

113TH CONGRESS
1ST SESSION

S. 1383

To provide subsidized employment for unemployed, low-income adults, provide summer employment and year-round employment opportunities for low-income youth, and carry out work-related and educational strategies and activities of demonstrated effectiveness, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 29, 2013

Mr. BLUMENTHAL (for himself, Mrs. GILLIBRAND, and Mr. MURPHY) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To provide subsidized employment for unemployed, low-income adults, provide summer employment and year-round employment opportunities for low-income youth, and carry out work-related and educational strategies and activities of demonstrated effectiveness, 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 “Pathways Back to
5 Work Act of 2013”.

1 **SEC. 2. ESTABLISHMENT OF PATHWAYS BACK TO WORK**
2 **FUND.**

3 (a) ESTABLISHMENT.—There is established in the
4 Treasury of the United States an account, which shall be
5 known as the Pathways Back to Work Fund (referred to
6 in this Act as “the Fund”), consisting of such amounts
7 as are paid to the Fund under subsection (b).

8 (b) PAYMENT INTO THE FUND.—Out of any amounts
9 in the general fund of the Treasury not otherwise appro-
10 priated, there is appropriated \$12,500,000,000, which
11 shall be paid to the Fund, to be used by the Secretary
12 of Labor to carry out this Act.

13 (c) PERIOD OF AVAILABILITY.—The amounts appro-
14 priated under this Act shall be available for obligation by
15 the Secretary of Labor through December 31, 2014, and
16 shall be available for expenditure by recipients of grants
17 and subgrants under this Act through September 30,
18 2015.

19 **SEC. 3. AVAILABILITY OF FUNDS.**

20 (a) IN GENERAL.—Using the amounts available
21 through the Fund under section 2(b), the Secretary of
22 Labor shall, subject to subsection (b)—

23 (1) allot \$8,000,000,000 in accordance with
24 section 4 to provide subsidized employment to unem-
25 ployed, low-income adults;

1 (2) allot \$2,500,000,000 in accordance with
 2 section 5 to provide summer employment and year-
 3 round employment opportunities to low-income
 4 youth; and

5 (3) use \$2,000,000,000 in accordance with sec-
 6 tion 6 to award grants on a competitive basis to
 7 local entities to carry out work-based training and
 8 other work-related and educational strategies and
 9 activities of demonstrated effectiveness to unem-
 10 ployed, low-income adults and low-income youth to
 11 provide the skills and assistance needed to obtain
 12 employment.

13 (b) RESERVATION.—The Secretary of Labor may re-
 14 serve not more than 1 percent of the amounts available
 15 through the Fund under each of paragraphs (1) through
 16 (3) of subsection (a) to pay for the costs of technical as-
 17 sistance, evaluations, and Federal administration of this
 18 Act.

19 **SEC. 4. SUBSIDIZED EMPLOYMENT FOR UNEMPLOYED,**
 20 **LOW-INCOME ADULTS.**

21 (a) IN GENERAL.—

22 (1) ALLOTMENTS.—From the funds available
 23 under section 3(a)(1), the Secretary of Labor shall
 24 make an allotment or provide assistance under sub-
 25 section (b) to each State that has a State plan ap-

1 proved under subsection (c) and to each outlying
2 area and recipient under section 166(c) of the Work-
3 force Investment Act of 1998 (29 U.S.C. 2911(c))
4 that meets the requirements of this section, for the
5 purpose of providing subsidized employment oppor-
6 tunities to unemployed, low-income adults.

7 (2) GUIDANCE.—Not later than 30 days after
8 the date of enactment of this Act, the Secretary of
9 Labor, in coordination with the Secretary of Health
10 and Human Services, shall issue guidance regarding
11 the implementation of this section. Such guidance
12 shall, consistent with this section, include procedures
13 for the submission and approval of State and local
14 plans and the allotment and allocation of funds, in-
15 cluding reallocation and reallocation of such funds,
16 that promote the expeditious and effective implemen-
17 tation of the activities authorized under this section.

18 (b) STATE ALLOTMENTS.—

19 (1) RESERVATIONS FOR OUTLYING AREAS AND
20 TRIBES.—Of the funds described in subsection
21 (a)(1), the Secretary of Labor shall reserve—

22 (A) not more than $\frac{1}{4}$ of 1 percent to pro-
23 vide assistance to outlying areas to provide sub-
24 sidized employment to unemployed, low-income
25 adults; and

1 (B) 1.5 percent to provide assistance to re-
2 cipients under section 166(c) of the Workforce
3 Investment Act of 1998 (29 U.S.C. 2911(c)) to
4 provide subsidized employment to unemployed,
5 low-income adults.

6 (2) STATES.—After determining the amounts to
7 be reserved under section 3(b) and paragraph (1),
8 the Secretary of Labor shall allot the remainder of
9 the funds described in subsection (a)(1) among the
10 States by allotting—

11 (A) one-third on the basis of the relative
12 number of unemployed individuals in areas of
13 substantial unemployment in each State, com-
14 pared to the total number of unemployed indi-
15 viduals in areas of substantial unemployment in
16 all States;

17 (B) one-third on the basis of the relative
18 excess number of unemployed individuals in
19 each State, compared to the total excess num-
20 ber of unemployed individuals in all States; and

21 (C) one-third on the basis of the relative
22 number of disadvantaged adults and youth in
23 each State, compared to the total number of
24 disadvantaged adults and youth in all States.

(3) DEFINITIONS.—For purposes of the formula described in paragraph (2)—

(A) AREA OF SUBSTANTIAL UNEMPLOYMENT.—The term “area of substantial unemployment” means any contiguous area that has a population of at least 10,000, and that has an average rate of unemployment of at least 6.5 percent for the most recent 12 months, as determined by the Secretary of Labor.

(B) DISADVANTAGED ADULT OR YOUTH.—The term “disadvantaged adult or youth” means an individual who is age 16 or older who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the higher of—

(i) the poverty line; or

(ii) 70 percent of the lower living standard income level.

(C) EXCESS NUMBER.—The term “excess number” means, used with respect to unemployed individuals in a State, the higher of—

(i) the number that represents the number of unemployed individuals in ex-

1 cess of 4.5 percent of the civilian labor
2 force in the State; or

3 (ii) the number that represents the
4 number of unemployed individuals in ex-
5 cess of 4.5 percent of the civilian labor
6 force in areas of substantial unemployment
7 in such State.

8 (4) REALLOTMENT.—If the Governor of a State
9 does not submit a State plan by the date specified
10 in subsection (c)(2)(B), or a State does not receive
11 approval of a State plan, the amount the State
12 would have been eligible to receive pursuant to the
13 formula under paragraph (2) shall be transferred
14 within the Fund and added to the amounts available
15 for competitive grants under section 3(a)(3).

16 (c) STATE PLAN.—

17 (1) IN GENERAL.—For a State to be eligible to
18 receive an allotment of funds under subsection (b),
19 the Governor of the State shall submit to the Sec-
20 retary of Labor a State plan in such form and con-
21 taining such information as the Secretary may re-
22 quire. At a minimum, such plan shall include—

23 (A) a description of the strategies and ac-
24 tivities to be carried out by the State, in coordi-
25 nation with employers in the State, to provide

1 subsidized employment opportunities to unem-
2 ployed, low-income adults, including strategies
3 relating to the level and duration of subsidies
4 consistent with subsection (e)(2);

5 (B) a description of the requirements the
6 State will apply relating to the eligibility of un-
7 employed, low-income adults, consistent with
8 section 8, for subsidized employment opportuni-
9 ties, which requirements may include criteria to
10 target assistance to particular categories of
11 such adults, such as individuals with disabilities
12 or individuals who have exhausted all rights to
13 unemployment compensation;

14 (C) a description of how the funds allotted
15 to provide subsidized employment opportunities
16 will be administered in the State and (if admin-
17 istered by entities described in subsection
18 (d)(1)(A)) in local workforce investment areas,
19 in accordance with subsection (d);

20 (D) a description of the performance out-
21 comes to be achieved by the State through the
22 activities carried out under this section and the
23 processes the State will use to track the per-
24 formance, consistent with guidance provided by

1 the Secretary of Labor regarding such outcomes
2 and processes and with section 7(b);

3 (E) a description of the coordination of ac-
4 tivities to be carried out with the funds pro-
5 vided under this section, with activities under
6 title I of the Workforce Investment Act of 1998
7 (29 U.S.C. 2801 et seq.), the program of block
8 grants to States for temporary assistance for
9 needy families established under part A of title
10 IV of the Social Security Act (referred to in
11 this Act as the “TANF program”; 42 U.S.C.
12 601 et seq.), and other appropriate Federal and
13 State programs that may assist unemployed,
14 low-income adults in obtaining and retaining
15 employment;

16 (F) a description of the timelines for im-
17 plementation of the activities described in sub-
18 paragraph (A), and the number of unemployed,
19 low-income adults expected to be placed in sub-
20 sidized employment by calendar quarter;

21 (G) assurances that the State will report
22 such information relating to fiscal, performance,
23 and other matters as the Secretary of Labor
24 may require and as the Secretary determines is

1 necessary to effectively monitor the activities
 2 carried out under this section; and

3 (H) assurances that the State will ensure
 4 compliance with the requirements, restrictions,
 5 labor standards, and other provisions described
 6 in section 7(a).

7 (2) SUBMISSION AND APPROVAL OF STATE
 8 PLAN.—

9 (A) SUBMISSION WITH OTHER PLANS.—

10 The State plan described in paragraph (1) may
 11 be submitted in conjunction with the State plan
 12 modification or other request for funds by the
 13 State required under section 5, and may be
 14 submitted as a modification to a State plan
 15 that has been approved under section 112 of
 16 the Workforce Investment Act of 1998 (29
 17 U.S.C. 2822).

18 (B) SUBMISSION AND APPROVAL.—

19 (i) SUBMISSION.—The Governor shall
 20 submit the State plan described in para-
 21 graph (1) to the Secretary of Labor not
 22 later than 75 days after the date of enact-
 23 ment of this Act and the Secretary shall
 24 make a determination regarding the ap-
 25 proval or disapproval of such plan not later

1 than 45 days after the submission of such
2 plan. If the plan is disapproved, the Sec-
3 retary may provide a reasonable period of
4 time in which the plan may be amended
5 and resubmitted for approval.

6 (ii) APPROVAL.—The Secretary of
7 Labor shall approve a State plan that the
8 Secretary determines is consistent with the
9 requirements of this section and reasonably
10 appropriate and adequate to carry out the
11 objectives of this section. If the plan is ap-
12 proved, the Secretary shall allot funds to
13 the State under subsection (b) within 30
14 days after such approval.

15 (3) MODIFICATIONS TO STATE PLAN.—The
16 Governor may submit a modification to a State plan
17 under this subsection, consistent with the require-
18 ments of this section.

19 (d) ADMINISTRATION WITHIN THE STATE.—

20 (1) OPTION.—The State may administer the
21 funds for activities under this section through—

22 (A) the State and local entities responsible
23 for the administration of the formula program
24 of workforce investment activities for adults

under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.);

(B) the State agency or agencies responsible for the administration of the TANF program; or

(C) a combination of the entities and agency or agencies described in subparagraphs (A) and (B).

(2) WITHIN-STATE ALLOCATIONS.—

(A) ALLOCATION OF FUNDS.—The Governor may reserve not more than 5 percent of the funds made available through the allotment under subsection (b)(2), for administration and technical assistance, and shall allocate the remainder, in accordance with the option elected under paragraph (1)—

(i) among local workforce investment areas within the State in accordance with subparagraphs (A), (B), and (C) of subsection (b)(2), except that for purposes of such allocation references in paragraph (2) or (3) of subsection (b) to a State shall be deemed to be references to a local workforce investment area and references to all States shall be deemed to be references to

1 all local workforce investment areas in the
2 State involved; or

3 (ii) through entities responsible for
4 the administration of the TANF program
5 in local areas, in such manner as the State
6 agency or agencies responsible for the ad-
7 ministration of the TANF program may
8 determine to be appropriate.

9 (B) LOCAL PLANS.—

10 (i) IN GENERAL.—In a case in which
11 the responsibility for the administration of
12 the activities described in subsection (e) is
13 to be carried out by the entities described
14 in paragraph (1)(A), in order to receive an
15 allocation for a local workforce investment
16 area under subparagraph (A)(i), a local
17 workforce investment board, in partnership
18 with the chief elected official for the local
19 workforce investment area, shall submit to
20 the Governor, not later than 30 days after
21 the submission of the State plan, a local
22 plan for the use of such funds under this
23 section. Such local plan may be submitted
24 as a modification to a local plan approved

1 under section 118 of the Workforce Invest-
2 ment Act of 1998 (29 U.S.C. 2833).

3 (ii) CONTENTS.—The local plan de-
4 scribed in clause (i) shall contain the infor-
5 mation described in subparagraphs (A)
6 through (H) of subsection (c)(1), as ap-
7 plied to the local workforce investment
8 area.

9 (iii) APPROVAL.—The Governor shall
10 approve or disapprove the local plan sub-
11 mitted under clause (i) not later than a
12 date (referred to in this clause as the
13 “final determination date”) that is the
14 later of the 30th day after the submission
15 of the local plan or the 30th day after the
16 approval of the State plan. The Governor
17 shall approve the local plan unless the Gov-
18 ernor determines that the plan is incon-
19 sistent with the requirements of this sec-
20 tion or is not reasonably appropriate and
21 adequate to carry out the objectives of this
22 section. If the Governor has not made a
23 determination by the final determination
24 date, the plan shall be considered to be ap-
25 proved. If the plan is disapproved, the Gov-

ernor may provide a reasonable period of time in which the plan may be amended and resubmitted for approval. If the plan is approved, the Governor shall allocate funds to the local workforce investment area involved under subparagraph (A)(i) within 30 days after such approval.

(C) REALLOCATION OF FUNDS TO LOCAL WORKFORCE INVESTMENT AREAS.—In a case described in subparagraph (B)(i), if a local workforce investment board and chief elected official do not submit a local plan by the date specified in subparagraph (B)(i), or the Governor disapproves a local plan, the amount the local workforce investment area would have been eligible to receive pursuant to the formula under subparagraph (A)(i) shall be allocated to local workforce investment areas that receive approval of their local plans under subparagraph (B). Each such local workforce investment area shall receive a share of the total amount available for reallocation under this subparagraph, in accordance with the area's share of the total amount allocated under sub-

1 paragraph (A)(i) to such local workforce invest-
2 ment areas.

3 (e) USE OF FUNDS.—

4 (1) IN GENERAL.—The funds made available
5 under this section shall be used to provide subsidized
6 employment for unemployed, low-income adults. The
7 entities or agencies described in subsection (d)(1)
8 may use a variety of strategies in recruiting employ-
9 ers and identifying appropriate employment opportu-
10 nities, but shall give priority to providing employ-
11 ment opportunities likely to lead to unsubsidized em-
12 ployment in emerging or in-demand occupations in
13 the area served through the grant involved. Funds
14 made available under this section may be used to
15 provide support services, such as transportation and
16 child care, that are necessary to enable such adults
17 to participate in subsidized employment opportuni-
18 ties.

19 (2) LEVEL OF SUBSIDY AND DURATION.—The
20 entities or agencies described in subsection (d)(1)
21 may determine the percentage of the wages and
22 costs of employing a participant for which an em-
23 ployer may receive a subsidy with the funds made
24 available under this section, and the duration of
25 such subsidy, in accordance with guidance issued by

1 the Secretary of Labor in coordination with the Sec-
 2 retary of Health and Human Services. The entities
 3 or agencies may establish criteria for determining
 4 such percentage or duration, using appropriate fac-
 5 tors such as the size of the employer and type of em-
 6 ployment.

7 (3) LIMITATION.—Not more than 10 percent of
 8 the funds allocated to a local workforce investment
 9 area under subsection (d)(2)(A)(i) may be used for
 10 the costs of administration of this section.

11 (f) COORDINATION OF FEDERAL ADMINISTRATION.—
 12 The Secretary of Labor shall administer this section in
 13 coordination with the Secretary of Health and Human
 14 Services to ensure the effective implementation of this sec-
 15 tion.

16 **SEC. 5. SUMMER EMPLOYMENT AND YEAR-ROUND EMPLOY-**
 17 **MENT OPPORTUNITIES FOR LOW-INCOME**
 18 **AND DISCONNECTED YOUTH.**

19 (a) IN GENERAL.—From the funds available under
 20 section 3(a)(2), the Secretary of Labor shall make an al-
 21 lotment or provide assistance under subsection (c) to each
 22 State that has a modification to a State plan approved
 23 under section 112 of the Workforce Investment Act of
 24 1998 (29 U.S.C. 2822) (referred to in this section as a
 25 “State plan modification”) (or other State request for

1 funds specified in guidance under subsection (b)) approved
2 under subsection (d) and to each outlying area and recipi-
3 ent under section 166(c) of the Workforce Investment Act
4 of 1998 (29 U.S.C. 2911(c)) (referred to in this section
5 as a “Native American grantee”) that meets the require-
6 ments of this section, for the purpose of providing summer
7 employment and year-round employment opportunities to
8 low-income youth.

9 (b) GUIDANCE AND APPLICATION OF REQUIRE-
10 MENTS.—

11 (1) GUIDANCE.—Not later than 20 days after
12 the date of enactment of this Act, the Secretary of
13 Labor shall issue guidance regarding the implemen-
14 tation of this section.

15 (2) PROCEDURES.—Such guidance shall, con-
16 sistent with this section, include procedures for—

17 (A) submission and approval for State plan
18 modifications, for such other forms of requests
19 for funds by the State as may be identified in
20 such guidance, for modifications to local plans
21 approved under section 118 of the Workforce
22 Investment Act of 1998 (29 U.S.C. 2833) (re-
23 ferred to individually in this section as a “local
24 plan modification”), or for such other forms of
25 requests for funds by local workforce invest-

ment areas as may be identified in such guidance, that promote the expeditious and effective implementation of the activities authorized under this section; and

(B) the allotment and allocation of funds, including reallocation and reallocation of such funds, that promote such implementation.

(3) REQUIREMENTS.—Except as otherwise provided in the guidance described in paragraph (1) and in this section and other provisions of this Act, the funds provided for activities under this section shall be administered in accordance with the provisions of subtitles B and E of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq., 2931 et seq.) relating to youth activities.

(c) STATE ALLOTMENTS.—

(1) RESERVATIONS FOR OUTLYING AREAS AND TRIBES.—Of the funds described in subsection (a), the Secretary of Labor shall reserve—

(A) not more than $\frac{1}{4}$ of 1 percent to provide assistance to outlying areas to provide summer employment and year-round employment opportunities to low-income youth; and

(B) 1.5 percent to provide assistance to Native American grantees to provide summer

1 employment and year-round employment oppor-
2 tunities to low-income youth.

3 (2) STATES.—After determining the amounts to
4 be reserved under section 3(b) and paragraph (1),
5 the Secretary of Labor shall allot the remainder of
6 the funds described in subsection (a) among the
7 States in accordance with the subparagraphs (A),
8 (B), and (C) of section 4(b)(2).

9 (3) REALLOTMENT.—If the Governor of a State
10 does not submit a State plan modification or other
11 State request for funds specified in guidance under
12 subsection (b) by the date specified in subsection
13 (d)(2)(B), or a State does not receive approval of
14 such State plan modification or request, the amount
15 the State would have been eligible to receive pursu-
16 ant to the formula under paragraph (2) shall be
17 transferred within the Fund and added to the
18 amounts available for competitive grants under sec-
19 tion 3(a)(3).

20 (d) STATE PLAN MODIFICATION OR REQUEST.—

21 (1) IN GENERAL.—For a State to be eligible to
22 receive an allotment of funds under subsection (c),
23 the Governor of the State shall submit to the Sec-
24 retary of Labor a State plan modification, or other
25 State request for funds specified in guidance under

1 subsection (b), in such form and containing such in-
2 formation as the Secretary may require. At a min-
3 imum, such State plan modification or request shall
4 include—

5 (A) a description of the strategies and ac-
6 tivities to be carried out to provide summer em-
7 ployment opportunities and year-round employ-
8 ment opportunities, including linkages to train-
9 ing and educational activities, consistent with
10 subsection (f);

11 (B) a description of the requirements the
12 States will apply relating to the eligibility of
13 low-income youth, consistent with section 8, for
14 summer employment opportunities and year-
15 round employment opportunities, which require-
16 ments may include criteria to target assistance
17 to particular categories of such low-income
18 youth, such as youth with disabilities, con-
19 sistent with subsection (f);

20 (C) a description of the performance out-
21 comes to be achieved by the State through the
22 activities carried out under this section and the
23 processes the State will use to track the per-
24 formance, consistent with guidance provided by

the Secretary of Labor regarding such outcomes and processes and with section 7(b);

(D) a description of the timelines for implementation of the activities described in subparagraph (A), and the number of low-income youth expected to be placed in summer employment opportunities, and year-round employment opportunities, respectively, by calendar quarter;

(E) assurances that the State will report such information relating to fiscal, performance, and other matters as the Secretary of Labor may require and as the Secretary determines is necessary to effectively monitor the activities carried out under this section;

(F) assurances that the State will ensure compliance with the requirements, restrictions, labor standards, and other provisions described in section 7(a); and

(G) for any employment opportunity that will provide participants with an industry-recognized credential, a description of the credential.

(2) SUBMISSION AND APPROVAL OF STATE PLAN MODIFICATION OR REQUEST.—

(A) SUBMISSION.—The Governor shall submit the State plan modification or other

1 State request for funds specified in guidance
2 under subsection (b) to the Secretary of Labor
3 not later than 30 days after the issuance of
4 such guidance. The State plan modification or
5 other State request for funds may be submitted
6 in conjunction with the State plan required
7 under section 4(c).

8 (B) APPROVAL.—The Secretary of Labor
9 shall approve or disapprove the State plan
10 modification or request submitted under sub-
11 paragraph (A) within 30 days after submission.
12 The Secretary of Labor shall approve the modi-
13 fication or request unless the Secretary deter-
14 mines that the modification or request is incon-
15 sistent with the requirements of this section. If
16 the Secretary has not made a determination
17 within that 30-day period, the modification or
18 request shall be considered to be approved. If
19 the modification or request is disapproved, the
20 Secretary may provide a reasonable period of
21 time in which the modification or request may
22 be amended and resubmitted for approval. If
23 the modification or request is approved, the
24 Secretary shall allot funds to the State under

1 subsection (c) within 30 days after such ap-
 2 proval.

3 (3) MODIFICATIONS TO STATE PLAN MODIFICA-
 4 TION OR REQUEST.—The Governor may submit fur-
 5 ther modifications to a State plan modification or
 6 other State request for funds specified under sub-
 7 section (b), consistent with the requirements of this
 8 section.

9 (e) WITHIN-STATE ALLOCATION AND ADMINISTRA-
 10 TION.—

11 (1) IN GENERAL.—Of the funds allotted to the
 12 State under subsection (c), the Governor—

13 (A) may reserve not more than 5 percent
 14 of the funds for administration and technical
 15 assistance; and

16 (B) shall allocate the remainder of the
 17 funds among local workforce investment areas
 18 within the State in accordance with subpara-
 19 graphs (A), (B), and (C) of section 4(b)(2), ex-
 20 cept that for purposes of such allocation ref-
 21 erences in paragraph (2) or (3) of section 4(b)
 22 to a State shall be deemed to be references to
 23 a local workforce investment area and ref-
 24 erences to all States shall be deemed to be ref-

1 erences to all local workforce investment areas
2 in the State involved.

3 (2) LOCAL PLAN MODIFICATION OR RE-
4 QUEST.—

5 (A) SUBMISSION.—In order to receive an
6 allocation for a local workforce investment area
7 under paragraph (1)(B), the local workforce in-
8 vestment board, in partnership with the chief
9 elected official for the local workforce invest-
10 ment area, shall submit to the Governor, not
11 later than 30 days after the submission by the
12 State of the State plan modification or other
13 State request for funds specified in guidance
14 under subsection (b), a local plan modification,
15 or such other request for funds by local work-
16 force investment areas as may be specified in
17 guidance under subsection (b), describing the
18 strategies and activities to be carried out under
19 this section.

20 (B) APPROVAL.—The Governor shall ap-
21 prove or disapprove the local plan modification
22 or other local request for funds submitted
23 under subparagraph (A) within 30 days after
24 submission. The Governor shall approve the
25 modification or request unless the Governor de-

1 termines that the modification or request is in-
2 consistent with the requirements of this section.
3 If the Governor has not made a determination
4 within that 30-day period, the modification or
5 request shall be considered to be approved. If
6 the modification or request is disapproved, the
7 Governor may provide a reasonable period of
8 time in which the modification or request may
9 be amended and resubmitted for approval. If
10 the modification or request is approved, the
11 Governor shall allocate funds to the local work-
12 force investment area within 30 days after such
13 approval.

14 (3) REALLOCATION.—If a local workforce in-
15 vestment board and chief elected official do not sub-
16 mit a local plan modification, or other local request
17 for funds specified in guidance under subsection (b),
18 by the date specified in paragraph (2)(A), or the
19 Governor disapproves such a modification or request,
20 the amount the local workforce investment area
21 would have been eligible to receive pursuant to the
22 formula under paragraph (1)(B) shall be allocated to
23 local workforce investment areas that receive ap-
24 proval of their local plan modifications or local re-
25 quests for funds under paragraph (2). Each such

1 local workforce investment area shall receive a share
 2 of the total amount available for reallocation under
 3 this subparagraph, in accordance with the area's
 4 share of the total amount allocated under paragraph
 5 (1)(B) to such local workforce investment areas.

6 (f) USE OF FUNDS.—

7 (1) IN GENERAL.—The funds made available
 8 under this section shall be used—

9 (A) to provide summer employment oppor-
 10 tunities for low-income youth, with direct link-
 11 ages to academic and occupational learning,
 12 and may be used to provide supportive services,
 13 such as transportation or child care, that are
 14 necessary to enable the youth to participate in
 15 the opportunities; and

16 (B) to provide year-round employment op-
 17 portunities, which may be combined with other
 18 activities authorized under section 129 of the
 19 Workforce Investment Act of 1998 (29 U.S.C.
 20 2854), to low-income youth, giving priority to
 21 out-of-school youth who are—

22 (i) high school dropouts; or

23 (ii) recipients of a secondary school
 24 diploma or its recognized equivalent but

1 who are basic skills deficient, unemployed,
2 or underemployed.

3 (2) PROGRAM PRIORITIES.—In administering
4 the funds under this section, the local board and
5 chief elected official shall give priority to—

6 (A) identifying employment opportunities
7 that are—

8 (i) in emerging or in-demand occupa-
9 tions in the local workforce investment
10 area; or

11 (ii) in the public or nonprofit sector
12 and meet community needs; and

13 (B) linking participants in year-round em-
14 ployment opportunities to training and edu-
15 cational activities that will provide such partici-
16 pants with an industry-recognized credential.

17 (3) PERFORMANCE ACCOUNTABILITY.—For ac-
18 tivities funded under this section, in lieu of meeting
19 the requirements described in section 136 of the
20 Workforce Investment Act of 1998 (29 U.S.C.
21 2871), States and local workforce investment areas
22 shall provide such reports as the Secretary of Labor
23 may require regarding the performance outcomes de-
24 scribed in section 7(b)(5).

1 (4) LIMITATION.—Not more than 10 percent of
 2 the funds allocated to a local workforce investment
 3 area under subsection (e)(1)(B) may be used for the
 4 costs of administration of this section.

5 **SEC. 6. WORK-RELATED AND EDUCATIONAL STRATEGIES**
 6 **AND ACTIVITIES OF DEMONSTRATED EFFEC-**
 7 **TIVENESS.**

8 (a) IN GENERAL.—From the funds available under
 9 section 3(a)(3), the Secretary of Labor shall award grants
 10 on a competitive basis to eligible entities to carry out
 11 work-related and educational strategies and activities of
 12 demonstrated effectiveness.

13 (b) ELIGIBLE ENTITY.—To be eligible to receive a
 14 grant under this section, an entity—

15 (1) shall include—

16 (A) a partnership involving a chief elected
 17 official, and the local workforce investment
 18 board, for the local workforce investment area
 19 involved (which may include a partnership with
 20 elected officials and workforce investment
 21 boards in the region and in the State); or

22 (B) an entity eligible to apply for a grant,
 23 contract, or agreement under section 166 of the
 24 Workforce Investment Act of 1998 (29 U.S.C.
 25 2911); and

1 (2) may include, in combination with a partner-
2 ship or entity described in paragraph (1)—

3 (A) employers or employer associations;

4 (B) adult education providers or postsec-
5 ondary educational institutions, including com-
6 munity colleges;

7 (C) community-based organizations;

8 (D) joint labor-management committees;

9 (E) work-related intermediaries; or

10 (F) other appropriate organizations.

11 (c) APPLICATION.—To be eligible to receive a grant
12 under this section, an entity shall submit to the Secretary
13 of Labor an application at such time, in such manner, and
14 containing such information as the Secretary may require.
15 At a minimum, the application shall—

16 (1) describe the strategies and activities of dem-
17 onstrated effectiveness that the eligible entity will
18 carry out to provide unemployed, low-income adults
19 and low-income youth with skills that will lead to
20 employment upon completion of participation related
21 to such strategies and activities;

22 (2) describe the requirements that will apply re-
23 lating to the eligibility of unemployed, low-income
24 adults or low-income youth, consistent with section
25 8, for strategies and activities carried out under this

1 section, which requirements may include criteria to
2 target assistance to particular categories of such
3 adults and youth, such as individuals with disabili-
4 ties or individuals who have exhausted all rights to
5 unemployment compensation;

6 (3) describe how the strategies and activities
7 will address the needs of the target populations iden-
8 tified under paragraph (2) and the needs of employ-
9 ers in the local workforce investment area;

10 (4) describe the expected outcomes to be
11 achieved by implementing the strategies and activi-
12 ties;

13 (5) provide evidence that the funds provided
14 through the grant will be expended expeditiously and
15 efficiently to implement the strategies and activities;

16 (6) describe how the strategies and activities
17 will be coordinated with other Federal, State, and
18 local programs providing employment, education,
19 and supportive activities;

20 (7) provide evidence of employer commitment to
21 participate with respect to the strategies and activi-
22 ties funded under this section, including identifica-
23 tion of anticipated occupational and skill needs;

24 (8) provide assurances that the eligible entity
25 will report such information relating to fiscal, per-

1 formance, and other matters as the Secretary of
2 Labor may require and as the Secretary determines
3 is necessary to effectively monitor the strategies and
4 activities carried out under this section;

5 (9) provide assurances that the eligible entity
6 will ensure compliance with the requirements, re-
7 strictions, labor standards, and other provisions de-
8 scribed in section 7(a); and

9 (10) for any activity leading to the acquisition
10 of an industry-recognized credential, a description of
11 the credential.

12 (d) PRIORITY IN AWARDS.—In awarding grants
13 under this section, the Secretary of Labor shall give pri-
14 ority to applications submitted by eligible entities from
15 areas of high poverty and high unemployment, as defined
16 by the Secretary, such as Public Use Microdata Areas des-
17 ignated by the Bureau of the Census.

18 (e) USE OF FUNDS.—An entity that receives a grant
19 under this section shall use the funds made available
20 through the grant to support strategies and activities of
21 demonstrated effectiveness that are designed to provide
22 unemployed, low-income adults or low-income youth with
23 skills that will lead to employment as part of or upon com-
24 pletion of participation with respect to such strategies and
25 activities. Such strategies and activities may include—

1 (1) on-the-job training, registered apprentice-
2 ship programs, or other programs that combine work
3 with skills development;

4 (2) sector-based training programs that have
5 been designed to meet the specific requirements of
6 an employer or group of employers in that sector
7 and for which employers are committed to hiring in-
8 dividuals upon successful completion of the training;

9 (3) training that supports an industry sector or
10 an employer-based or labor-management committee
11 industry partnership and that includes a significant
12 work experience component;

13 (4) strategies and activities that lead to the ac-
14 quisition of industry-recognized credentials in a field
15 identified by the State or local workforce investment
16 area as a growth sector or in-demand industry in
17 which there are likely to be significant job opportu-
18 nities in the short term;

19 (5) strategies and activities that provide con-
20 nections to immediate work opportunities, including
21 subsidized employment opportunities, or summer
22 employment opportunities for youth, that include
23 concurrent skills training and other supports;

24 (6) strategies and activities offered through ca-
25 reer academies that provide students with the aca-

1 demic preparation and training, such as paid intern-
 2 ships and concurrent enrollment in community col-
 3 leges or other postsecondary institutions, needed to
 4 pursue a career pathway that leads to postsecondary
 5 credentials and in-demand jobs; and

6 (7) adult basic education and integrated basic
 7 education and training, for low-skilled adults, that
 8 are tied to employer workforce needs, hosted at com-
 9 munity colleges or at other sites, to prepare individ-
 10 uals for jobs that are in demand in a local workforce
 11 investment area.

12 (f) COORDINATION OF FEDERAL ADMINISTRATION.—
 13 The Secretary of Labor shall administer this section in
 14 coordination with the Secretary of Education, the Sec-
 15 retary of Health and Human Services, and other appro-
 16 priate agency heads, to ensure the effective implementa-
 17 tion of this section.

18 **SEC. 7. GENERAL REQUIREMENTS.**

19 (a) LABOR STANDARDS AND PROTECTIONS.—Activi-
 20 ties provided with funds made available under this Act
 21 shall be subject to the requirements and restrictions, in-
 22 cluding the labor standards, described in section 181 of
 23 the Workforce Investment Act of 1998 (29 U.S.C. 2931)
 24 and the nondiscrimination provisions of section 188 of

1 such Act (29 U.S.C. 2938), in addition to other applicable
2 Federal laws.

3 (b) REPORTING.—The Secretary of Labor shall re-
4 quire the reporting of information relating to fiscal, per-
5 formance, and other matters that the Secretary deter-
6 mines is necessary to effectively monitor the activities car-
7 ried out with funds provided under this Act. At a min-
8 imum, recipients of grants or subgrants under this Act
9 shall provide information relating to—

10 (1) the number of individuals participating in
11 activities with funds provided under this Act and the
12 number of such individuals who have completed such
13 participation;

14 (2) the expenditures of funds provided under
15 this Act;

16 (3) the number of jobs created pursuant to the
17 activities carried out under this Act;

18 (4) the demographic characteristics of individ-
19 uals participating in activities under this Act; and

20 (5) the performance outcomes for individuals
21 participating in activities under this Act, including—

22 (A) for adults participating in activities
23 funded under section 4, performance on indica-
24 tors consisting of—

1 (i) entry into unsubsidized employ-
2 ment;

3 (ii) retention in unsubsidized employ-
4 ment; and

5 (iii) earnings in unsubsidized employ-
6 ment;

7 (B) for low-income youth participating in
8 summer employment activities under sections 5
9 and 6, performance on indicators consisting
10 of—

11 (i) work readiness skill attainment,
12 using an employer-validated checklist; and

13 (ii) placement in or return to sec-
14 ondary or postsecondary education or
15 training, or entry into unsubsidized em-
16 ployment;

17 (C) for low-income youth participating in
18 year-round employment activities under section
19 5 or in activities under section 6, performance
20 on indicators consisting of—

21 (i) placement in or return to postsec-
22 ondary education;

23 (ii) attainment of a secondary school
24 diploma or its recognized equivalent;

1 (iii) attainment of an industry-recog-
 2 nized credential; and

3 (iv) entry into unsubsidized employ-
 4 ment, retention, and earnings as described
 5 in subparagraph (A); and

6 (D) for unemployed, low-income adults
 7 participating in activities under section 6—

8 (i) entry into unsubsidized employ-
 9 ment, retention, and earnings as described
 10 in subparagraph (A); and

11 (ii) attainment of an industry-recog-
 12 nized credential.

13 (c) ACTIVITIES REQUIRED TO BE ADDITIONAL.—
 14 Funds provided under this Act shall only be used for ac-
 15 tivities that are in addition to activities that would other-
 16 wise be available in the State or local workforce invest-
 17 ment area in the absence of such funds.

18 (d) ADDITIONAL REQUIREMENTS.—The Secretary of
 19 Labor may establish such additional requirements as the
 20 Secretary determines may be necessary to ensure fiscal in-
 21 tegrity, effective monitoring, and appropriate and prompt
 22 implementation of the activities under this Act.

23 (e) REPORT OF INFORMATION AND EVALUATIONS TO
 24 CONGRESS AND THE PUBLIC.—The Secretary of Labor
 25 shall provide to the appropriate committees of Congress

1 and make available to the public the information reported
2 pursuant to subsection (b) and the evaluations of activities
3 carried out with the funds reserved under section 3(b).

4 **SEC. 8. DEFINITIONS.**

5 In this Act:

6 (1) CHIEF ELECTED OFFICIAL.—The term
7 “chief elected official” means the chief elected execu-
8 tive officer of a unit of general local government in
9 a local workforce investment area or, in the case in
10 which such an area includes more than one unit of
11 general local government, the individuals designated
12 under an agreement described in section
13 117(c)(1)(B) of the Workforce Investment Act of
14 1998 (29 U.S.C. 2832(c)(1)(B)).

15 (2) INDUSTRY-RECOGNIZED CREDENTIAL.—The
16 term “industry-recognized credential” means such a
17 credential within the meaning of section 3 of the
18 Carl D. Perkins Career and Technical Education
19 Act of 2006 (20 U.S.C. 2302).

20 (3) LOCAL WORKFORCE INVESTMENT AREA.—
21 The term “local workforce investment area” means
22 such area designated under section 116 of the Work-
23 force Investment Act of 1998 (29 U.S.C. 2831).

24 (4) LOCAL WORKFORCE INVESTMENT BOARD.—
25 The term “local workforce investment board” means

1 such board established under section 117 of the
 2 Workforce Investment Act of 1998 (29 U.S.C.
 3 2832).

4 (5) LOW-INCOME YOUTH.—

5 (A) IN GENERAL.—The term “low-income
 6 youth” means an individual who is not younger
 7 than age 16 and not older than age 24 and is
 8 an individual described in subparagraph (B) or
 9 (C).

10 (B) ELIGIBLE YOUTH.—For purposes of
 11 this paragraph, an individual described in this
 12 subparagraph—

13 (i) meets the definition of a low-in-
 14 come individual provided in section
 15 101(25) of the Workforce Investment Act
 16 of 1998 (29 U.S.C. 2801(25)), except
 17 that—

18 (I) States and local workforce in-
 19 vestment areas, subject to approval in
 20 the applicable State and local plan
 21 modifications and requests for funds,
 22 may increase the income level speci-
 23 fied in subparagraph (B)(i) of such
 24 section to an amount not in excess of
 25 200 percent of the poverty line for

purposes of determining eligibility for participation in activities under section 5; and

(II) eligible entities described in section 6(b), subject to approval in the applicable applications for funds, may make such an increase for purposes of determining eligibility for participation in activities under section 6; and

(ii) is in one or more of the categories specified in section 101(13)(C) of the Workforce Investment Act of 1998 (29 U.S.C. 2801(13)(C)).

(C) YOUTH ELIGIBLE FOR SCHOOL LUNCHES.—For purposes of this paragraph, an individual described in this subparagraph receives or is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

(6) OUTLYING AREA.—The term “outlying area” means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Republic of

1 Palau (except during any period for which the Sec-
 2 retary of Labor determines that a Compact of Free
 3 Association is in effect and provides for Federal as-
 4 sistance for education or training).

5 (7) POVERTY LINE.—The term “poverty line”
 6 means a poverty line as defined in section 673 of the
 7 Community Services Block Grant Act (42 U.S.C.
 8 9902), applicable to a family of the size involved.

9 (8) STATE.—The term “State” means each of
 10 the several States of the United States, the District
 11 of Columbia, and the Commonwealth of Puerto Rico.

12 (9) UNEMPLOYED, LOW-INCOME ADULT.—The
 13 term “unemployed, low-income adult” means an in-
 14 dividual who—

15 (A) is age 18 or older;

16 (B) is without employment and is seeking
 17 assistance under this Act to obtain employment;
 18 and

19 (C) meets the definition of a low-income
 20 individual specified in section 101(25) of the
 21 Workforce Investment Act of 1998 (29 U.S.C.
 22 2801(25)), except that—

23 (i) States and local entities described
 24 in section 4(d)(1)(A), subject to approval
 25 in the applicable State plans and local

1 plans described in subsection (c) or (d) of
2 section 4, or a State agency or agencies de-
3 scribed in section 4(d)(1)(B), subject to
4 approval in the State plan described in sec-
5 tion 4, may increase the income level speci-
6 fied in subparagraph (B)(i) of such section
7 101(25) to an amount not in excess of 200
8 percent of the poverty line for purposes of
9 determining eligibility for participation in
10 activities under section 4; and

11 (ii) eligible entities described in sec-
12 tion 6(b), subject to approval in the appli-
13 cable applications for funds, may make
14 such an increase for purposes of deter-
15 mining eligibility for participation in activi-
16 ties under section 6.

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