To amend the Workforce Innovation and Opportunity Act to create a new national program to support mid-career workers, including workers from underrepresented populations, in reentering the STEM workforce, by providing funding to small- and medium-sized STEM businesses so the businesses can offer paid internships or other returnships that lead to positions above entry level.

IN THE HOUSE OF REPRESENTATIVES

APRIL 22, 2021

Ms. HOULAHAN (for herself and Mr. B AIRD) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To amend the Workforce Innovation and Opportunity Act to create a new national program to support mid-career workers, including workers from underrepresented populations, in reentering the STEM workforce, by providing funding to small- and medium-sized STEM businesses so the businesses can offer paid internships or other returnships that lead to positions above entry level.

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

This Act may be cited as the “STEM Restoring Employment Skills through Targeted Assistance, Re-entry, and Training Act” or the “STEM RESTART Act”.

SEC. 2. RETURNING SKILLED WORKERS TO THE STEM WORKFORCE.

(a) IN GENERAL.—Subtitle D of title I of the Workforce Innovation and Opportunity Act is amended—

(1) by redesignating section 172 (29 U.S.C. 3227) as section 173; and

(2) by inserting after section 171 the following:

“SEC. 172. GRANTS TO SUPPORT SKILLED WORKERS IN RETURNING OR TRANSITIONING TO THE STEM WORKFORCE.

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

“(1) The Brookings Institution expects the coronavirus pandemic will have lasting effects on the labor market and could change the composition of available jobs indefinitely, with the ensuing economic decline ushering in a new era of automation. Employers will likely shed less skilled workers and replace them with higher-skilled technology workers, which increases labor productivity as a recession tapers off.

“(2) The current pipeline of engineering talent does not include many college graduates from large
cohorts of the population. Women represent over 57 percent of college graduates but only 22 percent of the engineers entering the workforce. Within the workforce, only 14 percent of engineers are women. Women also leave the engineering profession in greater numbers than men do.

“(3) A 2018 Pew Research Center study showed there are wide racial gaps among current STEM workers regarding reasons why so few Black and Hispanic people work in STEM. For example, over 70 percent of Black STEM workers view lack of access to education and discriminatory hiring and promotion practices as reasons there are so few Black men and women in the STEM fields. By comparison, less than 30 percent of White and Asian STEM workers view that lack of access and those practices as barriers to Black people entering the fields. Additionally, 62 percent of Black STEM workers say they have faced discrimination in their jobs compared to just 13 percent of White STEM workers.

“(4) Among the 25,300,000 United States women ages 25 through 54 with a bachelor’s degree or higher degree in 2017, 4,200,000 were out of the labor force. While some of those women were dis-
abled or retired, the remaining 3,600,000 women may be candidates to return to work.

“(5) The Center for Talent Innovation’s research shows that while 93 percent of women who left the workforce want to resume their careers, only 74 percent manage to get any kind of job at all and just 40 percent successfully return to work full-time.

“(6) Mid-career internship and other returnship programs are an effective way to address the difficulties of former STEM employees seeking to return to work, as the programs provide a probationary period and also an opportunity to obtain mentorship, professional development, and support as the participants transition back to work. Even more important, returnship programs allow an employer to base a hiring decision on an actual work sample instead of a series of interviews. At the same time, the programs give participants an opportunity to return to work together, in a cohort of similarly situated returners.

“(7) Fortune 500 companies like Apple, Honeywell, Northrop Grumman, Ingersoll Rand, and The Procter & Gamble Company have taken the initiative to try to close the gender gap among STEM professionals by providing mid-career internships for re-
turning technical professionals. However, a 2008 study by Anthony Breitzman and Diana Hicks for the Office of Advocacy of the Small Business Administration, entitled ‘An Analysis of Small Business Patents by Industry and Firm Size’, found that ‘Small firms are much more likely to develop emerging technologies than are large firms. This is perhaps intuitively reasonable given theories on small firms effecting technological change, but the quantitative data here support this assertion. Specifically, although small firms account for only 8 percent of patents granted, they account for 24 percent of the patents in the top 100 emerging clusters.’.

“(b) PURPOSES.—The purposes of this section are to—

“(1) prioritize expanding opportunities, through high-quality internships or other returnships in STEM fields for unemployed or underemployed workers, particularly workers from underrepresented populations and workers from rural areas, who are mid-career skilled workers seeking to return or transition to in-demand industry sectors or occupations within the STEM workforce, at positions and compensation above entry level; and
“(2) establish grant funding and other incentives for small-sized and medium-sized companies in in-demand industry sectors or occupations to establish programs that provide on-the-job evaluation, education, and training for mid-career skilled workers described in paragraph (1).

“(c) DEFINITIONS.—In this section:

“(1) MEDIUM-SIZED ENTERPRISE.—The term ‘medium-sized’, used with respect to an enterprise, means an entity that employs more than 499 and fewer than 10,000 employees.

“(2) RESTART GRANT.—The term ‘RESTART grant’ means a grant made under subsection (d).

“(3) RETURNSHIP.—The term ‘returnship’ shall mean any internship, apprenticeship, re-entry opportunity, direct hiring opportunity with support, or other similar opportunity designed to provide workers seeking to return or transition to the STEM workforce with positions that—

“(A) are above entry level;

“(B) provide salaries, stipends, or other payments, and benefits, that are above entry level; and
“(C) provide training that leads workers
toward full-time careers and provides pathways
toward advancement and leadership.

“(4) RURAL AREA.—The term ‘rural area’
means an area that is not an urban area (within the
meaning of the notice of final program criteria enti-
tled ‘Urban Area Criteria for the 2010 Census’ (76

“(5) SMALL-SIZED ENTERPRISE.—The term
‘small-sized’, used with respect to an enterprise,
means an entity that employs more than 49 and
fewer than 500 individuals.

“(6) STEM.—The term ‘STEM’ has the mean-
ing given the term in section 2 of the America COM-
PETES Reauthorization Act of 2010 (42 U.S.C.
6621 note).

“(7) UNDERREPRESENTED POPULATION.—The
term ‘underrepresented population’ means a group
that is underrepresented in science and engineering,
as determined by the Secretary of Education under
section 637.4(b) of title 34, Code of Federal Regula-
tions (as in effect on the date of enactment of this
Act).
“(8) UNEMPLOYED OR UNDEREMPLOYED INDIVIDUAL.—The term ‘unemployed or underemployed individual’ means—

“(A) an unemployed or underemployed individual as defined by the Bureau of Labor Statistics; and

“(B) a displaced or furloughed worker.

“(d) GRANT.—

“(1) IN GENERAL.—From the amounts made available to carry out this section, the Secretary shall award grants, on a competitive basis, to eligible entities, to carry out returnship programs that provide opportunities above entry level in STEM fields for mid-career skilled workers, and achieve the purposes described in subsection (b).

“(2) PERIODS.—The Secretary shall award the grants for an initial period of not less than 3 years and not more than 5 years.

“(3) AMOUNTS.—In awarding grants under this subsection, the Secretary shall award a grant—

“(A) for a small-sized enterprise, in an amount so that each annual payment for the grant is not less than $100,000 or more than $1,000,000; and
“(B) for a medium-sized enterprise or consortium, in an amount so that each annual payment for the grant is not less than $500,000 or more than $5,000,000.

“(e) Eligibility.—

“(1) Eligible entities.—To be eligible to receive a RESTART grant under this section, an entity shall—

“(A)(i) be located in the United States and have significant operations and employees within the United States;

“(ii) not be a debtor in a bankruptcy proceeding, within the meaning of section 4003(c)(3)(D)(i)(V) of the CARES Act (15 U.S.C. 9042(c)(3)(D)(i)(V)) or under a State bankruptcy law; and

“(iii) be within an in-demand industry sector or occupation in a STEM field; and

“(B) be—

“(i) a small-sized enterprise;

“(ii) a medium-sized enterprise; or

“(iii) a consortium of small-sized or medium-sized enterprises.

“(2) Eligible providers.—
“(A) IN GENERAL.—An eligible entity that desires to partner with a provider in order to carry out a returnship program under this section shall enter into an arrangement with an eligible provider.

“(B) PROVIDER.—To be eligible to enter into such an arrangement, a provider—

“(i) may or may not directly employ skilled workers in STEM fields but—

“(I) shall have expertise in human resources-related activities, such as identifying or carrying out staffing with skilled workers or under-represented populations; and

“(II) shall be capable of providing high-quality education and training services; and

“(ii) may be—

“(I)(aa) an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)); or

“(bb) a non-degree-granting institution that is governed by the same body that governs an institutions of
higher education described in item (aa);

“(II) a public, private for-profit, or private nonprofit service provider, approved by the local board;

“(III) a joint labor-management organization;

“(IV) an eligible provider of adult education and literacy activities under title II; or

“(V) an established nonprofit organization that conducts research or provides training on technical, social and emotional, and employability skills and knowledge aligned to the needs of adult learners and workers.

“(f) APPLICATIONS.—

“(1) IN GENERAL.—To be eligible to receive a RESTART grant to carry out a returnship program, an entity shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require.

“(2) CONTENTS.—Such an application shall include—
“(A) a description of the demand for skilled workers in STEM fields and how the RESTART grant will be used to help meet that demand;

“(B) a description of how the program will lead to employment of unemployed or under-employed individuals, particularly workers from underrepresented populations or from rural areas, who seek to return or transition to the STEM workforce;

“(C) if the entity has entered into or plans to enter into an arrangement with an eligible provider as described in subsection (e)(2) to carry out a returnship program, information identifying the eligible provider, and a description of how the arrangement will help the entity build the knowledge and skills of skilled workers participating in the program;

“(D) a description of how the eligible entity will develop and establish, or expand, a returnship program that adds to the number of full-time employees employed by the entity, but does not displace full-time employees currently (as of the date of submission of the application) employed by the entity;
“(E) an assurance that any new or existing returnship program developed and established, or expanded, with the grant funds will last for at least 10 weeks and provide compensation to participants in the form of a salary, stipend, or other payment, and benefits, that are offered to full-time employees with equivalent experience and expertise, such as health care or child care benefits; and

“(F) if the returnship program leads to a recognized postsecondary credential, information on the quality of the program that leads to the credential.

“(3) PRIORITY.—In making grants under this section, the Secretary shall give priority to entities who are proposing programs that prioritize returnships for workers from underrepresented populations or from rural areas.

“(g) USE OF FUNDS.—

“(1) IN GENERAL.—An entity that receives a grant under this section shall use the grant funds to carry out a returnship program, of not less than 10 weeks, through which the entity provides for—

“(A) the education and training of returnship participants; and
“(B) the services of existing employees (as of the date the program begins) of the entity who are working with returnship participants in an educational, training, or managerial role, to maximize the retention rate and effectiveness of the returnship program.

“(2) SPECIFIC USES.—The grant funds may be used—

“(A) to pay for the evaluation, and entry into the program, and education and training of returnship participants, including payment for the duration of the program for the participants for—

“(i) equipment, travel, and (as necessary) housing;

“(ii) mentorship and career counseling; and

“(iii) salaries, stipends, or payments, and benefits, described in subsection (f)(2)(E);

“(B) to supplement, and not supplant, the compensation of those existing employees of the entity who are directly supporting a returnship program through the work described in paragraph (1)(B); and
“(C) to enter into an arrangement with an eligible provider to carry out a returnship program.

“(3) EXISTING EMPLOYEES.—Not more than 20 percent of the grant funds may be used to provide compensation for the existing employees performing the work described in paragraph (1)(B).

“(4) COORDINATION WITH STATE WORKFORCE BOARDS.—An entity that receives a grant under this section shall coordinate activities with the State workforce development board established under section 101, to ensure collaboration and alignment of workforce programs.

“(h) REPORTING AND EVALUATION REQUIREMENTS.—

“(1) REPORT TO THE SECRETARY.—An entity that receives a grant under this section for a returnship program shall prepare, certify the contents of, and submit to the Secretary an annual report containing data regarding—

“(A) the total number of the participants, and the number of such participants disaggregated by sex, race, and ethnicity;

“(B) the total number of the participants transitioned into full-time employment, and the
number of such transitioned participants disaggregated by sex, race, and ethnicity; and

“(C) if the returnship program includes participants in an internship, the conversion rate of the internship participants to employees, for the total number of those participants and the conversion rate of those participants disaggregated by sex, race, and ethnicity.

“(2) EVALUATION AND REPORT BY THE SECRETARY.—Not later than 180 days after receiving the annual reports from grant recipients under paragraph (1), the Secretary shall—

“(A)(i) prepare a report that presents the data collected through the reports, including data disaggregated by sex, race, and ethnicity, and an evaluation based on that data of the best practices for effectively implementing returnship (including internship) programs; and

“(ii) submit the report to the Committee on Education and Labor of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate; and

“(B) post information on a website on best practices described in subparagraph (A)(i).
“(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $50,000,000 for each of fiscal years 2022 through 2026.”.

(b) TABLE OF CONTENTS.—The table of contents in section 1(b) of the Workforce Innovation and Opportunity Act is amended—

(1) by redesignating the item relating to section 172 as the item relating to section 173; and

(2) by inserting after the item relating to section 171 the following:

“Sec. 172. Grants to support skilled workers in returning or transitioning to the STEM workforce.”.