

107TH CONGRESS
2D SESSION

S. 2561

To amend title 38, United States Code, to transfer from the Secretary of Labor to the Secretary of Veterans Affairs certain responsibilities relating to the provision of employment and other services to veterans and other eligible persons; to require the establishment of a new competitive grants program through which employment services shall be provided to veterans, servicemembers, and other eligible persons; and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 23, 2002

Mr. ROCKEFELLER (by request) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to transfer from the Secretary of Labor to the Secretary of Veterans Affairs certain responsibilities relating to the provision of employment and other services to veterans and other eligible persons; to require the establishment of a new competitive grants program through which employment services shall be provided to veterans, servicemembers, and other eligible persons; and for other purposes.

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

1 **SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38,**
 2 **UNITED STATES CODE.**

3 (a) **SHORT TITLE.**—This Act may be cited as the
 4 “Veterans’ Employment, Business Opportunity, and
 5 Training Act of 2002”.

6 (b) **REFERENCES.**—Except as otherwise expressly
 7 provided, whenever in this Act an amendment or repeal
 8 is expressed in terms of an amendment to, or repeal of,
 9 a section or other provision, the reference shall be consid-
 10 ered to be made to a section or other provision of title
 11 38, United States Code.

12 **TITLE I—EMPLOYMENT**
 13 **SERVICES**

14 **SEC. 101. DEFINITIONS.**

15 As used in this title:

16 (1) The term “veteran” has the same meaning
 17 as “eligible veteran” as defined in section 4211(4) of
 18 title 38, United States Code.

19 (2) The term “eligible person” means—

20 (A) the spouse of any person who died of
 21 a service-connected disability;

22 (B) the spouse of any member of the
 23 Armed Forces serving on active duty who, at
 24 the time of application for assistance under this
 25 Act, is listed, pursuant to section 556 of title
 26 37, United States Code, and regulations issued

1 thereunder, by the Secretary concerned in one
2 or more of the following categories and has
3 been so listed for a total of more than ninety
4 days—

5 (i) missing in action,

6 (ii) captured in line of duty by a hos-
7 tile force, or

8 (iii) forcibly detained or interned in
9 line of duty by a foreign government or
10 power; or

11 (C) the spouse of any person who has a
12 total disability permanent in nature resulting
13 from a service-connected disability or the
14 spouse of a veteran who died while a disability
15 so evaluated was in existence.

16 (3) The term “State” means each of the several
17 States of the United States, the District of Colum-
18 bia, and the Commonwealth of Puerto Rico, and
19 may include, to the extent determined necessary by
20 the Secretary of Veterans Affairs and feasible for all
21 purposes of this title, Guam, American Samoa, the
22 Virgin Islands, the Commonwealth of the Northern
23 Marianas Islands, and the Trust Territory of the
24 Pacific Islands.

1 (4) The term “servicemember” has the same
2 meaning as an individual who is a member of the
3 Armed Forces as defined in section 101(10) of title
4 38, United States Code, and who is being separated
5 from the Armed Forces within the time periods spec-
6 ified in section 1142(a)(3) of title 10, United States
7 Code.

8 **SEC. 102. PURPOSE.**

9 In furtherance of the Nation’s responsibility toward
10 alleviating unemployment and underemployment among
11 veterans, there shall be established a national perform-
12 ance-based job-search assistance program that—

13 (1) will provide high-quality, job-search service
14 to veterans, servicemembers, and other eligible per-
15 sons, focused on assisting such individuals in obtain-
16 ing and maintaining employment, as well as reduc-
17 ing the duration of individual’s unemployment;

18 (2) will assist employers in locating and hiring
19 qualified veterans, servicemembers, and other eligible
20 persons; and

21 (3) will be accessible to veterans, service-
22 members, and other eligible persons.

23 The Department of Veterans Affairs would continue to ag-
24 gressively use web-based technology to provide better serv-
25 ice to veterans around the world.

1 **SEC. 103. ESTABLISHMENT OF NEW COMPETITIVE GRANTS**
2 **PROGRAM.**

3 (a) ESTABLISHMENT OF NEW PROGRAM.—Notwith-
4 standing any other provision of law, the Secretary of Vet-
5 erans Affairs shall establish a competitive grants program
6 to be referred to as the “Veterans’ Employment, Business
7 Opportunity and Training Program” (“VEBOT”)
8 through which State Governors or other entities, as may
9 be appropriate, would receive grants for the purpose of
10 providing employment services to veterans,
11 servicemembers, and other eligible persons within each
12 State. The purpose of such program shall be to assist vet-
13 erans, servicemembers, and other eligible persons in ob-
14 taining employment by providing for access to optimal em-
15 ployment opportunities.

16 (b) IMPLEMENTATION OF NEW PROGRAM.—The Sec-
17 retary of Veterans Affairs shall prescribe such regulations
18 as the Secretary considers appropriate to implement the
19 VEBOT program required to be established under this
20 section. Such regulations shall address matters relating to
21 the development and implementation of the program,
22 including—

23 (1) the determination of eligibility criteria for
24 affected veterans, servicemembers, or other eligible
25 persons, for employment services and other related
26 services that shall be provided;

1 (2) the nature and type of services to be pro-
2 vided;

3 (3) the most appropriate and efficient means to
4 provide such services;

5 (4) the most appropriate means to monitor and
6 assess the performance of entities providing employ-
7 ment services;

8 (5) the manner in which the Department of
9 Veterans Affairs will cooperate with State employ-
10 ment agencies to ensure that veterans continue to
11 have access to the full range of workforce services
12 available through existing State and local one-stop
13 employment-service delivery systems;

14 (6) the manner in which the Department of
15 Veterans Affairs will coordinate with the Depart-
16 ment of Labor to ensure that veterans continue to
17 receive priority or other special consideration in the
18 provision of employment services through existing
19 State and local one-stop employment-service delivery
20 systems, as required by law or regulation; and

21 (7) the entity or organization within the De-
22 partment of Veterans Affairs that will administer
23 the program. In developing the regulations, the Sec-
24 retary shall take into consideration the recommenda-
25 tions of the task force required to be established

1 under subsection (c) of this section and shall consult
2 with the Secretary of Defense with respect to eligi-
3 bility criteria affecting servicemembers.

4 (c) TASK FORCE TO BE ESTABLISHED; CONSULTA-
5 TION WITH DESIGNATED PARTIES.—The Secretary of
6 Veterans Affairs shall establish a task force comprised of
7 at least eleven (but not more than fifteen) members which
8 shall, not later than 180 days from the date of its estab-
9 lishment, make recommendations to the Secretary regard-
10 ing the matters described in subsection (b) of this section.
11 The task force shall include representatives of veterans
12 service organizations, representatives of employers in pri-
13 vate industry or employer organizations, and representa-
14 tives of State Governors. The Secretary of Labor, the Sec-
15 retary of Defense, and the Secretary of Transportation
16 shall be ex officio members of the task force.

17 (d) GRANTS, PROGRAM TO BE COMPETITIVE;
18 GRANTS TO INCLUDE PERFORMANCE REQUIREMENTS.—
19 The Secretary of Veterans Affairs shall ensure that all
20 services under the VEBOT program are provided through
21 grants awarded either directly or indirectly on a competi-
22 tive basis and that such grants include appropriate per-
23 formance requirements with clear outcome measures.
24 States or other entities may join in consortia to provide
25 services to veterans.

1 (e) PERFORMANCE MEASUREMENT.—

2 (1) Each Governor of a State or other entity re-
3 ceiving funds under a grant authorized by this sec-
4 tion shall achieve the performance requirements as
5 agreed in the established provisions for such grant.
6 If unanticipated circumstances arising in a State
7 would adversely affect a grantee's ability to meet its
8 performance requirements, the grantee may request
9 that the Secretary adjust the agreed-to levels of per-
10 formance. If a grantee fails to meet the agreed-to
11 levels of performance, the Secretary of Veterans Af-
12 fairs may provide to the grantee assistance in such
13 form as the Secretary may consider appropriate, in-
14 cluding training, technical assistance, staff develop-
15 ment, and activities replicating those used by other
16 successful grants and projects with demonstrated ef-
17 fectiveness. In the event of continued non-perform-
18 ance, the Secretary may, pursuant to such regula-
19 tions as the Secretary may prescribe, remove the
20 funds from a grantee and directly or indirectly so-
21 licit through a competition a new grantee and serv-
22 ice provider.

23 (2) Consistent with State law, the Secretary of
24 Veterans Affairs and States and other entities iden-
25 tified to deliver services under the VEBOT program

1 may utilize wage record information for program
2 performance measurement as prescribed by the Sec-
3 retary of Veterans Affairs. The Secretary of Labor
4 shall provide assistance to the Secretary of Veterans
5 Affairs in gaining access to wage information for
6 this purpose.

7 (f) COST PRINCIPLES.—

8 (1)(A) Each Governor of a State or other entity
9 receiving funds under this section shall comply with
10 the applicable uniform-cost principles included in the
11 appropriate circulars or directives of the Office of
12 Management and Budget for the type of entity re-
13 ceiving the funds, as well as regulations prescribed
14 by the Secretary of Veterans Affairs. Each grantee
15 shall establish such fiscal controls and fund account-
16 ing procedures as may be necessary to assure the
17 proper disbursement of, and accounting for, Federal
18 funds allocated to any provider receiving funds
19 under this section and shall maintain appropriate
20 records in accordance with generally accepted ac-
21 counting principles applicable in each State. Each
22 grantee shall comply with the appropriate uniform
23 administrative requirements for grants, contracts
24 and agreements applicable for the type of entity re-

1 ceiving funds, as promulgated in circulars or direc-
2 tives of the Office of Management and Budget.

3 (B) If a grantee determines that a service pro-
4 vide acting under a contract or sub-grant is not in
5 compliance with the requirements of this Act, the
6 grantee shall take corrective action either to secure
7 the service provider's prompt compliance or to re-
8 move the funds from the service provider for failure
9 to so comply. If the grantee fails to take such cor-
10 rective action, the Secretary may, pursuant to such
11 regulations as the Secretary may prescribe, remove
12 funds from the grantee and directly or indirectly so-
13 licit through a competition a new grantee and serv-
14 ice provider.

15 (2) Unless approved by the Secretary of Vet-
16 erans Affairs, not more than 15 percent of the funds
17 available under this section to each State Governor
18 or other entity may be expended by a service pro-
19 vider and State Governor for costs of administration.
20 The Secretary shall prescribe regulations governing
21 the expenditure of funds for costs of administration
22 under this paragraph.

23 (g) PILOT PROJECTS AUTHORIZED.—In connection
24 with the development and implementation of the VEBOT
25 program, the Secretary of Veterans Affairs, during each

1 fiscal year, may reserve up to 25 percent of the total avail-
 2 able funding for grants to finance national-level primary
 3 services and to create pilot programs and demonstration
 4 projects to establish the effectiveness and viability of spe-
 5 cific proposed innovative program designs and service de-
 6 livery systems.

7 **SEC. 104. TRANSFER OF RESPONSIBILITY FOR ADMINIS-**
 8 **TRATION OF CERTAIN EMPLOYMENT SERV-**
 9 **ICES TO SECRETARY OF VETERANS AFFAIRS.**

10 Notwithstanding any other provision of law, during
 11 the period beginning on October 1, 2002, and ending on
 12 the later of September 30, 2003, or the date upon which
 13 regulations prescribed by the Secretary of Veterans Af-
 14 fairs under section 103(b) of this title become effective,
 15 responsibilities assigned to the Secretary of Labor under
 16 sections 4101 through 4102A (other than responsibilities
 17 assigned under section 4102A regarding the purposes of
 18 chapters 42 and 43 of title 38, United States Code), sec-
 19 tions 4103 through 4108, and section 4110 of title 38,
 20 United States Code, shall be assumed by the Secretary
 21 of Veterans Affairs, and the function of the Assistant Sec-
 22 retary of Labor for Veterans' Employment and Training
 23 in the Department of Labor, as well as such personnel
 24 of the Department of Labor as may be deemed necessary
 25 to carry out such function, shall be transferred from the

1 Department of Labor to the Department of Veterans Af-
 2 fairs. During that period, the Secretary of Veterans Af-
 3 fairs shall coordinate activities with the Secretary of
 4 Labor to facilitate the transfer of functions associated
 5 with the administration of employment services provided
 6 under chapter 41 of title 38, United States Code, that are
 7 conducted by disabled veterans’ outreach programs spe-
 8 cialists and local veterans’ employment representatives.

9 **SEC. 105. REPEAL OR AMENDMENT OF EXISTING AUTHORI-**
 10 **TIES.**

11 (a) REPEAL OF AUTHORITIES.—Effective on the
 12 later of September 30, 2003, or the date upon which regu-
 13 lations prescribed by the Secretary of Veterans Affairs
 14 under section 103(b) of this Act become effective, the fol-
 15 lowing sections are repealed: 4100 through 4104A,
 16 4105(b), 4106 through 4109, and 4110A.

17 (b) CONFORMING AMENDMENT TO CHAPTER 43 PRO-
 18 VISION.—Section 4321 is amended by striking out
 19 “(through the Veterans’ Employment and Training Serv-
 20 ice)”.

21 (c) ADVISORY COMMITTEE.—Section 4110 is amend-
 22 ed)—

23 (1) in subsection (a)(1), by striking out “De-
 24 partment of Labor” and by inserting in lieu thereof
 25 “Department of Veterans Affairs”;

1 (2) in subsection (a)(2), by inserting “Depart-
2 ment of Veterans Affairs and the” before “Depart-
3 ment of Labor”;

4 (3) in subsection (b), by striking out “Secretary
5 of Labor” and inserting in lieu thereof “Secretary of
6 Veterans Affairs”;

7 (4) in subsection (c), by striking out “Labor”
8 each place it appears and inserting in lieu thereof
9 “Veterans Affairs”;

10 (5) in subsection (d)—

11 (A) by striking out “Secretary of Veterans
12 Affairs” each place it appears and inserting in
13 lieu thereof “Secretary of Labor”;

14 (B) by striking out in paragraph (6) “The
15 Assistant Secretary of Labor for Veterans Em-
16 ployment and Training” and inserting in lieu
17 thereof “The official designated by the Sec-
18 retary of Veterans Affairs to administer the
19 Veterans’ Employment, Business Opportunity
20 and Training Program”;

21 (C) by striking out in paragraph (11)
22 “The Director of the United States Employ-
23 ment Service.” and inserting in lieu thereof “A
24 representative of State Governors.”; and

1 (D) by striking out in paragraph (12)
2 “Secretary of Labor” and inserting in lieu
3 thereof “Secretary of Veterans Affairs”;
4 (6) in subsection (e)—

5 (A) by striking out “Secretary of Labor”
6 each place it appears and inserting in lieu
7 thereof “Secretary of Veterans Affairs”; and

8 (B) by striking out in paragraph (4)
9 “through the Veterans Employment and Train-
10 ing Service”;
11 (7) in subsection (f)—

12 (A) by striking out “Secretary of Labor”
13 each place it appears and inserting in lieu
14 thereof “Secretary of Veterans Affairs”; and

15 (B) by striking out “Department of
16 Labor” and inserting in lieu thereof “Depart-
17 ment of Veterans Affairs”; and

18 (8) in subsection (g), by striking out “Secretary
19 of Labor” and inserting in lieu thereof “Secretary of
20 Veterans Affairs”.

TITLE II—TRANSITION ASSISTANCE

SEC. 201. TRANSFER OF RESPONSIBILITY FOR ADMINIS- TRATION OF TRANSITION ASSISTANCE PRO- GRAM TO THE SECRETARY OF VETERANS AF- FAIRS.

Notwithstanding any other provision of law—

(1) references to the “Secretary of Labor” in section 1144 of title 10, United States Code, shall be deemed to be references to the Secretary of Veterans Affairs;

(2) references to the “Secretary of Veterans Affairs” in section 1144 of title 10, United States Code, shall be deemed to be references to the Secretary of Labor; and

(3) section 1144(d) of title 10, United States Code, is amended by striking out paragraph (1) and inserting in lieu thereof the following:

“(1) provide, as the case may be, for the use of personnel of grant recipients under section 103(b) of the Veterans’ Employment, Business Opportunity, and Training Act of 2002 or such other personnel as the Secretary of Veterans Affairs may determine to be appropriate, to the extent that the Secretary determines that such use will not significantly inter-

5 **TITLE III—HOMELESS VET-**
6 **ERANS' REINTEGRATION PRO-**
7 **GRAMS**

8 SEC. 301. TRANSFER OF RESPONSIBILITY FOR ADMINIS-
9 TRATION OF HOMELESS VETERANS' RE-
10 INTEGRATION PROGRAM TO THE SECRETARY
11 OF VETERANS AFFAIRS.

(1) by striking out “Secretary of Labor” each place it appears and inserting in lieu thereof “Secretary of Veterans Affairs”; and

(2) by striking out subsection (c) and redesignating subsection (d) as subsection (c).

18 **TITLE IV—EFFECTIVE DATE**

20 Except where provided otherwise, the provisions of
21 this Act shall become effective on October 1, 2002.

○