

119TH CONGRESS
2D SESSION

S. 3864

To require the Secretary of Labor to establish a pilot program to provide grants for job guarantee programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 12, 2026

Mr. BOOKER (for himself, Mr. MERKLEY, and Ms. WARREN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To require the Secretary of Labor to establish a pilot program to provide grants for job guarantee programs, 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 “Federal Jobs Guar-
5 antee Development Act of 2026”.

6 **SEC. 2. JOB GUARANTEE PILOT PROGRAM.**

7 (a) DEFINITIONS.—In this section:

8 (1) ELIGIBLE ENTITY.—The term “eligible enti-
9 ty” means an entity that—

1 (A) is a political subdivision of a State,
2 Tribal entity, or a combination of contiguous
3 political subdivisions or Tribal entities;

4 (B) has an unemployment rate that is not
5 less than 150 percent of the national unemploy-
6 ment rate, as determined by the Bureau of
7 Labor Statistics (except in the case of Tribal
8 entities which may submit their own employ-
9 ment data if no such Federal data is available
10 for such entities) based on the most recent data
11 available at the time the Secretary solicits ap-
12 plications for grants under this section; and

13 (C) submits an application in accordance
14 with subsection (e).

15 (2) JOB GUARANTEE PROGRAM.—The term
16 “job guarantee program” means a program that
17 meets the requirements of subsection (c).

18 (3) RURAL AREA.—The term “rural area”
19 means an area that is located outside of an urban
20 area.

21 (4) TRIBAL ENTITY.—The term “Tribal entity”
22 means an Indian tribe or tribal organization as such
23 terms are defined in section 4 of the Indian Self-De-
24 termination and Education Assistance Act (25
25 U.S.C. 5304).

1 (5) URBAN AREA.—The term “urban area”
2 means an urbanized area (a region of 50,000 or
3 more residents) and an urbanized cluster (an area
4 encompassing between 2,500 and 50,000 residents),
5 according to the Census Bureau’s urban-rural classi-
6 fication in the 2020 census.

7 (6) SECRETARY.—The term “Secretary” means
8 the Secretary of Labor.

9 (7) WIOA DEFINITIONS.—The terms “adult
10 education and literacy activities”, “career planning”,
11 “in-demand industry sector or occupation”, “indi-
12 vidual with a barrier to employment”, “local board”,
13 “recognized postsecondary credential”, “State
14 board”, “supportive services”, and “workplace learn-
15 ing advisor” have the meanings given such terms in
16 section 3 of the Workforce Innovation and Oppor-
17 tunity Act (29 U.S.C. 3102).

18 (b) ESTABLISHMENT.—

19 (1) IN GENERAL.—The Secretary shall establish
20 a pilot program to provide competitive grants to eli-
21 gible entities to establish job guarantee programs to
22 ensure that any individual within the area served by
23 the entity who applies for a job through the program
24 will be provided with employment as provided for in
25 this section.

1 (2) TERMINATION.—Funds provided for a job
2 guarantee program established under a grant under
3 this section shall terminate on the earlier of—

4 (A) the end of the 3-year period beginning
5 on the date of the award of the grant; or

6 (B) the date of any revocation of the
7 grantee as an eligible entity.

8 (c) JOB GUARANTEE PROGRAMS.—

9 (1) IN GENERAL.—A job guarantee program
10 meets the requirements of this subsection if the jobs
11 provided under such program—

12 (A) are available to all individuals who—

13 (i) are 18 years of age or older; and

14 (ii) reside in the area served under
15 the program at the time the area became
16 an eligible entity;

17 (B) are, with respect to individual partici-
18 pants, included as part of an established bar-
19 gaining unit and covered by any applicable col-
20 lective bargaining agreement in effect if simi-
21 larly situated employees are part of such unit
22 and represented by an exclusive bargaining rep-
23 resentative;

24 (C) are available for the duration of the
25 pilot program;

1 (D) provide a wage of not less than the
2 greater of—

3 (i) the wage rate determined for the
4 participant in accordance with paragraph
5 (3);

6 (ii) the wage rate specified in the ap-
7 plicable State or local minimum wage law;

8 (iii) the prevailing wage in the area
9 involved for a similar job as required by
10 chapter 67 of title 41, United States Code,
11 and other related laws; or

12 (iv) the applicable wage under an ap-
13 plicable collective bargaining agreement as
14 provided for under subparagraph (B);

15 (E) provide for coverage of the participant
16 under a health insurance program that is com-
17 parable to that offered to Federal employees
18 under the Federal Employees Health Benefits
19 Program established under chapter 89 of title
20 5, United States Code; and

21 (F) provide at a minimum—

22 (i) paid family leave consistent with
23 the provisions of S. 2823 introduced in the
24 119th Congress and applicable State law;
25 and

1 (ii) paid sick time consistent with the
2 provision of S. 1664 introduced in the
3 118th Congress and applicable State law.

4 (2) EXCEPTION.—Notwithstanding paragraph
5 (1)(A), a participant in a job guarantee program
6 may be disciplined, released, or suspended from fur-
7 ther participation in a job under the program if they
8 are determined to be negligent or generally disrupt-
9 tive to the workplace involved in accordance with
10 procedures established by the Secretary that provide
11 for an opportunity for a review of such determina-
12 tions.

13 (3) DETERMINATION OF WAGE RATE.—

14 (A) IN GENERAL.—The wage rate for a
15 participant under paragraph (1)(D)(i) is the
16 wage rate determined under the Fair Labor
17 Standards Act of 1938 (29 U.S.C. 201 et seq.)
18 for the participant as if S. 2823 introduced in
19 the 119th Congress were enacted on the date of
20 enactment of this Act.

21 (B) RULE OF CONSTRUCTION.—For pur-
22 poses of subparagraph (A), each reference to
23 the date of enactment of S. 2823 in such bill
24 shall be deemed to be a reference to the date
25 of enactment of this Act.

1 (d) OTHER USES.—Funds may be used to provide
2 workers in a job guarantee program with—

3 (1) supportive services, which can include trans-
4 portation, child care, dependent care, housing, and
5 needs-related payments, that are necessary to enable
6 an individual to participate in activities authorized
7 under this Act;

8 (2) access to a workplace learning advisor to
9 support the education, skill development, job train-
10 ing, career panning, and credentials required to
11 progress toward career goals of such employees in
12 order to meet employer requirements related to job
13 openings and career advancements that support eco-
14 nomic self-sufficiency;

15 (3) adult education and literacy activities, in-
16 cluding those provided by public libraries;

17 (4) activities that assist justice involved individ-
18 uals, formerly incarcerated individuals, and individ-
19 uals with criminal records in reentering the work-
20 force; and

21 (5) financial literacy activities including those
22 described in section 129(b)(2)(D) of the Workforce
23 Innovation and Opportunity Act (29 U.S.C.
24 3164(b)(2)(D)).

1 (e) APPLICATIONS.—An eligible entity seeking a
2 grant under this section shall submit an application to the
3 Secretary at such time, in such manner, and containing
4 such information as the Secretary may require and shall
5 include—

6 (1) a description of the geographic area and
7 population that the entity intends to serve under the
8 job guarantee program established under the grant,
9 including the area unemployment rate, underemploy-
10 ment rate, unemployment rate for individuals with
11 disabilities, poverty rate, housing vacancy rate, crime
12 rate, household income, home-ownership rate, labor
13 force participation rate, and educational attainment;

14 (2) to extent practicable, a description of the
15 jobs that will be offered under the job guarantee
16 program, including—

17 (A) a description of supports provided to
18 individuals with disabilities and accommoda-
19 tions required under the Americans with Dis-
20 abilities Act of 1990 (42 U.S.C. 12101 et seq.);
21 and

22 (B) a description of supports and proce-
23 dures to ensure job access and opportunities for
24 individuals with criminal records, including in-
25 formation on physical and programmatic acces-

1 sibility, in accordance with section 188 of the
2 Workforce Innovation and Opportunity Act (29
3 U.S.C. 3248), if applicable, and the Americans
4 with Disabilities Act of 1990, for individuals
5 with disabilities;

6 (3) the need in the area for jobs to be per-
7 formed, including for jobs designated as a high-skill,
8 high-wage, or in-demand industry sector or occupa-
9 tion by the Secretary, State board, or local board;

10 (4) a description of State, local, or philan-
11 thropic funding, including through coordination and
12 in-kind or non-financial support, if any, that will be
13 provided to assist in carrying out the job guarantee
14 program;

15 (5) an assurance that the eligible entity will es-
16 tablish—

17 (A) a public internet website, in conjunc-
18 tion with the Secretary, to post all available
19 jobs under the job guarantee program; and

20 (B) a process for individuals to apply for
21 such jobs;

22 (6) a comprehensive plan to describe how the
23 funding under the program will leverage existing or
24 anticipated local, State, and Federal funding;

1 (7) an assurance that necessary administrative
2 data systems and information technology infrastruc-
3 ture are available, or will be available, to provide for
4 full participation in the evaluation under subsection
5 (k);

6 (8) a description of how the eligible entity will
7 comply with the requirements described in sub-
8 section (c)(1)(F);

9 (9) an assurance that the entity will enter into
10 an allocation agreement with the Secretary under
11 subsection (k)(2)(A); and

12 (10) an assurance that energy and infrastruc-
13 ture jobs provided under the program will not exac-
14 erbate the impacts of climate change.

15 (f) SELECTION.—The Secretary, after reviewing ap-
16 plications from eligible entities, shall award grants under
17 this section to not more than 15 such eligible entities. In
18 awarding such grants, the Secretary shall consider diver-
19 sity in geographic location, urban-rural composition, and
20 political entity, including the representation of Tribal enti-
21 ties.

22 (g) AMOUNT OF GRANT.—

23 (1) ESTABLISHMENT OF FUND.—There is es-
24 tablished in the Treasury of the United States a sep-
25 arate account to be known as the “Job Guarantee

1 Program Trust Fund” (referred to in this section as
2 the “Fund”), consisting of—

3 (A) amounts deposited in the Fund under
4 subsection (o); and

5 (B) any interest earned on investment of
6 amounts in the Fund.

7 (2) USE OF AMOUNTS.—The Secretary shall use
8 amounts in the Fund to make payments to grantees
9 under grants under this section in accordance with
10 paragraph (3).

11 (3) PAYMENTS.—

12 (A) IN GENERAL.—The Secretary shall de-
13 termine the annual amount of a grant under
14 this section based on a formula to be developed
15 by the Secretary.

16 (B) PAYMENTS.—The Secretary shall
17 make payments to grantees under this section
18 in a manner determined appropriate by the Sec-
19 retary. The Secretary shall not make subse-
20 quent payments to a grantee after the initial
21 payment until the grantee certifies to the Sec-
22 retary that the grantee has expended, trans-
23 ferred, or obligated not less than 80 percent of
24 the most recent payment made under this sub-
25 section.

1 (h) LIMITATIONS.—An eligible entity may not use
2 amounts received under a grant under this section to—

3 (1) employ individuals who will replace, or lead
4 to the displacement of, existing employees, positions,
5 or individuals who would otherwise perform similar
6 employment, or impair existing contracts and collec-
7 tive bargaining agreements, as described in subpara-
8 graph (A) or (B) of section 181(b)(2) of the Work-
9 force Innovation and Opportunity Act (29 U.S.C.
10 3241(b)(2));

11 (2) perform functions otherwise prohibited by
12 Federal, State, or local laws; or

13 (3) carry out other prohibited activities, as de-
14 termined by the Secretary.

15 (i) FEDERAL PROVISION OF JOBS IN PILOT SITES.—

16 (1) GUIDANCE.—Not later than 30 days after
17 the date on which the Secretary awards the first
18 grant under this section, the Secretary shall—

19 (A) provide guidance to the heads of ap-
20 propriate Federal agencies to notify such agen-
21 cies of job guarantee programs established
22 under such grants; and

23 (B) request that such agencies notify the
24 Secretary, not later 30 days of the date on
25 which the guidance is received under subpara-

1 graph (A), of the number and types of jobs that
2 such agency would make available through each
3 of the programs.

4 (2) APPLICATION OF PROVISIONS.—Notwith-
5 standing the requirements of subsection (c) relating
6 to wages and benefits provided to participants in
7 jobs provided under job guarantee programs and the
8 limitations in subsection (h), an employer of a par-
9 ticipant in a job guarantee program funded under
10 this section that is a Federal agency may not employ
11 such a participant for more than 3 years while the
12 participant is enrolled in the program.

13 (3) LISTING OF JOBS ON WEBSITE.—The Sec-
14 retary shall establish procedures to ensure that jobs
15 identified under paragraph (1)(B) are listed on the
16 appropriate public internet website as provided for
17 under subsection (e)(5)(A).

18 (4) REIMBURSEMENT.—At the end of each fis-
19 cal year, the Secretary shall transfer from the Fund
20 to each Federal agency that employs individuals
21 under a job guarantee program under this section,
22 an amount necessary to reimburse such agency for
23 the full cost of employing each such individual dur-
24 ing such fiscal year.

25 (j) TRAINING.—

1 (1) IN GENERAL.—The Secretary shall develop
2 procedures to support not more than 8 weeks of paid
3 training (through privately or publicly funded train-
4 ing programs, such as those provided by the public
5 workforce system) to participants in order to per-
6 form duties required by job guarantee programs
7 under this section, including a new period of train-
8 ing, of not more than 8 weeks, before commencing
9 any new job under the program.

10 (2) SPECIFIC POPULATIONS.—In developing the
11 procedures under paragraph (1), the Secretary shall
12 provide that, with respect to individuals with a bar-
13 rier to employment, the training period described in
14 paragraph (1) shall prioritize specific job-related
15 training and counseling and other general skills
16 training to prepare such individuals to reenter the
17 workforce.

18 (k) PRIORITIES AND AUDITS.—

19 (1) PRIORITIES.—Before awarding the initial
20 grants under this section, the Secretary shall issue
21 a list of national job priorities relating to jobs that
22 may be carried out under job guarantee programs,
23 that shall include child care, care for seniors and in-
24 dividuals with disabilities, clean energy jobs, and
25 sustainable infrastructure activities. The Secretary

1 shall take State board and local board suggestions
2 into consideration when issuing such list.

3 (2) AUDITS.—

4 (A) IN GENERAL.—The Secretary, acting
5 through the Inspector General of the Depart-
6 ment of Labor, shall carry out annual audits of
7 the use of grant funds provided to eligible enti-
8 ties under this section.

9 (B) ALLOCATION AGREEMENTS AND MIS-
10 USE OF FUNDS.—

11 (i) ALLOCATION AGREEMENTS.—Each
12 eligible entity that receives a grant under
13 this section shall enter into an allocation
14 agreement with the Secretary that provides
15 that the Secretary shall recoup any
16 amounts paid to the entity under a grant
17 under this section if the results of an audit
18 under subparagraph (A) include a finding
19 that there was an intentional or reckless
20 misuse of such funds by such entity.

21 (ii) LOSS OF ELIGIBILITY.—An eligi-
22 ble entity that is determined to have fal-
23 sified or otherwise misstated data in any
24 report submitted to the Secretary with the
25 intent to deceive or mislead the Secretary

1 shall be ineligible to receive additional
2 funds under this section.

3 (1) REPORTS.—Not later than 90 days after the end
4 of each calendar year for which an eligible entity obligates
5 or expends any amounts made available under a grant
6 under this section, the eligible entity shall submit to the
7 Secretary a report that—

8 (1) specifies the amount of grant funds obli-
9 gated or expended for the preceding fiscal year;

10 (2) specifies any purposes for which the funds
11 were obligated or expended; and

12 (3) includes any other information that the Sec-
13 retary may require to more effectively administer the
14 grant program under this section, including related
15 to the indicators of performance under section
16 116(b)(2)(A)(i) of the Workforce Innovation and
17 Opportunity Act (29 U.S.C. 3141(b)(2)(A)(i)), with
18 the performance data disaggregated by race, eth-
19 nicity, sex, age, and membership in a population
20 specified in section 3(24) of such Act (29 U.S.C.
21 3102(24)).

22 (m) EVALUATION.—The Chief Evaluation Officer at
23 the Department of Labor shall provide for the conduct of
24 an evaluation of the pilot program established under this
25 section, using a rigorous design and evaluation methods

1 to assess the implementation of the programs and their
2 impact on—

3 (1) overall employment, public-sector employ-
4 ment, and private-sector employment;

5 (2) private sector employment, wages, and ben-
6 efits;

7 (3) the poverty rate;

8 (4) public assistance spending and other Fed-
9 eral spending in the area served by the program;

10 (5) child health and educational outcomes;

11 (6) the health and well-being of those with men-
12 tal, emotional, and behavioral health needs;

13 (7) incarceration rates;

14 (8) the environment, including air quality and
15 water quality;

16 (9) the indicators of performance as described
17 in subsection (l)(3); and

18 (10) other economic development and individual
19 outcome indicators, as determined by the Secretary.

20 (n) EXPANSION OF WORK OPPORTUNITY CREDIT TO
21 INCLUDE PARTICIPANTS IN JOB GUARANTEE PRO-
22 GRAMS.—

23 (1) IN GENERAL.—Subsection (d) of section 51
24 of the Internal Revenue Code of 1986 is amended—

25 (A) in paragraph (1)—

1 (i) in subparagraph (I), by striking
2 “or” at the end;

3 (ii) in subparagraph (J), by striking
4 the period at the end and inserting “, or”;
5 and

6 (iii) by adding at the end the fol-
7 lowing new subparagraph:

8 “(K) a qualified participant in a job guar-
9 antee program.”; and

10 (B) by adding at the end the following new
11 paragraph:

12 “(16) QUALIFIED PARTICIPANT IN A JOB GUAR-
13 ANTEE PROGRAM.—The term ‘qualified participant
14 in a job guarantee program’ means any individual
15 who is certified by the designated local agency as
16 having participated in a job guarantee program
17 under section 2 of the Federal Jobs Guarantee De-
18 velopment Act of 2026 for not less than 3 months
19 during the 6-month period ending on the hiring
20 date.”.

21 (2) EFFECTIVE DATE.—The amendments made
22 by this subsection shall apply to individuals who
23 begin work for the employer after December 31,
24 2026.

1 (o) APPROPRIATIONS.—There are appropriated to the
2 Secretary such sums as may be necessary to carry out this
3 section.

○