 table access to apply for grants or contracts under
25 this section; and

1 “(2) the same grant or contract announcement
2 process and application process is used for all eligi-
3 ble providers in the State or outlying area.

4 “(d) MEASURABLE GOALS.—The eligible agency shall
5 require eligible providers receiving a grant or contract
6 under subsection (a) to demonstrate—

7 “(1) the eligible provider’s measurable goals for
8 participant outcomes to be achieved annually on the
9 core indicators of performance described in section
10 136(b)(2)(A);

11 “(2) the past effectiveness of the eligible pro-
12 vider in improving the basic academic skills of adults
13 and, for eligible providers receiving grants in the
14 prior year, the success of the eligible provider receiv-
15 ing funding under this title in exceeding its perform-
16 ance goals in the prior year;

17 “(3) the commitment of the eligible provider to
18 serve individuals in the community who are the most
19 in need of basic academic skills instruction services,
20 including individuals with disabilities and individuals
21 who are low-income or have minimal reading, writ-
22 ing, speaking, and math skills, or are English learn-
23 ers;

1 “(4) the program is of sufficient intensity and
2 quality for participants to achieve substantial learn-
3 ing gains;

4 “(5) educational practices are evidence-based;

5 “(6) the activities of the eligible provider effec-
6 tively employ advances in technology, and delivery
7 systems including distance education;

8 “(7) the activities provide instruction in real-life
9 contexts, including integrated education and training
10 when appropriate, to ensure that an individual has
11 the skills needed to compete in the workplace and
12 exercise the rights and responsibilities of citizenship;

13 “(8) the activities are staffed by well-trained in-
14 structors, counselors, and administrators who meet
15 minimum qualifications established by the State;

16 “(9) the activities are coordinated with other
17 available resources in the community, such as
18 through strong links with elementary schools and
19 secondary schools, postsecondary educational institu-
20 tions, local workforce investment boards, one-stop
21 centers, job training programs, community-based
22 and faith-based organizations, and social service
23 agencies;

24 “(10) the activities offer flexible schedules and
25 support services (such as child care and transpor-

1 tation) that are necessary to enable individuals, in-
2 cluding individuals with disabilities or other special
3 needs, to attend and complete programs;

4 “(11) the activities include a high-quality infor-
5 mation management system that has the capacity to
6 report measurable participant outcomes (consistent
7 with section 136) and to monitor program perform-
8 ance;

9 “(12) the local communities have a dem-
10 onstrated need for additional English language ac-
11 quisition programs, and integrated education and
12 training programs;

13 “(13) the capacity of the eligible provider to
14 produce valid information on performance results,
15 including enrollments and measurable participant
16 outcomes;

17 “(14) adult education and family literacy edu-
18 cation programs offer rigorous reading, writing,
19 speaking, and math content that are evidence based;
20 and

21 “(15) applications of technology, and services to
22 be provided by the eligible providers, are of sufficient
23 intensity and duration to increase the amount and
24 quality of learning and lead to measurable learning
25 gains within specified time periods.

1 “(e) SPECIAL RULE.—Eligible providers may use
2 grant funds under this title to serve children participating
3 in family literacy programs assisted under this part, pro-
4 vided that other sources of funds available to provide simi-
5 lar services for such children are used first.

6 **“SEC. 232. LOCAL APPLICATION.**

7 “Each eligible provider desiring a grant or contract
8 under this title shall submit an application to the eligible
9 agency containing such information and assurances as the
10 eligible agency may require, including—

11 “(1) a description of how funds awarded under
12 this title will be spent consistent with the require-
13 ments of this title;

14 “(2) a description of any cooperative arrange-
15 ments the eligible provider has with other agencies,
16 institutions, or organizations for the delivery of
17 adult education and family literacy education pro-
18 grams; and

19 “(3) each of the demonstrations required by
20 section 231(d).

21 **“SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.**

22 “(a) IN GENERAL.—Subject to subsection (b), of the
23 amount that is made available under this title to an eligi-
24 ble provider—

1 “(1) at least 95 percent shall be expended for
2 carrying out adult education and family literacy edu-
3 cation programs; and

4 “(2) the remaining amount shall be used for
5 planning, administration, personnel and professional
6 development, development of measurable goals in
7 reading, writing, speaking, and math, and inter-
8 agency coordination.

9 “(b) SPECIAL RULE.—In cases where the cost limits
10 described in subsection (a) are too restrictive to allow for
11 adequate planning, administration, personnel develop-
12 ment, and interagency coordination, the eligible provider
13 may negotiate with the eligible agency in order to deter-
14 mine an adequate level of funds to be used for noninstruc-
15 tional purposes.

16 **“Subtitle D—General Provisions**

17 **“SEC. 241. ADMINISTRATIVE PROVISIONS.**

18 “Funds made available for adult education and fam-
19 ily literacy education programs under this title shall sup-
20 plement and not supplant other State or local public funds
21 expended for adult education and family literacy education
22 programs.

23 **“SEC. 242. NATIONAL ACTIVITIES.**

24 “The Secretary shall establish and carry out a pro-
25 gram of national activities that may include the following:

1 “(1) Providing technical assistance to eligible
2 entities, on request, to—

3 “(A) improve their fiscal management, re-
4 search-based instruction, and reporting require-
5 ments to carry out the requirements of this
6 title;

7 “(B) improve its performance on the core
8 indicators of performance described in section
9 136;

10 “(C) provide adult education professional
11 development; and

12 “(D) use distance education and improve
13 the application of technology in the classroom,
14 including instruction in English language acqui-
15 sition for English learners.

16 “(2) Providing for the conduct of research on
17 national literacy basic skill acquisition levels among
18 adults, including the number of adult English learn-
19 ers functioning at different levels of reading pro-
20 ficiency.

21 “(3) Improving the coordination, efficiency, and
22 effectiveness of adult education and workforce devel-
23 opment services at the national, State, and local lev-
24 els.

1 “(4) Determining how participation in adult
2 education, English language acquisition, and family
3 literacy education programs prepares individuals for
4 entry into and success in postsecondary education
5 and employment, and in the case of prison-based
6 services, the effect on recidivism.

7 “(5) Evaluating how different types of pro-
8 viders, including community and faith-based organi-
9 zations or private for-profit agencies measurably im-
10 prove the skills of participants in adult education,
11 English language acquisition, and family literacy
12 education programs.

13 “(6) Identifying model integrated basic and
14 workplace skills education programs, including pro-
15 grams for English learners coordinated literacy and
16 employment services, and effective strategies for
17 serving adults with disabilities.

18 “(7) Initiating other activities designed to im-
19 prove the measurable quality and effectiveness of
20 adult education, English language acquisition, and
21 family literacy education programs nationwide.”.

1 **TITLE III—AMENDMENTS TO**
2 **THE WAGNER-PEYSER ACT**

3 **SEC. 301. AMENDMENTS TO THE WAGNER-PEYSER ACT.**

4 The Wagner-Peyser Act (29 U.S.C. 49 et seq.) is
5 amended by amending section 15 to read as follows:

6 **“SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION**
7 **SYSTEM.**

8 “(a) SYSTEM CONTENT.—

9 “(1) IN GENERAL.—The Secretary of Labor, in
10 accordance with the provisions of this section, shall
11 oversee the development, maintenance, and contin-
12 uous improvement of a nationwide workforce and
13 labor market information system that includes—

14 “(A) statistical data from cooperative sta-
15 tistical survey and projection programs and
16 data from administrative reporting systems
17 that, taken together, enumerate, estimate, and
18 project employment opportunities and condi-
19 tions at national, State, and local levels in a
20 timely manner, including statistics on—

21 “(i) employment and unemployment
22 status of national, State, and local popu-
23 lations, including self-employed, part-time,
24 and seasonal workers;

1 “(ii) industrial distribution of occupa-
2 tions, as well as current and projected em-
3 ployment opportunities, wages, benefits
4 (where data is available), and skill trends
5 by occupation and industry, with particular
6 attention paid to State and local condi-
7 tions;

8 “(iii) the incidence of, industrial and
9 geographical location of, and number of
10 workers displaced by, permanent layoffs
11 and plant closings; and

12 “(iv) employment and earnings infor-
13 mation maintained in a longitudinal man-
14 ner to be used for research and program
15 evaluation;

16 “(B) information on State and local em-
17 ployment opportunities, and other appropriate
18 statistical data related to labor market dynam-
19 ics, which—

20 “(i) shall be current and comprehen-
21 sive;

22 “(ii) shall meet the needs identified
23 through the consultations described in sub-
24 paragraphs (A) and (B) of subsection
25 (e)(2); and

1 “(iii) shall meet the needs for the in-
2 formation identified in section 121;

3 “(C) technical standards (which the Sec-
4 retary shall publish annually) for data and in-
5 formation described in subparagraphs (A) and
6 (B) that, at a minimum, meet the criteria of
7 chapter 35 of title 44, United States Code;

8 “(D) procedures to ensure compatibility
9 and additivity of the data and information de-
10 scribed in subparagraphs (A) and (B) from na-
11 tional, State, and local levels;

12 “(E) procedures to support standardization
13 and aggregation of data from administrative re-
14 porting systems described in subparagraph (A)
15 of employment-related programs;

16 “(F) analysis of data and information de-
17 scribed in subparagraphs (A) and (B) for uses
18 such as—

19 “(i) national, State, and local policy-
20 making;

21 “(ii) implementation of Federal poli-
22 cies (including allocation formulas);

23 “(iii) program planning and evalua-
24 tion; and

1 “(iv) researching labor market dynam-
2 ics;

3 “(G) wide dissemination of such data, in-
4 formation, and analysis in a user-friendly man-
5 ner and voluntary technical standards for dis-
6 semination mechanisms; and

7 “(H) programs of—

8 “(i) training for effective data dis-
9 semination;

10 “(ii) research and demonstration; and

11 “(iii) programs and technical assist-
12 ance.

13 “(2) INFORMATION TO BE CONFIDENTIAL.—

14 “(A) IN GENERAL.—No officer or em-
15 ployee of the Federal Government or agent of
16 the Federal Government may—

17 “(i) use any submission that is fur-
18 nished for exclusively statistical purposes
19 under the provisions of this section for any
20 purpose other than the statistical purposes
21 for which the submission is furnished;

22 “(ii) disclose to the public any publi-
23 cation or media transmittal of the data
24 contained in the submission described in
25 clause (i) that permits information con-

1 cerning an individual subject to be reason-
2 ably inferred by either direct or indirect
3 means; or

4 “(iii) permit anyone other than a
5 sworn officer, employee, or agent of any
6 Federal department or agency, or a con-
7 tractor (including an employee of a con-
8 tractor) of such department or agency, to
9 examine an individual submission described
10 in clause (i),

11 without the consent of the individual, agency, or
12 other person who is the subject of the submis-
13 sion or provides that submission.

14 “(B) IMMUNITY FROM LEGAL PROCESS.—

15 Any submission (including any data derived
16 from the submission) that is collected and re-
17 tained by a Federal department or agency, or
18 an officer, employee, agent, or contractor of
19 such a department or agency, for exclusively
20 statistical purposes under this section shall be
21 immune from the legal process and shall not,
22 without the consent of the individual, agency, or
23 other person who is the subject of the submis-
24 sion or provides that submission, be admitted
25 as evidence or used for any purpose in any ac-

1 tion, suit, or other judicial or administrative
2 proceeding.

3 “(C) RULE OF CONSTRUCTION.—Nothing
4 in this section shall be construed to provide im-
5 munity from the legal process for such submis-
6 sion (including any data derived from the sub-
7 mission) if the submission is in the possession
8 of any person, agency, or entity other than the
9 Federal Government or an officer, employee,
10 agent, or contractor of the Federal Government,
11 or if the submission is independently collected,
12 retained, or produced for purposes other than
13 the purposes of this Act.

14 “(b) SYSTEM RESPONSIBILITIES.—

15 “(1) IN GENERAL.—The workforce and labor
16 market information system described in subsection
17 (a) shall be planned, administered, overseen, and
18 evaluated through a cooperative governance struc-
19 ture involving the Federal Government and States.

20 “(2) DUTIES.—The Secretary, with respect to
21 data collection, analysis, and dissemination of work-
22 force and labor market information for the system,
23 shall carry out the following duties:

24 “(A) Assign responsibilities within the De-
25 partment of Labor for elements of the work-

1 force and labor market information system de-
2 scribed in subsection (a) to ensure that all sta-
3 tistical and administrative data collected is con-
4 sistent with appropriate Bureau of Labor Sta-
5 tistics standards and definitions.

6 “(B) Actively seek the cooperation of other
7 Federal agencies to establish and maintain
8 mechanisms for ensuring complementarity and
9 nonduplication in the development and oper-
10 ation of statistical and administrative data col-
11 lection activities.

12 “(C) Eliminate gaps and duplication in
13 statistical undertakings, with the systemization
14 of wage surveys as an early priority.

15 “(D) In collaboration with the Bureau of
16 Labor Statistics and States, develop and main-
17 tain the elements of the workforce and labor
18 market information system described in sub-
19 section (a), including the development of con-
20 sistent procedures and definitions for use by the
21 States in collecting the data and information
22 described in subparagraphs (A) and (B) of sub-
23 section (a)(1).

24 “(E) Establish procedures for the system
25 to ensure that—

1 “(i) such data and information are
2 timely;

3 “(ii) paperwork and reporting for the
4 system are reduced to a minimum; and

5 “(iii) States and localities are fully in-
6 volved in the development and continuous
7 improvement of the system at all levels.

8 “(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE
9 SERVICES.—The Secretary is authorized to assist in the
10 development of national electronic tools that may be used
11 to facilitate the delivery of work ready services described
12 in section 134(c)(2) and to provide workforce information
13 to individuals through the one-stop delivery systems de-
14 scribed in section 121 and through other appropriate de-
15 livery systems.

16 “(d) COORDINATION WITH THE STATES.—

17 “(1) IN GENERAL.—The Secretary, working
18 through the Bureau of Labor Statistics and the Em-
19 ployment and Training Administration, shall regu-
20 larly consult with representatives of State agencies
21 carrying out workforce information activities regard-
22 ing strategies for improving the workforce and labor
23 market information system.

24 “(2) FORMAL CONSULTATIONS.—At least twice
25 each year, the Secretary, working through the Bu-

1 reau of Labor Statistics, shall conduct formal con-
2 sultations regarding programs carried out by the
3 Bureau of Labor Statistics with representatives of
4 each of the Federal regions of the Bureau of Labor
5 Statistics, elected (pursuant to a process established
6 by the Secretary) from the State directors affiliated
7 with State agencies that perform the duties de-
8 scribed in subsection (e)(2).

9 “(e) STATE RESPONSIBILITIES.—

10 “(1) IN GENERAL.—In order to receive Federal
11 financial assistance under this section, the Governor
12 of a State shall—

13 “(A) be responsible for the management of
14 the portions of the workforce and labor market
15 information system described in subsection (a)
16 that comprise a statewide workforce and labor
17 market information system and for the State’s
18 participation in the development of the annual
19 plan;

20 “(B) establish a process for the oversight
21 of such system;

22 “(C) consult with State and local employ-
23 ers, participants, and local workforce invest-
24 ment boards about the labor market relevance
25 of the data to be collected and disseminated

1 through the statewide workforce and labor mar-
2 ket information system;

3 “(D) consult with State educational agen-
4 cies and local educational agencies concerning
5 the provision of employment statistics in order
6 to meet the needs of secondary school and post-
7 secondary school students who seek such infor-
8 mation;

9 “(E) collect and disseminate for the sys-
10 tem, on behalf of the State and localities in the
11 State, the information and data described in
12 subparagraphs (A) and (B) of subsection
13 (a)(1);

14 “(F) maintain and continuously improve
15 the statewide workforce and labor market infor-
16 mation system in accordance with this section;

17 “(G) perform contract and grant respon-
18 sibilities for data collection, analysis, and dis-
19 semination for such system;

20 “(H) conduct such other data collection,
21 analysis, and dissemination activities as will en-
22 sure an effective statewide workforce and labor
23 market information system;

24 “(I) actively seek the participation of other
25 State and local agencies in data collection, anal-

1 ysis, and dissemination activities in order to en-
2 sure complementarity, compatibility, and useful-
3 ness of data;

4 “(J) participate in the development of the
5 annual plan described in subsection (c); and

6 “(K) utilize the quarterly records described
7 in section 136(f)(2) to assist the State and
8 other States in measuring State progress on
9 State performance measures.

10 “(2) RULE OF CONSTRUCTION.—Nothing in
11 this section shall be construed as limiting the ability
12 of a Governor to conduct additional data collection,
13 analysis, and dissemination activities with State
14 funds or with Federal funds from sources other than
15 this section.

16 “(f) NONDUPLICATION REQUIREMENT.—None of the
17 functions and activities carried out pursuant to this sec-
18 tion shall duplicate the functions and activities carried out
19 under the Carl D. Perkins Career and Technical Edu-
20 cation Act of 2006 (20 U.S.C. 2301 et seq.).

21 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated to carry out this section
23 \$63,473,000 for fiscal year 2014 and each of the 6 suc-
24 ceeding fiscal years.

1 “(h) DEFINITION.—In this section, the term ‘local
2 area’ means the smallest geographical area for which data
3 can be produced with statistical reliability.”.

4 **TITLE IV—REPEALS AND** 5 **CONFORMING AMENDMENTS**

6 **SEC. 401. REPEALS.**

7 The following provisions are repealed:

8 (1) Chapter 4 of subtitle B of title I, and sec-
9 tions 123, 155, 166, 167, 168, 169, 171, 173, 173A,
10 174, 192, 194, 502, 503, and 506 of the Workforce
11 Investment Act of 1998, as in effect on the day be-
12 fore the date of enactment of the SKILLS Act.

13 (2) Title V of the Older Americans Act of 1965
14 (42 U.S.C. 3056 et seq.).

15 (3) Sections 1 through 14 of the Wagner-
16 Peyser Act (29 U.S.C. 49 et seq.).

17 (4) Twenty-First Century Workforce Commis-
18 sion Act (29 U.S.C. 2701 note).

19 (5) Public Law 91–378, 16 U.S.C. 1701 et seq.
20 (popularly known as the “Youth Conservation Corps
21 Act of 1970”).

22 (6) Section 821 of the Higher Education
23 Amendments of 1998 (20 U.S.C. 1151) (Grants to
24 States for workplace and community transition
25 training for incarcerated individuals).

1 (7) The Women in Apprenticeship and Non-
2 traditional Occupations Act (29 U.S.C. 2501 et
3 seq.).

4 (8) Sections 4103A and 4104 of title 38,
5 United States Code.

6 **SEC. 402. AMENDMENT TO THE COMPREHENSIVE ENVIRON-**
7 **MENTAL RESPONSE, COMPENSATION, AND LI-**
8 **ABILITY ACT OF 1980.**

9 Section 104(k)(6) of the Comprehensive Environ-
10 mental Response, Compensation, and Liability Act of
11 1980 (42 U.S.C. 9604) is amended by striking “, train-
12 ing,”.

13 **SEC. 403. AMENDMENTS TO THE FOOD AND NUTRITION ACT**
14 **OF 2008.**

15 (a) DEFINITION.—Section 3(t) of the Food and Nu-
16 trition Act of 2008 (7 U.S.C. 2012(t)) is amended—

17 (1) by striking “and (2)” and inserting “(2)”,
18 and

19 (2) by inserting before the period at the end the
20 following:

21 “, and (3) when referencing employment and train-
22 ing activities under section 6(d)(4), a State board as
23 defined in section 101 of the Workforce Investment
24 Act of 1998 (29 U.S.C. 2801)”.

1 (b) ELIGIBLE HOUSEHOLDS.—Section 5 of the Food
2 and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

3 (1) in subsection (d)(14) by striking “section
4 6(d)(4)(I)” and inserting “section 6(d)(4)(C)”, and

5 (2) in subsection (g)(3) by striking “constitutes
6 adequate participation in an employment and train-
7 ing program under section 6(d)” and inserting “al-
8 lows the individual to participate in employment and
9 training activities under section 6(d)(4)”.

10 (c) ELIGIBILITY DISQUALIFICATIONS.—Section
11 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C.
12 2015(d)(4)) is amended to read as follows:

13 “(4) EMPLOYMENT AND TRAINING.—

14 “(A) IMPLEMENTATION.—Each State
15 agency shall provide employment and training
16 services authorized under section 134 of the
17 Workforce Investment Act of 1998 (29 U.S.C.
18 2864) to eligible members of households partici-
19 pating in the supplemental nutrition assistance
20 program in gaining skills, training, work, or ex-
21 perience that will increase their ability to obtain
22 regular employment.

23 “(B) STATEWIDE WORKFORCE DEVELOP-
24 MENT SYSTEM.—Consistent with subparagraph
25 (A), employment and training services shall be

1 provided through the statewide workforce devel-
2 opment system, including the One-Stop delivery
3 system, authorized by the Workforce Invest-
4 ment Act of 1998 (29 U.S.C. 2801 et seq.).

5 “(C) REIMBURSEMENTS.—

6 “(i) ACTUAL COSTS.—The State agen-
7 cy shall provide payments or reimburse-
8 ment to participants served under this
9 paragraph for—

10 “(I) the actual costs of transpor-
11 tation and other actual costs (other
12 than dependent care costs) that are
13 reasonably necessary and directly re-
14 lated to the individual participating in
15 employment and training activities;
16 and

17 “(II) the actual costs of such de-
18 pendent care expenses that are deter-
19 mined by the State agency to be nec-
20 essary for the individual to participate
21 in employment and training activities
22 (other than an individual who is the
23 caretaker relative of a dependent in a
24 family receiving benefits under part A
25 of title IV of the Social Security Act

1 (42 U.S.C. 601 et seq.) in a local area
2 where an employment, training, or
3 education program under title IV of
4 such Act is in operation), except that
5 no such payment or reimbursement
6 shall exceed the applicable local mar-
7 ket rate.

8 “(ii) SERVICE CONTRACTS AND
9 VOUCHERS.—In lieu of providing reim-
10 bursements or payments for dependent
11 care expenses under clause (i), a State
12 agency may, at its option, arrange for de-
13 pendent care through providers by the use
14 of purchase of service contracts or vouch-
15 ers or by providing vouchers to the house-
16 hold.

17 “(iii) VALUE OF REIMBURSEMENTS.—
18 The value of any dependent care services
19 provided for or arranged under clause (ii),
20 or any amount received as a payment or
21 reimbursement under clause (i), shall—

22 “(I) not be treated as income for
23 the purposes of any other Federal or
24 federally assisted program that bases

1 eligibility for, or the amount of bene-
2 fits on, need; and

3 “(II) not be claimed as an em-
4 ployment-related expense for the pur-
5 poses of the credit provided under sec-
6 tion 21 of the Internal Revenue Code
7 of 1986 (26 U.S.C. 21).”.

8 (d) ADMINISTRATION.—Section 11(e)(19) of the
9 Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)(11))
10 is amended to read as follows:

11 “(19) the plans of the State agency for pro-
12 viding employment and training services under sec-
13 tion 6(d)(4);”.

14 (e) ADMINISTRATIVE COST-SHARING AND QUALITY
15 CONTROL.—Section 16(h) of the Food and Nutrition Act
16 of 2008 (7 U.S.C. 2025) is amended—

17 (1) in paragraph (1)—

18 (A) in subparagraph (A) by striking “carry
19 out employment and training programs” and
20 inserting “provide employment and training
21 services to eligible households under section
22 6(d)(4)”, and

23 (B) in subparagraph (D) by striking “op-
24 erating an employment and training program”

1 and inserting “providing employment and train-
2 ing services consistent with section 6(d)(4)”,

3 (2) in paragraph (3) by striking “related to
4 participation in an employment and training pro-
5 gram” and inserting “the individual participating in
6 employment and training activities”,

7 (3) in paragraph (4) by striking “for operating
8 an employment and training program” and inserting
9 “to provide employment and training services”, and

10 (4) by amending paragraph (5) to read as fol-
11 lows:

12 “(5) MONITORING.—The Secretary, in conjunc-
13 tion with the Secretary of Labor, shall monitor each
14 State agency responsible for administering employ-
15 ment and training services under section 6(d)(4) to
16 ensure funds are being spent effectively and effi-
17 ciently. Each program of employment and training
18 receiving funds under section 6(d)(4) shall be sub-
19 ject to the requirements of the performance account-
20 ability system, including having to meet the state
21 performance measures included in section 136 of the
22 Workforce Investment Act (29 U.S.C. 2871).”.

23 (f) RESEARCH, DEMONSTRATION, AND EVALUA-
24 TIONS.—Section 17 of the Food and Nutrition Act of
25 2008 (7 U.S.C. 2026) is amended—

1 (1) in subsection (b) by striking paragraph (3),

2 and

3 (2) in subsection (g)—

4 (A) by inserting “, in conjunction with the
5 Secretary of Labor,” after “Secretary”, and

6 (B) by striking “programs established”
7 and inserting “activities provided to eligible
8 households”.

9 (g) MINNESOTA FAMILY INVESTMENT PROJECT.—

10 Section 22(b)(4) of the Food and Nutrition Act of 2008
11 (7 U.S.C. 2031(b)(4)) is amended by striking “equivalent
12 to those offered under the employment and training pro-
13 gram”.

14 **SEC. 404. AMENDMENTS TO SECTION 412 OF THE IMMIGRA-
15 TION AND NATIONALITY ACT.**

16 (a) CONDITIONS AND CONSIDERATIONS.—Section
17 412(a) of the Immigration and Nationality Act (8 U.S.C.
18 1522(a)) is amended—

19 (1) in paragraph (1)—

20 (A) in subparagraph (A)(i), by striking
21 “make available sufficient resources for employ-
22 ment training and placement” and inserting
23 “provide refugees with the opportunity to access
24 employment and training services, including job
25 placement,”; and

1 (B) in subparagraph (B)(ii), by striking
2 “services;” and inserting “services provided
3 through the Workforce Investment Act of 1998
4 (29 U.S.C. 2801 et seq.);”;

5 (2) in paragraph (2)(C)(iii)(II), by inserting
6 “and training” after “employment”;

7 (3) in paragraph (6)(A)(ii)—

8 (A) by striking “insure” and inserting “en-
9 sure”;

10 (B) by inserting “and training” after “em-
11 ployment”; and

12 (C) by inserting after “available” the fol-
13 lowing: “through the one-stop delivery system
14 under section 121 of the Workforce Investment
15 Act of 1998 (29 U.S.C. 2841)”;

16 (4) in paragraph (9), by inserting “the Sec-
17 retary of Labor,” after “Education,”.

18 (b) PROGRAM OF INITIAL RESETTLEMENT.—Section
19 412(b)(2) of such Act (8 U.S.C. 1522(b)(2)) is amend-
20 ed—

21 (1) by striking “orientation, instruction” and
22 inserting “orientation and instruction”; and

23 (2) by striking “, and job training for refugees,
24 and such other education and training of refugees,

1 as facilitates” and inserting “for refugees to facili-
2 tate”.

3 (c) PROJECT GRANTS AND CONTRACTS FOR SERV-
4 ICES FOR REFUGEES.—Section 412(c) of such Act (8
5 U.S.C. 1522(c)) is amended—

6 (1) in paragraph (1)—

7 (A) in subparagraph (A)(i), by inserting

8 “and training” after “employment”; and

9 (B) by striking subparagraph (C);

10 (2) in paragraph (2)(B), by striking “para-
11 graph—” and all that follows through “in a man-
12 ner” and inserting “paragraph in a manner”; and

13 (3) by adding at the end the following:

14 “(3) In carrying out this section, the Director shall
15 ensure that employment and training services are provided
16 through the statewide workforce development system, as
17 appropriate, authorized by the Workforce Investment Act
18 of 1998 (29 U.S.C. 2801 et seq.). Such action may in-
19 clude—

20 “(A) making employment and training services
21 as described under section 134 of such Act (29
22 U.S.C. 2864) available to refugees; and

23 “(B) providing refugees with access to a one-
24 stop delivery system under section 121 of such Act
25 (29 U.S.C. 2841).”.

1 (d) CASH ASSISTANCE AND MEDICAL ASSISTANCE TO
2 REFUGEES.—Section 412(e) of such Act (8 U.S.C.
3 1522(e)) is amended—

4 (1) in paragraph (2)(A)(i), by inserting “and
5 training” after “providing employment”; and

6 (2) in paragraph (3), by striking “The” and in-
7 serting “Consistent with subsection (c)(3), the”.

8 **SEC. 405. AMENDMENTS RELATING TO THE SECOND**
9 **CHANCE ACT OF 2007.**

10 (a) FEDERAL PRISONER REENTRY INITIATIVE.—
11 Section 231 of the Second Chance Act of 2007 (42 U.S.C.
12 17541) is amended—

13 (1) in subsection (a)(1)(E)—

14 (A) by inserting “the Department of Labor
15 and” before “other Federal agencies”; and

16 (B) by inserting “State and local work-
17 force investment boards,” after “community-
18 based organizations,”;

19 (2) in subsection (c)—

20 (A) in paragraph (2), by striking at the
21 end “and”;

22 (B) in paragraph (3), by striking at the
23 end the period and inserting “; and”; and

24 (C) by adding at the end the following new
25 paragraph:

1 “(4) to coordinate reentry programs with the
2 employment and training services provided through
3 the statewide workforce investment system under
4 subtitle B of title I of the Workforce Investment Act
5 of 1998 (29 U.S.C. 2811 et seq.).”; and

6 (3) in subsection (d), by adding at the end the
7 following new paragraph:

8 “(6) INTERACTION WITH THE WORKFORCE IN-
9 VESTMENT SYSTEM.—

10 “(A) IN GENERAL.—In carrying out this
11 section, the Director shall ensure that employ-
12 ment and training services, including such em-
13 ployment and services offered through reentry
14 programs, are provided, as appropriate, through
15 the statewide workforce investment system
16 under subtitle B of title I of the Workforce In-
17 vestment Act of 1998 (29 U.S.C. 2811 et seq.).
18 Such action may include—

19 “(i) making employment and training
20 services available to prisoners prior to and
21 immediately following the release of such
22 prisoners; or

23 “(ii) providing prisoners with access
24 by remote means to a one-stop delivery
25 system under section 121 of the Workforce

1 Investment Act of 1998 (29 U.S.C. 2841)
2 in the State in which the prison involved is
3 located.

4 “(B) SERVICE DEFINED.—In this para-
5 graph, the term ‘employment and training serv-
6 ices’ means those services described in section
7 134 of the Workforce Investment Act of 1998
8 (29 U.S.C. 2864) offered by the Bureau of
9 Prisons, including—

10 “(i) the skills assessment described in
11 subsection (a)(1)(A);

12 “(ii) the skills development plan de-
13 scribed in subsection (a)(1)(B); and

14 “(iii) the enhancement, development,
15 and implementation of reentry and skills
16 development programs.”.

17 (b) DUTIES OF THE BUREAU OF PRISONS.—Section
18 4042(a)(5)(E) of title 18, United States Code, is amend-
19 ed—

20 (1) in clause (ii), by striking “Employment”
21 and inserting “Employment and training services (as
22 defined in paragraph (6) of section 231(d) of the
23 Second Chance Act of 2007), including basic skills
24 attainment, consistent with such paragraph”;

25 (2) by striking clause (iii); and

1 (3) by redesignating clauses (iv), (v), (vi), and
2 (vii) as clauses (iii), (iv), (v), and (vi), respectively.

3 **SEC. 406. AMENDMENTS TO THE OMNIBUS CRIME CONTROL**
4 **AND SAFE STREETS ACT OF 1968.**

5 Section 2976 of the Omnibus Crime Control and Safe
6 Streets Act of 1968 (42 U.S.C. 3797w) is amended—

7 (1) in subsection (b)—

8 (A) in paragraph (1), by striking “voca-
9 tional” and inserting “career and technical edu-
10 cation (as defined in section 3 of the Carl D.
11 Perkins Career and Technical Education Act of
12 2006 (20 U.S.C. 2302)) and training”;

13 (B) by redesignating each of paragraphs
14 (4) through (7) as paragraphs (5) through (8),
15 respectively; and

16 (C) by inserting after paragraph (3) the
17 following new paragraph:

18 “(4) coordinating employment and training
19 services provided through the statewide workforce
20 investment system under subtitle B of title I of the
21 Workforce Investment Act of 1998 (29 U.S.C. 2811
22 et seq.), including a one-stop delivery system under
23 section 121 of such Act (29 U.S.C. 2841), for of-
24 fenders upon release from prison, jail, or a juvenile
25 facility, as appropriate;”;

1 (2) in subsection (d)(2), by inserting “, includ-
2 ing local workforce investment boards established
3 under section 117 of the Workforce Investment Act
4 of 1998 (29 U.S.C. 2832),” after “nonprofit organi-
5 zations”;

6 (3) in subsection (e)—

7 (A) in paragraph (3), by striking “victims
8 services, and employment services” and insert-
9 ing “and victim services”;

10 (B) by redesignating paragraphs (4) and
11 (5) as paragraphs (5) and (6), respectively; and

12 (C) by inserting after paragraph (3) the
13 following new paragraph:

14 “(4) provides employment and training services
15 through the statewide workforce investment system
16 under subtitle B of title I of the Workforce Invest-
17 ment Act of 1998 (29 U.S.C. 2811 et seq.), includ-
18 ing a one-stop delivery system under section 121 of
19 such Act (29 U.S.C. 2841); and”;

20 (4) in subsection (k)—

21 (A) in paragraph (1)(A), by inserting “, in
22 accordance with paragraph (2)” after “under
23 this section”;

24 (B) by redesignating paragraphs (2) and
25 (3) as paragraphs (3) and (4), respectively; and

1 (C) by inserting after paragraph (1) the
2 following new paragraph:

3 “(2) EMPLOYMENT AND TRAINING.—The Attor-
4 ney General shall require each grantee under this
5 section to measure the core indicators of perform-
6 ance as described in section 136(b)(2)(A) of the
7 Workforce Investment Act of 1998 (29 U.S.C.
8 2871(b)(2)(A)) with respect to the program of such
9 grantee funded with a grant under this section.”.

10 **SEC. 407. CONFORMING AMENDMENTS TO THE UNITED**
11 **STATES CODE.**

12 Title 38, United States Code, is amended—

13 (1) by striking the item relating to section
14 4103A and section 4104 in the table of sections at
15 the beginning of chapter 41 of such title;

16 (2) in section 4102A—

17 (A) in subsection (b)—

18 (i) by striking paragraphs (5), (6),
19 and (7);

20 (ii) by redesignating paragraph (8) as
21 paragraph (5);

22 (B) by striking subsections (c) and (h);

23 (C) by redesignating subsections (d), (e),
24 (f), and (g) as subsections (c), (d), (e), and (f);

1 (D) in subsection (e)(1) (as so redesignated)—
2

3 (i) by striking “, including disabled
4 veterans’ outreach program specialists and
5 local veterans’ employment representatives
6 providing employment, training, and place-
7 ment services under this chapter in a
8 State”; and

9 (ii) by striking “for purposes of sub-
10 section (c)”.

11 (3) in section 4109(a), by striking “disabled
12 veterans’ outreach program specialists and local vet-
13 erans’ employment representative” and inserting
14 “veteran employment specialists appointed under
15 section 134(f) of the Workforce Investment Act of
16 1998”;

17 (4) in section 4109(d)(1), by striking “disabled
18 veterans’ outreach program specialists and local vet-
19 erans’ employment representatives” and inserting
20 “veteran employment specialists appointed under
21 section 134(f) of the Workforce Investment Act of
22 1998”;

23 (5) in section 4112(d)—

24 (A) in paragraph (1), by striking “disabled
25 veterans’ outreach program specialist” and in-

1 serting “veteran employment specialist ap-
2 pointed under section 134(f) of the Workforce
3 Investment Act of 1998”; and

4 (B) by striking paragraph (2) and redesignig-
5 nating paragraph (3) as paragraph (2);

6 (6) in section 3672(d)(1), by striking “disabled
7 veterans’ outreach program specialists under section
8 4103A” and inserting “veteran employment special-
9 ists appointed under section 134(f) of the Workforce
10 Investment Act of 1998”; and

11 (7) in section 4104A—

12 (A) in subsection (b)(1), by striking sub-
13 paragraph (A) and inserting the following:

14 “(A) the appropriate veteran employment
15 specialist (in carrying out the functions de-
16 scribed in section 134(f) of the Workforce In-
17 vestment Act of 1998);” and

18 (B) in subsection (c)(1), by striking sub-
19 paragraph (A) and inserting the following:

20 “(A) collaborate with the appropriate vet-
21 eran employment specialist (as described in sec-
22 tion 134(f)) and the appropriate State boards
23 and local boards (as such terms are defined in
24 section 101 of the Workforce Investment Act of
25 1998 (29 U.S.C. 2801));”.

1 **SEC. 408. CONFORMING AMENDMENT TO TABLE OF CON-**
 2 **TENTS.**

3 The table of contents in section 1(b) is amended to
 4 read as follows:

“Sec. 1. Short title; table of contents.

“TITLE I—WORKFORCE INVESTMENT SYSTEMS

“Subtitle A—Workforce Investment Definitions

“Sec. 101. Definitions.

“Subtitle B—Statewide and Local Workforce Investment Systems

“Sec. 106. Purpose.

“CHAPTER 1—STATE PROVISIONS

“Sec. 111. State workforce investment boards.

“Sec. 112. State plan.

“CHAPTER 2—LOCAL PROVISIONS

“Sec. 116. Local workforce investment areas.

“Sec. 117. Local workforce investment boards.

“Sec. 118. Local plan.

“CHAPTER 3—WORKFORCE INVESTMENT ACTIVITIES PROVIDERS

“Sec. 121. Establishment of one-stop delivery systems.

“Sec. 122. Identification of eligible providers of training services.

“Sec. 123. [Repealed].

“CHAPTER 4—[REPEALED]

“CHAPTER 5—EMPLOYMENT AND TRAINING ACTIVITIES

“Sec. 131. General authorization.

“Sec. 132. State allotments.

“Sec. 133. Within State allocations.

“Sec. 134. Use of funds for employment and training activities.

“CHAPTER 6—GENERAL PROVISIONS

“Sec. 136. Performance accountability system.

“Sec. 137. Authorization of appropriations.

“Subtitle C—Job Corps

“Sec. 141. Purposes.

“Sec. 142. Definitions.

“Sec. 143. Establishment.

“Sec. 144. Individuals eligible for the Job Corps.

“Sec. 145. Recruitment, screening, selection, and assignment of enrollees.

“Sec. 146. Enrollment.

- “See. 147. Job Corps centers.
- “See. 148. Program activities.
- “See. 149. Counseling and job placement.
- “See. 150. Support.
- “See. 151. Operations.
- “See. 152. Standards of conduct.
- “See. 153. Community participation.
- “See. 154. Workforce councils.
- “See. 155. [Repealed].
- “See. 156. Technical assistance to centers.
- “See. 157. Application of provisions of Federal law.
- “See. 158. Special provisions.
- “See. 159. Performance accountability and management.
- “See. 160. General provisions.
- “See. 161. Authorization of appropriations.

“Subtitle D—National Programs

- “See. 166. [Repealed].
- “See. 167. [Repealed].
- “See. 168. [Repealed].
- “See. 169. [Repealed].
- “See. 170. Technical assistance.
- “See. 171. [Repealed].
- “See. 172. Evaluations.
- “See. 173. [Repealed].
- “See. 173A. [Repealed].
- “See. 174. [Repealed].

“Subtitle E—Administration

- “See. 181. Requirements and restrictions.
- “See. 182. Prompt allocation of funds.
- “See. 183. Monitoring.
- “See. 184. Fiscal controls; sanctions.
- “See. 185. Reports; recordkeeping; investigations.
- “See. 186. Administrative adjudication.
- “See. 187. Judicial review.
- “See. 188. Nondiscrimination.
- “See. 189. Administrative provisions.
- “See. 190. References.
- “See. 191. State legislative authority.
- “See. 192. [Repealed].
- “See. 193. Transfer of Federal equity in State employment security real property to the States.
- “See. 194. [Repealed].
- “See. 195. General program requirements.
- “See. 196. Federal agency staff.
- “See. 197. Restrictions on lobbying and political activities.

“Subtitle F—Repeals and Conforming Amendments

- “See. 199. Repeals.
- “See. 199A. Conforming amendments.

“TITLE II—ADULT EDUCATION AND FAMILY LITERACY
EDUCATION

- “Sec. 201. Short title.
- “Sec. 202. Purpose.
- “Sec. 203. Definitions.
- “Sec. 204. Home schools.
- “Sec. 205. Authorization of appropriations.

“Subtitle A—Federal Provisions

- “Sec. 211. Reservation of funds; grants to eligible agencies; allotments.
- “Sec. 212. Performance accountability system.

“Subtitle B—State Provisions

- “Sec. 221. State administration.
- “Sec. 222. State distribution of funds; matching requirement.
- “Sec. 223. State leadership activities.
- “Sec. 224. State plan.
- “Sec. 225. Programs for corrections education and other institutionalized individuals.

“Subtitle C—Local Provisions

- “Sec. 231. Grants and contracts for eligible providers.
- “Sec. 232. Local application.
- “Sec. 233. Local administrative cost limits.

“Subtitle D—General Provisions

- “Sec. 241. Administrative provisions.
- “Sec. 242. National activities.

“TITLE III—WORKFORCE INVESTMENT-RELATED ACTIVITIES

“Subtitle A—Wagner-Peyser Act

- “Sec. 301. Definitions.
- “Sec. 302. Functions.
- “Sec. 303. Designation of State agencies.
- “Sec. 304. Appropriations.
- “Sec. 305. Disposition of allotted funds.
- “Sec. 306. State plans.
- “Sec. 307. Repeal of Federal advisory council.
- “Sec. 308. Regulations.
- “Sec. 309. Employment statistics.
- “Sec. 310. Technical amendments.
- “Sec. 311. Effective date.

“Subtitle B—Linkages With Other Programs

- “Sec. 321. Trade Act of 1974.
- “Sec. 322. Veterans’ employment programs.
- “Sec. 323. Older Americans Act of 1965.

“Subtitle C—[Repealed]

“Subtitle D—Application of Civil Rights and Labor-Management Laws to the Smithsonian Institution

“Sec. 341. Application of civil rights and labor-management laws to the Smithsonian Institution.

“TITLE IV—REHABILITATION ACT AMENDMENTS OF 1998

“Sec. 401. Short title.

“Sec. 402. Title.

“Sec. 403. General provisions.

“Sec. 404. Vocational rehabilitation services.

“Sec. 405. Research and training.

“Sec. 406. Professional development and special projects and demonstrations.

“Sec. 407. National Council on Disability.

“Sec. 408. Rights and advocacy.

“Sec. 409. Employment opportunities for individuals with disabilities.

“Sec. 410. Independent living services and centers for independent living.

“Sec. 411. [Repealed].

“Sec. 412. Helen Keller National Center Act.

“Sec. 413. President’s Committee on Employment of People With Disabilities.

“Sec. 414. Conforming amendments.

“TITLE V—GENERAL PROVISIONS

“Sec. 501. State unified plan.

“Sec. 502. [Repealed].

“Sec. 503. [Repealed].

“Sec. 504. Privacy.

“Sec. 505. Buy-American requirements.

“Sec. 506. [Repealed].

“Sec. 507. Effective date.”.

1 **TITLE V—AMENDMENTS TO THE**
 2 **REHABILITATION ACT OF 1973**

3 **SEC. 501. FINDINGS.**

4 Section 2(a) of the Rehabilitation Act of 1973 (29
 5 U.S.C. 701(a)) is amended—

6 (1) in paragraph (5), by striking “and” at the
 7 end;

8 (2) in paragraph (6), by striking the period and
 9 inserting “; and”; and

10 (3) by adding at the end the following:

1 “(7) there is a substantial need to improve and
2 expand services for students with disabilities under
3 this Act.”.

4 **SEC. 502. REHABILITATION SERVICES ADMINISTRATION.**

5 (a) REHABILITATION SERVICES ADMINISTRATION.—

6 The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.)
7 is amended—

8 (1) in section 3(a) (29 U.S.C. 702(a))—

9 (A) by striking “Office of the Secretary”
10 and inserting “Department of Education”;

11 (B) by striking “President by and with the
12 advice and consent of the Senate” and inserting
13 “Secretary”; and

14 (C) by striking “, and the Commissioner
15 shall be the principal officer,”;

16 (2) by striking “Commissioner” each place it
17 appears (except in section 21) and inserting “Direc-
18 tor”;

19 (3) in section 12(c) (29 U.S.C. 709), by strik-
20 ing “Commissioner’s” and inserting “Director’s”;

21 (4) in the heading for subparagraph (B) of sec-
22 tion 100(d)(2), by striking “COMMISSIONER” and in-
23 serting “DIRECTOR”;

24 (5) in the heading for section 706, by striking
25 “**COMMISSIONER**” and inserting “**DIRECTOR**”;

1 (6) in the heading for paragraph (3) of section
2 723(a), by striking “COMMISSIONER” and inserting
3 “DIRECTOR”; and

4 (7) in section 21 (29 U.S.C. 718)—

5 (A) in subsection (b)(1)—

6 (i) by striking “Commissioner” the
7 first place it appears and inserting “Direc-
8 tor of the Rehabilitation Services Adminis-
9 tration”;

10 (ii) by striking “(referred to in this
11 subsection as the ‘Director’)”; and

12 (iii) by striking “The Commissioner
13 and the Director” and inserting “Both
14 such Directors”; and

15 (B) by striking “the Commissioner and the
16 Director” each place it appears and inserting
17 “both such Directors”.

18 (b) EFFECTIVE DATE; APPLICATION.—The amend-
19 ments made by subsection (a) shall—

20 (1) take effect on the date of the enactment of
21 this Act; and

22 (2) apply with respect to the appointments of
23 Directors of the Rehabilitation Services Administra-
24 tion made on or after the date of enactment of this
25 Act, and the Directors so appointed.

1 **SEC. 503. DEFINITIONS.**

2 Section 7 of the Rehabilitation Act of 1973 (29
3 U.S.C. 705) is amended—

4 (1) by redesignating paragraphs (35) through
5 (39) as paragraphs (36) through (40), respectively;

6 (2) in subparagraph (A)(ii) of paragraph (36)
7 (as redesignated by paragraph (1)), by striking
8 “paragraph (36)(C)” and inserting “paragraph
9 (37)(C)”; and

10 (3) by inserting after paragraph (34) the fol-
11 lowing:

12 “(35)(A) The term ‘student with a disability’
13 means an individual with a disability who—

14 “(i) is not younger than 16 and not
15 older than 21;

16 “(ii) has been determined to be eligi-
17 ble under section 102(a) for assistance
18 under this title; and

19 “(iii)(I) is eligible for, and is receiv-
20 ing, special education under part B of the
21 Individuals with Disabilities Education Act
22 (20 U.S.C. 1411 et seq.); or

23 “(II) is an individual with a disability,
24 for purposes of section 504.

25 “(B) The term ‘students with disabilities’
26 means more than 1 student with a disability.”.

1 **SEC. 504. STATE PLAN.**

2 Section 101(a) of the Rehabilitation Act of 1973 (29
3 U.S.C. 721(a)) is amended—

4 (1) in paragraph (10)(B) by striking “on the el-
5 igible individuals” and all that follows through “sec-
6 tion 136(d)(2)” and inserting “of information nec-
7 essary to assess the State’s performance on the core
8 indicators of performance described in section
9 136(b)(2)(A)”;

10 (2) in paragraph (11)—

11 (A) in subparagraph (D)(i), by inserting
12 before the semicolon the following: “, which
13 may be provided using alternative means of
14 meeting participation (such as video conferences
15 and conference calls)”;

16 (B) by adding at the end the following:

17 “(G) COORDINATION WITH ASSISTIVE
18 TECHNOLOGY PROGRAMS.—The State plan shall
19 include an assurance that the designated State
20 unit and the lead agency or implementing entity
21 responsible for carrying out duties under the
22 Assistive Technology Act of 1998 (29 U.S.C.
23 3001 et seq.) have developed working relation-
24 ships and coordinate their activities.”;

25 (3) in paragraph (15)—

26 (A) in subparagraph (A)—

- 1 (i) in clause (i)—
- 2 (I) in subclause (II), by striking
- 3 “and” at the end;
- 4 (II) in subclause (III), by adding
- 5 “and” at the end; and
- 6 (III) by adding at the end the
- 7 following:
- 8 “(IV) students with disabilities,
- 9 including their need for transition
- 10 services;”;
- 11 (ii) by redesignating clauses (ii) and
- 12 (iii) as clauses (iii) and (iv), respectively;
- 13 and
- 14 (iii) by inserting after clause (i) the
- 15 following:
- 16 “(ii) include an assessment of the
- 17 transition services provided under this Act,
- 18 and coordinated with transition services
- 19 under the Individuals with Disabilities
- 20 Education Act, as to those services meet-
- 21 ing the needs of individuals with disabil-
- 22 ities;”;
- 23 (B) in subparagraph (D)—

1 (i) by redesignating clauses (iii), (iv),
2 and (v) as clauses (iv), (v), and (vi), re-
3 spectively; and

4 (ii) by inserting after clause (ii) the
5 following:

6 “(iii) the methods to be used to im-
7 prove and expand vocational rehabilitation
8 services for students with disabilities, in-
9 cluding the coordination of services de-
10 signed to facilitate the transition of such
11 students from the receipt of educational
12 services in school to the receipt of voca-
13 tional rehabilitation services under this
14 title or to postsecondary education or em-
15 ployment;”;

16 (4) in paragraph (22)—

17 (A) by striking “carrying out part B of
18 title VI, including”; and

19 (B) by striking “that part to supplement
20 funds made available under part B of”;

21 (5) in paragraph (24)(A), by striking “part A
22 of title VI” and inserting “section 109A”; and

23 (6) by adding at the end the following:

24 “(25) COLLABORATION WITH INDUSTRY.—The
25 State plan shall describe how the designated State

1 agency will carry out the provisions of section 109A,
2 including—

3 “(A) the criteria such agency will use to
4 award grants under such section; and

5 “(B) how the activities carried out under
6 such grants will be coordinated with other serv-
7 ices provided under this title.

8 “(26) SERVICES FOR STUDENTS WITH DISABIL-
9 ITIES.—The State plan shall provide an assurance
10 satisfactory to the Secretary that the State—

11 “(A) has developed and implemented strat-
12 egies to address the needs identified in the as-
13 sessment described in paragraph (15), and
14 achieve the goals and priorities identified by the
15 State, to improve and expand vocational reha-
16 bilitation services for students with disabilities
17 on a statewide basis in accordance with para-
18 graph (15); and

19 “(B) from funds reserved under section
20 110A, shall carry out programs or activities de-
21 signed to improve and expand vocational reha-
22 bilitation services for students with disabilities
23 that—

24 “(i) facilitate the transition of stu-
25 dents with disabilities from the receipt of

1 educational services in school, to the re-
2 ceipt of vocational rehabilitation services
3 under this title, including, at a minimum,
4 those services specified in the interagency
5 agreement required in paragraph (11)(D);

6 “(ii) improve the achievement of post-
7 school goals of students with disabilities,
8 including improving the achievement
9 through participation (as appropriate when
10 career goals are discussed) in meetings re-
11 garding individualized education programs
12 developed under section 614 of the Individ-
13 uals with Disabilities Education Act (20
14 U.S.C. 1414);

15 “(iii) provide career guidance, career
16 exploration services, job search skills and
17 strategies, and technical assistance to stu-
18 dents with disabilities;

19 “(iv) support the provision of training
20 and technical assistance to State and local
21 educational agencies and designated State
22 agency personnel responsible for the plan-
23 ning and provision of services to students
24 with disabilities; and

1 “(v) support outreach activities to stu-
2 dents with disabilities who are eligible for,
3 and need, services under this title.”.

4 **SEC. 505. SCOPE OF SERVICES.**

5 Section 103 of the Rehabilitation Act of 1973 (29
6 U.S.C. 723) is amended—

7 (1) in subsection (a), by striking paragraph
8 (15) and inserting the following:

9 “(15) transition services for students with dis-
10 abilities, that facilitate the achievement of the em-
11 ployment outcome identified in the individualized
12 plan for employment, including services described in
13 clauses (i) through (iii) of section 101(a)(26)(B);”;

14 (2) in subsection (b), by striking paragraph (6)
15 and inserting the following:

16 “(6)(A)(i) Consultation and technical assistance
17 services to assist State and local educational agen-
18 cies in planning for the transition of students with
19 disabilities from school to post-school activities, in-
20 cluding employment.

21 “(ii) Training and technical assistance de-
22 scribed in section 101(a)(26)(B)(iv).

23 “(B) Services for groups of individuals with dis-
24 abilities who meet the requirements of clauses (i)
25 and (iii) of section 7(35)(A), including services de-

1 scribed in clauses (i), (ii), (iii), and (v) of section
2 101(a)(26)(B), to assist in the transition from
3 school to post-school activities.”; and

4 (3) in subsection (b) by inserting at the end,
5 the following:

6 “(7) The establishment, development, or im-
7 provement of assistive technology demonstration,
8 loan, reutilization, or financing programs in coordi-
9 nation with activities authorized under the Assistive
10 Technology Act of 1998 (29 U.S.C. 3001) to pro-
11 mote access to assistive technology for individuals
12 with disabilities and employers.”.

13 **SEC. 506. STANDARDS AND INDICATORS.**

14 Section 106 of the Rehabilitation Act of 1973 (29
15 U.S.C. 726(a)) is amended—

16 (1) by striking subsection (a) and inserting the
17 following:

18 “(a) STANDARDS AND INDICATORS.—The perform-
19 ance standards and indicators for the vocational rehabili-
20 tation program carried out under this title—

21 “(1) shall be subject to paragraphs (2)(A) and
22 (3) of section 136(b) of the Workforce Investment
23 Act of 1998; and

1 “(2) may, at a State’s discretion, include addi-
2 tional indicators identified in the State plan sub-
3 mitted under section 101.”; and

4 (2) in subsection (b)(2)(B), by striking clause
5 (i) and inserting the following:

6 “(i) on a biannual basis, review the
7 program improvement efforts of the State
8 and, if the State has not improved its per-
9 formance to acceptable levels, as deter-
10 mined by the Director, direct the State to
11 make revisions to the plan to improve per-
12 formance; and”.

13 **SEC. 507. COLLABORATION WITH INDUSTRY.**

14 The Rehabilitation Act of 1973 is amended by insert-
15 ing after section 109 (29 U.S.C. 729) the following:

16 **“SEC. 109A. COLLABORATION WITH INDUSTRY.**

17 “(a) **AUTHORITY.**—A State shall use not less than
18 one-half of one percent of the payment the State receives
19 under section 111 for a fiscal year to award grants to eligi-
20 ble entities to create practical job and career readiness and
21 training programs, and to provide job placements and ca-
22 reer advancement.

23 “(b) **APPLICATION.**—To receive a grant under this
24 section, an eligible entity shall submit an application to
25 a designated State agency at such time, in such manner,

1 and containing such information as such agency shall re-
2 quire. Such application shall include, at a minimum—

3 “(1) a plan for evaluating the effectiveness of
4 the program;

5 “(2) a plan for collecting and reporting the
6 data and information described under subparagraphs
7 (A) through (C) of section 101(a)(10), as deter-
8 mined appropriate by the designated State agency;
9 and

10 “(3) a plan for providing for the non-Federal
11 share of the costs of the program.

12 “(c) ACTIVITIES.—An eligible entity receiving a grant
13 under this section shall use the grant funds to carry out
14 a program that provides one or more of the following:

15 “(1) Job development, job placement, and ca-
16 reer advancement services for individuals with dis-
17 abilities.

18 “(2) Training in realistic work settings in order
19 to prepare individuals with disabilities for employ-
20 ment and career advancement in the competitive
21 market.

22 “(3) Providing individuals with disabilities with
23 such support services as may be required in order to
24 maintain the employment and career advancement
25 for which the individuals have received training.

1 “(d) AWARDS.—Grants under this section shall—

2 “(1) be awarded for a period not to exceed 5
3 years; and

4 “(2) be awarded competitively.

5 “(e) ELIGIBLE ENTITY DEFINED.—For the purposes
6 of this section, the term ‘eligible entity’ means a for-profit
7 business, alone or in partnership with one or more of the
8 following:

9 “(1) Community rehabilitation program pro-
10 viders.

11 “(2) Indian tribes.

12 “(3) Tribal organizations.

13 “(f) FEDERAL SHARE.—The Federal share of a pro-
14 gram under this section shall not exceed 80 percent of the
15 costs of the program.

16 “(g) ELIGIBILITY FOR SERVICES.—An individual
17 shall be eligible for services provided under a program
18 under this section if the individual is determined under
19 section 102(a)(1) to be eligible for assistance under this
20 title.”.

21 **SEC. 508. RESERVATION FOR EXPANDED TRANSITION**
22 **SERVICES.**

23 The Rehabilitation Act of 1973 is amended by insert-
24 ing after section 110 (29 U.S.C. 730) the following:

1 **“SEC. 110A. RESERVATION FOR EXPANDED TRANSITION**
2 **SERVICES.**

3 “Each State shall reserve not less than 10 percent
4 of the funds allotted to the State under section 110(a)
5 to carry out programs and activities under sections
6 101(a)(26)(B) and 103(b)(6).”.

7 **SEC. 509. CLIENT ASSISTANCE PROGRAM.**

8 Section 112(e)(1) of the Rehabilitation Act of 1973
9 (29 U.S.C. 732(e)(1)) is amended by redesignating sub-
10 paragraph (D) as subparagraph (E) and inserting after
11 subparagraph (C) the following:

12 “(D) The Secretary shall make grants to
13 the protection and advocacy system serving the
14 American Indian Consortium to provide services
15 in accordance with this section. The amount of
16 such grants shall be the same as provided to
17 territories under this subsection.”.

18 **SEC. 510. TITLE III AMENDMENTS.**

19 Title III of the Rehabilitation Act of 1973 (29 U.S.C.
20 771 et seq.) is amended—

21 (1) in section 301(a)—

22 (A) in paragraph (2), by inserting “and”
23 at the end;

24 (B) by striking paragraphs (3) and (4);

25 and

1 (C) by redesignating paragraph (5) as
2 paragraph (3);

3 (2) in section 302(g)—

4 (A) in the heading, by striking “AND IN-
5 SERVICE TRAINING”; and

6 (B) by striking paragraph (3);

7 (3) in section 303(e)—

8 (A) in paragraph (4)—

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

11 “(ii) to coordinate and work closely
12 with the parent training and information
13 centers established pursuant to section 671
14 of the Individuals with Disabilities Edu-
15 cation Act, the community parent resource
16 centers established pursuant to section 672
17 of such Act, and the eligible entities receiv-
18 ing awards under section 673 of such Act;
19 and”;

20 (ii) in subparagraph (C), by inserting
21 “, and demonstrate the capacity for serv-
22 ing,” after “serve”; and

23 (B) by adding at the end the following:

24 “(8) RESERVATION.—From the amount appro-
25 priated to carry out this subsection for a fiscal year,

1 20 percent of such amount or \$500,000, whichever
2 is less, shall be reserved to carry out paragraph
3 (6).”;

4 (4) by striking sections 304 and 305; and

5 (5) by redesignating section 306 as section 304.

6 **SEC. 511. REPEAL OF TITLE VI.**

7 The Rehabilitation Act of 1973 (29 U.S.C. 701 et
8 seq.) is amended by repealing title VI.

9 **SEC. 512. CHAIRPERSON.**

10 Section 705(b)(5) of the Rehabilitation Act of 1973
11 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

12 “(5) CHAIRPERSON.—The Council shall select a
13 chairperson from among the voting membership of
14 the Council.”.

15 **SEC. 513. AUTHORIZATIONS OF APPROPRIATIONS.**

16 The Rehabilitation Act of 1973 (29 U.S.C. 701 et
17 seq.) is further amended—

18 (1) in section 100(b)(1) (29 U.S.C. 720(b)(1)),
19 by striking “such sums as may be necessary for fis-
20 cal years 1999 through 2003” and inserting
21 “\$3,121,712,000 for fiscal year 2014 and each of
22 the 6 succeeding fiscal years”;

23 (2) in section 110(c) (29 U.S.C. 730(c)), by
24 amending paragraph (2) to read as follows:

1 “(2) The sum referred to in paragraph (1) shall
2 be, as determined by the Secretary, not less than 1
3 percent and not more than 1.5 percent of the
4 amount referred to in paragraph (1) for each of fis-
5 cal years 2014 through 2020.”;

6 (3) in section 112(h) (29 U.S.C. 732(h)) by
7 striking “such sums as may be necessary for fiscal
8 years 1999 through 2003” and inserting
9 “\$12,240,000 for fiscal year 2014 and each of the
10 6 succeeding fiscal years”;

11 (4) by amending subsection (a) of section 201
12 (29 U.S.C. 761(a)) to read as follows: “(a) There
13 are authorized to be appropriated \$108,817,000 for
14 fiscal year 2014 and each of the 6 succeeding fiscal
15 years to carry out this title.”;

16 (5) in section 302(i) (29 U.S.C. 772(i)) by
17 striking “such sums as may be necessary for each of
18 the fiscal years 1999 through 2003” and inserting
19 “\$35,515,000 for fiscal year 2014 and each of the
20 6 succeeding fiscal years”;

21 (6) in section 303(e) (29 U.S.C. 773(e)) by
22 striking “such sums as may be necessary for each of
23 the fiscal years 1999 through 2003” and inserting
24 “\$5,325,000 for fiscal year 2014 and each of the 6
25 succeeding fiscal years”;

1 (7) in section 405 (29 U.S.C. 785) by striking
2 “such sums as may be necessary for each of the fis-
3 cal years 1999 through 2003” and inserting
4 “\$3,258,000 for fiscal year 2014 and each of the 6
5 succeeding fiscal years”;

6 (8) in section 502(j) (29 U.S.C. 792(j)) by
7 striking “such sums as may be necessary for each of
8 the fiscal years 1999 through 2003” and inserting
9 “\$7,400,000 for fiscal year 2014 and each of the 6
10 succeeding fiscal years”;

11 (9) in section 509(l) (29 U.S.C. 794e(l)) by
12 striking “such sums as may be necessary for each of
13 the fiscal years 1999 through 2003” and inserting
14 “\$18,031,000 for fiscal year 2014 and each of the
15 6 succeeding fiscal years”;

16 (10) in section 714 (29 U.S.C. 796e-3), by
17 striking “such sums as may be necessary for each of
18 the fiscal years 1999 through 2003” and inserting
19 “\$23,359,000 for fiscal year 2014 and each of the
20 6 succeeding fiscal years”;

21 (11) in section 727 (29 U.S.C. 796f-6), by
22 striking “such sums as may be necessary for each of
23 the fiscal years 1999 through 2003” and inserting
24 “\$79,953,000 for fiscal year 2014 and each of the
25 6 succeeding fiscal years”; and

1 (12) in section 753 (29 U.S.C. 7961), by strik-
2 ing “such sums as may be necessary for each of the
3 fiscal years 1999 through 2003” and inserting
4 “\$34,018,000 for fiscal year 2014 and each of the
5 6 succeeding fiscal years”.

6 **SEC. 514. CONFORMING AMENDMENTS.**

7 Section 1(b) of the Rehabilitation Act of 1973 is
8 amended—

9 (1) by inserting after the item relating to sec-
10 tion 109 the following:

“Sec. 109A. Collaboration with industry.”;

11 (2) by inserting after the item relating to sec-
12 tion 110 the following:

“Sec. 110A. Reservation for expanded transition services.”;

13 (3) by striking the item related to section 304
14 and inserting the following:

“Sec. 304. Measuring of project outcomes and performance.”;

15 (4) by striking the items related to sections 305
16 and 306; and

17 (5) by striking the items related to title VI.

1 **TITLE VI—STUDIES BY THE**
2 **COMPTROLLER GENERAL**

3 **SEC. 601. STUDY BY THE COMPTROLLER GENERAL ON EX-**
4 **HAUSTING FEDERAL PELL GRANTS BEFORE**
5 **ACCESSING WIA FUNDS.**

6 Not later than 12 months after the date of enactment
7 of this Act, the Comptroller General of the United States
8 shall complete and submit to the Committee on Education
9 and the Workforce of the House of Representatives and
10 the Committee on Health, Education, Labor, and Pen-
11 sions of the Senate a report that—

12 (1) evaluates the effectiveness of subparagraph
13 (B) of section 134(d)(4) of the Workforce Invest-
14 ment Act of 1998 (29 U.S.C. 2864(d)(4)(B)) (as
15 such subparagraph was in effect on the day before
16 the date of enactment of this Act), including—

17 (A) a review of the regulations and guid-
18 ance issued by the Secretary of Labor to State
19 and local areas on how to comply with such
20 subparagraph;

21 (B) a review of State policies to determine
22 how local areas are required to comply with
23 such subparagraph;

1 (C) a review of local area policies to deter-
2 mine how one-stop operators are required to
3 comply with such subparagraph; and

4 (D) a review of a sampling of individuals
5 receiving training services under section
6 134(d)(4) of the Workforce Investment Act of
7 1998 (29 U.S.C. 2864(d)(4)) to determine if,
8 before receiving such training services, such in-
9 dividuals have exhausted funds received through
10 the Federal Pell Grant program under title IV
11 of the Higher Education Act of 1965 (20
12 U.S.C. 1070 et seq.); and

13 (2) makes appropriate recommendations with
14 respect to the matters evaluated under paragraph
15 (1).

16 **SEC. 602. STUDY BY THE COMPTROLLER GENERAL ON AD-**
17 **MINISTRATIVE COST SAVINGS.**

18 (a) STUDY.—Not later than 12 months after the date
19 of the enactment of this Act, the Comptroller General of
20 the United States shall complete and submit to the Com-
21 mittee on Education and the Workforce of the House of
22 Representatives and the Committee on Health, Education,
23 Labor, and Pensions of the Senate a report that—

24 (1) determines the amount of administrative
25 costs at the Federal and State levels for the most re-

1 cent fiscal year for which satisfactory data are avail-
2 able for—

3 (A) each of the programs authorized under
4 the Workforce Investment Act of 1998 (29
5 U.S.C. 2801 et seq.) or repealed under section
6 401 of this Act, as such programs were in ef-
7 fect for such fiscal year; and

8 (B) each of the programs described in sub-
9 paragraph (A) that have been repealed or con-
10 solidated on or after the date of enactment of
11 this Act;

12 (2) determines the amount of administrative
13 cost savings at the Federal and State levels as a re-
14 sult of repealing and consolidating programs by cal-
15 culating the differences in the amount of administra-
16 tive costs between subparagraph (A) and subpara-
17 graph (B) of paragraph (1); and

18 (3) estimates the administrative costs savings
19 at the Federal and State levels for a fiscal year as
20 a result of States consolidating funds under section
21 501(e) of the Workforce Investment Act of 1998 (20
22 U.S.C. 9271(e)) to reduce inefficiencies in the ad-
23 ministration of federally-funded State and local em-
24 ployment and training programs.

1 (b) DEFINITION.—For purposes of this section, the
2 term “administrative cost” has the meaning given the
3 term in section 101 of the Workforce Investment Act of
4 1998 (29 U.S.C. 2801).

 Passed the House of Representatives March 15,
2013.

Attest:

Clerk.

113TH CONGRESS
1ST SESSION

H. R. 803

AN ACT

To reform and strengthen the workforce investment system of the Nation to put Americans back to work and make the United States more competitive in the 21st century.