

113TH CONGRESS
1ST SESSION

H. R. 3524

To amend the Workforce Investment Act of 1998 to provide grants to States for on-the-job training programs for adults in economically disadvantaged areas.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2013

Mr. McKINLEY (for himself and Mr. SCHNEIDER) 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 provide grants to States for on-the-job training programs for adults in economically disadvantaged areas.

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 “Economic Recovery
5 On-the-Job Training Act of 2013”.

6 **SEC. 2. ON-THE-JOB TRAINING FOR ECONOMICALLY DIS-**
7 **ADVANTAGED AREAS.**

8 (a) AMENDMENT TO THE WORKFORCE INVESTMENT
9 ACT OF 1998.—The Workforce Investment Act of 1998

1 (29 U.S.C. 2801 et seq.) is amended by inserting after
2 section 173A (29 U.S.C. 2918a) the following:

3 **“SEC. 173B. ON-THE-JOB TRAINING FOR ECONOMICALLY**
4 **AND EXTREMELY ECONOMICALLY DISADVAN-**
5 **TAGED AREAS.**

6 “(a) DEFINITIONS.—As used in this section—

7 “(1) the term ‘economically disadvantaged area’
8 means an area for which there is a single 5-digit
9 postal zip code, and which includes any portion of a
10 census tract in which the median annual household
11 income is less than \$40,000 per year;

12 “(2) the term ‘extremely economically disadvan-
13 taged area’ means any area which there is a single
14 5-digit postal zip code, and includes any portion of
15 a census tract in which the median household in-
16 come is less than \$32,000 per year; and

17 “(3) the term ‘median household income’ means
18 the median annual household income as determined
19 by the 2010 census and as updated by the American
20 Community Survey of the Bureau of the Census.

21 “(b) GRANTS.—

22 “(1) IN GENERAL.—From the amounts made
23 available under subsection (h), and subject to para-
24 graph (2) and subsection (d), the Secretary shall
25 make grants, on a discretionary basis, to State and

1 local boards, for adult on-the-job training, or dis-
2 located worker on-the-job training, carried out under
3 section 134 and for State and local board functions
4 described in subsection (f) within economically dis-
5 advantaged areas and extremely economically dis-
6 advantaged areas.

7 “(2) EXTREMELY ECONOMICALLY DISADVAN-
8 TAGED AREAS.—In making grants under this sub-
9 section for a fiscal year, the Secretary shall ensure
10 that of the amount made available under subsection
11 (h) for such fiscal year, the Secretary uses 25 per-
12 cent more of such funds to make grants to State
13 and local boards located within extremely economi-
14 cally disadvantaged areas than to such boards lo-
15 cated within economically disadvantaged areas.

16 “(c) APPLICATION.—To be eligible to receive a grant
17 under subsection (b), a State or a local board shall submit
18 an application to the Secretary at such time, in such man-
19 ner, and containing such information as the Secretary may
20 require. In preparing such an application for a grant
21 under subsection (b), a local board shall consult with the
22 corresponding State.

23 “(d) REIMBURSEMENT OF WAGE RATES.—Notwith-
24 standing the limitation in section 101(31)(B), in making
25 the grants described in subsection (b), the Secretary may

1 allow for higher levels of reimbursement of wage rates the
2 Secretary determines are appropriate based on factors
3 such as—

4 “(1) employer size, in order to facilitate the
5 participation of small- and medium-sized employers;

6 “(2) target populations, in order to enhance job
7 creation for persons with barriers to employment;
8 and

9 “(3) the number of employees that will partici-
10 pate in the on-the-job training, the wage and benefit
11 levels of the employees (before the training and an-
12 ticipated on completion of the training), the relation-
13 ship of the training to the competitiveness of the
14 employer and employees, and the existence of other
15 employer-provided training and advancement oppor-
16 tunities.

17 “(e) ADMINISTRATION BY SECRETARY.—The Sec-
18 retary may use an amount that is not more than 1 percent
19 of the funds made available under subsection (h) for the
20 administration, management, and oversight of the pro-
21 grams, activities, and grants, funded under subsection (b),
22 including the evaluation of, and dissemination of informa-
23 tion on lessons learned through, the use of such funds.

24 “(f) STATE OVERSIGHT AND MONITORING.—A local
25 board that receives a grant under subsection (b) and is

1 located in a State, shall provide not less than 5 percent
 2 of the grant funds to the State for State functions de-
 3 scribed in sections 136(f), 184, and 185.

4 “(g) RULE OF CONSTRUCTION.—Nothing in this sec-
 5 tion shall be construed to affect the manner in which sub-
 6 title B is implemented, for activities funded through
 7 amounts appropriated under section 137.

8 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
 9 is authorized to be appropriated to carry out this section
 10 such sums as may be necessary for fiscal year 2014 and
 11 each subsequent fiscal year.

12 “(i) AREAS NOT WITHIN CENSUS TRACTS.—In the
 13 case of an area which is not tracted for population census
 14 tracts, the equivalent county divisions (as defined by the
 15 Bureau of the Census for purposes of defining poverty
 16 areas) shall be used for purposes of determining median
 17 annual household income.”.

18 (b) TABLE OF CONTENTS AMENDMENT.—The table
 19 of contents in section 1(b) of the Workforce Investment
 20 Act of 1998 (20 U.S.C. 9201 note) is amended by insert-
 21 ing after the item relating to section 173A the following
 22 new item:

“Sec. 173B. On-the-job training for economically and extremely economically
 disadvantaged areas.”.

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