

108TH CONGRESS
2D SESSION

H. R. 4444

To amend the Workforce Investment Act of 1998 to establish a Personal Reemployment Accounts pilot grant program to assist Americans in returning to work.

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 2004

Mr. PORTER (for himself, Mr. BOEHNER, Mr. McKEON, and Mr. TIAHRT) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Workforce Investment Act of 1998 to establish a Personal Reemployment Accounts pilot grant program to assist Americans in returning to work.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Worker Reemployment
5 Accounts Act of 2004”.

6 **SEC. 2. GRANTS TO SUPPORT PERSONAL REEMPLOYMENT**
7 **ACCOUNTS.**

8 Section 171 of the Workforce Investment Act of 1998
9 is amended by adding at the end the following:

1 “(e) PERSONAL REEMPLOYMENT ACCOUNTS.—

2 “(1) DEFINITION.—In this subsection, the term
3 ‘State’ means each of the several States of the
4 United States, the District of Columbia, the Com-
5 monwealth of Puerto Rico, and the United States
6 Virgin Islands.

7 “(2) DEMONSTRATION PROJECT.—In addition
8 to the demonstration projects under subsection (b),
9 the Secretary may establish and implement a na-
10 tional demonstration project designed to analyze and
11 provide data on workforce training programs that
12 accelerate the reemployment of unemployed individ-
13 uals, promote the retention in employment of such
14 individuals, and provide such individuals with en-
15 hanced flexibility, choice, and control in obtaining
16 intensive reemployment, training, and supportive
17 services.

18 “(3) GRANTS.—

19 “(A) IN GENERAL.—In carrying out the
20 demonstration project, the Secretary shall make
21 grants, on a competitive basis, to eligible enti-
22 ties to provide personal reemployment accounts
23 to eligible individuals. In awarding grants under
24 this subsection the Secretary shall take into
25 consideration awarding grants to eligible enti-

1 ties from diverse geographic areas, including
2 rural areas.

3 “(B) DURATION.—The Secretary shall
4 make the grants for periods of not less than 2
5 years and may renew the grant for each of the
6 succeeding 3 years.

7 “(4) ELIGIBLE ENTITY.—In this subsection, the
8 term ‘eligible entity’ means—

9 “(A) a State; or

10 “(B) a local board or consortium of local
11 boards.

12 “(5) USE OF FUNDS.—

13 “(A) IN GENERAL.—An eligible entity that
14 receives a grant under this subsection shall use
15 the grant funds to provide, through a local area
16 or areas, eligible individuals with personal re-
17 employment accounts. An eligible individual
18 may receive only 1 personal reemployment ac-
19 count.

20 “(B) GEOGRAPHIC AREA AND AMOUNT.—

21 “(i) IN GENERAL.—The eligible entity
22 shall establish the amount of a personal re-
23 employment account for each eligible indi-
24 vidual participating, which shall be uni-
25 form throughout the area represented by

1 the eligible entity, and shall not exceed
2 \$3,000.

3 “(ii) OPTION FOR STATES.—If the eli-
4 gible entity is a State, the eligible entity
5 may choose to use the grant statewide, if
6 practicable, or only in specified local areas
7 within a State.

8 “(C) ELIGIBLE INDIVIDUALS.—

9 “(i) IN GENERAL.—Each eligible enti-
10 ty shall establish eligibility criteria for indi-
11 viduals for personal reemployment ac-
12 counts in accordance with this subpara-
13 graph.

14 “(ii) ELIGIBILITY CRITERIA REQUIRE-
15 MENTS.—

16 “(I) IN GENERAL.—Subject to
17 subclause (II), an individual shall be
18 eligible to receive a personal reemploy-
19 ment account under a grant awarded
20 under this subsection if, beginning
21 after the date of enactment of this
22 subsection, the individual—

23 “(aa) is identified by the
24 State pursuant to section
25 303(j)(1) of the Social Security

1 Act (42 U.S.C. 503(j)(1)) as like-
2 ly to exhaust regular unemploy-
3 ment compensation and in need
4 of job search assistance to make
5 a successful transition to new
6 employment, or the individual's
7 unemployment can be attributed
8 in substantial part to unfair com-
9 petition from Federal Prison In-
10 dustries, Incorporated;

11 “(bb) is receiving regular
12 unemployment compensation
13 under any Federal or State un-
14 employment compensation pro-
15 gram administered by the State;
16 and

17 “(cc) is eligible for not less
18 than 20 weeks of regular unem-
19 ployment compensation described
20 in item (bb).

21 “(II) ADDITIONAL ELIGIBILITY
22 AND PRIORITY CRITERIA.—An eligible
23 entity may establish criteria that are
24 in addition to the criteria described in
25 subclause (I) for the eligibility of indi-

viduals to receive a personal reemployment account under this subsection. An eligible entity may also establish criteria for priority in the provision of a personal reemployment account to such eligible individuals under a grant awarded under this subsection.

“(iii) TRANSITION RULE.—

“(I) PREVIOUSLY IDENTIFIED AS LIKELY TO EXHAUST UNEMPLOYMENT COMPENSATION.—

“(aa) IN GENERAL.—At the option of the eligible entity, and subject to item (bb), an individual may be eligible to receive a personal reemployment account under this subsection if the individual—

“(AA) during the 13-week period ending the week prior to the date of the enactment of the subsection, was identified by the State pursuant to section 303(j)(1) of the Social Secu-

1 rity Act (42 U.S.C.
2 503(j)(1)) as likely to ex-
3 haust regular unemployment
4 compensation and in need of
5 job search assistance to
6 make a successful transition
7 to new employment; and

8 “(BB) otherwise meets
9 the requirements of clause
10 (ii)(I)(bb) and (cc).

11 “(bb) ADDITIONAL ELIGI-
12 BILITY AND PRIORITY CRI-
13 TERIA.—An eligible entity may
14 establish criteria that is in addi-
15 tion to the criteria described in
16 item (aa) for the eligibility of in-
17 dividuals to receive a personal re-
18 employment account under this
19 subsection. An eligible entity may
20 also establish criteria for priority
21 in the provision of such accounts
22 to such eligible individuals under
23 this subsection.

24 “(II) PREVIOUSLY EXHAUSTED
25 UNEMPLOYMENT COMPENSATION.—At

1 the option of the eligible entity, an in-
2 dividual may be eligible to receive a
3 personal reemployment account under
4 a grant awarded under this subsection
5 if the individual—

6 “(aa) during the 26-week
7 period ending the week prior to
8 the date of the enactment of this
9 subsection, exhausted all rights
10 to any unemployment compensa-
11 tion; and

12 “(bb)(AA) is enrolled in
13 training and needs additional
14 support to complete such train-
15 ing, with a priority of service to
16 be provided to such individuals
17 who are training for shortage oc-
18 cupations or high-growth indus-
19 tries; or

20 “(BB) is separated from
21 employment in an industry or oc-
22 cupation that has experienced de-
23 clining employment, or no longer
24 provides any employment, in the
25 local labor market during the 2-

1 year period ending on the date of
2 the determination of eligibility of
3 the individual under this sub-
4 paragraph.

5 “(iv) NO INDIVIDUAL ENTITLE-
6 MENT.—Nothing in this subsection shall be
7 construed to entitle any individual to re-
8 ceive a personal reemployment account.

9 “(D) LIMITATIONS.—

10 “(i) INFORMATION AND ATTESTA-
11 TION.—Prior to the establishment of a per-
12 sonal reemployment account for an eligible
13 individual, the eligible entity receiving a
14 grant, through the one-stop delivery sys-
15 tem in the participating local area or
16 areas, shall ensure that the individual—

17 “(I) is informed of the require-
18 ments applicable to the personal reem-
19 ployment account, including the allow-
20 able uses of funds from the account,
21 the limitations on access to services
22 described in paragraph (7)(A)(iii) and
23 a description of such services, and the
24 conditions for receiving a reemploy-
25 ment bonus;

1 “(II) has the option to develop a
2 personal reemployment plan which will
3 identify the employment goals and ap-
4 propriate combination of services se-
5 lected by the individual to achieve the
6 employment goals; and

7 “(III) signs an attestation that
8 the individual has been given the op-
9 tion to develop a personal reemploy-
10 ment plan in accordance with sub-
11 clause (II), will comply with the re-
12 quirements under this subsection re-
13 lating to the personal reemployment
14 accounts, and will reimburse the ac-
15 count or, if the account has been ter-
16 minated, the grant awarded under
17 this subsection, for any amounts ex-
18 pended from the account that are not
19 allowable.

20 “(ii) PERIODIC INTERVIEWS.—If a re-
21 cipient exhausts his or her rights to any
22 unemployment compensation, and the re-
23 cipient has a remaining balance in his or
24 her personal reemployment account, the
25 one-stop delivery system shall conduct peri-

1 odic interviews with the recipient to assist
2 the recipient in meeting his or her indi-
3 vidual employment goals.

4 “(iii) USE OF PERSONAL REEMPLOY-
5 MENT ACCOUNTS.—The eligible entity re-
6 ceiving a grant shall ensure that eligible
7 individuals receiving a personal reemploy-
8 ment account use the account in accord-
9 ance with paragraph (7).

10 “(6) APPLICATION FOR GRANTS.—To be eligible
11 to receive a grant under this subsection, an eligible
12 entity shall submit an application to the Secretary at
13 such time, in such manner, and containing such in-
14 formation as the Secretary may require, including—

15 “(A) if the eligible entity is a State—

16 “(i) assurance that the application
17 was developed in conjunction with the local
18 board or boards and chief elected officials
19 where the personal reemployment accounts
20 shall be made available; and

21 “(ii) a description of the methods and
22 procedures for providing funds to local
23 areas where the personal reemployment ac-
24 counts shall be made available; and

1 “(B) a description of the criteria and
2 methods to be used for determining eligibility
3 for the personal reemployment account, includ-
4 ing whether the eligible entity intends to include
5 the optional categories described in paragraph
6 (5)(C)(iii), and the additional criteria and pri-
7 ority for service that the eligible entity intends
8 to apply, if any, pursuant to paragraph
9 (5)(C)(ii)(II);

10 “(C) a description of the methods or proce-
11 dures to be used to provide eligible individuals
12 information relating to services and providers;

13 “(D) a description of safeguards to ensure
14 that funds from the personal reemployment ac-
15 counts are used for purposes authorized under
16 this subsection and to ensure the quality and
17 integrity of services and providers, consistent
18 with the purpose of providing eligible individ-
19 uals with enhanced flexibility, choice, and con-
20 trol in obtaining intensive reemployment, train-
21 ing, and supportive services;

22 “(E) a description of how the eligible enti-
23 ty will coordinate the activities carried out
24 under this subsection with the employment and
25 training activities carried out under section 134

1 and other activities carried out by local boards
2 through the one-stop delivery system in the
3 State or local area; and

4 “(F) an assurance that the eligible entity
5 will comply with any evaluation and reporting
6 requirements the Secretary may require.

7 “(7) USE OF PERSONAL REEMPLOYMENT AC-
8 COUNTS.—

9 “(A) ALLOWABLE ACTIVITIES.—

10 “(i) IN GENERAL.—Subject to the re-
11 quirements contained in clauses (ii) and
12 (iii), a recipient of a personal reemploy-
13 ment account may use amounts in a per-
14 sonal reemployment account to purchase 1
15 or more of the following:

16 “(I) Intensive services, including
17 those type of services specified in sec-
18 tion 134(d)(3)(C).

19 “(II) Training services, including
20 those types of services specified in sec-
21 tion 134(d)(4)(D).

22 “(III) Supportive services, except
23 for needs related payments.

24 “(ii) DELIVERY OF SERVICES.—The
25 following requirements relating to delivery

1 of services shall apply to the grants under
2 this subsection:

3 “(I) Recipients may use funds
4 from the personal reemployment ac-
5 count to purchase the services de-
6 scribed in clause (i) through the one-
7 stop delivery system on a fee-for-serv-
8 ice basis, or through other providers,
9 consistent with the safeguards de-
10 scribed in paragraph (6)(D).

11 “(II) The eligible entity, through
12 the one-stop delivery system in the
13 participating local area, may pay costs
14 for such services directly on behalf of
15 the recipient, through a voucher sys-
16 tem, or by reimbursement to the re-
17 cipient upon receipt of appropriate
18 cost documentation.

19 “(III) Each eligible entity,
20 through the one-stop delivery system
21 in the participating local area, shall
22 make available to recipients informa-
23 tion on training providers specified in
24 section 134(d)(4)(F)(ii), information
25 available to the one-stop delivery sys-

1 tem on providers of the intensive and
2 supportive services described in clause
3 (i), and information relating to occu-
4 pations in demand in the local area.

5 “(iii) LIMITATIONS.—The following
6 limitations shall apply with respect to per-
7 sonal reemployment accounts under this
8 subsection:

9 “(I) Amounts in a personal reem-
10 ployment account may be used for up
11 to 1 year from the date of the estab-
12 lishment of the account.

13 “(II) Each recipient shall submit
14 cost documentation as required by the
15 one-stop delivery system.

16 “(III) For the 1-year period fol-
17 lowing the establishment of the ac-
18 count, recipients may not receive in-
19 tensive, supportive, or training serv-
20 ices funded under this title except on
21 a fee-for-services basis as specified in
22 clause (ii)(I).

23 “(IV) Amounts in a personal re-
24 employment account shall be non-
25 transferable.

1 “(B) REEMPLOYMENT BONUS.—

2 “(i) IN GENERAL.—Subject to clause
3 (ii)—

4 “(I) if a recipient determined eli-
5 gible under paragraph (5)(C)(ii) ob-
6 tains full-time employment before the
7 13th week of unemployment for which
8 unemployment compensation is paid,
9 the balance of his or her personal re-
10 employment account shall be provided
11 directly to the recipient in cash; and

12 “(II) if a recipient determined el-
13 igible under paragraph (5)(C)(iii) ob-
14 tains full-time employment before the
15 end of the 13th week after the date
16 on which the account is established,
17 the balance of his or her personal re-
18 employment account shall be provided
19 directly to the recipient in cash.

20 “(ii) LIMITATIONS.—The following
21 limitations shall apply with respect to a re-
22 cipient described in clause (i):

23 “(I) 60 percent of the remaining
24 personal reemployment account bal-

1 ance shall be paid to the recipient at
2 the time of employment.

3 “(II) 40 percent of the remaining
4 personal reemployment account shall
5 be paid to the recipient after 26 weeks
6 of employment retention.

7 “(iii) EXCEPTION REGARDING SUBSE-
8 QUENT EMPLOYMENT.—If a recipient de-
9 scribed in clause (i) subsequently becomes
10 unemployed due to a lack of work after re-
11 ceiving the portion of the reemployment
12 bonus specified under clause (ii)(I), the in-
13 dividual may use the amount remaining in
14 the personal reemployment account for the
15 purposes described in subparagraph (A)
16 but may not be eligible for additional cash
17 payments under this subparagraph.

18 “(8) PROGRAM INFORMATION AND EVALUA-
19 TION.—

20 “(A) INFORMATION.—The Secretary may
21 require from eligible entities the collection and
22 reporting on such financial, performance, and
23 other program-related information as the Sec-
24 retary determines is appropriate to carry out

1 this subsection, including the evaluation de-
2 scribed in subparagraph (B).

3 “(B) EVALUATION.—

4 “(i) IN GENERAL.—The Secretary,
5 pursuant to the authority provided under
6 section 172, shall, directly or through
7 grants, contracts, or cooperative agreement
8 with appropriate entities, conduct an eval-
9 uation of the activities carried out under
10 any grants awarded under this subsection.

11 “(ii) REPORT.—The report to Con-
12 gress under section 172(e) relating to the
13 results of the evaluations required under
14 section 172 shall include the recommenda-
15 tion of the Secretary with respect to the
16 use of personal reemployment account as a
17 mechanism to assist individuals in obtain-
18 ing and retaining employment.”.

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