

111TH CONGRESS
1ST SESSION

H. R. 4290

To establish the New Economy Grant Program through the Department of Labor to create public works jobs on State and local lands and community-based public interest projects, to direct aid to State and local governments for the retention and rehiring of certain public employees, and provide direct aid to the Departments of Agriculture and Interior to create public works jobs to address their deferred maintenance items.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2009

Mr. HARE (for himself, Ms. SCHAKOWSKY, Mr. STUPAK, Mr. COHEN, Ms. KILPATRICK of Michigan, Mr. JACKSON of Illinois, Mr. KILDEE, Ms. SUTTON, Mr. COURTNEY, Ms. EDWARDS of Maryland, Mr. MEEKS of New York, Mr. OBERSTAR, Mr. RUSH, Mr. ANDREWS, Ms. CLARKE, Ms. DELAURO, Ms. FUDGE, Mr. GRAYSON, Mr. GUTIERREZ, Mr. KENNEDY, Ms. WOOLSEY, Mr. WEINER, Mr. SCOTT of Virginia, Ms. SLAUGHTER, Mr. HALL of New York, Mr. GENE GREEN of Texas, Mr. NADLER of New York, Mr. CARSON of Indiana, Ms. JACKSON-LEE of Texas, Mr. MICHAUD, Mr. TONKO, Mr. DOYLE, Ms. BERKLEY, Ms. HIRONO, Ms. SHEA-PORTER, Ms. CHU, Ms. WATSON, Mr. GRIJALVA, Mr. LUJÁN, Ms. TSONGAS, Mr. LOEBSACK, Mr. PRICE of North Carolina, Mr. HASTINGS of Florida, Mr. ROTHMAN of New Jersey, Mr. GARAMENDI, Mr. KAGEN, Mr. SABLAN, Mr. ELLISON, Mr. CLEAVER, Mr. LARSON of Connecticut, and Mr. BRALEY of Iowa) introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committees on the Judiciary, Science and Technology, Natural Resources, Agriculture, Financial Services, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish the New Economy Grant Program through the

Department of Labor to create public works jobs on State and local lands and community-based public interest projects, to direct aid to State and local governments for the retention and rehiring of certain public employees, and provide direct aid to the Departments of Agriculture and Interior to create public works jobs to address their deferred maintenance items.

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 “New Deal for a New
 5 Economy Act”.

6 **SEC. 2. NEW ECONOMY STATE STABILIZATION FUND.**

7 (a) DEPARTMENT OF EDUCATION.—

8 (1) ALLOCATION.—Not later than 120 days
 9 after the date of the enactment of this Act, the Sec-
 10 retary of Education shall allocate amounts made
 11 available under section 9(1) to each State in propor-
 12 tion to the amount received by all local educational
 13 agencies in the State under part A of title I of the
 14 Elementary and Secondary Education Act of 1965
 15 (20 U.S.C. 6311 et seq.) for the previous fiscal year
 16 relative to the total amount received by all local edu-
 17 cational agencies in every State under such part for
 18 such fiscal year.

19 (2) IN-STATE GRANTS TO LOCAL EDUCATIONAL
 20 AGENCIES.—From the amount allocated to a State

1 under paragraph (1), each eligible local educational
2 agency in the State shall receive an amount in pro-
3 portion to the amount received by such local edu-
4 cational agency under part A of title I of the Ele-
5 mentary and Secondary Education Act of 1965 (20
6 U.S.C. 6311 et seq.) for the previous fiscal year rel-
7 ative to the total amount received by all local edu-
8 cational agencies in the State under such part for
9 such fiscal year. A State shall make and distribute
10 the amount allocated to such State not later than 90
11 days of receiving such funds from the Secretary of
12 Education.

13 (3) SPECIAL RULE.—Section 1122(c)(3) of the
14 Elementary and Secondary Education Act of 1965
15 (20 U.S.C. 6332(c)(3)) shall not apply to paragraph
16 (1) or (3).

17 (4) USE OF FUNDS.—A local educational agen-
18 cy receiving an allocation under paragraph (2) may
19 use such funds only for the following purposes:

20 (A) To hire new employees, which includes
21 filling existing vacancies that are no longer
22 funded in the budgets of State or local edu-
23 cational agencies.

24 (B) To rehire employees who have been
25 laid-off during the year prior to the date of en-

1 actment of this Act as a result of reduced budg-
2 ets of State or local educational agencies.

3 (C) To continue to employ employees who
4 are scheduled to be laid-off on a future date as
5 a result of reduced budgets of State or local
6 educational agencies. Such agencies may not
7 pay an employee with funds provided under this
8 subsection until the date of that employee's
9 scheduled lay-off.

10 (D) To prevent furloughs that are sched-
11 uled as a result reduced budgets of State or
12 local educational agencies.

13 (5) LIMITATION ON USE OF FUNDS.—No fund-
14 ing under this subsection can be used to layoff, fur-
15 lough, terminate, or reduce the working hours of any
16 existing employee.

17 (6) FEDERAL FUNDS TO SUPPLEMENT, NOT
18 SUPPLANT, NON-FEDERAL FUNDS.—A State edu-
19 cational agency or local educational agency shall use
20 Federal funds received under this subsection only to
21 supplement the funds that would, in the absence of
22 such Federal funds, be made available from non-
23 Federal sources for the education of pupils partici-
24 pating in programs assisted under this part, and not
25 to supplant such funds.

1 (b) DEPARTMENT OF JUSTICE.—

2 (1) GRANTS THROUGH THE COPS PROGRAM.—

3 From amounts made available under section 9(2),
4 the Attorney General shall award grants to State,
5 local, or tribal law enforcement agencies through the
6 Community Oriented Policing Services program
7 (COPS) and in accordance with the allocation proce-
8 dures provided in section 1001(a)(11)(B) of the Om-
9 nibus Crime Control and Safe Streets Act of 1968
10 (41 U.S.C. 3791(a)(11)(B)).

11 (2) USE OF FUNDS.—A State, local, or tribal
12 law enforcement agency receiving a grant pursuant
13 to this subsection may use such funds only for the
14 following purposes:

15 (A) To hire new police officers, which in-
16 cludes filling existing officer vacancies that are
17 no longer funded in the State, local, or tribal
18 law enforcement agency budget.

19 (B) To rehire officers who have been laid-
20 off during the year prior to the date of enact-
21 ment of this Act as a result of reduced State,
22 local, or tribal law enforcement agency budgets.

23 (C) To continue to employ officers who are
24 scheduled to be laid-off on a future date as a
25 result of reduced State, local, or tribal law en-

1 enforcement agency budgets. Such agencies may
2 not pay an officer with funds provided under
3 this subsection until the date of that officer's
4 scheduled lay-off.

5 (D) To prevent furloughs that are cur-
6 rently scheduled as a result of reduced State,
7 local, or tribal law enforcement agency budgets.

8 (3) LIMITATION ON USE OF FUNDS.—No fund-
9 ing under this subsection can be used to layoff, fur-
10 lough, terminate, or reduce the working hours of any
11 existing employee.

12 (4) FEDERAL FUNDS TO SUPPLEMENT, NOT
13 SUPPLANT, NON-FEDERAL FUNDS.—A State, local,
14 or tribal law enforcement agency shall use Federal
15 funds received under this subsection only to supple-
16 ment the funds that would, in the absence of such
17 Federal funds, be made available from non-Federal
18 sources to hire new employees, and not to supplant
19 such funds.

20 (c) DEPARTMENT OF HOMELAND SECURITY.—

21 (1) GRANTS THROUGH THE SAFER GRANT PRO-
22 GRAM.—From amounts made available under section
23 9(3), the Secretary of Homeland Security, through
24 the Administrator of the United States Fire Admin-
25 istration, shall award grants directly to career, vol-

1 unteer, and combination fire departments through
2 the Staffing for Adequate Fire and Emergency Re-
3 sponse grant program (SAFER) and in accordance
4 with the procedures set forth in section 34 of the
5 Federal Fire Prevention and Control Act of 1974,
6 except that grants awarded pursuant to this sub-
7 section shall be for a 3-year period and fire depart-
8 ments shall not be required to contribute non-Fed-
9 eral funds for such period. Any fire department
10 seeking a grant under this subsection shall commit
11 to retaining for at least 1 year beyond the termi-
12 nation of the grant any firefighters hired with funds
13 provided pursuant to this subsection.

14 (2) USE OF FUNDS.—A fire department receiv-
15 ing a grant pursuant to this subsection may use
16 such funds only for the following purposes:

17 (A) To hire new firefighters, which in-
18 cludes filling existing vacancies that are no
19 longer funded in department budgets.

20 (B) To rehire firefighters who have been
21 laid-off during the year prior to the date of en-
22 actment of this Act as a result of reduced de-
23 partment budgets.

24 (C) To continue to employ firefighters who
25 are scheduled to be laid-off on a future date as

1 a result of reduced department budgets. Such
2 departments may not pay a firefighter with
3 funds provided under this subsection until the
4 date of that firefighter's scheduled lay-off.

5 (D) To prevent furloughs that are sched-
6 uled as a result of reduced department budgets.

7 (3) LIMITATION ON USE OF FUNDS.—No fund-
8 ing under this subsection can be used to layoff, fur-
9 lough, terminate, or reduce the working hours of any
10 existing employee.

11 (4) FEDERAL FUNDS TO SUPPLEMENT, NOT
12 SUPPLANT, NON-FEDERAL FUNDS.—A fire depart-
13 ment shall use Federal funds received under this
14 subsection only to supplement the funds that would,
15 in the absence of such Federal funds, be made avail-
16 able from non-Federal sources to hire new fire-
17 fighters, and not to supplant such funds.

18 (d) DEPARTMENT OF COMMERCE.—

19 (1) PUBLIC WORKS AND ECONOMIC DEVELOP-
20 MENT GRANTS.—From amounts made available
21 under section 9(4), the Secretary of Commerce shall
22 award grants to States, cities or other political sub-
23 divisions of a State or a consortium of political sub-
24 divisions, or Indian tribes based on the procedures
25 and criteria set forth in section 201 of the Public

1 Works and Economic Development Act of 1965 (42
2 U.S.C. 3141) to assist such States, cities or other
3 political subdivisions of a State, or Indian tribes in
4 maintaining the basic services of government by pre-
5 venting lay-offs and assisting in the hiring of essen-
6 tial government employees such as sanitation work-
7 ers, administration workers, public health and emer-
8 gency service providers, corrections, probation, and
9 parole officers, and social workers.

10 (2) USE OF FUNDS.—A State, city, or Indian
11 tribe receiving an allocation under paragraph (1)
12 may use such funds only for the following purposes:

13 (A) To hire new employees, which includes
14 filling existing vacancies that are no longer
15 funded in the budgets of the State, city, or In-
16 dian tribe.

17 (B) To rehire employees who have been
18 laid-off during the year prior to the date of en-
19 actment of this Act as a result of reduced budg-
20 ets of the State, city, or Indian tribe.

21 (C) To continue to employ employees who
22 are scheduled to be laid-off on a future date as
23 a result of reduced budgets of the State, city,
24 or Indian tribe. The State, city, or Indian tribe
25 may not pay an employee with funds provided

1 under this subsection until the date of that em-
2 ployee's scheduled lay-off.

3 (D) To prevent furloughs that are sched-
4 uled as a result reduced budgets of the State,
5 city, or Indian tribe.

6 (3) LIMITATION ON USE OF FUNDS.—

7 (A) IN GENERAL.—No funding under this
8 subsection can be used to layoff, furlough, ter-
9 minate, or reduce the working hours of any ex-
10 isting employee.

11 (B) CERTAIN WORKERS INELIGIBLE.—
12 Consistent with subsection (a), (b), and (c),
13 grants made under this subsection may not be
14 used to hire or pay the salary or wages of an
15 employee who is a teacher, police officer, or
16 firefighter.

17 (4) FEDERAL FUNDS TO SUPPLEMENT, NOT
18 SUPPLANT, NON-FEDERAL FUNDS.—A fire depart-
19 ment shall use Federal funds received under this
20 subsection only to supplement the funds that would,
21 in the absence of such Federal funds, be made avail-
22 able from non-Federal sources to hire new fire-
23 fighters, and not to supplant such funds.

1 **SEC. 3. NEW ECONOMY GRANT PROGRAM.**

2 (a) ESTABLISHMENT.—There is established in the
3 Department of Labor a New Economy Grant Program
4 through which the Secretary of Labor is authorized to pro-
5 vide grants for the creation of new jobs on specific public
6 works projects carried out by State or local governments,
7 and community-based public interest projects carried out
8 by nonprofit organizations.

9 (b) SPECIFIC PROJECT GRANTS.—From the amounts
10 made available under section 9(5)—

11 (1) set aside an amount for each State based on
12 the population of each State and the relative unem-
13 ployment rate in each such State; and

14 (2) from such amounts set aside for each State
15 under paragraph (1), award grants directly to eligi-
16 ble entities described in subsection (c) in each such
17 State on the basis of applications submitted by such
18 entities for specific public works projects outlined in
19 such applications.

20 (c) ELIGIBLE ENTITIES.—Entities eligible for a di-
21 rect grant under this section include the following:

22 (1) STATE AND LOCAL GOVERNMENTS.—Units
23 of State or local governments that demonstrate in
24 the application under subsection (b) an ability to
25 promptly hire new employees for work on specific
26 public works projects carried out by such units of

1 government. Such projects must be ready to com-
2 mence work no later than 2 months after receiving
3 a grant under this Act and new positions of employ-
4 ment on such projects must be for a period of not
5 less than 6 months.

6 (2) NONPROFIT ORGANIZATIONS.—Community-
7 based nonprofit organizations that demonstrate in
8 the application under subsection (b) an ability to
9 promptly hire and effectively manage new employees
10 for work on specific projects carried out by such or-
11 ganizations. Such projects must be ready to com-
12 mence work no later than 2 months after receiving
13 a grant under this Act and new positions of employ-
14 ment on such projects must be for a period of not
15 less than 6 months.

16 (d) APPLICATION.—An entity seeking a grant under
17 this section shall submit an application to the Secretary
18 at such time, in such manner, and containing such infor-
19 mation as the Secretary shall determine. Such application
20 shall, at a minimum include—

21 (1) a description of the specific project, includ-
22 ing a description of the need for the project, the ex-
23 pected outcome, and the benefit to the community;

1 (2) the date on which the project shall be ready
 2 to commence and the expected duration of the
 3 project; and

4 (3) the number of new individuals that such
 5 project will employ and the duration of such employ-
 6 ment.

7 (e) NONDISCRIMINATION AND WORKPLACE SAFE-
 8 TY.—In hiring employees and carrying out projects funded
 9 under this section, an eligible entity receiving a grant
 10 under this section shall comply with all applicable Federal,
 11 State, and local laws pertaining to nondiscrimination and
 12 workplace safety.

13 **SEC. 4. EMPLOYMENT PROJECTS BY DEPARTMENTS OF IN-**
 14 **TERIOR AND AGRICULTURE.**

15 (a) NATIONAL PARKS PROJECTS.—From amounts
 16 made available under section 9(6), the Secretary of the
 17 Interior shall fund specific public works projects in na-
 18 tional parks. Such projects must be ready to commence
 19 work no later than 2 months after being approved by the
 20 Secretary of the Interior and require the contract hiring
 21 of new employees for a period of not less than 6 months.

22 (b) NATIONAL FOREST SERVICE PROJECTS.—From
 23 amounts made available under section 9(7), the Secretary
 24 of Agriculture shall fund specific public works projects
 25 through the National Forest Service. Such projects must

1 be ready to commence work no later than 2 months after
2 being approved by the Secretary of the Interior and re-
3 quire the contract hiring of new employees for a period
4 of not less than 6 months.

5 **SEC. 5. PROJECTS ELIGIBLE FOR FUNDING.**

6 Only projects for which new employees are to be hired
7 shall be eligible for funding under sections 3 and 4 of this
8 Act. The Secretary of Labor shall determine the types
9 public works and community-based public interest projects
10 that shall be eligible for grants under this Act.

11 **SEC. 6. ELIGIBILITY CRITERIA FOR EMPLOYMENT.**

12 (a) IN GENERAL.—To be employed in a position
13 funded under section 3 or 4 of this Act, an individual—

14 (1) must be otherwise unemployed;

15 (2) must be a citizen or legal permanent resi-
16 dent of the United States;

17 (3) must be physically capable of performing
18 the work required by the specific project, subject to
19 any reasonable accommodations that may be made
20 for such individual in accordance with the Americans
21 with Disabilities Act;

22 (4) must be at least 18 years of age; and

23 (5) may not be enrolled as a full-time student
24 in any institution of higher education, vocational or
25 job training school or program and may not pre-

1 maturely terminate such enrollment to obtain em-
2 ployment under this Act.

3 (b) NO DISPLACEMENT OF EXISTING EMPLOYEES OR
4 POSITIONS OF PERMANENT EMPLOYMENT.—Employees
5 whose positions are funded under this Act may not dis-
6 place other employees whose positions are not funded
7 under this Act. An eligible entity receiving a grant under
8 this Act may not hire an employee or employees with funds
9 under this Act for any position which the eligible entity
10 would otherwise hire a permanent employee.

11 (c) LIMITATION ON USE OF FUNDS.—No funds pro-
12 vided under this Act may be used to compensate any indi-
13 vidual employed by an eligible entity prior to that entity
14 receiving a grant under this Act. Funds made available
15 under this Act may only be used to pay wages of employ-
16 ees hired for the specific project for which the grant was
17 awarded.

18 (d) MAXIMUM PERIOD OF EMPLOYMENT.—Employ-
19 ment in a position funded under section 3 or 4 of this
20 Act shall be for a maximum period of 1 year.

21 (e) WAGE.—Individuals employed on projects funded
22 directly by or assisted in whole or in part by and through
23 the Federal Government pursuant to section 3 or 4 of this
24 Act shall be paid wages at rates not less than those pre-
25 vailing on projects of a character similar in the locality

1 as determined by the Secretary of Labor in accordance
2 with subchapter IV of chapter 31 of title 40, United States
3 Code (commonly referred to as the Davis-Bacon Act).

4 (f) NOT FEDERAL EMPLOYEES.—Individuals em-
5 ployed in positions funded under any grant or allocation
6 made under this Act shall not be considered employees of
7 the Federal government.

8 **SEC. 7. REPORTING REQUIREMENT.**

9 Any entity receiving funding under section 3 of this
10 Act, shall transmit to the Secretary a report at the conclu-
11 sion of the project that was the basis of such funding.
12 The report shall include a description of the number of
13 individuals hired to work on the project, the length of their
14 employment and assessment of the success of the project
15 in light of the anticipated outcome and outlines the bene-
16 fits to the community from the project.

17 **SEC. 8. DEFINITIONS.**

18 As used in this section—

19 (1) the term “community-based nonprofit orga-
20 nization” means an organization exempt from tax-
21 ation under section 501(c)(3) of the Internal Rev-
22 enue Code (26 U.S.C. 501(c)(3)) but does not in-
23 clude an organization that—

24 (A) is a religious corporation, association,
25 educational institution, or society; or

1 (B) is engaged in political advocacy on be-
2 half of any political issue, candidate, or party;
3 and

4 (2) the term “State” includes the several
5 States, the District of Columbia, the territories of
6 the United States, and Indian Tribes and tribal gov-
7 ernments.

8 **SEC. 9. FUNDING FROM THE EMERGENCY ECONOMIC STA-**
9 **BILIZATION ACT.**

10 Of funds made available to the Secretary of the
11 Treasury under title I of the Emergency Economic Sta-
12 bilization Act of 2008 (12 U.S.C. 5211 et seq.) that re-
13 main unobligated, the Secretary of the Treasury shall—

14 (1) make available to the Secretary of Edu-
15 cation \$14,000,000,000 for each of fiscal years 2010
16 through 2012 for allocations to be made under sec-
17 tion 2(a);

18 (2) make available to the Attorney General
19 \$2,000,000,000 for each of fiscal years 2010
20 through 2012 for allocations to be made under sec-
21 tion 2(b);

22 (3) make available to the Secretary of Home-
23 land Security \$2,000,000,000 for each of fiscal years
24 2010 through 2012 for allocations to be made under
25 section 2(c);

1 (4) make available to the Secretary of Com-
2 merce \$2,000,000,000 for each of fiscal years 2010
3 through 2012 for allocations to be made under sec-
4 tion 2(d);

5 (5) make available to the Secretary of Labor
6 \$31,000,000,000 for each of fiscal years 2010
7 through 2012 for grants to be awarded under sec-
8 tion 3;

9 (6) make available to the Secretary of the Inte-
10 rior \$4,500,000,000 for each of fiscal years 2010
11 through 2012 for grants to be awarded under sec-
12 tion 4(a); and

13 (7) make available to the Secretary of Agri-
14 culture \$4,500,000,000 for each of fiscal years 2010
15 through 2012 for grants to be awarded under sec-
16 tion 4(b).

17 **SEC. 10. EXPEDITED ADMINISTRATION.**

18 Each Secretary or Department to which funds are
19 made available under section 9 shall expedite the adminis-
20 tration and carrying out of the programs authorized for
21 that respective Department in this Act in order that funds
22 provided by this Act are allocated or awarded to eligible
23 entities as soon as possible after the date of the enactment
24 of this Act.

○