

113TH CONGRESS
2D SESSION

H. R. 4591

To establish a national strategy for identifying job training needs to increase opportunities for technical school training and promote hiring.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2014

Mr. BARROW of Georgia introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, 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 a national strategy for identifying job training needs to increase opportunities for technical school training and promote hiring.

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 “Workforce Investment
5 and Job Creation Act”.

6 **SEC. 2. IDENTIFYING JOB TRAINING NEEDS.**

7 (a) STRATEGY REPORT.—

1 (1) STRATEGY REPORT REQUIRED.—The Sec-
2 retary of Labor shall develop and submit to Con-
3 gress a strategy report to address the skills gap by
4 providing analysis and recommendations to increase
5 on-the-job training and apprenticeship opportunities
6 and increase employer participation in education and
7 workforce training.

8 (2) GOALS OF THE STRATEGY REPORT.—The
9 strategy report required by paragraph (1) shall in-
10 clude specific recommendations to achieve the fol-
11 lowing goals:

12 (A) To increase the aggregate number of
13 employers and employees participating in on-
14 the-job training and apprenticeships.

15 (B) To determine ways in which the De-
16 partment of Labor can increase employer out-
17 reach to encourage new and expanded employer
18 participation in education and workforce train-
19 ing.

20 (C) To identify and prioritize industry-rec-
21 ognized postsecondary credentials that are na-
22 tionally portable and aligned with in-demand
23 occupations in industries such as construction,
24 manufacturing, and others that are emerging.

1 (D) To determine ways in which the De-
2 partment of Labor can better address the skills
3 gap by maximizing existing resources, pro-
4 grams, and personnel.

5 (3) ANALYSIS REQUIRED.—As part of the strat-
6 egy report under paragraph (1), the Secretary shall,
7 at a minimum, include the following:

8 (A) A comparison of United States on-the-
9 job training and apprenticeship policies and
10 strategies with the policies and strategies of
11 other countries where employers play a larger
12 role in education and workforce training.

13 (B) An assessment of the Department of
14 Labor’s Registered Apprenticeship program to
15 determine how it can be better utilized to ap-
16 peal to more industries and to boost the goals
17 described in paragraph (2).

18 (C) An evaluation of any existing or poten-
19 tial opportunities within the Department of
20 Labor to refocus or repurpose resources and
21 personnel to better support on-the-job training
22 and apprenticeship goals.

23 (D) An analysis of the specific barriers
24 preventing the domestic workforce from acquir-
25 ing the skills desired by domestic employers, in-

cluding an assessment of opportunities to reduce those barriers by—

(i) improving coordination between Federal agencies that administer employment and training programs; and

(ii) modifying Federal employment and training programs to enable States to better utilize Federal employment and training funds.

(4) RECOMMENDATIONS.—The Secretary shall include in the skills gap strategy report required under paragraph (1) recommendations for achieving the goals included in the strategy pursuant to paragraph (2). Such recommendations may include proposals as follows:

(A) Actions that may be taken by the Federal Government, Congress, State, local and territorial governments, the private sector, universities, industry associations, and other stakeholders to improve policies, coordination, and interaction between such entities, including strategies and best practices to—

(i) boost public-private partnerships and employer-led partnerships; and

1 (ii) help establish regional industry
2 partnerships.

3 (B) Adoption of strategies that have been
4 implemented and proven successful in key in-
5 dustries and regions in the United States and
6 in other countries.

7 (C) In coordination with the Secretary of
8 Commerce and the Secretary of Education, de-
9 velop plans that identify strategies—

10 (i) for increased employer participa-
11 tion in career and technical education;

12 (ii) to better align career and tech-
13 nical education curriculums and programs
14 with fast growing industry sectors;

15 (iii) to encourage more pre-apprentice-
16 ship and college credit courses in sec-
17 ondary schools;

18 (iv) to improve school-to-work transi-
19 tions and connections; and

20 (v) to assist employers in partnering
21 with elementary schools, secondary schools,
22 and institutions of higher education.

23 (5) SUBMITTAL OF STRATEGY REPORT.—Not
24 later than 1 year after the date of the enactment of

1 this Act, the Secretary shall submit to Congress the
2 strategy report developed under this subsection.

3 (6) IMPLEMENTATION.—The Secretary may im-
4 plement the recommendations under paragraph (4)
5 as the Secretary determines appropriate, if otherwise
6 permitted under law.

7 (b) DEFINITIONS.—In this section:

8 (1) ESEA TERMS.—The terms “elementary
9 school” and “secondary school” have the meanings
10 given such terms in section 9101 of the Elementary
11 and Secondary Education Act of 1965 (20 U.S.C.
12 7801).

13 (2) INDUSTRY-RECOGNIZED.—The term “indus-
14 try-recognized”, as used with respect to a credential,
15 means a credential that—

16 (A) is sought or accepted by employers
17 within the industry sector involved as recog-
18 nized, preferred, or required for recruitment,
19 screening, hiring, or advancement;

20 (B) is endorsed by a recognized trade or
21 professional association or organization, rep-
22 resenting a significant part of the industry sec-
23 tor; and

1 (C) is a nationally portable credential that
2 is sought or accepted across multiple States, as
3 described in subparagraph (A).

4 (3) INSTITUTION OF HIGHER EDUCATION.—The
5 term “institution of higher education” has the
6 meaning given the term in section 102 of the Higher
7 Education Act of 1965 (20 U.S.C. 1002).

8 (4) RECOGNIZED POSTSECONDARY CREDEN-
9 TIAL.—The term “recognized postsecondary creden-
10 tial” means a credential consisting of an industry-
11 recognized credential for postsecondary training, a
12 certificate that meets the requirements of subpara-
13 graphs (A) and (C) of paragraph (1) for postsec-
14 ondary training, a certificate of completion of a post-
15 secondary apprenticeship through a program de-
16 scribed in section 122(a)(2)(B) of the Workforce In-
17 vestment Act of 1998 (29 U.S.C. 2842(a)(2)(B)), or
18 an associate degree or baccalaureate degree awarded
19 by an institution of higher education (as defined in
20 section 101(a) of the Higher Education Act of 1965
21 (20 U.S.C. 1001(a))).

22 (5) SECRETARY.—The term “Secretary” means
23 the Secretary of Labor.

24 (6) SKILLS GAP.—The term “skills gap” refers
25 to the difference, or gap, between the current supply

1 of labor and skills of the workforce and that which
2 is desired by employers.

3 **SEC. 3. TECHNICAL SCHOOL TRAINING SUBSIDY PROGRAM.**

4 Section 171 of the Workforce Investment Act of 1998
5 (29 U.S.C. 2916) is amended by adding at the end the
6 following:

7 “(f) TECHNICAL SCHOOL TRAINING SUBSIDY PILOT
8 PROGRAM.—

9 “(1) ESTABLISHMENT OF TECHNICAL SCHOOL
10 TRAINING SUBSIDY PILOT PROGRAM.—From the
11 amounts appropriated to carry out this subsection,
12 the Secretary shall award competitive grants to
13 States to provide such funds to local boards for the
14 provision of technical school training subsidies in
15 local areas through one-stop delivery systems de-
16 scribed in section 134(c).

17 “(2) APPLICATION.—To receive a grant under
18 this subsection a State shall submit to the Secretary
19 an application in such manner, at such time, and
20 containing such information as the Secretary may
21 require.

22 “(3) QUALIFICATIONS AND REQUIREMENTS FOR
23 SUBSIDY.—

24 “(A) IN GENERAL.—A technical school
25 training subsidy for an academic year may be

provided, in accordance with subparagraph (E),
to a technical school on behalf of an unem-
ployed individual who is enrolled, or accepted
for enrollment, at a technical school.

“(B) AMOUNT OF SUBSIDY.—

“(i) CONSIDERATIONS.—In deter-
mining the amount of a subsidy to provide
to an unemployed individual under this
subsection, a one-stop operator or one-stop
partner, as appropriate, shall take into ac-
count—

“(I) the cost of tuition of such
individual;

“(II) the expected family con-
tribution, as determined in accordance
with section 474 of the Higher Edu-
cation Act of 1965 (20 U.S.C.
1087nn), for such individual; and

“(III) the estimated financial as-
sistance for such individual not re-
ceived under this subsection.

“(ii) AGGREGATE AMOUNT.—The ag-
gregate amount of subsidies an individual
may receive under this subsection may not
exceed \$2,000.

1 “(C) NUMBER OF SUBSIDIES.—An indi-
2 vidual may receive subsidies under this sub-
3 section for not more than 2 academic years.

4 “(D) USE OF FUNDS.—A subsidy an indi-
5 vidual receives under this subsection shall be
6 used to assist the individual in paying the cost
7 of tuition for career and technical education at
8 a technical school. All subsidies received by an
9 individual under this subsection shall be used to
10 pay the cost of tuition for career and technical
11 education at the same technical school.

12 “(E) PROVISION OF SUBSIDY.—Upon ap-
13 proving an unemployed individual for a subsidy
14 under this subsection, a one-stop operator or
15 one-stop partner, as appropriate, shall provide,
16 prior to the start of an academic year, the sub-
17 sidy to the technical school in which the unem-
18 ployed individual is enrolled or accepted for en-
19 rollment.

20 “(4) DEFINITIONS.—In this subsection—

21 “(A) The term ‘career and technical edu-
22 cation’ has the meaning given the term in sec-
23 tion 3 of the Carl D. Perkins Career and Tech-
24 nical Education Act of 2006 (20 U.S.C. 2302).

25 “(B) The term ‘cost of tuition’ means—

1 “(i) tuition and fees normally assessed
 2 a student carrying the same academic
 3 workload as determined by the technical
 4 school, and including costs for rental or
 5 purchase of any equipment, materials, or
 6 supplies required of all students in the
 7 same course of study; and

8 “(ii) an allowance for books and sup-
 9 plies, for a student attending the technical
 10 school on at least a half-time basis, as de-
 11 termined by the school.

12 “(C) The term ‘technical school’ means a
 13 ‘postsecondary vocational institution’ that pro-
 14 vides career and technical education.

15 “(D) The term ‘postsecondary vocational
 16 institution’ has the meaning given the term in
 17 section 102(c) of the Higher Education Act of
 18 1965 (20 U.S.C. 1002(c)).

19 “(E) The term ‘unemployed individual’
 20 means an unemployed individual who is a cit-
 21 izen of the United States.”.

22 **SEC. 4. TAX CREDITS FOR NEW HIRES.**

23 (a) CREDIT FOR INCREASING EMPLOYMENT.—Sub-
 24 part C of part IV of subchapter A of chapter 1 of the
 25 Internal Revenue Code of 1986 (relating to refundable

1 credits) is amended by inserting after section 36B the fol-
 2 lowing new section:

3 **“SEC. 36C. CREDIT FOR INCREASING EMPLOYMENT.**

4 “(a) IN GENERAL.—There shall be allowed as a cred-
 5 it against the tax imposed by this subtitle—

6 “(1) for any taxable year beginning in 2014, an
 7 amount equal to 60 percent of the excess of—

8 “(A) the aggregate wages paid during
 9 2014, over

10 “(B) the aggregate wages paid during
 11 2013, and

12 “(2) for any taxable year beginning in 2015, an
 13 amount equal to 40 percent of the excess of—

14 “(A) the aggregate wages paid during
 15 2015, over

16 “(B) the aggregate inflation-adjusted
 17 wages paid during 2014.

18 “(b) MAXIMUM CREDIT.—The amount of the credit
 19 allowable under this section for any employer with respect
 20 to any calendar year shall not exceed \$500,000.

21 “(c) MINIMUM PRECEDING YEAR WAGES.—For pur-
 22 poses of subsection (a)—

23 “(1) the amount taken into account under para-
 24 graph (1)(B) thereof shall not be less than 50 per-

1 cent of the amount described in paragraph (1)(A)
2 thereof, and

3 “(2) the amount taken into account under para-
4 graph (2)(B) thereof shall not be less than 50 per-
5 cent of the amount described in paragraph (2)(A)
6 thereof.

7 “(d) TOTAL WAGES MUST INCREASE.—The amount
8 of credit allowed under this section for any taxable year
9 shall not exceed the amount which would be so allowed
10 for such year (without regard to subsection (c)) if—

11 “(1) the aggregate amounts taken into account
12 as wages were determined without any dollar limita-
13 tion, and

14 “(2) 103 percent of the amount of wages other-
15 wise required to be taken into account under sub-
16 section (a)(1)(B) or subsection (a)(2)(B), as the
17 case may be, were taken into account.

18 “(e) WAGES; INFLATION-ADJUSTED WAGES.—For
19 purposes of this section:

20 “(1) IN GENERAL.—Except as provided in para-
21 graph (2), the term ‘wages’ has the meaning given
22 to such term by section 3306(b).

23 “(2) RAILWAY AND AGRICULTURAL LABOR.—
24 Rules similar to the rules of section 51(h) shall
25 apply for purposes of this section.

1 “(3) INFLATION-ADJUSTED WAGES.—The term
 2 ‘inflation-adjusted wages’ means the aggregate
 3 wages paid during 2014 increased by an amount
 4 equal to—

5 “(A) such aggregate wages, multiplied by

6 “(B) the cost-of-living adjustment deter-
 7 mined under section 1(f)(3) for 2014, deter-
 8 mined by substituting ‘calendar year 2012’ for
 9 ‘calendar year 1992’ in subparagraph (B)
 10 thereof.

11 Any increase determined under the preceding sen-
 12 tence shall be rounded in such manner as the Sec-
 13 retary shall prescribe.

14 “(f) SPECIAL RULES.—

15 “(1) ADJUSTMENTS FOR CERTAIN ACQUISI-
 16 TIONS, ETC.—

17 “(A) ACQUISITIONS.—If, after December
 18 31, 2012, an employer acquires the major por-
 19 tion of a trade or business of another person
 20 (hereinafter in this subparagraph referred to as
 21 the ‘predecessor’) or the major portion of a sep-
 22 arate unit of a trade or business of a prede-
 23 cessor, then, for purposes of applying this sec-
 24 tion for any calendar year ending after such ac-
 25 quisition, the amount of wages deemed paid by

1 the employer during periods before such acqui-
2 sition shall be increased by so much of such
3 wages paid by the predecessor with respect to
4 the acquired trade or business as is attributable
5 to the portion of such trade or business ac-
6 quired by the employer.

7 “(B) DISPOSITIONS.—If, after December
8 31, 2012—

9 “(i) an employer disposes of the major
10 portion of any trade or business of the em-
11 ployer or the major portion of a separate
12 unit of a trade or business of the employer
13 in a transaction to which subparagraph
14 (A) applies, and

15 “(ii) the employer furnishes the ac-
16 quiring person such information as is nec-
17 essary for the application of subparagraph
18 (A),

19 then, for purposes of applying this section for
20 any calendar year ending after such disposition,
21 the amount of wages deemed paid by the em-
22 ployer during periods before such disposition
23 shall be decreased by so much of such wages as
24 is attributable to such trade or business or sep-
25 arate unit.

1 “(2) CHANGE IN STATUS FROM SELF-EM-
2 PLOYED TO EMPLOYEE.—If—

3 “(A) during 2013 or 2014 an individual
4 has net earnings from self-employment (as de-
5 fined in section 1402(a)) which are attributable
6 to a trade or business, and

7 “(B) for any portion of the succeeding cal-
8 endar year such individual is an employee of
9 such trade or business,
10 then, for purposes of determining the credit allow-
11 able for a taxable year beginning in such succeeding
12 calendar year, the employer’s aggregate wages for
13 2013 or 2014, as the case may be, shall be increased
14 by an amount equal to so much of the net earnings
15 referred to in subparagraph (A) as does not exceed
16 the median household income in the United States
17 for 2013 or 2014, as the case may be.

18 “(3) CERTAIN OTHER RULES TO APPLY.—Rules
19 similar to the following rules shall apply for pur-
20 poses of this section:

21 “(A) Section 51(f) (relating to remunera-
22 tion must be for trade or business employment).

23 “(B) Section 51(i)(1) (relating to related
24 individuals ineligible).

1 “(C) Section 51(k) (relating to treatment
2 of successor employers; treatment of employees
3 performing services for other persons).

4 “(D) Section 52 (relating to special rules).

5 “(4) SHORT TAXABLE YEARS.—If the employer
6 has more than 1 taxable year beginning in 2014 or
7 2015, the credit under this section shall be deter-
8 mined for the employer’s last taxable year beginning
9 in 2014 or 2015, as the case may be.”.

10 (b) DENIAL OF DOUBLE BENEFIT.—Subsection (a)
11 of section 280C of such Code is amended by inserting
12 “36C(a),” before “45A(a)”.

13 (c) CONFORMING AMENDMENTS.—

14 (1) Section 1324(b)(2) of title 31, United
15 States Code, is amended by inserting “36C,” after
16 “36B,”.

17 (2) The table of sections for subpart C of part
18 IV of subchapter A of chapter 1 of such Code is
19 amended by inserting after the item relating to sec-
20 tion 36B the following new item:

“Sec. 36C. Credit for increasing employment.”.

21 (d) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2013.

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