

Public Law 89-15

AN ACT

April 26, 1965
[S. 974]

To amend the Manpower Development and Training Act of 1962, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Manpower Act of 1965".

Manpower Act of
1965.

SEC. 2. Section 101 of the Manpower Development and Training Act of 1962, as amended (hereinafter referred to as the "Act"), is amended by inserting before the last sentence thereof the following new sentence: "The Congress further finds that many professional employees who have become unemployed because of the specialized nature of their previous employment are in need of brief refresher or reorientation educational courses in order to become qualified for other employment in their professions, where such training would further the purposes of this Act."

76 Stat. 23.
42 USC 2571.

SEC. 3. (a) Section 102(5) of the Act is amended by adding a comma after the word "arrange" and inserting "through grants or contracts," immediately following the comma.

42 USC 2572.

(b) Section 102 of the Act is further amended by striking out "and" at the end of paragraph (4), by striking out the period at the end of paragraph (5) and inserting in lieu of such period "; and", and by adding at the end of such section the following new paragraph:

"(6) establish a program of experimental, developmental, demonstration, and pilot projects, through grants to or contracts with public or private nonprofit organizations, or through contracts with other private organizations, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting the manpower, employment, and training problems of worker groups such as the long-term unemployed, disadvantaged youth, displaced older workers, the handicapped, members of minority groups, and other similar groups. In carrying out this subsection the Secretary of Labor shall, where appropriate, consult with the Secretaries of Health, Education, and Welfare, and Commerce, and the Director of the Office of Economic Opportunity. Where programs under this paragraph require institutional training, appropriate arrangements for such training shall be agreed to by the Secretary of Labor and the Secretary of Health, Education, and Welfare. He shall also seek the advice of consultants with respect to the standards governing the adequacy and design of proposals, the ability of applicants, and the priority of projects in meeting the objectives of this Act."

SEC. 4. (a) Title I of the Act is amended by renumbering sections 103 and 104 as sections 106 and 107, respectively, and by inserting immediately after section 102 the following new sections:

42 USC 2573,
2574.

"JOB DEVELOPMENT PROGRAM"

"SEC. 103. The Secretary of Labor shall stimulate and assist, in cooperation with interested agencies both public and private, job development programs, through on-the-job training and other suitable methods, that will serve to expand employment by the filling of those service and related needs which are not now being met because of lack of trained workers or other reasons affecting employment or opportunities for employment.

“LABOR MOBILITY DEMONSTRATION PROJECTS

“SEC. 104. (a) During the period ending June 30, 1967, the Secretary of Labor shall develop and carry out, in a limited number of geographical areas, pilot projects designed to assess or demonstrate the effectiveness in reducing unemployment of programs to increase the mobility of unemployed workers by providing assistance to meet their relocation expenses. In carrying out such projects the Secretary may provide such assistance, in the form of grants or loans, or both, only to involuntarily unemployed individuals who cannot reasonably be expected to secure full-time employment in the community in which they reside, have bona fide offers of employment (other than temporary or seasonal employment), and are deemed qualified to perform the work for which they are being employed.

Limitations.

“(b) Loans or grants provided under this section shall be subject to such terms and conditions as the Secretary shall prescribe, with loans subject to the following limitations:

- “(1) there is reasonable assurance of repayment of the loan;
- “(2) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;
- “(3) the amount of the loan, together with other funds available, is adequate to assure achievement of the purposes for which the loan is made;
- “(4) the loan bears interest at a rate not less than (A) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (B) such additional charge, if any, toward covering other costs of the program as the Secretary may determine to be consistent with its purposes; and

“(5) the loan is repayable within not more than ten years.

“(c) Of the funds appropriated for a fiscal year to carry out this Act, not more than \$5,000,000 may be used for the purposes of this section.

“TRAINEE PLACEMENT ASSISTANCE DEMONSTRATION PROJECTS

“SEC. 105. During the period ending June 30, 1967, the Secretary of Labor shall develop and carry out experimental and demonstration projects to assist in the placement of persons seeking employment through a public employment office who have successfully completed or participated in a federally assisted or financed training, counseling, work training, or work experience program and who, after appropriate counseling, have been found by the Secretary to be qualified and suitable for the employment in question, but to whom employment is or may be denied for reasons other than ability to perform, including difficulty in securing bonds for indemnifying their employers against loss from the infidelity, dishonesty, or default of such persons. In carrying out these projects the Secretary may make payments to or contracts with employers or institutions authorized to indemnify employers against such losses. Of the funds appropriated for fiscal years ending June 30, 1966, and June 30, 1967, not more than \$200,000 and \$300,000, respectively, may be used for the purpose of carrying out this section.”

(b) Section 102(2) of the Act is amended by striking out “104” and inserting in lieu thereof “107”.

SEC. 5. Section 202(i) of the Act is amended by striking out “, and such persons shall be eligible for training allowances for not to exceed an additional twenty weeks”.

77 Stat. 422.
42 USC 2582.

SEC. 6. (a) Section 203(a) of the Act is amended as follows:

Training allow-
ances.

(1) Amend the second sentence thereof to read as follows: “Such payments shall be made for a period not exceeding one hundred and four weeks, and the basic amount of any such payment in any week for persons undergoing training, including uncompensated employer-provided training, shall not exceed \$10 more than the amount of the average weekly gross unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the most recent four-calendar-quarter period for which such data are available: *Provided*, That the basic amount of such payments may be increased by \$5 a week for each dependent over two up to a maximum of four additional dependents: *Provided further*, That in any week an individual who, but for his training, would be entitled to unemployment compensation in excess of his total allowance, including payments for dependents, shall receive an allowance increased by the amount of such excess.”;

76 Stat. 26;
77 Stat. 422.
42 USC 2583.

(2) Amend the second paragraph thereof to read as follows:

“With respect to any week for which a person receives unemployment compensation under title XV of the Social Security Act or any other Federal or State unemployment compensation law which is less than the total training allowance, including payments for dependents, provided for by the preceding paragraph, a supplemental training allowance may be paid to a person eligible for a training allowance under this Act. The supplemental training allowance shall not exceed the difference between his unemployment compensation and the training allowance provided by the preceding paragraph.”;

68 Stat. 1130;
72 Stat. 1087.
42 USC 1361-
1371.

(3) Insert the words “under the training program” after “compensated hours per week” in the third paragraph of such subsection;

(4) In lieu of the fourth paragraph of such subsection insert the following:

“The training allowance of a person engaged in training under section 204 or 231 shall not be reduced on account of employment (other than employment under an on-the-job training program under section 204) which does not exceed twenty hours per week, but shall be reduced in an amount equal to his full earnings for hours worked (other than in employment under such an on-the-job training program) in excess of twenty hours per week.”

76 Stat. 28, 30;
77 Stat. 424.
42 USC 2584,
2601.

(b)(1) Section 203(b) of the Act is amended by striking out the matter following “to defray transportation” and preceding “*Provided*”, and by inserting in lieu of such matter the following: “expenses, and when such training is provided in facilities which are not within commuting distance of the trainee’s regular place of residence, subsistence expenses for separate maintenance of the trainee:”.

Transportation
and subsistence
expenses.

76 Stat. 27.
42 USC 2583.

(2) Such subsection is further amended by inserting immediately before the period at the end thereof the following: “, except in the case of local transportation where he may authorize reimbursement for the trainee’s travel by the most economical mode of public transportation, and except that in noncontiguous States and in areas outside the continental United States where the per diem allowance prescribed under section 836 of title 5, United States Code, exceeds the maximum per diem allowance prescribed under that section for contiguous States, the Secretary may provide for a reasonable increase in the transporta-

63 Stat. 166;
75 Stat. 339, 340.

tion and subsistence expenses in such amounts as he may deem necessary to carry out the purposes of this Act, and subject to such limitations as he may prescribe”.

(c) Section 203 (c) of the Act is amended as follows:

(1) Strike the words “not less than” in the first sentence and insert “at least” in lieu thereof;

(2) Strike out everything in the first sentence after the words “gainful employment”, and insert the following in lieu thereof: “*Provided*, That he shall not pay training allowances to members of a family or a household in which the head of the family or the head of the household as defined in the Internal Revenue Code of 1954 is employed, unless the Secretary determines that such payments are necessary in order for the trainees to undertake or to continue training: *Provided further*, That no allowances shall be paid to any member of a family or household if the Secretary of Labor determines that the head of such family or household has terminated his employment for the purpose of qualifying such member for training allowances under this section.”;

(3) Amend the last sentence to read as follows: “The number of youths under the age of twenty-two who are receiving training allowances (or who would be entitled thereto but for the receipt of unemployment compensation) shall, except for such adjustments as may be necessary for effective management of programs under this section, not exceed 25 per centum of all persons receiving such allowances (or who would be entitled thereto but for the receipt of unemployment compensation). The Secretary of Labor may authorize continued payments of allowances to any youth who becomes twenty-two years of age during the course of his training, if he has completed a substantial part of such training.”

(d) Subsection (d) of section 203 of the Act is repealed and subsections (e), (f), (g), (h), (i), and (j) of such section are redesignated as (d), (e), (f), (g), (h), and (i), respectively.

(e) The first sentence of section 203 (g) (2) of the Act (as redesignated by section 5 (d) of this Act) is amended by striking out everything that follows “all of such benefits paid” and inserting in lieu thereof a period.

SEC. 7. Section 208 of the Act is repealed.

SEC. 8. Section 231 of the Act is amended by striking out the second and third sentences and inserting in lieu thereof the following: “Such State agencies shall provide for such training through public educational agencies or institutions or through arrangements with private educational or training institutions where such private institutions can provide equipment or services not available in public institutions, particularly for training in technical and subprofessional occupations, or where such institutions can, at comparable cost, (1) provide substantially equivalent training, or (2) make possible an expanded use of the individual referral method, or (3) aid in reducing more quickly unemployment or current and prospective manpower shortages. The State agency shall be paid not more than 90 per centum of the cost to the State of carrying out the agreement, unless the Secretary of Health, Education, and Welfare determines that payments in excess of 90 per centum are necessary because such payments with respect to private institutions are required to give full effect to the purposes of the Act: *Provided*, That for the period ending June 30, 1966, the State agency shall be paid 100 per centum of the cost to the State of carrying out the agreement. Non-Federal contributions may be in cash or kind,

Conditions.
77 Stat. 422.
42 USC 2583.

68A Stat. 3.
26 USC 1 et seq.

Repeal.
76 Stat. 27;
77 Stat. 423.
42 USC 2583.

Repeal.
77 Stat. 423.
42 USC 2588.
Agreements with
States.
42 USC 2601.

fairly evaluated, including but not limited to plant, equipment, and services.”

SEC. 9. (a) Title II of the Act is amended by adding part C to the end thereof to read as follows:

76 Stat. 25.
42 USC 2581-
2602.

“PART C—REDEVELOPMENT AREAS

“SEC. 241. The Secretaries of Labor and of Health, Education, and Welfare, in accordance with their respective responsibilities under parts A and B of this title, are authorized to provide a supplementary program of training and training allowances, in consultation with the Secretary of Commerce, for unemployed and underemployed persons residing in areas designated as redevelopment areas by the Secretary of Commerce under the Area Redevelopment Act or any subsequent Act authorizing such designation. Such program shall be carried out by the Secretaries of Labor and of Health, Education, and Welfare in accordance with the provisions otherwise applicable to programs under this Act and with their respective functions under those provisions, except that—

77 Stat. 422.

“(1) the Secretary of Labor, in consultation with the Secretary of Commerce, shall determine the occupational training or retraining needs of unemployed or underemployed individuals residing in redevelopment areas;

75 Stat. 47.
42 USC 2501
note.

“(2) all unemployed or underemployed individuals residing in redevelopment areas who can reasonably be expected to obtain employment as a result of such training may be referred and selected for training and shall be eligible for training allowances under this section: *Provided*, That the amount and duration of training allowances under this section shall in no event exceed the amount and duration of training allowances provided under section 203(a) of this Act;

Training allow-
ances.

“(3) the Secretaries of Labor and of Health, Education, and Welfare shall, each with respect to his functions under this section, prescribe jointly with the Secretary of Commerce such rules and regulations as may be necessary to carry out the purposes of this section; and

Ante, p. 77.
42 USC 2583.
Regulatory
authority.

“(4) no funds available under this section shall be apportioned to any State pursuant to section 301 of this Act, nor shall any matching funds be required.”

76 Stat. 30.
42 USC 2611.

(b) Sections 16 and 17 of the Area Redevelopment Act (42 U.S.C. 2513 and 2514) are repealed. The repeal of these sections shall not affect the disbursement of funds under, or the carrying out of, any contract, commitment, or other obligation entered into pursuant to the Area Redevelopment Act prior to the effective date of the repeal of such sections.

Repeals.
75 Stat. 58.

(c) This section and the amendments made by it shall take effect on July 1, 1965.

SEC. 10. Section 301 of the Act is amended by striking the period at the end thereof, inserting a colon, and adding the following proviso: “*Provided*, That no funds apportioned with respect to a State in any fiscal year shall be reapportioned before the expiration of the sixth month of such fiscal year and only upon 30 days’ prior notice to such State of the proposed reapportionment, except that the requirement for prior notice shall not apply with respect to any reapportionment made during the last quarter of the fiscal year.”

42 USC 2611.

SEC. 11. Section 302 of the Act is amended by striking the word “and” following “the Smith-Hughes Vocational Education Act” insert-

42 USC 2612.
39 Stat. 929.
20 USC 151 and
note.

ing a comma in lieu thereof, and inserting "and the Vocational Education Act of 1963," following "the Vocational Education Act of 1946,".

SEC. 12. Section 304 of the Act is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"SEC. 304. (a) For the purposes of carrying out title I, there are hereby authorized to be appropriated not in excess of \$46,000,000 for the fiscal year ending June 30, 1966, and for each fiscal year thereafter such amounts as may be necessary.

"(b) For the purpose of carrying out parts A and B of title II, there are hereby authorized to be appropriated not in excess of \$385,000,000 for the fiscal year ending June 30, 1966, and for each fiscal year thereafter such amounts as may be necessary.

"(c) For the purpose of carrying out part C of title II, there are hereby authorized to be appropriated not in excess of \$22,000,000 for the fiscal year ending June 30, 1966, and for each year thereafter such amounts as may be necessary.

"(d) For the purpose of carrying out title III, there are hereby authorized to be appropriated not in excess of \$1,000,000 for the fiscal year ending June 30, 1966, and for each year thereafter such amounts as may be necessary."

SEC. 13. The following subsection is added to section 305 of the Act to read as follows:

"(e) the costs of all training programs approved in any fiscal year, including the total cost of training allowances for such programs, may be paid from funds appropriated for such purposes for that fiscal year; and the amount of the Federal payment shall be computed on the basis of the per centum requirement in effect at the time such programs are approved: *Provided*, That funds appropriated for the fiscal year ending June 30, 1966, may be expended for training programs approved under this Act prior to July 1, 1965."

SEC. 14. Subsection (a) of section 306 of the Act is amended by inserting after "procedures," the following: "including (subject to such policies, rules, and regulations as they may prescribe) the approval of any program under section 202, the cost of which does not exceed \$75,000;".

SEC. 15. Sections 309(a) and 309(b) of the Act are both amended by striking "Prior to March 1, 1963, and again prior to April 1, 1964, April 1, 1965, and April 1, 1966" and inserting in lieu thereof: "Prior to April 1 in each year".

SEC. 16. Section 310 of the Act is amended by striking out "1966" wherever it appears and inserting in lieu thereof "1969".

Approved April 26, 1965.

77 Stat. 403.
20 USC 35 note.
60 Stat. 775.
20 USC 151 note.
76 Stat. 31.
42 USC 2614.

Ante, pp. 75, 76.
42 USC 2571-
2574.

42 USC 2581-
2602.

Ante, p. 79.

42 USC 2611-
2620.

42 USC 2615.

42 USC 2616.

42 USC 2582.

77 Stat. 424.
42 USC 2619.

42 USC 2620.