Public Law 95-524
95th Congress

An Act

To amend the Comprehensive Employment and Training Act of 1973 to provide improved employment and training services, to extend the authorization, 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 “Comprehensive Employment and Training Act Amendments of 1978”.


SEC. 2. The Comprehensive Employment and Training Act of 1973 is amended to read as follows:

“SHORT TITLE

“Section 1. This Act, with the following table of contents, may be cited as the ‘Comprehensive Employment and Training Act’.

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"STATEMENT OF PURPOSE

29 USC 801. "Sec. 2. It is the purpose of this Act to provide job training and employment opportunities for economically disadvantaged, unemployed, or underemployed persons which will result in an increase in their earned income, and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency by establishing a flexible, coordinated, and decentralized system of Federal, State, and local programs. It is further the purpose of this Act to provide for the maximum feasible coordination of plans, programs, and activities under this Act with economic development, community development, and related activities, such as vocational education, vocational rehabilitation, public assistance, self-employment training, and social service programs.

"DEFINITIONS

29 USC 802. "Sec. 3. As used in this Act—

"(1) The term 'academic credit' means credit for education, training, or work experience applicable toward a secondary school
diploma, a postsecondary degree, or an accredited certificate of completion, consistent with applicable State law, regulation, and policy and the requirements of an accredited educational agency or institution in a State.

“(2) (A) Except as provided in subparagraph (B), the term ‘area of substantial unemployment’ means any area of sufficient size and scope to sustain a public service employment program and which has an average rate of unemployment of at least 6.5 percent for the most recent 12 months as determined by the Secretary.

“(B) With respect to determinations made for fiscal year 1979, and for parts A, B, and C of title II for any fiscal year, such term means any area of sufficient size and scope to sustain such a program and which has an average rate of unemployment of at least 6.5 percent for any 3 consecutive months within the most recent 12-month period as determined by the Secretary.

“(C) Determinations of areas of substantial unemployment shall be made once each fiscal year.

“(3) The term ‘artificial barriers to employment’ means limitations in the hiring, firing, promotion, licensing, and other terms and conditions of employment which are not directly related to an individual’s fitness or ability to perform the duties required by the employment position.

“(4) The term ‘community-based organizations’ means private nonprofit organizations which are representative of communities or significant segments of communities and which provide employment and training services (for example, Opportunities Industrialization Centers, the National Urban League, SER-Jobs for Progress, United Way of America, Mainstream, the National Puerto Rican Forum, neighborhood groups and organizations, community action agencies, community development corporations, vocational rehabilitation organizations, rehabilitation facilities (as defined in section 7(10) of the Rehabilitation Act of 1973), agencies serving youth, union-related organizations, and employer-related nonprofit organizations).

“(5) The term ‘Consumer Price Index’ means the ‘All Urban Consumer Index’ as determined by the Secretary of Labor.

“(6) The term ‘disabled veteran’ means those veterans described in section 2011(1) of title 38, United States Code.

“(7) The term ‘displaced homemaker’ means an individual who—

“(A) has not worked in the labor force for a substantial number of years but has, during those years, worked in the home providing unpaid services for family members;

“(B) (i) has been dependent on public assistance or on the income of another family member but is no longer supported by that income, or (ii) is receiving public assistance on account of dependent children in the home; and

“(C) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

“(8) The term ‘economically disadvantaged’ means a person who (A) receives, or is a member of a family which (i) receives cash welfare payments under a Federal, State, or local welfare program, or (ii) had a family income during the 6-month period
prior to application for the program involved which would have qualified such family for such cash welfare payments, subject to regulations of the Secretary; (B) has, or is a member of a family which has, received a total family income for the 6-month period prior to application for the program involved (exclusive of unemployment compensation and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level; (C) is a foster child on behalf of whom State or local government payments are made; or (D) in cases permitted by regulations of the Secretary, is a handicapped individual living at home or is an individual who is institutionalized or receiving services in, or is a client of, a sheltered workshop, prison, hospital, or similar institution or in community care. Except for any person who would be eligible for assistance under title V of the Older Americans Act of 1965 or a handicapped individual who is sixteen years of age or older, any person claimed as a dependent on another person's Federal income tax return under section 151(e) of the Internal Revenue Code of 1954 for the previous year shall be presumed, unless otherwise demonstrated, to be part of the person's family for the current year.

"(9) The term 'entry level' means the lowest position in any promotional line, as defined locally by collective-bargaining agreements, past practice, or applicable personnel rules.

"(10) The term 'Governor' means the chief executive of any State.

"(11) The term 'handicapped individual' means any individual who has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment.

"(12) The term 'Hawaiian native' means any individual any of whose ancestors were natives, prior to 1778, of the area which now consists of the Hawaiian Islands.

"(13) The term 'health care' includes preventive and clinical medical treatment, family planning services, nutrition services, and appropriate psychiatric, psychological, and prosthetic services, to the extent any such treatment or services are necessary to enable the recipient of employment and training services to obtain or retain employment.

"(14) The terms 'institutions of higher education' and 'post-secondary institutions' mean those institutions defined as institutions of higher education in section 1201(a) of the Higher Education Act of 1965.

"(15) (A) Except as provided in subparagraph (B), the term 'local educational agencies' means agencies as defined in section 198(10) of the Vocational Education Act of 1963.

"(B) For purposes of subpart 3 of part A of title IV, such term means agencies as defined in section 1001(f) of the Elementary and Secondary Education Act of 1965, as amended by the Education Amendments of 1978.

"(16) The term 'low-income level' means $7,000 with respect to income in 1969, and for any later year means that amount which bears the same relationship to $7,000 as the Consumer Price
Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest $1,000.

"(17) The term 'lower living standard income level' means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary based upon the most recent 'lower living family budget' issued by the Secretary.

"(18) The term 'offender' means any adult or juvenile who is or has been subject to any stage of the criminal justice process for whom employment and training services may be beneficial or who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

"(19) The term 'project' means, for the purpose of titles II and VI, a definable task or group of related tasks which will be completed within a definable period of time, has a public service objective, will result in a specific product or accomplishment, and would otherwise not be done with existing funds.

"(20) The term 'project applicants' includes States and agencies thereof, units of general local government and agencies thereof or combinations or associations of such governmental units when the primary purpose of such combinations or associations is to assist such governmental units to provide public services, special purpose political subdivisions having the power to levy taxes and spend funds or serving such special purpose within an area served by one or more units of general local government, local educational agencies, institutions of higher education, community-based organizations, community development corporations, nonprofit groups and organizations serving Native Americans, and other private nonprofit organizations or institutions engaged in public service.

"(21) The term 'public assistance' means Federal, State, or local government cash payments for which eligibility is determined by a need or income test.

"(22) The term 'public service' includes work, including part-time work, in such fields as environmental quality, health care, education, child care, public safety, crime prevention and control, prisoner rehabilitation, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, veterans outreach, and other fields of human betterment and community improvement.

"(23) The term 'recipient' means any person, organization, unit of government, corporation, or other entity receiving financial assistance under this Act whether directly from the Secretary, or through another recipient by subgrant, contract, subcontract, agreement, or otherwise.

"(24) The term 'Secretary' means the Secretary of Labor.

"(25) The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, and the Trust Territory of the Pacific Islands.

"(26) The term 'supportive services' means services which are designed to contribute to the employability of participants, enhance their employment opportunities, assist them in retaining employment, and facilitate their movement into permanent
employment not subsidized under the Act. Supportive services may include health care, transportation, temporary shelter, child care, and financial counseling and assistance.

(27) The term ‘underemployed persons’ means—

(A) persons who are working part time but seeking full-time work; or

(B) persons who are working full time but receiving wages not in excess of the higher of either (i) the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget; or (ii) 70 percent of the lower living standard income level.

(28) The term ‘unemployed persons’ means—

(A) persons who are without jobs and who want and are available for work; or

(B) except for purposes of allocation formulas—

(i) in cases permitted by regulations of the Secretary, persons who are institutionalized in, or who have been released from a prison, hospital, or similar institution, or are clients of a sheltered workshop; or

(ii) adults who receive, or whose families receive, supplemental security income or money payments pursuant to a State plan approved under title I, IV, X, or XVI of the Social Security Act or would, as defined in regulations to be issued by the Secretary, be eligible for such payments but for the fact that both parents are present in the home (I) who are determined by the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, to be available for work and (II) who are either persons without jobs, or persons working in jobs providing insufficient income to support their families without welfare assistance.

The determination of whether persons are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining persons as unemployed, but such criteria shall not be applied differently on account of a person’s previous employment.

(29) The term ‘unit of general local government’ means any city, municipality, county, town, township, parish, village, or other general purpose political subdivision which has the power to levy taxes and spend funds, as well as general corporate and police powers.

(30) The term ‘veterans outreach’ means the veterans outreach services program carried out under subchapter IV of chapter 3 of title 38, United States Code, with full utilization of veterans receiving educational assistance or vocational rehabilitation under chapter 31 or 34 of such title 38, and the services described in section 305 of this Act.

(31) The term ‘Vietnam-era veterans’ means those veterans defined in section 2011(2)(A) of title 38, United States Code, who are under 35 years of age.
"TITLE I—ADMINISTRATIVE PROVISIONS

"PART A—ORGANIZATIONAL PROVISIONS

"PRIME SPONSORS

"Sec. 101. (a) A prime sponsor under this Act shall be—

(1) a State;

(2) a unit of general local government which has a population of 100,000 or more persons on the basis of the most satisfactory current data available to the Secretary;

(3) any consortium of units of general local government which includes any unit of general local government qualifying under paragraph (2);

(4) any unit of general local government or any consortium of such units, without regard to population, which, in exceptional circumstances, and after consultation with appropriate State and local officials, is determined by the Secretary—

(A) (i) to serve a substantial portion of a functioning labor market area, or (ii) to be a rural area having a high level of unemployment; and

(B) to have demonstrated (i) that it has the capability for adequately carrying out programs under this Act, (ii) that there is a special need for services within the area to be served, and (iii) that it will carry out such programs and services in such area as effectively as any larger unit of general local government in the jurisdiction of which it is located or as the State;

(5) a limited number of existing concentrated employment program grantees serving rural areas having a high level of unemployment which the Secretary determines have special capabilities for carrying out programs in such areas and are designated by the Secretary for that purpose; and

(6) any unit of general local government previously designated as a prime sponsor under the provisions of this Act (as in effect prior to the effective date of the Comprehensive Employment and Training Act Amendments of 1978), regardless of a population decline below 100,000 persons, which the Secretary certifies has demonstrated its effectiveness in, and continues to have the capability for, adequately carrying out programs under this Act.

(b) (1) A State shall not qualify as a prime sponsor for any geographical area within the jurisdiction of any prime sponsor described in paragraph (2), (3), (4), (5), or (6) of subsection (a) unless such prime sponsor has not submitted an approvable comprehensive employment and training plan for such area.

(2) A larger unit of general local government shall not qualify as a prime sponsor with respect to the jurisdiction within its area of any smaller eligible unit of general local government unless such smaller unit has not submitted an approvable comprehensive employment and training plan for such area.

(c) An applicant shall submit to the Secretary a notice of intent to be a prime sponsor for a fiscal year by such date as the Secretary shall prescribe. The Secretary shall designate as a prime sponsor any
applicant submitting such a notice unless the Secretary determines that such applicant does not qualify under this section.

“(d) State prime sponsors shall, in coordination with units of general local government, make appropriate arrangements for appropriate area planning bodies to serve subareas within the State prime sponsor’s area for the purpose of assisting in the effective planning and delivery of comprehensive employment and training programs in such subareas, in accordance with such regulations as the Secretary may prescribe.

“AUTHORITY OF SECRETARY TO PROVIDE SERVICES


“Sec. 102. In any area for which no prime sponsor has been designated or where the Secretary has taken an action under section 104 or section 106 which results in employment and training services not being provided in such area, the Secretary shall use funds allocated to such prime sponsor to make payments directly to public agencies or private nonprofit organizations as if the Secretary were the prime sponsor for that area.

“COMPREHENSIVE EMPLOYMENT AND TRAINING PLAN


“Sec. 103. (a) In order to receive financial assistance under this Act, a prime sponsor designated under section 101(c) shall submit to the Secretary a comprehensive employment and training plan. Such plan shall consist of a master plan and an annual plan. The master plan shall serve as the long-term charter under which the programs of such prime sponsor shall be operated. Such plan shall be sufficiently detailed to provide the Secretary and the prime sponsor with a thorough understanding of the economic conditions of the area and of the prime sponsor’s long-term programmatic and administrative arrangements to ensure that each annual program is designed and implemented in a manner best suited to such conditions and in a manner consistent with the requirements of this Act. The formulation of such plan by the prime sponsor shall involve the active participation of the prime sponsor planning council, and such plan shall—

“(1) include (A) a detailed analysis of the area to be served, including geographic and demographic characteristics of significant segments of the population to be served (with data indicating the number of potential eligible participants and their income and employment status), and (B) a comprehensive labor market analysis and assessment of the economic conditions in the area, identifying the availability of employment and training in various public and private labor market sectors in such area and the potential for job growth in such sectors;

“(2) include a statement of the long-term goals of the prime sponsor for the improvement of such labor market and economic conditions;

“(3) include a detailed description of—

“(A) the methods and institutional arrangements which will be used to involve community based organizations, educational agencies, and other deliverers of services in the development and implementation of the programs assisted under this Act; and

“(B) the methods and criteria which will be used to select such deliverers of services from an inventory of potentially
available deliverers of services (which have expressed an interest in writing) maintained by the prime sponsor as records accessible to the public;

"(4) include a detailed description of—

"(A) the prime sponsor’s administrative arrangements, including the procedures to be used to supervise deliverers of service (including criteria for determining that a program has demonstrated effectiveness), to select and to place individuals on the administrative staff, to evaluate and audit the operation of such programs, and to process complaints and grievances;

"(B) the methods to be used to identify and place participants in such programs, the arrangements made with respect to providing such participants with job search assistance, counseling, and other services; and

"(C) the procedures for the selection of and the arrangements made with respect to consultation with the prime sponsor planning council, the youth council, and the private industry council;

"(5) include a description of arrangements to ensure that—

"(A) employment and training services, including the development of job opportunities, will be provided to those most in need of them, including low-income persons, handicapped individuals, persons facing barriers to employment commonly experienced by older workers, and persons of limited English-speaking ability, and that the need for continued funding of programs of demonstrated effectiveness is taken into account in serving such groups and persons;

"(B) nondiscrimination and equal employment opportunities are provided; and

"(C) procedures are developed which will lead to skill development and job opportunities for participants in occupations traditionally limited to individuals of the opposite sex;

"(6) provide a description of appropriate arrangements with educational agencies serving youth, community-based organizations serving the poverty community which are not represented on the prime sponsor planning council, and other special target groups, for their participation in the planning of programs included in the plan;

"(7) provide for utilizing those services and facilities which are available, with or without reimbursement, from Federal, State, and local agencies to the extent deemed appropriate by the prime sponsor after giving due consideration to the effectiveness of such existing services and facilities, including the State employment service, State vocational education and vocational rehabilitation agencies, State public assistance agencies, area skills centers, local educational agencies, postsecondary training and education institutions, community action agencies, other public agencies and community-based organizations, but nothing contained herein shall be construed to limit the utilization of services and facilities of private agencies, institutions, and organizations (such as private businesses, labor organizations, and private educational and vocational institutions) which can, at comparable cost, provide substantially equivalent training or services;
“(8) provide (A) a description of arrangements for (i) the use of skills centers established under section 231 of the Manpower Development and Training Act of 1962, and (ii) the use of other public vocational education facilities in such area; (B) a description of arrangements to coordinate services for which financial assistance is provided under programs administered by the Secretary relating to employment and training and related services; and (C) a description of arrangements to promote maximum feasible use of apprenticeship or other on-the-job training opportunities available under section 1787 of title 38, United States Code;

“(9) provide for and include a description of arrangements made to ensure the participation of and consultation with local educational agencies, vocational education agencies, community-based organizations, Federal and State agencies, organized labor, business, and other institutions and organizations in the conduct of programs under this Act;

“(10) include a description of procedures for the consideration of any changes in the agreement required by this subsection or in the annual plan required under subsection (b), including review of such changes by the prime sponsor planning council;

“(11) include a detailed description of recordkeeping procedures (including books of account) for the expenditure of funds received under this Act which will allow the Secretary to audit and monitor the prime sponsor's programs, and will assure adequate supervision and monitoring of such programs by the prime sponsor, particularly with respect to the eligibility of participants and the propriety of participant selection procedures and practices;

“(12) include a detailed description of procedures for the monitoring and auditing of any subgrantees or subcontractors;

“(13) include a description of the methods and arrangements which will be used to ensure the fullest possible utilization, consistent with the education and training needs identified in the plan, of public vocational education facilities and programs, and of other facilities of local education agencies in the provision of instruction in basic cognitive skills and in the development and implementation of programs assisted under this Act;

“(14) provide evidence that in the development of such plan there has been a continuing process of consultation with interested groups in the area not directly represented on the prime sponsor’s planning council, including local advisory councils established under section 105(a) of the Vocational Education Act of 1963 and the private industry council established under section 704 of this Act, representatives of local education agencies, and representatives of postsecondary educational agencies;

“(15) include a description of the methods for coordination between the prime sponsor and the local State employment security agencies and delineate the specific responsibilities of each in the delivery of employment and training services for participants funded under this Act and under the Wagner-Peyser Act, with the goal of maximizing the level of coordination between the prime sponsor and the local employment security agency and minimizing duplication;
“(16) include a description of the procedures concerning academic credit developed in conjunction with the appropriate local educational agency or institution of higher education and approved by the appropriate State educational agency (including State agencies responsible for postsecondary education), or, where a prime sponsor’s area includes more than one local educational agency, developed in conjunction with, and approved by, the appropriate State educational agency;

“(17) include a description of recommendations of members of the prime sponsor’s planning council which were not included in the plan, together with the reasons for rejecting them;

“(18) include a description of actions to ensure compliance with personnel procedures and collective bargaining agreements;

“(19) include a description of efforts to remove artificial barriers to employment;

“(20) include a description of plans and activities to coordinate, strengthen, and expand employment and training activities under this Act with economic development activities in the private sector; and

“(21) include adequate assurances of compliance with all provisions of this Act and regulations promulgated pursuant thereto.

“(b) To receive funds for any fiscal year, a prime sponsor shall submit an annual plan, which shall include—

“(1) a description of any significant changes from the information provided in the master plan;

“(2) a description of the eligible population identified by race, sex, national origin, and age, and the proposed activities and services for participants from these significant segments of the eligible population;

“(3) a description of specific services for individuals who are experiencing severe handicaps in obtaining employment, including individuals who lack credentials, require basic and remedial skill development, have limited English-speaking ability, are handicapped, are disabled or Vietnam-era veterans, are offenders, are displaced homemakers, are public assistance recipients, are 55 years of age or older, are youth, are single parents, are women, or are other individuals who the Secretary determines have particular disadvantages in the labor market;

“(4) a description of the services to be provided, the prime sponsor’s performance and placement goals (including such goals as may be established with respect to the groups identified in paragraphs (2) and (3)), and the relationship of such goals to the Secretary’s performance standards;

“(5) the proposed budget for the program year, including a detailed summary of the expenditures made during the preceding year, results achieved, and changes made in the annual plan for the program year;

“(6) a description of the relationship between job development and placement under this Act and other employment and training programs in the area served, and efforts made or which will be made to coordinate programs under this Act with such other programs;

“(7) a description of programs to orient and prepare the participants for their job responsibilities;
“(8) a description of efforts to be undertaken to involve the private sector;
“(9) a statement of any intention by the prime sponsor to apply for and utilize funds provided under this Act which are not allocated by formula;
“(10) a description of wage rates or salaries and fringe benefits to be paid to persons employed in public service employment and a comparison with the wages or salaries and fringe benefits paid for similar public occupations by the same employer; levels of employment not supported under this Act; layoffs, and hiring and promotional freezes in each employing agency;
“(11) a description of the procedures which will be used to promote the objectives of section 121(a)(4), including the hiring, licensing, and contracting activities of the political units, subgrantees, and contractors of such prime sponsor;
“(12) the method for determining priorities for service under title II which shall be based on objective locally established criteria to assist the prime sponsor in assuring service to those most in need, such priorities shall be based on locally determined factors such as employment status, household status, level of employability development, handicap, veteran status, age, race, sex, or other criteria deemed viable by the prime sponsor;
“(13) a list of the specific contracts from the previous year with those institutions providing training programs, including information on the rate of positive placement for individuals who have completed such programs;
“(14) a summary of any evaluation conducted of the prime sponsor's programs during preceding program years and a description of any use made of such evaluation in the modification or alteration of the prime sponsor's program;
“(15) a description of an affirmative action program for outreach to and training, placement, and advancement of handicapped individuals in employment and training programs under this Act, including—

   (A) a description of the extent to which and the methods whereby the special needs of the handicapped are to be met; and
   (B) a description of the number of handicapped individuals who were served in the preceding year the types of training or employment in which they were placed, and the number of such individuals who were moved into unsubsidized employment; and

“(16) a copy of all agreements made pursuant to section 203(c).
“(c) The Secretary shall establish procedures for submittal, approval, and implementation of changes in the comprehensive employment and training plan, together with any reports required under this Act, not more than once each fiscal quarter.

“REVIEW OF PLANS

29 USC 814.

“Sec. 104. (a) Each prime sponsor shall, at least 45 days before submitting its master or annual plan to the Secretary—
“(1) transmit such plan, in order to allow at least 30 days of review and comment, to—
“(A) the Governor;
“(B) the State employment and training council;
“(C) the prime sponsor planning council and the private industry council;
“(D) appropriate units of general local government in its area; and
“(E) labor organizations in the area which represent employees engaged in work similar to that proposed to be funded;
“(2) make such plan available, in order to allow for at least thirty days of review and comment, to—
“(A) each House of the State legislature for appropriate referral;
“(B) appropriate community based organizations of demonstrated effectiveness in serving significant segments of the eligible population; and
“(C) appropriate educational agencies and institutions, and give written notification of its availability; and
“(3) make such plan available to the general public through such means as public hearings, newspapers, bulletins, and other media, including publications that primarily serve significant segments of the eligible population.
“(b) The prime sponsor shall consider any comments or recommendations received and shall transmit to the Secretary copies of the comments and recommendations of the Governor, the State employment and training council, and the prime sponsor planning council.
“(c) (1) The Secretary shall review each comprehensive employment and training plan to determine whether it is complete, whether it meets the requirements of this Act and the regulations promulgated under this Act and other applicable law, and whether, taking into account such factors as past performance and the recommendations made by the Governor, the State employment and training council, and the prime sponsor planning council, it is adequately designed to carry out an effective and well-administered program. The Secretary shall require the prime sponsor to take such action as the Secretary deems necessary to bring its plan and programs into conformance with the Act and the regulations promulgated under this Act or to improve the administration and effectiveness of its programs. If it is determined that such action is made necessary as a result of the Secretary’s review of recommendations submitted by the Governor, the State employment and training council, or the prime sponsor planning council, the Secretary shall request an explanation of why the prime sponsor rejected such recommendations.
“(2) The Secretary shall, prior to approval of any plan, require the inclusion in such plan of specific management and accounting procedures to assure adequate supervision and monitoring of the programs to be conducted pursuant to such plan, and shall require the adoption of specific procedures (such as accrual accounting procedures) where necessary for such purpose.
“(3) The Secretary shall, prior to approval of any plan, ensure that the prime sponsor has demonstrated a recognizable and proven method of verifying eligibility of all participants. The Secretary may require modification or the adoption of specific procedures where necessary for such purposes. The Secretary shall also develop recognizable penalties and inform the prime sponsor of such penalties to
be applied upon a finding of the ineligibility of any participant. In reviewing such plans, the Secretary shall ensure that the plans adequately describe, and the prime sponsor demonstrates a thorough understanding of, labor market and economic conditions in the area served, that the plan is reasonably designed to respond to such conditions, that the administrative arrangements and procedures are adequate for the performance of the program and will ensure that professional standards of management will be attained, and that the plans provide for adequate relationships with existing community efforts and maximize the use of existing resources.

"(4) The Secretary may disapprove all or any portion of a plan if he finds that the use of funds for a particular subcontract or subgrant provided within that portion of the plan would be grossly inefficient or fail to carry out the purposes of this Act.

"(d) (1) The Secretary shall disapprove any plan that does not fully satisfy the review under subsection (c), after a reasonable opportunity, but not less than 30 days, has been given to the prime sponsor to remedy any defect found in the plan and the prime sponsor has failed to do so.

"(2) Whenever the Secretary disapproves a plan he shall transmit a notice of disapproval to the prime sponsor and the Governor, accompanied by a statement of reason for the disapproval. The Secretary shall not disapprove a plan without first affording an opportunity for a hearing to the prime sponsor.

"(e) (1) The Secretary shall, not later than March 31 of the fiscal year preceding the fiscal year for which an annual plan is to take effect, establish a date for the submission of such annual plan. The Secretary shall make available to each prime sponsor a complete and final set of all applicable regulations and necessary application materials no later than May 15 of the fiscal year preceding the fiscal year for which such plan is to take effect. With respect to funds allocated under this Act on the basis of a formula, the Secretary shall also provide prime sponsors with a preliminary planning estimate based on the amounts available in the budget of the President or in the most recent concurrent budget resolution under the Congressional Budget Act applicable to such year. If for any reason the Secretary cannot provide a complete and final set of all applicable regulations and necessary application materials by such May 15 prior to the date established under the first sentence of this subsection, the Secretary shall extend the date for submittal of such plan to allow the prime sponsor to review such regulations and to complete such materials prior to submittal.

"(2) During the period of time between May 15 and the date for submittal of the plan, the Secretary shall not issue any regulations or guidelines or interpretations thereof that require any change in the prime sponsor's plan, which is a condition for the Secretary's approval or disapproval of the plan. If the Secretary deems that a plan change is required during this period, the Secretary shall allow at least one fiscal quarter for the prime sponsor to submit such change, except that the sponsor may at its own discretion submit the required change as part of its plan submittal under paragraph (1).
"GOVERNOR’S COORDINATION AND SPECIAL SERVICES PLAN"

"Sec. 105. (a) Any State seeking financial assistance under this Act shall submit a Governor’s coordination and special services plan to the Secretary.

(b) Governor’s coordination and special services activities shall include the following—

1) coordinating all employment and training, education, and related services provided by the State, by prime sponsors, by State education agencies and other appropriate institutions of vocational and higher education, State and local public assistance agencies, and by other providers of such services within the State;

2) coordinating programs financed under the Wagner-Peyser Act and this Act, including assisting in the negotiation of any agreements (including partnership arrangements described in section 307) between prime sponsors and State employment security agencies;

3) assuring that comprehensive employment and training plans do not unnecessarily result in the duplication of services;

4) assisting the Secretary in enforcing the requirements for Federal contractors and subcontractors to list all suitable employment openings with local offices of the State employment service agencies and to take affirmative action, as required in section 2012 (a) of title 38, United States Code;

5) assuring the promotion of prime sponsor planning that takes into account conditions prevailing in labor market areas covering more than one prime sponsor area, as well as related activities such as community development, economic development, vocational education, vocational rehabilitation, and social services;

6) exchanging of information between States and prime sponsors with respect to State, interstate, and regional planning for economic development, human resource development, education, and other subjects relevant to employment and training planning;

7) developing and providing to prime sponsors information on a State and local area basis regarding economic, industrial, and labor market conditions;

8) making available to prime sponsors, with or without reimbursement and upon request, appropriate information and technical assistance to assist them in developing and implementing their programs;

9) carrying out special model training and employment programs and related services, which may include programs for offenders similar to programs described in section 301 (b) (2);

10) providing financial assistance for special programs and services designed to meet the needs of rural areas outside major labor market areas;

11) providing labor market and occupational information to prime sponsors and appropriate educational agencies and institutions without reimbursement; and

12) facilitating and fostering the activities of the State Occupational Information Coordinating Committee established pursuant to section 161 (b) (2) of the Vocational Education Act of 1963, with special emphasis on the systematic use of occupational infor-"
mation for prime sponsor planning as well as assisting and encour-
aging the development and use of career outlook information for 
individuals who are receiving rehabilitation services, students in
local schools, and individuals using the services of prime sponsors
and local offices of State employment security agencies.

"(c) A Governor's coordination and special services plan shall be
approved by the Secretary only if the Secretary determines that the
plan satisfactorily implements subsection (b).

"COMPLAINTS AND SANCTIONS

Sec. 106. (a) (1) Except for complaints subject to the provision of
paragraph (2), each prime sponsor receiving financial assistance
under this Act or contractor or grantee under title III shall establish
and maintain a grievance procedure, including provision for hear-
ings within 30 days after the filing of a grievance, and for handling
complaints about the program arising from its participants, sub-
grantees, contractors, and other interested persons. Hearings under
such procedure shall be conducted expeditiously and decisions shall
be made not later than 60 days after the filing of the grievance
involved. With the exception of grievances alleging fraud or any crim-
inal activity, the filing of a grievance must be made within one year of
the alleged occurrence.

"(2) Whenever the recipient of financial assistance under this Act
is an employer and the participant is an employee of that employer,
the recipient shall continue to operate or shall establish and maintain
a grievance procedure relating to the terms and conditions of
employment.

"(b) Whenever the Secretary receives a complaint from any inter-
ested person or organization (which has exhausted the prime sponsor's
grievance system under subsection (a) (1) or which has exhausted or
failed to achieve resolution of the grievance under the recipient's
grievance system under subsection (a) (2) or under a collective bar-
gaining agreement within the time limits prescribed in subsection
(a) (1) or in such agreement) which alleges, or whenever the Secre-
tary has reason to believe (because of an audit, report, on-site review,
or otherwise) that a recipient of financial assistance under this Act
is failing to comply with the requirements of this Act, the regula-
tions under this Act, or the terms of the comprehensive employment
and training plan, the Secretary shall investigate the matter. The
Secretary shall conduct such investigation, and make the final deter-
mination required by the following sentence regarding the truth of
the allegation or belief involved, not later than 120 days after receiv-
ing the complaint. If, after such investigation, the Secretary deter-
mines that there is substantial evidence to support such allegation or
belief that such a recipient is failing to comply with such require-
ments, the Secretary shall, after due notice and opportunity for a
hearing to such recipient, determine whether such allegation or belief
is true.

"(c) (1) The Secretary shall revoke all or any part of a prime
sponsor's comprehensive employment and training plan and termi-
nate financial assistance thereunder, if prior notice and opportunity
for a hearing have been given, when the Secretary determines that
the prime sponsor is maintaining a pattern or practice of discrimina-
tion in violation of section 132.
“(2) The Secretary shall have the authority to revoke a prime sponsor's comprehensive employment and training plan and terminate financial assistance thereunder, if prior notice and opportunity for a hearing have been given, when the Secretary determines that the prime sponsor is—

“(A) failing to make opportunities available equitably among the significant segments of the eligible population in the area it serves;

“(B) failing to provide participants with employment or training opportunities at levels of skill and remuneration that are commensurate with their capabilities or potential capabilities;

“(C) failing to give due consideration to the eligible population in areas of chronic or concentrated unemployment;

“(D) failing to give due consideration to funding of programs of demonstrated effectiveness;

“(E) incurring unreasonable administrative costs in the conduct of activities and programs, as determined by the Secretary pursuant to regulations under this Act;

“(F) materially failing to expend funds in a reasonable period of time; or

“(G) otherwise materially failing to carry out the purposes and provisions of this Act or the regulations promulgated pursuant to this Act.

“(d)(1) If the Secretary concludes that any recipient of funds under this Act is failing to comply with any provision of this Act or the regulations under this Act or that the recipient has not taken appropriate action against its subcontractors, subgrantees, and other recipients, the Secretary shall have authority to terminate or suspend financial assistance in whole or in part and order such sanctions or corrective actions as are appropriate, including the repayment of misspent funds from sources other than funds under this Act and the withholding of future funding, if prior notice and an opportunity for a hearing have been given to the recipient. Whenever the Secretary orders termination or suspension of financial assistance to a subgrantee or subcontractor (including operators under a nonfinancial agreement), the Secretary shall have authority to take whatever action is necessary to enforce such order, including action directly against the subgrantee or subcontractor, and an order to the primary recipient that it take such legal action, to reclaim misspent funds or to otherwise protect the integrity of the funds or ensure the proper operation of the program.

“(2) If the Secretary concludes that a public service employment program is being conducted in violation of section 121 (e)(2), (e)(3), (g)(1), section 122 (e), (e), or section 123(g), or regulations promulgated pursuant to such sections, the Secretary shall, pursuant to paragraph (1) of this subsection, terminate or suspend financial assistance in whole or in part, order the repayment of misspent funds from sources other than funds under this Act or other funds used in connection with programs funded under this Act (unless, in view of special circumstances as demonstrated by the recipient, the Secretary determines that requiring repayment would not serve the purposes of attaining compliance with such sections), and order such other sanctions or corrective actions as are appropriate.
"(e) In emergency situations, as determined by the Secretary, when it is necessary to protect the integrity of the funds or ensure the proper operation of the program, the Secretary may immediately terminate or suspend financial assistance in whole or in part, provided that prompt notice and opportunity for a subsequent hearing, within 30 days after such termination or suspension, are given to the recipient. The Secretary shall not delegate any of the functions or authority specified in this subsection other than to an officer whose appointment was required to be made by and with the advice and consent of the Senate.

"(f) If the Secretary determines that any recipient under this Act has—

"(1) discharged or in any other manner discriminated against a participant or against any person in connection with the administration of the program involved or against any person because such person has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding or investigation under or related to this Act, or otherwise unlawfully denied to any person a benefit to which that person is entitled under the provisions of this Act or the Secretary's regulations, or

"(2) discriminated against any person, failed to serve equitably significant segments of the eligible population, or failed to provide employment or training opportunities at levels of skill and remuneration that are commensurate with the participant's capabilities or potential capabilities;

the Secretary shall, within 30 days, take such action or order such corrective measures, as necessary, with respect to the recipient or the aggrieved person, or both.

"(g) The Secretary may withhold funds otherwise payable under this Act in order to recover any amounts expended in any fiscal year in violation of any provision of this Act, any regulation promulgated pursuant to this Act, or any term or condition of assistance under this Act. In the event of any such withholding which results from fraud or abuse, the Secretary may order the prime sponsor to conduct the program as specified in the applicable plan on the basis of funds other than funds under this Act and may enforce such order by appropriate civil action, unless the prime sponsor elects to terminate participation as a grantee under this Act.

"(h) With the consent and consideration of State agencies charged with the administration of State laws, the Secretary shall be authorized, for the purpose of carrying out this section and section 133, to utilize the services of State and local agencies and their employees. Notwithstanding any other provision of law, the Secretary is authorized to reimburse, in whole or in part, such State and local agencies and their employees for services rendered for such purposes.

"(i) (1) Except as otherwise provided in subsection (e), the Secretary shall not revoke a prime sponsor's plan, in whole or in part, nor institute corrective action or sanctions against a prime sponsor under this section or any other provision of this Act, without first providing the prime sponsor with notice by the Secretary of his intended actions and the reasons upon which those intended actions are based, and also providing the prime sponsor—

"(A) with an opportunity to informally resolve those matters contained in the Secretary's notice; and
“(B) in the event that the prime sponsor and the Secretary cannot informally resolve any matter pursuant to clause (A), with a notice that (i) indicates that efforts to informally resolve matters contained in the Secretary’s original notice have been unsuccessful; (ii) lists those matters upon which the parties continue to disagree; and (iii) informs the prime sponsor of any sanctions, corrective action, or any other alteration or modification of the prime sponsor’s plan or program intended by the Secretary.

“(2) Within 10 days of receipt of the Secretary’s notice under paragraph (1)(B), the prime sponsor may request a hearing, but in no event shall the Secretary proceed under this subsection without first fulfilling all the requirements under this subsection.

“(j) In order to ensure compliance with the provisions of this Act and regulations promulgated under this Act and to ensure conduct of programs in a manner consistent with the purposes and objectives of this Act, the Secretary may require prime sponsors to participate in unified audit programs established by the Secretary to provide for the audit of both prime sponsors and their respective subgrantees and subcontractors. In any such case the Secretary may require the prime sponsor to pay, from funds under this Act available to it for administrative expenses, that portion of the unified audit expenses allocable to the audit of such subgrantees and subcontractors.

“(k) Nothing in this section shall be deemed to reduce the responsibility and full liability of the prime sponsors and other recipients which receive funds directly from the Secretary.

“(l) The existence of remedies under this section shall not preclude any person, who alleges that an action of a prime sponsor or of any other recipient violates any of the provisions of the Act or the regulations promulgated under the Act, from instituting a civil action or pursuing any other remedies authorized under Federal, State, or local law.

“JUDICIAL REVIEW

“Sec. 107. (a) If any prime sponsor is dissatisfied with the Secretary's final action with respect to the disapproval of its comprehensive employment and training plan under section 104, or if any recipient is dissatisfied with the Secretary's final action with respect to a sanction under section 106, or if any interested person is dissatisfied with or aggrieved by any final action of the Secretary authorized under section 106, such prime sponsor, recipient, or person may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which the prime sponsor, recipient, or person resides or transacts business a petition for review of such action.

“(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may, in whole or in part, set aside the findings of the Secretary or remand the case to the Secretary in whole or in part to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify the previous action, and shall certify to the court the record of the further proceedings.

“REALLOCATION

“Sec. 108. (a) The Secretary is authorized to reallocate any amount of any allocation under this Act to the extent that the Secretary deter-
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Ministers that the recipient will not be able to use such amount within a reasonable period of time.

"(b) (1) Any allocations to a prime sponsor designated under section 101(c) may be reallocated only if the Secretary has provided 30 days advance notice to the prime sponsor, to the Governor, and to the general public. During such period comments may be submitted to the Secretary.

"(2) After considering any comments submitted during such period, the Secretary shall notify the Governor and the affected prime sponsor of any decision to reallocate funds, and shall publish such decision in the Federal Register.

"(3) In reallocating any such funds, the Secretary shall give priority first to other prime sponsor areas within the same State and then to prime sponsor areas within other States.

"Prime Sponsor's Planning Council

Sec. 109. (a) Each prime sponsor designated under section 101(c) shall establish a planning council.

"(b) Each planning council established under subsection (a) shall consist of members who are representative of the eligible population (including significant segments thereof), organized labor, employees who are not represented by organized labor, community-based organizations, the employment service, veterans organizations, representatives of handicapped individuals, vocational education agencies, public assistance agencies, other education and training agencies and institutions, business, labor, and, where appropriate agricultural employers and workers.

"(c) The prime sponsor shall appoint the members of the planning council, designate a public member as chairperson and furnish staff to provide professional, technical, and clerical assistance to the council.

"(d) The planning council shall meet no less than 5 times per year. The meetings shall be publicly announced, and, to the extent appropriate, open to and accessible to the general public.

"(e) The council shall (1) participate in the development of, and submit recommendations regarding, the prime sponsor's comprehensive employment and training plan and the basic goals, policies, and procedures of the prime sponsor's programs and of other employment and training programs in the prime sponsor's area; (2) monitor, and provide for objective evaluation of, employment and training programs conducted in such area; and (3) provide for continuing analyses of the need for employment, training, and related services in such area, including efforts to reduce and eliminate artificial barriers to employment. Special consideration shall be given to the recommendations of the planning council, but any final decision with respect to such recommendations shall be made by the prime sponsor.

"(f) The planning council shall take into consideration any comments and recommendations of the private industry council in the development of the comprehensive employment and training plan.

"State Employment and Training Council

Sec. 110. (a) (1) Any State which desires to receive financial assistance under this Act shall establish a State employment and training council (hereinafter in this section referred to as the 'Council'). Funding for the council shall be provided pursuant to section 202(c).
“(2) The council shall be appointed by the Governor, who shall designate one public member thereof to be chairperson. The Governor shall furnish staff to provide professional, technical, and clerical assistance to the council.

“(3) The council shall be composed of—

(A) representatives of the units or combinations of units of general local government in such State, including those which are prime sponsors, who together shall comprise at least one-quarter of the membership of the council and shall be nominated by the chief executive officers of the units or combination of units of general local government;

(B) representatives of organized labor, business, and agricultural employers and workers, who together shall comprise one-quarter of the membership of the council;

(C) representatives of the eligible population (including significant segments thereof) and of the general public, who together shall comprise one-quarter of the membership of the council; and

(D) representatives of service deliverers, who together shall comprise not more than one-quarter of the membership of the council, including at least—

(i) one representative each of the State board of vocational education and the public employment service of such State;

(ii) one representative of the State Advisory Council on Vocational Education created pursuant to section 105 of the Vocational Education Act of 1963;

(iii) one representative of the State public assistance agency;

(iv) one representative of each such other State agency as the Governor may determine to have a direct interest in overall employment and training and human resource utilization within the State;

(v) representatives of community-based organizations;

(vi) representatives of veterans organizations; and

(vii) representatives of handicapped individuals.

“(4) The council shall meet at such times (but at least 5 times each year) and in such places as it deems necessary. The meetings shall be publicly announced, and, to the extent appropriate, open and accessible to the general public.

“(b) The council shall—

(1) review continuously the operation of programs conducted by each prime sponsor, and the availability, responsiveness, and adequacy of State services, and make recommendations to the prime sponsors, to agencies providing employment and training services, to the Governor, and to the general public with respect to ways to improve the effectiveness of such programs or services;

(2) make an annual report to the Governor which shall be a public document, and issue such other studies, reports, or documents as it deems advisable to assist prime sponsors or to otherwise help carry out the purposes of this Act;

(3)(A) identify, in coordination with the State Advisory Council on Vocational Education, the employment and training and vocational education needs of the State and assess the extent to which employment and training, vocational education, voca-
tional rehabilitation, public assistance, and other programs assisted under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs; and

"(B) comment at least once annually on the reports of the State Advisory Council on Vocational Education, which comments shall be included in the annual report submitted by that Council pursuant to section 105 of the Vocational Education Act of 1963;

"(4) review the comprehensive employment and training plans of prime sponsors pursuant to section 104, especially with respect to nonutilization or duplication of existing services;

"(5) review plans of all State agencies providing employment, training, and related services, and provide comments and recommendations to the Governor, the State agencies and the appropriate Federal agencies on the relevancy and effectiveness of employment and training and related service delivery systems in the State; and

"(6) participate in the development of the Governor's coordination and special services plan.

"CONSULTATION

"Sec. 111. (a) The Secretary shall consult with the Secretary of Health, Education, and Welfare, with respect to arrangements for services of a health, education, or welfare character under this Act, and the Secretary of Health, Education, and Welfare shall solicit the advice and comments of appropriate State agencies with respects to health, education, and welfare services. Such services shall include basic or general education; educational programs conducted for offenders; institutional training; health care, child care, and other supportive services; and new careers and job restructuring in the health, education, and welfare professions.

"(b) The Secretary, in carrying out or supporting programs under this Act, shall consult, as appropriate, with the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Agriculture, the Director of the ACTION Agency, the Director of the Community Services Administration, the Administrator of Veterans Affairs, and such other officials as appropriate.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 112. (a) (1) There are authorized to be appropriated such sums as may be necessary for fiscal year 1979 and for each of the three succeeding fiscal years to carry out title I.

"(2) (A) There are authorized to be appropriated $2,000,000,000 for fiscal year 1979 to carry out parts A, B, and C of title II.

"(B) There are authorized to be appropriated $3,000,000,000 for fiscal year 1979 to carry out part D of title II.

"(C) Subject to subsection (b) (1), there are authorized to be appropriated such sums as may be necessary for fiscal year 1980 and for each of the two succeeding fiscal years to carry out parts A, B, C, and D of title II.

"(3) Subject to subsection (b) (2), there are authorized to be appropriated such sums as may be necessary for fiscal year 1979 and for each of the three succeeding fiscal years to carry out title III.

"(4) (A) There are authorized to be appropriated $2,250,000,000 for fiscal year 1979 to carry out title IV.
“(B) There are authorized to be appropriated $2,400,000,000 for fiscal year 1980 to carry out title IV.

“(C) There are authorized to be appropriated such sums as may be necessary for fiscal year 1981 and for the succeeding fiscal year to carry out parts B and C of title IV.

“(D) There are authorized to be appropriated such sums as may be necessary for fiscal year 1979 and for each of the three succeeding fiscal years to carry out title V.

“(E) There are authorized to be appropriated for fiscal year 1979 and for each of the three succeeding fiscal years the amount determined pursuant to section 602 to carry out title VI.

“(F) There are authorized to be appropriated such sums as may be necessary for fiscal year 1979 to carry out title VII.

“(G) There are authorized to be appropriated $500,000,000 for fiscal year 1979 and for each of the three succeeding fiscal years to carry out title VII.

“(H) There are authorized to be appropriated $525,000,000 for fiscal year 1980 to carry out title VII.

“(I) There are authorized to be appropriated $350,000,000 for fiscal year 1979 to carry out title VIII.

“(J) There are authorized to be appropriated $400,000,000 for fiscal year 1980 to carry out title VIII.

“(K) There are authorized to be appropriated such sums as may be necessary for fiscal year 1981 and for the succeeding fiscal year to carry out title VIII.

“(b) (1) Of the amount appropriated to carry out title II for fiscal years 1980, 1981, and 1982, the amount which shall be available for part D of such title for a fiscal year shall not exceed 60 percent of the total amount appropriated for such title for such fiscal year.

“(2) Of the amount appropriated to carry out this Act for any fiscal year, not more than 20 percent of such amount (excluding any amount made available for carrying out part D of title II and title VI) shall be available for carrying out the provisions of title III. From such amount made available for title III activities, the Secretary shall transfer an amount which shall be not less than $3,000,000 and not more than $5,000,000 for any fiscal year to the National Occupational Information Coordinating Committee established pursuant to section 161(b) of the Vocational Education Act of 1963 for purposes described in section 315 of this Act.

“(c) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds appropriated to carry out this Act, which are not obligated prior to the end of the fiscal year for which such funds were appropriated, shall remain available for obligation during the succeeding fiscal year, and any funds obligated in any fiscal year may be expended during a period of 2 years from the date of obligation.

“(d) (1) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are first available for obligation.

“(2) In order to effect a transition to the advance funding method of timing appropriation action, the provisions of this subsection shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.
"CONDITIONS APPLICABLE TO ALL PROGRAMS"

"SEC. 121. Except as otherwise provided, the following conditions are applicable to all programs under this Act:

(a) (1) No person shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

(2) Participants shall not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

(b) (1) Employment and training opportunities for participants shall be made available by prime sponsors on an equitable basis in accordance with the purposes of this Act among significant segments of the eligible population giving consideration to the relative numbers of eligible persons in each such segment.

(A) The Secretary shall take appropriate steps to provide for the increased participation of qualified disabled and Vietnam-era veterans (with special emphasis on those who served in the Armed Forces in the Indochina Theatre on or after August 5, 1964, and on or before May 7, 1975) in public service employment programs and job training opportunities supported under this Act, but nothing in this Act shall authorize the Secretary to establish a hiring or participation goal for such veterans. In carrying out this paragraph, the Secretary shall consult with and solicit the cooperation of the Administrator of Veterans' Affairs. Such steps shall include employment, training, supportive services, technical assistance and training, support for community based veterans programs, and maintenance and expansion of private sector veterans employment and training initiatives and such other programs or initiatives as are necessary to serve the unique readjustment, rehabilitation, and employment needs of veterans.

(B) Special efforts shall be made to acquaint such veterans with the employment and training opportunities available under this Act, and to coordinate efforts in behalf of such veterans with those activi-
ties authorized by chapter 41 of title 38, United States Code (relating to job counseling and employment services for veterans), and other similar activities carried out by other public agencies or organizations.

"(C) Prime sponsors shall provide such arrangements as may be appropriate to promote maximum feasible use of apprenticeship or other on-the-job training opportunities available under section 1787 of title 38, United States Code.

"(c) (1) All persons participating in training under this Act shall receive allowances pursuant to section 124; no participant may receive allowances from funds under this Act for institutional or classroom training for more than 104 weeks in a 5-year period.

"(2) Subject to section 212(b), no individual shall participate in programs receiving financial assistance under this Act for longer than a total of 30 months in any 5-year period. For purposes of this subparagraph, no period of participation prior to October 1, 1978, shall be included in the computation of such 30 months.

"(d) (1) Conditions of employment and training shall be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant.

"(2) Appropriate health, safety and other standards for work and training shall be established and maintained.

"(3) Household support obligations shall be taken into account, and special consideration shall be given alternative working arrangements such as flexible hours of work, work-sharing arrangements, and part-time jobs, particularly for parents of young children and for older persons.

"(4) All programs for in-school youth shall be consistent with applicable State educational standards.

"(5) Appropriate workers' compensation or equivalent protection shall be provided to all participants.

"(e) (1) The program shall result in an increase in employment and training opportunities over those opportunities which would otherwise be available.

"(2) No currently employed worker shall be displaced by any participant (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits).

"(3) No program shall impair existing contracts for services.

"(4) No funds shall be used to assist in relocating establishments, or parts thereof, from one area to another or locating new branches, subsidiaries, or affiliates unless the Secretary determines that such relocation or location will not result in an increase in unemployment in the area of original location or in any other area.

"(f) (1) All programs, to the maximum extent feasible, shall contribute to occupational development, upward mobility, development of new careers, and overcoming sex-stereotyping (including procedures which will lead to skill development and job opportunities for participants in occupations traditionally limited to the opposite sex).

"(2) No person shall be trained for an occupation which requires less than 2 weeks of preemployment training unless there are immediate employment opportunities available in that occupation.

"(3) All programs shall be designed, to the maximum extent practicable, consistent with every individual's fullest capabilities, to lead to employment opportunities enabling participants to increase their earned income and to become economically self-sufficient.
“(4) No person shall be referred for training unless there is a reasonable expectation of employment in the occupation for which such person is being trained. To the extent feasible, public service jobs shall be provided in occupational fields which are most likely to expand within the public or private sector.

“(5) Programs of institutional training shall be designed for occupations in which skill shortages exist.

“(g) (1) (A) No program shall substitute funds under this Act for other funds in connection with work that would otherwise be performed.

“(B) Jobs shall be created that are in addition to those that would be funded in the absence of assistance under this Act.

“(C) Funds shall be used to supplement, and not to supplant, the level of funds that would otherwise be made available from non-Federal sources for the planning and administration of programs.

“(2) Programs shall use services and facilities available (with or without reimbursement) from Federal, State, and local agencies to the extent they are deemed effective by the prime sponsor.

“(h) (1) No nongovernmental individual, institution, or organization shall be paid funds provided under this Act to conduct an evaluation of any program under this Act if such individual, institution or organization is associated with that program as a consultant or technical advisor, or in any similar capacity.

“(2) No member of any council under this Act shall cast a vote on any matter which has a direct bearing on services to be provided by that member (or any organization which that member directly represents) or vote on any matter which would financially benefit the member or the organization which the member represents.

“(i) Except as provided in section 212(b), work experience programs conducted under this Act shall not exceed a total of 1,000 hours for any individual (other than an in-school youth), for any year, and not more than 2,000 hours within a 5-year period beginning on the effective date of the Comprehensive Employment and Training Act Amendments of 1978. Work experience shall only be for persons who need assistance in becoming accustomed to basic work requirements, including basic work skills, in order to be able to compete successfully in the labor market.

“(j) Funds available for employment benefits under this Act may be used, for the duration of participation, for contributions on behalf of participants who are, prior to July 1, 1979, enrolled in retirement systems or plans. With respect to participants enrolled in retirement systems or plans on or after such date, except as otherwise provided in regulations promulgated by the Secretary, no funds under this Act may be used for contributions to retirement systems or plans unless such contributions bear a reasonable relationship to the cost of providing benefits to participants. Such regulations shall take into consideration circumstances where efforts are being made to change State or local laws or both affecting retirement coverage for individuals who are participants in activities funded pursuant to this Act. Pursuant to section 314 of this Act, the Secretary shall provide technical assistance to recipients to enable retirement systems or plans to comply with section 132(k) and this subsection.

“(k) Small and minority-owned businesses shall be provided maximum reasonable opportunity to compete for contracts for supplies and services including, where appropriate, the use of set-asides.
“(1) The Secretary shall promulgate regulations to insure that payments to employers organized for profit shall not exceed the difference between the costs of recruiting, training, and supportive services and the costs of lower productivity associated with employing an individual who lacks the requisite skills to perform the job in which the individual is placed and such costs for those otherwise employed. The length of time for which such payments may be made shall not exceed that period of time generally required for the acquisition of skills needed for a position within a particular occupation.

“(m) Prime sponsors shall provide, where employment opportunities already exist or where there is a reasonable expectation of near-term expansion of such employment potential, employment and training opportunities in the development and use of solar, geothermal, hydroelectric, and other alternative energy technologies, and conservation, especially those clean, safe, renewable resources which may assist communities in resolving energy demand problems, thereby reducing their reliance on conventional nonrenewable fuels. For purposes of this section, solar energy sources has the meaning set forth in section 3 of the Solar Energy Research, Development and Demonstration Act of 1974.

“(n) (1) No prime sponsor may use any funds received under this Act to assist or promote union organizing. Without limiting the powers otherwise granted to the Secretary, funds found by the Secretary to be in violation of this subsection shall be refunded promptly to the United States Treasury.

“(2) No individual may be required to join a union as a condition of enrolling in a program assisted under this Act in which only institutional training is provided, unless such institutional training involves individuals employed under a collective-bargaining agreement which contains a union security provision.

“(o) No funds provided under this Act shall be paid to any non-governmental organization, association, firm or other entity for the conduct of any program or activity (other than under title VII or on-the-job training) under this Act unless—

“(1) such organization, association, firm or other entity has a meritorious written plan which has been reviewed and evaluated by the prime sponsor or, where appropriate, the Secretary, according to standards promulgated by the Secretary and is found to meet the purposes and requirements of the Act; and

“(2) such organization, association, firm or other entity is selected on the basis of merit which shall mean at least that such organization, association, firm or other entity—

“(A) has the administrative capability to perform effectively under the program;

“(B) has submitted a written plan under paragraph (1) that compares favorably to other plans; and

“(C) has not been seriously deficient in its conduct of or participation in any Department of Labor program in the past, or, is not a successor organization to one that was seriously deficient in the past, unless the Secretary in his discretion certifies after a clear, convincing, and detailed showing, that the deficiencies will be eliminated and performances substantially improved; and

“(3) a comprehensive and independent monitoring program designed to insure compliance with the plan and this Act is in effect.
in accordance with standards promulgated by the Secretary requiring adequate training of monitors and procedures for the prompt follow up of problems found during the monitoring process.

The Secretary shall issue regulations to achieve the objectives of this subsection for title VII and on-the-job training programs with a minimum of burden on recipients.

"(p) No recipient shall knowingly use any funds under this Act to enroll or serve any person who is an alien not lawfully admitted for permanent residence or who has not been authorized by the Attorney General to accept employment.

"(q) Each prime sponsor receiving funds under this Act shall establish an independent unit to monitor compliance with the requirements of this Act, the regulations issued thereunder, and the comprehensive employment and training plan. The Secretary shall annually assess the effectiveness of the units established pursuant to the preceding sentence, with particular regard to the adequacy of provisions made for funding, staffing, and insuring the independence and objectivity of monitoring practices and methods.

"SPECIAL CONDITIONS APPLICABLE TO PUBLIC SERVICE EMPLOYMENT"

Sec. 122. Except as otherwise provided, the following conditions shall apply to all public service employment programs receiving financial assistance under this Act:

"(a) Only persons residing within the area qualifying for assistance shall be employed, and the public services provided by such jobs, to the extent feasible, shall be designed to benefit the residents of such area.

"(b) (1) (A) Public service employment under this Act is intended for eligible persons who are the most severely disadvantaged in terms of their length of unemployment and their prospects for finding employment.

"(B) Special consideration in filling public service jobs shall be given to eligible persons who are public assistance recipients or who are eligible for public assistance but not receiving such assistance.

"(2) Special consideration shall be given to eligible disabled and Vietnam-era veterans (with special emphasis on those who served in the Indochina Theatre on or after August 5, 1964, and on or before May 7, 1975) in accordance with procedures established by the Secretary, and special attention shall be given to the development of jobs which will utilize, to the maximum extent feasible, the skills which such veterans acquired in connection with their military training and service.

"(3) (A) Special emphasis in filling public service jobs shall be given to eligible members of groups specifically identified in section 301(a) as facing particular labor market disadvantages, taking into account the household support obligations of persons applying for such jobs, but nothing in this Act shall authorize the Secretary to establish hiring or participation goals for such persons.

"(B) Special efforts shall be made to acquaint such persons with the employment and training opportunities available under this Act, and to coordinate efforts in behalf of such persons with activities authorized by section 301.

"(c) (1) No person shall be employed or job opening filled (A) when any other person not supported under this Act is on layoff from
the same or any substantially equivalent job, or (B) when the employer has terminated the employment of any regular employee not supported under this Act or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a public service employee.

"(2) No funds for public service employment programs under this Act may be used to provide public services, through a private organization or institution, which are customarily provided by a State, a political subdivision, or a local educational agency in the area served by the program.

"(d) No jobs shall be created in a promotional line that will infringe in any way upon the promotional opportunities of persons currently employed in jobs not subsidized under this Act.

"(e) No public service jobs shall be substituted for existing federally assisted jobs.

"(f) The Secretary shall assure that prime sponsors have undertaken, or will undertake, analyses and reevaluations of job descriptions and, where feasible, revisions of qualification requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations prescribed by the Secretary, with a view toward removing artificial barriers to public employment (as defined in section 3) of those whom it is the purpose of this Act to assist.

"(g) Financial records relating to public service employment programs, and records of the names, addresses, positions, and salaries of all persons employed in public service jobs, shall be maintained and made available to the public.

"(h)(1) All persons participating in public service employment shall receive wages in accordance with section 124.

"(2) No participant may be paid wages from funds under this Act for public service employment for more than 78 weeks in a 5-year period.

"(3) For purposes of paragraph (2), no more than 26 weeks of public service employment financed in whole or in part under this Act prior to October 1, 1978, shall be considered as part of the 78 weeks.

"(4)(A) The Secretary may waive the provisions of paragraph (2) or of section 121(c)(2) to provide a temporary extension of time for a limited number of persons who were originally hired in a public service employment program prior to October 1, 1978, and who continue to be so employed on September 30, 1979, in the case of a prime sponsor which the Secretary determines has faced unusually severe hardships in its efforts to transition public service employees into regular public or private employment not supported under this Act or in the case of Native American entities who operate programs authorized under section 302(c)(1) of this Act.

"(B) The Secretary may waive the provisions of paragraph (2), with respect to any area served by a unit of general local government which is eligible to be a prime sponsor (or any area served by such a Native American entity) in which the rate of unemployment is equal to or exceeds 7 percent or, in the case of a prime sponsor which is a State, any area under the jurisdiction of a unit of general local government in which the rate of unemployment is equal to or exceeds 7 percent, to provide a temporary extension of time, which shall be no greater than 12 months in duration (and which shall be subject to the provisions of section 121(c)(2)), for persons hired on or after
October 1, 1978, in a public service employment program under any title of this Act in the case of a recipient which the Secretary determines has faced unusually severe hardships in its efforts to transition public service employees into regular public or private employment not supported under this Act because of high unemployment in the area of service.

"(i) (1) Funds under this Act shall not be used to pay wages to any individual employed in a public service job at a rate in excess of $10,000 per year, but such maximum shall be adjusted upward for particular areas served by recipients as determined by the Secretary, on the basis of the wage adjustment index issued in accordance with paragraph (3) of this subsection. In no case shall such maximum be increased by more than 20 percent, except in the case of an area in which the average wage (during the calendar year preceding the beginning of the applicable fiscal year) in employment covered under Federal or State unemployment compensation laws (without regard to any limitation on the amount of such wages subject to contribution under such law) exceeds 150 percent of the national average wage in such employment.

"(2) In order to provide the maximum number of employment and training opportunities under this Act, the Secretary shall issue appropriate standards to be maintained on an area basis with respect to average federally-supported wage rates for public service jobs under this Act. Such standards shall be designed to assure that for particular areas served by recipients, as determined by the Secretary, an annual average federally-supported wage rate per public service jobholder equivalent to $7,200, as adjusted in accordance with the wage adjustment index issued in accordance with paragraph (3) of this subsection, will not be exceeded. Average wage rates established under such standards for public service jobs for each area shall be adjusted annually by the Secretary by a percentage equal to the change in average wages in regular employment not supported under this Act in such area.

"(3) The Secretary shall issue and publish annually an area wage adjustment index based upon the ratio which annual average wages in regular public and private employment in various areas served by recipients bear to the average of all such wages nationally, on the basis of the most satisfactory data the Secretary determines to be available.

"(4) (A) Except as otherwise provided in section 609, no public service employment participant may be provided wages for any public service employment job from sources other than this Act.

"(B) Notwithstanding subparagraph (A), any person in public service employment on September 30, 1978, receiving wages from sources other than this Act may continue to receive such wages.

"(j) Notwithstanding any eligibility limitation on public service employment in this Act, a person who on September 30, 1978, held a public service employment position under this Act may continue in such position subject to subsection (h) of this section.

"(k) All persons employed in public service jobs shall be provided workers' compensation, health insurance, unemployment benefits, and other benefits and working conditions at the same level and to the same extent as other employees working a similar length of time, doing the same type of work and similarly classified. Any such classification must be reasonable and must include nonfederally financed employees, but within any single classification a distinction may be made between public service employees and other employees for purposes of determining eligibility for participation in retirement systems or plans.
which provide benefits based on age or service or both. Nothing in this subsection or in section 121 (j) shall be deemed to require a contribution to a retirement system or plan for the purpose of providing retirement benefits based on age or service, or both, to a public service employee unless funds under this Act are available, pursuant to section 121 (j) to make such contribution.

"(m) To the extent feasible, public service jobs shall be provided in occupational fields which are most likely to expand within the public and private sectors, and to the extent compatible with such objectives, shall meet community needs including but not limited to community betterment activities (including rehabilitation of public properties, assistance in the weatherization of dwellings occupied by low income families, demonstration of energy conserving measures including solar energy techniques, removal of architectural barriers to access by handicapped persons to public facilities, and neighborhood revitalization), education, health care, transportation services, crime prevention and control, and environmental quality control.

"(n) No individual shall be eligible to be employed in a public service employment position, if such individual has, within 6 months prior to the determination, voluntarily terminated, without good cause, his or her last previous full-time employment at a wage rate not less than the Federal minimum wage as prescribed under section 6(a) (1) of the Fair Labor Standards Act of 1938.

"SPECIAL PROVISIONS

"SEC. 123. (a) No authority conferred by this Act shall be used to enter into arrangements for, or otherwise establish, any employment and training programs in the lower wage industries, except for those jobs (1) for which there exists a training program, approved by the Secretary, of a specified length of time designed to teach specific skills, and (2) where the rate of labor turnover does not exceed substantially the rate of labor turnover in other industries in the same area.

"(b) The Secretary shall provide for the sharing of the comprehensive employment and training plans between the prime sponsors and other recipients in the prime sponsor’s area in order to assure maximum feasible coordination of activities and programs within the area and to minimize duplication.

"(c) (1) Notwithstanding any other provisions of law, employment and training furnished under this Act in connection with weatherization projects may include work on projects for the near poor, including families having incomes which do not exceed 125 percent of the poverty level as determined in accordance with the criteria established by the Director of the Office of Management and Budget, and projects approved by the Community Service Administration pursuant to section 222(a) (5) of the Economic Opportunity Act of 1964 or the Department of Energy pursuant to title IV of the Energy Conservation and Production Act of 1976.

"(2) Recipients of funds under this Act shall assure an adequate number of supervisory personnel for weatherization projects, who shall be adequately trained in skills needed to carry out the project and to instruct participants in skills needed to carry out a project.
“(3) The Secretary shall facilitate and extend projects for work on the weatherization of low income housing in titles II, III, IV, and VI of this Act, so as to achieve the most efficient match of manpower funds to materials funds. The Secretary shall, in coordination with other appropriate agencies, provide technical assistance and otherwise encourage prime sponsors, serving areas where such projects would contribute to energy savings, to develop and continue weatherization projects as part of their programs under this Act to best prepare applicants for employment in energy related jobs in unsubsidized employment.

“(4) The Secretary shall issue regulations setting forth conditions under which prime sponsors, in carrying out community improvement projects, community betterment activities, and public service employment projects under this Act, may provide work for eligible participants on the rehabilitation of housing for lower-income families as defined in section 8(f)(1) of the United States Housing Act of 1937 as part of community revitalization or stabilization projects.

“(d)(1) All allocations under this Act shall be based on the latest available data and estimates satisfactory to the Secretary.

“(2) Whenever the Secretary allocates funds required to be allocated by formula under this Act, the Secretary shall publish the proposed amount to be distributed to each prime sponsor.

“(3) Whenever the Secretary utilizes a formula to allocate funds made available for distribution in the Secretary’s discretion under the Act (except funds appropriated for title III), the Secretary shall, not later than 30 days prior to such allocation, publish the formula in the Federal Register for comment along with the rationale for the formula and the proposed amount to be distributed to each prime sponsor. After consideration of comments received under the preceding sentence, the Secretary shall publish final allocations.

“(e) For purposes of eligibility for participation in a program under this Act, no person shall be considered as unemployed unless such person has been unemployed for at least seven consecutive days.

“(f)(1) All funds received under any title of this Act, which are allowed to be used for administrative costs under the provisions of the title under which they were received, may be pooled by the recipient so that they may be used to administer all programs under this Act, and may be used to plan for the administration of title VI programs without regard to present funding for such programs.

“(2) Nothing in section 121 or this section shall be deemed to authorize the Secretary to pre-approve the selection of legal counsel by a prime sponsor, but the Secretary shall assure that no funds available for administrative costs under any title of this Act are used by a prime sponsor for making payments on contracts for legal or other associated services unless the prime sponsor certifies that—

“(A) the payments are not unreasonable in relation to the fees charged by other contractors providing similar services; and

“(B) the services could not be competently provided through employees of the prime sponsor or other available State or local governmental employees.

“(g) The Secretary, by regulation, shall establish such standards and procedures for recipients of funds under this Act as are necessary to assure against program abuses including, but not limited to, nepotism; conflicts-of-interest; the charging of fees in connection with participation in the program; excessive or unreasonable legal fees; the improper commingling of funds under the Act with funds received from other sources; the failure to keep and maintain sufficient, audit-
able, or otherwise adequate records; kickbacks; political patronage; violations of applicable child labor laws; the use of funds for political, religious, antireligious, unionization, or antiunionization activities; the use of funds for lobbying local, State, or Federal legislators; and the use of funds for activities which are not directly related to the proper operation of the program.

“(h) Pursuant to regulations of the Secretary, income generated under any program may be retained by the recipient to continue to carry out the program, notwithstanding the expiration of financial assistance for that program.

“(i) Every recipient which receives funds directly from the Secretary shall be responsible for the allocation of such funds and the eligibility of those enrolled in the program and shall have responsibility to take action against its subcontractors, subgrantees, and other recipients to eliminate abuse in their programs and to prevent any misuse of funds by such subcontractors, subgrantees, and other recipients. Prime sponsors may delegate the responsibility for determination of eligibility under reasonable safeguards, including provisions for reimbursement of cost incurred because of erroneous determinations made with insufficient care, provided that the Secretary has approved such an arrangement pursuant to the provisions of section 104(a).

“(j) Federal assistance under this Act shall not be used for the payment of a fee for the placement of any persons in a training or employment program under this Act. Nor may any person or organization charge a fee for the placement or referral of any person in or to such program.

“(k) The Secretary shall notify the Governor and the appropriate prime sponsor of any activity to be funded by the Secretary under this Act within the State or prime sponsor area.

“(l) The Secretary and recipients of financial assistance under this Act shall give special consideration, in carrying out programs authorized by this Act, to community-based organizations, as defined in section 3, which have demonstrated effectiveness in the delivery of employment and training services.

“(m) The Secretary of Labor may assist Native American entities which are eligible to receive assistance under section 302, in applying for financial assistance under the Act.

“WAGES AND ALLOWANCES

“SEC. 124. Except as otherwise provided in this Act, the following allowances and wages shall apply to all activities financed under this Act:

“(a) (1) The Secretary shall establish a basic hourly allowance for an individual receiving training for which no wages are payable at a rate which, when added to the amounts of unemployment compensation, if any, received by the trainee, shall be no less than the hourly minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 or, if higher, under the State or local minimum wage law applicable to most employees in the State, and such basic allowances shall, in the case of an individual with dependents be increased by $5 a week for each dependent over 2 up to a maximum of 4 additional dependents.

“(2) Pursuant to regulations of the Secretary, the prime sponsor may increase, decrease, prorate, or waive the basic allowance.

“(3) Except for trainees receiving allowances under part A of title IV, a trainee receiving public assistance, or whose needs or...
income is taken into account in determining such public assistance payments to others, shall receive an incentive allowance for each hour spent in training not to exceed $30 per week. Such allowance shall be disregarded in determining the amount of public assistance payments under Federal or federally assisted public assistance programs.

"(4) A trainee shall receive no allowances for hours during which the trainee fails to participate without good cause.

"(b) A person in public service employment or similar employment shall be paid wages which shall not be less than the highest of (1) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 (2) the minimum wage under the applicable State or local minimum wage law or (3) the prevailing rates of pay for persons employed in similar occupations by the same employer.

"(c) Persons in on-the-job training shall be compensated by the employer at such rates, including periodic increases, as may be deemed reasonable under regulations prescribed by the Secretary, considering such factors as industry, geographical region, skill requirements and individual proficiency, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage law.

"(d) Persons in work experience shall be paid wages not less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage law.

"Labor Standards

"Sec. 125. All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

"Secretary's Authority and Performance Standards

"Sec. 126. (a) (1) The Secretary may, in accordance with chapter 5, title 5, United States Code, prescribe such rules and regulations, including performance standards, as deemed necessary in accordance with paragraph (2). Such rules and regulations may include adjustments authorized by section 204 of the Intergovernmental Cooperation Act of 1968. For purposes of chapter 5 of this title any condition for receipt of financial assistance shall be deemed a rule to which section 553 applies. All such rules, regulations, guidelines, and other published interpretations or orders under this Act shall be published in the Federal Register at least 30 days prior to their effective date. Copies of all such rules, regulations, guidelines, and other published interpretations or orders shall be transmitted to the appropriate committees of the Congress at the same time and shall contain with respect to each
material provision of such rules, regulations, guidelines, and other published interpretations or orders, citations to the particular substantive section of law which is the basis therefor.

"(2) The Secretary shall assess the adequacy of each prime sponsor's proposed performance and placement goals in accordance with performance standards which recognize that performance will vary with local conditions and the nature of employment barriers faced by the eligible population to be served. Performance standards shall provide appropriate recognition of differences associated with the degree of disadvantage or handicap of the eligible population, as well as such factors as—

"(A) the local labor market conditions, including the levels of unemployment, and the current and projected labor market demands;

"(B) the economic base of the community, including the growth or decline of industry within the community;

"(C) the distribution of available employment opportunities by industry or occupation, for persons residing within the prime sponsor's area;

"(D) the differing needs of the eligible population which will vary the costs for services and which will require setting different performance standards depending on the disadvantage, handicap, capabilities, and job readiness of the eligible population to be served; and

"(E) such other factors as the Secretary deems appropriate.

"(b) The Secretary may make such grants, contracts, or agreements, establish such procedures and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as deemed necessary to carry out the provisions of this Act, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments.

"(c) The Secretary may delegate within the Department of Labor authority over the Office established pursuant to section 135 in order to effectively carry out the purposes of such section.

"(d) The Secretary shall, to the extent feasible, reduce the costs of compliance imposed on prime sponsors by rules and regulations issued under this Act including, but not limited to, the costs of applications, plan preparation, data collection, recordkeeping, report preparation, and other paperwork and regulatory cost burdens.

"(e) In order to reduce paperwork burdens, the Secretary is authorized to consolidate reports required by this Act. Nothing in this subsection shall be construed to reduce or eliminate the requirements established by this Act relating to the furnishing of information by the Secretary.

"(f) Notwithstanding any other provision of this Act, no authority to enter into contracts under this Act shall be effective except to such an extent or in such an amount as are provided in advance in appropriations Acts.

"REPORTS

"Sec. 127. (a) The Secretary shall make such reports and recommendations to the President as the Secretary deems appropriate pertaining to employment and occupational requirements, resources, use, and training, and the President shall transmit to the Congress a
report on the same topics not later than March 1 of each year. The first such report submitted after the effective date of the Comprehensive Employment and Training Act Amendments of 1978 shall include recommendations with respect to necessary legislative or administrative changes required to simplify on-the-job training contracting procedures under this Act.

"(b) The Secretary and the Secretary of Health, Education, and Welfare shall report to the Congress on the extent to which social services, community colleges, area vocational and technical schools and other vocational education agencies and institutions, and vocational rehabilitation agencies are being utilized to carry out training programs supported in whole or in part under this and related Acts; the extent to which administrative steps have been taken or are being taken to encourage the use of such facilities and institutions and agencies in the carrying out of the provisions of this Act; and any further legislation that may be required to assure effective coordination and utilization of such facilities and agencies to the end that all federally supported employment and training, vocational education, and vocational rehabilitation programs can more effectively accomplish the objective of providing employment and training opportunities to all persons needing such employment and training.

"(c) The Secretary shall annually transmit to the Congress a detailed report which evaluates all programs and activities conducted under this Act, including that information derived from evaluations provided for in section 313. The Secretary shall include specific data concerning the extent to which (1) participants in such activities subsequently secure and retain public or private employment, participate in training or employability development programs, and (2) significant segments of the population of unemployed persons are provided public service employment opportunities. No later than March 1, 1980, the Secretary shall report to Congress proposals for the integration and consolidation of the programs established by part A of title IV and title VII with the program established by title II.

"(d) In order to assist the Secretary in preparing the report required by this section, the Secretary shall require as a condition of financial assistance that annual reports and evaluations be submitted in accordance with regulations. The data derived from such reports shall be compiled on a State, regional, and national basis, and shall be included in the annual report to the Congress. Such reports shall include but not be limited to the following information:

"(1) a detailed comparison of program performance with approved plan;

"(2) participant characteristics (cross-tabulated);

"(3) average cost per participant; and

"(4) the types of outcomes that participants experience after the program.

"(e) (1) In the annual report to Congress required in subsection (a), the Secretary shall make recommendations for program modification, including recommendations for the succeeding fiscal year, based upon such findings, and other legislative or administrative recommendations as the Secretary deems appropriate.

"(2) In the annual report required in subsection (a), the Secretary shall include a description of the actions, if any, which the Secretary undertook during the fiscal year for which the report is made to reduce the costs of compliance imposed on the prime sponsors by rules or
regulations issued under this Act, as required under section 126(d).

"(f) In the annual report required under subsection (a), the Secretary shall report on the monitoring and auditing activities of the Department, on administrative changes made or proposed to improve such activities, and on actions taken under section 106, and shall make any necessary proposals for legislative action.

"(g) The Secretary shall transmit to the Congress, as a part of the report required by subsection (a), a detailed report on the evaluations and pilot and demonstration projects conducted with funds made available under this Act, including employment service/prime sponsor demonstration projects.

"(h) The Secretary shall, in consultation with the Director of the Office of Management and Budget, submit a report once each year to the Congress on efforts being taken to reduce paperwork and reporting and to comply with the requirements of the Federal Reports Act and management directives of the Office of Management and Budget.

"(i) Any evaluation report, or data, or information collected in preparation of such report submitted under this section or under any other provisions of this Act, or any contract which is made or information pursuant to such contract which is paid for or made with appropriated funds shall be made available upon request, within four days to the chairman or ranking minority member of the Committee on Education and Labor of the House of Representatives and the Committee on Human Resources of the Senate.

"(j) The Secretary shall report to Congress, as part of the annual report for fiscal year 1979, his recommendations for legislative changes designed to increase the representatives and independence of the prime sponsor's planning councils, with special attention to the process for selecting council memberships.

"SERVICES AND PROPERTY

"Sec. 128. The Secretary is authorized, in carrying out functions and responsibilities under this Act, to accept, purchase, or lease in the name of the Department, and employ or dispose of in furtherance of the purposes of this Act, or any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise; and to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes of the United States.

"UTILIZATION OF SERVICES AND FACILITIES

"Sec. 129. (a) In addition to such other authority as the Secretary may have, the Secretary is authorized, in the performance of functions under this Act, and to the extent permitted by law, to utilize the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized to accept and utilize the services and facilities of the agencies of any State or political subdivision of a State, with its consent.

"(b) The Secretary shall carry out responsibilities under this Act through the utilization, to the extent appropriate, of all resources for skill development available in industry, labor, public and private educational and training institutions, vocational rehabilitation agencies, and other State, Federal, and local agencies and other appropriate public and private organizations and facilities, with their consent.
"INTERSTATE AGREEMENTS"

29 USC 832. "Sec. 130. In the event that compliance with provisions of this Act would be enhanced by cooperative agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

"PROHIBITION AGAINST POLITICAL ACTIVITIES"

29 USC 833. "Sec. 131. (a) The Secretary shall not provide financial assistance for any program under this Act which involves political activities.

 "(b) Neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

"NONDISCRIMINATION"

29 USC 834. "Sec. 132. (a) No person in the United States shall on the ground of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of or in connection with any program or activity funded in whole or in part with funds made available under this Act.

 "(b) Whenever the Secretary determines that a recipient of financial assistance has failed to comply with subsection (a) or an applicable regulation, the Secretary, in addition to exercising the powers and functions provided in section 106, is authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); or (3) to take such other action as may be provided by law. In any case in which the Secretary receives a complaint from any interested person or organization under section 106 with respect to an alleged violation of subsection (a) of this section, the Secretary shall make the determination referred to in the preceding sentence no later than 120 days after receiving such complaint.

 "(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever the Attorney General has reason to believe that a recipient is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

 "(d) In addition to other remedies, the Secretary is authorized to enforce the provisions of subsection (a) dealing with discrimination on the basis of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief, in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such provisions of such subsection. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any program or activity receiving assistance under this Act.
“(e) No participant under this Act shall be discriminated against by reason of citizenship. Participation shall be open to citizens and nationals of the United States, lawfully admitted permanent resident aliens, and lawfully admitted refugees and parolees.

“(f) (1) The Secretary shall review, on a periodic basis, the adequacy of outreach, training, placement, and advancement practices with respect to handicapped individuals by each prime sponsor pursuant to section 103(b)(15) and shall insure that the special needs of such individuals are being met.

“(2) The Secretary shall include in each annual report pursuant to section 127(a) a complete evaluation of the conduct of and achievements in outreach, training, placement, and advancement practices with respect to handicapped individuals by prime sponsors pursuant to section 103(b)(15), including a comparison of such practices and achievements with the preceding year.

“RECORDS, AUDITS, AND INVESTIGATIONS

“SEC. 133. (a) In order to assure that funds provided under this Act are used in accordance with its provisions, the following provisions shall apply.

“(1) Every recipient of funds under this Act shall make, keep, and preserve such records as the Secretary shall require with regard to each employee and each participant. Such records, including periodic reports, audits, and examinations, shall be preserved for such time as the Secretary establishes and shall be made available to the Secretary at such time and in such form, including periodic reports, audits, and examinations as the Secretary may require by regulation or order.

“(2) The Secretary may investigate such facts, conditions, practices, or other matters the Secretary deems necessary to determine whether any recipient of funds or any official of such recipient has violated any provision of this Act or of the regulations. Such investigations may include, but need not be limited to, inspecting all records of the recipient (including making certified copies thereof), questioning employees, and entering any premises or onto any site in which any part of the recipient’s program is conducted.

“(3) For the purpose of any hearing or investigation authorized under this Act, the provisions of section 9 of the Federal Trade Commission Act (15 U.S.C. 49, relating to the attendance of witnesses and the production of books, papers, and documents) are made applicable to the Secretary.

“(b) The Secretary shall complete all audits of recipients of funds which he deems necessary in a timely fashion following the end of the fiscal year for which the audits are made. In the annual report required under section 127(a), the Secretary shall include a statement of the average delay between the end of each fiscal year and the audits of prime sponsors for such year, the actions, if any, taken by the Secretary to reduce the delay, and the additional funds and personnel the Secretary would need in order to carry out all audits within the 24-month period following the end of the fiscal year for which the audits are made.

“BONDING

“SEC. 134. Every officer, director, agent, or employee of a recipient of funds under this Act who handles funds or other financial assistance received under the Act shall be bonded to provide protection against loss by reason of fraud or dishonesty on such person’s part directly or
through conspiracy with others. The Secretary shall establish the amount and other bonding requirements by regulation.

"OFFICE OF MANAGEMENT ASSISTANCE"

"Sec. 135. The Secretary shall establish, in the office of the Secretary, an Office of Management Assistance and shall assign to such office such especially qualified accountants, management specialists, and other professionals as may be necessary and available to provide management assistance to any prime sponsor—

"(1) seeking the service of such office on its own initiative to assist it in overcoming problems in the management, operation, or supervision of any program or project under this Act; and

"(2) identified, pursuant to a complaint investigation, internal audit, or audit or investigation as not being in compliance with any important requirement of this Act, of regulations issued thereunder, or of the comprehensive employment and training plan.

Services under this section may be provided on a reimbursable or non-reimbursable basis, as determined by the Secretary, and shall be allocated in a manner to assure equitable but effective distribution of such services. The Secretary shall periodically publish any proposals for corrective action made by the Office which may be useful to other prime sponsors.

"TITLE II—COMPREHENSIVE EMPLOYMENT AND TRAINING SERVICES"

"PART A—FINANCIAL ASSISTANCE PROVISIONS"

"PURPOSE OF PROGRAM"

"Sec. 201. It is the purpose of this title to establish programs to provide comprehensive employment and training services throughout the Nation in order to ease barriers to labor force participation encountered by economically disadvantaged persons, to enable such persons to secure and retain employment at their maximum capacity, and to enhance the potential for individuals to increase their earned income. Such programs shall include the development and creation of training, upgrading, retraining, education, and other services needed to enable individuals to secure and retain employment at their maximum capacities so as to increase their earned incomes.

"ALLOCATION OF FUNDS"

"Sec. 202. (a) (1) (A) Eighty-five percent of the amount available for parts A, B, and C of this title in fiscal year 1979 shall be allocated as follows:

"(i) 50 percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the sums received by the State under title I of the Comprehensive Employment and Training Act of 1973 for fiscal year 1978 compared to the sums received by all States under such title in that year;

"(ii) 37\(\frac{1}{2}\) percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the relative number of unemployed persons within the State as compared to the number in all States;

"(iii) 12\(\frac{1}{2}\) percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the relative number of unemployed persons within the State as compared to the number in all States.

"(B) Twenty-five percent of the amount available for parts A, B, and C of this title in fiscal year 1979 shall be allocated as follows:

"(i) 50 percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the sums received by the State under title I of the Comprehensive Employment and Training Act of 1973 for fiscal year 1978 compared to the sums received by all States under such title in that year;

"(ii) 25 percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the relative number of unemployed persons within the State as compared to the number in all States; and

"(iii) 25 percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the relative number of unemployed persons within the State as compared to the number in all States.

"(C) Twenty percent of the amount available for parts A, B, and C of this title in fiscal year 1979 shall be allocated as follows:

"(i) 50 percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the sums received by the State under title I of the Comprehensive Employment and Training Act of 1973 for fiscal year 1978 compared to the sums received by all States under such title in that year;

"(ii) 25 percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the relative number of unemployed persons within the State as compared to the number in all States; and

"(iii) 25 percent of the amount allocated under this paragraph shall be allocated to each State on the basis of the relative number of unemployed persons within the State as compared to the number in all States.
number of adults in families with an annual income below the
low-income level within the State compared to the total number
in all States; and

(iv) Not less than $2,000,000 shall be allocated among Guam,
the Virgin Islands, American Samoa, the Trust Territory of the
Pacific Islands, and the Northern Marianas in accordance with
their respective needs.

(B) The sum allocated to each State shall be allocated by the
Secretary among prime sponsors within the State on an equitable basis
based upon the factors set forth in subparagraph (A).

(2) (A) Eighty-five percent of the amount available for parts A,
B, and C of this title in fiscal years 1980, 1981, and 1982 shall be
allocated as follows:

(i) two-thirds of such amount shall be allocated in accordance
with the provisions of subparagraph (B) of this paragraph; and

(ii) one-third of such amount shall be allocated in accordance
with the provisions of subparagraph (C) of this paragraph.

(B) The amount allocated under this subparagraph shall be allo­
cated as follows:

(i) 50 per centum of the amount allocated under this subpara­
graph shall be allocated on the basis of the amount allocated to
the prime sponsor under this subparagraph (or under paragraph
(1)) in the fiscal year prior to the year for which the determina­
tion is made compared to the amount so allocated to all prime
sponsors in that year;

(ii) 371/2 per centum of the amount allocated under this sub­
paragraph shall be allocated on the basis of the relative number
of unemployed persons within jurisdiction of the prime sponsor as
compared to such numbers in all such jurisdictions;

(iii) 121/2 per centum of the amount allocated under this sub­
paragraph shall be allocated on the basis of the relative number
of adults in families with an annual income below the low-income
level within the jurisdiction of the prime sponsor compared to
such total numbers in all such jurisdictions; and

(iv) not less than $2,000,000 shall be allocated among Guam,
the Virgin Islands, the Northern Marianas, American Samoa, and
the Trust Territory of the Pacific Islands, in accordance with
their respective needs.

(C) The amount allocated under this subparagraph shall be allo­
cated among prime sponsors in accordance with the number of unem­
ployed persons residing in areas of substantial unemployment within
the jurisdiction of the prime sponsor compared to the number of unem­
ployed persons residing in all such areas.

(b) Six percent of the funds available for parts A, B, and C of
this title shall be available only for grants under section 204 for supple­
mental vocational education assistance.

(c) One percent of the amount available for parts A, B, and C of
this title shall be available to the Secretary to be allocated in the same
manner as provided under subsection (a) to States for the costs of the
State employment and training council incurred in carrying out the
provisions of section 110, except that no State shall receive an alloca­
tion of less than $50,000. If any State does not need the amount allo­
cated under this subsection for any fiscal year, that amount shall be
available for the Governor's coordination and special services under
section 105.

(d) One percent of the amounts available for this title shall be
available to the Governor of each State in the same proportion as that
State's allocation under subsection (a) for encouraging coordination and establishing linkages between prime sponsors and appropriate educational agencies and institutions, and institutions providing training programs which are approved by the Secretary, and for services for eligible participants delivered jointly by employment and training agencies and appropriate educational agencies and institutions.

"(e) Four percent of the amounts available for parts A, B, and C of this title shall be available to each Governor in the same proportion as that State's allocation under subsection (a), for the Governor's coordination and special services under section 105, and, when deemed necessary by the Governor, for additional support of State employment and training councils.

"(f) (1) The remainder of the funds shall be available in the Secretary's discretion to be distributed among prime sponsors (or where a prime sponsor's comprehensive employment and training plan has not been approved, an area served by the Secretary under the authority in section 102) in accordance with the provisions of paragraph (2).

"(2) (A) The Secretary shall first utilize such funds to assure that each prime sponsor is provided with (i) an amount for fiscal year 1979 equal to 90 percent of the sum of the funds available for expenditure during fiscal year 1978 by such prime sponsor under section 108 (a) (2), (f), and (g) (as in effect prior to the enactment of the Comprehensive Employment and Training Act Amendments of 1978); (ii) an amount for fiscal year 1980, equal to 90 percent of the sum of the funds available for expenditure during fiscal year 1979 by prime sponsors under subsection (a) (1); or (iii) an amount for any fiscal year beginning on or after October 1, 1980, equal to 90 percent of the sum of the funds available for expenditure during the preceding fiscal year by such prime sponsor under subsection (a) (2).

"(B) The Secretary shall next use such funds (i) to provide continued support for concentrated employment program grantees serving rural areas having high levels of unemployment, and (ii) to allocate among the prime sponsors serving areas within those standard metropolitan statistical areas and central cities for which current population surveys were used to determine annual unemployment data prior to January 1, 1978, in proportion to the extent to which such prime sponsors allocations under this subsection are reduced as a result of termination of the use of such surveys, but in no event shall such a prime sponsor receive an amount in excess of the amount of such reduction. The allocations required under clause (ii) of this subparagraph shall not be made for any fiscal year beginning on or after October 1, 1980, or until such time as the Secretary determines that current population survey data is available for use on a satisfactory basis for such areas and the remaining area of each State, whichever occurs first.

"(C) The Secretary shall next use such funds as needed to provide continued funding of programs of demonstrated effectiveness, and to encourage, after consultation with and receiving recommendations from the Governor of the appropriate State, voluntary consortia (formed under section 101 (a) (3)) where the Secretary determines, pursuant to regulations, that such consortia demonstrate advantages in delivering employment and training services to substantial portions of functioning labor market areas.

"(g) Prime sponsors are authorized to use funds allocated under this section to support prime sponsor planning councils.
"CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE"

"Sec. 203. (a) The Secretary shall not provide financial assistance for any fiscal year to a prime sponsor unless the prime sponsor submits a satisfactory comprehensive employment and training plan pursuant to section 103.

(b) Not more than 6.5 per centum of each prime sponsor’s allocation under section 202(a) may be used for programs and activities under part C of this title.

(c) (1) The Secretary shall not provide financial assistance under this title for any fiscal year to a prime sponsor unless the prime sponsor provides assurances that (consistent with needs identified in the prime sponsor’s plan submitted under section 103(a)) it shall make agreements with State or local educational agencies or postsecondary educational institutions for the conduct of employment and training programs, which programs may consist of—

(A) vocational training designed to prepare individuals for employment;

(B) instruction in basic cognitive skills necessary to obtain employment or pursue further education or training designed to prepare individuals for employment;

(C) employment of persons in schools controlled by such agencies or in postsecondary institutions; and

(D) such other employment and training activities as may be consistent with the purposes and provisions of this title.

(2) Each such agreement entered into under this subsection shall describe in detail the employment opportunities and appropriate educational, training, or other services to be provided, and shall contain provisions to assure that funds utilized pursuant to the agreement will not supplant State or local funds expended for the same purpose.

(3) In the event a prime sponsor is unable to reach agreements with the appropriate educational agencies or institutions, or in the event such agencies or institutions are dissatisfied with the utilization of their facilities proposed by the prime sponsor, either may request the Secretary to review such arrangements and the Secretary, after affording an opportunity for a hearing and taking into consideration such factors as he considers relevant, may take such action as he deems appropriate within 90 days after receiving such a request.

"SUPPLEMENTAL VOCATIONAL EDUCATION ASSISTANCE"

"Sec. 204. (a) (1) From the funds available to him for this section, the Secretary shall make grants to Governors to provide financial assistance, through State vocational education boards, to provide needed vocational education services in areas served by prime sponsors, in accordance with an agreement between the State vocational education board and the prime sponsor.

(2) The State vocational education board, prior to making any agreement with a prime sponsor as provided in paragraph (1), shall consult with and obtain the advice and comment of the designated representatives of the State agencies and councils which are required to be involved in the formulation of the five-year State plan for vocational education pursuant to section 107(a) (1) of the Vocational Education Act of 1963.

(b) All of the sums available to carry out this section shall be allocated among the States in the manner provided for allocating funds under section 202(a)."
"(c) (1) Not less than 85 percent of the funds available under this section shall be used only for providing vocational education and services to participants in programs under this Act.

"(2) The remainder of the funds available under this section may be used—

(A) to coordinate programs under this Act with existing vocational education programs;

(B) to coordinate the utilization of funds under this Act and the Vocational Education Act of 1963 to enhance economic growth and development in the State;

(C) to develop linkages between vocational education, education, and training programs under this Act and private sector employers;

(D) to provide technical assistance to vocational education institutions and local education agencies to aid them in making cooperative arrangements with appropriate prime sponsors;

(E) to provide information, curriculum materials, and technical assistance in curriculum development and staff developments to prime sponsors.

"PARTICIPANT ASSESSMENT

"Sec. 205. (a) In order to assess the appropriate mixture of training or employment services, or both, needed by each individual receiving assistance under this title, the prime sponsor shall assist each such individual to establish a personalized employability plan. In establishing such plan, prime sponsors shall take into consideration an individual's skills, interests, and career objectives, subject to the availability of services, and shall consider the barriers to employment or advancement faced by that individual in order to assist that individual to attain unsubsidized employment.

"(b) An assessment of appropriate training and supportive services shall be made at the time of entrance to a program assisted in part or in whole by this title, which shall be reviewed periodically throughout the duration of the individual's participation in a program funded under this title. Such assessment shall be included in each individual's employability plan.

"PART B—SERVICES FOR THE ECONOMICALLY DISADVANTAGED

"DESCRIPTION OF PROGRAM

"Sec. 211. Comprehensive employment and training services may include, but need not be limited to, the following:

(1) job search assistance, including orientation, counseling, and referral to appropriate employment and training opportunities;

(2) outreach to make persons aware of the availability of, and to encourage them to use, employment and training services;

(3) supported work programs or activities;

(4) education and institutional skill training to prepare persons to enter the labor market, or to qualify for more productive job opportunities and increased earnings;

(5) on-the-job training and training leading to self-employment in small business;

(6) work experience programs providing employment opportunities for eligible individuals unable to attain employment with
public or private sector employers, which shall be designed to increase the employability of the participants through development of work habits, occupational skills, and linkages with other training programs, or to provide temporary employment to individuals who are seeking suitable placement in classroom training, on-the-job training, public service employment, or other such employment and training opportunities;

"(7) payments or other inducements to public or private employers to expand job opportunities, in accordance with section 121(1);

"(8) services to individuals to enable them to retain employment;

"(9) supportive services, including, but not limited to, necessary health care, child care, residential support, or assistance in securing bonds, and transportation, needed to enable individuals to participate in employment and training;

"(10) development of labor market information, and activities such as job restructuring, to make the program more responsive to the needs of the eligible population;

"(11) training, employment opportunities, and related services conducted by community based organizations;

"(12) part-time, flexitime, and other alternative working arrangements for individuals who are unable because of age, handicap, or other factors to work full-time;

"(13) payment of allowances to persons in training for which they receive no remuneration, and payment of such allowances for transportation, subsistence, or other expenses incurred in training or employment; and

"(14) any programs or activities authorized by part A of title III, title IV, and title VII of this Act.

LIMITATIONS ON USE OF FUNDS

"Sec. 212. (a) No prime sponsor may use funds allocated for parts A, B, and C for public service employment.

"(b) Work experience programs conducted under this part, except for in-school youth, shall—

"(1) be designed to lead to unsubsidized employment, and

"(2) be subject to the limitations on duration specified in section 121(c)(2) and section 121(i),

unless the prime sponsor's plan as approved by the Secretary establishes that the lack of alternative job opportunities in the area makes such conditions and limitations impractical.

ELIGIBILITY FOR PARTICIPATION

"Sec. 213. A person shall be eligible to participate in a program receiving financial assistance under this part only if such person is economically disadvantaged and either unemployed, underemployed, or in school.

SERVICES FOR YOUTH

"Sec. 214. (a) Services for youth under this part shall be designed to assist eligible participants in overcoming the particular barriers to employment experienced by youth, including lack of basic educational or vocational skills, insufficient preparation for the personal adaptations necessary for labor force participation, inability to find or suc-


SERVICES FOR OLDER WORKERS

29 USC 850.

"Sec. 215. (a) Services for older workers under this part shall be designed to assist eligible participants in overcoming the particular barriers to employment experienced by older workers, including skills that are obsolete or no longer needed in the community, changing physical characteristics associated with aging, employer reluctance to hire older workers, financial barriers to labor force participation, and lack of appropriate job opportunities.

(b) The Secretary shall insure that each prime sponsor’s plan for serving eligible older workers under this part includes provisions for utilizing activities including activities described in section 308 and coordinating services for older workers under this part with programs and services provided by senior centers, area agencies on aging, and State agencies on aging (as designated under the Older Americans Act of 1965).

SERVICES FOR PUBLIC ASSISTANCE RECIPIENTS

29 USC 851.

"Sec. 216. (a) Services for public assistance recipients under this part shall be designed to assist eligible participants in overcoming the particular barriers to employment experienced by such recipients, including lack of basic educational or vocational skills, insufficient preparation for the personal adaptations necessary for labor force participation, inability to find or successfully apply for employment, inability to obtain transportation to employment opportunities, medical problems, inability to obtain satisfactory child care, and lack of appropriate job opportunities.

(b) The Secretary shall insure that each prime sponsor’s plan for serving eligible public assistance recipients under this part includes provisions for coordinating services assisted under this part with other programs assisted under this Act; and with services provided by State and local public assistance agencies.

PART C—UPGRADING AND RETRAINING

OCUPATIONAL UPGRADING AND RETRAINING

29 USC 852.

"Sec. 221. (a) Pursuant to regulations of the Secretary, prime sponsors may provide financial assistance to public and private employers for the costs associated with occupational upgrading programs, including supportive services, through agreements with public and private employers for the employees of such employers. Individuals eligible for such programs shall be individuals operating at less than their..."
full skill potential, primarily those in entry level positions or positions with little normal advancement opportunities. In any program receiving financial assistance under this section—

"(1) the positions for which employees are being upgraded shall be positions not regularly available to entry level employees, and for which adequately trained persons are not available;

"(2) the selection of employees for upgrading shall be based upon potential and the lack of availability for advancement in a normal promotional line;

"(3) the education and skill training content of the upgrading program shall provide employees with a reasonable progression resulting in qualifications for a recognized position of greater skill, responsibility, remuneration, or career advancement in the service of that employer;

"(4) the training period for upgrading shall be reasonable and consistent with periods customarily required for comparable training;

"(5) adequate personnel, attendance and progress records shall be maintained;

"(6) the program shall be designed, to the extent feasible, so that additional vacancies are created for new entry level employees;

"(7) compensation shall be paid by the employer at rates, including periodic increases, as the Secretary deems reasonable, considering such factors as industry practice, skill requirements, individual proficiency, and the geographical region, but not at rates less than that received before upgrading; and

"(8) successful completion shall be expected to result in employment with the employer in the occupation for which the employee has been upgraded and at not less than prevailing wages.

"(b) (1) Pursuant to regulations of the Secretary, prime sponsors may conduct retraining programs, including supportive services, directly or through agreements with public and private employers or other organizations or agencies.

"(2) Entry into retraining programs shall be only for individuals who have previously received a bona fide notice of impending layoff, and who are determined, pursuant to regulations of the Secretary, to have little opportunity to be reemployed in the same or equivalent occupation or skill level within the labor market area.

"(3) Retraining programs shall meet such standards as the Secretary shall establish by regulation.

"(c) If upgrading or retraining is for or from jobs covered by collective bargaining agreements, agreements with employers to carry out such programs shall have the concurrence of labor organizations representing employees in such jobs.

"PART D—TRANSITIONAL EMPLOYMENT OPPORTUNITIES FOR THE ECONOMICALLY DISADVANTAGED

"STATEMENT OF PURPOSE

"Sec. 231. It is the purpose of this part to provide economically disadvantaged persons who are unemployed with transitional employment in jobs providing needed public services, and related training and services to enable such persons to move into employment or training not supported under this Act.
"FINANCIAL ASSISTANCE"

29 USC 854.

"Sec. 232. (a) The Secretary shall provide financial assistance to prime sponsors for transitional public service employment for economically disadvantaged persons who are unemployed. Such employment—

"(1) shall be entry level;

"(2) shall be combined with training and supportive services if such training and services are reasonably available in the area; and

"(3) shall be designed to enable participants to move into unsubsidized employment.

"(b) (1) Not more than 10 percent of the funds allocated to a prime sponsor in accordance with the provisions of this part may be used for administrative and other allowable costs (such as supplies, materials, and equipment) incurred by the prime sponsor, program agents, project applicants, or subgrantees or contractors, in accordance with such regulations as the Secretary may prescribe.

"(2) Not less than—

"(A) 10 percent of the funds so allocated for fiscal year 1979;

"(B) 15 percent of the funds so allocated for fiscal year 1980;

"(C) 20 percent of the funds so allocated for fiscal year 1981;

"(D) 22 percent of the funds so allocated for fiscal year 1982;

shall be used only for training.

"(3) The remainder of the funds so allocated may be expended only for wages, employment benefits, training, and supportive services, to persons employed in public service employment under this part.

"ALLOCATION OF FUNDS"

29 USC 855.

"Sec. 233. (a) Funds made available for carrying out this part shall be allocated among prime sponsors by the Secretary in accordance with subsection (b).

"(b) The Secretary shall reserve an amount equal to not less than 2 percent of the amounts made available pursuant to section 232 for any fiscal year to enable Native American entities which are described in section 302(c) to carry out public service employment programs under this part. Eighty-five percent of the amounts made available for this part for any fiscal year shall be allocated in accordance with subsection (c).

"(c) (1) Twenty-five percent of the amount allocated under this subsection shall be allocated among prime sponsors in proportion to the relative number of unemployed persons who reside in areas within the jurisdiction of each such prime sponsor as compared to the number of unemployed persons who reside in all such areas in all the States.

"(2) Twenty-five percent of the amount allocated under this subsection shall be allocated among prime sponsors on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the prime sponsor as compared to the total excess number of unemployed persons who reside within the jurisdiction of all prime sponsors. For purposes of this subparagraph, the term 'excess number' means (i) the number which represents unemployed persons in excess of 4½ percent of the labor force in the jurisdiction of the prime sponsor in whose jurisdiction such persons reside, or (ii) in the case of a prime sponsor which is a State, the term 'excess number' means such number as defined in clause (i) or the number which represents unemployed persons in excess of 4½ percent of the labor force in areas of substantial unemployment.
“(3) Twenty-five percent of the amount allocated under this subsection shall be allocated among prime sponsors in accordance with the number of unemployed persons residing in areas of substantial unemployment within the jurisdiction of the prime sponsor compared to the number of unemployed persons residing in all areas of substantial unemployment.

“(4) Twenty-five percent of the amount allocated under this subsection shall be allocated on the basis of the relative number of adults in families with an annual income below the low-income level within the jurisdiction of the prime sponsor compared to such total numbers in all such jurisdictions.

“(d) (1) The Secretary shall, from the remainder of the funds made available under this part, first use such remainder—

“(A) to provide continued support for concentrated employment program grantees serving rural areas having high levels of unemployment, and

“(B) to allocate among the prime sponsors serving areas within those standard metropolitan statistical areas and central cities for which current population surveys were used to determine annual unemployment data prior to January 1, 1978, in proportion to the extent to which such prime sponsors allocations under this section and title IV are reduced as a result of termination of the use of such surveys, but in no event shall such a prime sponsor receive an amount in excess of the amount of such reduction.

The allocations required under clause (B) of this subparagraph shall not be made for any fiscal year beginning on or after October 1, 1980, or until such time as the Secretary determines that current population survey data is available for use on a satisfactory basis for such areas and the remaining area of each State, whichever occurs first.

“(2) The remainder of the amount made available under this part shall be available to the Secretary for financial assistance to prime sponsors and Native American entities described in section 302(c) (1) (A) as the Secretary deems appropriate.

“(e) For purposes of making allocations under subsections (c) (1) and (c) (2) of this section, the Secretary shall use average annual data for the most recent 12-month period for which satisfactory data are available.

"EXPENDITURE OF FUNDS"

"Sec. 234. Funds available for the purposes of this part shall be utilized by prime sponsors for public service employment activities, or projects carried out by project applicants as defined in section 3, or for activities set forth in section 211.

"PRIME SPONSORS AND PROGRAM AGENTS"

"Sec. 235. The provisions set forth in section 606 of this Act shall be applicable to this part.

"ELIGIBILITY"

"Sec. 236. (a) An individual eligible to be employed in a position supported under this part shall be a person (1) who has been unemployed for at least 15 weeks and who is economically disadvantaged, or (2) who is, or whose family is receiving aid to families with dependent children provided under a State plan approved under part A of title IV of the Social Security Act, or who is receiving supplemental security income benefits under title XVI of the Social Security Act.

"(b) The provisions of section 122(h) shall apply to duration of participation under this part."
"WAGES"

29 USC 859. "Sec. 237. (a) Wages to individuals employed in public service employment under this part shall be paid in accordance with sections 122(i) and 124.
"(b) Public service employment participants under this part may not have their wages supplemented by the payment of any additional wages for such employment from any source whatever, except as provided in section 122(i) (4) (B).

"TITLE III—SPECIAL FEDERAL RESPONSIBILITIES"
"PART A—Special National Programs and Activities"

29 USC 871. "Sec. 301. (a) The Secretary shall use funds available under this title to provide services authorized under all titles of this Act and for employment and training programs that—
"(1) meet the employment-related needs of persons who face particular disadvantages in specific and general labor markets or occupations, including offenders, persons of limited English language proficiency, handicapped individuals, women, single parents, displaced homemakers, youth, older workers, individuals who lack educational credentials, public assistance recipients, and other persons whom the Secretary determines require special assistance;
"(2) are most appropriately administered from the national level, such as programs sponsored by public agencies or private organizations that conduct federally assisted activities in more than one State;
"(3) foster new or improved linkages between Federal, State, and local employment and training agencies and components of the private sector, such as the business community, organized labor, and community based organizations;
"(4) provide continued support for programs of demonstrated effectiveness;
"(5) eliminate or reduce critical skill shortages in the Nation's labor force; and
"(6) serve individuals who become unemployed as a result of large-scale loss of jobs in a locality, caused by the closing of a facility, mass layoffs, natural disasters, or similar circumstances;
"(b) (1) (A) The Secretary shall make available financial assistance to conduct programs to provide employment opportunities and appropriate training and supportive services (through multipurpose projects or otherwise) to displaced homemakers. Such training and supportive services shall include, but not be limited to, job training, job readiness services, job counseling, job search, and job placement services; outreach and information services, including information on available education opportunities; and referrals (through cooperative arrangements, to the maximum extent feasible) to health, financial management, legal, public assistance, and other appropriate supportive services in the community being served. To the maximum extent feasible, activities supported under this paragraph shall be coordinated with and supplement, but not supplant, activities supported under other titles of this Act and shall emphasize training and other employment related services for participants that are designed to
enhance their employability and earnings. Programs shall concentrate on creating new jobs in the private sector for displaced homemakers in order to meet identified needs within the community. To the maximum extent feasible, supervisory, technical, and administrative positions within the programs shall be filled by displaced homemakers. Priority for participation in projects supported under this paragraph shall be given to displaced homemakers who, as provided in regulations which the Secretary shall prescribe, are most in need of services by virtue of age, education, training, household support obligations, and employability.

"(B) No funds available under this section shall be used for the purchase, construction, or major rehabilitation of facilities.

"(C) For the purposes of carrying out this subsection, the Secretary shall reserve not more than 2 percent of the funds made available to carry out this title.

"(2) The Secretary shall make financial assistance available to conduct a program for offenders to provide employment, training and related assistance and supportive services (including basic education, drug addiction or dependency rehabilitation and health care) which will enable them to secure and retain meaningful employment. The Secretary shall support activities designed to enable offenders to secure meaningful training and employment including but not limited to those services which provide highly structured and supervised employment opportunities, such as employment and training opportunities proven effective under section 311(c). Emphasis shall be placed upon serving offenders in contact with the criminal justice system or recently released from criminal justice custody or supervision. Services shall be comprehensive, and recipient of funds shall coordinate their activities with other providers of employment and training assistance. Grants may also be provided to the States or prime sponsors for the establishment of units for planning and evaluation of correctional employment and training assistance to offenders. The Secretary may provide for appropriate arrangements with employers and labor organizations, and appropriate parole, probationary, and judicial authorities, for the utilization of training equipment comparable to that currently used for the job for which training is furnished. To support such programs the Secretary shall develop information concerning the special needs of offenders for such services, including special studies regarding the incidence of unemployment among offenders and the means of increasing employment opportunity for offenders. As part of the reporting requirements under section 127(a), the Secretary shall also conduct an annual survey of prime sponsors and States receiving assistance under this Act for the purpose of assessing the scope and implementation of offender programs.

"(3) With respect to programs for persons of limited English-speaking ability under this Act, the Secretary shall establish appropriate procedures to ensure that participants are provided with employment and training and related assistance and supportive services (where feasible, at times designed to meet the needs of individuals unable to attend during normal working hours) designed to increase the employment and training opportunities for unemployed and underemployed persons of limited English-speaking ability, including (A) the teaching of occupational skills in the primary language of such persons for occupations which do not require a high proficiency in English, and (B) developing new employment opportunities for limited English-speaking persons and opportunities for promotion within existing employment situations for such persons, including
programs for the dissemination of appropriate information, and job placement, and counseling assistance, and the conduct of training and employment programs, in the primary language of such persons, as well as programs designed to increase the English-speaking ability of such persons.

"(4) The Secretary shall make financial assistance available to conduct programs for handicapped individuals, youth, single parents, and older workers to provide employment, training and related assistance and supportive services which will enable them to secure and retain meaningful employment. Such programs shall be designed to assist in eliminating artificial and other employment barriers faced by such persons.

"(c) The Secretary shall report to the Congress not later than March 1 of each year with detailed information and analysis of the programs conducted pursuant to this section. The information required by this subsection may be included in the annual report of the Secretary under section 127(a).

"(d) Funds allocated to recipients for purposes of this section shall be used to supplement funds which otherwise would be used for purposes of undertaking the same or similar programs and activities for such persons.

"(e) To the extent appropriate, programs financed under this part shall be coordinated with programs conducted by prime sponsors under this Act, and the Secretary shall notify such prime sponsors of the funding of an employment and training program under this part.

"(f) Notwithstanding any other provisions of this Act, eligibility requirements for programs for workers age fifty-five and older, which were established under title X of the Public Works and Economic Development Act of 1965, and which thereafter have been funded under section 304 of this Act prior to the enactment of the Comprehensive Employment and Training Act Amendments of 1978, shall be those which applied when the programs were established under title X.

"(g) The Secretary shall establish a special program for the funding of local workshops for the training of youths and other individuals who wish to pursue careers as self-employed owners and managers of small businesses. Such workshops should provide instruction in management techniques, business communication skills, motivational training, special problems in business operation, advice concerning Federal and State regulations, preparation of financial statements and loan applications, recordkeeping, development of marketing techniques, and information on beneficial resources available within the community.

"NATIVE AMERICAN EMPLOYMENT AND TRAINING PROGRAMS

"Sec. 302. (a) The Congress finds that (1) serious unemployment and economic disadvantage exist among members of Native American Indian, Alaskan Native, and Hawaiian native communities; (2) there is a compelling need for the establishment of comprehensive training and employment programs for members of those communities; and (3) such programs are essential to the reduction of economic disadvantage among individual members of those communities and to the advancement of economic and social development in these communities consistent with their goals and lifestyles.

"(b) The Congress therefore declares that, because of the special relationship between the Federal Government and most of those to be
served by the provisions of this section, (1) such programs can best be administered at the national level; (2) such programs shall be available to federally recognized Native American Indian tribes, bands, and groups and to other groups and individuals of Native American descent such as, but not limited to, the Lummis in Washington, the Menominees in Wisconsin, the Klamaths in Oregon, the Oklahoma Indians, the Passamaquoddys and Penobscots in Maine, and Eskimos and Aleuts in Alaska, and Hawaiian natives; and (3) such programs shall be administered in such a manner as to maximize the Federal commitment to support growth and development as determined by representatives of the communities and groups served by this section.

"(c) (1) (A) In carrying out responsibilities under this section, the Secretary shall, wherever possible, utilize Native American Indian tribes, bands, or groups on Federal or State reservations (including Alaska Native villages or groups as defined in the Alaska Native Claims Settlement Act of December 18, 1971) and the Oklahoma Indians, having a governing body and such public agencies and private nonprofit organizations as the Secretary determines will best serve Native Americans, for the provision of employment and training services under this section. When the Secretary determines that such tribe, band, or group has demonstrated the capability to effectively administer a comprehensive employment and training program, the Secretary shall require such tribe, band, or group to submit a comprehensive plan meeting such requirements as the Secretary prescribes.

"(B) The Secretary shall arrange for programs to meet the employment and training needs of Hawaiian natives through such public agencies or private nonprofit organizations as the Secretary determines will best meet their needs.

"(2) In carrying out responsibilities under this section, the Secretary shall make arrangements with prime sponsors and organizations (meeting requirements prescribed by the Secretary) serving nonreservation Native Americans for programs and projects designed to meet the needs of such Indians for employment and training and related services.

"(d) Whenever the Secretary determines not to utilize Native American Indian tribes, bands, or groups for the provision of employment and training services under this section, the Secretary shall, to the maximum extent feasible, enter into arrangements for the provision of such services with public agencies or private nonprofit organizations which meet with the approval of the tribes, bands, or groups to be served.

"(e) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the administration of Native American employment and training programs authorized under this Act.

"(f) Funds available for this section shall be expended for programs and activities consistent with the purposes of this section including but not limited to such programs and activities carried out by prime sponsors under other provisions of this Act.

"(g) For the purpose of carrying out this section, the Secretary shall reserve from funds available for this title an amount equal to not less than 4.5 percent of the amount allocated pursuant to section 202(a).

"(h) No provision of this section shall abrogate in any way the trust responsibilities of the Federal Government to Native American bands, tribes, or groups.
Sec. 303. (a) The Congress finds and declares that—

"(1) chronic seasonal unemployment and underemployment in the agricultural industry, substantially affected by recent advances in technology and mechanization, constitute a substantial portion of the Nation's rural employment problem and substantially affect the entire national economy; and

"(2) because of the special nature of farmworker employment and training problems such programs can best be administered at the national level.

"(b) (1) The Secretary shall meet the employment and training needs of migrants and seasonal farmworkers through public agencies and private nonprofit organizations, including, but not limited to, programs and activities carried out by prime sponsors under other provisions of this Act, as the Secretary determines have an understanding of the problems of migrant and seasonal farmworkers, a familiarity with the area to be served, and a capability to administer effectively a comprehensive employment and training program for migrant and seasonal farmworkers.

"(2) Programs supported under this section shall include, but not be limited to, employment and training in traditional as well as newly developing agricultural occupations and related assistance and supportive services.

"(c) (1) In awarding a grant or contract for services administered under this section, the Secretary shall not assign any preferential weighting factor to an application therefor by virtue of the fact that the applicant holds at the time of application a prior grant or contract to provide services under this section; nor shall the Secretary assign any negative weighting factor to an application by virtue of the fact that an applicant is an instrumentality of State government.

"(2) In carrying out programs and activities under this section, the Secretary shall continue in operation any program which is in existence on the effective date of this paragraph and—

"(A) which is—

"(i) operated through the use of the facilities of any institution of higher education; and

"(ii) designed to assist migrant and seasonal farmworkers who are beyond the age of compulsory school attendance in the State in which the institution is located, through tutoring, counseling, and other similar assistance, in the completion of courses necessary to receive a high school diploma or its equivalent; or

"(B) which serves migrant and seasonal farmworkers who are enrolled in a full-time basis in the first academic year of an undergraduate program at any institution of higher education, and the dependents of migrant and seasonal farmworkers if such dependents are so enrolled by—

"(i) aiding such individuals in carrying out the transition from secondary school to postsecondary school programs;

"(ii) generating motivation necessary for success in education beyond secondary school; and

"(iii) providing counseling, tutorial, and similar educational services designed to assist such individuals during their first academic year at such institution.
The Secretary shall continue the operation of any such program for so long as such program is consistent with the purposes of this section, as determined by the Secretary.

"(3) For the purpose of carrying out this section, the Secretary shall reserve from funds available for this title an amount equal to not less than 5 percent of the amount allocated pursuant to section 202(a).

"(e) In administering programs under this section, the Secretary shall consult with appropriate State and local officials and may enter into agreements with such officials to assist in the operation of such programs. In implementing this section the Secretary shall determine in consultation with appropriate State and local educational agencies, that no substantial duplication will exist.

"JOB SEARCH AND RELOCATION ASSISTANCE

"SEC. 304. (a) The Secretary is authorized to carry out job search and relocation assistance through agreements with States, State agencies or prime sponsors.

"(b) Job search assistance shall be available to economically disadvantaged, unemployed, and underemployed persons.

"(c) (1) Relocation assistance may be provided in the form of loans or grants, or both, subject to such standards as the Secretary establishes.

"(2) Relocation assistance shall be available only to involuntarily unemployed individuals who cannot reasonably be expected to secure fulltime employment in the community in which they reside, and have bona fide offers of employment (other than temporary or seasonal employment).

"VETERANS INFORMATION AND OUTREACH

"SEC. 305. The Secretary, in consultation and cooperation with the Administrator of Veterans Affairs and the Secretary of Health, Education, and Welfare, shall provide for an outreach and public information program utilizing, to the maximum extent, the facilities of the Departments of Labor and Health, Education, and Welfare and the Veterans’ Administration to exercise maximum efforts to develop jobs and job training opportunities for disabled and Vietnam-era veterans, and inform all such veterans about employment, job training, on-the-job training and educational opportunities under this Act, under title 38, United States Code, and other provisions of law; and inform prime sponsors, Federal contractors and subcontractors, Federal agencies, educational institutions, labor unions, and employers of their statutory responsibilities toward such veterans, and provide them with technical assistance in meeting those responsibilities.

"PROGRAMS FOR THE HANDICAPPED

"SEC. 306. (a) (1) The Congress finds and declares that due to the rapid implementation of programs to assist handicapped individuals mandated under the Education for the Handicapped Act and section 504 of the Rehabilitation Act of 1973, there is a need for people to provide the special supportive services and removal of architectural barriers required by these Acts.

"(2) The Congress further declares that the individuals to be served under this section represent a large percentage of the unemployed, and that these services will provide meaningful improvement of the lives of the handicapped individuals served.
Training or education.

"(b) The Secretary shall establish programs throughout the Nation which shall train personnel to work with and assist handicapped individuals. These programs may be in any areas of training or education which provide individuals with skills necessary to train or provide assistance to handicapped persons, including, but not limited to, interpreters for the deaf and aides in classrooms to assist in the education of the handicapped.

"(c) The Secretary shall take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the administration of programs authorized under this section.

"PARTNERSHIP PROGRAMS

29 USC 877.

"Sec. 307. (a) From funds available under this title the Secretary is authorized to promote the development of partnership arrangements between prime sponsors and employment security agencies. Such partnerships shall constitute a segment of an integrated and comprehensive intake, service and placement system and shall be designed to achieve an employability plan and comprehensive program of job preparation and job search assistance for all participants under this Act. Such partnerships may also include other related public and private nonprofit agencies and organizations, including community-based organizations.

"(b) Such partnerships may result in—

"(1) the creation of a joint-planning, administrative, and operational entity;

"(2) combining and colocation of staff; and

"(3) a joint data base and information system.

"(c) The Secretary is authorized to reimburse prime sponsors for costs associated with the implementation of a partnership and to provide incentives to ensure that employment security agencies may participate on an equitable basis.

"PROJECTS FOR MIDDLE-AGED AND OLDER WORKERS

29 USC 878.

"Sec. 308. (a) The Secretary shall—

"(1) develop and establish employment and training policies and programs for middle-aged and older workers which will reflect appropriate consideration of these workers' importance in the labor force and lead to a more equitable share of employment and training resources for middle-aged and older workers;

"(2) develop and establish programs to facilitate the transition of workers over 55 years of age from one occupation to another within the labor force and to facilitate the transition of such workers from non-participation to participation in the labor force including work experience, vocational education, public service employment, on-the-job training, occupational upgrading, and job search and placement, and technical assistance to employers for establishing flexi-time, job sharing, and other innovative arrangements suited to the needs of older workers;

"(3) conduct research on the relationships between age and employment and insure that the findings of such research are widely disseminated in order to assist employers in both the public and private sectors better understand and utilize the capabilities of middle-aged and older workers; and
“(4) develop and establish programs to develop methods designed to assure increased labor force participation by older workers who are able and willing to work but who have been unable to secure employment or who have been discouraged from seeking employment.

“(b) In carrying out the provisions of subsection (a) the Secretary shall provide for appropriate arrangements to be made with prime sponsors, members of the business community (including small business), labor organizations, local educational agencies, and community-based organizations as defined in section 3. Such arrangements may include, but need not be limited to—

“(1) an analysis of the local labor force on the basis of such factors as age, educational background, income, race, and sex, focusing particularly on comparative rates of labor force participation and of unemployment and underemployment among the various demographic groups studied;

“(2) an assessment of each participant's skills and work experience for purposes of formulating realistic second career objectives, including formal vocational testing instruments supplemented by such functional assessment methods and techniques to detect those skills and abilities of a participant as may be related to desired second career and occupational upgrading objectives;

“(3) second career and occupational upgrading counseling by individuals knowledgeable about the employment and training needs of middle-aged and older workers;

“(4) the establishment of second career objectives which will—

“(A) provide reasonable assurances to the participant that public and private sector demand exists for the skills developed in the second careers program; and

“(B) enable the participant to compete successfully in the job market; and

“(5) establishment of formal second careers training agreements, between participants and program sponsors, which—

“(A) set forth the career objectives of the participants and the steps required of each participant and prime sponsor to achieve these objectives;

“(B) will remain in force until its terms are fulfilled, or renegotiated or terminated according to such procedures as shall be prescribed by the Secretary; and

“(C) may be renegotiated or terminated, at any time, by the participant, or by the program sponsor for good cause.

“(c) The Secretary is hereby authorized to pay program sponsors reasonable training costs to participants in second careers programs to the extent necessary to achieve the objectives of such programs in accordance with regulations prescribed by the Secretary, but in no case shall such payment exceed the permissible maximum under section 122(i) (1). Such costs may include reasonable tuition for participants engaged in technical or other institutional training and payments to program sponsors providing on-the-job training, provided that such payments are based on the actual number of hours of such training given to the second careers program participant. The Secretary is authorized to pay for equipment, materials, and such other costs necessary for a participant to achieve the objectives of his second careers program.

“(d) Programs assisted under this section may provide for participation in employment and training programs on a part-time or flexible-time basis.
Eligibility.

“(e) Participants in programs authorized under this section shall be individuals over the age of 55 who are unemployed, underemployed, or economically disadvantaged, who have a family income (exclusive of any income received under a Federal or State welfare or unemployment program) which is not in excess of 125 percent of the poverty level established by the Director of the Office of Management and Budget.

Allocation of funds.

“(f) For the purposes of carrying out this section, the Secretary shall reserve from funds available for this title not more than 5 percent of the amount available for this title.

“(g) No provision of this section shall be construed as intending any diminution of the employment and training opportunities available to workers over 55 years of age under titles II, VI, and VII of this Act.

PART B—RESEARCH, TRAINING, AND EVALUATION

RESEARCH

29 USC 879.

“(Sec. 311. (a) To assist the Nation in expanding work opportunities and assuring access to those opportunities for all who desire it, the Secretary shall establish a comprehensive program of employment and training research utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the Nation’s employment and training problems. The programs required by this section may include, but need not be limited to, studies, the findings of which may contribute to the formulation of employment and training policy; development or improvement of employment and training programs; increased knowledge about labor market processes, including programs designed to eliminate artificial barriers to employment; reduction of unemployment and its relationships to price stability; promotion of more effective worker development, training, and utilization; improved national, regional and local means of measuring future labor demand and supply; enhancement of job opportunities; skill training to qualify employees for positions of greater skill, responsibility, and remuneration; meeting of worker shortages; easing of the transition from school to work, from income transfer payment dependency to employment, from one job to another, and from work to retirement; testing the usefulness of sheltered employment for the difficult to employ; opportunities and services for older persons who desire to enter or reenter the labor force; and for improvement of opportunities for employment and advancement through the reduction of discrimination and disadvantage arising from poverty, ignorance, or prejudice.

“(b) The Secretary shall establish a program of experimental, developmental, demonstration, and pilot projects, through grants to or contracts with public agencies or private organizations, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting employment and training problems. Nothing in this subsection shall authorize the Secretary to carry out employment programs experimenting with subsidized wages in the private sector or wages less than wages established by the Fair Labor Standards Act of 1938 for employment subject to that Act. In carrying out this subsection, the Secretary shall consult with such other agencies as may be appropriate. Where programs under this section require institutional training, appropriate arrangements for such
training shall be agreed to by the Secretary and the Secretary of
Health, Education, and Welfare.

"(c) The Secretary is authorized to conduct supportive employ­
ment and training projects of an experimental and demonstration
nature as part of, or coordinated with, experimental or demonstration
projects of a similar nature that the Secretary has been conducting
for unemployed persons with serious problems in the labor market,
such as juvenile delinquents, mentally and emotionally handicapped
individuals, alcoholics, ex-addicts, ex-offenders, and recipients of aid to
families with dependent children, to enable them, through temporary,
highly structured and supervised work experience, to make the transi­
tion to employment or self-employment. Such programs shall provide
for skill training as required to effect such transition.

"(d) The Secretary is authorized to undertake research programs
to (1) investigate the applicability of job-sharing, work-sharing and
other flexible work hours arrangements in various settings, and of the
incentives and technical assistance required by employers to imple­
ten such alternative working arrangements; and (2) investigate the
extent to which job and wage classification systems undervalue certain
skills and responsibilities on the basis of the sex of persons who
usually hold the positions.

"(e) The Secretary is authorized to conduct a variety of demon­
stration and experimental projects to test the best methods of assisting
persons, who might otherwise rely on public assistance or other income
assistance, to find nonfederally assisted employment in the private
and public sectors, and to provide federally assisted work and training
opportunities for any such persons who are unable to find nonfed­
erally assisted work or training opportunities. Such demonstration
and experimental projects and programs are to be conducted, to the
extent practicable, in rural and urban areas, in sparsely and densely
populated areas, and in areas with inadequate means of transportation.

"(f) The Secretary is authorized to conduct demonstration pro­
grams and projects, which provide expanded guidance and counseling
services to participants under this Act through community vocational
resource centers established in economically distressed communities or
areas pursuant to section 184(a)(7) of the Vocational Education
Act of 1963. Such programs shall provide State boards of vocational
education, which establish such community vocational resource cen­
ters, with funding for up to 50 per centum of the cost of such projects.
The Secretary may make such funds available to a State board of
vocational education when such board reaches agreement with the
prime sponsor to assist out-of-school individuals in reentering school
at the secondary or postsecondary level, to take advantage of voca­
tional skill training opportunities including cooperative education and
work-study programs, and to be offered referral to other training
programs, apprenticeship programs, and on-the-job training for which
academic credit may be available. Projects shall include provisions
for outreach to inform the economically disadvantaged of the assist­
ance available through the community resource centers and to provide
assurances that programs will be coordinated with other guidance and
counseling activities of the prime sponsor, including activities
under section 445(c), other in-school guidance and counseling pro­
grams in the area, State employment service offices, and the activities
of the private industry councils established pursuant to title VII of
this Act.
“(g) The Secretary shall conduct educational and assistance programs designed to eliminate artificial barriers to employment based upon race, sex, national origin, age, records of arrest or conviction, handicaps, marital status, or other criteria. To support such programs, information shall be developed identifying all such artificial barriers, the numbers of persons affected, the manner in which such barriers operate and how such barriers can best be eliminated. In complying with the requirements of this subsection, the Secretary shall consult with the Department of Health, Education, and Welfare, the United States Civil Rights Commission, and the Equal Employment Opportunity Commission.

"LABOR MARKET INFORMATION AND JOB BANK PROGRAM"

29 USC 880.

"SEC. 312. (a) The Secretary shall develop a comprehensive system of labor market information on a national, State, local, or other appropriate basis, which shall be made publicly available in a timely fashion.

“(b) In addition to the monthly national unemployment statistics, the Secretary shall develop reliable methods, including the use of selected sample surveys, to produce more statistically accurate data on unemployment by State and local areas, and shall investigate alternative methods to produce more accurate data on underemployment and labor demand by State and local areas.

“(c) The Secretary shall develop data for an annual statistical measure of labor market related economic hardship in the Nation. Among the factors to be considered in developing such a measure are unemployment, labor force participation, involuntary part-time employment, and full-time employment at wages less than the poverty level.

“(d) The Secretary shall develop methods to establish and maintain more comprehensive household budget data at different levels of living, including a level of adequacy, to reflect the differences of household living costs in regions and localities, both urban and rural.

“(e) The Secretary shall set aside, out of sums available to the Department for any fiscal year including sums available for this title, an amount which the Secretary determines is necessary and appropriate to carry out the provisions of this section, and shall, no later than sixty days after such sums are appropriated and made available, notify the appropriate committees of the Congress of the amount so set aside and the basis for the determination of need and appropriateness.

“(f) The Secretary shall establish and carry out a nationwide computerized job bank and matching program (including the listing of all suitable employment openings with local offices of the State employment service agencies by Federal contractors and subcontractors and providing for the affirmative action as required by section 2012(a) of title 38, United States Code) on a regional, State, and local basis, using electronic data processing and telecommunications systems to the maximum extent possible for the purpose of identifying sources of available persons and job vacancies, providing an expeditious means of matching the qualifications of unemployed, underemployed, and economically disadvantaged persons with employer requirements and job opportunities, and referring and placing such persons in jobs.
“EVALUATION

“SEC. 313. (a) The Secretary shall provide for the continuing evaluation of all programs, activities, and research and demonstration projects conducted pursuant to this Act, including their cost-effectiveness in achieving the purposes of this Act, their impact on communities and participants, their implication for related programs, the extent to which they meet the needs of persons by age, sex, race, and national origin, and the adequacy of the mechanism for the delivery of services. In conducting evaluations the Secretary shall compare the effectiveness of programs conducted by prime sponsors of the same class and of different classes, and shall compare the effectiveness of programs conducted by prime sponsors with similar programs carried out by the Secretary under the Act. The Secretary shall also arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs.

“(b) The Secretary shall evaluate the effectiveness of programs authorized under this Act and part C of title IV of the Social Security Act with respect to the statutory goals and objectives, including increases in employment and earnings for participants, duration in training and employment situations, information on the post-enrollment labor market experience of program participants for at least a year following their termination from such programs, and comparable information on other employees or trainees of participating employers.

“(c) In order to reduce the paperwork burden and costs on prime sponsors, project applicants and program agents, in carrying out evaluations of the cost-effectiveness of identical or similar programs of prime sponsors, the impact of such programs on communities and agents, the implication for related programs, and the adequacy of the mechanism for the delivery of services, the Secretary shall to the maximum extent possible, consistent with the purposes of this Act, use statistical sampling techniques.

“(d) The Secretary shall prepare and submit to the Congress an annual evaluation plan, setting forth major themes for the areas of research, statistics, evaluation, experimentation, and demonstrations to be undertaken in the succeeding fiscal year, the program purposes and policy alternatives to which each such area is related and the current and proposed funding and staffing levels. The Secretary shall specify in the portions of the plan relating to experimentation and demonstrations the intended outcome of proposed major innovations and the amount of time required to test the innovations or to achieve adoption of the demonstration. The information required by this subsection may be included in the annual report of the Secretary under section 127(a).

“(e) The Secretary shall prepare and submit to the Congress an annual evaluation report for employment and training programs. Such report may be included in the annual report of the Secretary under section 127(a). The Secretary shall include in such report—

“(1) a summary of the achievements, failures, and problems of the various programs authorized in this Act in meeting the objective of this Act;

“(2) a summary of major findings from research, evaluation, and experiments conducted in the previous fiscal year;

“(3) recommendations for program modifications based upon analysis of such findings; and

“(4) such other recommendations for legislative or administrative action as the Secretary deems appropriate.
"(f) The Secretary shall develop an ongoing program to notify prime sponsors of experiments and demonstrations to be conducted in their States and shall disseminate to prime sponsors and Governors the results of all research, demonstrations, evaluations, and experiments of employment and training programs.

"(g) (1) The Secretary shall—

"(A) develop standard definitions of ‘enrollments’; ‘completions’; ‘job placements’; and ‘training-related job placements’ for classroom and on-the-job training programs funded under this Act;

"(B) establish procedures for the uniform reporting by prime sponsors of information on enrollments, completions, job placements, and training related placements by detailed occupational or training code for classroom and on-the-job training programs funded under this Act; and

"(C) make a report to the Congress not later than March 1, 1980, and annually thereafter, containing a summary of the information described in subparagraph (B) together with such analysis and recommendations as the Secretary deems advisable.

"(2) The information required by paragraph (1)(C) may be included in the annual report of the Secretary under section 127(a).

"(3) For the purposes of this subsection, the term ‘detailed occupational or training code’ shall mean any occupational or training code equivalent in detail to the Standard Occupational Classification at the four-digit level.

"TRAINING AND TECHNICAL ASSISTANCE

"Sec. 314. The Secretary, in consultation with the Secretary of Health, Education, and Welfare, or other appropriate officials, shall provide directly or through grants, contracts, or other arrangements, appropriate preservice and inservice training for specialized, supportive, supervisory, or other personnel, and appropriate technical assistance with respect to programs under this Act.

"NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE

"Sec. 315. (a) The National Occupational Information Coordinating Committee, in carrying out its responsibilities under this section, shall give special attention to the labor market information needs of youth, including activities such as, but not limited to—

"(1) assisting and encouraging local areas to adopt methods of translating national aggregate occupational outlook data into local terms;

"(2) providing technical assistance for programs of computer on-line terminals and other facilities to utilize and implement occupational and career outlook information and projections supplied by State employment service agencies and to improve the match of youth career desires with available and anticipated labor demand;

"(3) assisting and encouraging the development of State occupational information systems, accessible to local schools, including pilot programs in the use of computers to facilitate such access; and

"(4) in cooperation with State and local correctional agencies, encouraging programs of counseling and employment services for youth in correctional institutions.
“(5) in cooperation with State and local educational agencies, and other appropriate persons and organizations, encouraging programs to make available employment and career counseling to postsecondary youths; and

“(6) providing technical assistance for programs designed to encourage public and private employers to list all available job opportunities for youths with the appropriate eligible applicant conducting occupational information and career counseling programs, local public employment services offices and to encourage cooperation and contact among such eligible applicants, employers, and offices.

“(b) All funds available to the National Occupational Information Coordinating Committee under this Act, under section 161 of the Vocational Education Act of 1963 and under section 12 of the Career Education Act may be used by the Committee to carry out any of its functions and responsibilities authorized by law.

“EVALUATIONS AND INCENTIVE GRANTS

“Sec. 316. (a) Any prime sponsor may volunteer for an evaluation of its title II programs by the Department of Labor. Such evaluation may include monitoring of the rate of placement of title II enrollees after leaving the title II program, the salaries paid to such enrollees, the length of time that they remain in the job, and whatever other information that the Secretary determines, by regulation, is important in evaluating the performance of the prime sponsors. For purposes of making this evaluation, the performance of the prime sponsor shall be assessed by comparing enrollees to a comparable group of nonenrollees within the prime sponsor’s area.

“(b) The Secretary shall make awards from the funds appropriated under this title to those prime sponsors which have performed well in their title II functions. The Secretary shall make awards according to a unit measurement; each such unit may consist of some degree of improvement among title II enrollees in job placement, salary, longevity, and whatever other factors the Secretary determines, by regulation, are important (each factor shall be weighed by the Secretary in a manner which best effectuates the purposes of this Act), over performance on each of the criteria set forth in this section by a comparable group of nonenrollees in the prime sponsor’s area.

“VOUCHER DEMONSTRATION PROJECTS

“Sec. 317. (a) The Secretary shall establish a special voucher project to demonstrate the efficacy of providing vouchers to economically disadvantaged persons who are unemployed or underemployed. Such vouchers shall entitle private employers who provide employment with or without training to such individuals to payment in amounts equal to the value of the voucher pursuant to regulations of the Secretary.

“(b) In establishing regulations under this section, the Secretary shall establish criteria, eligibility of participants and portability of vouchers between qualifying employers, the value of vouchers, the guarantees against displacement of eligible workers, and such other factors as the Secretary deems appropriate.

“(c) Not later than March 1, 1981, the Secretary shall prepare and submit to the Congress a report evaluating the effectiveness of the demonstration projects conducted pursuant to this section, together with such recommendations, including recommendations for legisla-
tion, as the Secretary deems appropriate. The information required by this subsection may be included in the appropriate annual report of the Secretary under section 127(a).

"EMPLOYMENT AND TRAINING ACTIVITIES TO STIMULATE LOCAL PRIVATE ECONOMIC DEVELOPMENT"

"Sec. 318. (a) The Secretary is authorized to carry out a special experimental program to link the employment and training activities of prime sponsors to a workable strategy for stimulating local private economic development and replacement of declining industries. Any determination concerning the nature of skills to be provided in training and retraining programs shall be made after consultation with agencies charged with fostering the growth or introduction of industries in a given labor market. This experiment may include use of vouchers as authorized in section 317.

"(b) The Secretary shall take whatever action is necessary to assure that any experimental program conducted under this section is coordinated with Federal, State, regional, and local agencies responsible for administering and receiving funds from the Economic Development Administration pursuant to sections 201 and 202 of the Public Works and Economic Development Act of 1965 and from the Small Business Investment Act of 1958. Activities under any such program shall be consistent with the overall economic development plan for the area required by section 202(b)(10) of the Public Works and Economic Development Act of 1965.

"TITLE IV—YOUTH PROGRAMS"

"STATEMENT OF PURPOSE"

"Sec. 401. It is the purpose of this title to provide a broad range of coordinated employment and training programs for eligible youth in order to provide effectively for comprehensive employment and training services to improve their future employability and to explore and experiment with alternative methods for accomplishing such purposes.

"DEFINITIONS"

"Sec. 402. (a) For purposes of parts B and C, the term 'eligible youth' means an economically disadvantaged youth who is (1) either unemployed, underemployed, or in school, and (2) either age 16 to 21 inclusive, or if authorized under regulations of the Secretary, age 14 to 15 inclusive. Nothing in this section shall be construed to prohibit the provision of day care for the children of eligible youths.

"(b) For the purposes of subpart 1 of part A, the term 'eligible youth' means a youth between the ages of 16 and 19 inclusive, the income of whose family is at or below the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget.

"PART A—YOUTH EMPLOYMENT DEMONSTRATION PROGRAMS"

"STATEMENT OF PURPOSE"

"Sec. 411. It is the purpose of this part to establish a variety of employment, training, and demonstration programs to explore methods of dealing with the structural unemployment problems of the Nation's
The basic purpose of the demonstration programs shall be to test the relative efficacy of different ways of dealing with these problems in different local contexts, but this basic purpose shall not preclude the funding of programs dealing with the immediate difficulties faced by youths who are in need of, and unable to find jobs. It is explicitly not the purpose of this part to provide make-work opportunities for unemployed youth; instead, it is the purpose to provide youth, and particularly economically disadvantaged youth, with opportunities to learn and earn that will lead to meaningful employment or self-employment opportunities after they have completed the program.

"Subpart 1—Youth Incentive Entitlement Pilot Projects

ENTITLEMENT PILOT PROJECTS AUTHORIZED

"Sec. 416. (a) The Secretary shall enter into arrangements with prime sponsors selected in accordance with the provisions of this subpart for the purpose of demonstrating the efficacy of guaranteeing otherwise unavailable part-time employment, or combination of part-time employment and training, for economically disadvantaged youth between the ages of 16 and 19, inclusive, during the school year who resume or maintain attendance in secondary school for the purpose of acquiring a high school diploma or in a program which leads to a certificate of high school equivalency and full-time employment or part-time employment and training during the summer months to each such youth.

(b) Each prime sponsor who applies for and is selected by the Secretary to carry out a pilot project under this subpart shall guarantee the employment described in subsection (a) to each such unemployed youth described in subsection (a) who resides within the area or a designated part thereof served by the prime sponsor and who applies to that prime sponsor for employment. The Secretary shall provide to each prime sponsor, from funds appropriated for carrying out this subpart, in combination with any funds made available by such prime sponsor according to an agreement made pursuant to section 418(a)(4)(F), the amount to which that prime sponsor is entitled under subsection (c).

(c) Each prime sponsor shall be entitled to receive, for each youth who is provided employment by that prime sponsor, the costs associated with providing such employment. Such costs shall take into account funds made available by such prime sponsor under section 418(a)(4)(F).

EMPLOYMENT GUARANTEES

"Sec. 417. Employment opportunities guaranteed under this subpart shall take the form of any one of the following or any combination thereof:

(1) Part-time employment or training or combination thereof during the school year, not to exceed an average of 20 hours per week for each youth employed, and not to last less than 6 months nor more than 9, on projects operated by community-based organizations of demonstrated effectiveness which have a knowledge of the needs of disadvantaged youth; local educational agencies; institutions of higher education; nonprofit private organizations or institutions engaged in public service; nonprofit voluntary youth organizations; nonprofit private associations, such as labor
organizations, educational associations, business, cultural, or other private associations; units of general local government; or special purpose political subdivisions either having the power to levy taxes and spend funds or serving such special purpose in 2 or more units of general local government.

"(2) Part-time employment on an individual basis in any of the institutions and under the same conditions provided for in clause (1).

"(3) Part-time employment on either a project or individual basis in any of the institutions and under the same conditions as provided in clause (1) which includes as part of the employment on-the-job or apprenticeship training.

"(4) Full-time employment during the summer months, not to exceed 40 hours per week for each youth employed, and not to last less than 8 weeks in any of the institutions described in clause (1).

**SELECTING PRIME SPONSORS**

29 USC 896.

"SEC. 418. (a) In selecting prime sponsors to operate youth incentive entitlement projects, the Secretary shall—

"(1) select prime sponsors from areas with differing socio-economic and regional circumstances such as differing unemployment rates, school dropout rates, urban and rural variations, size, and other such factors designed to test the efficacy of a youth job entitlement in a variety of differing locations and circumstances;

"(2) take into consideration the extent to which the prime sponsors devote funds made available under title II and part C of this title for the purpose of carrying out a youth incentive entitlement project or for supportive services;

"(3) take into consideration the extent to which new and different classifications, occupations, or restructured jobs are created for youth;

"(4) select only prime sponsors which submit proposals which include—

"(A) a description of the procedure to be utilized by the prime sponsor to publicize, consider, approve, audit, and monitor youth incentive projects or jobs funded by the prime sponsor under this part, including copies of proposed application materials, as well as examples of audit and client characteristics reports;

"(B) a statement of the estimated number of economically disadvantaged youth to be served by the prime sponsor, and assurances that only such disadvantaged youth will be served;

"(C) assurances that the provisions of sections 442 and 443 are met relating to wage provisions and special conditions;

"(D) assurances that the prime sponsor has consulted with public and private nonprofit educational agencies including vocational and postsecondary education institutions and other agencies which offer high school equivalency programs; public employers, including law enforcement and judicial agencies; State and local public assistance agencies; labor organizations; voluntary youth groups; community-based organizations; organizations of demonstrated effectiveness..."
with a special knowledge of the needs of such disadvantaged youth; and with the private sector in the development of the plan, and assurances that arrangements are made with appropriate groups to assist the prime sponsor in carrying out the purposes of this subpart;

"(E) assurances that arrangements are made with the State employment security agencies to carry out the purposes of this subpart;

"(F) an agreement that funds available under title II for economically disadvantaged youth employment programs and funds available for the summer youth program under part C of this title for youth eligible under subsection (a) will be used in support of the project authorized under this subpart;

"(G) assurances that the employment of eligible youth meets the requirements of eligible activities under section 419;

"(H) assurances that participating youth shall not be employed more than an average of 20 hours per week during the school year and not more than 40 hours per week during the summer;

"(I) assurances that a participating youth is not a relative of any person with responsibility for hiring a person to fill that job;

"(J) assurances that whenever employment involves additional on-the-job, institutional, or apprenticeship training provided by the employer, and if such training is not paid for in full or in part by the prime sponsor under any other program authorized under this Act, wages may be paid in accordance with the provisions of subsection (b) of section 14 of the Fair Labor Standards Act of 1938, and with the 29 USC 214.

"(K) assurances that arrangements have been made with the appropriate local education agency or with the institution offering a certified high school equivalency program that such youth is enrolled and meeting the minimum academic and attendance requirements of that school or education program and with employers that such youth meet the minimum work and attendance requirements of such employment and that any employment guarantee is conditioned on such enrollment;

"(L) assurances that special efforts will be made to recruit youth from families receiving public assistance, including parents of dependent children who meet the age requirement of this subpart; and

"(M) assurances that the prime sponsor will make available the data necessary for the Secretary to prepare the reports required by section 420.

"(b) In approving a prime sponsor to operate a youth incentive entitlement pilot project under this subpart the Secretary may also test the efficacy of any such project involving—

"(i) the use of a variety of subsidies to private for-profit employers, notwithstanding the provisions of sections 417 and 419(a), to encourage such employers to provide employment and training opportunities under this subpart, but no such subsidy shall exceed the net cost to the employer of the wages paid and training provided;
"(2) arrangements with unions to enable youth to enter into apprenticeship training as part of the employment provided under this subpart;

"(3) a variety of administrative mechanisms to facilitate the employment of youths under an entitlement arrangement;

"(4) the inclusion of economically disadvantaged youths between the ages of 19 and 25 who have not received their high school diploma;

"(5) the inclusion of occupational and career counseling, outreach, career, exploration, and on-the-job training and apprenticeship as part of the employment entitlement; and

"(6) the inclusion of youth under the jurisdiction of the juvenile or criminal justice system with the approval of the appropriate authorities.

"SPECIAL PROVISIONS

"SEC. 419. (a) Employment and training under this subpart shall develop the participant’s role as a meaningful member of the community, and may include employment and training in such fields as environmental quality, health care, education, self-employment, social services, public safety, crime prevention and control, transportation, recreation, neighborhood improvement, rural development, conservation, beautification, and community improvement projects.

"(b) No funds for employment under this subpart shall be used to provide public services through a nonprofit organization, association, or institution, or a nonprofit private institution of higher education or any other applicant, which were previously provided by a political subdivision or local educational agency in the area served by the project of where the employment and training takes place, and no funds will be used under this subpart to provide such services through such an organization or institution which are customarily provided only by a political subdivision or local educational agency in the area served by such project or where the employment and training takes place.

"REPORTS

"SEC. 420. The Secretary shall report to the Congress not later than March 15, 1979, on his interim findings on the efficacy of a youth incentive entitlement. The Secretary shall submit another report not later than December 31, 1979, concerning the youth incentive entitlement projects authorized under this subpart. Included in such reports shall be findings with respect to—

"(1) the number of youths enrolled at the time of the report;

"(2) the cost of providing employment opportunities to such youths;

"(3) the degree to which such employment opportunities have caused out-of-school youths to return to school or others to remain in school;

"(4) the number of youths provided employment in relation to the total which might have been eligible;

"(5) the kinds of jobs provided such youths and a description of the employers—public and private—providing such employment;

"(6) the degree to which on-the-job or apprenticeship training has been offered as part of the employment;

"(7) the estimated cost of such a program if it were to be extended to all areas;
“(8) the effect such employment opportunities have had on reducing youth unemployment in the areas of the prime sponsors operating a project; and
“(9) the impact of job opportunities provided under the project on other job opportunities for youths in the area.

Subpart 2—Youth Community Conservation and Improvement Projects

STATEMENT OF PURPOSE

“SEC. 421. It is the purpose of this subpart to establish a program of community conservation and improvement projects to provide employment, work experience, skill training, and opportunities for community service to eligible youths, for a period not to exceed 12 months, supplementary to but not replacing opportunities available under title II.

DEFINITIONS

“SEC. 422. As used in this subpart, the term—
“(1) ‘eligible applicant’ means any prime sponsor qualified under section 101 of this Act, sponsors of Native American programs qualified under section 302(c)(1) of this Act, and sponsors of migrant and seasonal farmworkers programs qualified under section 303 of this Act;
“(2) ‘project applicant’ shall have the same meaning as in section 3(20) of this Act;
“(3) ‘eligible youths’ means individuals who are unemployed and, at the time of entering employment under this subpart, are ages sixteen to nineteen, inclusive; and
“(4) ‘community improvement projects’ means projects providing work which would not otherwise be carried out, including, but not limited to, the rehabilitation or improvement of public facilities; neighborhood improvements; weatherization and basic repairs to low-income housing; energy conservation including solar energy techniques, especially those utilizing materials, and supplies available without cost; removal of architectural barriers to access, by handicapped persons, to public facilities; and conservation, maintenance, or restoration of natural resources on publicly held lands other than Federal lands.

ALLOCATION OF FUNDS

“SEC. 423. (a) Funds available to carry out this subpart for any fiscal year shall be allocated in such a manner that not less than 75 percent of such funds shall be allocated among the States on the basis of the relative number of unemployed persons within each State as compared to all States, except that not less than one-half of 1 percent of such funds shall be allocated for projects under this subpart within any one State and not less than one-half of 1 percent of such funds shall be allocated in the aggregate for projects in Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.
“(b) Of the funds available for this subpart, 2 percent shall be available for projects for Native American eligible youths, and 2 percent shall be available for projects for eligible youths in migrant and seasonal farmworker families.
“(c) The remainder of the funds available for this subpart shall be allocated as the Secretary deems appropriate.
"COMMUNITY CONSERVATION AND IMPROVEMENT YOUTH EMPLOYMENT PROJECTS"

29 USC 902. "Sec. 424. The Secretary is authorized in accordance with the provisions of this subpart, to enter into agreements with eligible applicants to pay the costs of community conservation and improvement youth employment projects to be carried out by project applicants employing eligible youths and appropriate supervisory personnel.

"PROJECT APPLICATIONS"

29 USC 903. "Sec. 425. (a) Project applicants shall submit applications for funding of projects under this subpart to the appropriate eligible applicant.

Regulations. "(b) In accordance with regulations prescribed by the Secretary, each project application shall—

"(1) provide a description of the work to be accomplished by the project, the jobs to be filled, and the approximate duration for which eligible youths would be assigned to such jobs;

"(2) describe the wages or salaries to be paid individuals employed in jobs assisted under this subpart;

"(3) set forth assurances that there will be an adequate number of supervisory personnel on the project and that the supervisory personnel are adequately trained in skills needed to carry out the project and can instruct participating eligible youths in skills needed to carry out the project;

"(4) set forth assurances that any income generated by the project will be applied toward the cost of the project;

"(5) set forth assurances for acquiring such space, supplies, materials, and equipment as necessary, including reasonable payment for the purchase or rental thereof;

"(6) set forth assurances that, to the maximum extent feasible, projects carried out under this subpart shall be labor intensive; and

"(7) set forth such other assurances, arrangements, and conditions as the Secretary deems appropriate to carry out the purposes of this subpart.

"PROPOSED AGREEMENTS"

29 USC 904. "Sec. 426. (a) (1) Each eligible applicant desiring funds under this subpart shall submit a proposed agreement to the Secretary, together with all project applications approved by the eligible applicant and all project applications approved by any program agent within the area served by the eligible applicant. With its transmittal of the proposed agreement, the eligible applicant shall provide descriptions of the project applications approved by the eligible applicant and by any program agent within the area served by the eligible applicant, accompanied by the recommendations of the eligible applicant concerning the relative priority attached to each project.

"(2) The functions of a program agent shall be as set forth in section 606 (b) (2) of this Act.

"(b) The proposed agreement submitted by any eligible applicant shall—

"(1) describe the method of recruiting eligible youths, including a description of how such recruitment will be coordinated with plans under other provisions of this Act, including arrangements required by section 105, of this Act, and also including a
description of arrangements with school systems, the public employment service (including school cooperative programs), the courts of jurisdiction for status and youthful offenders, and a description of arrangements with public assistance agencies on the employment of youth from families receiving public assistance, including parents of dependent children;

“(2) provide a description of job training and skill development opportunities that will be made available to participating eligible youth, as well as a description of plans to coordinate the training and work experience with school-related programs, including the awarding of academic credit; and

“(3) set forth such other assurances as the Secretary may require to carry out the purposes of this subpart.

“(c)(1) In order for a project application submitted by a project applicant to be submitted to the Secretary by any eligible applicant, copies of such application shall have been submitted at the time of such application to the prime sponsor's planning council established under section 109 (or an appropriate planning organization in the case of sponsors of Native American programs under section 302 of this Act or migrant and seasonal farmworker programs under section 303 of this Act) for the purpose of affording such council (and the youth council established under section 436) an opportunity to submit comments and recommendations with respect to that application to the eligible applicant. No member of any council (or organization) shall cast a vote on any matter in connection with a project in which that member, or any organization with which that member is associated, has a direct interest.

“(2) Consistent with procedures established by the eligible applicant in accordance with regulations which the Secretary shall prescribe, the eligible applicant shall not disapprove a project application submitted by a project applicant unless it has first considered any comments and recommendations made by the appropriate council (or organization) and unless it has provided such applicant and council (or organization) with a written statement of its reasons for such disapproval.

“APPROVAL OF AGREEMENTS

“SEC. 427. (a) The Secretary may approve or deny on an individual basis any of the project applications submitted with any opposed agreement.

“(b) No funds shall be made available to any eligible applicant except pursuant to an agreement entered into between the Secretary and the eligible applicant which provides assurances satisfactory to the Secretary that—

“(1) the standards set forth in subpart 4 will be satisfied;

“(2) projects will be conducted in such manner as to permit eligible youths employed in the project who are in school to coordinate their jobs with classroom instruction and, to the extent feasible, to permit such eligible youths to receive credit from the appropriate educational agency, postsecondary institution, or particular school involved; and

“(3) meet such other assurances, arrangements, and conditions as the Secretary deems appropriate to carry out the purposes of this subpart.

“WORK LIMITATION

“SEC. 428. No eligible youth shall be employed for more than twelve months in work financed under this subpart, except as prescribed by the Secretary.
"Subpart 3—Youth Employment and Training Programs

"STATEMENT OF PURPOSE

Sec. 431. It is the purpose of this subpart to establish programs designed to make a significant long-term impact on the structural unemployment problems of youth, supplementary to but not replacing programs and activities available under title II of this Act, to enhance the job prospects and career opportunities of young persons, including employment, community service opportunities, and such training and supportive services as are necessary to enable participants to secure suitable and appropriate unsubsidized employment in the public and private sectors of the economy. To the maximum extent feasible, training and employment opportunities afforded under this subpart shall be interrelated and mutually reinforcing so as to achieve the goal of enhancing the job prospects and career opportunities of youths served under this subpart.

"PROGRAMS AUTHORIZED

Sec. 432. (a) The Secretary is authorized to provide financial assistance to enable eligible applicants to provide employment opportunities and appropriate training and supportive services for eligible participants, including—

"(1) useful work experience opportunities in a wide range of community betterment activities such as rehabilitation of public properties, assistance in the weatherization of homes occupied by low-income families, demonstrations of energy-conserving measures, including solar energy techniques (especially those utilizing materials and supplies available without cost), park establishment and upgrading, neighborhood revitalization, conservation and improvements, removal of architectural barriers to access, by handicapped individuals, to public facilities, and related activities;

"(2) productive employment and work experience in fields such as education, health care, neighborhood transportation services, crime prevention and control, environmental quality control (including integrated pest management activities), preservation of historic sites, and maintenance of visitor facilities;

"(3) appropriate training and services to support the purpose of this subpart, including—

"(A) outreach, assessment, and orientation;

"(B) counseling, including occupational information and career counseling;

"(C) activities promoting education to work transition;

"(D) development of information concerning the labor market, and provision of occupational, educational, and training information;

"(E) services to youth to help them obtain and retain employment;

"(F) literacy training and bilingual training;

"(G) attainment of certificates of high school equivalency;

"(H) job sampling, including vocational exploration in the public and private sector;

"(I) institutional and on-the-job training, including development of basic skills and job skills;

"(J) transportation assistance;

"(K) child care and other necessary supportive services;
"(L) job restructuring to make jobs more responsive to the objectives of this subpart, including assistance to employers in developing job ladders or new job opportunities for youths, in order to improve work relationships between employers and youths;

"(M) community-based central intake and information services for youth;

"(N) job development, direct placement, and placement assistance to secure unsubsidized employment opportunities for youth to the maximum extent feasible, and referral to employability development programs;

"(O) programs to overcome sex-stereotyping in job development and placement; and

"(P) programs and outreach mechanisms to increase the labor force participation rate among minorities and women.

"(b) In order to carry out this subpart, a Governor or a prime sponsor may enter into contracts with project applicants (as defined in section 3(20)) or employers organized for profit, but payments to such employers shall not exceed the amounts permitted under section 121(1), or may operate programs directly if, after consultation with community-based organizations and nonprofit groups, a Governor or prime sponsor determines that such direct operation will promote the purposes of this subpart.

"ALLOCATION OF FUNDS

"SEC. 433. (a) From the sums available for this subpart—

"(1) an amount equal to 75 percent of such funds shall be made available to prime sponsors for programs authorized under section 432;

"(2) an amount equal to 5 percent of the amount available for this part shall be made available to Governors for special statewide youth services under subsection (c);

"(3) an amount equal to not less than 2 percent of the amount available for this part shall be made available for employment and training programs for Native American eligible youths (deducting such amounts as are made available for such purposes under section 423(b));

"(4) an amount equal to not less than 2 percent of the amount available for this part shall be made available for employment and training programs for eligible youths in migrant and seasonal farmworker families (deducting such amounts as are made available for such purposes under section 423(b)); and

"(5) the remainder of the funds available for this subpart shall be available for the Secretary's discretionary projects authorized under section 438.

"(b) (1) Amounts available for each of the purposes set forth in paragraphs (1) and (2) of subsection (a) shall be allocated among the States in such a manner that—

"(A) 37.5 percent thereof shall be allocated in accordance with the relative number of unemployed persons within each State as compared to the total number of such unemployed persons in all States;

"(B) 37.5 percent thereof shall be allocated in accordance with the relative number of unemployed persons residing in areas of substantial unemployment (as defined in section 3(2)) within each State as compared to the total number of unemployed persons residing in all such areas in all States; and
“(C) 25 percent thereof shall be allocated in accordance with the relative number of persons in families with an annual income below the low-income level (as defined in section 3(16)) within each State as compared to the total number of such persons in all States.

“(2) In determining allocations under this subsection the Secretary shall use what the Secretary determines to be the best available data.

“(3) Amounts available to prime sponsors under paragraph (1) of subsection (a) shall, out of the total amounts allocated to each State under such paragraph, be allocated by the Secretary among prime sponsors within each State, in accordance with the factors set forth in paragraph (1) of this subsection.

“(c) The amount available to the Governor of each State under paragraph (2) of subsection (a) shall be used in accordance with a special statewide youth services plan, approved by the Secretary, for such purposes as—

“(1) providing financial assistance for employment and training opportunities for eligible youths who are under the supervision of the State;

“(2) providing labor market and occupational information to prime sponsors and local educational agencies, without reimbursement;

“(3) providing for the establishment of cooperative efforts between State and local institutions, including (A) occupational and career guidance and counseling and placement services for in-school and out-of-school youth; and (B) coordination of statewide activities carried out under the Career Education Incentive Act;

“(4) providing for the establishment of cooperative efforts between State and local institutions, including occupational and career guidance and counseling and placement services for in-school and out-of-school youth;

“(5) providing financial assistance for expanded and experimental programs in apprenticeship trades, or development of new apprenticeship arrangements, in concert with appropriate businesses and labor unions or State apprenticeship councils; and

“(6) carrying out special model employment and training programs and related services between appropriate State agencies and prime sponsors in the State, or any combination of such prime sponsors, including subcontractors selected by prime sponsors, with particular emphasis on experimental job training within the private sector.

“(d) (1) Not less than 22 percent of the amount allocated to each prime sponsor under paragraph (1) of subsection (a) of this section shall be used for programs under this subsection.

“(2) The amount available to each prime sponsor under paragraph (1) shall be used for programs for in-school youth carried out pursuant to agreements between prime sponsors and local educational agencies. Each such agreement shall describe in detail the employment opportunities and appropriate training and supportive services which shall be provided to eligible participants who are enrolled or who agree to enroll in a full-time program leading to a secondary school diploma, a junior or community college degree, or a technical or trade school certificate of completion. Each such agreement shall contain provisions to assure that funds received pursuant to the agreement will not supplant State and local funds expended for the same purpose.
"(e) Programs receiving assistance under paragraph (1) of subsection (a) shall give special consideration in carrying out programs authorized under section 432, to community-based organizations (as defined in section 3(4)) which have demonstrated effectiveness in the delivery of employment and training services.

"ELIGIBLE APPLICANTS

"Sec. 434. Eligible applicants for purposes of this subpart, except section 438, are prime sponsors qualified under section 101, sponsors of Native American programs qualified under section 302(c)(1), and sponsors of migrant and seasonal farmworker programs qualified under section 303.

"ELIGIBLE PARTICIPANTS

"Sec. 435. Eligible participants for programs authorized under this subpart shall be persons who—

"(1) (A) are unemployed or are underemployed or are in school and are ages 16 to 21, inclusive; or (B) if authorized under such regulations as the Secretary may prescribe, are in school and are ages 14 to 15, inclusive; and

"(2) are not members of households which have current gross family income, adjusted to an annualized basis (exclusive of unemployment compensation and all Federal, State, and local income-tested or needs-tested public payments) at a rate exceeding 85 percent of the lower living standard income level, except that, pursuant to regulations which the Secretary shall prescribe, persons who do not meet the requirements of this subparagraph but who are otherwise eligible under this subpart may participate in appropriate activities of the type authorized under section 432(a).

Notwithstanding the provisions of subsection (a), 10 percent of the funds available for this subpart may be used for programs which include youths of all economic backgrounds to test the desirability of including youths of all economic backgrounds.

"CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE

"Sec. 436. (a) The Secretary shall not provide financial assistance to an eligible applicant for programs authorized under section 432 unless such eligible applicant provides assurances that the standards set forth in subpart 4 will be met and unless such eligible applicant submits an application in such detail as the Secretary may prescribe. Each such application shall—

"(1) describe the programs, projects, or activities to be carried out with such assistance, together with a description of the relationship and coordination of services provided to eligible participants under this subpart for similar services offered by local educational agencies, postsecondary institutions, the public employment service, the courts of jurisdiction for status and youthful offenders, other youth programs, community-based organizations, businesses and labor organizations consistent with the requirements of sections 121 and 203, and assurances that, to the maximum extent feasible, use will be made of any services that are available without reimbursement by the State employment service that will contribute to the achievement of the purposes of this subpart;
“(2) include assurances that the application will be coordinated to the maximum extent feasible, with the plans submitted under title II, but services to youth under that title shall not be reduced because of the availability of financial assistance under this subpart;

“(3) provide assurances, satisfactory to the Secretary, that in the implementation of programs under this subpart, there will be coordination, to the extent appropriate, with local educational agencies, postsecondary institutions, community-based organizations, public assistance agencies, businesses, labor organizations, job training programs, other youth programs, the apprenticeship system, the courts of jurisdiction for status and youthful offenders programs, and (with respect to the referral of prospective youth participants to the program) the public employment service system;

“(4) provide assurances that in the implementation of programs under this subpart, there will be coordination, to the extent feasible, with activities conducted under the Career Education Incentive Act;

“(5) provide assurance satisfactory to the Secretary that allowances will be paid in accordance with the provisions of section 124 and such regulations as the Secretary may prescribe for this subpart;

“(6) provide assurances that the application will be reviewed by the appropriate prime sponsor planning council in accordance with the provisions of section 109;

“(7) provide assurances that a youth council will be established under the planning council of such eligible applicant (established under section 109) in accordance with subsection (b) of this section;

“(8) provide assurances satisfactory to the Secretary that effective means will be provided through which youths participating in the projects, programs, and activities may acquire appropriate job skills and be given necessary basic education and training and that suitable arrangements will be established to document the competencies, including skills, education, and training, derived by each participant from programs established under this subpart;

“(9) provide assurances that the eligible applicant will take appropriate steps to develop new job classifications, new occupations, and restructured jobs;

“(10) provide that the funds available under section 438(d) shall be used for programs authorized under section 432 for in-school youth who are eligible participants through arrangements to be carried out by a local educational agency or agencies or postsecondary educational institution or institutions; and

“(11) provide such other information and assurance as the Secretary may deem appropriate to carry out the purposes of this subpart.

“(b) Each youth council established by an eligible applicant shall be responsible for making recommendations to the planning council established under section 109 with respect to planning and review of activities conducted under this subpart and subpart 2. Each such youth council's membership shall include representation from the local educational agency, local vocational education advisory council, postsecondary educational institutions, business, unions, the public employment service, local government and nongovernment agencies and
organizations which are involved in meeting the special needs of youths, the community served by such applicant, the prime sponsor, and youths themselves.

"(c) No program of work experience for in-school youth supported under this subpart shall be entered into unless an agreement has been made between the prime sponsor and a local educational agency or agencies, after review by the youth council established under subsection (b). Each such agreement shall—

"(1) set forth assurances that participating youths will be provided meaningful work experience, which will improve their ability to make career decisions and which will provide them with basic work skills needed for regular employment or self-employment not subsidized under this in-school program;

"(2) be administered, under agreements with the prime sponsor, by a local educational agency or agencies or a postsecondary educational institution or institutions within the area served by the prime sponsor, and set forth assurances that such contracts have been reviewed by the youth council established under subsection (b);

"(3) set forth assurances that job information, counseling, guidance, and placement services will be made available to participating youths and that funds provided under this program will be available to, and utilized by, the local educational agency or agencies to the extent necessary to pay the cost of school-based counselors to carry out the provisions of this in-school program;

"(4) set forth assurances that jobs provided under this program will be certified by the participating educational agency or institution as relevant to the educational and career goals of the participating youths;

"(5) set forth assurances that the eligible applicant will advise participating youths of the availability of other employment and training resources provided under this Act, and other resources available in the local community to assist such youths in obtaining employment or self-employment;

"(6) set forth assurances that youth participants will be chosen from among youths who are eligible participants who need work to remain in school, and shall be selected by the appropriate educational agency or institution, based on the certification for each participating youth by the school-based guidance counselor that the work experience provided is an appropriate component of the overall educational program of each youth.

"REVIEW OF PLANS BY SECRETARY

"Sec. 437. The provisions of sections 102, 104, and 107 shall apply to all programs and activities authorized under section 432.

"SECRETARY'S DISCRETIONARY PROJECTS

"Sec. 438. (a)(1) The Secretary of Labor is authorized, either directly or by way of contract or other arrangement, with prime sponsors, public agencies, and private organizations to carry out innovative and experimental programs to test new approaches for dealing with the unemployment problems of youth and to enable eligible participants to prepare for, enhance their prospects for, or secure employment in occupations through which they may reasonably be expected to advance to productive working lives. Such programs shall include,
where appropriate, cooperative arrangements with educational agencies to provide special programs and services for eligible participants enrolled in secondary schools, postsecondary educational institutions, and technical and trade schools, including job experience, counseling and guidance prior to the completion of secondary or postsecondary education and making available occupational, educational, and training information through statewide career information systems.

Consultation.

“(2) In carrying out or supporting such programs, the Secretary shall consult, as appropriate, with the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of Agriculture, the Director of the ACTION Agency, and the Director of the Community Services Administration.

Transfer of funds.

“(3) Funds available under this section may be transferred to other Federal departments and agencies to carry out functions delegated to them pursuant to agreements with the Secretary.

“(b) The Secretary and prime sponsors, as the case may be, shall give special consideration in carrying out innovative and experimental programs assisted under this section to community-based organizations (as defined in section 3(4)) which have demonstrated effectiveness in the delivery of employment and training services.

“YOUTH EMPLOYMENT INCENTIVE AND SOCIAL BONUS PROGRAM

29 USC 915.

“Sec. 438. (a) From funds available under section 438 the Secretary, through the use of prime sponsors where feasible, shall carry out in not more than 10 areas of high youth unemployment a youth employment incentive and social bonus demonstration program in order to test the efficacy of providing incentives for private industry to establish additional employment opportunities for youth without significant previous employment experience.

“(b) (1) The Secretary shall provide a social bonus of not more than $2,500 per year, in such amount and in such manner as the Secretary shall prescribe, to each employer who, pursuant to an agreement under this section, has employed 5 eligible youths for at least 35 hours per week for a period of not less than one year. The Secretary may allow for payment after 9 months in exceptional circumstances.

“(2) A youth is eligible if such youth is economically disadvantaged, unemployed, and has no significant previous employment, as determined by the Secretary. No youth may participate in this program for more than 18 months.

“(3) An employer may receive a social bonus for each such youth employed if—

“(A) the employer has at least 5 eligible youths in the program; and

“(B) the employer offers each youth in the program appropriate training, supportive services, and counseling. If such training includes on-the-job training, the social bonus shall be in addition to any moneys received under the on-the-job training agreement.

“(c) In the selection of employers to carry out projects under this section, the Secretary shall give priority to urban poverty areas in which the State or local government provides for special tax treatment for any employer which locates or expands within the urban poverty area, and to any employer establishing a new facility in an urban poverty area.
"(d) No payment for a social bonus may be made under this section unless:

"(1) youth employed under this program are paid no less than the higher of the prevailing rate of pay for the occupation and job classification of individuals employed by the same employer, or the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage; and

"(2)(A) the conditions of this Act are followed including sections 121(g)(1)(B) (relating to maintenance of effort), 121(f)(1) (relating to meaningful training and employment), and 123(a) (relating to jobs in low wage industries); and

"(B) the employment will not result in the filling of a job opening created by the action of the employer in laying off or terminating the employment of any regular employee in anticipation of filling the vacancy so created by hiring a youth employee in order to receive such social bonus.

"(e) An employer who receives a social bonus under this section may not receive, apply for, or accept any financial advantage from the Federal Government for such employment other than as specified in this Act.

"(f)(1) The Secretary, in consultation with the Secretary of the Treasury and other appropriate Federal officials, shall assure that activities carried out under this section are coordinated with any appropriate other activities under which employers are provided incentives or credits by the Federal Government for the employment of comparably unemployed individuals.

"(2) Not later than 36 months after the date of enactment of this section the Secretary, in consultation with the Secretary of the Treasury and other appropriate Federal officials shall submit to the appropriate committees of the Congress a report on the results of activities carried out under this section in comparison to the results of such other activities.

"Subpart 4—General Provisions

"DISTRIBUTION OF FUNDS

"Sec. 441. Of the sums available for carrying out the provisions of this part—

"(1) 15 percent shall be available for subpart 1;

"(2) 15 percent shall be available for subpart 2; and

"(3) 70 percent shall be available for subpart 3.

"WAGE PROVISIONS

"Sec. 442. Rates of pay under this part shall be no less than the higher of—

"(1) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938, but in the case of an individual who is 14 or 15 years old, the wage provided in accordance with the provisions of subsection (b) of section 14 of the Fair Labor Standards Act of 1938;

"(2) the State or local minimum wage for the most nearly comparable employment, but in the case of an individual who is 14 or 15 years old the wage provided in accordance with the applicable provisions of the applicable State or local minimum wage law; or
'“(3) the prevailing rates of pay, if any, for occupations and job classifications of individuals employed by the same employer, except that—

“(A) whenever the prime sponsor has entered into an agreement with the employer and the labor organization representing employees engaged in similar work in the same area to pay less than the rates provided in this paragraph, youths may be paid the rates specified in such agreement;

“(B) whenever an existing job is reclassified or restructured, youths employed in such jobs shall be paid at rates not less than those provided under paragraph (1) or (2), but if a labor organization represents employees engaged in similar work in the same area, youths shall be paid at rates specified in an agreement entered into by the appropriate prime sponsor, the employer, and the labor organization with respect to such reclassified or restructured jobs, and if no agreement is reached within thirty days after the initiation of the agreement procedure referred to in this clause the labor organization, prime sponsor, or employer may petition the Secretary, who shall establish appropriate wages for the reclassified or restructured positions, taking into account wages paid by the same employer to persons engaged in similar work;

“(C) whenever a new or different job classification or occupation is established and there is no dispute with respect to such new or different job classification or occupation, youths to be employed in such jobs shall be paid at rates not less than those provided in paragraph (1) or (2), but if there is a dispute with respect to such new or different job classification or occupation, the Secretary shall within 30 days after receipt of the notice of protest by the labor organization representing employees engaged in similar work in the same area, make a determination whether such job is a new or different job classification or occupation; and

“(D) in the case of projects to which the provision of the Davis-Bacon Act (or any Federal law containing labor standards in accordance with the Davis-Bacon Act) otherwise apply, the Secretary is authorized, for projects financed under subparts 2 and 3 under $5,000, to prescribe rates of pay for youth participants which are not less than the applicable minimum wage but not more than the wage rate of the entering apprentice in the most nearly comparable apprenticeable trade, and to prescribe the appropriate ratio of journeymen to such participating youths.

*SPECIAL CONDITIONS*

“Sec. 443. (a) The Secretary shall provide financial assistance under this part only if he determines that the activities to be assisted meet the requirements of this section.

(b) The Secretary shall determine that the activities assisted under this part—

“(1) will result in an increase in employment opportunities over those opportunities which would otherwise be available;

“(2) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of nonovertime work or wages or employment benefits);
"(3) will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(4) will not substitute jobs assisted under this part for existing federally assisted jobs;

"(5) will not employ any youth when any other person is on layoff by the employer from the same or any substantially equivalent job in the same area; and

"(6) will not be used to employ any person to fill a job opening created by the act of an employer in laying off or terminating employment of any regular employee, or otherwise reducing the regular work force not supported under this part, in anticipation of filling the vacancy so created by hiring a youth to be supported under this part.

"(c) The jobs in each promotional line will in no way infringe upon the promotional opportunities which would otherwise be available to persons currently employed in public services not subsidized under this Act and no job will be filled in other than an entry level position in each promotional line until applicable personnel procedures and collective-bargaining agreements have been complied with.

"(d) Where a labor organization represents employees who are engaged in similar work in the same area to that proposed to be performed under the program for which an application is being developed for submission under this part, such organization shall be notified and shall be afforded a reasonable period of time prior to the submission of the application in which to make comments to the applicant and to the Secretary.

"(e) Activities funded under this part shall meet such other standards as the Secretary may deem appropriate to carry out the purposes of this Act.

"(f) Funds under this part shall not be used to provide full-time employment opportunities (1) for any person who has not attained the age with respect to which the requirement of compulsory education ceases to apply under the laws of the State in which such individual resides, except (A) during periods when school is not in session, and (B) where employment is undertaken in cooperation with school-related programs awarding academic credit for the work experience, or (2) for any person who has not attained a high school degree or its equivalent if it is determined, in accordance with procedures established by the Secretary, that there is substantial evidence that such person left school in order to participate in any program under this part.

"SPECIAL PROVISIONS FOR SUBPARTS 2 AND 3

"Sec. 444. (a) Appropriate efforts shall be made to ensure that youths participating in programs, projects, and activities under subparts 2 and 3 shall be youths who are experiencing severe handicaps in obtaining employment, including but not limited to those who lack credentials (such as a high school diploma), those who require substantial basic and remedial skill development, those who are women and minorities, those who are veterans of military service, those who are offenders, those who are handicapped, those with dependents, or those who have otherwise demonstrated special need, as determined by the Secretary.

"(b) The Secretary is authorized to make such reallocation as the Secretary deems appropriate of any amount of any allocation under subparts 2 and 3 to the extent that the Secretary determines that an
eligible applicant will not be able to use such amount within a reasona-
ble period of time. Any such amount may be reallocated only if the
Secretary has provided 30 days' advance notice of the proposed real-
location to the eligible applicant and to the Governor of the State of
the proposed reallocation, during which period of time the eligible
applicant and the Governor may submit comments to the Secretary.
After considering any comments submitted during such period, the
Secretary shall notify the Governor and affected eligible applicants
of any decision to reallocate funds, and shall publish any such decision
in the Federal Register. Priority shall be given in reallocating such
funds to other areas within the same State.

"(c) The provisions of section 121(g)(1)(C) shall apply to sub-parts 2 and 3.

"ACADEMIC CREDIT, EDUCATION CREDIT, COUNSELING AND PLACEMENT
SERVICES, AND BASIC SKILLS DEVELOPMENT"

29 USC 920.

"SEC. 445. (a) In carrying out this part, appropriate efforts shall
be made to encourage the granting by the educational agency or school
involved of academic credit to eligible participants who are in school.
(b) The Secretary, in carrying out the purposes of this part, shall
cooperate with the Secretary of Health, Education, and Welfare to
make suitable arrangements with appropriate State and local educa-
tion officials whereby academic credit may be awarded, consistent with
applicable State law, by educational institutions and agencies for com-
petencies derived from work experience obtained through programs
established under this part.

"(c) All activities assisted under this part, pursuant
to such regula-
tions as the Secretary shall prescribe, shall provide appropriate coun-
seling and placement services designed to facilitate the transi-
tion of youth from participation in the project to (1) permanent jobs in the
public or private sector, or (2) education or training programs.

"DISREGARDING EARNINGS"

29 USC 921.

"SEC. 446. Earnings and allowances received by any youth under
this part shall be disregarded in determining the eligibility of the
youth's family for, and the amount of, any benefits based on need
under any Federal or federally assisted programs.

"RELATION TO OTHER PROVISIONS"

29 USC 922.

"SEC. 447. The provisions of title I shall apply to this part, except
to the extent that any such provision may be inconsistent with the
provisions of this part.

"PART B—JOB CORPS"

"STATEMENT OF PURPOSE"

29 USC 923.

"SEC. 450. This part establishes a Job Corps for economically dis-
advantaged young men and women, sets forth standards and proce-
dures for selecting individuals as enrollees in the Job Corps, authorizes
the establishment of residential and nonresidential centers in which
enrollees will participate in intensive programs of education, voca-
tional training, work experience, counseling and other activities, and
prescribes various other powers, duties, and responsibilities incident to
the operation and continuing development of the Job Corps. The
purpose of this part is to assist young persons who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens; and to do so in a way that contributes, where feasible, to the development of national, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

"ESTABLISHMENT OF THE JOB CORPS"

"Sec. 451. There is established within the Department of Labor a 'Job Corps'."

"INDIVIDUALS ELIGIBLE FOR THE JOB CORPS"

"Sec. 452. To become an enrollee in the Job Corps, a young man or woman must be an eligible youth who—"

"(1) has attained age 14 but not attained age 22 at the time of enrollment, except that such maximum age limitation may be waived, in accordance with regulations of the Secretary, in the case of any handicapped individual;"

"(2) is economically disadvantaged or is a member of a family which is economically disadvantaged, and who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular school work, qualify for other suitable training programs, or satisfy Armed Forces requirements;"

"(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair prospects for successful participation in other programs providing needed training, education, or assistance;"

"(4) is determined, after careful screening as provided for in sections 453 and 454 to have the present capabilities and aspirations needed to complete and secure the full benefit of the Job Corps and to be free of medical and behavioral problems so serious that the individual could not adjust to the standards of conduct, discipline, work, and training which the Job Corps involves; and"

"(5) meets such other standards for enrollment as the Secretary may prescribe and agrees to comply with all applicable Job Corps rules and regulations.

"SCREENING AND SELECTION OF APPLICANTS: GENERAL PROVISIONS"

"Sec. 453. (a) The Secretary shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps. To the extent practicable, these rules shall be implemented through arrangements with agencies and organizations such as community action agencies, public employment offices, professional groups, labor organizations, and agencies and individuals having contact with youths over substantial periods of time and able to offer reliable information as to their needs and problems. The rules shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. The rules shall also provide for the interviewing of each applicant for the purpose of—"
“(1) determining whether the applicant's educational and vocational needs can best be met through the Job Corps or an alternative program in the applicant's home community;

“(2) obtaining from the applicant pertinent data relating to background, needs, and interests for determining eligibility and potential assignment; and

“(3) giving the applicant a full understanding of the Job Corps and what will be expected of an enrollee in the event of acceptance.

“(b) The Secretary shall make no payments to any individual or organization solely as compensation for referring the names of candidates for Job Corps.

“(c) The Secretary shall assure that Job Corps enrollees include an appropriate number of candidates selected from rural areas, taking into account the proportions of eligible youth who reside in rural areas and the need to provide residential facilities for such youth.

“SCREENING AND SELECTION: SPECIAL LIMITATIONS

29 USC 927.

“SEC. 454. (a) No individual shall be selected as an enrollee unless there is reasonable expectation that the individual can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the center to which the individual might be assigned and surrounding communities, and unless the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe those rules.

“(b) An individual on probation or parole may be selected only if release from the supervision of the probation or parole officials is satisfactory to those officials and the Secretary and does not violate applicable laws or regulations. No individual shall be denied a position in the Job Corps solely on the basis of that individual's contact with the criminal justice system.

“ENROLLMENT AND ASSIGNMENT

29 USC 928.

“SEC. 455. (a) No individual may be enrolled in the Job Corps for more than two years, except as the Secretary may authorize in special cases.

“(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

“(c) After the Secretary has determined whether an enrollee is to be assigned to a Job Corps Center or a Job Corps Civilian Conservation Center, the enrollee shall be assigned to the center of the appropriate type which is closest to the enrollee's home, except that the Secretary may waive this requirement for good cause, including to ensure an equitable opportunity for youth from various sections of the Nation to participate in the program, to prevent undue delays in assignment, to adequately meet the educational or other needs of an enrollee, and for efficiency and economy in the operation of the program.

“JOB CORPS CENTERS

Agreements with other agencies. 29 USC 929.
1963 which operates or wishes to develop area vocational education school facilities or residential vocational schools (or both) as authorized by such Act, or private organizations for the establishment and operation of Job Corps centers. Job Corps centers may be residential or nonresidential in character, or both, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services appropriate to their needs. The centers shall include Civilian Conservation Centers, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest. The centers shall also include training centers located in either urban or rural areas which shall provide activities including training and other services for specific types of skilled or semi-skilled employment.

"(b) To the extent feasible, Job Corps centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in other programs under this Act. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Secretary may specify.

"PROGRAM ACTIVITIES"

"SEC. 457. (a) Each Job Corps center shall provide enrollees with an intensive, well-organized, and fully supervised program of education, vocational training, work experience, planned vocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program shall include activities to assist enrollees in choosing realistic career goals, coping with problems they may encounter in home communities, or in adjusting to new communities, and planning and managing daily affairs in a manner that will best contribute to long-term upward mobility. Center programs shall include required participation in center maintenance work to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

"(b) The Secretary may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes, whenever such institutions provide training substantially equivalent in cost and quality to that which the Secretary could provide through other means.

"(c) To the extent feasible, arrangements for education, both at the center and at other locations, shall provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school. The Secretary, with the concurrence of the Secretary of Health, Education, and Welfare, shall develop certificates to be issued to each enrollee who satisfactorily completes service in the Job Corps and which will reflect the enrollee's level of educational attainment.

"ALLOWANCES AND SUPPORT"

"SEC. 458 (a) The Secretary is authorized to provide enrollees with such personal, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs. For the fiscal year ending September 30, 1979, personal allowances

20 USC 2304, 2392.

Civilian Conservation Centers.

29 USC 930.

Arrangements with local educational agencies and technical institutes. Graduation certificate. Concurrence with Secretary of HEW.

29 USC 931.
shall be established at a rate not to exceed $60 per month during the
first 6 months of an enrollee's participation in the program and not to
exceed $100 per month thereafter, except that allowances in excess of
$60 per month, but not exceeding $100 per month, may be provided
from the beginning of an enrollee's participation if it is expected to
be of less than 6 months' duration and the Secretary is authorized to
pay personal allowances in excess of the rates specified in this subsec­
tion in unusual circumstances as determined by him. For fiscal years
beginning on or after October 1, 1979, such personal allowance limita­
tions may be increased, by regulation, as the Secretary determines
appropriate. Such allowances shall be graduated up to the maximum
so as to encourage continued participation in the program, achieve­
ment and the best use by the enrollee of the funds so provided and
shall be subject to reduction in appropriate cases as a disciplinary
measure. To the degree reasonable, enrollees shall be required to meet
or contribute to costs associated with their individual comfort and
enjoyment from their personal allowances.

“(b) The Secretary shall prescribe rules governing the accrual of
leave by enrollees. Except in the case of emergency, he shall in no event
assume transportation costs connected with leave of any enrollee who
has not completed at least 6-months' service in the Job Corps.

“(c) The Secretary may provide each former enrollee upon termi­
nation, a readjustment allowance at a rate not to exceed, for the fiscal
year ending September 30, 1979, $100 for each month of satisfactory
participation in the Job Corps. For fiscal years beginning on or after
October 1, 1979, such readjustment allowance limitation may be
increased, by regulation, as the Secretary determines appropriate. No
enrollees shall be entitled to a readjustment allowance unless he has
remained in the program at least 90 days, except in unusual circum­
stances as determined by the Secretary. The Secretary may, from time
to time, to advance to or on behalf of an enrollee such portions of his
readjustment allowances as the Secretary deems necessary to meet
extraordinary financial obligations incurred by that enrollee. The
Secretary is authorized, pursuant to rules or regulations, reduce the
amount of an enrollee's readjustment allowance as a penalty for mis­
conduct during participation in the Job Corps. In the event of an
enrollee's death during his period of service, the amount of any unpaid
readjustment allowance shall be paid in accordance with the provisions
of section 5582 of title 5, United States Code.

“(d) Such portion of the readjustment allowance as prescribed by
the Secretary may be paid monthly during the period of service of the
enrollee directly to a spouse or child of an enrollee, or to any other
relative who draws substantial support from the enrollee, and any
amount so paid shall be supplemented by the payment of an equal
amount by the Secretary.

“STANDARDS OF CONDUCT

29 USC 932.

“SEC. 459. (a) Within Job Corps centers standards of conduct shall
be provided and stringently enforced. If violations are committed by
enrollees, dismissal from the Corps or transfers to other locations shall
be made if it is determined that retention in the Corps, or in the par­
ticular center, will jeopardize the enforcement of such standards or
diminish the opportunities of other enrollees.

“(b) To promote the proper moral and disciplinary conditions in
the Job Corps, the directors of Job Corps centers shall take appro­
priate disciplinary measures against enrollees, including dismissal from
the Job Corps, subject to expeditious appeal to the Secretary.
"COMMUNITY PARTICIPATION"

"SEC. 460. The Secretary shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers and nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Youth shall be represented on the advisory council and separate youth councils may be established composed of enrollees and young people from the communities. The Secretary shall assure that each center is operated with a view to achieving, so far as possible, objectives which shall include—

"(1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community;

"(2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees;

"(3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community;

"(4) encouraging the fullest practicable participation of enrollees in programs for community improvement or betterment, with appropriate advance consultation with business, labor, professional, and other interested community groups;

"(5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together;

"(6) providing community residents with opportunities to work with enrollees directly as part-time instructors, tutors, or advisers, either in the center or in the community;

"(7) developing, where feasible, job or career opportunities for enrollees in the community; and

"(8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools, educational institutions, agencies serving young people and recipients of funds under this Act."
where the former enrollee has indicated an intent to reside. If the Secretary uses any other public agency or private organization in lieu of the public employment service system, the Secretary shall arrange for that organization or agency to pay the readjustment allowance.

"EXPERIMENTAL AND DEVELOPMENTAL PROJECTS"

29 USC 935.

"SEC. 462. (a) (1) The Secretary is authorized to undertake experimental, research, or demonstration projects to develop or test ways of better using facilities, encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in their period of enrollment, reducing transportation and support costs, or otherwise promoting greater efficiency and effectiveness in the program. These projects shall include one or more projects providing youths with education, training, and other supportive services on a combined residential and nonresidential basis.

"(2) The Secretary is authorized to undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations.

Consultation.

"(3) Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the prime sponsors in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available for projects under this section to the extent they include the same or substantially similar activities. The Secretary is authorized to waive any provision of this part which the Secretary finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. The Secretary shall, in the annual report of the Secretary, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

Waiver.

"(b) In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum use of existing educational and training facilities, the Secretary, in cooperation with the Secretary of Health, Education, and Welfare, is authorized to enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skill centers.

Report to Congress.

"ADVISORY BOARDS AND COMMITTEES"

29 USC 936.

"SEC. 463. The Secretary is authorized to make use of advisory committees in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.
"PARTICIPATION OF THE STATES"

"Sec. 464. (a) The Secretary shall take action to facilitate the effective participation of States in the Job Corps programs, including consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, the development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

"(b) The Secretary is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Secretary is authorized, pursuant to regulations, to pay part or all of the costs of such programs.

"(c) No Job Corps center or other similar facility designed to carry out the purpose of this part shall be established within a State unless a notice setting forth such proposed establishment has been submitted to the Governor, and the establishment has not been disapproved by the Governor within 30 days of such submission.

"(d) All property which would otherwise be under exclusive Federal legislative jurisdiction shall be under concurrent jurisdiction with the appropriate State and locality with respect to criminal law enforcement as long as a Job Corps center is operated on such property.

"APPLICATION OF PROVISIONS OF FEDERAL LAW"

"Sec. 465. (a) Except as otherwise provided in this subsection and in section 8143(a) of title 5, United States Code, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.) enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter I of chapter 81 of title 5, United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except—

"(A) the term 'performance of duty' shall not include any act of an enrollee while absent from the assigned post of duty of such enrollee, except while participating in an activity (including an activity while on pass or during travel to or from such post or duty) authorized by or under the direction and supervision of the Job Corps;

"(B) in computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS-2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

"(C) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

Consultation with State agencies.
29 USC 937.

29 USC 938.

5 USC 8101.

"Performance of duty."
“(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

“(b) Whenever the Secretary finds a claim for damages to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, the Secretary is authorized to adjust and settle it in an amount not exceeding $1,500.

“(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade in such services.

“SPECIAL PROVISIONS

“SEC. 466. (a) The Secretary shall immediately take steps to achieve an enrollment of 50 percent women in the Job Corps consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

“(b) The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the Job Corps program shall become the property of the United States.

“(c) Transactions conducted by private for-profit contractors for Job Corps centers which they are operating on behalf of the Secretary shall not be considered as generating gross receipts.

“GENERAL PROVISIONS

“SEC. 467. The Secretary is authorized to—

“(1) disseminate, with regard to the provisions of section 4154 of title 39, United States Code, data and information in such forms as the Secretary shall deem appropriate, to public agencies, private organizations, and the general public;

“(2) collect or compromise all obligations to or held by the Secretary and all legal or equitable rights accruing to the Secretary in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection; and

“(3) expend funds made available for purposes of this part—

“(A) for printing and binding, in accordance with applicable law and regulation; and

“(B) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the Secretary, except that the Secretary shall not utilize the authority contained in this subparagraph—

“(i) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this part, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form or under the conditions in which it is needed; and

“(ii) prior to having given written notification to the Administrator of General Services (if the exercise of such
authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of the Secretary's intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority.

"UTILIZATION OF FUNDS"

"Sec. 468. Notwithstanding the limitations of title II and part C of this title, financial assistance under title II and part C of this title which is used for the Job Corps program, may be used in accordance with the provisions of this part.

"PART C—SUMMER YOUTH PROGRAM"

"ESTABLISHMENT OF PROGRAM"

"Sec. 481. (a) The Secretary shall provide financial assistance to prime sponsors to conduct programs for eligible youth during the summer months.

"(b) Programs shall provide eligible youth with useful work and sufficient basic education and institutional or on-the-job training to assist these youths to develop their maximum occupational potential and to obtain employment not subsidized under this Act.

"PRIME SPONSORS"

"Sec. 482. Prime sponsors eligible for assistance under this part shall be prime sponsors designated under section 101(c) and Native American entities described in section 302(c) (1).

"FINANCIAL ASSISTANCE"

"Sec. 483. (a) In order to receive financial assistance under this part, a prime sponsor shall submit to the Secretary an annual plan pursuant to section 103.

"(b) The funds appropriated for this part in any fiscal year shall be allocated according to the procedures set forth in subsection (c) except that the Secretary may reserve up to 5 percent of the appropriated funds to be used in the Secretary's discretion including allocations to Native American entities under subsection (c) (2).

"(c) (1) In allocating funds under this part, the Secretary shall add to the new appropriation the total amount of summer funds unspent in the previous year's summer program.

"(2) Funds for prime sponsors designated under section 101(c) shall be allocated as follows:

"(A) (i) 50 percent of such funds shall be allocated on the basis of each prime sponsor's proportion of the funds allocated for the previous year's summer programs;

"(ii) 37 1/2 percent of the funds shall be allocated based on the ratio of the annual average number of unemployed persons in the prime sponsor's area to the total annual average number of unemployed persons in the United States;

"(iii) 12 1/2 percent of the funds shall be allocated based on the ratio of the number of adults in low-income families in the prime sponsor's area to the total number of adults in low-income families in the United States; except that—"
“(B) each prime sponsor shall receive an allocation which, when added to its unexpended allocation for the previous fiscal year, shall be at least equal to the amount available to it for its summer program in the previous fiscal year.

“(3) Funds for Native American entities described in section 302 (c) (1) shall be allocated based on the ratio of the number of Native American youths 14 through 21 years of age inclusive in the eligible prime sponsor’s area to the total number of Native American youths 14 through 21 years of age inclusive in all Native American entity areas, except that each Native American entity shall receive an amount of funds equal to the amount allocated to it in the previous fiscal year.

“(4) The total allocation to Guam, the Virgin Islands, American Samoa, Northern Marianas, and the Trust Territory of the Pacific Islands shall be equal to the same percentage of the funds allocated to Guam, the Virgin Islands, American Samoa, Northern Marianas, and the Trust Territory of the Pacific Islands under the previous year’s summer program.

“SECRETARIAL AUTHORITY

Regulations.
29 USC 945.

“Sec. 484. Programs under this part shall meet such regulations, standards, and guidelines as the Secretary shall establish.

“TITLE V—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

“STATEMENT OF PURPOSE

29 USC 951.

“Sec. 501. The purpose of this title is to establish a National Commission for Employment Policy which will have the responsibility for examining broad issues of development, coordination, and administration and employment and training programs, and for advising the President and the Congress on national employment and training issues.

“COMMISSION ESTABLISHED

29 USC 952.

“Sec. 502. (a) There is established a National Commission for Employment Policy (formerly known as the National Commission for Manpower Policy and hereinafter in this title referred to as the ‘Commission’). The Commission shall be composed of 15 members selected as follows:

“(1) The Secretary, the Secretary of Health, Education, and Welfare, the Administrator of Veterans’ Affairs, the Chairman of the Equal Employment Opportunity Commission, and the Director of the Community Services Administration.

“(2) A representative of the National Advisory Council on Vocational Education established under section 162 of the Vocational Education Act of 1963.

“(3) Nine members, appointed by the President, broadly representative of labor, industry, commerce, education (including vocational and technical education), veterans, State and local elective officials currently serving in office, community based organizations, individuals served by employment and training programs and of the general public.

“(b) In making the first appointments under clause (3) of subsection (a), the President may appoint not more than 3 individuals who are serving as members of the National Commission for Manpower Policy on the effective date of this subsection. Any such individuals shall serve for a term of 1 year.
"(c) The term of office of each member of the Commission appointed under clause (3) of subsection (a) shall be 8 years, except that—

"(1) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and

"(2) of the members first taking office—

"(A) 3 shall serve for terms of 1 year;

"(B) 3 shall serve for terms of 2 years; and

"(C) 3 shall serve for terms of 3 years;

as designated by the President at the time of appointment (subject to the provisions of the last sentence of subsection (b)).

"(d) (1) The Chairman shall be selected by the President from among members appointed pursuant to clause (3) of subsection (a).

"(2) The Commission shall meet not fewer than 3 times each year at the call of the Chairman.

"(3) A majority of the members of the Commission shall constitute a quorum, but a lesser number may conduct hearings. Any recommendation may be passed only by a majority of the members present. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

"(e) The Chairman (with the concurrence of the Commission) shall appoint a Director, who shall be chief executive officer of the Commission and shall perform such duties as are prescribed by the Chairman.

"FUNCTIONS OF THE COMMISSION

"Sec. 503. The Commission shall—

"(1) identify the employment goals and needs of the Nation, and assess the extent to which employment and training, vocational education, institutional training, vocational rehabilitation, economic opportunity programs, public assistance policies, employment-related tax policies, labor exchange policies, and other policies and programs under this Act and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs and achieving such goals;

"(2) develop and make appropriate recommendations (including recommendations responsive to requests made by the Committee on Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives), and develop innovative approaches, designed to meet the needs and goals described in clause (1);

"(3) examine and evaluate the effectiveness of any federally assisted employment and training programs (including programs assisted under this Act), with particular reference to the contributions of such programs to the achievement of objectives sought by the recommendations made under clause (2);

"(4) examine and evaluate major Federal programs which are intended to, or potentially could, contribute to achieving major objectives of existing employment and training and related legislation or the objectives set forth in the recommendations of the Commission, with particular attention shall be given to the programs which are designed, or could be designed, to develop information and knowledge about employment and training problems through research and demonstration projects or to train personnel in fields (such as occupational counseling, guidance, and placement) which are vital to the success of employment and training programs;
Consultation with National Advisory Council on Vocational Education.

20 USC 2392. Impact of energy shortages, study and recommendations to Congress.

"(5) (A) identify, after consultation with the National Advisory Council on Vocational Education, the employment and training and vocational education needs of the Nation and assess the extent to which employment and training, vocational education, vocational rehabilitation, and other programs assisted under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs; and

"(B) comment, at least once annually, on the reports of the National Advisory Council on Vocational Education which comments shall be included in one of the reports submitted by the National Commission pursuant to this title and in one of the reports submitted by the National Advisory Council on Vocational Education pursuant to section 162 of the Vocational Education Act of 1963;

"(6) evaluate and continue to study and make recommendations to the Congress on the impact of energy shortages and new energy developments upon employment and training needs and include the findings and recommendations with respect thereto in the reports required by section 505;

"(7) study and make recommendations on how, through policies and actions in the public and private sectors, the Nation can attain and maintain full employment, with special emphasis on the employment difficulties faced by the segments of the labor force that experience differentially high rates of unemployment;

"(8) identify and assess the goals and needs of the Nation with respect to economic growth and work improvements, including conditions of employment, organizational effectiveness and efficiency, alternative working arrangements, and technological changes;

"(9) examine and evaluate the relationships between employment and training programs assisted under this Act with programs under parts A and C of title IV of the Social Security Act and related public assistance programs under the Social Security Act; and

"(10) (A) examine and evaluate the eligibility standards set forth in titles II and VI of this Act, and of the Comprehensive Employment and Training Act of 1973, to determine their impact on single heads of households (especially women and older Americans); and (B) submit a report, not later than July 1, 1979, to the Congress, for appropriate referral, on the Commission's findings together with any proposed changes in this Act concerning the eligibility standards for such single heads of households.

"ADMINISTRATIVE PROVISIONS

29 USC 954. "Sec. 504. (a) Subject to such rules and regulations as may be adopted by the Commission, the Chairman is authorized to—

"(1) prescribe such rules and regulations as may be necessary;

"(2) appoint and fix the compensation of such staff personnel as the Chairman deems necessary, and without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and the General Schedule pay rates, appoint not to exceed 3 additional professional personnel;"
“(3) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code;
“(4) accept voluntary and uncompensated services of professional personnel, consultants, and experts, notwithstanding any other provision of law;
“(5) accept in the name of the United States and employ or dispose of gifts or bequests to carry out the functions of the Commission under this title;
“(6) enter into contracts and make such other arrangements and modifications, as may be necessary;
“(7) conduct such studies, hearings, research activities, demonstration projects, and other similar activities as the Commission deems necessary to enable the Commission to carry out its functions under this title;
“(8) use the services, personnel, facilities, and information of any department, agency, and instrumentality of the executive branch of the Federal Government and the services, personnel, facilities, and information of State and local public agencies and private research agencies, with the consent of such agencies, with or without reimbursement therefor; and
“(9) make advances, progress, and other payments necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529).

(b) Upon request made by the Chairman of the Commission, each department, agency, and instrumentality of the executive branch of the Federal Government is authorized and directed to make its services, personnel, facilities, and information (including computer-time, estimates, and statistics) available to the greatest practicable extent to the Commission in the performance of its functions under this Act.

REPORTS

“Sec. 505. The Commission shall make at least annually a report of its findings and recommendations to the President and the Congress. The Commission may make such interim reports or recommendations to the Congress, the President, the Secretary, or to the heads of other Federal departments and agencies, and in such form, as it may deem desirable. The Commission shall include in any report made under this section any minority or dissenting views submitted by any member of the Commission.

TITLE VI—COUNTERCYCLICAL PUBLIC SERVICE EMPLOYMENT PROGRAM

STATEMENT OF PURPOSE

“Sec. 601. It is the purpose of this title to provide for temporary employment during periods of high unemployment. It is the intent of Congress that such employment be provided during periods when the national rate of unemployment is in excess of 4 percent, and that the number of jobs funded shall be sufficient to provide jobs for 20 percent of the number of unemployed in excess of 4 percent, or 25 percent of the number of unemployed in excess of 4 percent in periods during which the national rate of unemployment is in excess of 7 percent.
"Sec. 602. (a) (1) On or before March 1 of each year, the President shall report to the Congress the amount that would be needed to be appropriated for the following fiscal year in order to provide jobs—

(A) for 20 percent of the number of unemployed in excess of 4 percent; or

(B) in fiscal years during which the President estimates that the national rate of unemployment will exceed 7 percent, for 25 percent of the number of unemployed in excess of 4 percent. Such report shall contain the President's estimate of the unemployment rate for the following fiscal year, the number of unemployed in excess of 4 percent of the labor force, and the average man-year cost of each public service employment opportunity.

(2) If during a fiscal year the rate of unemployment equals or exceeds 7 percent, and the President estimates that the rate of unemployment for the balance of such year will differ significantly from the rate contained in the most recent report submitted with respect to such year under this subsection or subsection (b), the President shall so report to the Congress and shall include the additional amount, if any, which would be needed to provide jobs for the applicable percentage of unemployed under paragraph (1) (A) or (1)(B). Such report shall also contain the information required by the last sentence of paragraph (1).

(b) The President shall submit supplemental reports every three months thereafter containing any necessary revisions in the report required under subsection (a) (1) due to changes in his estimates of unemployment or the cost of providing public service jobs under this title.

(c) The Secretary shall, as soon as practicable after submission of the report required under subsection (a), inform each prime sponsor of its estimated allocation on the basis of the amount of funds estimated in such report. Each prime sponsor's annual plan for using funds provided under this title shall contain provisions for an orderly transition from the number of jobs funded for the current year to the number of jobs which would be funded under such estimated allocation.

"Sec. 603. (a) Not less than 80 percent of the funds allocated in accordance with the provisions of this title which are used by a prime sponsor for public service employment programs under this title shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title. Not less than 10 percent of the funds allocated in accordance with the provisions of this title for fiscal year 1979, and not less than 5 percent of such funds for any fiscal year thereafter, shall be expended for providing training and employability counseling and services to persons employed under this title. The remaining funds may be used for administrative and other allowable costs (such as supplies, materials, and equipment) incurred by the prime sponsor, program agents, project applicants or subgrantees or contractors, in accordance with such regulations as the Secretary may prescribe.

(b) In filling teaching positions in elementary and secondary schools with financial assistance under this title, each prime sponsor shall give special consideration to unemployed persons with previous
teaching experience who are certified by the State in which that prime sponsor is located and who are otherwise eligible under the provisions of this title and such positions with local educational agencies shall be filled through subcontracting with the appropriate local educational agency.

**Allocation of Funds**

"Sec. 604. (a) (1) The Secretary shall reserve an amount equal to not less than 2 percent of the amounts made available for this title for any fiscal year to enable Native American entities which are eligible entities under section 606(a)(2) to carry out public service employment programs.

(2) Not less than 85 percent of the amounts made available pursuant to section 602 for any fiscal year shall be allocated among prime sponsors by the Secretary in accordance with the provisions of paragraph (3).

(3) (A) Fifty percent of the amount allocated under this subsection shall be allocated among prime sponsors in proportion to the relative number of unemployed persons who reside within the jurisdiction of each such prime sponsor as compared to the number of unemployed persons who reside in all the States.

(B) Twenty-five percent of the amount allocated under this subsection shall be allocated among prime sponsors in accordance with the number of unemployed persons residing in areas of substantial unemployment within the jurisdiction of the prime sponsor compared to the number of unemployed persons residing in all areas of substantial unemployment.

(C) Twenty-five percent of the amount allocated under this subsection shall be allocated among prime sponsors on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the prime sponsor as compared to the total excess number of unemployed persons who reside within the jurisdiction of all prime sponsors. For purposes of this subparagraph, the term 'excess number' means (1) the number of unemployed persons, residing in the jurisdiction of the prime sponsor, in excess of 4 1/2 percent of the labor force residing in such jurisdiction or (ii) in the case of a prime sponsor which is a State, the greater of the number determined under clause (1) or the number of unemployed persons in excess of 4 1/2 percent of the labor force in areas of substantial unemployment located in the jurisdiction of such prime sponsor.

(b) (1) The Secretary shall, from the remainder of the funds made available under this title, first use such remainder—

(A) to provide continued support for concentrated employment program grantees serving rural areas having high levels of unemployment, and

(B) to allocate among the prime sponsors serving areas within those standard metropolitan statistical areas and central cities for which current population surveys were used to determine annual unemployment data prior to January 1, 1978, in proportion to the extent to which such prime sponsors allocations under this section and title IV are reduced as a result of termination of the use of such surveys, but in no event shall such a prime sponsor receive an amount in excess of the amount of such reduction.

The allocations required under clause (B) of this paragraph shall not be made for any fiscal year beginning on or after October 1, 1980, or until such time as the Secretary determines that current population
survey data is available for use on a satisfactory basis for such areas and the remaining area of each State, whichever occurs first.

"(2) The remainder of the amount made available pursuant to section 602 shall be available to the Secretary for financial assistance to prime sponsors and Native American entities described in section 302(c)(1)(A) as the Secretary deems appropriate, taking into account changes in rates of unemployment.

"EXPENDITURE OF FUNDS

Sec. 605. (a) Fifty percent of the funds available to any prime sponsor under this title may be used only for employment in projects (carried out by project applicants) planned to extend for not more than 18 months from the commencement of the project. A project may be extended for an additional 18 months if, after review of the project, the prime sponsor determines that the project has demonstrated its effectiveness in meeting the purposes of this title, in accordance with regulations issued by the Secretary. Employment that is not in such projects must be at entry level.

"(b) Each project applicant shall submit a project application to the appropriate program agent or prime sponsor. Such application shall contain such information as required by the Secretary's regulations.

"(c) Funds available to a prime sponsor under the second sentence of section 603(a) (with respect to training and employability counseling and services) shall be utilized for residents of the area who are employed under this title and who the prime sponsor determines, on the basis of an assessment of the employability of the participant, requires additional training or employability counseling or services in order to obtain unsubsidized employment.

"PRIME SPONSORS AND PROGRAM AGENTS

Sec. 606. (a) The Secretary shall provide financial assistance under this title only to—

"(1) prime sponsors designated under section 101(c), and

"(2) Native American entities described under section 302(c)(1)(A).

"(b)(1) Whenever a unit of general local government or combination of such units having a population of 50,000 or more (but less than that necessary to qualify as a prime sponsor under section 101) is within a prime sponsor's area, the prime sponsor shall, if such unit or units so desire, subgrant to such unit or units of general local government the functions of program agent with respect to the funds allocated to such prime sponsor on account of the area served by the program agent.

"(2) For purposes of this subsection, the functions of program agent include the administrative responsibility for developing, funding, overseeing, and monitoring programs within the area, but such functions shall be consistent with the annual employment and training plan and the subgrant which shall be developed by the prime sponsor in cooperation with the program agent.

"(3) Whenever two or more units of general local government qualify as program agents with respect to the same area qualifying for assistance, the provisions of section 101(b)(2) shall be applicable.
"ELIGIBILITY"

"Sec. 607. An individual eligible to be employed in a position supported under this title shall be—

"(1) an individual—
"(A) who has been unemployed for at least 10 out of the 12 weeks immediately prior to a determination under this section; and
"(B) who is unemployed at the time the determination is made; and

"(2) an individual—
"(A) whose family income does not exceed 100 percent of the lower living standard income level (exclusive of unemployment compensation and all Federal, State, and local income-tested or needs-tested public payments) based on the 3-month period prior to the individual's application for participation; or
"(B) who is, or whose family is, receiving aid to families with dependent children provided under a State plan approved under part A of title IV of the Social Security Act, or who is receiving supplemental security income benefits under title XVI of the Social Security Act.

"WAGES"

"Sec. 608. Individuals employed in public service employment under this title shall be paid wages in accordance with sections 122(j) and 124.

"WAGE SUPPLEMENTATION"

"Sec. 609. Public service employees (other than employees described in section 122(i) (4) (B)) receiving financial assistance under this title may have their wages supplemented by the payment of additional wages for such employment only under the following conditions:

"(1) the total amount of funds which may be used in any fiscal year to provide such supplemental wages shall not exceed a sum equal to 10 percent of such prime sponsor's allocation under this title for such fiscal year; and

"(2) the supplemental wages for any public service employee under this title may not exceed an amount equal to 10 percent of the maximum federally supported wage applicable for such prime sponsor area under section 608, except that, in the case of an area in which the average wage (during the calendar year preceding the beginning of the applicable fiscal year) in employment covered under Federal or State unemployment compensation laws (without regard to any limitation on the amount of such wages subject to contribution under such law) exceeds 125 percent, but does not exceed 150 percent, of the national average wage in such employment, the supplemental wages for any such employee may not exceed 20 percent of such federally supported wage.

"UTILIZATION OF FUNDS"

"Sec. 610. Funds available under this title to a prime sponsor may be used, with respect to individuals qualifying for assistance under this title, for programs authorized under title II (other than public service employment), part A of title III, title IV, and title VII.

29 USC 967.

29 USC 968.

29 USC 969.

29 USC 970.
"TITLE VII—PRIVATE SECTOR OPPORTUNITIES FOR THE ECONOMICALLY DISADVANTAGED"

"STATEMENT OF PURPOSE"

29 USC 981. "Sec. 701. It is the purpose of this title to demonstrate the effectiveness of a variety of approaches to increase the involvement of the business community, including small business and minority business enterprises, in employment and training activities under this Act, and to increase private sector employment opportunities for unemployed or underemployed persons who are economically disadvantaged. Employment and training opportunities for such eligible participants shall be made available by prime sponsors on an equitable basis in accordance with the purposes of this title among significant segments of the eligible population giving consideration to the relative numbers of eligible persons in each such segment.

"FINANCIAL ASSISTANCE"

29 USC 982. "Sec. 702. (a) The Secretary shall provide financial assistance to each prime sponsor designated under section 101(c) which includes satisfactory provisions in its annual plan for title II activities for carrying out the purposes of this title.

(b) Ninety-five percent of the funds made available for carrying out this title shall be allocated by the Secretary on an equitable basis among such prime sponsors, taking into account the factors set forth in section 202(a). The remainder of the funds made available under this title shall be used by the Secretary to provide financial assistance to prime sponsors who join together to establish a single private industry council and to Native American entities described in sections 302(c)(1)(A) and (B) for carrying out the purposes of this title.

"CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE"

29 USC 983. "Sec. 703. (a) Each prime sponsor, and each entity described in section 302(c)(1)(A) and (B), desiring to receive financial assistance under this title, as part of its plan for title II activities, shall describe its proposed private sector initiatives under this title and the integration of such initiatives with other training and placement activities under this Act. The description shall include an analysis of private sector job opportunities, including estimates by occupation, industry, and location utilizing information provided by the private industry council.

(b) The Secretary shall provide financial assistance under this title to a prime sponsor, or an entity described in section 302(c)(1)(A) or (B), only if the Secretary determines that—

1. the proposed activities for which such financial assistance is to be used are consistent with the provisions of this Act and the regulations of the Secretary;

2. financial assistance made available under this title will be used to supplement, but not to supplant, on-the-job training and related activities carried out under other titles of this Act;

3. the private industry council will undertake to make an analysis of private sector job opportunities, including estimates by occupation, industry, and location;

4. the private industry council has provided a copy of its proposed plan for activities under this title to the prime sponsor.
planning council for its review and comments and the recommendations of the prime sponsor planning council were satisfactorily considered prior to the submission of the proposed plan to the Secretary;

"(5) the proposed plan for activities under this title has been made available to appropriate labor organizations, community-based organizations and educational agencies for their comments prior to submission to the Secretary; and

"(6) the prime sponsor and the private industry council have both agreed to the plan submitted to the Secretary and have provided assurances that no activity will be funded which does not have the approval of both the prime sponsor and the private industry council.

"(b) The Secretary shall establish appropriate procedures to assure that the Department of Labor will review at the national level any proposal to make payments to private for-profit employers for any activities which are not covered by regulations under section 121 (1) or by regulations under other provisions of this Act, and a specific waiver by the Secretary shall be required to make payments for any such activities.

"PRIVATE INDUSTRY COUNCILS

"Sec. 704. (a) (1) Any prime sponsor receiving financial assistance under this title shall establish a private industry council. The prime sponsor shall appoint members from industry and the business community (including small business and minority business enterprises), organized labor, community-based organizations, and educational agencies and institutions to serve on such council. Other members of the private industry council may be appointed by the prime sponsor from representatives of persons eligible to participate in activities under this title. In no event shall representatives of industry and business have less than a majority on the council, and, whenever possible, at least half of such industry and business representatives shall be representatives of small business. The private industry council may consist of members of existing or newly formed organizations and members of the prime sponsor planning council. Such council may be established to cover two or more prime sponsor areas pursuant to arrangements between the prime sponsors for such areas and the council.

"(2) For purposes of this subsection, the term 'small business' means any private, for-profit enterprise employing 500 or fewer employees.

"(b) The chairman of the private industry council (or the designee of the chairman) shall serve as an ex officio, nonvoting member of the prime sponsor planning council, and the chairman of the prime sponsor planning council (or the designee of the chairman) shall serve as an ex officio, nonvoting member of the private industry council.

"(c) Such council shall participate with the prime sponsor in the development and implementation of programs under this title, and shall consult with the prime sponsor with respect to other programs under this Act. In carrying out its responsibilities, such council shall utilize, to the extent appropriate, community-based organizations, labor organizations, educational agencies and institutions, and economic development programs.

"(d) The Secretary shall not, by regulation or otherwise, require that any prime sponsor, in establishing such council, give a presumptive role to any particular organization.
Sec. 705. (a) Prime sponsors receiving financial assistance under this title shall, consistent with section 702(b), carry out private sector initiatives to demonstrate the purposes of this title. Such activities shall augment private sector-related activities under title II, including arrangements for on-the-job training with private employers, and may include—

"(1) coordinating programs of jobs and training and education enabling individuals to work for a private employer while attending an education or training program;

"(2) developing a small business intern program to provide a practical training enabling youths and other individuals to work in small business firms to acquire first-hand knowledge and management experience about small business;

"(3) developing relationships between employment and training programs, educational institutions, and the private sector;

"(4) developing useful methods for collecting information about Federal Government procurement contracts with private employers, new and planned publicly supported projects such as public works, economic development and community development programs, transportation revitalization, alternative energy technology development, demonstration, and utilization projects, energy conservation projects, and rehabilitation of low income housing as part of a community revitalization or stabilization effort, which provide work through private sector contractors;

"(5) conducting innovative cooperative education programs for youths in secondary and postsecondary schools designed to coordinate educational programs with work in the private sector;

"(6) developing and marketing model contracts designed to reduce the administrative burden on the employer and model contracts to meet the needs of specific occupations and industries;

"(7) coordinating programs under this title with other job development, placement, and employment and training activities carried out by public and private agencies;

"(8) providing on-the-job training subsidies on a declining ratio to wages over the period of training;

"(9) providing followup services with employees placed in private employment and employers who hire recipients of services under this Act;

"(10) encouraging employers to develop job skill requirement forecasts and to coordinate such forecasts with prime sponsors;

"(11) using direct contracts for training and employment programs with private for profit and private nonprofit organizations;

"(12) developing apprenticeship or comparable high-skill training programs for workers regardless of age in occupations where such programs do not exist presently in the area;

"(13) increasing opportunities for upgrading from entry level jobs by providing counseling and other services to employees and employers beyond initial training periods;

"(14) providing technical assistance to private employers to reduce the administrative burden of employment and training programs; and

"(15) disseminating information to private employers so that they may more fully utilize programs under this Act.

(b) (1) The Secretary shall establish such procedures and regulations as may be necessary to assure that the total amount of administrative costs incurred by all prime sponsors in carrying out programs

Procedures and regulations.
under this title does not exceed 20 percent of the total cost of carrying out all such programs.

"(2) The Secretary by regulation shall provide for necessary and reasonable limitations on administrative costs incurred by prime sponsors, which shall be designed to assure the effective operation of programs carried out by prime sponsors under this title, taking into account differing conditions in urban and rural areas. The administrative costs of any prime sponsor carrying out a program under this title may not exceed the limitations established by the Secretary under this paragraph, unless such excess costs are justified and documented in the approval of the prime sponsor's program.

"REPORT

"Sec. 706. (a) The Secretary shall provide to the Congress by March 1, 1980, an evaluation of the activities conducted under this title accompanied by recommendations for legislation.

"(b) The Secretary shall disseminate among prime sponsors information concerning successful programs under this title.

"TITLE VIII—YOUNG ADULT CONSERVATION CORPS

"STATEMENT OF PURPOSE

"Sec. 801. It is the purpose of this title to establish a Young Adult Conservation Corps to provide employment and other benefits to youths who would not otherwise be currently productively employed, through a period of service during which they engage in useful conservation work and assist in completing other projects of a public nature on Federal and non-Federal public lands and waters.

"ESTABLISHMENT OF YOUNG ADULT CONSERVATION CORPS

"Sec. 802. To carry out the purposes of this title, there is hereby established a Young Adult Conservation Corps to carry out projects on Federal or non-Federal public lands or waters. The Secretary shall administer this title through interagency agreements with the Secretaries of the Interior and Agriculture. Pursuant to such interagency agreements, the Secretaries of the Interior and Agriculture shall have responsibility for the management of each Corps center, including determination of Corps members' work assignments, selection, training, discipline, and termination, and shall be responsible for an effective program at each center.

"SELECTION OF ENROLLEES

"Sec. 803. (a) Enrollees of the Corps shall be selected by the Secretaries of the Interior and Agriculture only from candidates referred by the Secretary.

"(b)(1) Membership in the Corps shall be limited to individuals who, at the time of enrollment—

(A) are unemployed;

(B) are between the ages 16 to 23 inclusive;

(C) are citizens or lawfully permanent residents of the United States or lawfully admitted refugees or parolees; and

(D) are capable, as determined by the Secretary, of carrying out the work of the Corps for the estimated duration of each such individual's enrollment.
“(2) Individuals who, at the time of enrollment, have attained age 16 but not attained age 19 and who have left school shall not be admitted to membership in the Corps unless they give adequate assurance, under criteria established by the Secretary, that they did not leave school for the purpose of enrolling in the Corps and obtaining employment under this title.

“(c) The Secretary shall make arrangements for obtaining referral of candidates for the Corps from the public employment service, public assistance agencies, prime sponsors, sponsors of Native American programs described in section 302, sponsors of migrant and seasonal farmworker programs under section 303, the Secretaries of the Interior and Agriculture, and such other agencies and organizations as the Secretary may deem appropriate. The Secretary of Labor shall undertake to assure that an equitable proportion of candidates shall be referred from each State.

“(d) In referring candidates from each State in accordance with subsection (c), preference shall be given to youths residing in rural and urban areas within each such State having substantial unemployment including areas of substantial unemployment as defined in section 3.

“(e)(1) No individual may be enrolled in the Corps for a total period of more than 12 months, with such maximum period consisting of either 1 continuous 12-month period, or 3 or less periods which total 12 months, except that an individual who attains the maximum permissible enrollment age may continue in the Corps up to the 12-month limit provided in this subsection only as long as the individual’s enrollment is continuous after having attained the maximum age.

“(2) No individual shall be enrolled in the Corps if solely for purposes of membership for the normal period between school terms.

“ACTIVITIES OF THE CORPS

29 USC 994.

“SEC. 804. (a) Consistent with each interagency agreement, the Secretary of the Interior or Agriculture, as appropriate, in consultation with the Secretary of Labor shall determine the location of each residential and nonresidential Corps center. The Corps shall perform work projects in such fields as—

“(1) tree nursery operations, planting, pruning, thinning, and other silviculture measures;

“(2) wildlife habitat improvements and preservation;

“(3) range management improvements;

“(4) recreation development, rehabilitation, and maintenance;

“(5) fish habitat and culture measures;

“(6) forest insect and disease prevention and control;

“(7) road and trail maintenance and improvements;

“(8) general sanitation, cleanup, and maintenance;

“(9) erosion control and flood damage;

“(10) drought damage measures;

“(11) other natural disaster damage measures; and

“(12) integrated pest management, including activities to provide the producers of agricultural commodities with information about the appropriate amount of chemical pesticides which, when used in conjunction with nonchemical methods of pest control (A) will provide protection against a wide variety of pests, (B) will preserve to the greatest extent possible the quality of the environment, and (C) will be cost effective.

“(b) (1) The Secretary of the Interior and the Secretary of Agriculture shall undertake to assure that projects on which work is performed
under this title are consistent with the Forest and Rangeland Renewal Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and such other standards relating to such projects as each Secretary shall prescribe consistent with other provisions of Federal law (including the Fish and Wildlife Conservation Act; 16 U.S.C. 601).

"(2) The Secretary of the Interior and the Secretary of Agriculture shall place individuals employed as Corps members into jobs which will diminish the backlog of relatively labor intensive projects which would otherwise be carried out if adequate funding were made available.

"(c) To the maximum extent practicable, projects shall—

"(1) be labor intensive;

"(2) be projects for which work plans could be readily developed;

"(3) be able to be initiated promptly;

"(4) be productive;

"(5) be likely to have a lasting impact both as to the work performed and the benefit to the youths participating;

"(6) provide work experience to participants in skill areas required for the projects;

"(7) if a residential program, be located, to the maximum extent consistent with the objectives of this title in areas where existing residential facilities for the Corps members are available; and

"(8) be similar to activities of persons employed in seasonal and part-time employment in agencies such as the National Park Service, United States Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, Bureau of Indian Affairs, Forest Service, Bureau of Outdoor Recreation, and Soil Conservation Service.

"(d) (1) The Secretary of the Interior and the Secretary of Agriculture, pursuant to agreements with the Secretary, may provide for such transportation, lodging, subsistence, medical treatment, and other services, supplies, equipment, and facilities as they may deem appropriate to carry out the purposes of this title. To minimize transportation costs, Corps members shall be assigned to projects as near to their homes as practicable.

"(2) Whenever economically feasible, existing but unoccupied or underutilized Federal, State, and local government facilities and equipment of all types shall, where appropriate, be utilized for the purposes of the Corps centers with the approval of the Federal agency, State, or local government involved.

"(e) The Secretary, in carrying out the purpose of this title shall cooperate with the Secretary of Health, Education, and Welfare to make suitable arrangements whereby academic credit may be awarded by educational institutions and agencies for competencies derived from work experience obtained through programs established under this title.

"CONDITIONS APPLICABLE TO CORPS ENROLLEES

"Sec. 805. (a) Except as otherwise specifically provided in this subsection, Corps members shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:
“(1) For purposes of the Internal Revenue Code of 1954 (26
U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C.
401 et seq.), Corps members shall be deemed employees of the
United States and any service performed by a person as a Corps
member shall be deemed to be performed in the employ of the
United States.

“(2) For purposes of subchapter 1 of chapter 81 of title 5 of
the United States Code, relating to compensation to Federal
employees for work injuries, Corps members shall be deemed
civil employees of the United States within the meaning of the
term 'employee' as defined in section 8101 of title 5, United States
Code, and provisions of that subchapter shall apply, except that
the term 'performance of duty' shall not include any act of a Corps
member while absent from the member's assigned post of duty,
except while participating in an activity (including an activity
while on pass or during travel to or from such post of duty)
authorized by or under the direction and supervision of the
Secretary.

“(3) For purposes of chapter 171 of title 18, United States
Code, relating to tort claims procedure, Corps members shall be
deemed civil employees of the United States within the meaning
of the term 'employee of the Government' as defined in section
2671 of title 28, United States Code, and provisions of that chapter
shall apply.

“(4) For purposes of section 5911 of title 5, United States Code,
relating to allowances for quarters, Corps members shall be
deemed civil employees of the United States within the meaning
of the term 'employee' as defined in that section, and provisions
of that section shall apply.

“(b) The Secretary shall, in consultation with the Secretaries of
the Interior and Agriculture, establish standards for—

“(1) rates of pay which shall be at least at the wage required
by section 6(a)(1) of the Fair Labor Standards Act of 1938;
“(2) reasonable hours and conditions of employment; and
“(3) safe and healthful working and living conditions.

STATE AND LOCAL PROGRAMS

Grants.

Sec. 806. (a) Consistent with interagency agreements with the Secre-
tary, the Secretaries of the Interior and Agriculture may make
grants or enter into other agreements—

“(1) after consultation with the Governor, with any State
agency or institution;
“(2) after consultation with appropriate State and local officials,
with (A) any unit of general local government, or (B) (i)
any public agency or organization, specifically including the Fed-
eral Extension Service and the cooperative extension service of
any State with respect to projects described in section 804(a)(12),
or (ii) any private nonprofit agency or organization which has
been in existence for at least 2 years;

for the conduct under this title of any State or local component of the
Corps or of any project on non-Federal lands or waters or any project
involving work on both non-Federal and Federal lands and waters.

“(b) No grant or other agreement may be entered into under this
section unless an application is submitted to the Secretary of the
Interior or the Secretary of Agriculture, as the case may be, at such
times as each such Secretary may prescribe. Each grant application
shall contain assurances that individuals employed under the project for which the application is submitted—

“(1) meet the qualifications set forth in section 803(b); 
“(2) shall be employed in accordance with section 805(b); and 
“(3) shall be employed in activities that— 

“(A) will result in an increase in employment opportunities over those opportunities which would otherwise be available, 
“(B) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of nonovertime work or wages or employment benefits), 
“(C) will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed, 
“(D) will not substitute jobs assisted under this title for existing federally assisted jobs, and 
“(E) will not result in the hiring of any youth when any other person is on layoff from the same or any substantially equivalent job.

“(c) Thirty percent of the sums appropriated to carry out this title for any fiscal year shall be made available for grants under this section for such fiscal year and shall be made on the basis of total youth population within each State.

“SECRETARIAL REPORTS

“SEC. 807. The Secretary, the Secretary of the Interior, and the Secretary of Agriculture shall jointly prepare and submit to the President and to the Congress a report detailing the activities carried out under this title for each fiscal year. Such report shall be submitted not later than February 1 of each year following the date of enactment of this Act. The Secretaries shall include in such report such recommendations as they deem appropriate.

“ANTIDISCRIMINATION

“SEC. 808. The Corps shall be open to youth from all parts of the Nation of both sexes and youth of all social, economic, and racial classifications.

“TRANSFER OF FUNDS

“SEC. 809. Funds necessary to carry out their responsibilities under this title shall be made available to the Secretaries of the Interior and Agriculture in accord with interagency agreements between the Secretary of Labor and the Secretaries of the Interior and Agriculture.”.

CRIMINAL PROVISIONS

Sec. 3. (a) Section 665 of title 18, United States Code, is amended to read as follows:

“THEFT OR EMBEZZLEMENT FROM EMPLOYMENT AND TRAINING FUNDS: IMPROPER INDUCEMENT: OBSTRUCTION OF INVESTIGATIONS

“Sec. 665. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with any agency receiving financial assistance under the Comprehensive Employment and Training Act knowingly hires an ineligible individual or individuals, embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys,
funds, assets, or property which are the subject of a grant or contract of assistance pursuant to such Act shall be fined not more than $10,000 or imprisoned for not more than 2 years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, such person shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

"(b) Whoever, by threat or procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under the Comprehensive Employment and Training Act induces any persons to give up any money or thing of any value to any person (including such grantee agency) shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.

"(c) Any person who willfully obstructs or impedes or endeavors to obstruct or impede an investigation or inquiry under the Comprehensive Employment and Training Act, or the regulations thereunder, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than 1 year, or by both such fine and imprisonment."

(b) The analysis of chapter 31 of title 18, United States Code, is amended by striking out the item relating to section 665 and inserting in lieu thereof the following new item:

"665. Theft or embezzlement from employment and training funds; improper inducement; obstruction of investigations."

TRANSPORTATION PROVISION

Sec. 4. (a) (1) The Secretary of Labor (hereinafter in this section referred to as the "Secretary") may provide financial assistance, in accordance with the provisions of this section, in the same manner that such assistance was provided under the Comprehensive Employment and Training Act of 1973 (as in effect on the day before the date of the enactment of this Act), to the extent the Secretary considers necessary to provide for the orderly transition of employment and training programs carried out under such Act and to provide continued financial assistance for such programs.

(2) The authority of the Secretary established in paragraph (1) shall expire at the end of March 31, 1979.

(b) The Secretary shall take such action as may be necessary to provide, as soon as possible after the date of the enactment of this Act, for the implementation of provisions of the Comprehensive Employment and Training Act relating to the prohibition of fraud and other abuses in connection with the administration of programs under such Act.

(c)(1) The provisions of the Comprehensive Employment and Training Act relating to supplementation, maximum Federal wage rates, and eligibility shall apply to the provision of financial assistance by the Secretary after the end of the 90-day period beginning on the date of the enactment of this Act.

(2) The eligibility conditions established in section 608 of the Comprehensive Employment and Training Act of 1973 (as in effect on the day before the date of the enactment of this Act) shall apply, during the period specified in paragraph (1), with respect to any individual hired for public service employment on or after such date of enactment.

(d) The Secretary shall have authority to waive the application of any Federal law, or any regulation or other requirement prescribed or established under any Federal law, which establishes time period limitations or other requirements which relate to notice, hearings, or
similar matters which otherwise would be applicable to the manner in which regulations prescribed by the Secretary may take effect, to the extent the Secretary deems such waiver necessary to carry out the provisions of subsection (b) and subsection (c).

(e) If the Secretary determines that he cannot carry out the provisions of subsection (b) and subsection (c), other than those provisions which require any amendment to comprehensive employment and training plans, at the end of the 90-day period specified in subsection (c)(1), the Secretary shall furnish notice of such determination to the Committee on Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives. Such notice shall include the reasons for such determination.

(f) The National Commission for Manpower Policy, as in existence on the day before the date of the enactment of this Act, shall continue in existence until the members of the National Commission for Employment Policy are appointed in accordance with the provisions of title V of the Comprehensive Employment and Training Act.

REPORTS

SEC. 5. (a) Not later than February 1, 1979, the Secretary shall, after consultation with appropriate State and local officials and other interested parties, submit to the Congress a report containing recommendations and suggested legislation with respect to any necessary improvements in the Wagner-Peyser Act (29 U.S.C. 49), including such legislation as may be necessary to assure coordination between such Act and the Comprehensive Employment and Training Act.

(b) The Secretary shall develop methods to ascertain, and shall ascertain annually, energy development and conservation employment impact data by type and scale of energy technologies used. The Secretary shall present the best available data to the Secretary of Energy, the Secretary of Housing and Urban Development, and the Director of the Office of Management and Budget as part of the budgetary process and to the appropriate Committees of Congress annually.

(c) (1) On or before March 1, 1979, the Joint Economic Committee shall report to Congress on the ability of targeted structural employment and training programs to achieve and sustain (A) a decrease in unemployment rates among those segments of the labor force having special difficulties in obtaining employment and (B) a decrease in the national unemployment rate without exacerbating inflation and shall make such recommendations, as the Committee deems appropriate, for improving the ability of targeted structural employment and training programs to achieve such goals. The Joint Economic Committee shall, to the extent feasible, consult with appropriate Federal agencies, the Human Resources Committee of the Senate and the Committee on Education and Labor of the House of Representatives, the Congressional Budget Office, the National Commission for Employment and Training Policy, the Board of Governors of the Federal Reserve, and other appropriate individuals, both public and private, and obtain their assistance in preparing the report.

(2) The Joint Economic Committee, as part of the report to the Congress required under paragraph (1), is requested to include, with recommendations, if any, an analysis of the subject of incentive grants, or other assistance permissible under this Act, to private employers in reducing unemployment rates among individuals eligible for assistance under this Act, through national priority projects, including, but not limited to better housing, health care, agriculture, and transportation.
(d) The Secretary shall develop information relating to the number of individuals who have attained 16 years of age and who are members of a family with an income which is equal to or less than 70 percent, 85 percent, and 100 percent of the lower living standard income level for the jurisdiction of each prime sponsor. The Secretary shall prepare and submit as part of the annual report submitted on March 1, 1980, under section 127(a) to the President and to the Congress a report on the information required by this subsection.

ASSISTANCE TO PLANT, AREA, AND INDUSTRYWIDE LABOR MANAGEMENT COMMITTEES

Sec. 6. (a) This section may be cited as the “Labor Management Cooperation Act of 1978”.

(b) It is the purpose of this section—

(1) to improve communication between representatives of labor and management;

(2) to provide workers and employers with opportunities to study and explore new and innovative joint approaches to achieving organizational effectiveness;

(3) to assist workers and employers in solving problems of mutual concern not susceptible to resolution within the collective bargaining process;

(4) to study and explore ways of eliminating potential problems which reduce the competitiveness and inhibit the economic development of the plant, area or industry;

(5) to enhance the involvement of workers in making decisions that affect their working lives;

(6) to expand and improve working relationships between workers and managers; and

(7) to encourage free collective bargaining by establishing continuing mechanisms for communication between employers and their employees through Federal assistance to the formation and operation of labor management committees.

(c) (1) Section 203 of the Labor-Management Relations Act, 1947, is amended by adding at the end thereof the following new subsection:

“(e) The Service is authorized and directed to encourage and support the establishment and operation of joint labor management activities conducted by plant, area, and industrywide committees designed to improve labor management relationships, job security and organizational effectiveness, in accordance with the provisions of section 205A.”.

(2) Title II of the Labor-Management Relations Act, 1947, is amended by adding after section 205 the following new section:

“Sec. 205A. (a) (1) The Service is authorized and directed to provide assistance in the establishment and operation of plant, area and industrywide labor management committees which—

“(A) have been organized jointly by employers and labor organizations representing employees in that plant, area, or industry; and

“(B) are established for the purpose of improving labor management relationships, job security, organizational effectiveness, enhancing economic development or involving workers in decisions affecting their jobs including improving communication with respect to subjects of mutual interest and concern.

“(2) The Service is authorized and directed to enter into contracts and to make grants, where necessary or appropriate, to fulfill its responsibilities under this section.
"(b) (1) No grant may be made, no contract may be entered into and no other assistance may be provided under the provisions of this section to a plant labor management committee unless the employees in that plant are represented by a labor organization and there is in effect at that plant a collective bargaining agreement.

"(2) No grant may be made, no contract may be entered into and no other assistance may be provided under the provisions of this section to an area or industrywide labor management committee unless its participants include any labor organizations certified or recognized as the representative of the employees of an employer participating in such committee. Nothing in this clause shall prohibit participation in an area or industrywide committee by an employer whose employees are not represented by a labor organization.

"(3) No grant may be made under the provisions of this section to any labor management committee which the Service finds to have as one of its purposes the discouragement of the exercise of rights contained in section 7 of the National Labor Relations Act (29 U.S.C. 157), or the interference with collective bargaining in any plant, or industry.

"(c) The Service shall carry out the provisions of this section through an office established for that purpose.

"(d) There are authorized to be appropriated to carry out the provisions of this section $10,000,000 for the fiscal year 1979, and such sums as may be necessary thereafter."

Appropriation authorization.

29 USC 186.

(d) Section 302(c) of the Labor Management Relations Act, 1947, is amended by striking the word "or" after the semicolon at the end of subparagraph (7) thereof and by inserting the following before the period at the end thereof: "; or (9) with respect to money or other things of value paid by an employer to a plant, area or industrywide labor management committee established for one or more of the purposes set forth in section 5(b) of the Labor Management Cooperation Act of 1978".


29 USC 175a note.

(e) Nothing in this section or the amendments made by this section shall affect the terms and conditions of any collective bargaining agreement whether in effect prior to or entered into after the date of enactment of this section.

REPEALER

Sec. 7. Section 104 of the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93–567) is hereby repealed.


LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 95–1124 accompanying H.R. 12452 (Comm. on Education and Labor) and No. 95–1765 (Comm. of Conference).

SENATE REPORTS: No. 95–891 (Comm. on Human Resources) and No. 95–1325 (Comm. of Conference).


Aug. 9, H.R. 12452 considered in House.

Aug. 22, 25, S. 2570 considered and passed Senate.

Sept. 22, H.R. 12452 considered and passed House; passage vacated and S. 2570, amended, passed in lieu.

Oct. 13, Senate agreed to conference report.

Oct. 15, House agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 14, No. 43:

Oct 27, Presidential statement.