

113TH CONGRESS
2D SESSION

H. R. 5567

To carry out pilot programs to improve skills and job training, and for
other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2014

Mr. CARNEY introduced the following bill; which was referred to the
Committee on Education and the Workforce

A BILL

To carry out pilot programs to improve skills and job
training, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Education and Work-
5 force Innovation Act”.

6 **SEC. 2. COMMUNITY WORKFORCE TRAINING GRANTS.**

7 (a) PROGRAM AUTHORIZED.—From the amounts ap-
8 propriated to carry out this section, the Secretary of Edu-
9 cation, in consultation with the Secretary of Labor and
10 the advisory panel, shall carry out a 5-year pilot program

1 to award grants to eligible entities to carry out programs
2 that provide direct skills and job training for individuals
3 to enter and advance in high-growth, emerging, and in-
4 demand industries, such as skilled labor and trade indus-
5 tries.

6 (b) APPLICATION.—To receive a grant under this sec-
7 tion, an eligible entity shall submit an application, at such
8 time, in such manner, and containing such information as
9 the Secretary of Education may require.

10 (c) USES OF FUNDS.—An eligible entity that receives
11 a grant under this section shall use such grant to—

12 (1) develop and carry out a multiyear program
13 to provide students enrolled in a school or institution
14 described in subparagraphs (A) through (C) of sub-
15 section (g)(1) with education and training to prepare
16 such students to enter and advance in high-growth,
17 emerging, or in-demand industries by providing—

18 (A) customized training that is valuable to
19 such industries;

20 (B) increased productivity and knowledge
21 transfer;

22 (C) a stable and predictable pipeline to a
23 high-standard of employment (as determined by
24 the Secretary of Labor in consultation with the

1 advisory panel) upon graduation from the pro-
2 gram;

3 (D) a proven model of success, as deter-
4 mined by the Secretary of Labor in consultation
5 with the advisory panel; and

6 (E) an opportunity for career advance-
7 ment; and

8 (2) cover costs related to developing and car-
9 rying out the program, which may include—

10 (A) covering overhead costs;

11 (B) improving program design;

12 (C) expanding access to the program; or

13 (D) providing tuition subsidies for students
14 enrolled, or desiring to enroll, in an institution
15 described in subparagraph (A) or (B) of sub-
16 section (g)(1), if applicable, to participate in
17 such program.

18 (d) MATCHING FUNDS.—An eligible entity that is
19 awarded a grant under this section shall provide matching
20 funds from non-Federal sources in an amount equal to not
21 less than the Federal funds provided under the grant.

22 (e) ADVISORY PANEL.—In carrying out the pilot pro-
23 gram under this section, the Secretary of Education shall
24 establish an advisory panel that is comprised of Federal
25 education experts and private sector executives.

1 (f) AVAILABILITY OF FUNDING.—For fiscal year
2 2016 and each of the 4 succeeding fiscal years, not less
3 than \$50,000,000 shall be available from the amount ap-
4 propriated for each such fiscal year for the Workforce In-
5 novation Fund of the Department of Labor for the costs
6 of carrying out this section.

7 (g) DEFINITIONS.—In this section:

8 (1) ELIGIBLE ENTITY.—The term “eligible enti-
9 ty” means a private company involved in the manu-
10 facturing, production, or technology industries, in
11 partnership with a—

12 (A) junior or community college;

13 (B) postsecondary vocational institution; or

14 (C) secondary school.

15 (2) JUNIOR OR COMMUNITY COLLEGE.—The
16 term “junior or community college” has the meaning
17 given the term in section 312(f) of the Higher Edu-
18 cation Act of 1965 (20 U.S.C. 1058(f)).

19 (3) POSTSECONDARY VOCATIONAL INSTITU-
20 TION.—The term “postsecondary vocational institu-
21 tion” has the meaning given the term in section
22 102(c) of the Higher Education Act of 1965 (20
23 U.S.C. 1002(c)).

24 (4) SECONDARY SCHOOL.—The term “sec-
25 ondary school” has the meaning given the term in

1 section 9101 of the Elementary and Secondary Edu-
2 cation Act of 1965 (20 U.S.C. 7801).

3 (5) SKILLED LABOR AND TRADE INDUSTRIES.—

4 The term “skilled labor and trade industries” shall
5 be defined by the Secretary of Labor.

6 **SEC. 3. FINANCING A SKILLED 21ST CENTURY WORKFORCE**

7 **GOAL.**

8 (a) PROGRAM AUTHORIZED.—The Secretaries of
9 Education and the Treasury, jointly with the advisory
10 panel, shall administer a pay-for-performance pilot pro-
11 gram for 5 years to raise funds from qualified investors
12 to cover the cost of a workforce training program that in-
13 creases trade certifications or apprenticeships for unem-
14 ployed individuals or dislocated workers, and that meets
15 the requirements of subsection (b).

16 (b) PROGRAM REQUIREMENTS.—The pay-for-per-
17 formance pilot program carried out under subsection (a)
18 shall require that—

19 (1) the Secretaries and the advisory panel es-
20 tablish the goals of increasing trade certifications or
21 apprenticeships for unemployed individuals or dis-
22 located workers, and other social and financial goals
23 (such as reducing Federal, State, and local expendi-
24 tures related to workforce training) for the program;

1 (2) a qualified investor enters into a pay-for-
2 performance agreement with the Secretaries under
3 which the qualified investor—

4 (A) provides funds to a service provider se-
5 lected by the Secretaries, the advisory panel,
6 and the qualified investor to meet the goals es-
7 tablished under paragraph (1); and

8 (B) agrees to the repayment terms de-
9 scribed in paragraph (4);

10 (3) the service provider uses such funds to
11 carry out a workforce training program for unem-
12 ployed adults or dislocated workers to meet such
13 goals;

14 (4) if the Secretaries and the advisory panel de-
15 termine that the workforce training program carried
16 out by the service provider meets the goals estab-
17 lished under paragraph (1), the Secretaries will
18 repay the qualified investor the amount of funds
19 provided by the qualified investor under paragraph
20 (2) with financial returns; and

21 (5) the Secretaries and the advisory panel as-
22 sess the feasibility of expanding the pay-for-perform-
23 ance pilot program on a larger scale.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated \$75,000,000 for fiscal
3 year 2016 to carry out this section.

4 (d) DEFINITIONS.—In this Act:

5 (1) ADVISORY PANEL.—The term “advisory
6 panel” means a panel of business representatives se-
7 lected by the Secretaries.

8 (2) DISLOCATED WORKER; UNEMPLOYED INDIVIDUAL.—The terms “dislocated worker” and “un-
9 employed individual” have the meanings given the
10 terms in section 3 of the Workforce Innovation and
11 Opportunity Act (29 U.S.C. 3102).
12

13 (3) QUALIFIED INVESTOR.—The term “quali-
14 fied investor” has the meaning given such term in
15 section 230.501(a) of title 17, Code of Federal Reg-
16 ulations (or successor regulations).

17 (4) SECRETARIES.—The term “Secretaries”
18 means the Secretaries of Education and the Treas-
19 ury.

20 (5) SERVICE PROVIDER.—The term “service
21 provider” means a nonprofit organization that car-
22 ries out a workforce training program.

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